

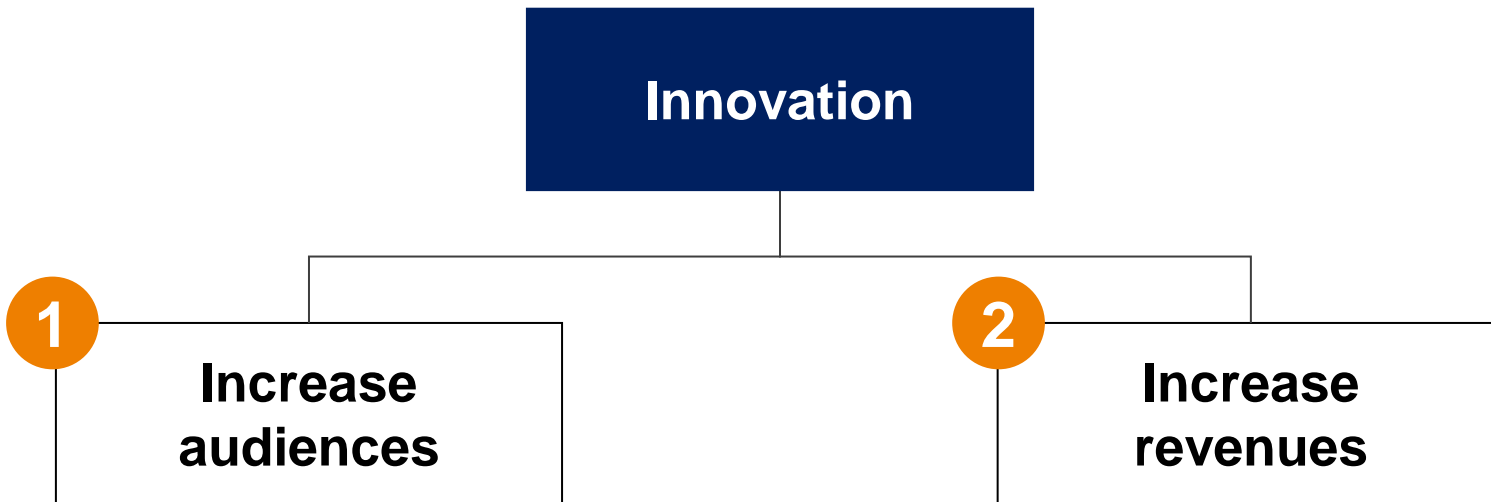
# Business case for DAB+

Patrick Hannon

*Istanbul: 14<sup>th</sup> June 2014*

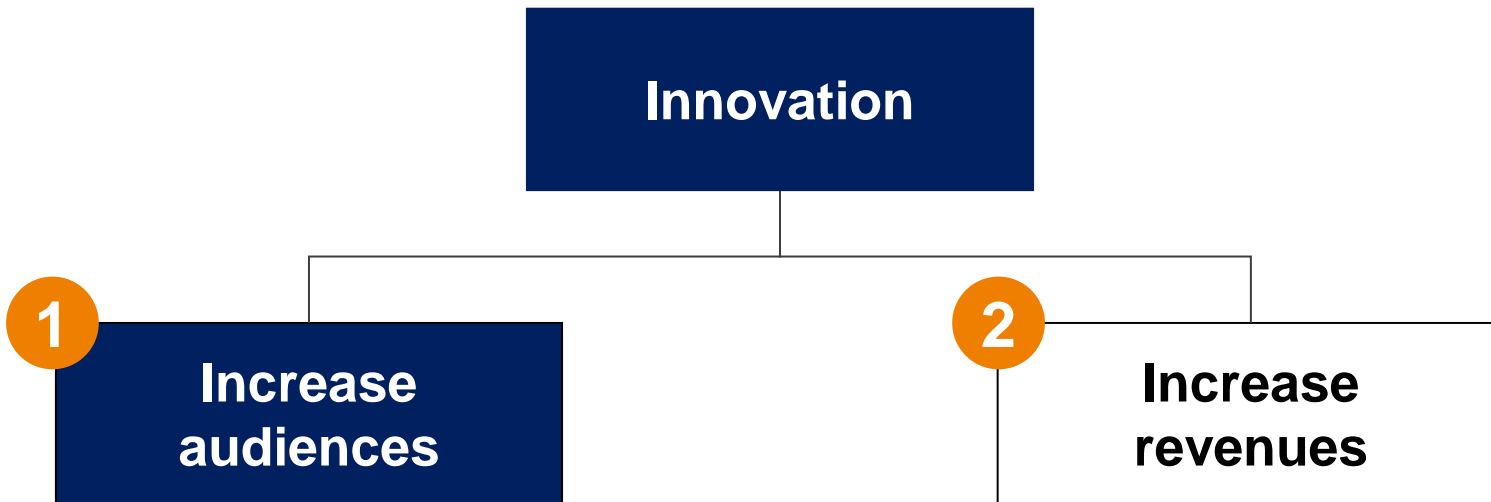
# How can digital radio build value for broadcasters?

