



DAB+ - the future of radio

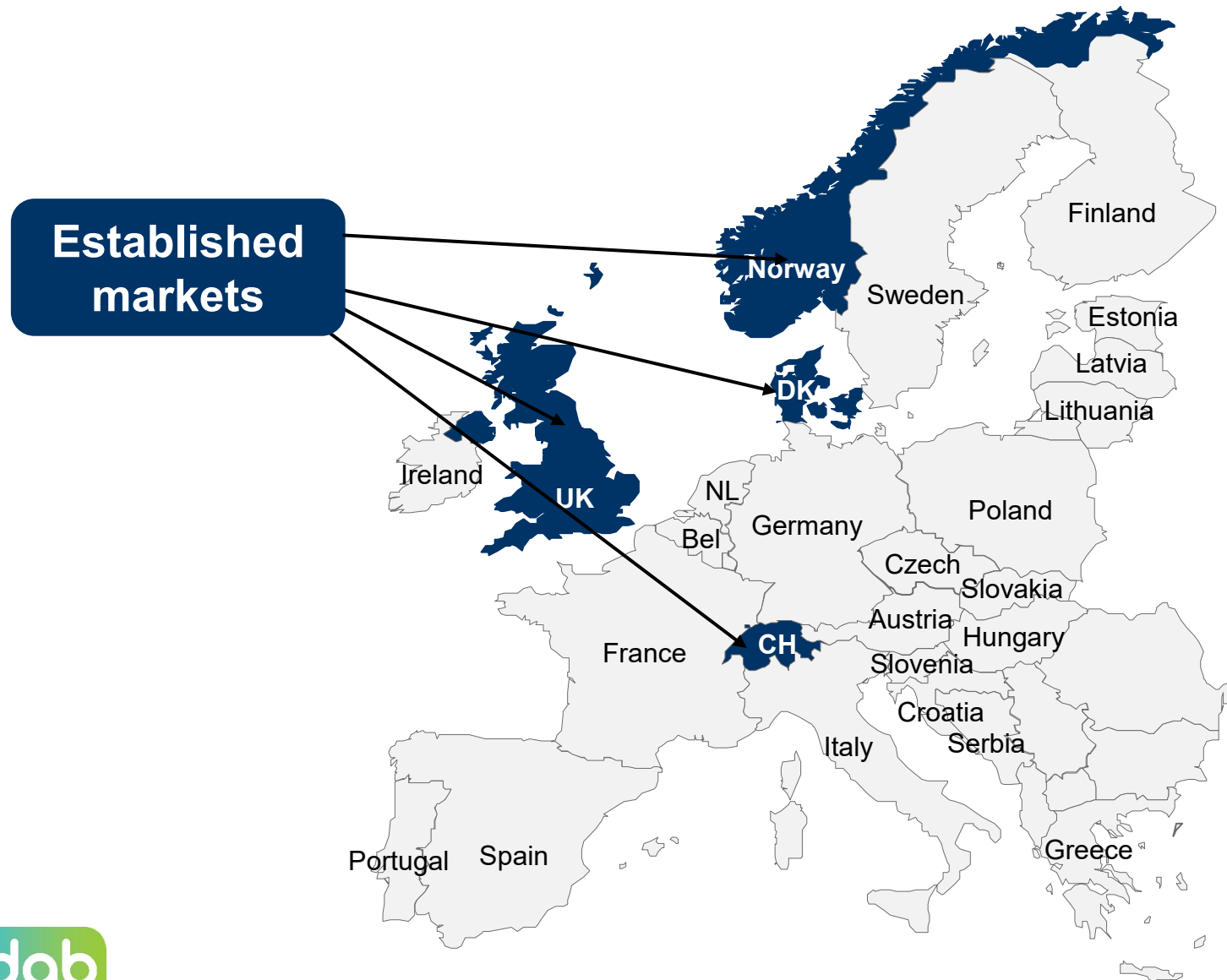
Patrick Hannon, President, WorldDAB

