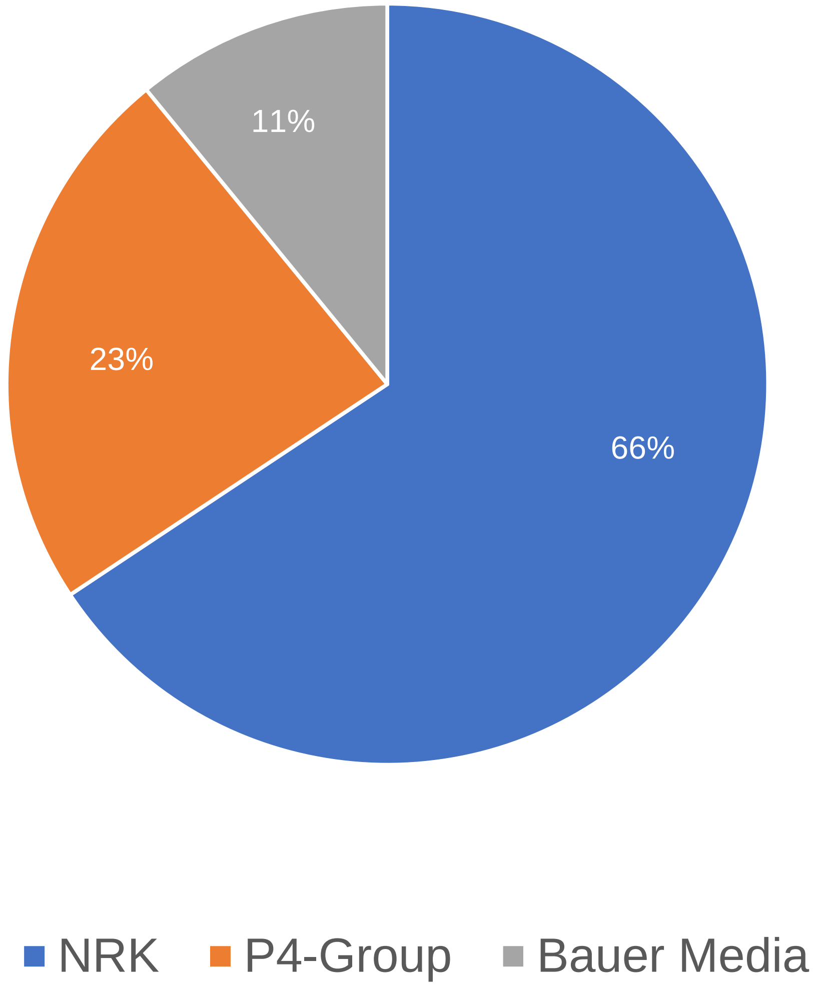

100 % DIGITAL
FM DAB
OMG!
WE ACTUALLY
DID IT

Share radio listening, national



Source: PPM KANTAR MEDIA

Market share, 12+

P4-Group ambitions

- Maintain radio listening
- Maintain commercial market size and share
- Provide more choice to listeners
- Long term predictability
    - rather than short term licenses and auctions

From one station and one platform -

Lyden av Norge

-to multi station, multi platform

Lyden av Norge

Hits

Rock

Klem

Pop

Retro

Country

ENERGY NRJ HIT MUSIC ONLY !

LISTEN

WATCH

SHARE

CHOOSE

PARTICIPATE

EVERYWHERE

Digital only

Analog

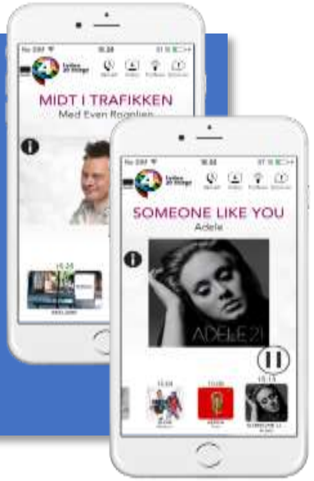
Digital

Broadcast

Streaming

Developing revenue opportunities

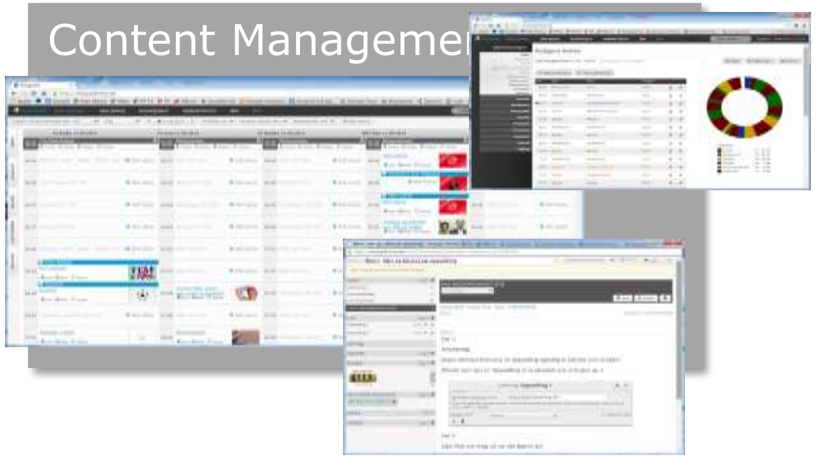
18 apps



13 webpages

19 online players

Content Manageme



radio player

RadioDNS HYBRID RADIO

Google Premium partner:

