

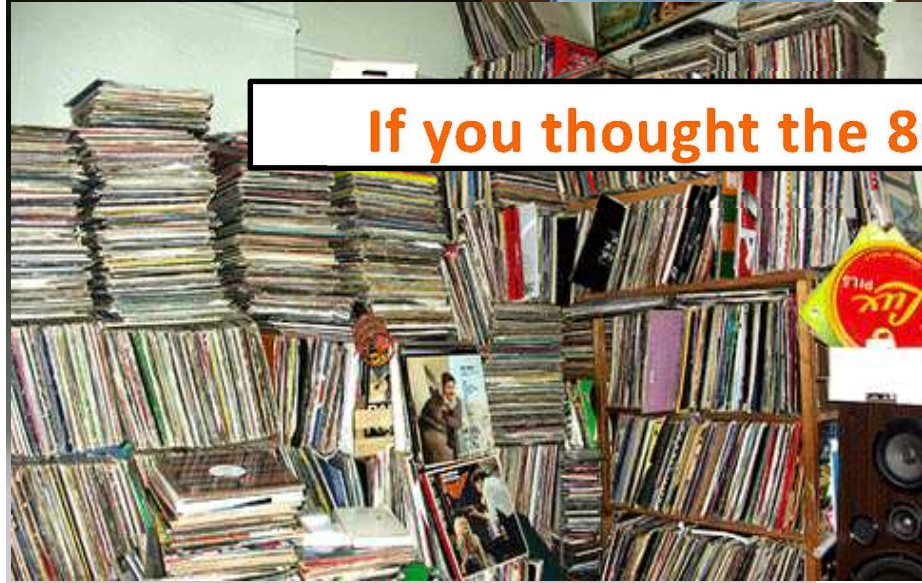


World DMB Congress

6 November 2013

# Music Entertainment in the 80s

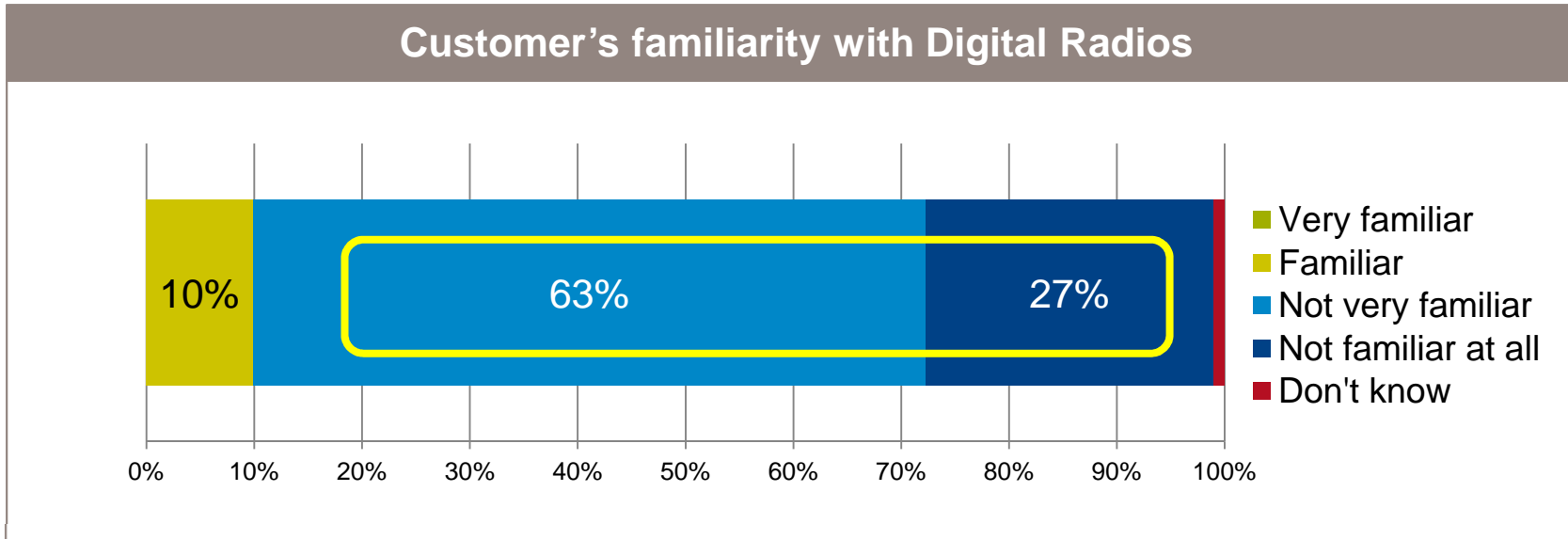
# Music Entertainment Today



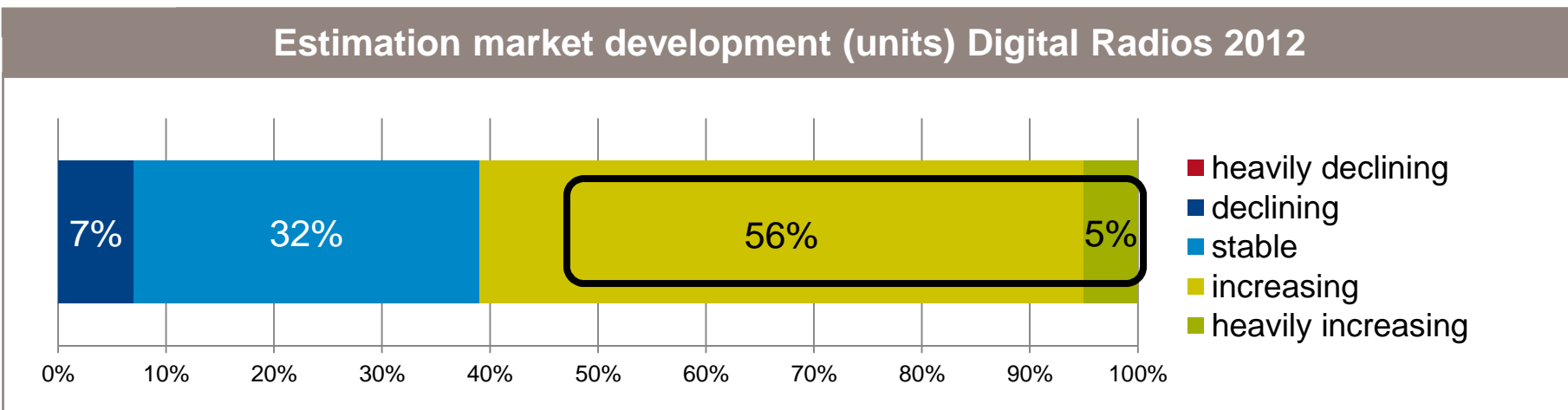
**If you thought the 80's were dynamic...**



