

# EUR(O)RADIO

OPERATED BY EBU

## Digital Radio - Smartphone - Toolkit

Istanbul, 29 May 2015

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Head of Radio, EBU



**Over 400 million  
weekly listeners**

**= 82.8%  
of the  
population**

# THE SAME AMOUNT OF PEOPLE LISTENS TO RADIO

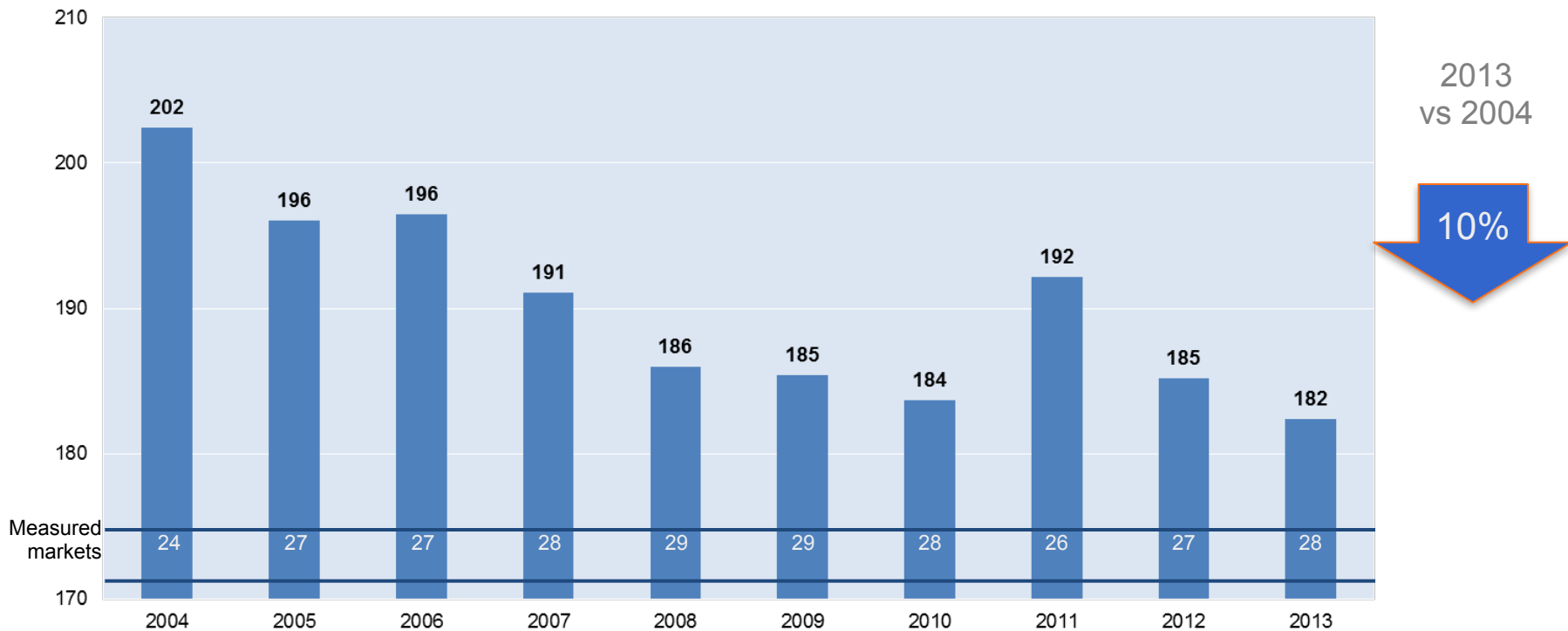
Average weekly reach of EBU Area markets (% individuals, 2004-2013)



Source: GEAR / EBU based on Members' data

# ... BUT FOR LESS TIME

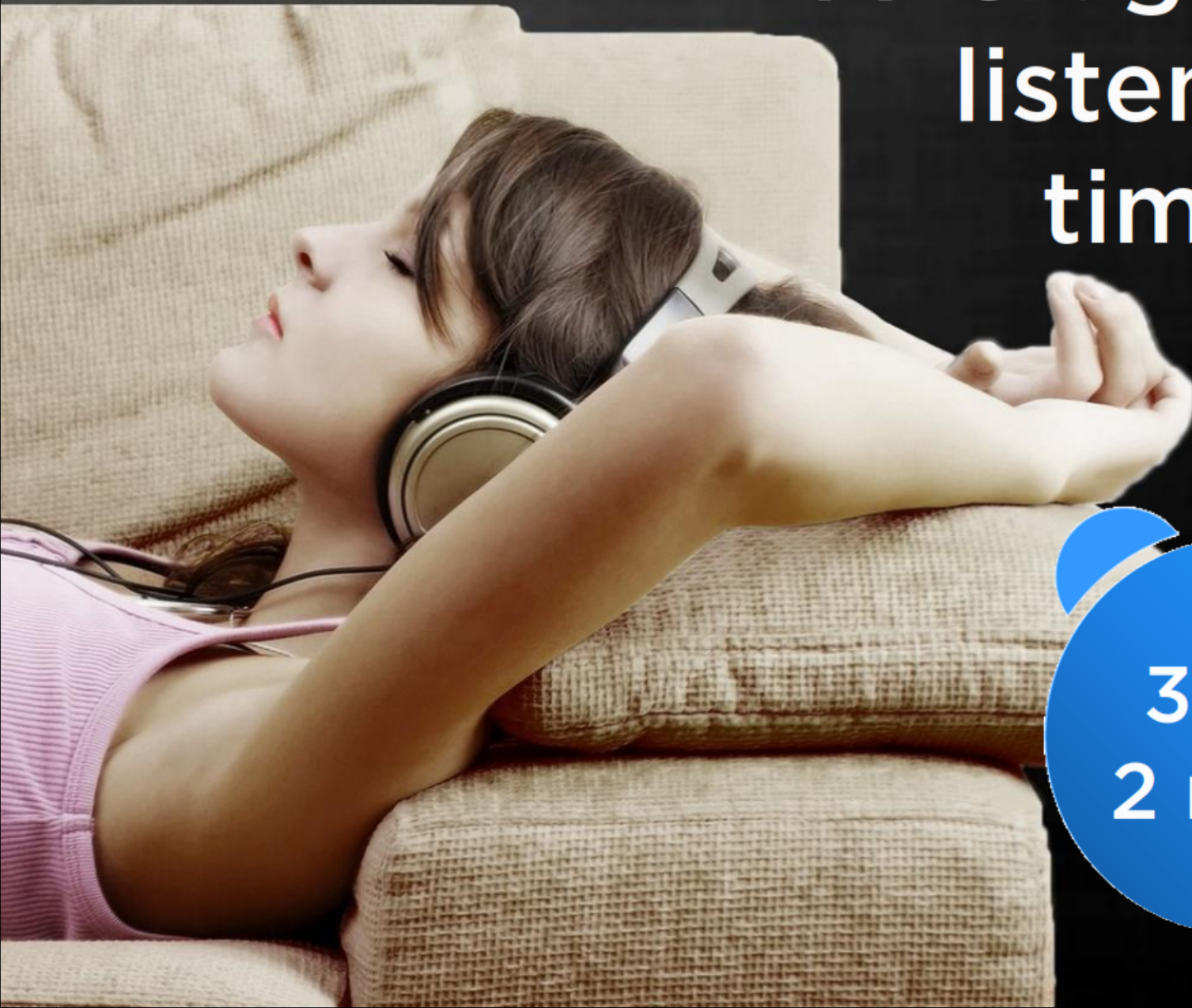
Average daily listening time of EBU Area markets (minutes for all individuals, 2004-2013)



