

DAB+ versus Analogue

Why Incumbents
Can Be The Winners

Nick Piggott

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Digital = Risk?

Digital = Opportunity

Commercial radio

UK commercial radio 'dying out'

Chris Tryhorn

Thu 19 Mar 2009 15:49 GMT



5 16

This article is over 9 years old

2009

Commercial radio could die out within 15 to 20 years as advertising revenues dwindle, the MediaGuardian Changing Media Summit heard today.

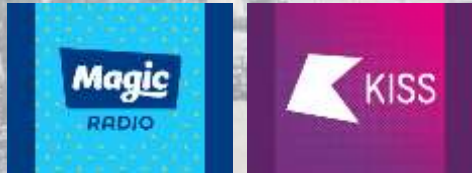
Claire Enders, the founder of Enders Analysis, made the prediction, pointing to the large number of radio stations in the UK that are currently unprofitable.

She said revenues from classified, online and search advertising all outstripped those from radio, and that advertising agencies were tuning out of the medium.

"There is a next generation of people in agencies who are not that keen on radio," she said.

"There has been a dramatic change in the position of radio in the last 10 years, dramatic even though consumption has not been affected as much as newspaper consumption."

She said that outside the BBC, radio would not be commercially viable and was therefore likely to end up solely in the form of "hobbyist" models such as podcasts.



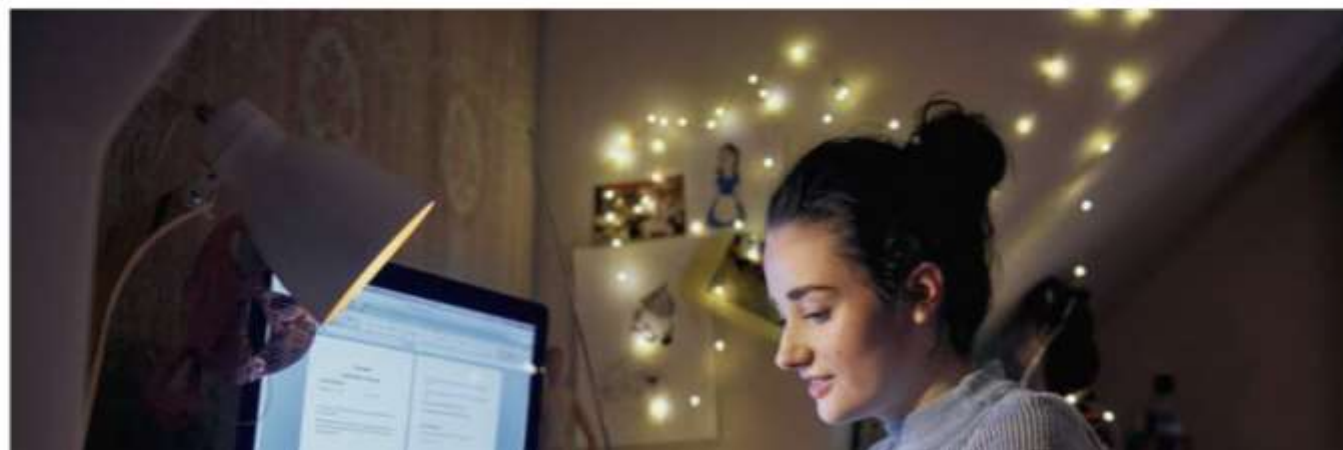
London 2009 – Analogue Services

- **Major commercial radio companies are privately owned** -less susceptible to share market pressures
- **Lightest possible regulatory environment** for digital radio
- **Sustained and committed industry promotion** of digital radio to listeners - including the benefit of "more choice"