The vast majority of retailers believe that the customers are not yet familiar with the topic Digital Radio.



Still, the vast majority of electrical retailers believes this is a growth market



Source: GfK Retailer Bus- June 2012  
 Q12: In your opinion: how familiar are your clients with Digital Radios? Base: n=94 (from the GfK Channel EI. Trad. Ind./BG)  
 Q15: What is your expectation for the market development of the Digital Radio market in 2012? Please think about sales units in comparison to 2011;  
 Subgroup Carrying Retailer. Base: n=75 (from the GfK Channel EI. Trad. Ind./BG)

# Status Digital Radio in Europe

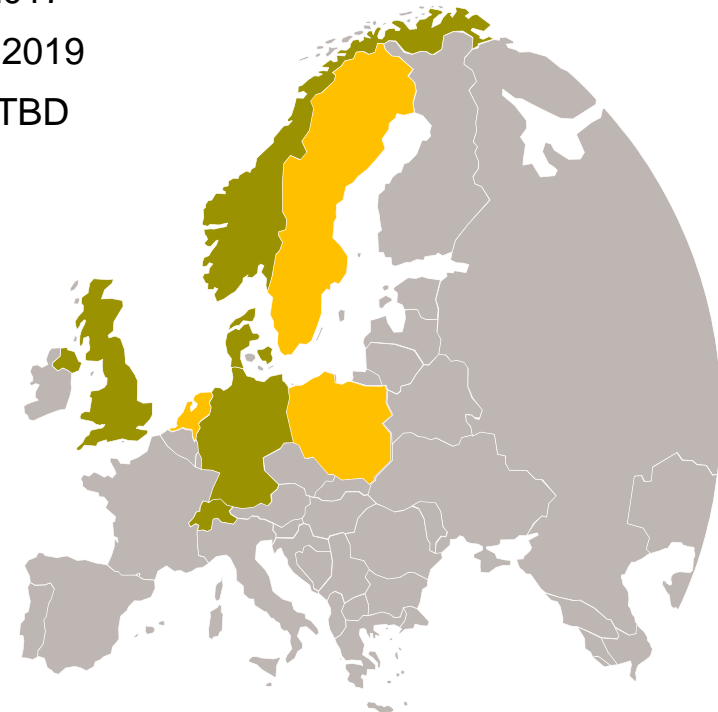


## Already Active:

- NO - Norway: Started 1995, final FM Switch over planned 2017
- DK - Denmark: Started 2002, final FM Switch over planned 2019
- GB - Great Britain: Started 2003, final FM switch over date TBD
- CH - Switzerland: Started 2008
- DE - Germany: Started 2011

## Soon to start/Just started:

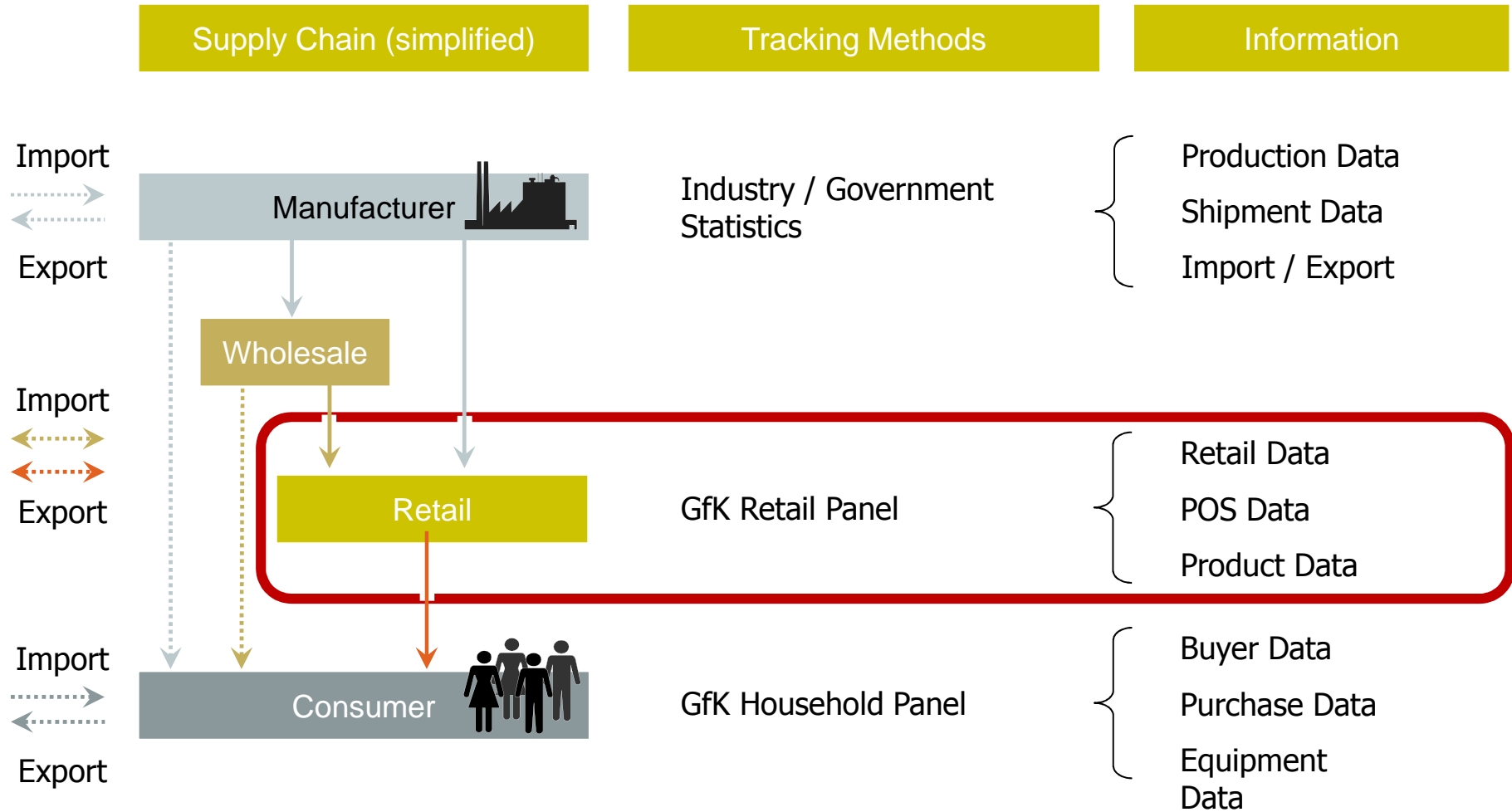
- NL - Netherlands: Start September 2013
- PL - Poland: Start 2013
- SE - Sweden: Start soon & final switch over plan 2022
- Other countries discussions and trials