Paris, 25 January 2019

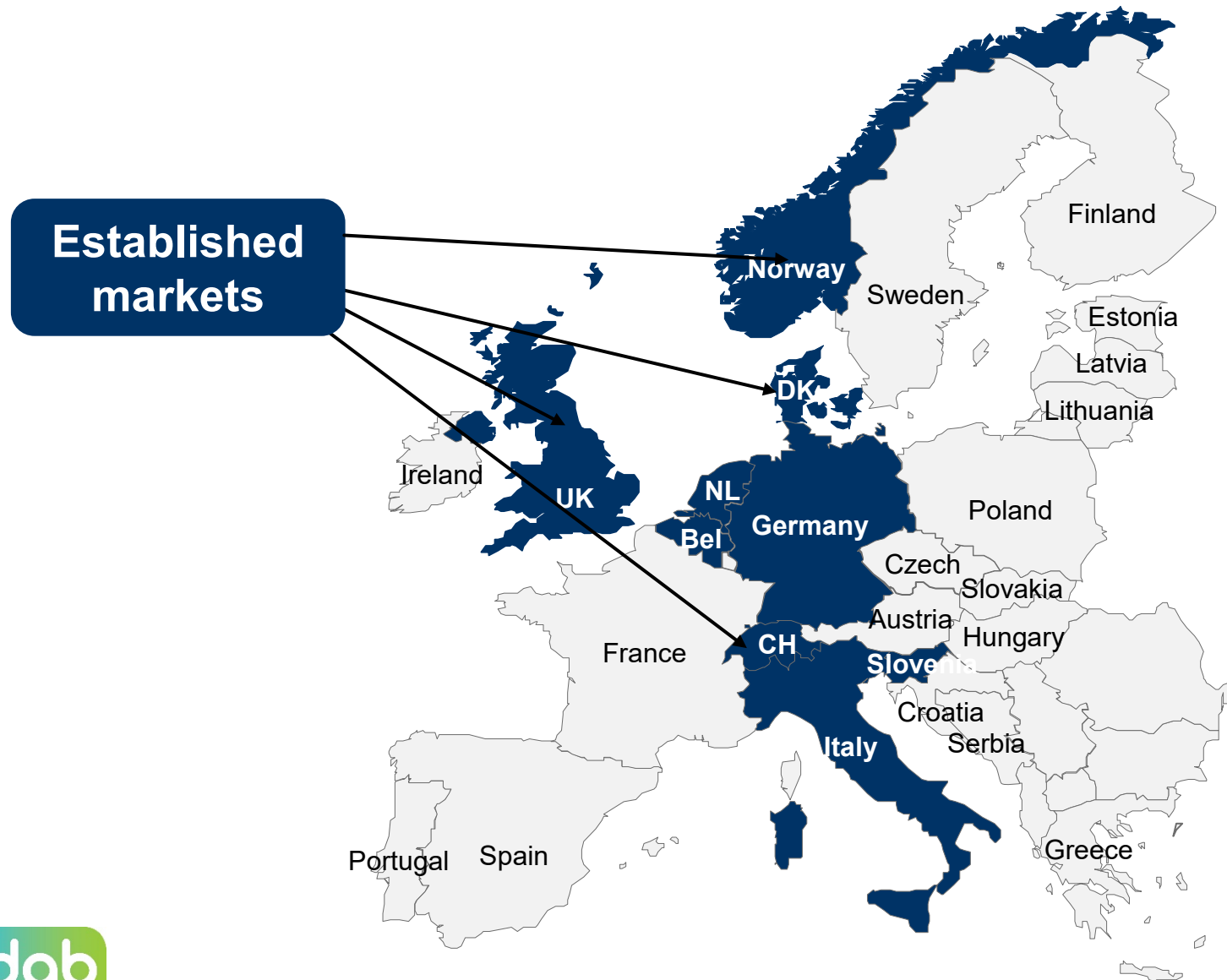
A digital radio wave is moving across Europe