Source: GEAR / EBU based on Members' data



**Average daily  
listening  
time:**



**3 hrs  
2 mins**





**30-40%**  
of people listen  
to radio during  
the morning  
commute



# Radio is the most trusted medium in Europe



58% of people tend to trust radio

# YOUNG PEOPLE ALSO LISTENS TO RADIO

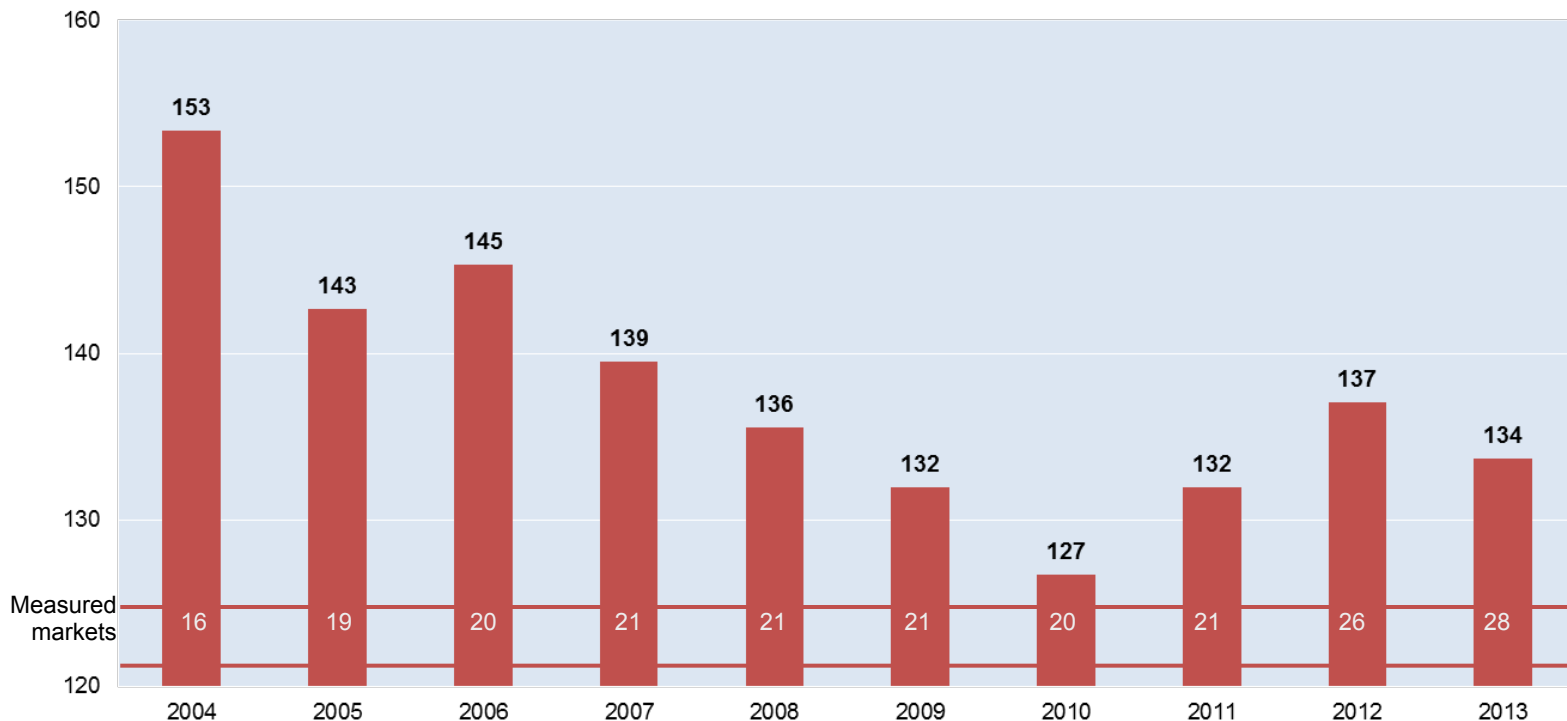
Average weekly reach of EBU Area markets (% young adults, 2004-2013)



Source: GEAR / EBU based on Members' data

# ... BUT INCREASINGLY FOR LESS TIME

Average daily listening time of EBU Area markets (minutes for all young adults, 2004-2013)



2013  
vs 2004

13%

Source: GEAR / EBU based on Members' data

# US: 242 Min/day consuming audio

Fall 2014

## Share of Ear™

### Age 13-17

Daily minutes  
spent listening

64 minutes

Streaming Audio  
(Pandora, Spotify, etc.)