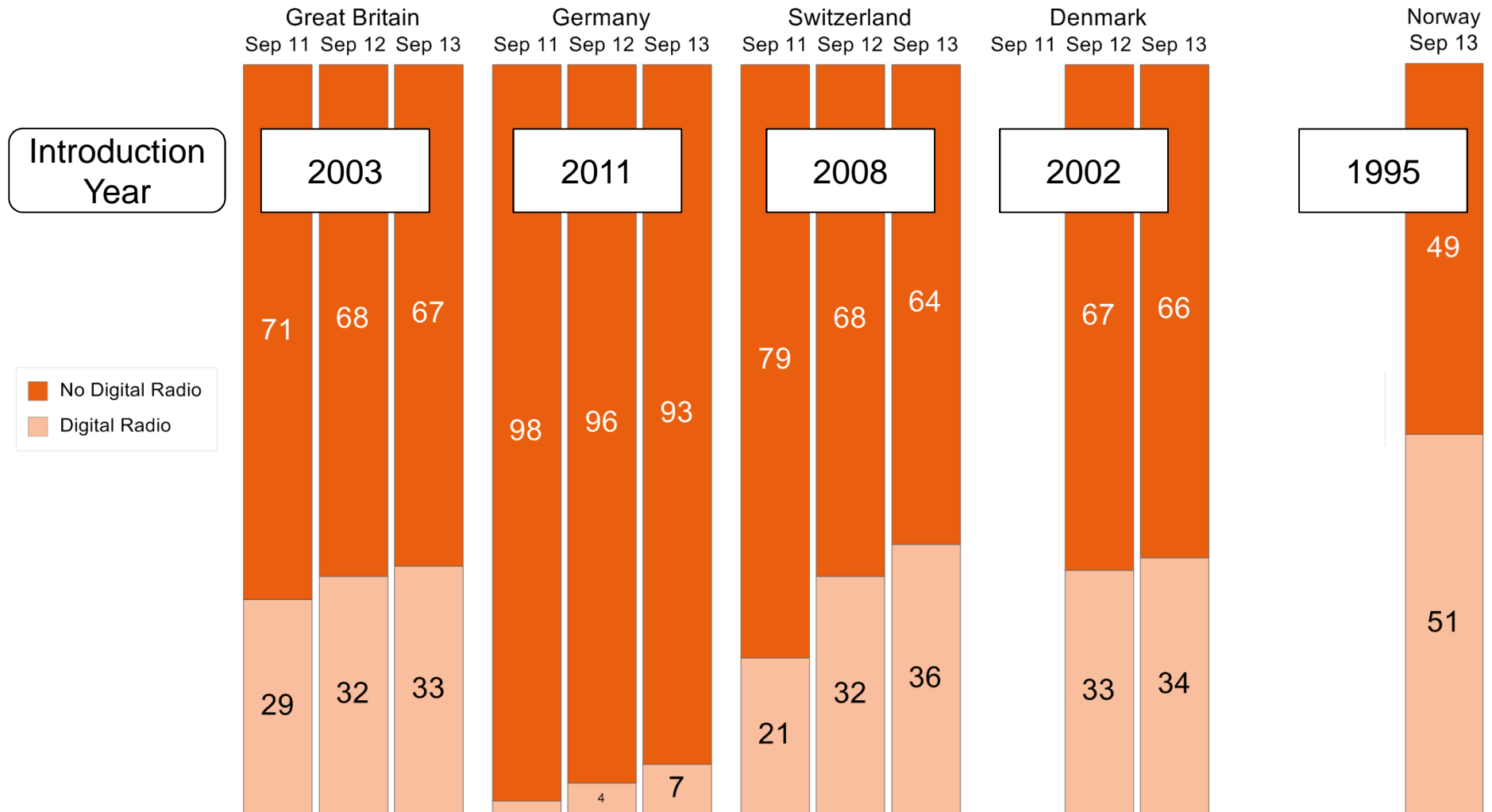
**Expansion all over Europe: DAB will become the new standard**