Ten years ago, four DAB markets in Europe



In 2011, Germany started a second wave



- Germany: 2011
- NL: 2013
- Italy: 2014
- Slovenia: 2016
- Belgium: 2018

Today: DAB established across the continent

- *Established*
- *On the move*
- *Trials*



First countries are switching off FM



Norway: 2017



Switzerland: 2020-24

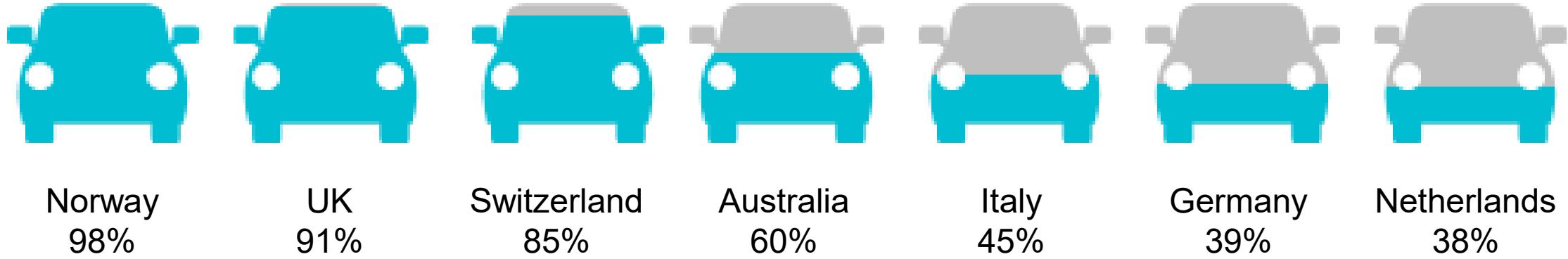
Receivers are now mass market



- Over 70 million receivers sold*
- Prices from €20



Growing number of new cars with DAB



European markets are adopting the international DAB+ logo



EU support for digital radio



European Electronic Communications Code

- All new car radios in EU able to receive digital terrestrial radio
- Adopted December 2018 – implementation within two years
- Member States free to introduce own rules for consumer devices

First countries introducing national legislation



Italy: law that all new receivers sold to consumers must be digital from 1 January 2020 (consumer and automotive)¹



France: following CSA confirmation on 20 Dec 2018², all new receivers must offer DAB+

- within three months, new consumer radios capable of displaying multimedia content:
- within 12 months, all other new radios (except automotive radios)
- within 18 months, automotive radios



What is driving these changes?

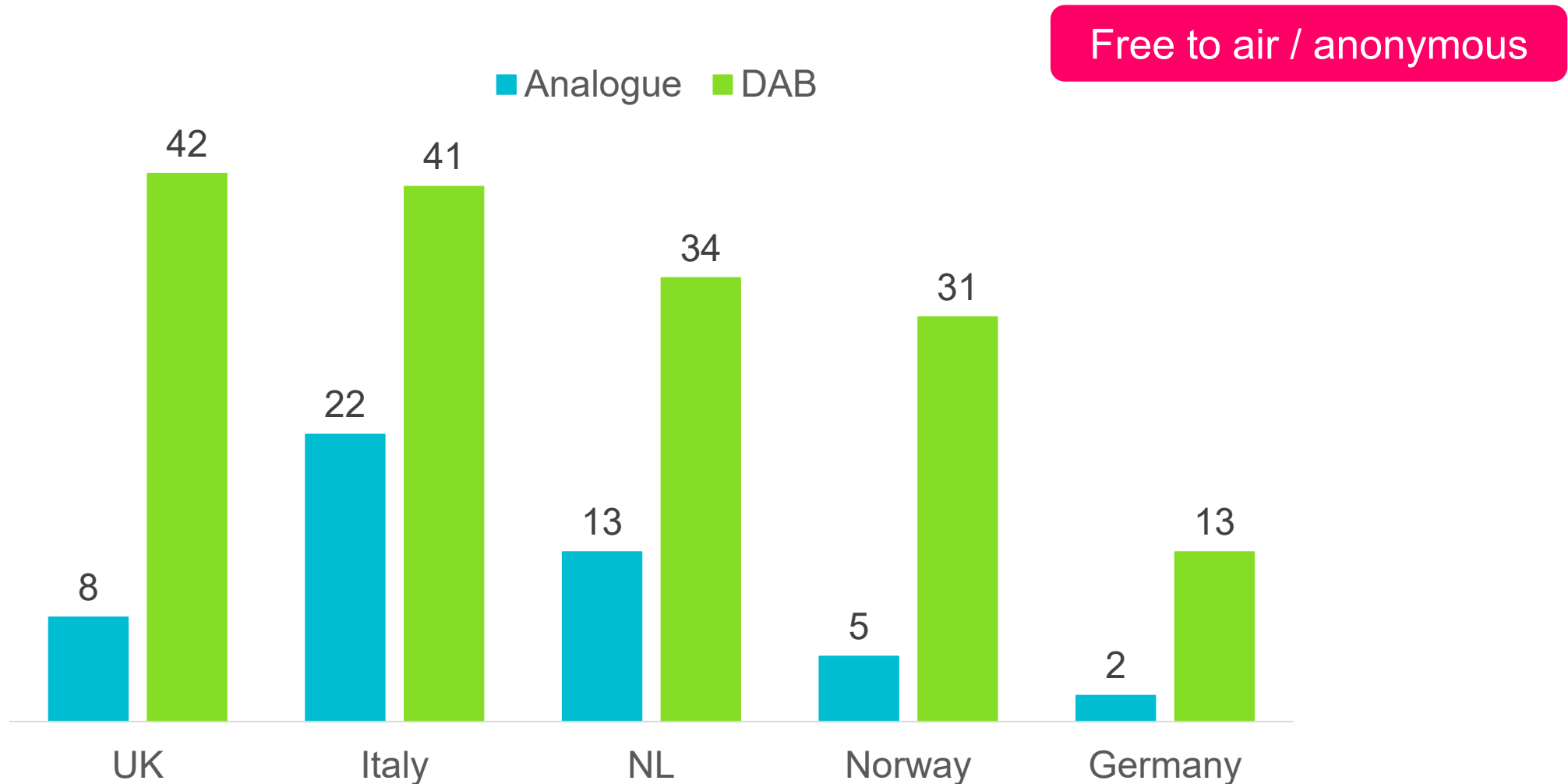
Radio plays a key role in the lives of European citizens