53 minutes

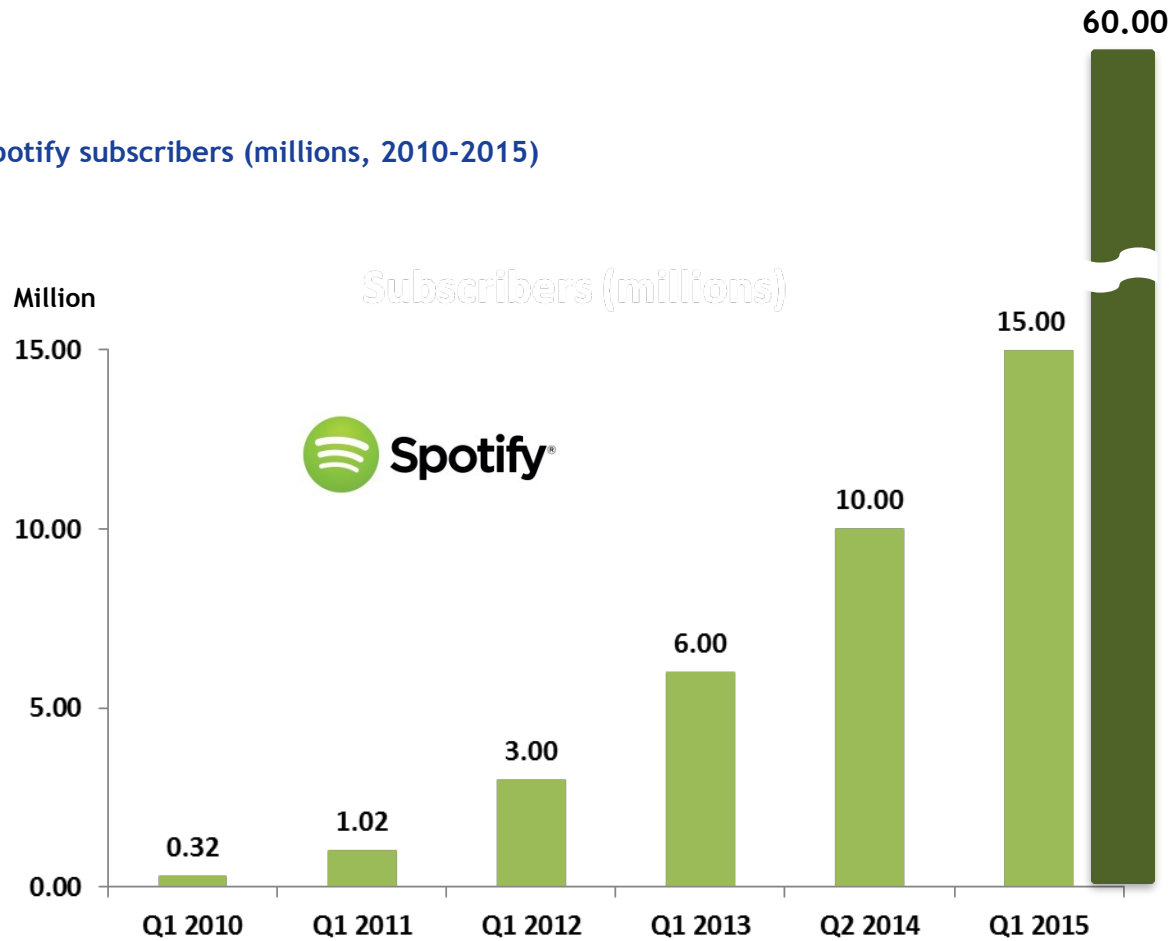
AM/FM Radio  
(Broadcast radio  
and online streams  
of AM/FM stations)



Source: Edison Research. Americans age 13-17 spend an average of 4 hours and 2 minutes each day consuming audio. This graph represents the average daily minutes spent with Streaming Audio and AM/FM Radio. Based on a nationally representative sample of 2,021 Americans ages 13+ who completed a 24-hour audio listening diary, Fall 2014. For more information contact [info@edisonresearch.com](mailto:info@edisonresearch.com)

# STREAMING IS RAPIDLY GROWING

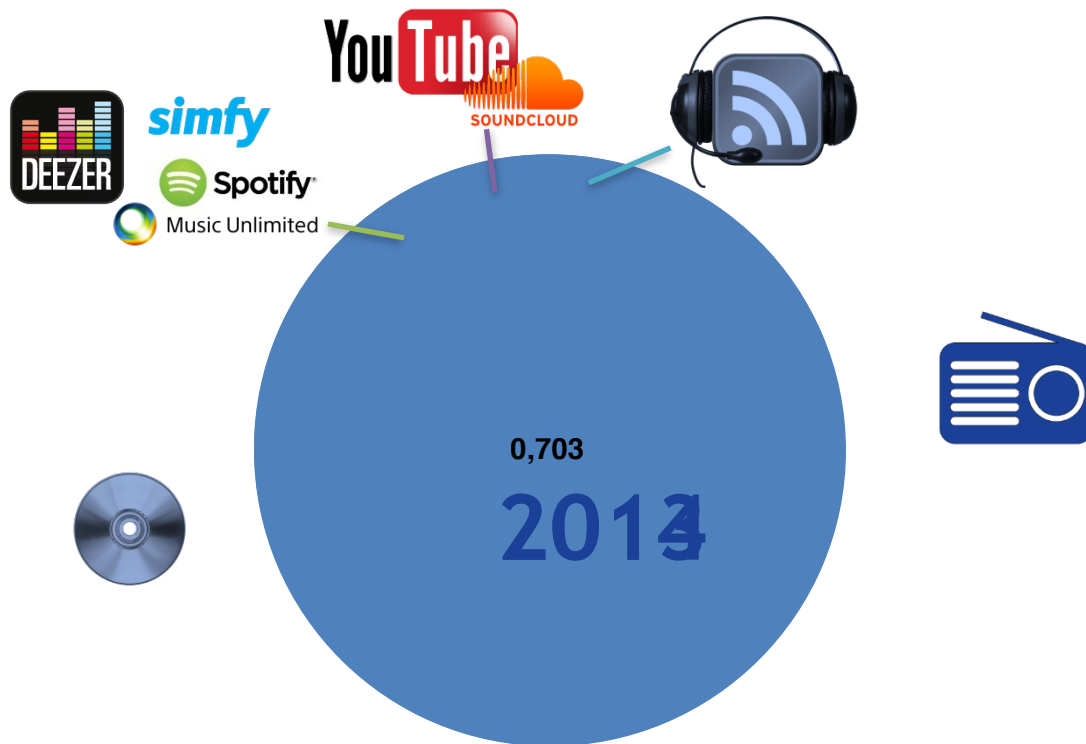
Spotify subscribers (millions, 2010-2015)



Source: EBU based on *The Guardian*

# ... AT THE EXPENSE OF OTHER AUDIOS

Total listening by format (% of weekly hours, 2013)