# The GfK Retail Panel

## Market Research along the Supply Chain



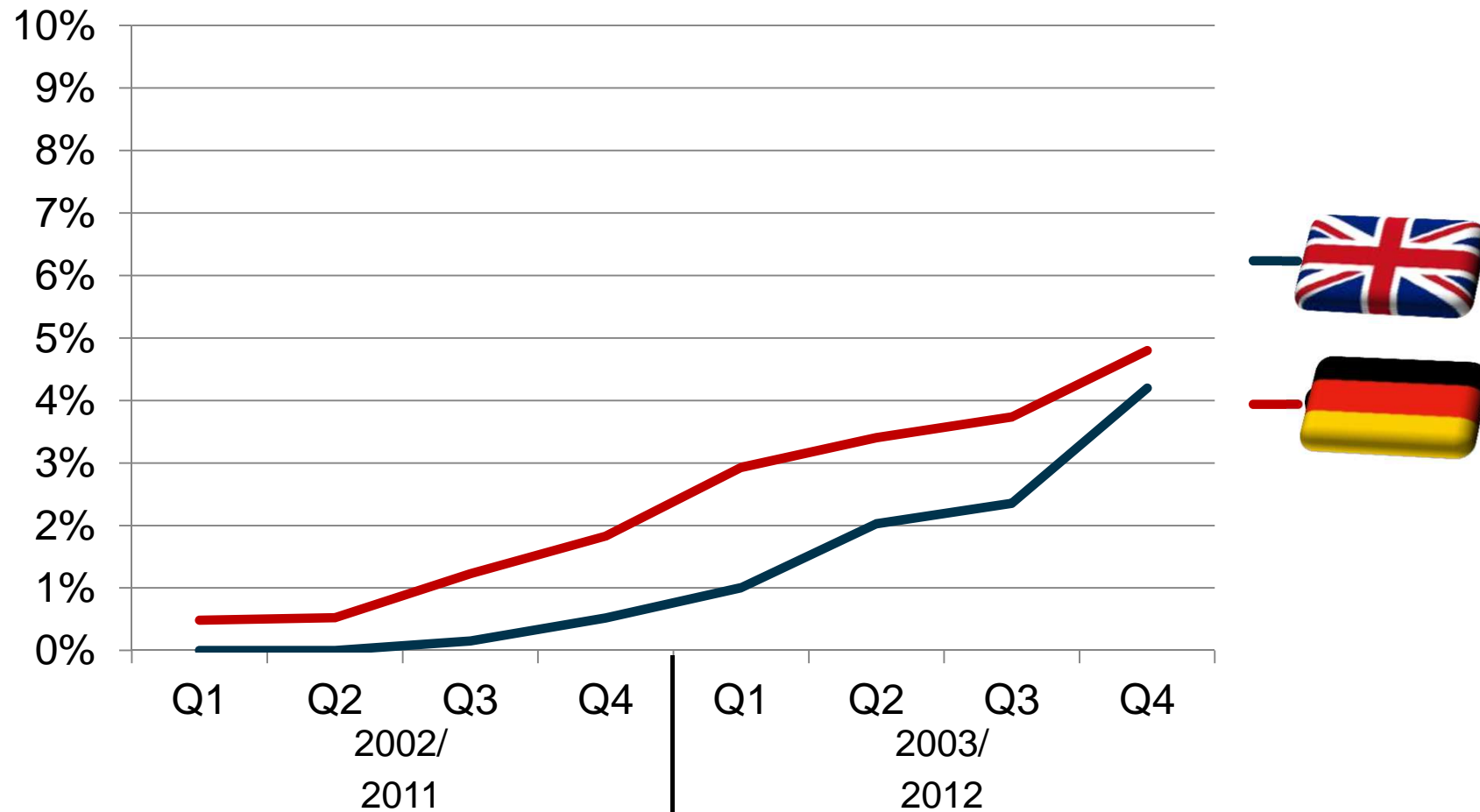
# The current situation in European countries where DAB is already active



In the first 8 quarters, when sales started to rise, markets show a similar growth trend. The adoption curve for new countries could be similar to this