doubleclick by Google

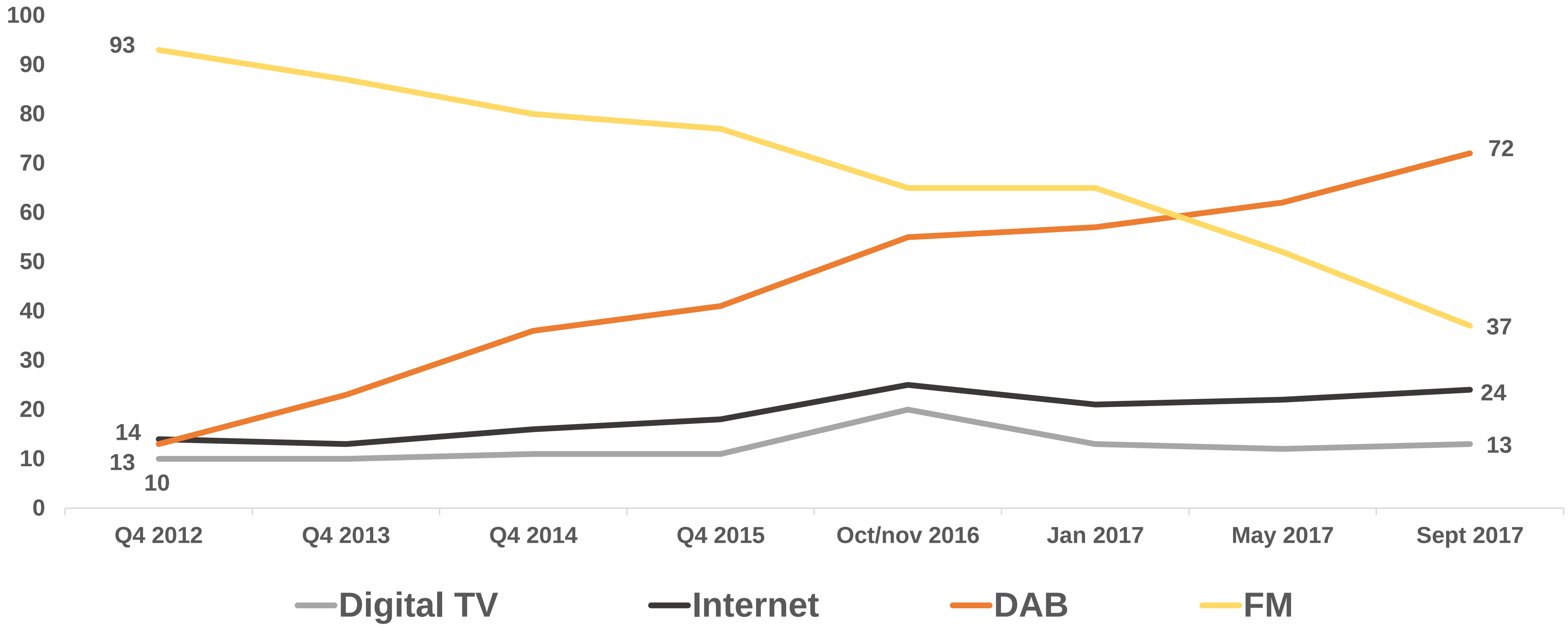
doubleclick ad exchange by Google

doubleclick bid manager by Google

DIGITAL NEWS INITIATIVE

facebook Business Manager

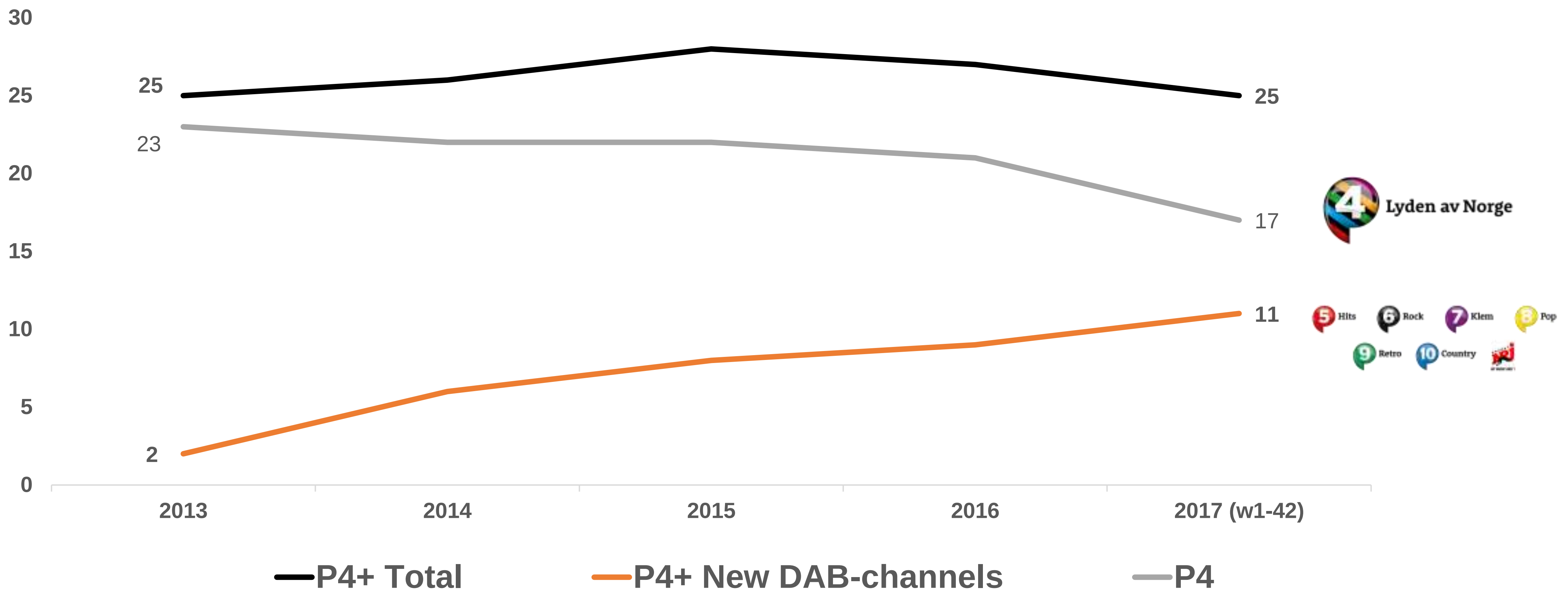
Broadcast is the main revenue source



Source: Digital Radio Survey week 35 – 37, base 609 re KANTAR MEDIA

Share of listeners using platforms, 15+

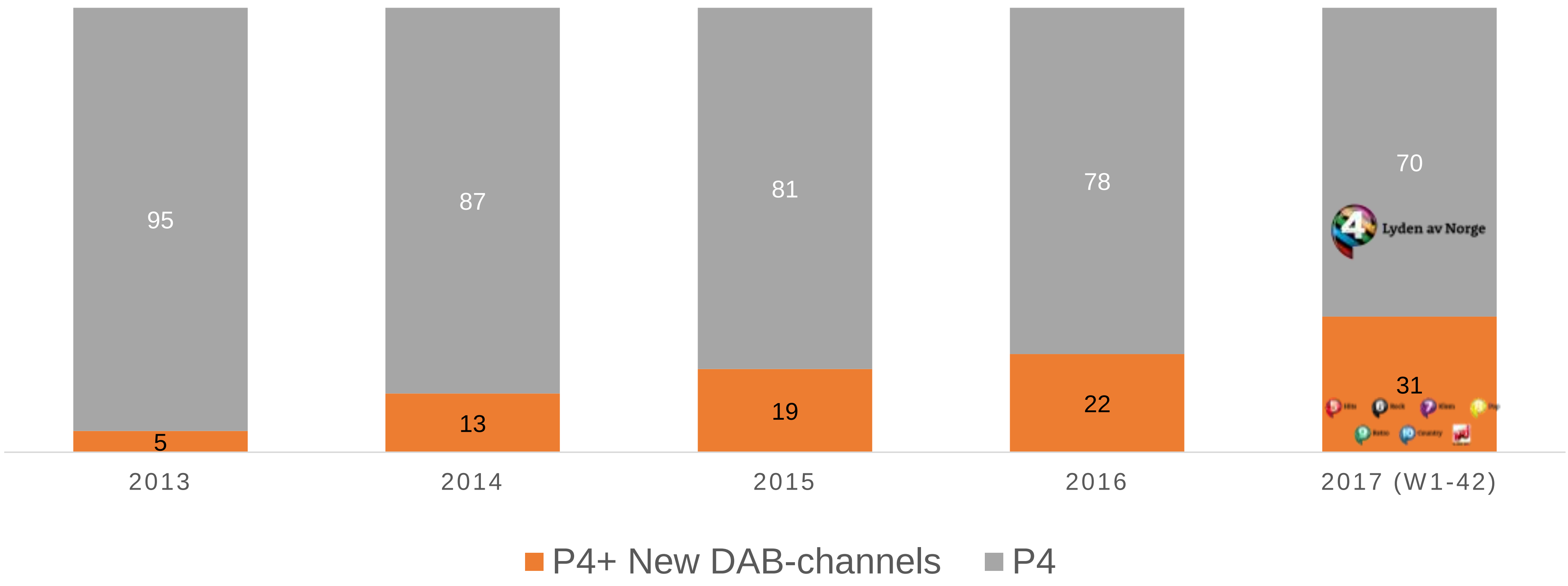
P4-Group, daily reach %



Source: PPM KANTAR MEDIA

Daily reach, 12+

Relative share P4-Group



Source: PPM KANTAR MEDIA

Relative share, 12+

How?

- Accepting cannibalising the main channel P4
- Cross promo of new channels on main channel
- Realtime X-promo music tool in place
  - «...you can just now hear this on P10 Country...»

- General marketing
- Social media, video promos

«DAB is the smartest move you have made to maintain radio listening for the future»

Harald Eide-Fredriksen, Director of Media and Buying, Dentsu Aegis Network

P4-Group, commercial status

- Broadcast is still the main revenue source
- Radio provides wide, commercial cover
- Market size and share maintained
- Listeners prefer more choice, multichannel works


MADONNA
CELEBRATION
MADO
JAN.28

2005

30.000 unhappy pensioners signed a petition against the development of NRK P1

2017

300.000 happy listeners have «their own» station:

NRK P1**+**

Third largest share in Norway

Fra venstre nederst: Karin Johanne Wetlesen, Jørgen Aune Hagen, Tone Rieber-Mohn. Øverst til høyre: Gunvor Holz, Erik Baanerud, Viggo Valle, Frode Lagesen (teknikk), Hans-Petter Jacobsen, Henning Olstad, Line Geveli Andersen. Foto: NRK.

Medier / Publisert 04.10.2017 21:22:00 - Oppdatert 04.10.2017 21:23:26

30.000 pensjonister krevde mindre pop - nå er P1+ blitt landets tredje største kanal

2013:
«DAB sales explode»

DAB-salget eksploderer

erg ved Obs! City Lade i Trondheim har travle dager med å hjelpe kunder som vil kjøpe
RK P1+. Men verken John Dalseng eller Anna Myhre finner det de er på jakt etter.

nvittig her de siste dagene. Alle vil kjøpe seg DAB-radio,
iken ved Coop Obs! Lade i Trondheim.