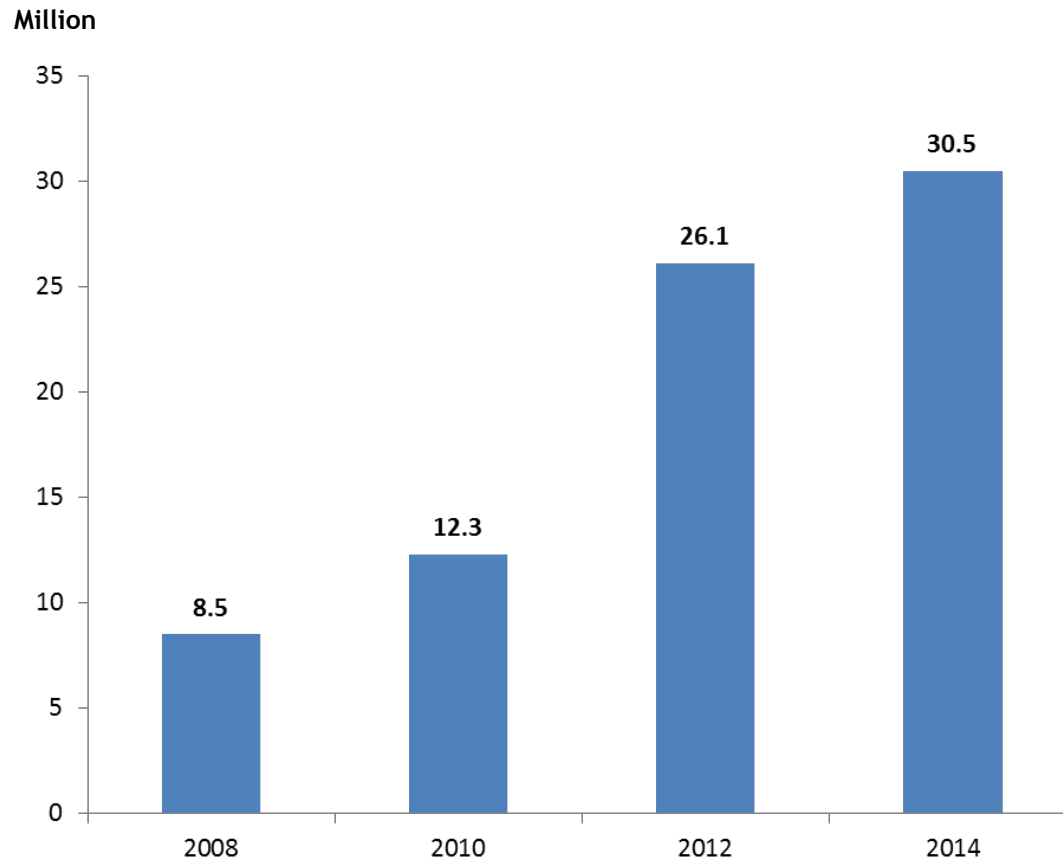


Source: RAJAR's Audio Now



# INTERNET RADIO IS A REALITY

Internet radio reach in Germany (million individuals, 2008-2014)

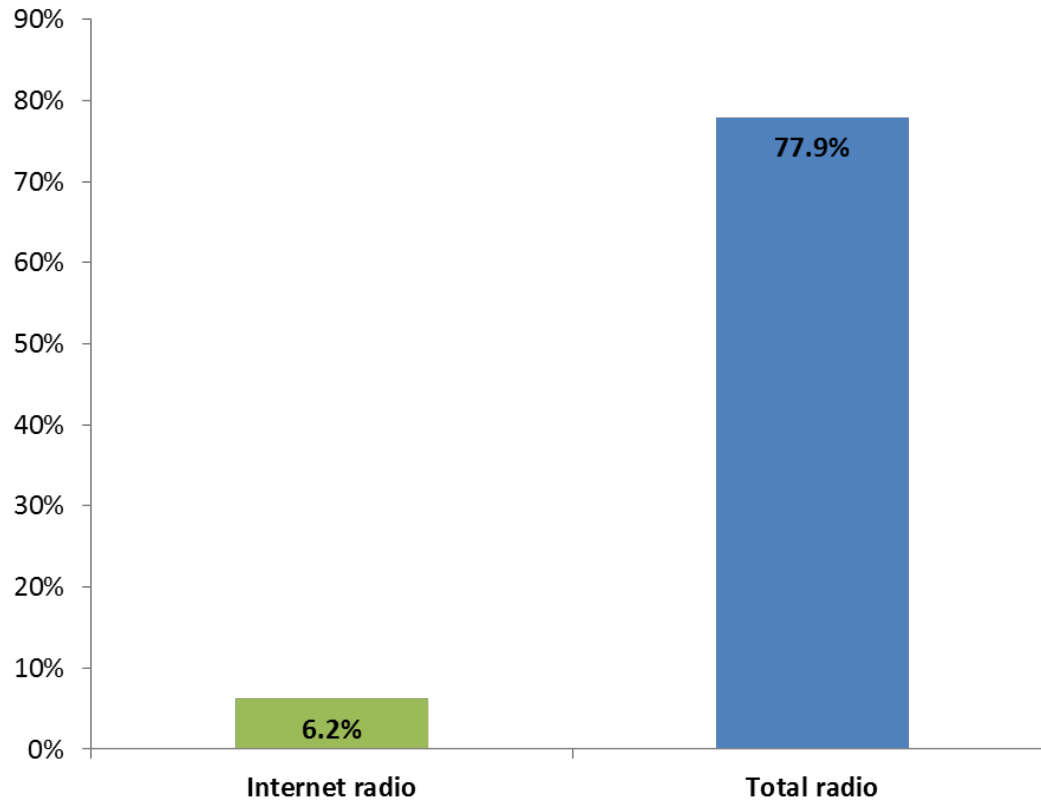


Source: ma Radio II



# ... FAR FROM BROADCAST RADIO

Radio daily reach in Germany (% all individuals, 2014)