- 85% of Europeans listen to radio each week
- Radio is most trusted medium for EU citizens
- In world dominated by tech giants, radio needs to innovate to remain relevant

DAB+ offers greater choice – up to six times as many services

National radio services



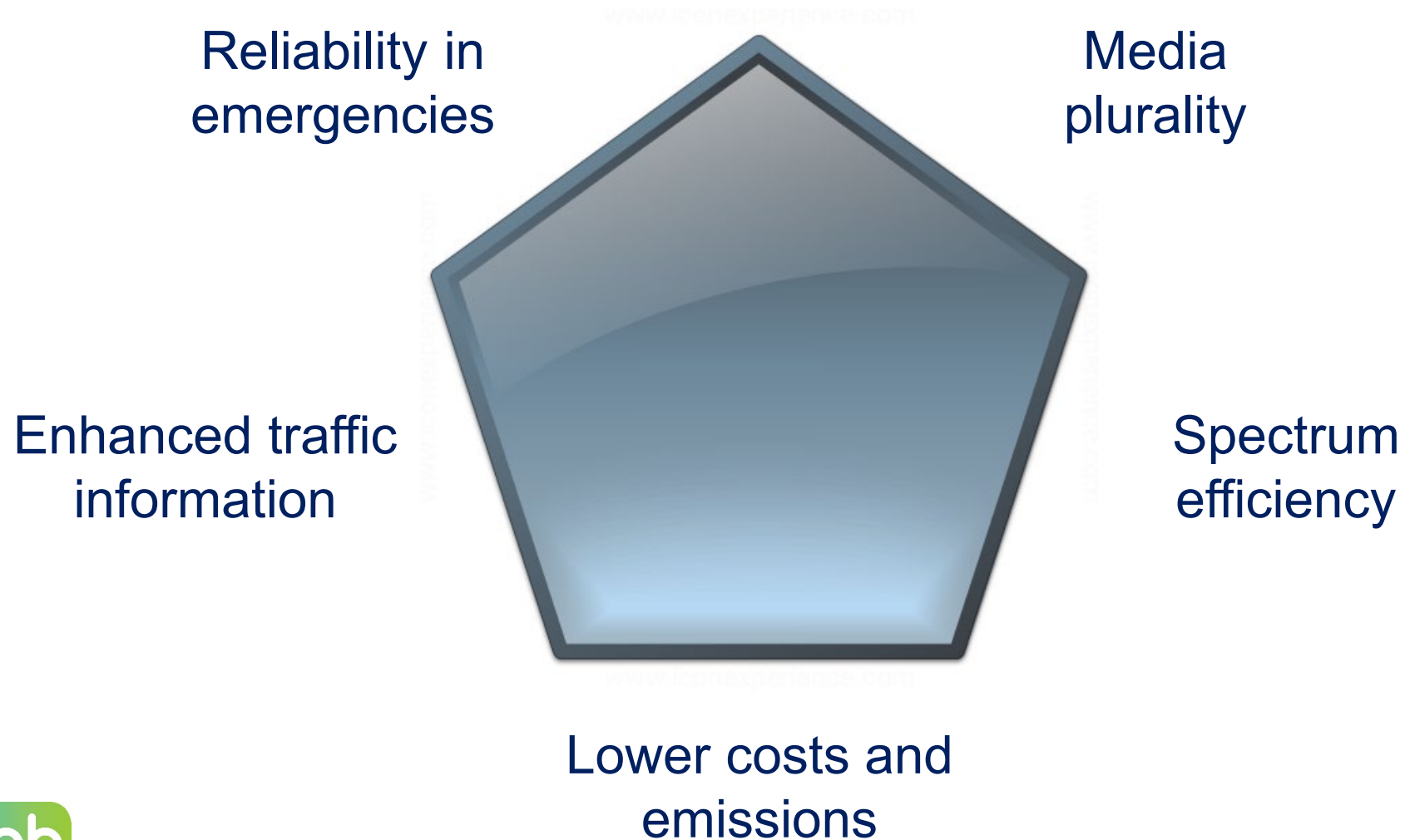
DAB offers clearer sound - particularly where FM is overcrowded