We’ve expanded the radio market

Made for kids

Made for teens

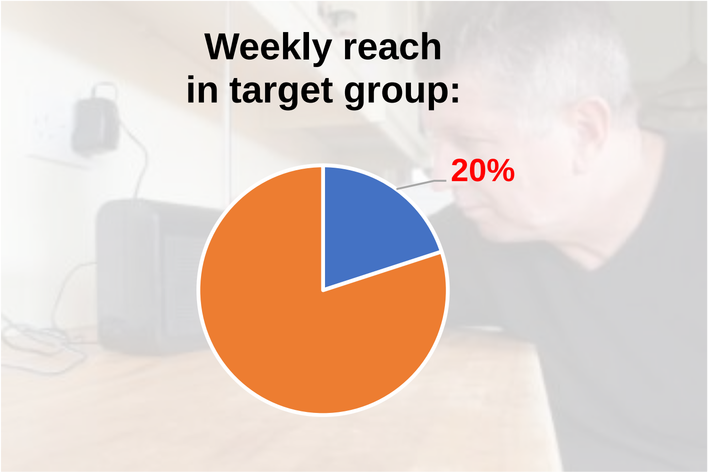
Made for elders 60+

We’ve expanded the radio market

Made for kids

Made for teens

Made for elders 60+



The same radio content to the entire country

NRK P1

NRK P2

P3 NRK

NRK SPORT

NRK SÁMI RADIO

NRK super

NRK P13

NRK P1+

NRK ALLTID NYHETER

NRK FOLKEMUSIKK

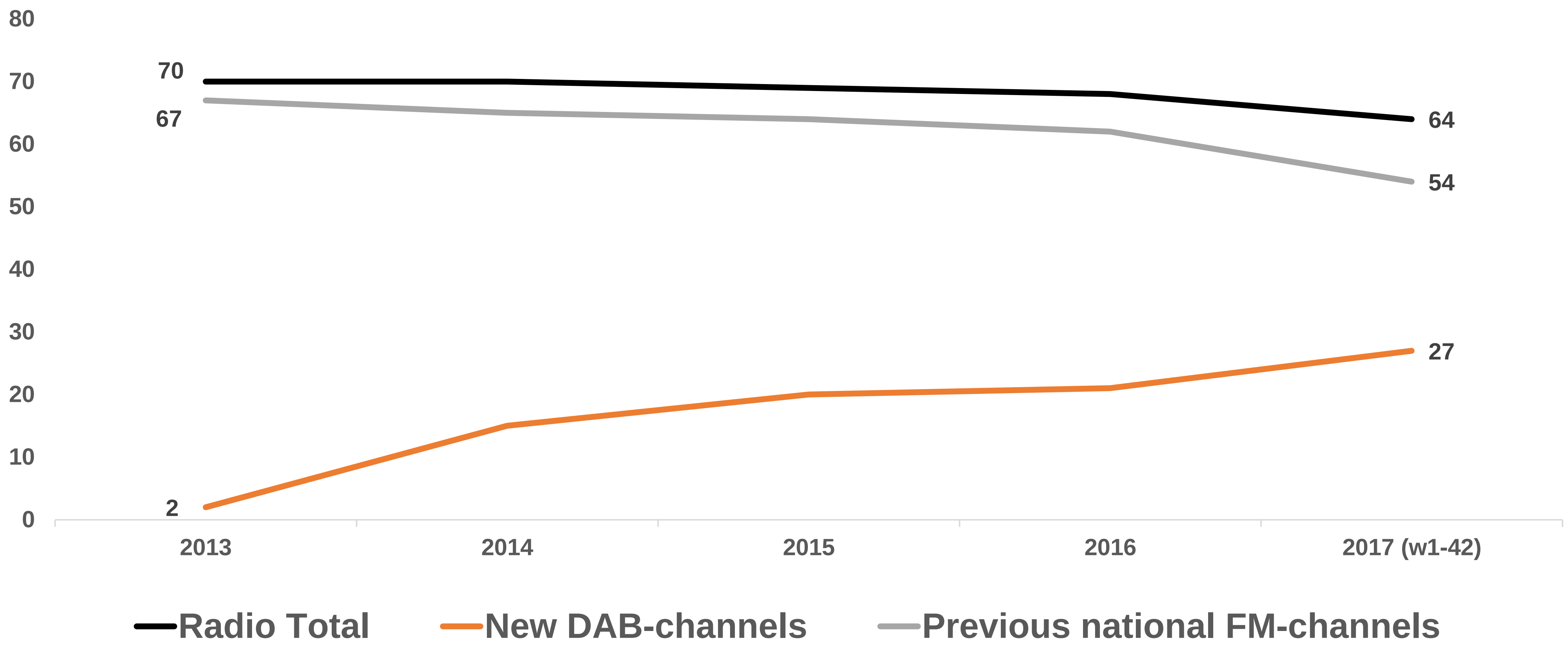
mP3 NRK

NRK KLASSISK

NRK JAZZ

NRK VÆR

Total radio, daily reach in %

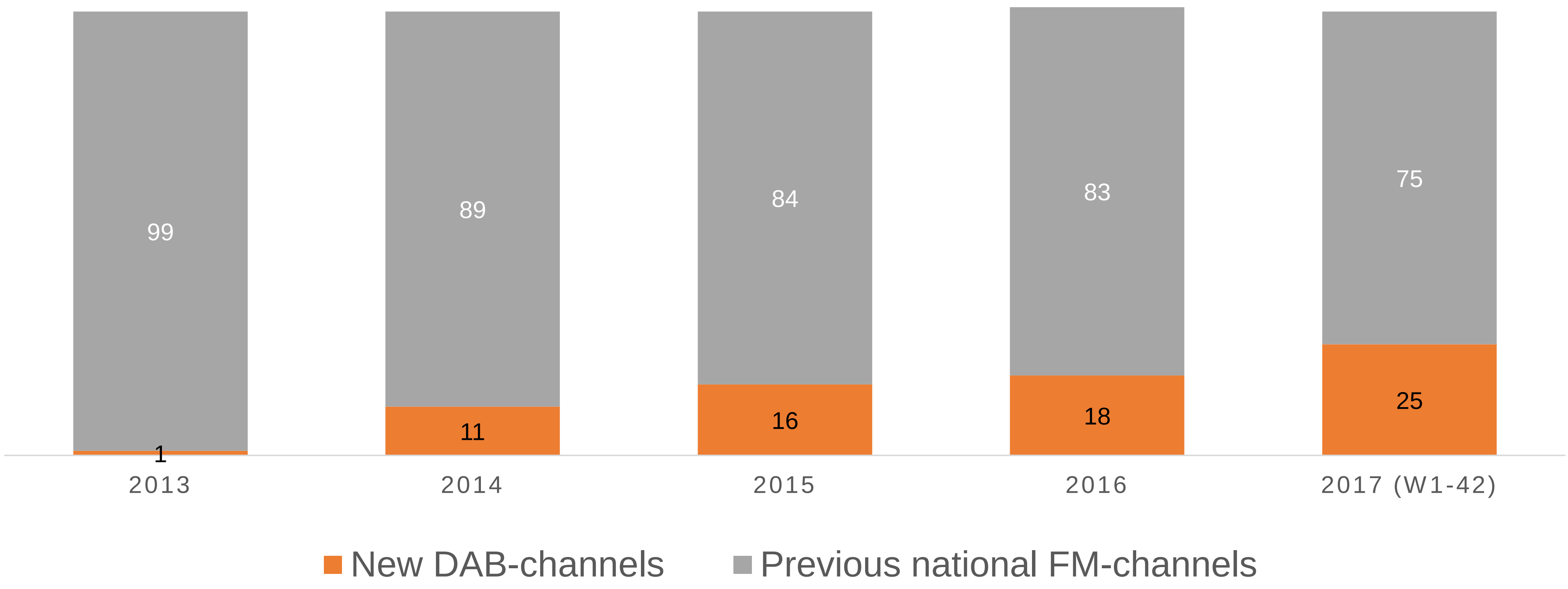


Source: PPM KANTAR MEDIA

Daily reach, 12+

Relative share radio total

In September 2017 New DAB-channels had 29 % share



Source: PPM KANTAR MEDIA

Relative share, 12+

Listeners convertion to digital

- Research: When will you convert to DAB?
  - «When FM is switched off»
- Incredibly important: set a date!
- To set the date: set targets!
- To set targets: bring the industry together!
  - «Cooperate on tech, compete on content»

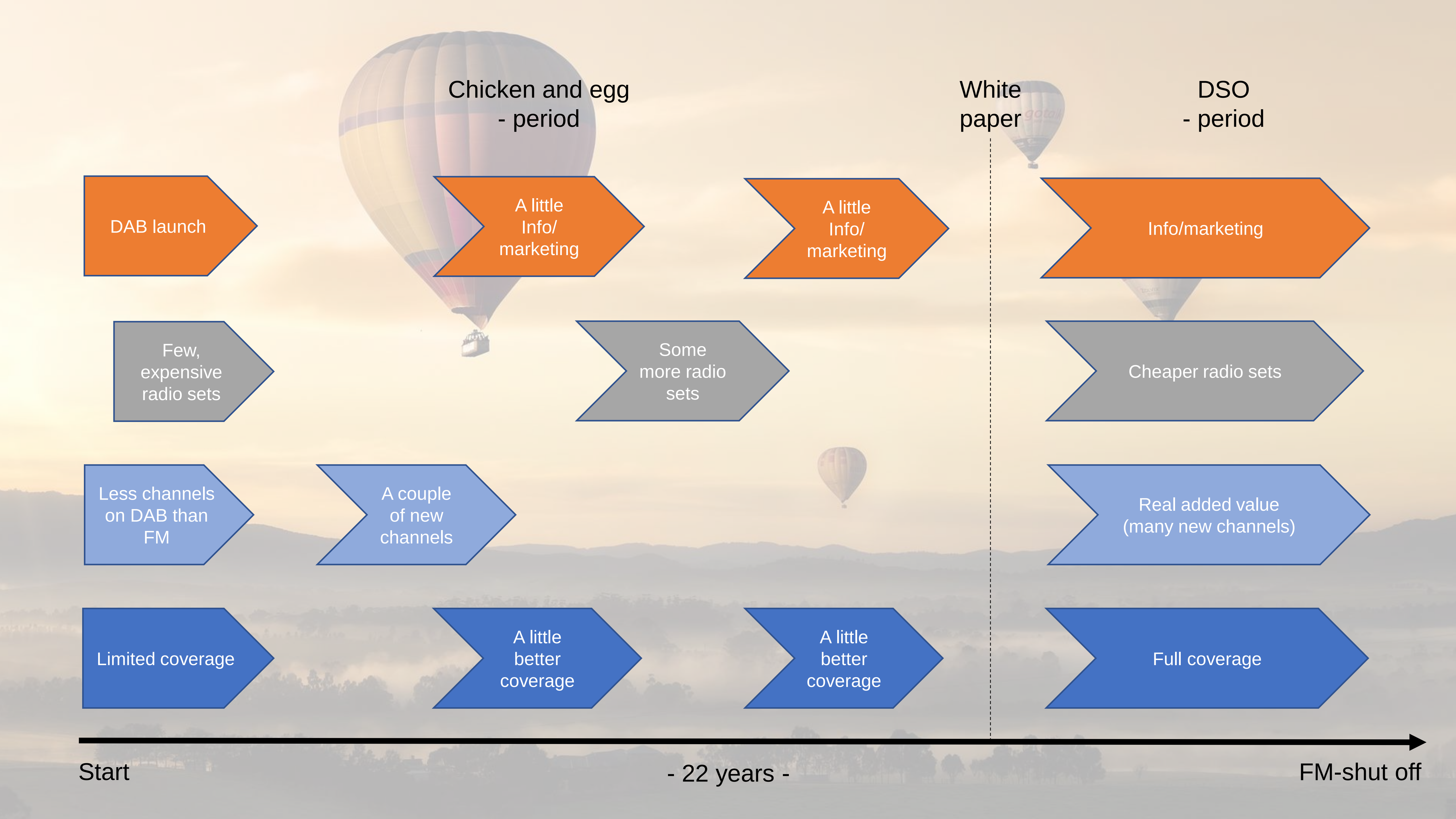
- Minimise the risk!
  - Norway: NRK FM switch-off two months ahead of commercial FM switch-off

Now what?

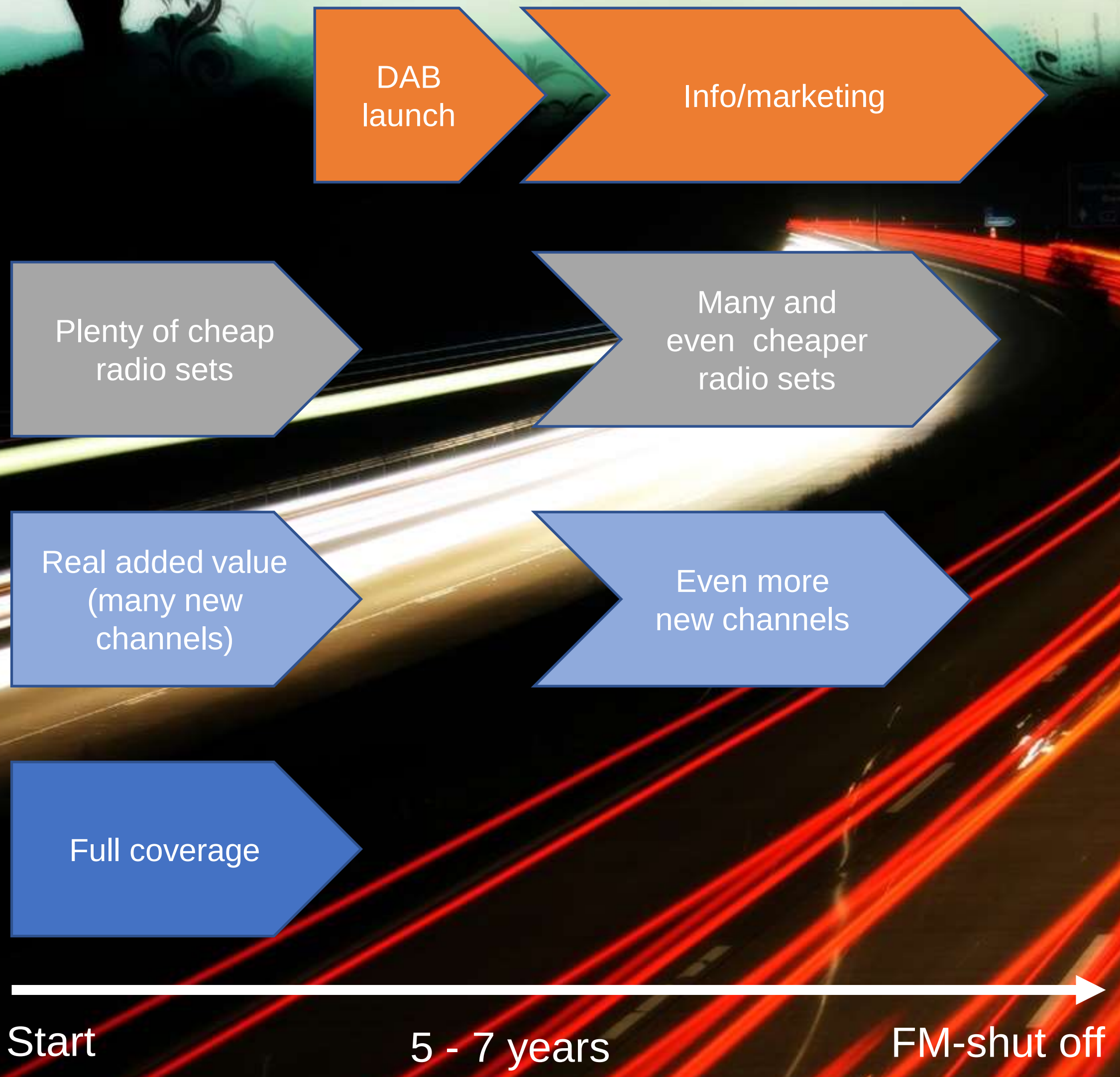
Lessons learned

- Collaboration on tech and process, compete on content
- Listeners embrace more choice
- Carefully planning of the actual switchover
- PSB with robust license income to switch off first
- Regional switch off works
- Commercial listening/convertion follows closely
- Wide, commercial cover still attractive in the advertising market
- Huge need for information!
- DRN representing one voice, necessary and successful