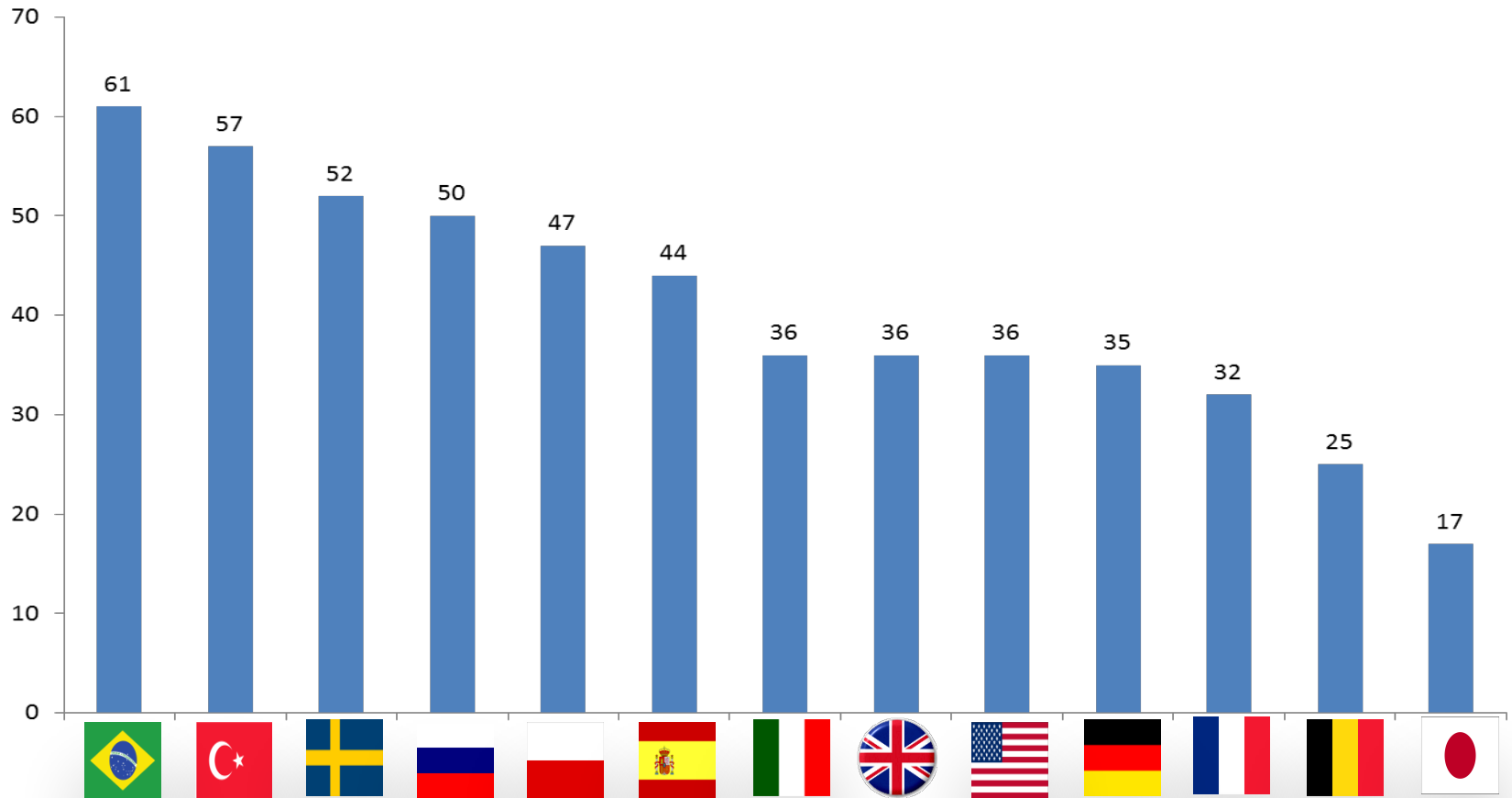


Source: ma Radio II



# MOBILE PHONES ARE EVERYWHERE

Use of mobile phones for listening to music (% individuals, 2014)



Source: Ipsos MORI Global Trends Survey



# Sweden

## Smart Phone penetration

- 72 % of all Swedes have a Smart Phone
- In age 16-19 = 92 %
- The Radio need is different



# Social Media

The ages up to 45, more people are using social media than listening to the radio.

The internet is the main news source for the 16-25-year-olds.

80% of young people get the news in social media every day. 37%, all / almost all the news there.

Facebook is the largest news source up to 24 years, the second largest after.

60 + on Social Media 90 min/day.

# Battle in the car





# Cars in the UK

60% of new cars now with digital radio as standard (2014).

90% of new cars to have digital radio as standard by 2017.

Conversion of 34 million cars required

After market products slow take up

Big opportunity for **smartphones** in the car.







People have a **fear of data usage** as they are not always sure when they are using it.

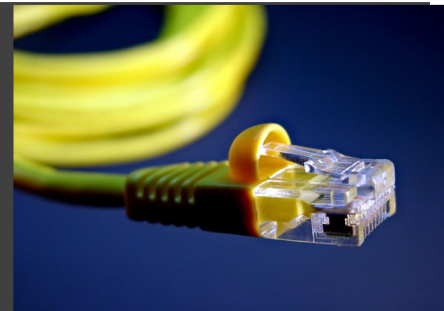
# HYBRID RADIO



Broadcast works for the mass market  
Low Cost, Ubiquitous, Free

+

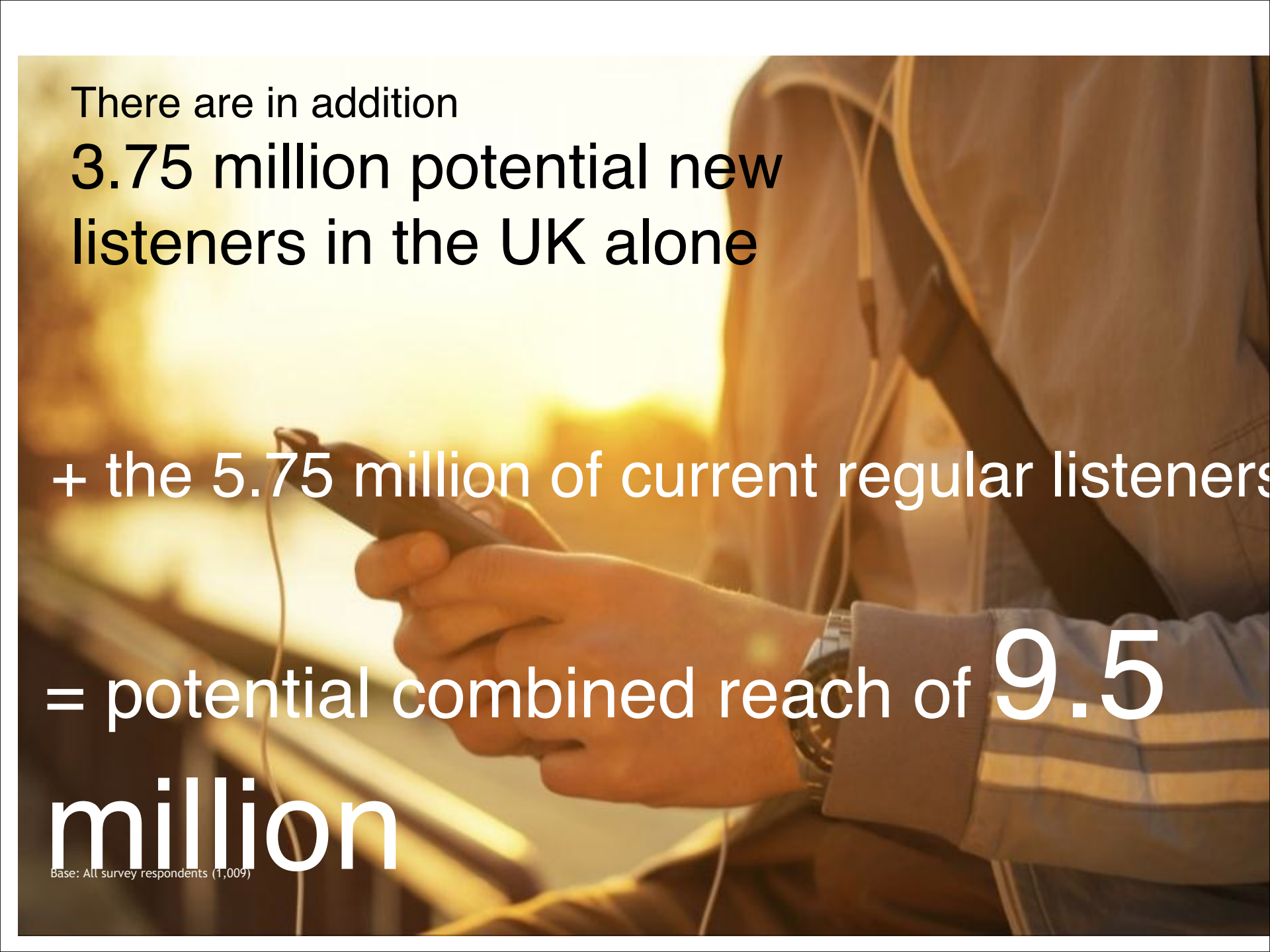
The Internet adds value  
Enhanced content,  
Personalisation & Transactions





6 in 10

of the target audience have already **listened to**  
**radio** on a **smartphone**, but there is an  
**opportunity** to attract **new listeners**



There are in addition  
**3.75 million potential new  
listeners in the UK alone**

+ the 5.75 million of current regular listeners

= potential combined reach of **9.5**

**million**

Base: All survey respondents (1,009)



A person wearing a high-visibility jacket is holding a smartphone. The background is a bright, warm sunset or sunrise, creating a golden glow. The person's hands and part of their jacket are visible in the foreground.