Enders Analysis report on radio: When the facts change, change your mind

2018

30 OCTOBER 2018 | [BLOG](#)

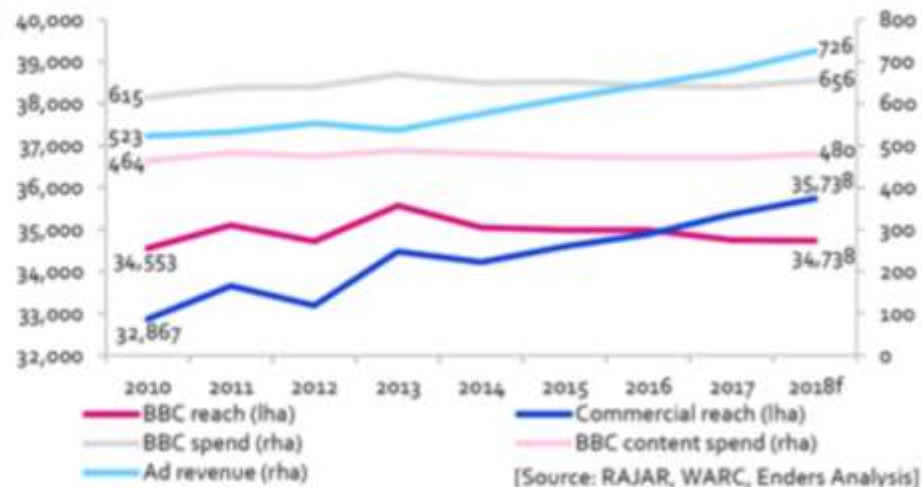


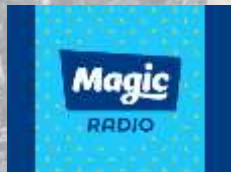
Fast-forward to 2018 and it is this range of factors that have been highlighted in the latest Enders Analysis report on the radio and audio sector. This new report (available to subscribers [here](#)) strikes a very different note to the doom-laden predictions of the past.

Instead it talks optimistically about radio's flexibility on connected devices such as voice controlled smart speakers, which has seen radio "*continue to flourish*" despite competition from an almost infinite number of online content players. It states that "*radio listening remains very robust*" feeding through to record advertising revenues, alongside relatively high levels of spending from the BBC. Based on these trends it expects commercial radio revenue to exceed £700m for the first time in 2018 (see chart below).

2018

Weekly reach (000s) v BBC spend/ commercial revs (£m)