A long journey


Chicken and egg
- period
White
paper
DSO
- period
DAB launch
A little
Info/
marketing
A little
Info/
marketing
Info/marketing
Few,
expensive
radio sets
Some
more radio
sets
Cheaper radio sets
Less channels
on DAB than
FM
A couple
of new
channels
Real added value
(many new channels)
Limited coverage
A little
better
coverage
A little
better
coverage
Full coverage
Start
- 22 years -
FM-shut off

The ideal DSO



Different roads

- Scandinavian commercial radio in 2018 – 2026:

FM:

3 national stations

Approx. 80 % population coverage

Distribution: € 50 M *
License fee: € 100 M
Total: € 150 M

DAB:

15 national stations

92,8 % population coverage

Distribution: € 55 M
License fee: € 0 M
Total: € 55 M

* Estimated cost

Debates, claims and myths

Bad sound quality

VS

Bad coverage

Expensive

Old technology


FM 88 90 92 95 98 101 104 106 108
People are happy with FM

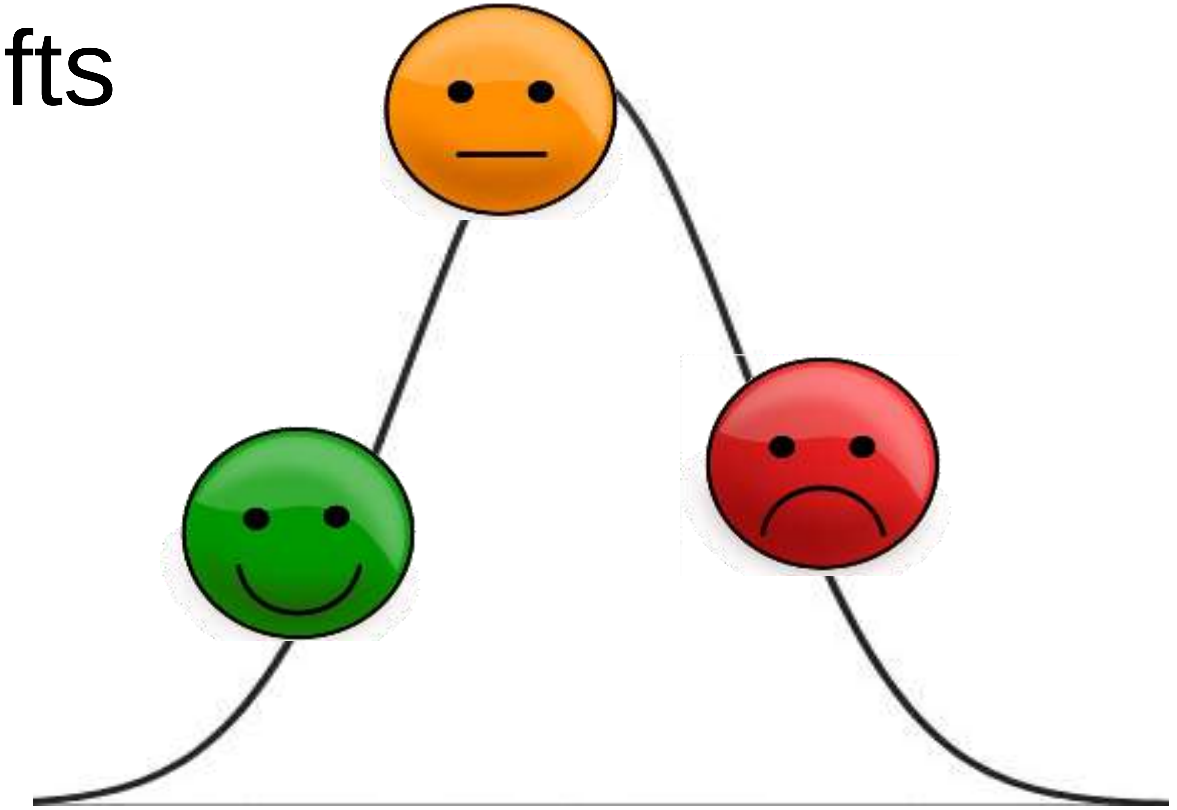
Segmentation

- Big consumer of radio
- Ability to see the benefits of DSO
- Listens to radio on a daily basis

- Regular radio listener
- Willing to accept that there will be a DSO
- Listens almost daily to radio

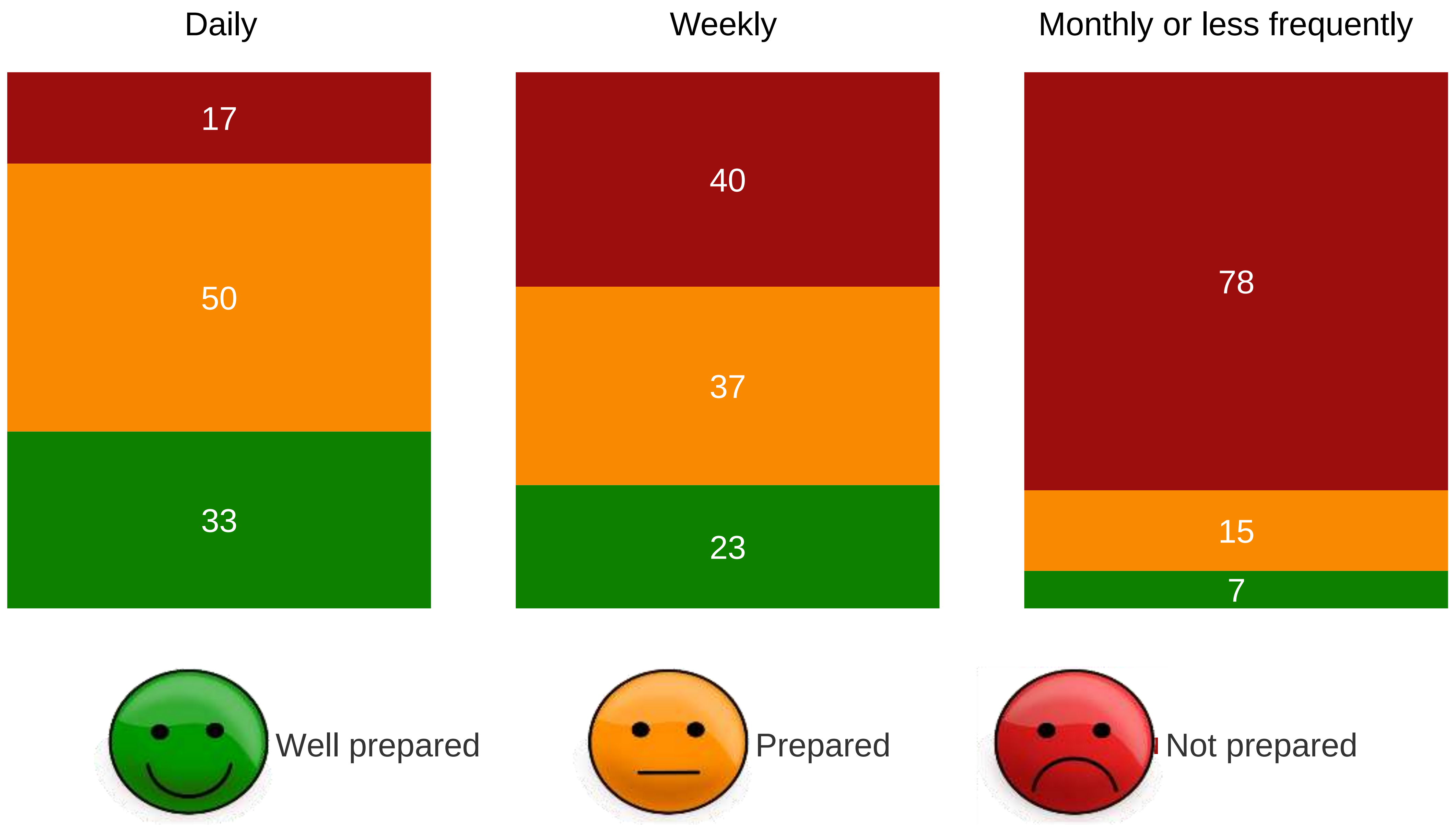
- Once in a while listener
- Can not see the point or need for DSO
- Listens rarely and less on radio