**64%**  
find it appealing

**67%**  
would be likely to use  
hybrid radio

Base : All survey respondents : UK 16-64 Internet users, smartphone owners, weekly radio listeners (1,009)



38%

would listen to more  
radio if it was pre-  
installed on their  
phone

This rises to **51%** among young  
women aged 16-24





44% would be likely to consider Hybrid Radio when choosing their next smartphone

Base : All survey respondents : UK 16-64 Internet users, smartphone owners, weekly radio listeners (1,009)

# The Universal Smartphone Radio Project

- Brilliant experience of hybrid radio\* on smartphones.
- Globally applicable & open standards.
- Made by the radio industry.
- Using common broadcaster standards.
- Providing consistent APIs.
- Goal: Making broadcast radio like an app.

\*broadcast and IP working together

**BBC**



**EBU**





# **SMART RADIO IN SMARTPHONES**

# SMART RADIO INITIATIVE

1. **Free-to-air:** Radio needs a **broadcast backbone** - FM, DAB, DAB+
2. Radio has to be where the users are – above all in **mobile phones and tablets**
3. The future of radio lies in using the combination of **broadband and broadcast** – not one or the other





- New song on radio
- Hit Tag button
  - info
  - playlist
  - share



**NEW SONG**

**LISTEN LATER**

**ADVERTISING**

- Listening is interrupted
- Tag and listen later
  - same device
  - different device



# **RADIO WITH A BACK CHANNEL**

# How to improve radio?

## The listener's view

- More choice outside the "standard" playlist
- Listener want to influence the music selection
- Jump and skip in the linear program
- Program information: EPG
- Localized information (GPS)
- Privacy remains a key issue
- No need for extended use of social media

Bayern

ANTENNE BAY... >

Bayern

ROCK ANTENNE >

Bayern

ANTENNE Info >

Bayern

ANTENNE Top ... >

Muenchen IRT

IRT-Test DAB+ >

Muenchen IRT

Surround Test >

Muenchen IRT

IRT-Test DAB >

Muenchen IRT



ROCK ANTENNE

12



DAB+



AC/DC  
Highway to Hell



Der ROCK ANTENNE  
**ROCKTOBER**

Mit Tickets für Motörhead, Placebo,  
30 Seconds to Mars, Biffy Clyro, uvm.

# The broadcaster's view

- Potential of new listeners because of bigger choice
- Broadcaster has a modern image
- Radio stations gets more attractive
- Listening gets interactive
- User data in real-time: who, where, when, which content, how many times, ...?
- Feedback into the radio program

# The producer's view

- Quality of metadata is core issue
- EPG - electronic program guide
- Start time, length, status information
- Title, author, artist, album, track, etc.
- Alternative titles from personal content
- Longer versions of reports
- Alternative audio streams
- Rundown data
- Synchronizing databases
- Additional pictures, audios
- New data model





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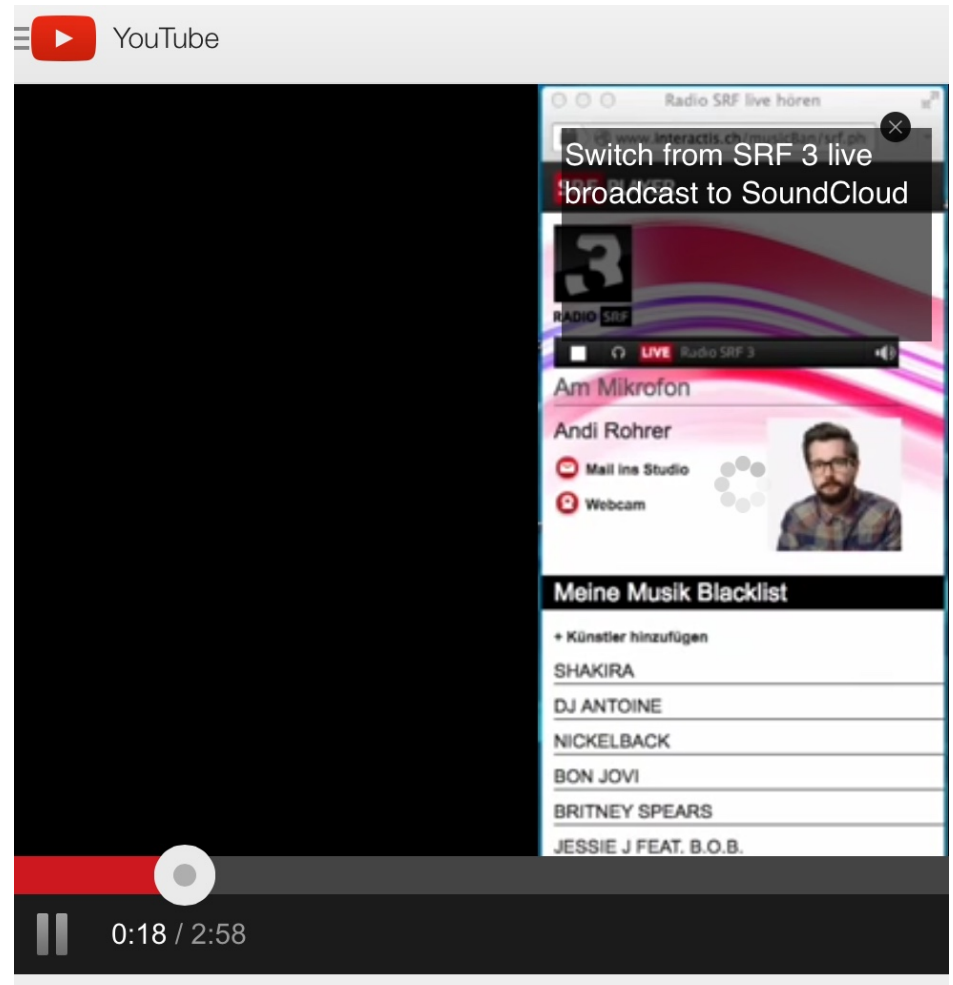
## How will future radio be ?