DAB offers data and colour images



DAB delivers benefits for society

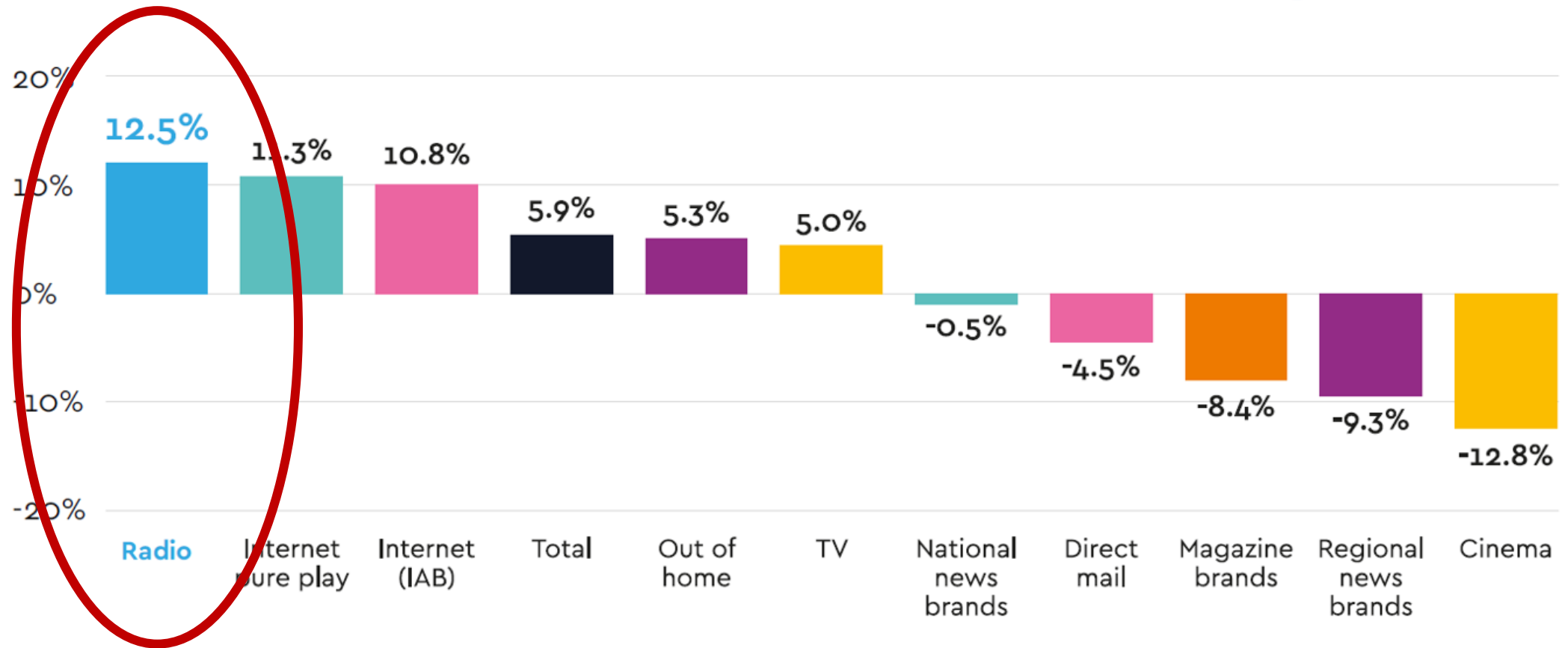




What is the impact on broadcasters?