Share of Digital Radios in Sales



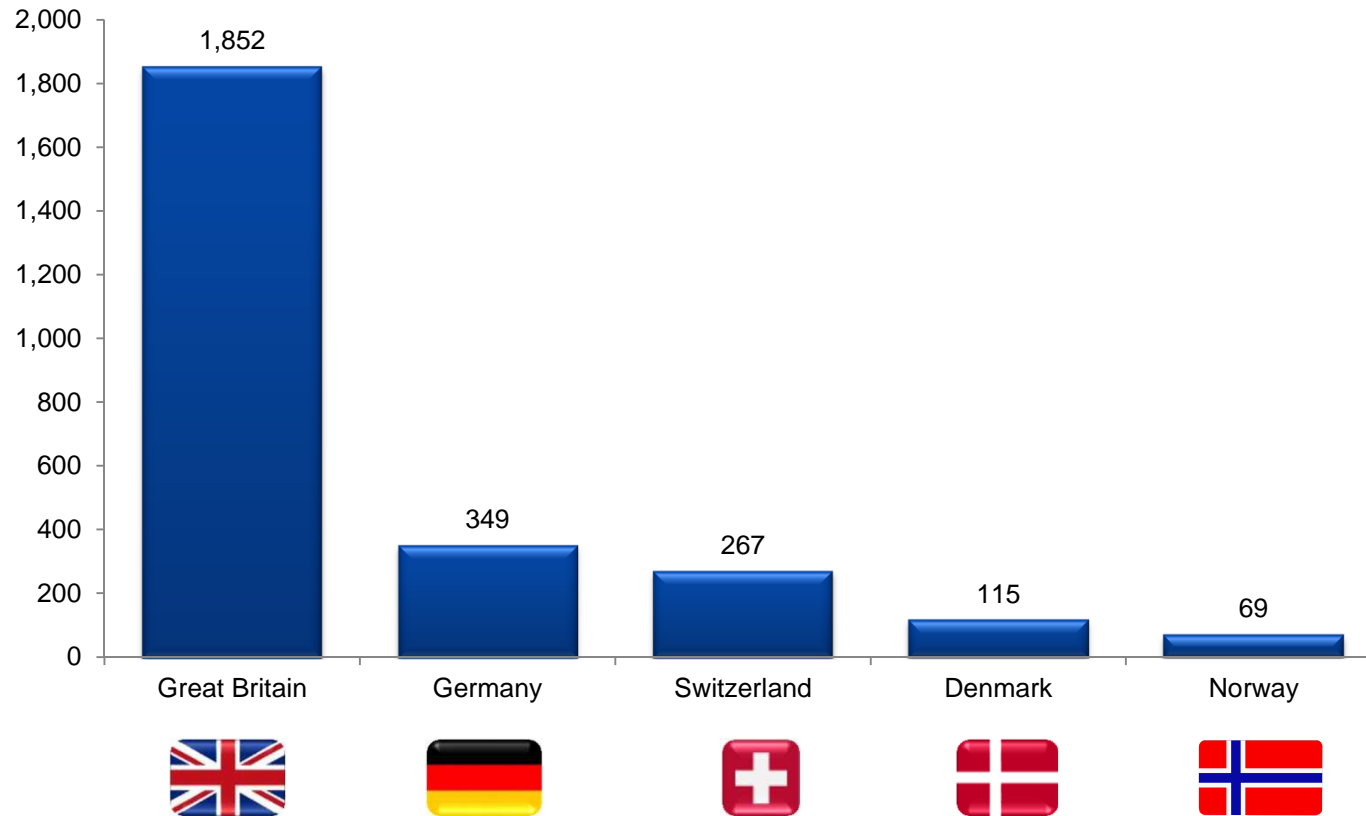
# Sales volume per country

There is a lot of potential for growth compared to UK!



## Digital Radio

sales in ths units GfK Panelmarket (last 12 months)





# Digital Radio Market



Clock Radios    Portable Radios    Radio-recorder    Audio Home Systems    Tuner    Receiver    Car Audio (After Sales!)