- Radio will be enhanced with multimedia content
- Personalized user profile
- EPG integrating linear radio and non-linear IP sources
- Advanced user profile: context related information about the current mood and situation of the listener -> offers related music



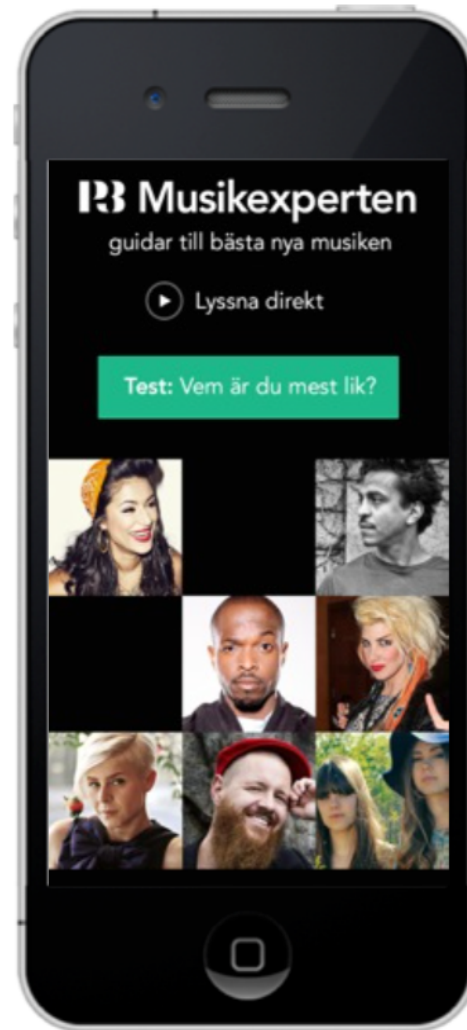
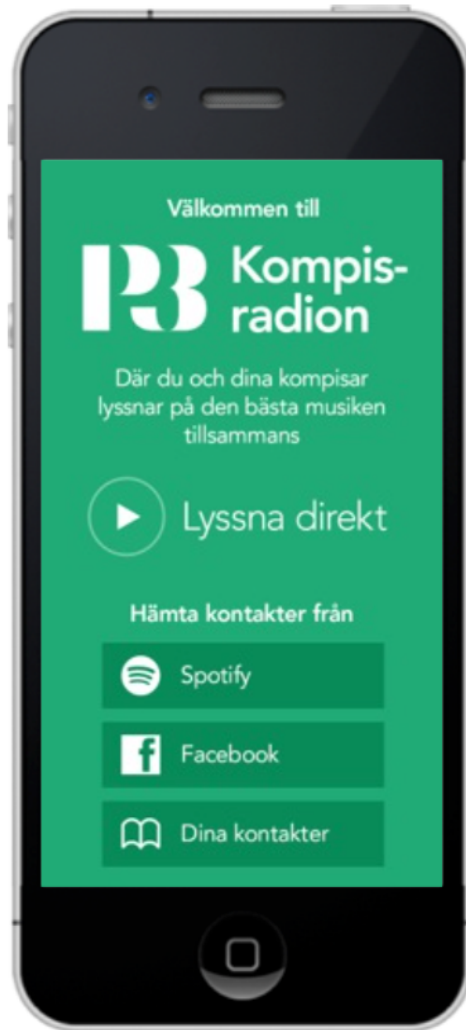
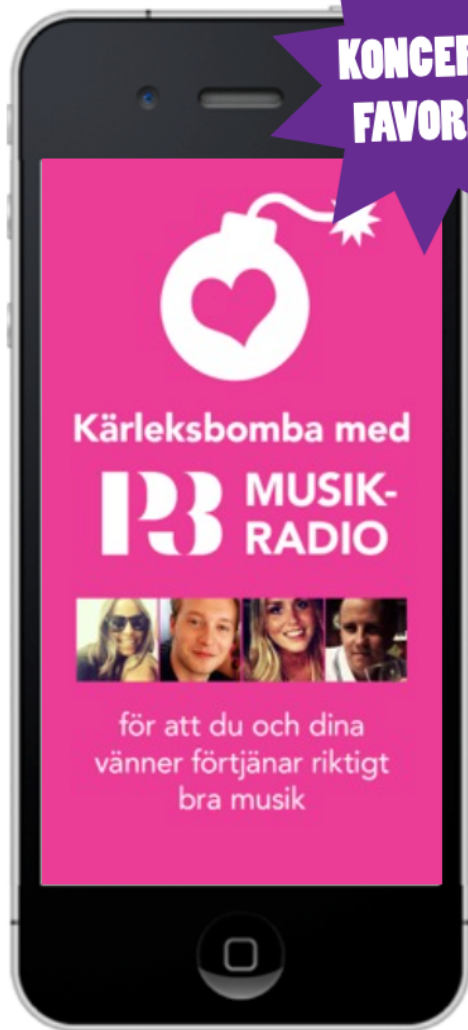
# MUSIC BAN

Blacklisted artists will be banned from the live broadcast and replaced by songs from the private music list on Soundcloud



SRF Hackdays / MusicBan: SRF 3 - SoundCloud

**KONCEPT-FAVORIT**







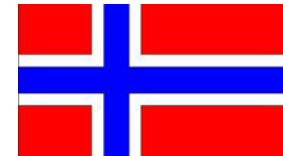
**DAB+**  
**and**  
**FM**  
**inside**