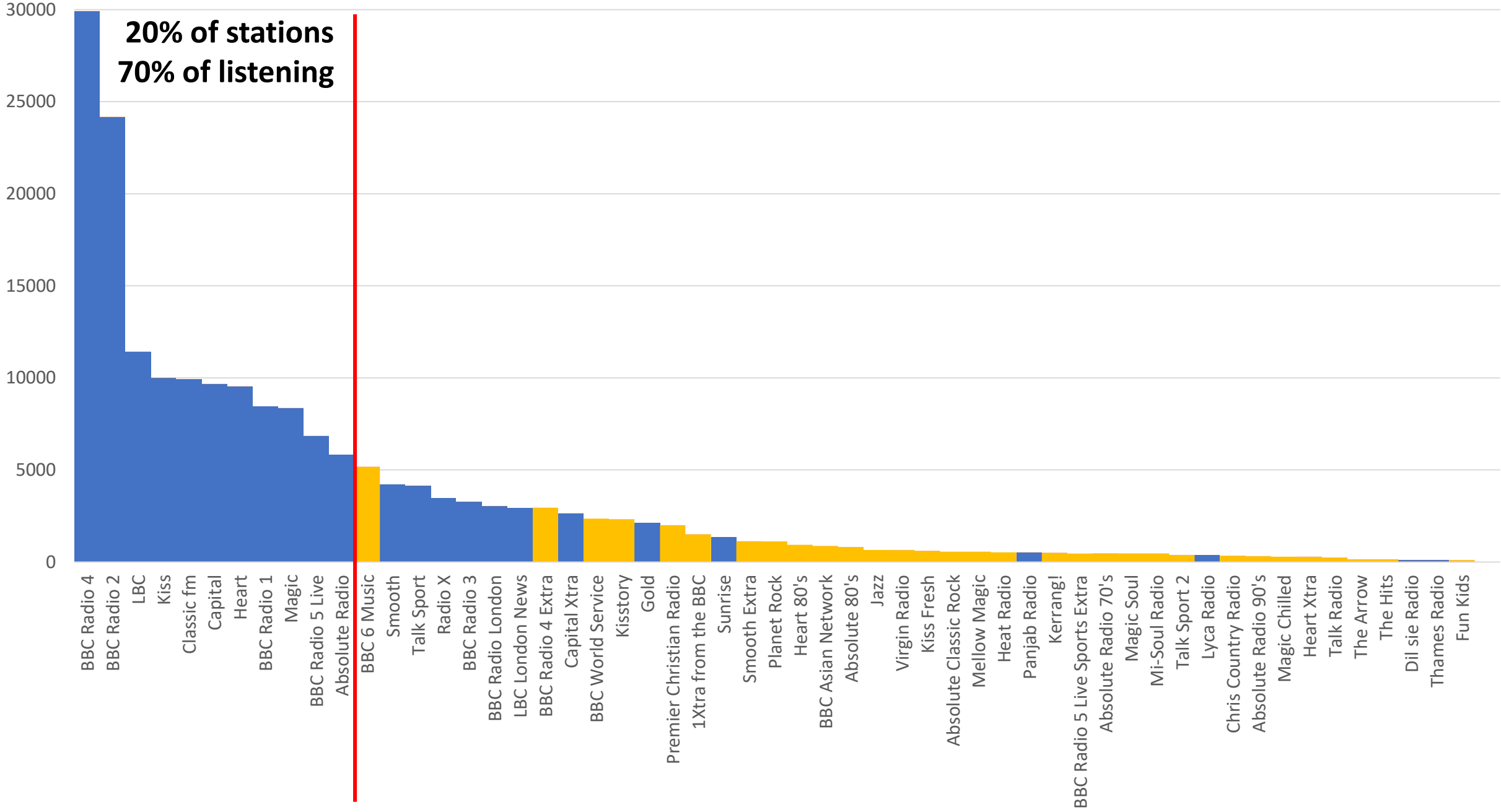
London 2009 – Analogue Services

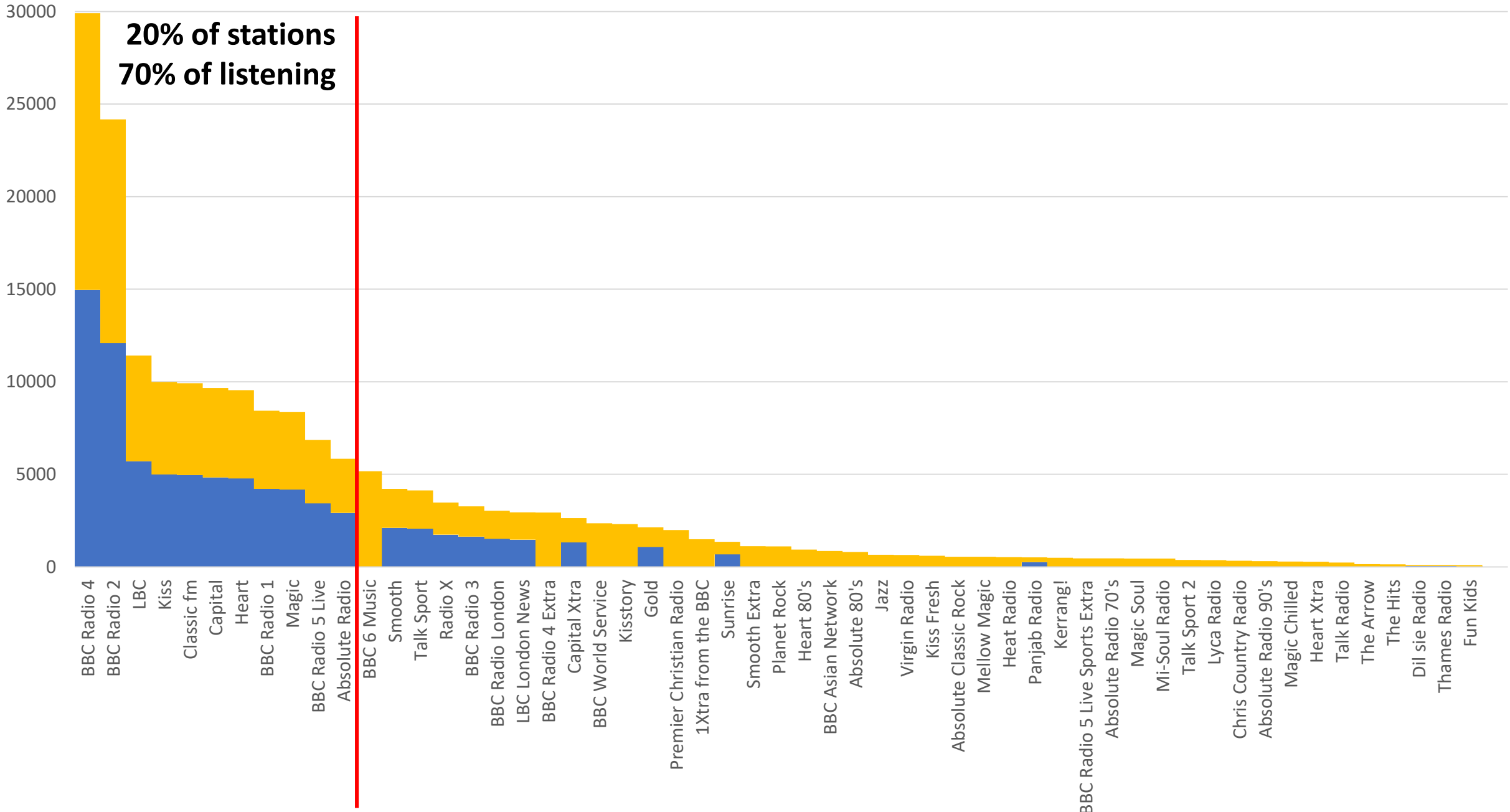


London 2018 – Analogue and Digital Services – Current Station Names Shown