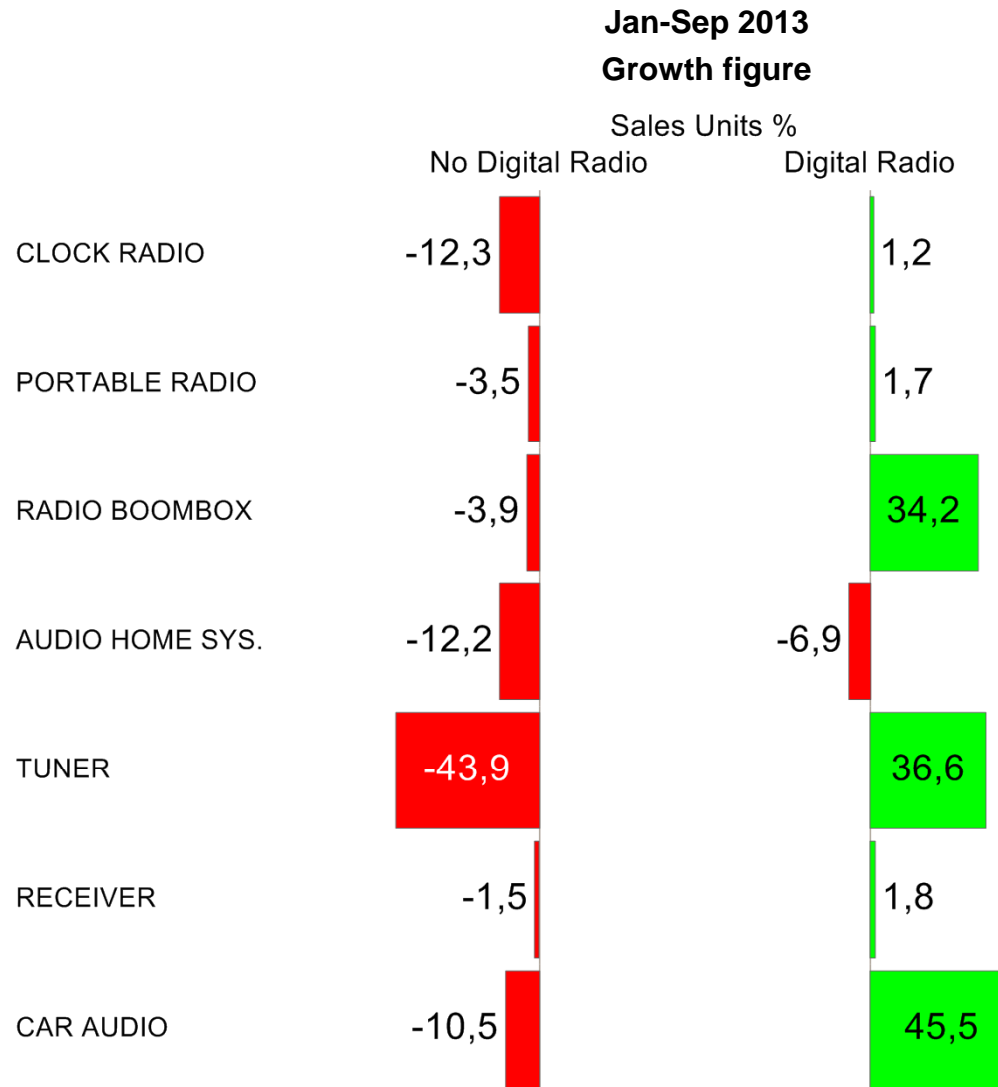


GfK Panel Market vs. GfK Total Markt  
Coverage **Estimation: 70%**

GfK Totalmarkt vs. Digital Radio Market  
Coverage Estimation: **Not possible**

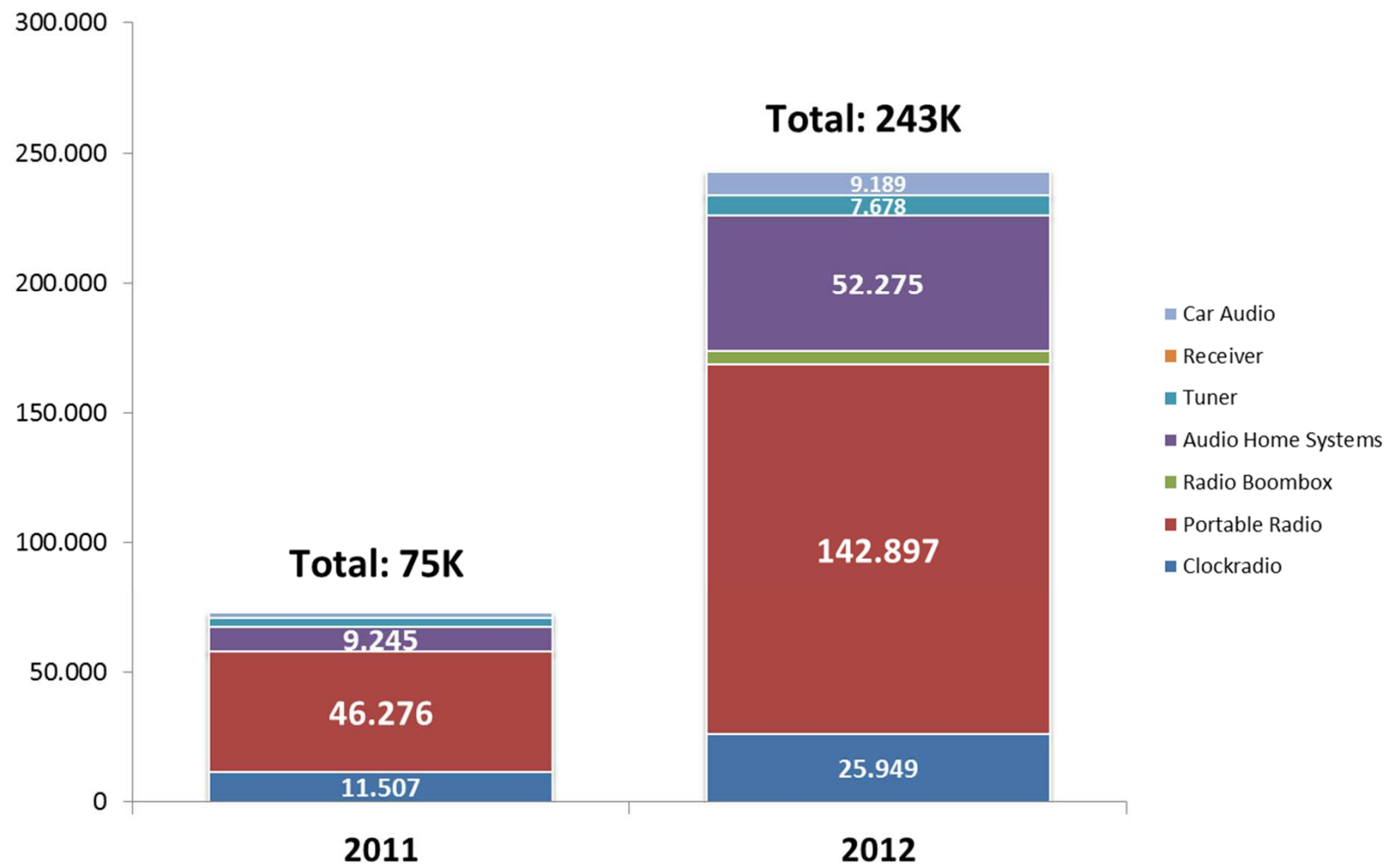
# Top EU3 (Great Britain, Germany, Switzerland)