Communication shifts



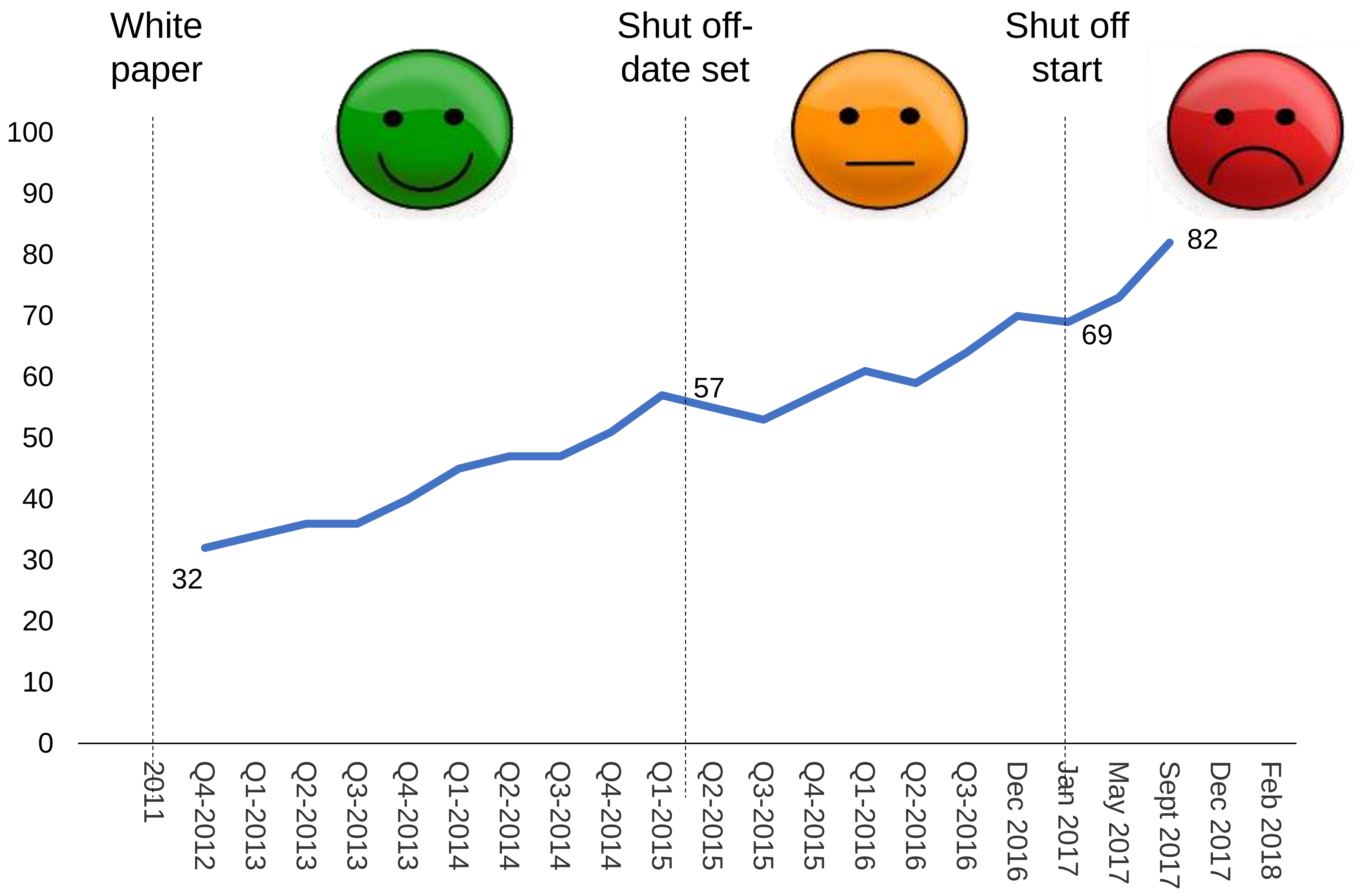
E.Rogers:
Diffusion of innovation

<u>Messages</u>
Coverage
Content
Pricing / availability
Helping hands



Source: Digital Radio Survey January 20

Level of prepared



Source: Digital Radio Survey week 35 – 37, base 609 re KANTAR MEDIA

Digital use among daily listeners

Challenges and topics along the way

Why

DAB
Digital Audio Broadcasting ?

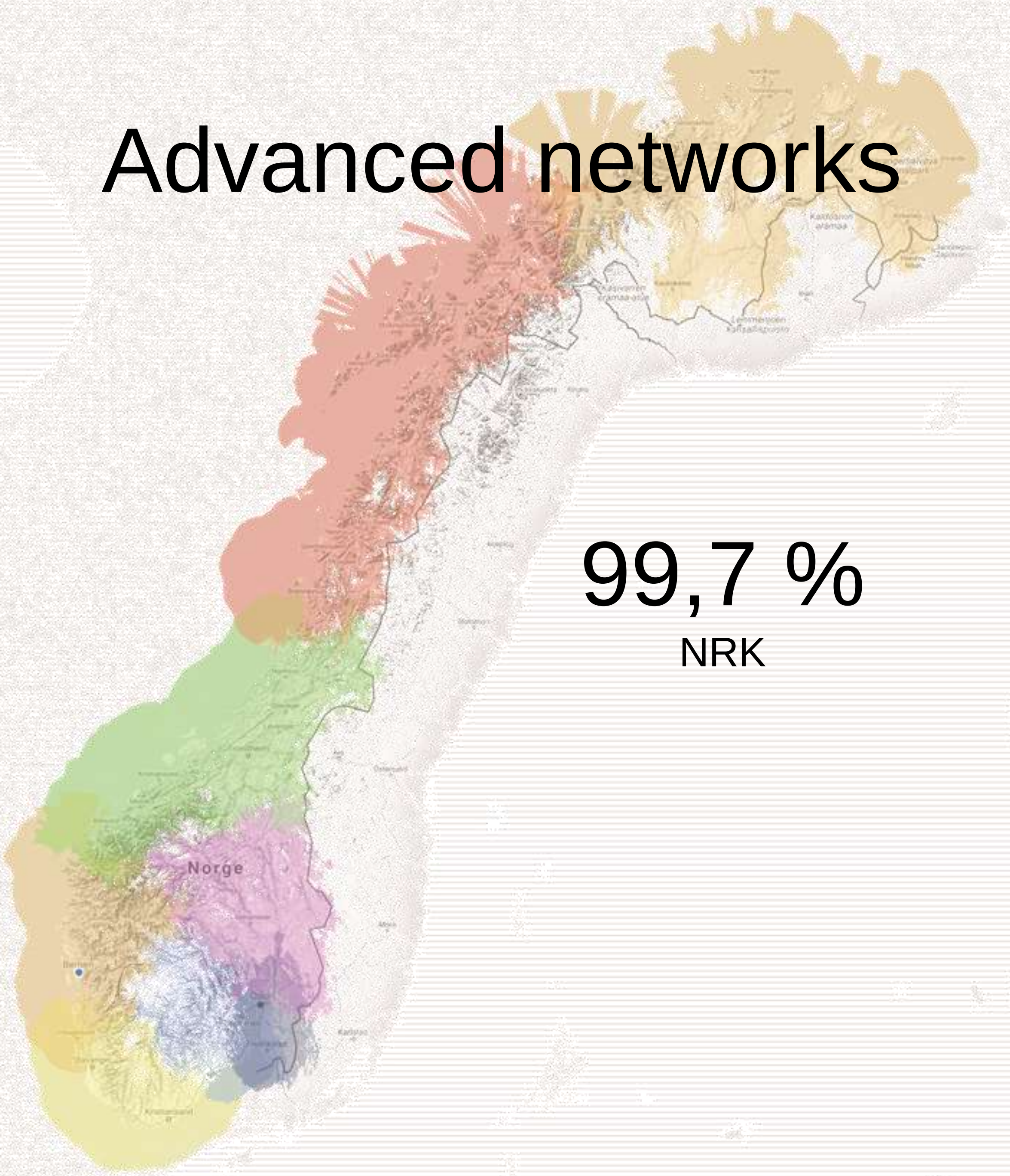
Why not

DAB Digital Audio Broadcasting & FM ?

Broadcast – but still a little different

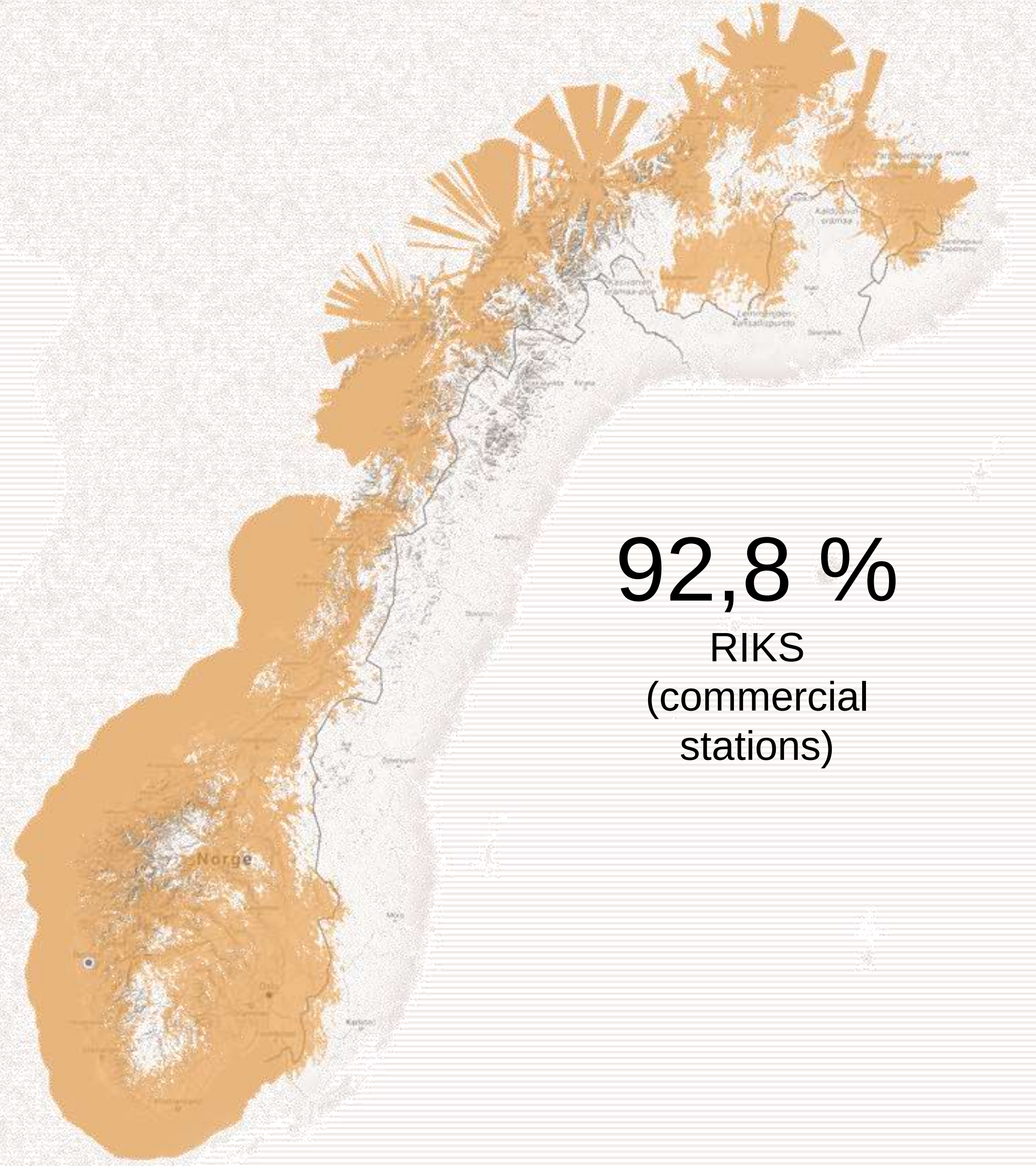
VS

Advanced networks



99,7 %

NRK



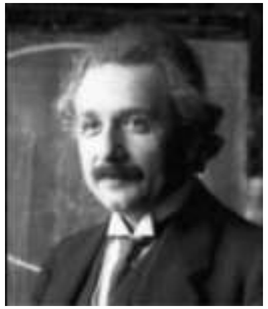
92,8 %

RIKS
(commercial
stations)

Products

Make everything as simple as possible
- but not simpler

A. Einstein



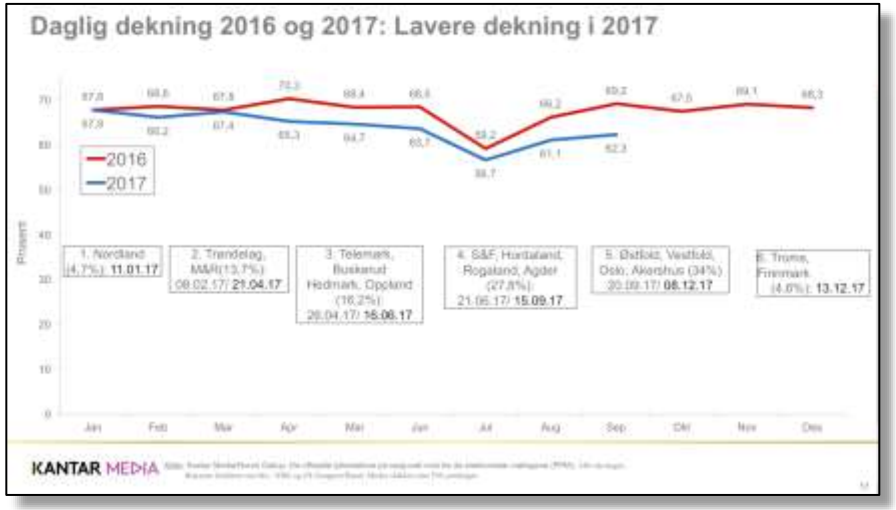
Self installation – a source of errors


The love for old radio sets

Environmental issues

Measurement parameters and right focus

VS



Radio is...