London 2018 – Analogue and Digital Services – Ordered by Time Spent Listening

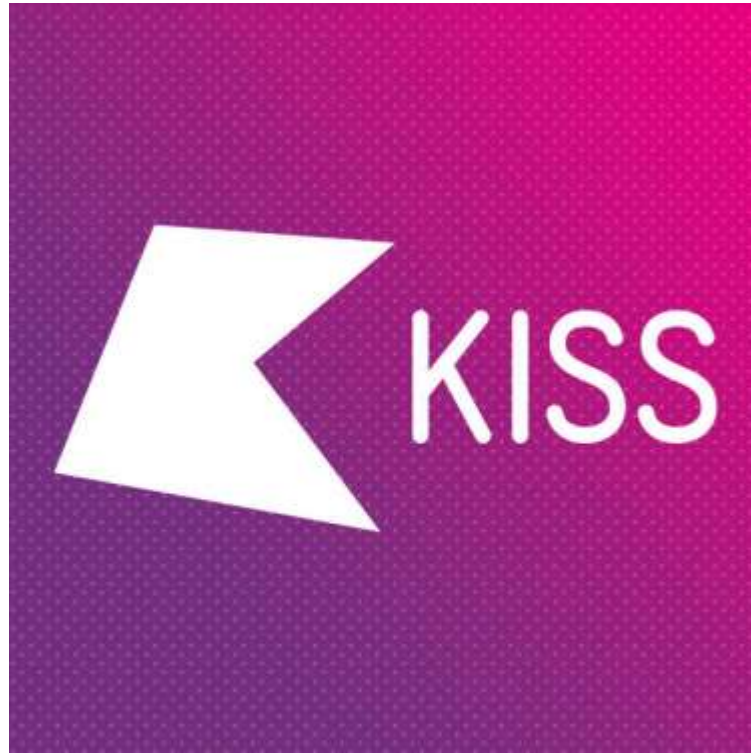




Digital listening figures are averaged across all stations (52%)