## Digital Radio is growing overall, where as the analog market is declining



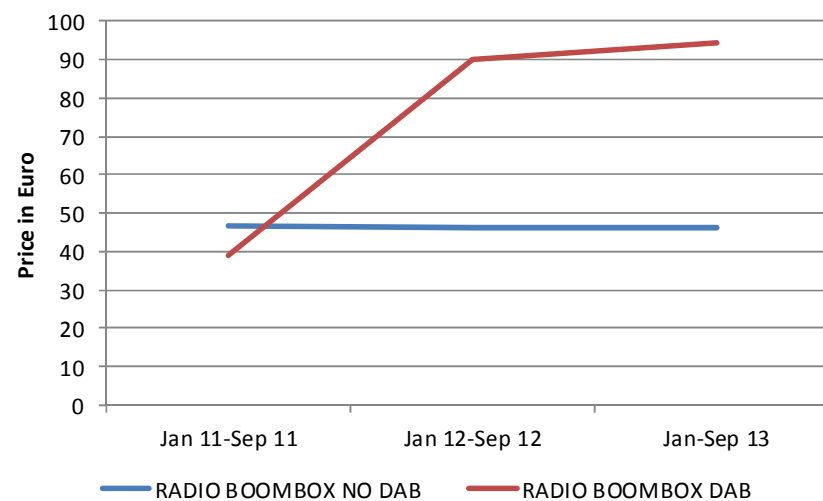
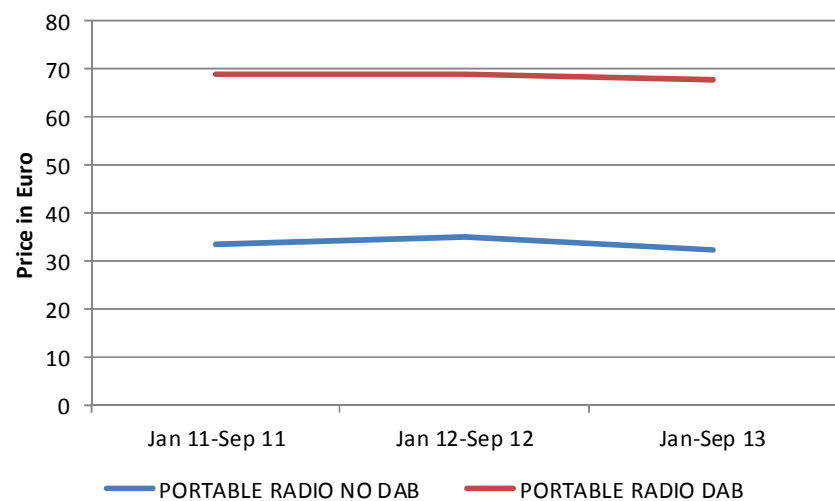
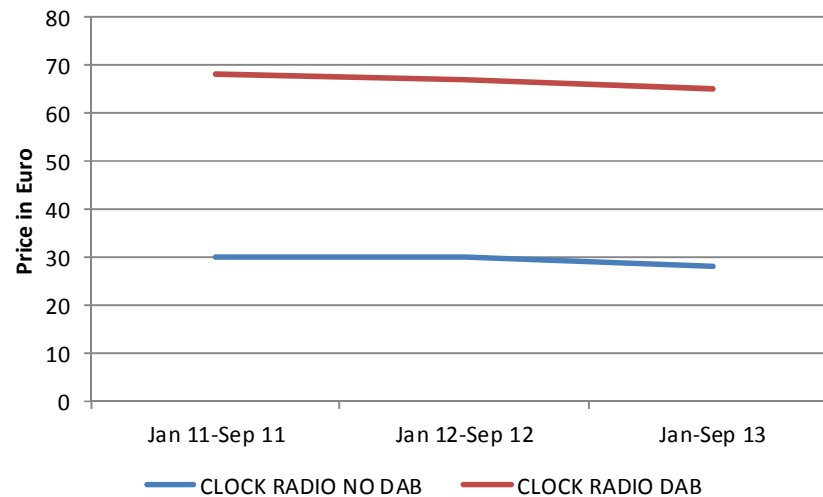
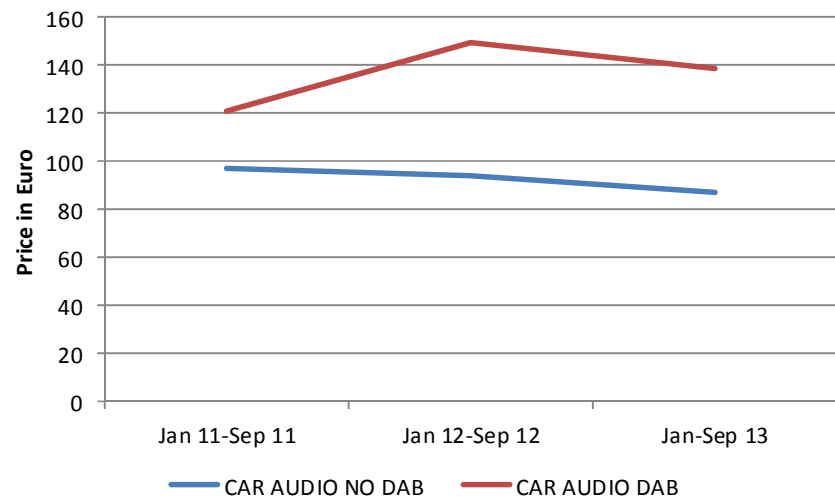
# German market tripled in the introduction year!

## Leading categories of DAB are: Portable Radio, Audio Home Systems and Clockradios



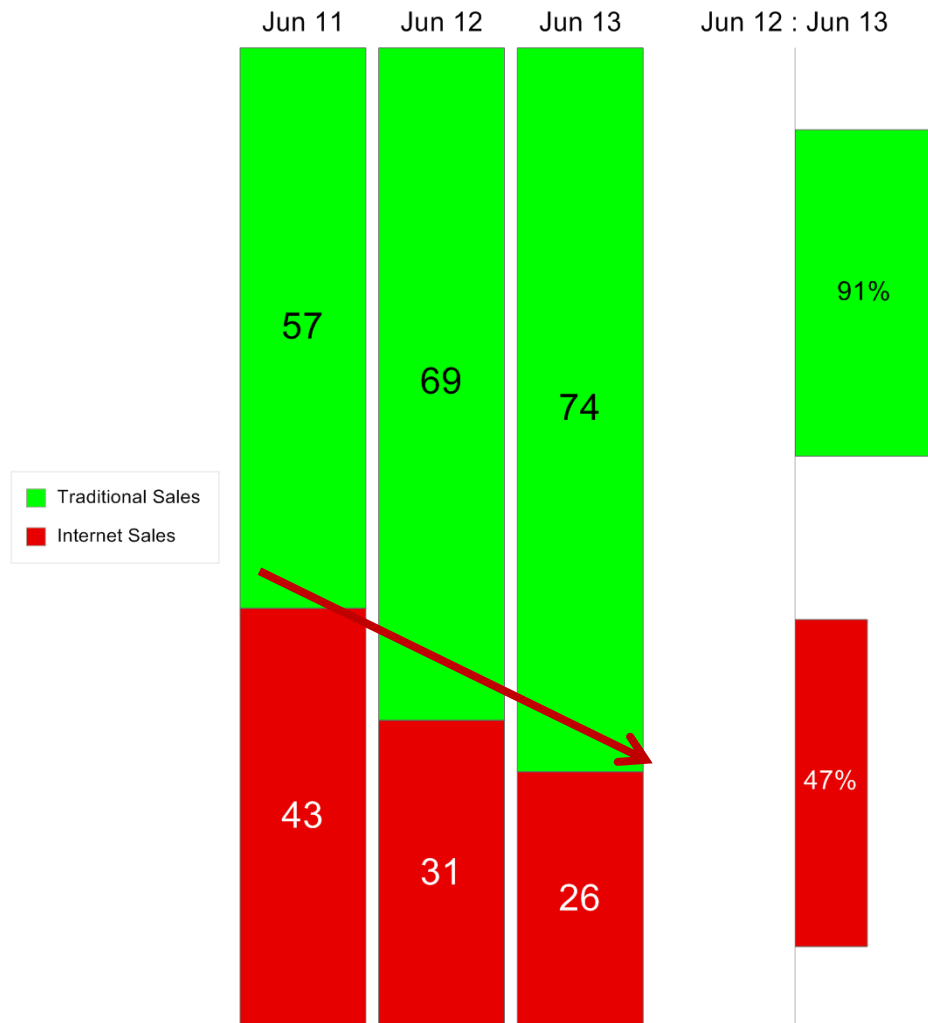
# Top EU3 (Great Britain, Germany, Switzerland)

