



The UK Radio Market Market Overview 2014

Introduction

This document contains an overview of the UK radio market. We have begun by detailing each of the major radio brands/networks including information about their core audience, their listening figures and their platforms. Whilst there are over 300 radio stations broadcasting in the United Kingdom, an understanding of these core brands enables you to navigate the market far more easily. We have also included a summary of how radio is traded and planned in the UK.

How Radio is Traded

RAJAR

The vast majority of the radio stations in the UK are included in the quarterly RAJAR Report. This survey provides up-to-date statistics about each station's audience. These figures are then used as the basis to plan and buy all radio campaigns. This allows us to work out the number of people who will hear the advert (the "Reach"), the average number of times the advert is heard per person (The OTH or Opportunities to Hear) and the total number of times the advert is heard (the "Impacts"). The higher the OTH, the greater the intensity of the campaign.

Pricing

The cost of a campaign depends on the number of times the commercial will be heard, or the number of "Impacts". The higher the station's reach, the more people exposed to the ad. This increases the number of impacts and therefore the cost. A station with fewer listeners will have a lower reach and therefore a lower entry cost.

A standard radio ad will be 30 seconds long. However it is possible to purchase 10 second, 20 second, 30 second, 40 second, 50 second and 60 second spots. There is a premium applied to some commercial lengths. How cost effective the spot lengths are can be worked out in comparison to a standard 30 second ad:

- 10 secs – 50% of base
- 20 secs – 80% of base
- 30 secs – 100% of base
- 40 secs – 135% of base
- 50 secs – 165% of base
- 60 secs – 180% of base

A number of the stations also attach a premium to certain day parts/time bands. This increases the cost of breakfast and drivetime spots as well spots planned towards the end of the week. Some stations also have seasonality indexing which alters the cost of a campaign depending on the month it runs in.

The final consideration which affects the price of an airtime campaign is the price of the stock or the brand. The larger brands often have a higher basic cost per impact.

Brands Overview

Heart Network

The Heart Network was formed in 2011 with a re-brand of over 30 local/regional stations to create a quasi-national network of FM stations united under one Heart brand umbrella. The network has recently undergone a further expansion with the re-brand of 6 former Real Radio stations, extending FM coverage into the North, Wales and Scotland. The network is now comprised of 20 supersites made up of 38 regional stations as well as a national digital feed. Heart is a family focused brand – its core audience is 25 to 44 year olds with a slight female bias. The station bills itself as offering “more music variety”.

Listening Figures	
Weekly Reach	9,126,000
Market Share	6.2%



Smooth Radio Network

Smooth Radio is the sister network to Heart and has recently undergone a huge expansion with the re-branding of 12 Gold brand stations. The network is now comprised of 18 regional stations and includes national DAB coverage. Smooth Radio targets the mature end of the market with a core audience of adults aged between 40 and 59. The network reaches 4.3 million people each week with a 3.2% market share.

Listening Figures	
Weekly Reach	4,311,000
Market Share	3.2%



Capital Network

The Capital Network was created in 2010 following the roll-out of the heritage Capital London “hit music” model to 10 regional FM stations based around major conurbations across the UK. The focus of this network is very much on popular music and entertainment; the brand targets a younger urban audience with a core listenership of 15 to 34s.

Listening Figures	
Weekly Reach	7,319,000
Market Share	4%



Capital Xtra

Capital Xtra was created in October 2013 from what was formally known as Choice FM. This is an urban dance music station which broadcasts nationally on digital and across London on FM. Capital Xtra's audience is predominately "20 somethings" with a slight female skew.

Listening Figures	
Weekly Reach	989,000
Market Share	0.4%



XFM

The XFM Network is comprised of 3 regional FM stations based in London, Manchester and Glasgow as well as the station's national DAB coverage. The Glasgow station is a recent addition to the XFM portfolio following its re-brand from Real XS on the 7th April 2014. XFM broadcasts to a core audience of 15-34 year olds. It has a comparably high end listenership and is a rock/indie/alternative music station. Its 883,000 listeners mirror the personality of the station and its DJs: young, articulate, opinion forming, independent individuals with high levels of disposable income and social influence.

Listening Figures	
Weekly Reach	883,000
Market Share	0.4%



Classic FM

Classic FM is the UK's first fully national station (and is still the sole commercial occupant of the national FM spectrum). Classic FM launched in 1992 and has built the largest single station commercial audience, which now hovers around the 5.3m mark. Despite being a "specialist" genre station, Classic FM works hard to contemporise itself through hiring high profile, younger presenters such as Mylene Klass, Alex James of Blur and Lawrence Llewelyn-Bowen. Classic FM has an up-market mature listenership with a core audience of adults 50+. Whilst this is a national proposition it is also possible to purchase airtime on the station's 5 individual macros to create regional airtime campaigns.