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# How can digital radio build value for broadcasters?

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# Potential for new services

## Sydney analogue services



17 services on AM and FM

## Sydney digital services



Over 40 on DAB+

# New services - music

UK



*Classic Rock*

Australia



*Unsigned bands*

Germany



*Electronic music*



*Decade*



*Country*



*Classical*

# Specialist speech services – e.g. sports or archive

## Sport



BBC  
RADIO



- *Germany: live football*
- *UK: digital-only sports channel – e.g. tennis, Formula One*

## Science



- *Germany: higher education for younger audiences*

## Drama & comedy

BBC  
RADIO



- *UK: archive from the BBC*

# Potential to extend geographic reach

## Energy on FM



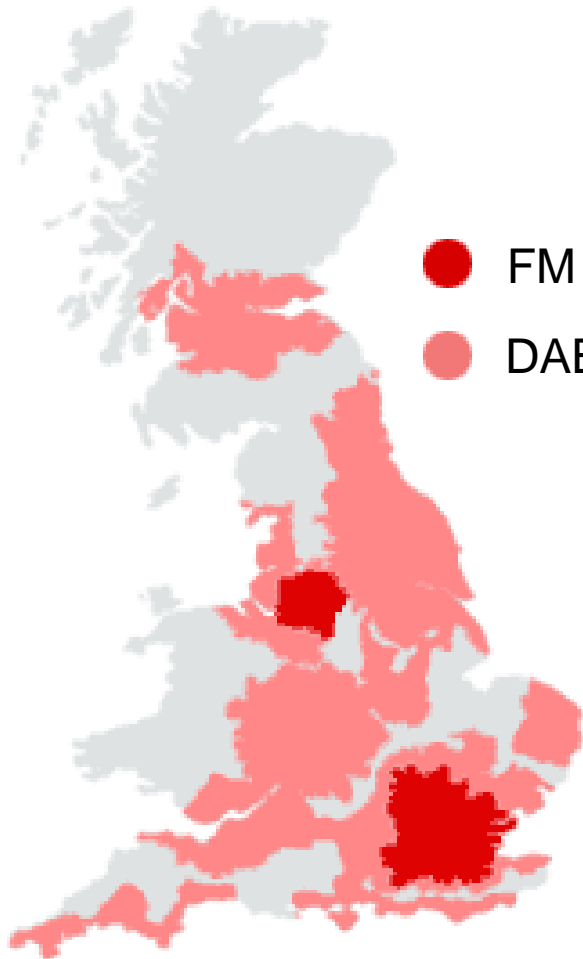
## Energy on DAB+



# Extra coverage delivers increased audiences

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## XFM – UK coverage



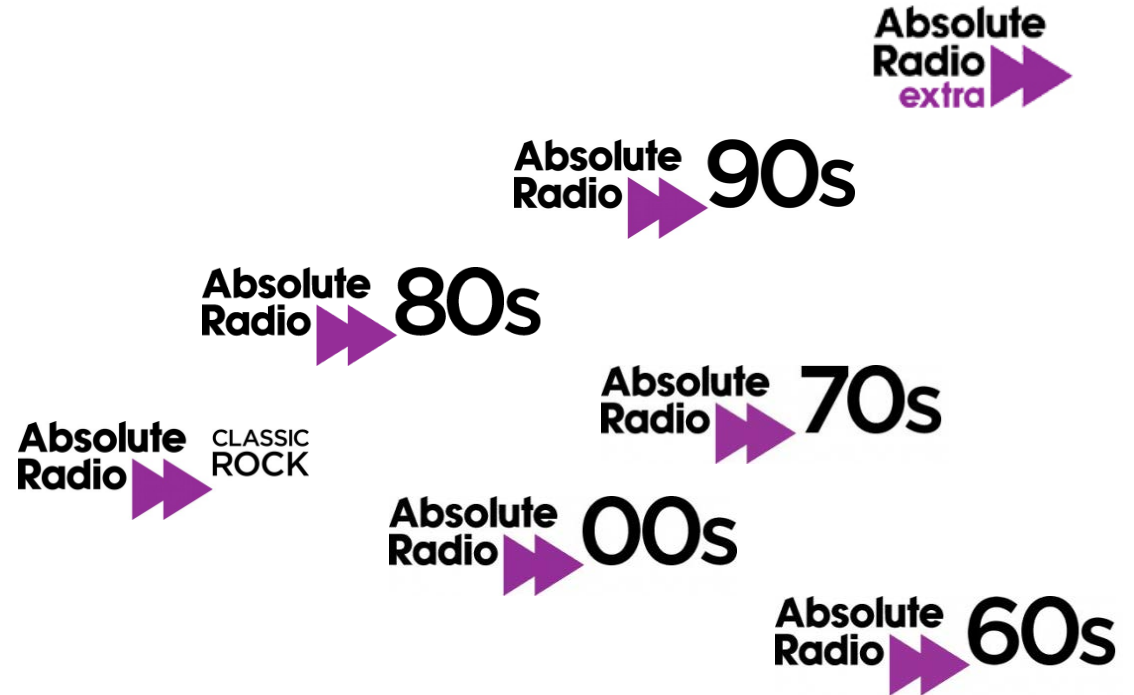
- FM and DAB
- DAB only

- XFM on FM
  - London & Manchester
  - 14m population
- XFM on DAB
  - many regions
  - 40m population
- Listening up 22%



# Extend the brand portfolio

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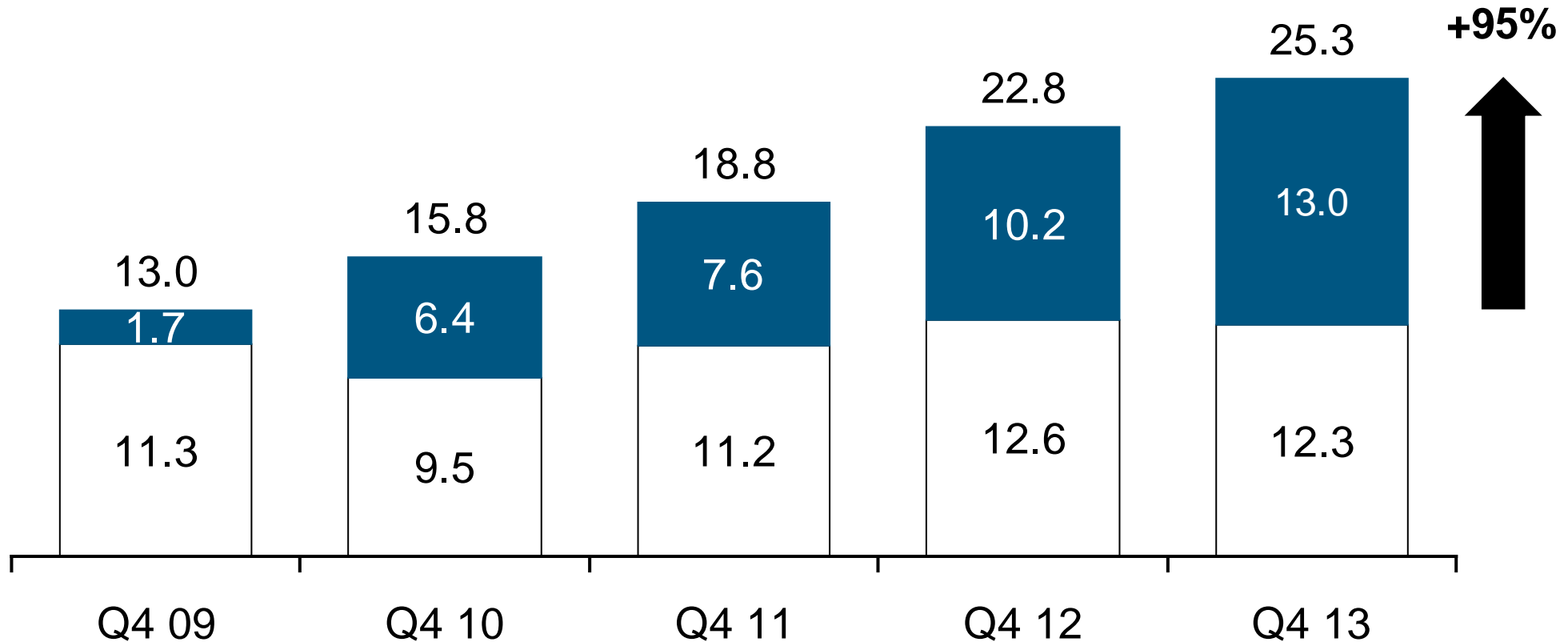
*Analogue and digital*