Digitization of newspapers and television

Digitization of radio

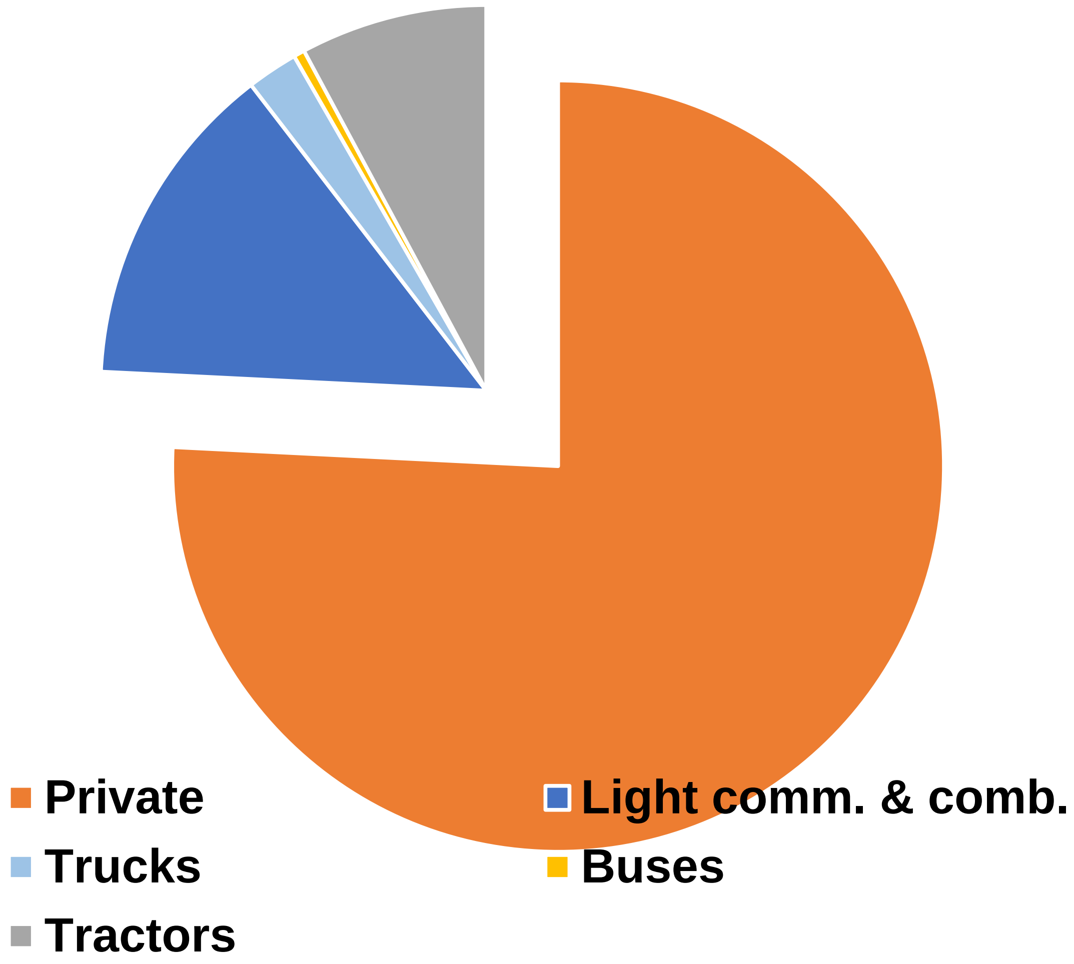
In-car DSO in Norway

Results so far, lessons learned

Short term target
- in car DSO

Norway

- Road coverage: 97 %
- Content: 5 FM, 30 DAB
- In-car listening: 23 %
- Car fleet: 2,7mill private cars

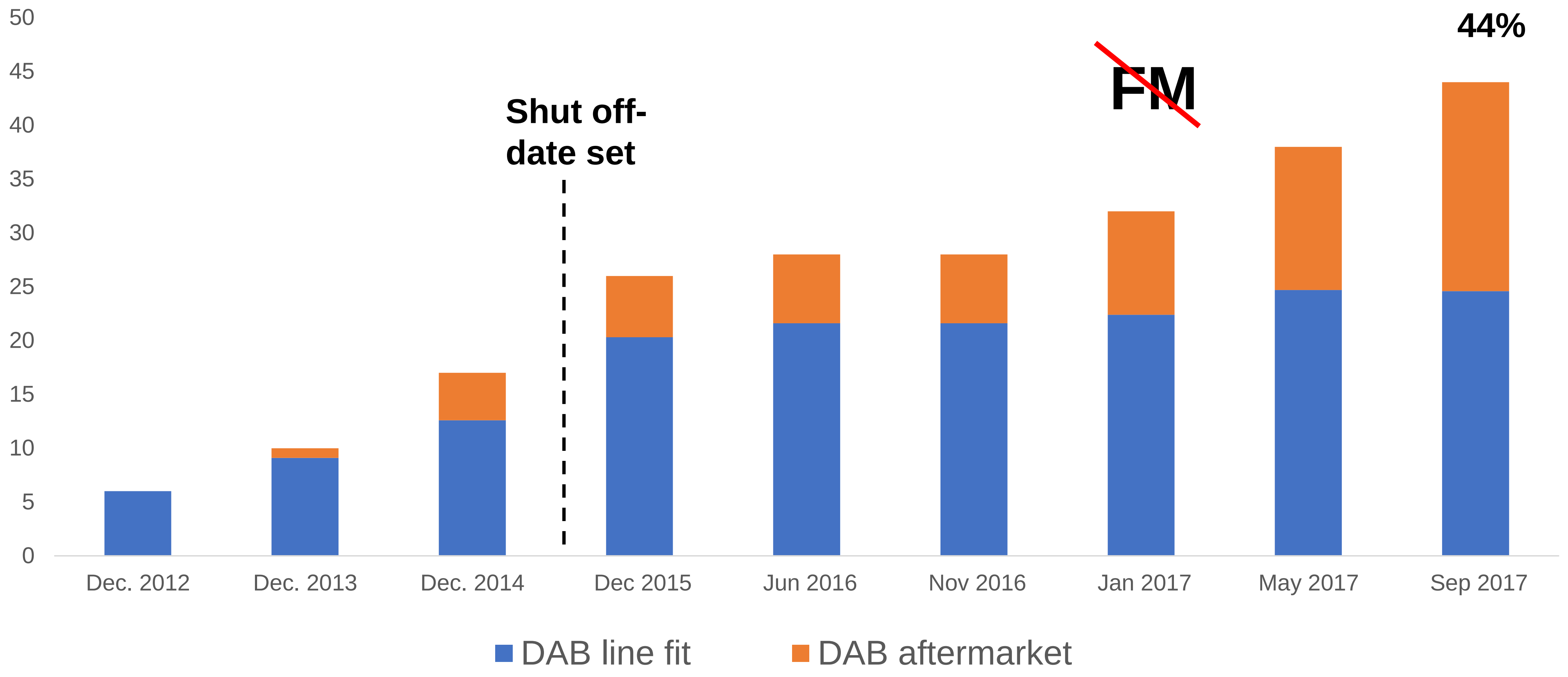


Grand total = 3,5 mill. vehicles

Background

- Car sales industry
  - ”Illegitimate child”
  - Aftermarket profitability
  - Knowhow limited
- Consumer
  - “Expensive”
  - “Complicated”

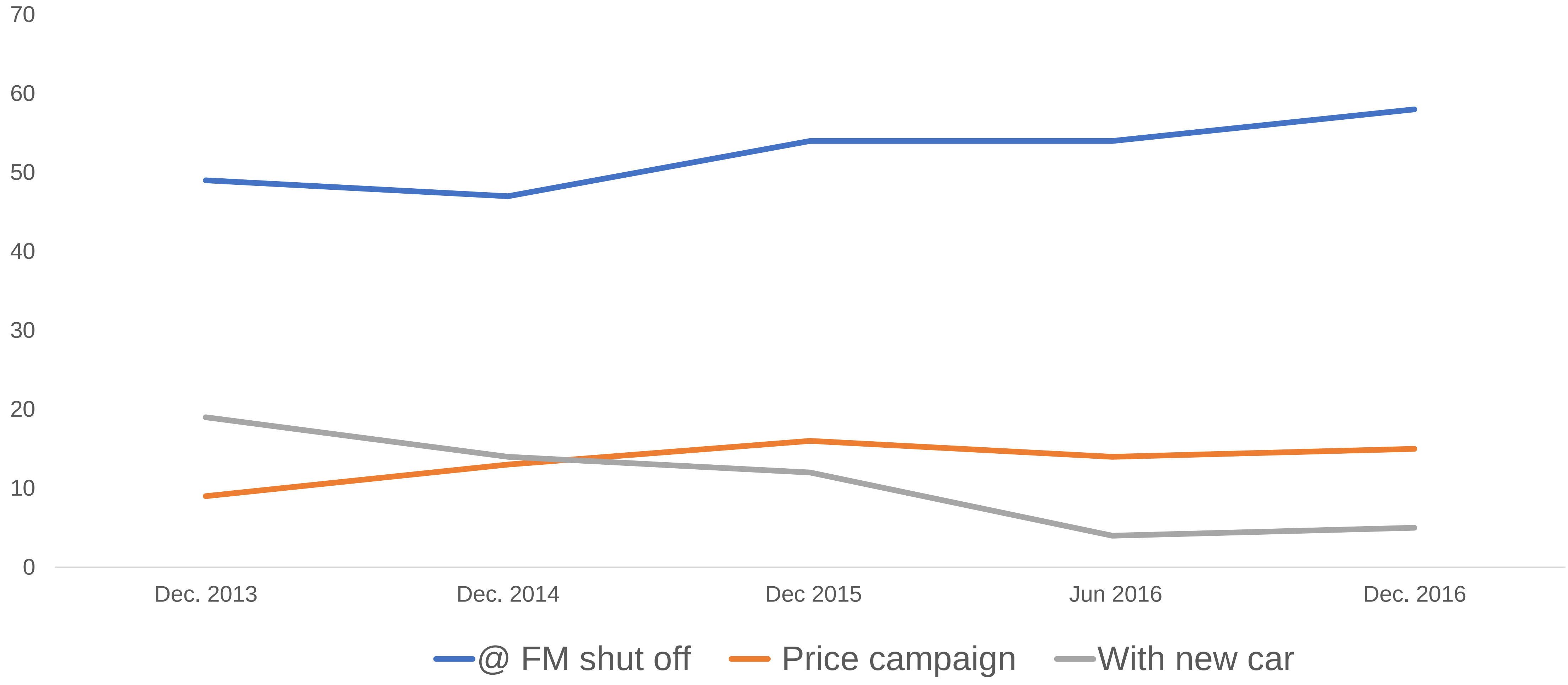
Current status



Source: Digital Radio Surve KANTAR MEDIA

Conversion rate of car fleet % (priv.cars)