In the UK, commercial radio is the fastest growing advertising medium

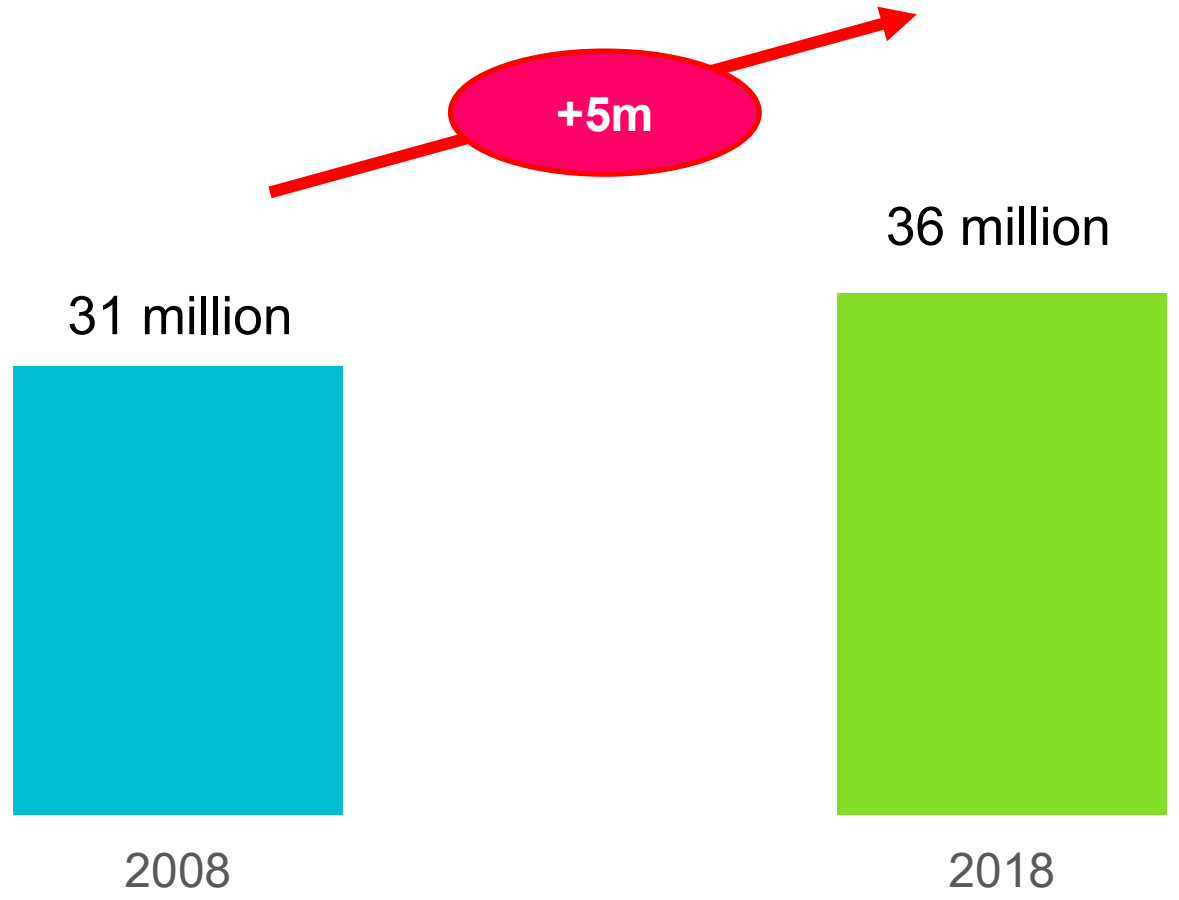
Annual % change in UK advertising expenditure by medium, Q1 2018