*Digital-only services*

# Absolute's listening hours - up 95%

## Weekly listening hours, m

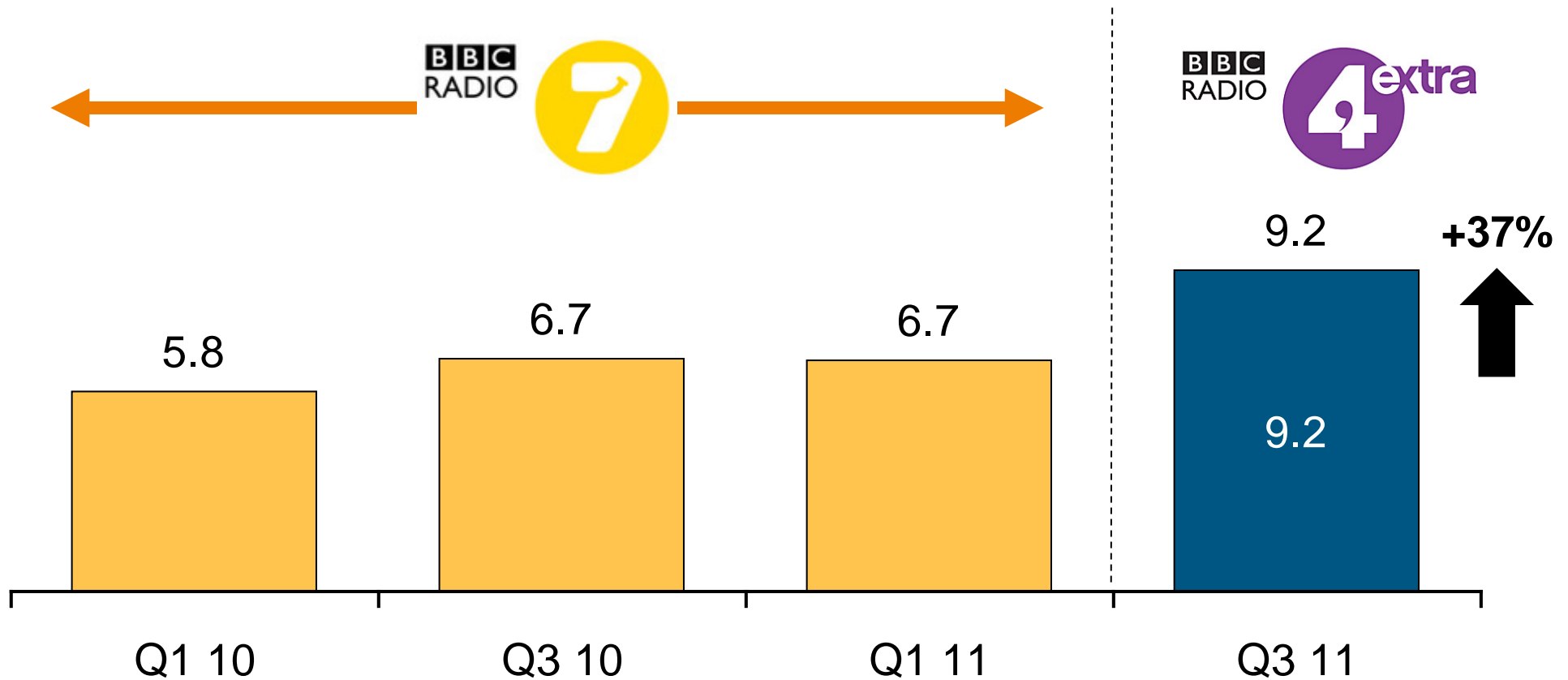
□ Absolute Radio (core service) ■ Absolute digital-only services