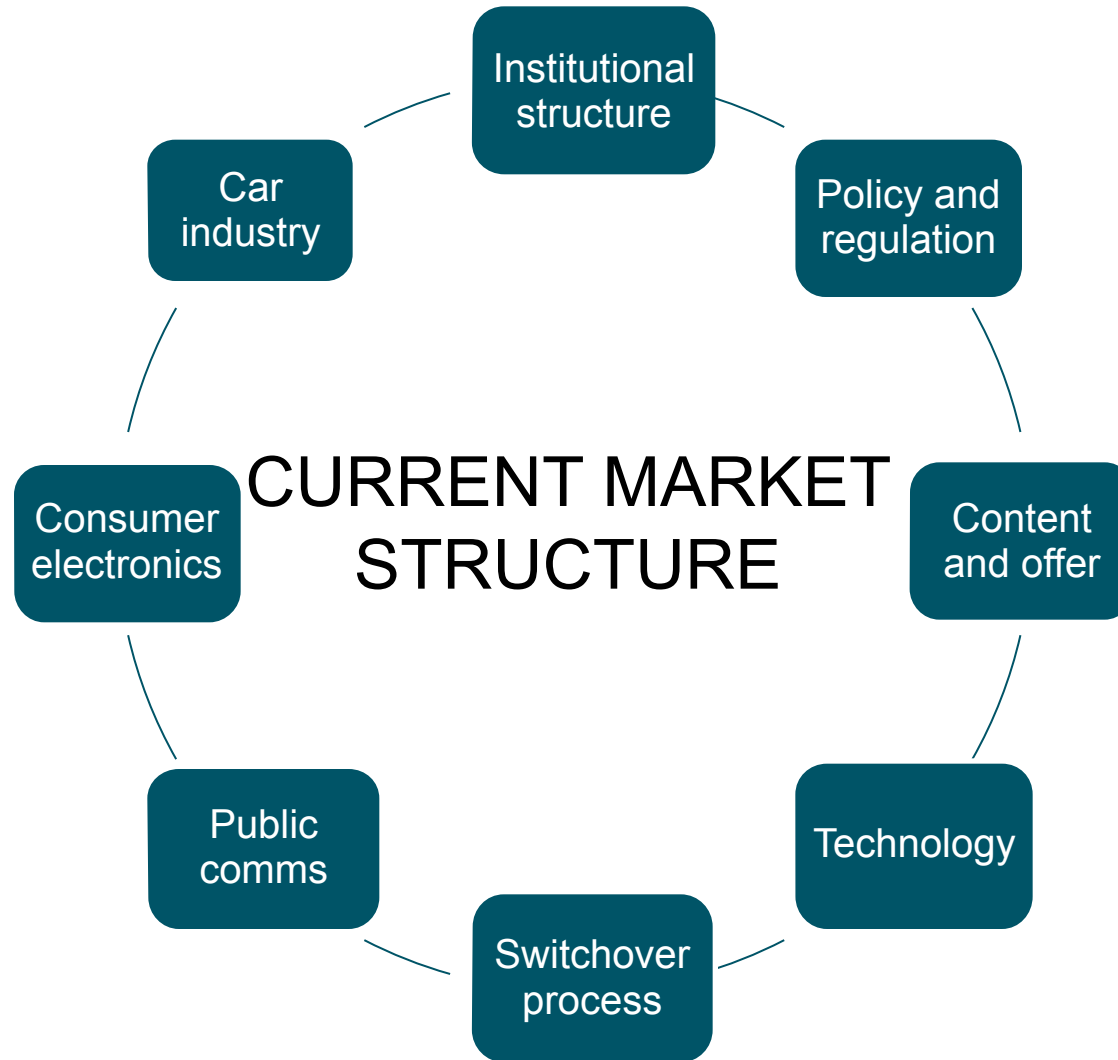
**The new**  
**SMART**  
**RADIO**  
**PHONE**  
**?**

**30**

**Key success factors in eight fields**



# FACTORS TO BE ANALYSED



# 1. INSTITUTIONAL STRUCTURE

- Involve all the stakeholders  
→ by creating win-win situations
- Set up an industry body  
= broadcasters can focus on their core activity
- Approach the authorities with a unified message  
= a common message will make the case for digital radio stronger and more difficult to be ignored

*Radio.no*

| | • digitalradio • | |

MC  
. DT

## 2. POLICY AND REGULATION

- Set regulatory incentives  
e.g. extension / renewal of analogue licences, change of content requirements, etc.
- Rethink your licensing system  
e.g. mux licenses, broadcasting licences or both?  
social / democratic aspects
- Correct regulation  
→ by strengthening values





### 3. CONTENT AND OFFER (I)

- Add value to the current offer
  - = new channels are the best content proposition
- Find unattended audiences
  - by exploring new niches



- Rely on familiar and well-positioned brands
  - = makes things easier for broadcasters and for the listener



### 3. CONTENT AND OFFER (II)

- Build economies of scale
  - by enlarging distribution or sharing production costs

- Design a product strategy, not a platform one
  - = bundle your offer, even your advertising

- Drive people to digital listenership
  - by moving stations or programmes to digital-only



## 4. TECHNOLOGY (I)

- Ensure good coverage  
= at least equal to analogue coverage
- Reduce transmission costs  
= digital transmission is cheaper than analogue but benefits only arrive with the analogue switch-off
- Extend collaboration to all technological platforms  
e.g. Internet player, mobile player app, hybrid radio, etc.



## 4. TECHNOLOGY (II)

- Make the case for local radio
  - = not losing a service currently available
- Be flexible with the quality
  - by using bitrate regulation
- Use technologies in a digital way
  - by being innovative



## 5. SWITCHOVER PROCESS

- Plan the process
  - = set guidelines for the transition
- Set realistic criteria for the switch-off
  - = they must be measurable and data must be collected systematically
- Set a clear calendar
  - = strong signal about the commitment of the stakeholders

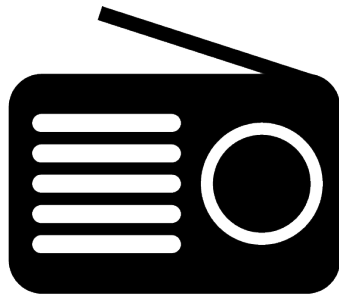




## 6. PUBLIC COMMUNICATIONS

- Communicate a single, clear and accurate message  
= show the added value
- Plan digital radio promotion  
= coordination of messages and channels
- Target the related industries  
e.g. consumer electronics, car industry

digital radio,  
more to love



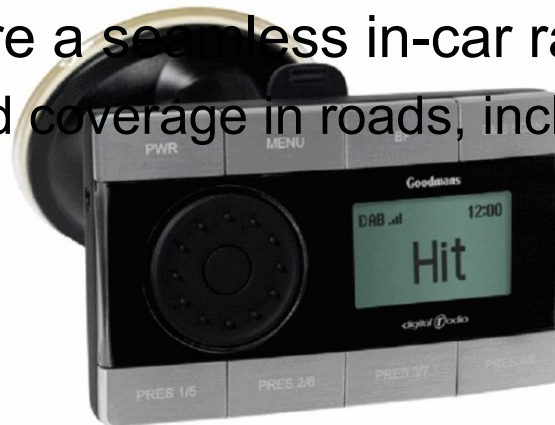
## 7. CONSUMER ELECTRONICS

- Make affordable devices available in the market
  - = low-income listeners can switch
- Offer future-proof devices
  - through information campaigns, certification marks, mandatory digital tuners, etc.
- Ensure a good buying experience
  - through training and relevant displaying

digitalradio 

## 8. CAR INDUSTRY

- Target the car industry early
  - by using both the content and the safety proposition
- Attend the aftermarket
  - = current radio audience is there
- Ensure a seamless in-car radio experience
  - = good coverage in roads, including tunnels



# DIGITAL RADIO KEY CHALLENGES: SIX "C"

Coverage

Content

Costs

Communication

Collaboration

**COMMITMENT**

THANK YOU!

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