## Prices of DAB products are significantly higher than for Analog products!



## German market:

As the DAB products get more well known, traditional retailers also start selling them



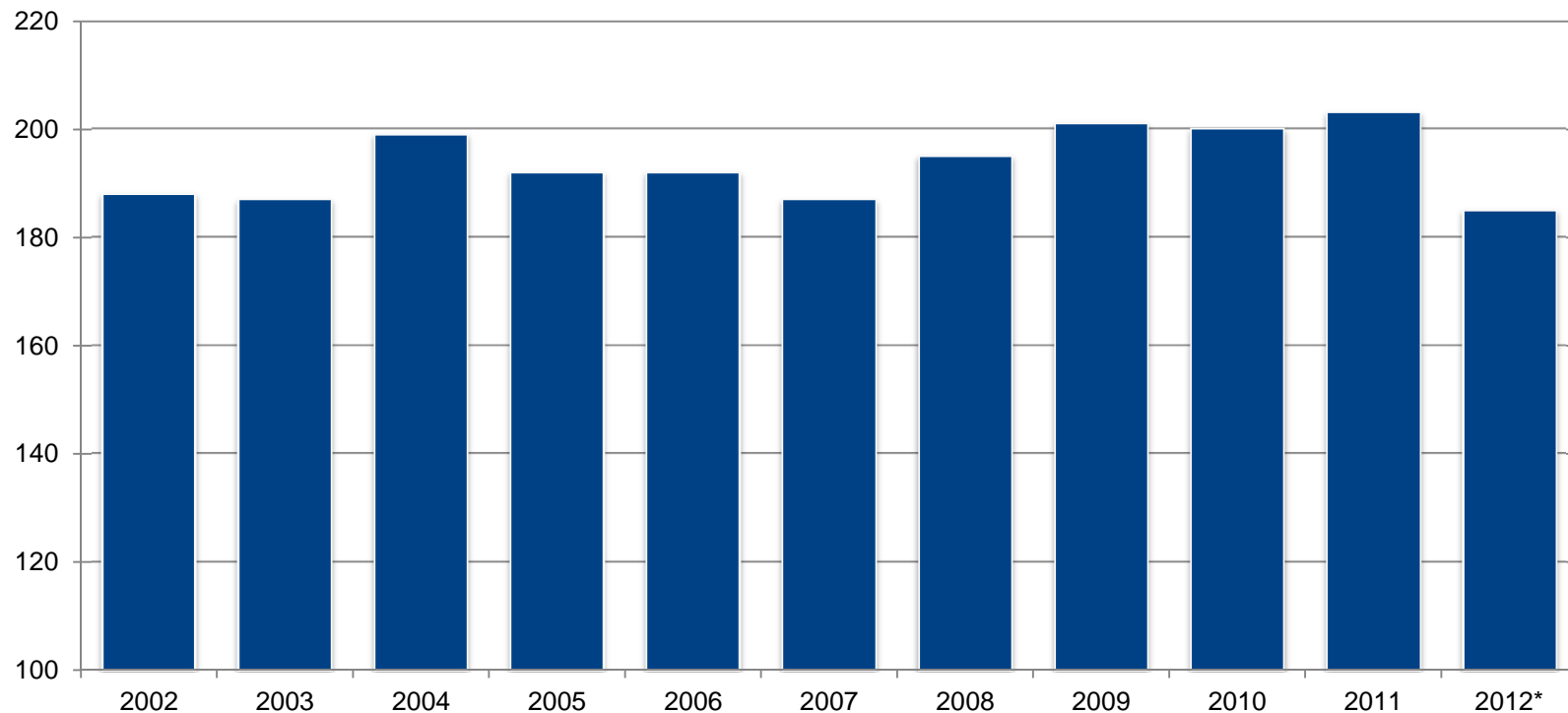
- Both channels show growth, but Traditional Sales grow faster than the internet sales (and is already bigger than the internet sales)
- The sales also reflect availability: internet stores were quick to add devices on their virtual shelves. Traditional retailers are now starting to make room on their shelves.

In the Netherlands people listen on average > 3 hours per day to radio  
Slight growth over the years



### Average Radio Listening Time

Netherlands per day per person (minutes)



\* 2012 new measuring system, which caused a small decline

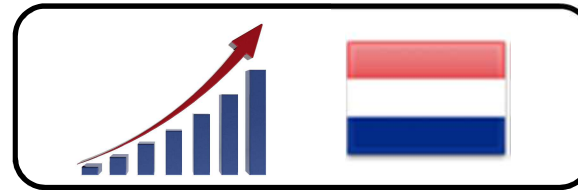
# To get MORE Sales...



**M**usic is everywhere



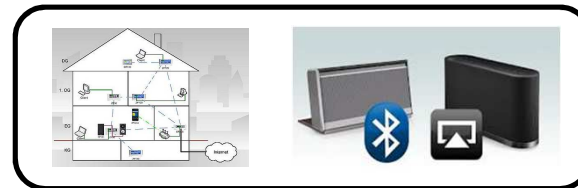
**O**pportunities



**R**eplacement sales



**E**ducation of the technique





Thank You!

Barbara Schouten | Business Consultant CE/Photo Benelux  
GfK Retail and Technology Benelux B.V.

With our research we are discovering new insights into the way people live, think and shop.