# Rebranding as “Radio 4 Extra” added 37% listening

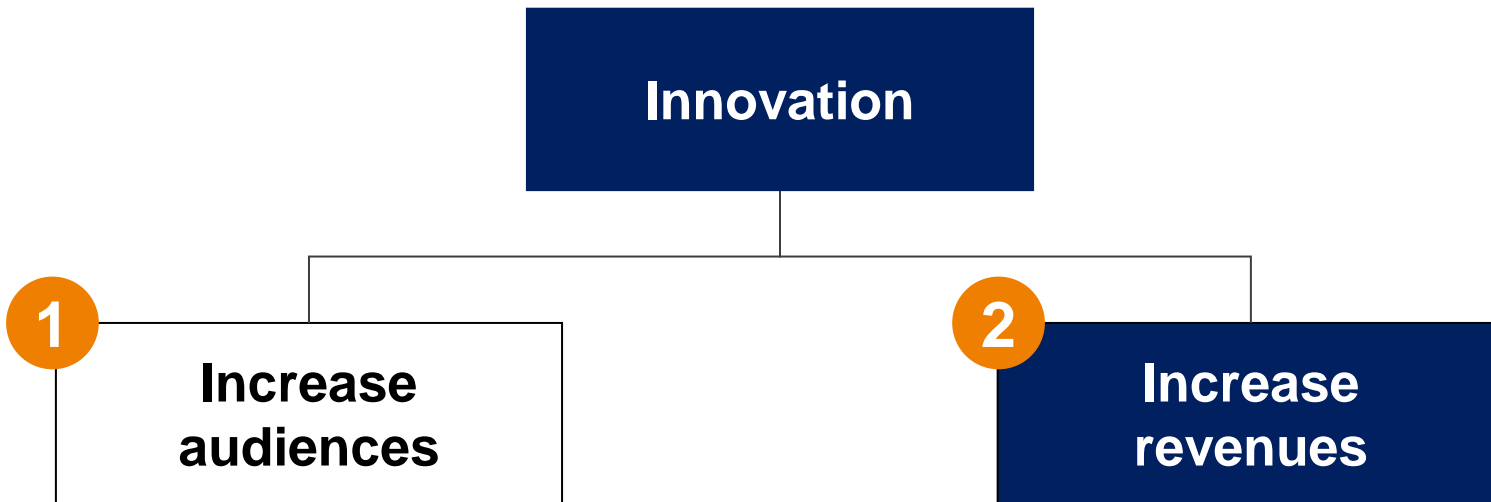
Weekly listening hours, m

- Radio 7 (DAB), sister station to Radio 4 (FM)
- Rebranded as 4 Extra in 2011



# How can digital radio build value for broadcasters?

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# Sponsorship opportunities – youth audiences

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# Branded stations take sponsorship to new level

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- Branded channels – aimed at housewives target audience

