



# Crossing the Digital Radio Divide

Bite Sized Thought Piece

**2011**

**John Carroll, Senior Director at Ipsos MediaCT, provides a status report on radio's progress towards a digital Britain.**

## **People who have DAB love it**

DAB digital radio listening is an important factor when it comes to the Government deciding when to carry out the switchover from analogue to digital radio broadcasting. The latest published set of RAJAR results (Q4 2010) shows that over a third of the UK adult 15+ population (18.5m) have a DAB digital radio set in their household. Ipsos MediaCT conducted some research of its own on DAB radio purchase intentions, interviewing 1,006 adults aged 15+ between 27 August and 2 September 2010.

On the surface, the results appear polarised when it comes to purchase intentions. Just under half (46%) of adults say that it is likely that the next radio they buy will be a DAB digital radio set – including 27% saying very likely; however, a similar proportion (47%) say it is not very or not at all likely that the next set will be DAB.



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The profile of potential DAB radio adopters is skewed towards those who are male, aged 45-64, social grade AB and own a DAB set already. In fact, DAB ownership is an important factor in purchase intention with those having already embraced the digital concept being more pre-disposed to getting a DAB set again. In fact, three-quarters (76%) of those who already have a DAB set in the household say it is likely that their next set will be DAB - compared with 30% of those who currently do not have one. So, in the main those who have DAB are happy with their sets and enjoy all the benefits they bring. They just need to talk to those who have not yet got one – and there is the challenge for the industry.

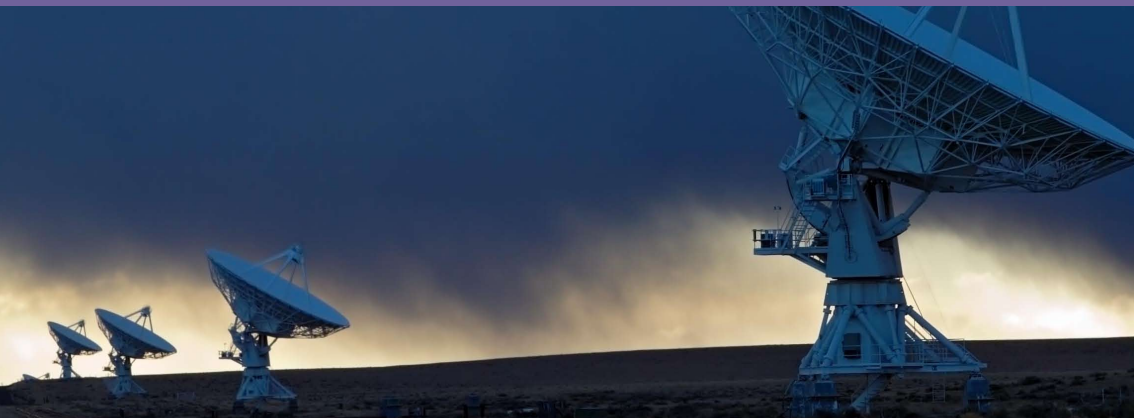
## **Increasing the conversion to digital**

Digital radio's share of listening currently stands at 25%, exactly half way to the 50% required for the switchover. This is a significant milestone and arrives on the back of increasing year on year growth since 2008 (10%, 14% and 20% increase respectively). Of course, more needs to be done to convert analogue radio listeners over the divide to digital - for example, improving transmitter coverage,

putting DAB radio as standard in cars, bringing prices down, launching the cross-industry online Radioplayer and some expert marketing and communications will all help. But at the end of the day, it will be the listener who decides and our research suggests that, for half of the population at least, converting may take a bit longer.

That all said, a reasonably positive outlook for digital radio was presented at last year's Radio Festival. In Salford Quays we heard that the industry still faces a number of challenges regarding the digital switchover targeted for 2015, but that progress is being made. For example, car and mobile phone manufacturers are already putting DAB onto certain models and every new car sold from 2013 will come with DAB radios as standard. This would provide a welcome boost to the nation's digital listening figures, accepting that it would take a few years for analogue listening to work its way out of the second-hand car market. Nevertheless, if every car today had DAB, then we would expect to see a jump in digital radio's share of listening from 25% to 40%.

We also heard that national DAB transmitter coverage is at 93% of the UK and



the estimated £100m transmitter coverage build out is well under way. However, a major issue for broadcasters, particularly local radio, is the not inconsiderable additional cost of funding dual (analogue and digital) transmission. Which brings us back again to the issue of money – a sensitive subject for both the industry and the listener.

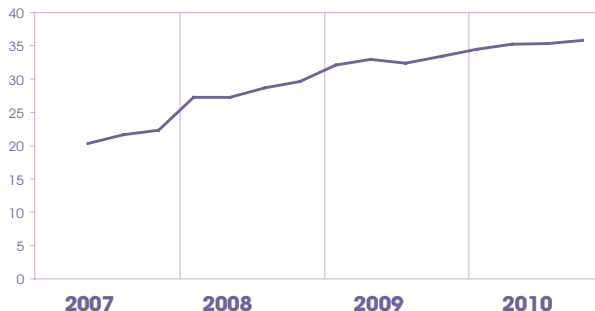
## Will Santa help?

Returning to the issue of purchasing DAB radios, trend analysis of RAJAR data shows that the percentage of adults owning DAB radios often records a step-change uplift at the start of each year, following what is known as the 'Christmas effect'. This is a useful statistic as it correlates with that of DAB radio listening.

So, all eyes will be looking ahead to the next set of RAJAR results on 12 May for an update on digital listening levels and who got DAB radios for Christmas (or maybe who got eReaders or iPads instead). It will be the biggest indicator yet on how well the industry's push is working and whether we are looking at 2015, 2017 or perhaps a 2020 vision for digital radio.

### DAB Radio Ownership

% of all adults



Source: RAJAR



## About Ipsos MediaCT

Ipsos MediaCT plays a prominent role within media and communications research, holding key industry audience measurement contracts and conducting bespoke research to assist their clients in informing their strategic decisions. We help clients make connections in the digital age, as leaders in providing research solutions for companies in the fast-moving and rapidly converging worlds of media, content, telecom and technology. Using a wide variety of research techniques, we help individual media owners, content owner studios, technology companies, agencies and advertisers address issues such as editorial and programming, advertising, audience profiling and music tastes, market positioning, piracy, high definition and theatrical markets, new product and programme development and license applications.

**Winner - 2010 MRG Awards: Best Research Team - Research Supplier**

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