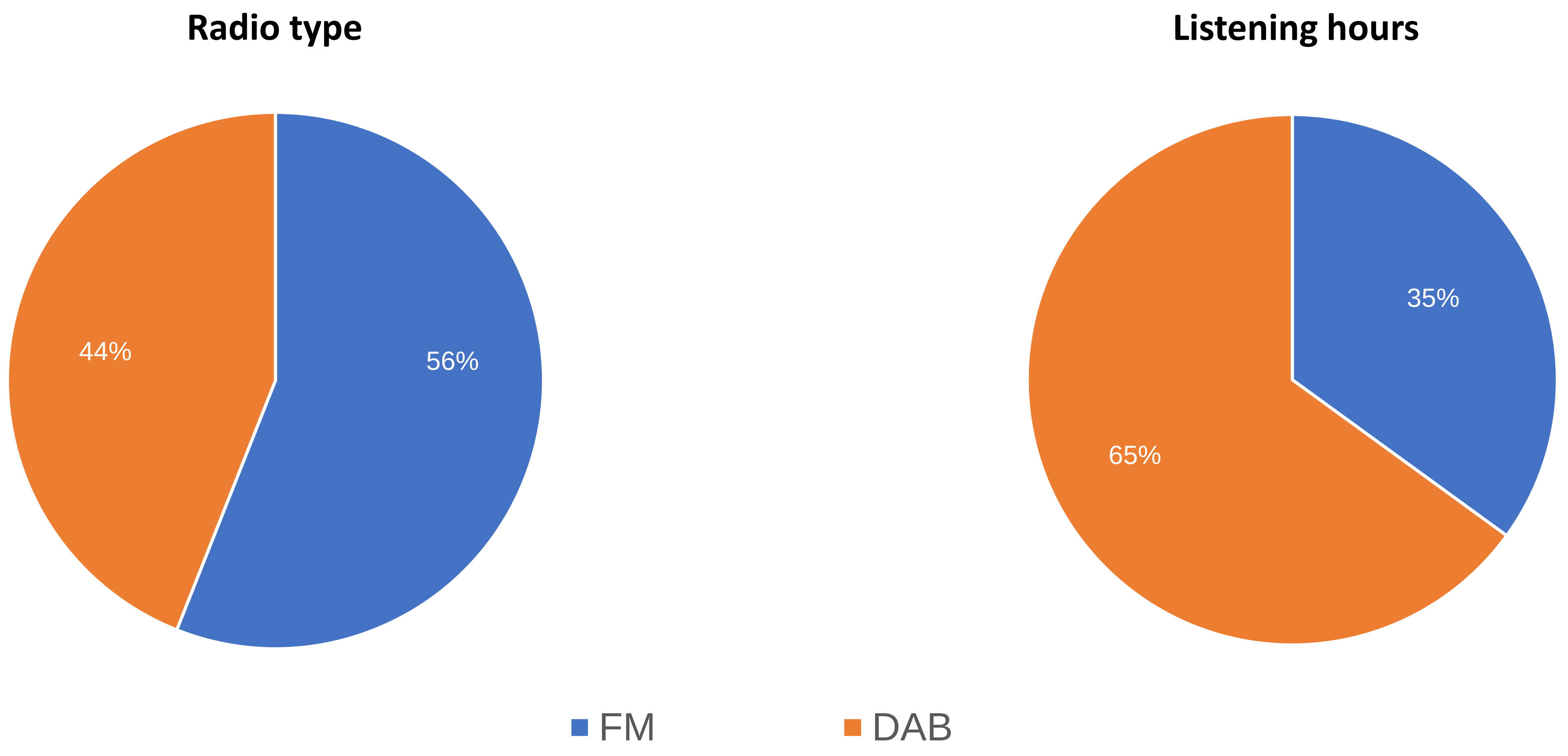
Consumer’s plans vs. actions



Source: Digital Radio Surve KANTAR MEDIA

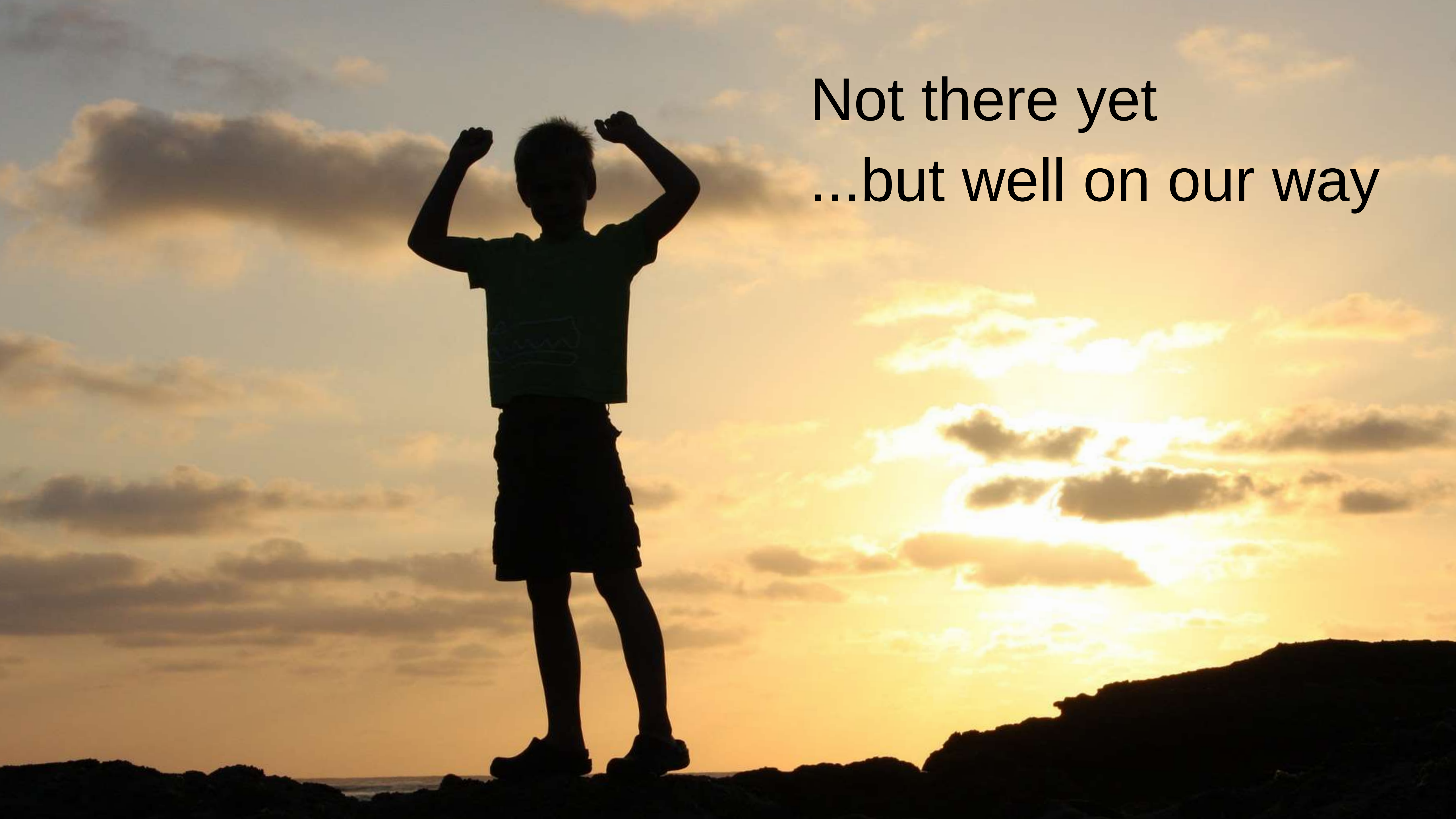
When to upgrade car-radio % of respondents)