# Pop up stations – for range of events

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Smooth Christmas Radio

# Sponsorship opportunities – music tour & digital radio station

**'yes' OPTUS**

## CHALLENGE

Leverage Pink Funhouse Tour tie-up far beyond the logo dominance of typical sponsorships  
Drive customer acquisition and improve brand retention amongst teens

## STRATEGY

Innovation and the power of Pink came together through stunning media firsts, while pre-paid mobile users got rewarded with fresh content

**Channel Pink:** Australia's foremost music TV channel became Channel Pink

**Pink Days:** took over the highest-rated radio network

**Pink Radio:** specially created national digital radio station

**Pink TV:** a two-hour music show aired in primetime

## RESULTS

- Strongest sponsorship association across all Optus properties
- 2nd to Telstra's 20+ year NRL sponsorship
- 95% unprompted Optus Brand recognition
- 62% of site visitors likely to choose Optus in the future
- 151,829 video views
- 13,000 ringtones/tracks downloaded
- 53,679 SMS/online promotion entries received
- 48,823 unique visitors to PINK digital radio
- 40 min. average time on site
- Prepaid mobile activations rose 2%
- 30% drop in churn
- \$2.6MM of added value (ROI: 1.66:1)



# P!NK TOUR

CHANNEL PINK



PINK DAY



PINK RADIO



PINK TV





# Sponsorship opportunities – music tour & digital radio station

**the main stage** ACCESS ALL AREAS.

NOW ON THE MAIN STAGE  
**KATY PERRY**

PRESENTED BY

2day 104.1 fox 101.7 b105 105.3 safm 107.1 92.9

**WELCOME TO THE MAIN STAGE**

Welcome to Australia's newest Digital Radio station, The Main Stage!

The Main Stage is dedicated to celebrating big music events that are happening right now.

Whether it's the biggest concert tours to hit Australia, the epic summer music festivals or the big musical events, we'll be paying tribute to them on The Main Stage.

Now on The Main Stage, we're playing Katy Perry while she tours the country.

Listen now on Digital Radio or hear us online below, just make sure you turn it up!

**TURN IT UP TO**

**the main stage** ACCESS ALL AREAS.

# Colour screen devices create new opportunities

*Revo Pixis*



# Colour images for additional information

**BBC RADIO 2**



**On now**

**Jeremy Vine** 12:00 - 14:00

**Coming up**

**Steve Wright in the Afternoon** 14:00 - 17:00

**90elf.**  
Dein Fußball-Radio.

**Blitztabelle**

Pl.	Tend.	Mannschaft	Diff.	Pkte.
1.	▲	Borussia Dortmund	+39	61
2.	—	Bayer Leverkusen	+39	61
3.	▼	Hannover 96	+39	61
4.	—	Mainz 05	+39	61
5.	—	FC Bayern	+39	61

**ON CAPITAL FM TODAY**





95.8 CAPITAL FM

- Photos of the Week
- Lady Gaga crowd surfing
- Top 10: Britney's cover shoot

**FASHION AGAINST AIDS**

**H&M**

**DAA**

To win tickets to see Estelle live at H&M, go to [capitalfm.co.uk](http://capitalfm.co.uk)



# Advertisers using colour screens

Examples of visual advertising delivered via DAB+



- Radio competes with press and TV for visual advertising
  - pack and product shots, logos
  - special offers
  - store locations, opening hours

# Hybrid radios with Bluetooth connectivity – from €59



*John Lewis Spectrum Duo*

# New song

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- Hear new song on radio
- Hit Tag button
  - for info
  - add to playlist
  - share with friends

# Advertising



- Hear ad on radio / see visual display
- Tag to interact
  - access more information
  - register interest

# Conclusions

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## New audiences

- Develop portfolio: existing brands – and extending geographic coverage
- 

## New revenues

- Pop-up stations
  - Station sponsorship
- 

## Hybrid models

- Long term opportunity to combine audio, visuals and return path functionality



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# Thank you

*For further information, please contact:*

[www.worlddab.org](http://www.worlddab.org)

# Radio groups can retain share on digital radio

## Share of listening by platform, %

- AM / FM services (simulcasts)
- New entrants and others
- Incumbent digital-only<sup>1</sup>

