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Radio industry releases first official digital radio data

The first official data relating to digital radio broadcasts in Australia was released by Commercial Radio Australia (CRA) today, showing six months after the consumer launch of digital radio in the five state metropolitan capitals of Sydney, Melbourne, Brisbane, Perth and Adelaide, there are 449,000 people listening to digital radio in an average week, around 104,000* digital radios in the market and 80% of people who own a digital radio would recommend it to a friend.

The Digital Radio Industry Report released by CRA includes data from the official radio industry audience measurement survey company, the Nielsen Company, consumer electronics market research company, GfK, and market researcher, the Hoop Group.

Commercial Radio Australia chief executive officer, Joan Warner said: "The market information in the Digital Radio Industry Report has exceeded the industry's initial expectations. Initial predictions were up to 50,000 receivers sold in the first 12 months. Permanent high power digital radio services have only been on air for a short time and we are very pleased with these initial results," Ms Warner said.

"The report gives us a basis on which to work for the continued marketing, promotion, development and growth of digital radio across Australia," Ms Warner said.

The main findings from recent consumer research** commissioned by CRA show:

- 63% of Australians are aware that DAB+ digital radio has launched in Australia
- 38% of people in metropolitan areas are likely to purchase a digital radio in the next 12 months.
- 80% of people who own a digital radio would recommend it to a friend
- 69% of people who own a digital radio believe it has delivered on expectations
- 74% of people are willing to spend between \$50-\$200 for a digital radio device
- 71% of digital radio owners purchased for the digital quality sound

Platform of listening was introduced to the industry's radio audience measurement system in January 2009 to track listening on analogue radio devices, DAB+ digital radio devices and via the internet.

In Survey 1, 2010, in an average week nearly 95% of people in the five state capital cities listened to radio. Of those, 3.7% people listened to radio via the DAB+ digital radio platform and radio listening via the internet was 4.2%.

Radio listening on the internet attracted a slightly higher cumulative audience (504,000) than digital radio but the time spent listening on the DAB+ digital platform is higher at 8 hours and 16 minutes each week, compared to the internet listening at 5 hours and 31 minutes.

"We have to remember digital radio is a new technology, the internet has been available as an alternative way to listen to broadcast radio for many years and already digital radio time spent listening is greater than time spent listening via the internet platform," Ms Warner said.

The report also shows that radio broadcasters have launched up to 16 new DAB+ only services in each market. Of all the people listening on the DAB+ platform, 20% were listening to the new DAB+ only stations launched by broadcasters.

“This industry data is obviously being made available very early in the life of digital radio but the industry is keen to ensure that data in relation to digital radio was measured from the outset of the technology so that we can look back in ten years and see how far we’ve come,” Ms Warner said.

“There are areas for further work like the introduction of digital radio into all cars as standard and the roll-out of digital radio to regional areas so all Australians can access this great medium. The industry will work hard to ensure these next steps come to fruition,” Ms Warner said.

The Digital Radio Industry Report can be downloaded from www.digitalradioplus.com.au by simply clicking on the Digital Radio Industry Report ticker on the home page.

Please note: Commercial Radio Australia chief executive officer, Joan Warner will present more details of the Digital Radio Industry Report in her presentation at the Australian Broadcast Summit on **Tuesday, 23 March at 2pm** at the Sydney Convention Centre.

BACKGROUND

Digital Radio in the UK

The less spectrum efficient DAB digital radio launched in the UK in 1999. Data was not tracked, collected or published until 2003 when data indicated there were 250,000 radios sold. Reporting of DAB listening figures from the UK did not begin until 2007 when DAB listening was split from overall digital listening (which included DTV and internet). As of Feb 2010 (10 years after switch on) DAB’s share of listening is 13.7% and 10m DAB radios have been sold.

Information sourced from Digital Radio UK, RAJAR - Radio Joint Audience Research measures and profiles the audiences of UK radio stations and WorldDMB.

Digital Television in Australia

Digital television launched in Australia in 2001. New digital only television channels commenced with ABC2 in 2005, followed by commercial digital television channels in 2009. Digital television audience measurement commenced on the 27 December 2009.

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*In the supply chain (chip maker, manufacturer, retailer) supported by GfK sales data, feedback from manufacturers and recent reports stating Frontier Silicon (80-90% of DAB+ chip market) have shipped more than 100,000 DAB+ chips for the Australian market. See Digital Radio Industry Report for further detail.

**research conducted by Hoop Group in late 2009 and early 2010 which surveyed nearly 2,000 metropolitan radio listeners.

For further information on digital radio visit: www.digitalradioplus.com.au