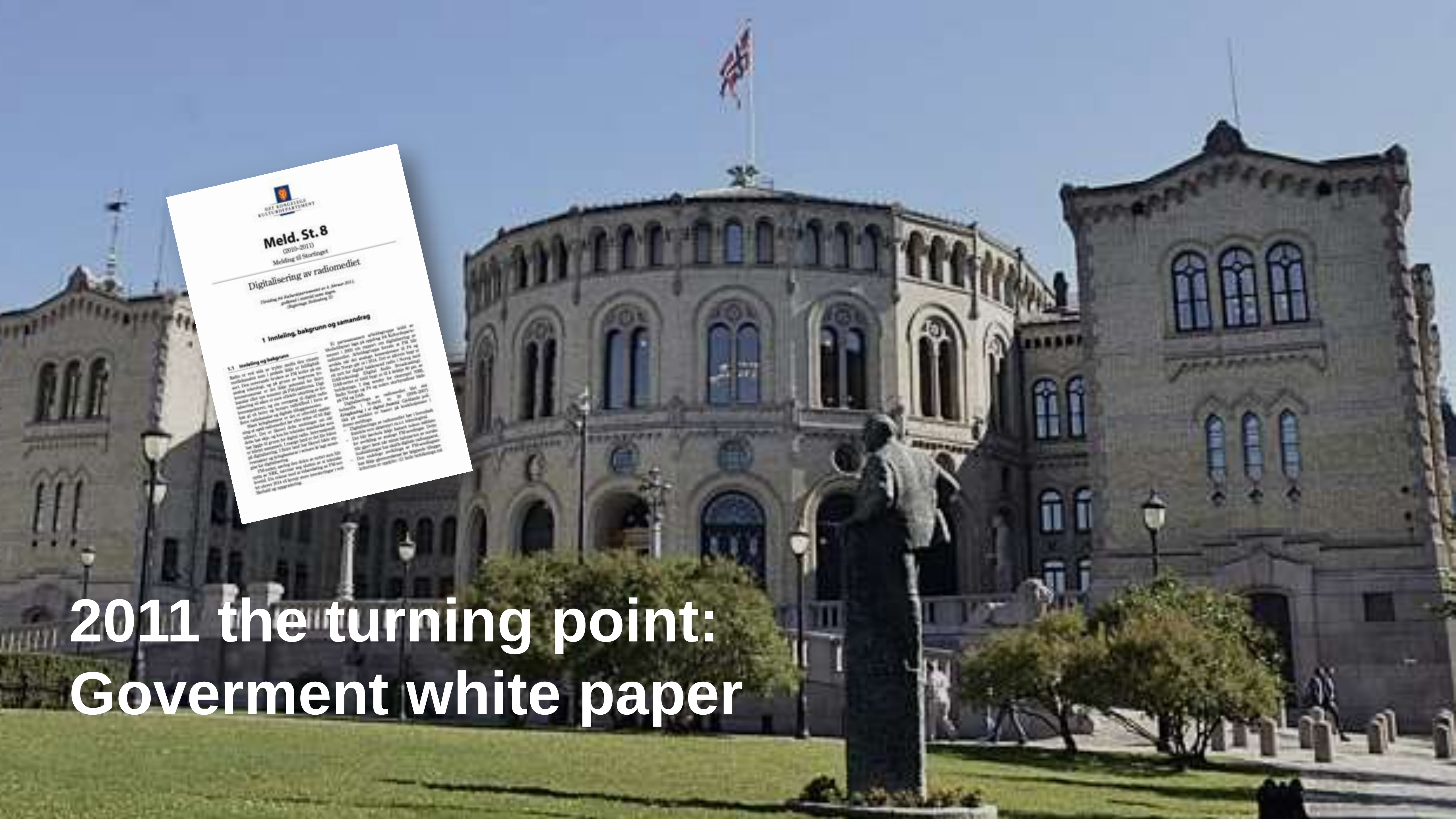
First movers = keen radio listeners



Source: Digital Radio Surve KANTAR MEDIA

Radio type vs. listening hours (listening over smartphone not included)


Not there yet
...but well on our way


Meld. St. 8
(2010–2011)
Melding til Stortinget
Digitalisering av radiomediet
1 Innleiing, bakgrunn og samandrag
2011 the turning point:
Goverment white paper

Aftermarket products

Broadcaster strategy – “one for all”

- Cooperation: Broadcasters - manufacturers to secure
  - Reasonably priced / mass market
  - Well working
  - Universal DAB-upgrades available ”everywhere”
- Broadcasters actively got involved in product development
- ...and in developing the market potential

- Today;
  - Many universal products w/ good value for money
  - ...but lack of dedicated products for specific makes/models

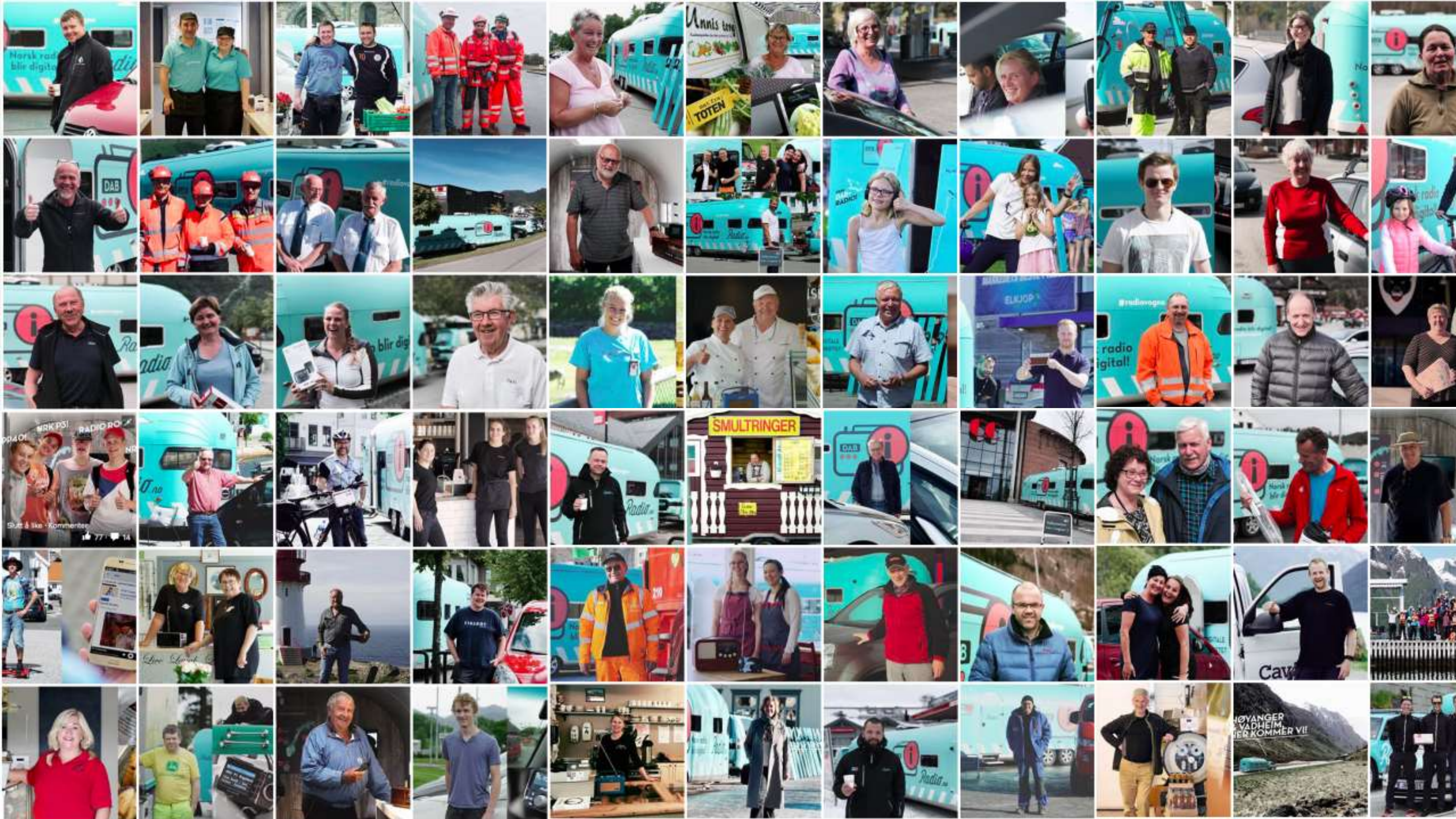

Broadcasters are promoting their content
While we are meeting the listeners


DAB
HELPING
HANDS

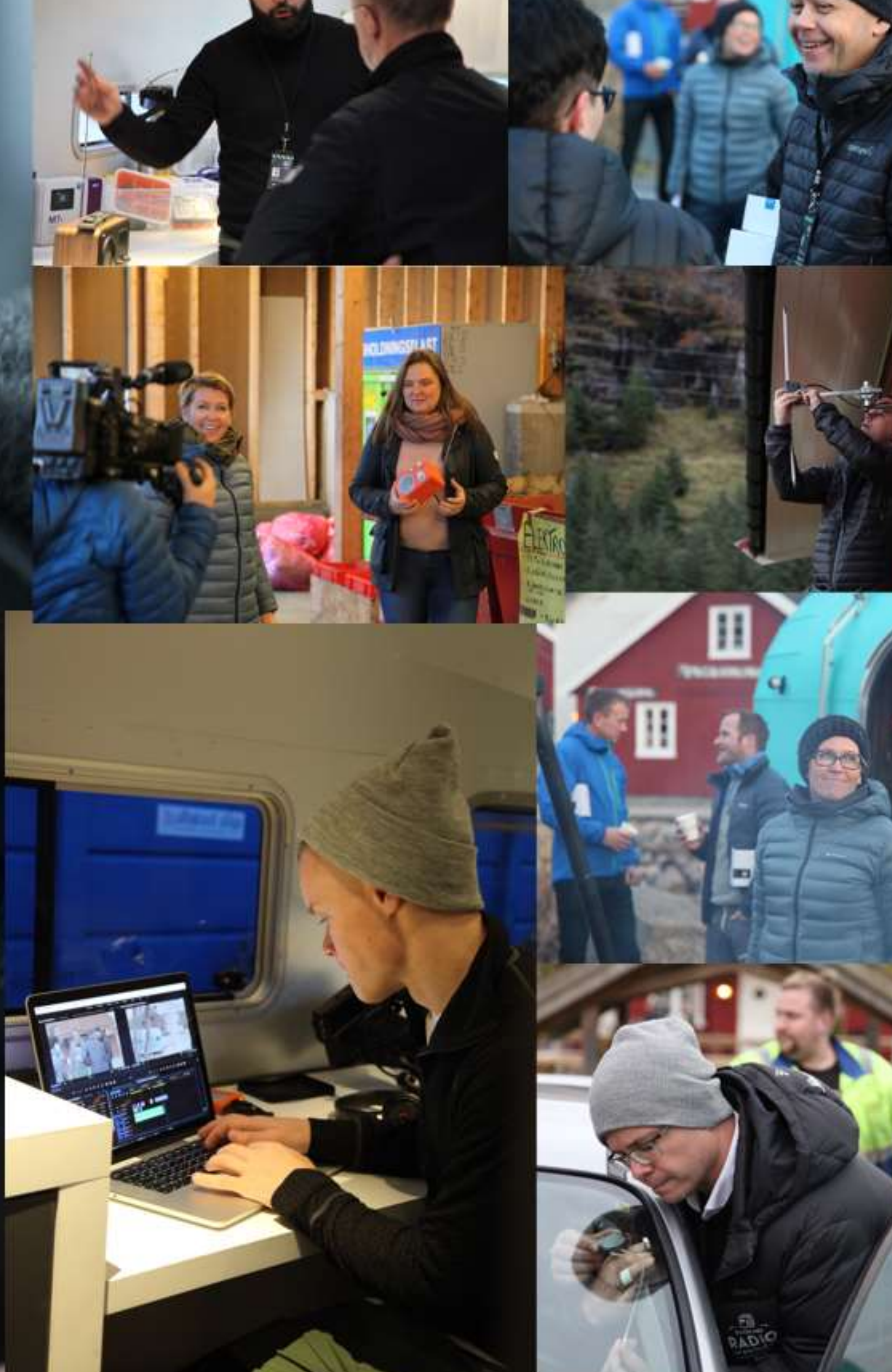

DSO
TOUR


HELP
DESK


Shell
FORMULA
Shell
FORMULA
Butikk
Norsk radio blir d
YV 8499


TOTEN
DAB
ELKJØP
#radiovogna
NRK P3!
SMULTRINGER

Positive and informative local and social media coverage



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