2.3m



9.9m



0.6m



TIDAL



Google Play
Music

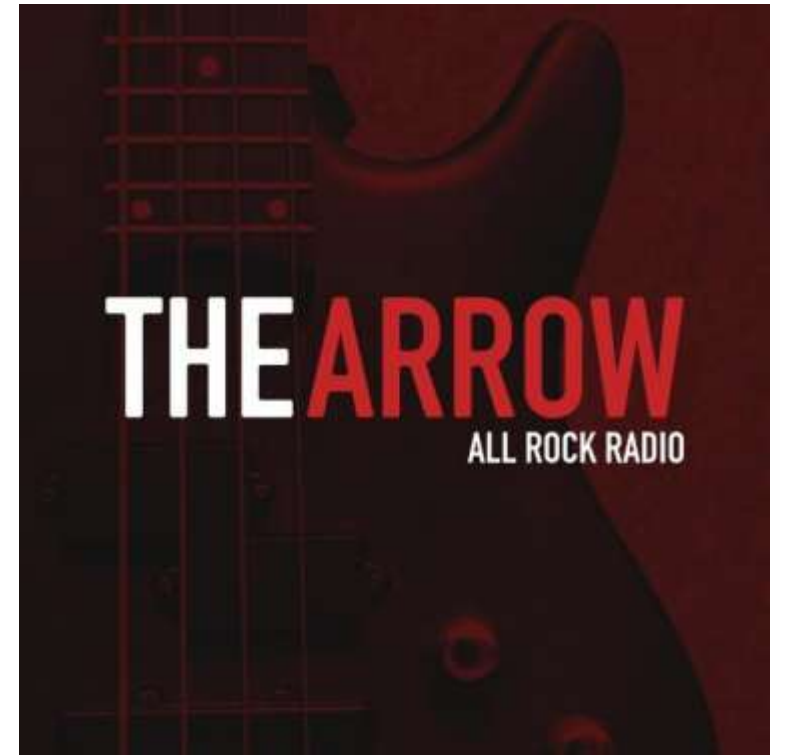




0.5m



1.1m



0.1m



TIDAL



Google Play
Music





0.9m



4.7m



0.8m



TIDAL



Google Play
Music





London 2018 – Analogue and Digital Services – Grouped By Ownership

The Digital Boost

Company	Digital + Analogue	Analogue	Digital Boost
BBC	44.2%	38.0%	16.3%
Global	27.5%	22.8%	20.6%
Bauer	15.7%	11.4%	37.7%
Wireless	2.6%	2.0%	30.0%