Key driver is audience growth

Weekly audience for commercial radio, UK



National brands at the heart of this success



Extending geographic coverage



- London-based news / talk station
- Went onto national DAB in Feb 2014
- Weekly audience up 60%
 - Q3 2013: 1.3 million
 - Q3 2018: 2.1 million

Brand extensions play key role

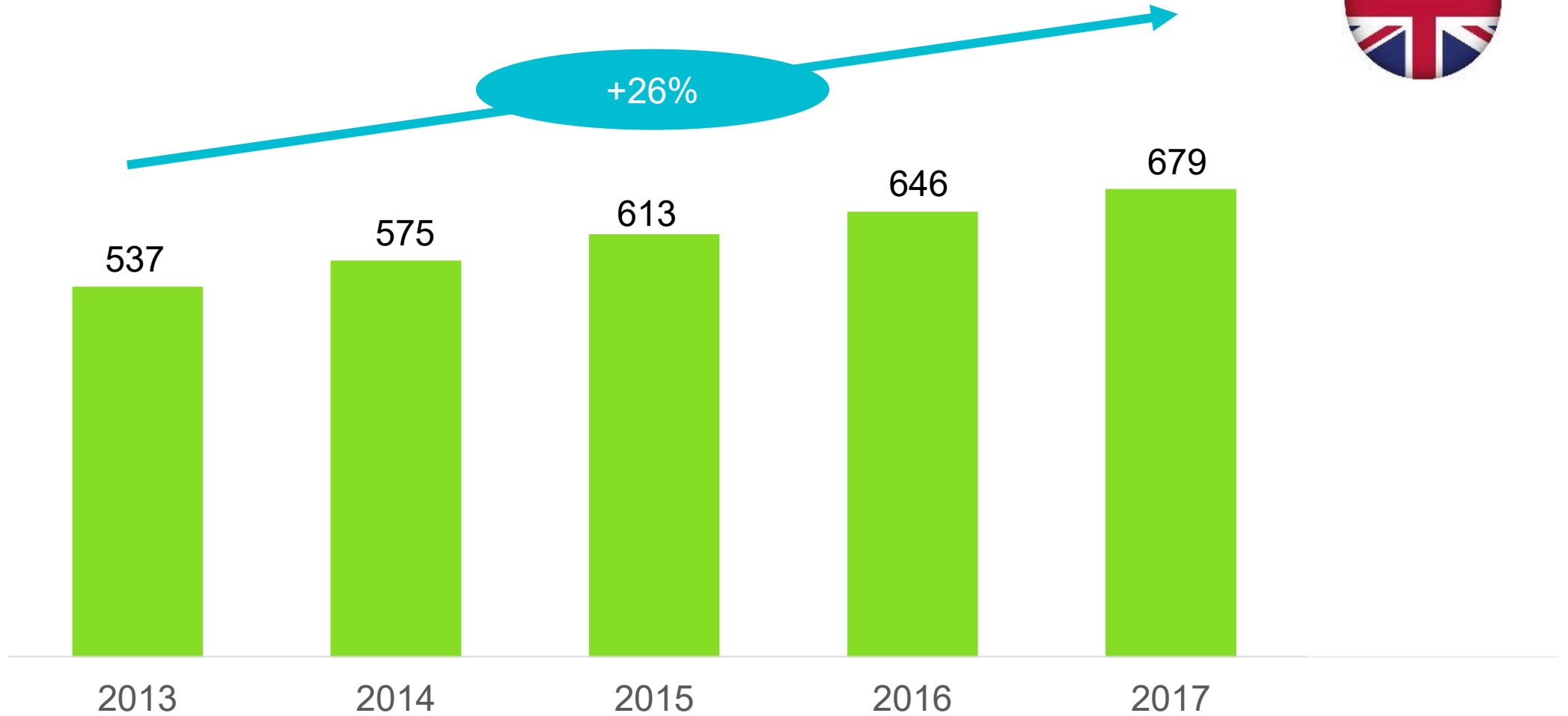


Weekly audience

- 2010: 1.7m
- 2018: 4.9m

National stations are driving commercial revenues

UK radio advertising revenues, £ million

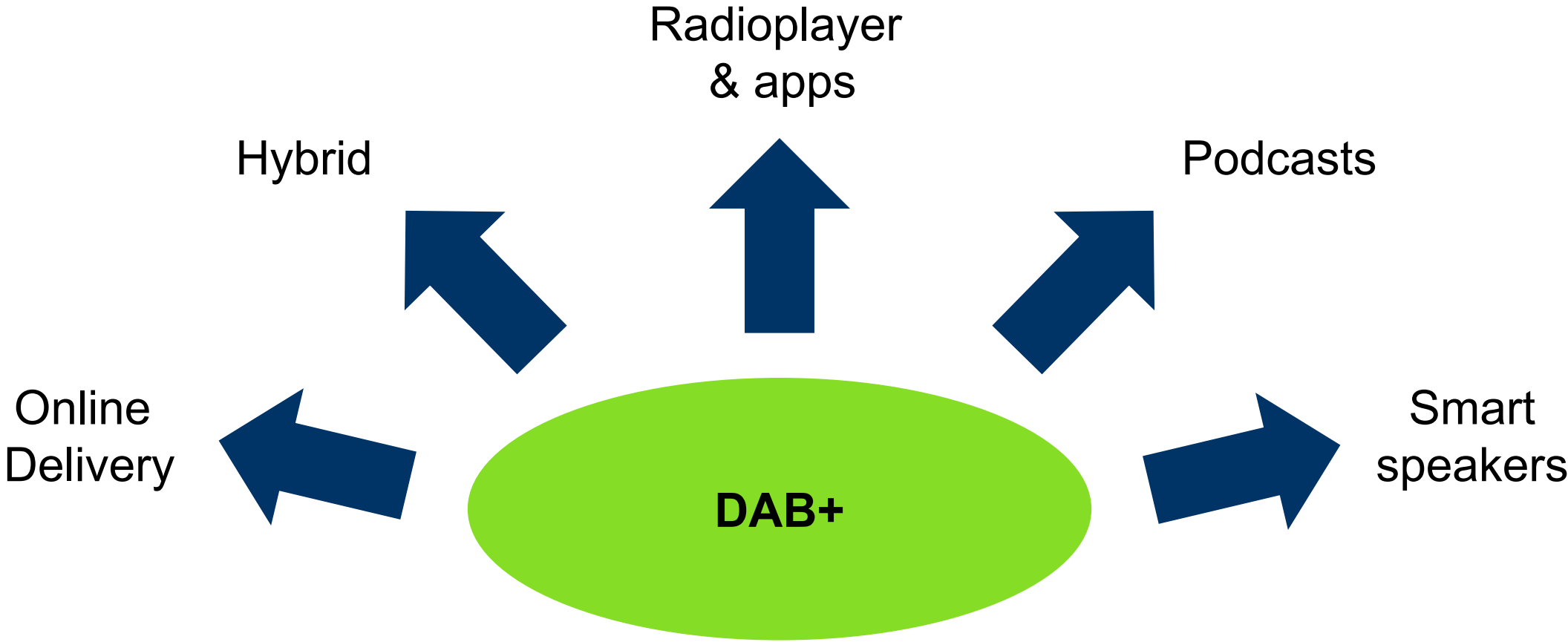




Lessons learnt



Radio needs a multiplatform strategy – with digital broadcast at its heart



Clear conditions for success

The Five Cs





Industry body should play important role

Who?

Involve stakeholders from across radio ecosystem

Strategy

Develop roadmap and timetable

Execution

Work together to promote digital radio - to retailers and consumers



Conclusions

- 1 DAB+ is the core future platform for radio in Europe
- 2 Clear benefits for listeners and the radio ecosystem: greater choice, clearer audio, data services, revenues
- 3 Industry body is key element in building success

Thank you
Merci