

Digital radio sales reach 20 million

19 January 2015

Digital Radio sales have reached the 20 million mark since the launch of the technology. This number includes all devices – traditional radios, but also audio home systems, tuners, amplifiers, receivers, car audio and all other devices with integrated tuner and is based on both DAB and Internet radio sales.

20 million devices is a significant landmark for digital radio devices. Despite sales of digital radio devices slowing down in the last couple of years, digital radio listening is increasing. Looking at the sales of other 'connected' devices that may also be used for digital radio listening, there is a clear trend of growth. In particular, the emerging segment of connected or multi-room network systems, which have established their presence in our homes and cumulative sales are now exceeding 1 million devices. The majority of these devices make access to internet radio stations easy, through a pre-set list of stations accessible via the home Wi-Fi. Although not having an integrated digital radio tuner as such, these devices open the world of internet radio to many new users.

Another trend from the last year is the strengthening of the DAB+ sales. With the Digital Tick introduction in 2014, endorsing DAB+ devices as the future proof technology, sales of DAB+ devices outpaced DAB only, growing by 8% year-on-year (by comparison, DAB only devices have declined by 16% in volume on 2013 sales). DAB+ sales have been particularly strong in the second half of the year with November and December growing by nearly 30% on average as compared to last two months of 2013. The availability of DAB+ models selling in the market has also increased – in 2014 there were 375 DAB+ models available, growing by 34% on last year. At the same time the available DAB only models have dropped in number by almost 10% to 397, and again by December 2014, DAB+ devices available for sale in Britain outnumbered DAB only.

A key challenge ahead of digital radio switchover remains the car audio aftermarket. Currently the DAB Car Audio aftermarket sales are very small – in 2014 they only accounted for 3% of all DAB sales in Great Britain and the cumulative sales since 2003 are still under 300 thousand units. 2014 however brings some positive news with the overall DAB Car Audio Headunits & Adaptors segment growing year-on-year by 10% in volume.

Prepared by: Zhelya Dancheva, Senior Account Manager, Consumer Electronics, <u>zhelya.dancheva@gfk.com</u>, +44 (0)20 7890 9652, www.gfk.com/uk, www.twitter.com/gfk_en