Listening Figures	
Weekly Reach	5,307,000
Market Share	3.3%



LBC

LBC was the first commercial radio station to broadcast in the UK. Previously this was a London station broadcasting on FM in the capital. LBC stood for “London’s Biggest Conversation”. In February 2014 LBC also started broadcasting on the national DAB multiplex and changed its branding to “Leading Britain’s Conversation”. This is a talk station with a focus on news and current affairs. LBC has a core audience of 35+ adults and a comparably high end listenership with listeners who are at a stage in their life where they are interested in more than just music.



Listening Figures	
Weekly Reach	1,129,000
Market Share	1.2%



Passion Network

The Passion portfolio is comprised of a number of passionate, iconic brands dedicated to music and lifestyle. The portfolio includes dance music station Kiss, rock music brands Kerrang! and Planet Rock, celebrity brand Heat, and The Hits Radio. These stations can either be bought individually or as part of the larger Passion Network. Each of these stations has its own unique feel and unique audience however they are all united by a passion for music.

Listening Figures	
Weekly Reach	9,520,000
Market Share	6.7%



Kiss

Kiss is a youth-centric urban dance music station. The network is comprised of 3 FM stations based in London, the East Midlands and the West Country; it also includes national DAB coverage. There are also two new additions to the Kiss Network – Kiss Fresh and Kisstory. These two stations broadcast on freeview, online and via a mobile app.

Listening Figures	
Weekly Reach	4,612,000
Market Share	2.5



Absolute Radio

Following its re-brand from Virgin Radio in 2008 Absolute Radio has expanded its network of stations by investing in diversifying the brand with some surprisingly successful off-shoots in the form of digital stations Absolute 60s, 70s, 80s, 90s, 00s, and Classic Rock. These off-shoot stations are broadcast on DAB, whereas Absolute Radio is broadcast in London on FM and nationally on AM. Absolute has a high end listenership, a slight male bias and a core audience of 25 to 44 year olds.

Listening Figures	
Weekly Reach	1,854,000
Market Share	1.3%



Place Network

The Place Network is comprised of over 30 regional stations focused around the major conurbations in the UK. Stations in the Place portfolio champion local communities, strive to deliver more relevant local programming and to unite listeners in the places they live. Dominating the premier cities and towns across the UK, the Place Network is big in all the right places, as commercial market leader in 19 of 21 markets, including Liverpool, Glasgow, Aberdeen, Belfast and Southampton. Many of these stations have a broad appeal with a core audience of 25 to 55 year olds.

Listening Figures	
Weekly Reach	8,647,000
Market Share	6.5



Talksport

Talksport is the nation's one-stop shop for sports news, commentary, interviews and live sport. This style of sports broadcasting has become compulsive listening for a passionate audience of affluent young men. Programming consists of a mixture of news, commentary, interviews and interactivity, giving the fans a chance to speak through phone-ins and studio debates. This station is broadcast nationally on AM and can be bought on 3 separate macros – London, Scotland or Regional.

Listening Figures	
Weekly Reach	3,196,000
Market Share	2%



Jazz FM

Despite its name Jazz FM no longer broadcasts on an FM frequency. Jazz FM is surveyed nationally because it is available across the country online, via digital TV and via their mobile app, however it is only available on DAB in London, which is where a high proportion of the station's audience are located. Jazz FM plays a mixture of Jazz, Soul, Blues, Gospel, Funk and Groove. Jazz FM has a high end listenership with a core audience of adults aged over 40.

Listening Figures	
Weekly Reach	500,000
Market Share	0.2%



Next Steps

We trust you found this market analysis of interest

Our services all share a common foundation based on as full an understanding as we can have of our client's or potential client's business

Any media planning or design briefs are considered in relation to realistic market potential and trackable spends

We want to make recommendations based on facts not feelings

We advise and commission radio creative from a number of sources depending on the needs of the brief and client preferences.

Goodman is a fully accredited media and advertising agency based in central London. Established in 1997 we pride ourselves in always working hard to buy better and more effectively for all our clients regardless of budget or business type

To move this all forward, please let us take care of everything – please just give us a call **0845 225 55 55** to arrange a time to work out the details of what you want to happen – if it's not too presumptuous we really look forward to working with you...