TIDAL



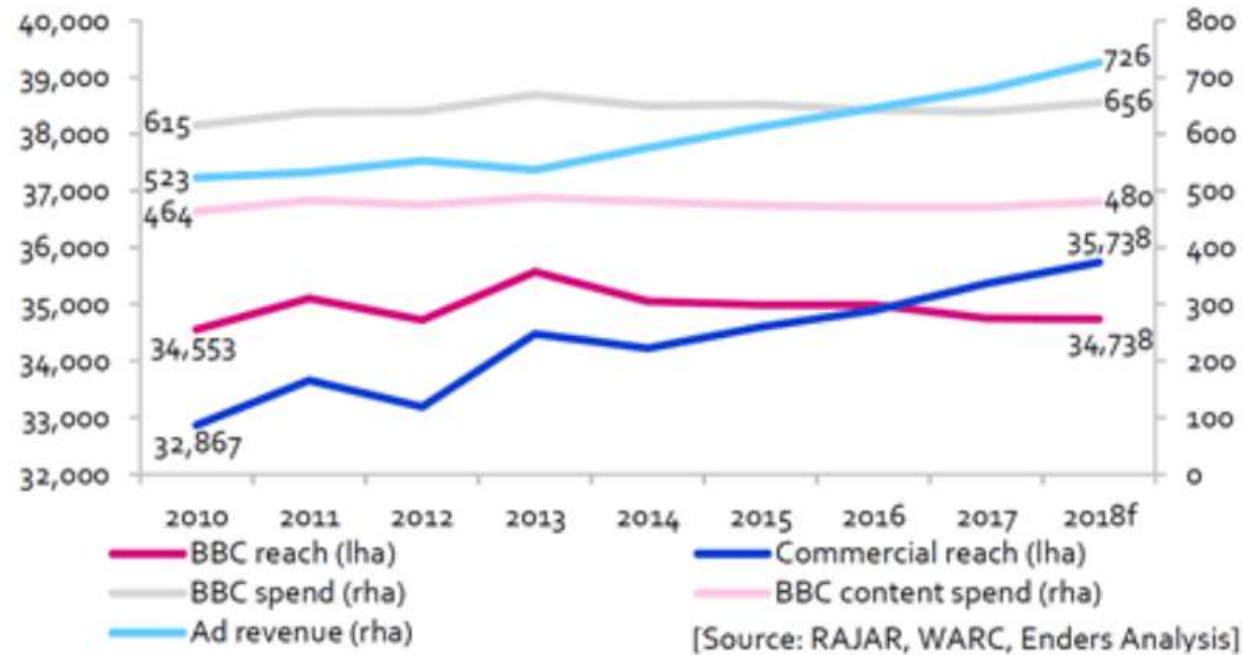
Google Play
Music



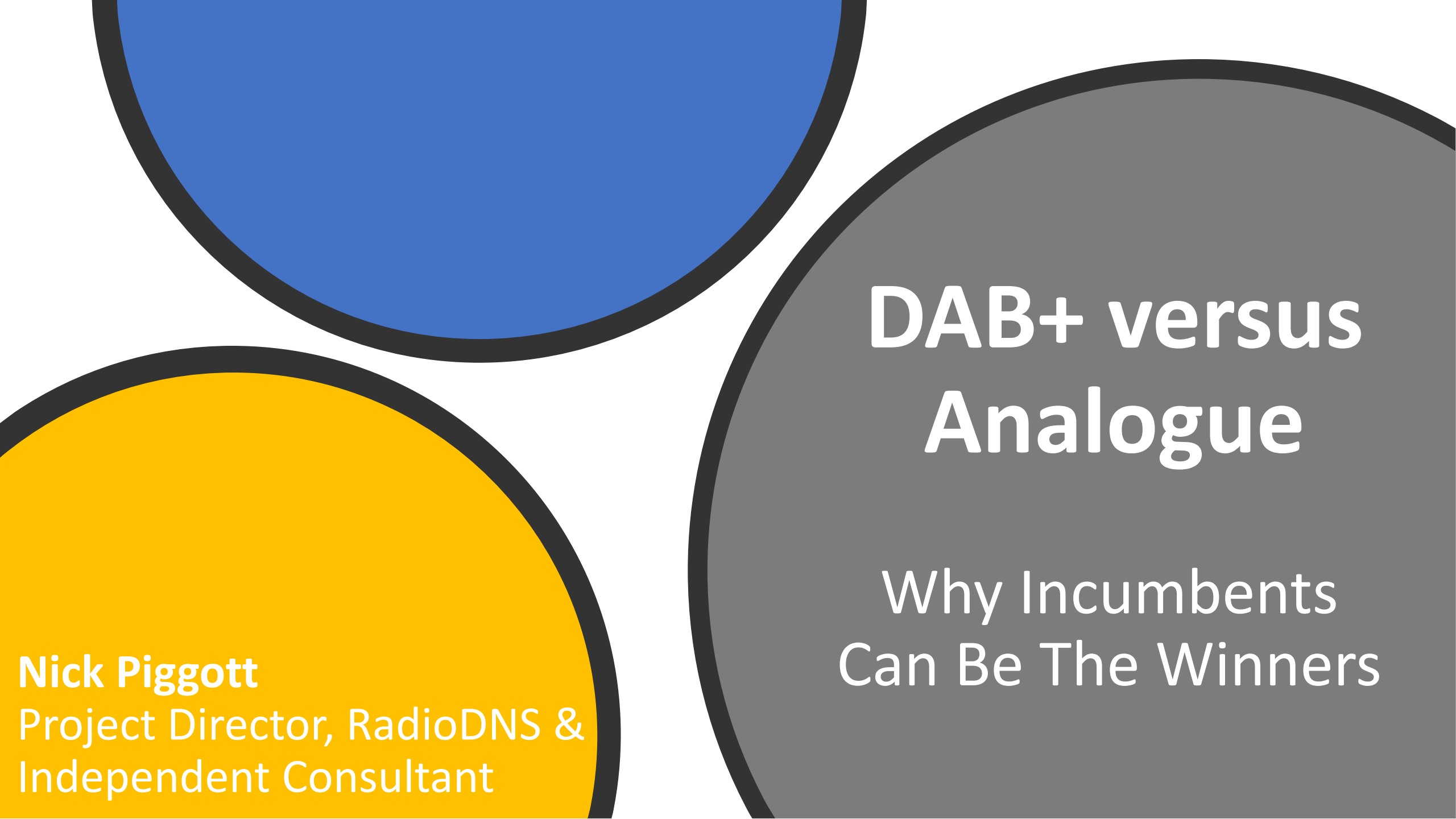
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alongside relatively high levels of spending from the BBC. Based on these trends it expects commercial radio revenue to exceed £700m for the first time in 2018 (see chart below).

Weekly reach (000s) v BBC spend/ commercial revs (£m)



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