Mediatique

Radio Annex – Mediatique explainer

Mediatique was approached by the BBC, Bauer, Global and Arqiva (the Working Group) in early 2019 to assist them in their review of future audio consumption, and specifically to analyse the evolution of the audio market in a variety of scenarios depending on adoption and use of new technologies. We were then commissioned on two further occasions to respond to newly available data on take-up of connected devices, the effects of the coronavirus pandemic, and continued changes to consumer listening behaviours.

We provide further information relating to each of our three reports below.

Report One (delivered October 2019): *Future audio consumption to 2035 in the UK – overall market trends*

- The scope of Mediatique's first report was to understand how UK audio listening would evolve to 2035 absent regulatory / industry intervention[1]; review the drivers of changing behaviours; and identify interventions which would have the greatest impact on listener usage
- The outputs were forecast listening time (hours per person, per week) for different audio service types (e.g., radio, streaming, podcasts, video clips etc.); these outputs were sensitised by scenario, informed by assumptions regarding technology, reach and listening growth rates.
- We concluded that radio's share of audio listening would materially decline in the period to 2035 and that the commercial viability of AM/FM may be undermined through declining listenership relative to DAB, although not to a level where players (in particular the BBC) could abandon remaining listeners.

Report Two (delivered December 2020): *Future audio consumption to 2035 in the UK – radio listening, by platform*

- We revised our long-term view of the platform and device elements, forecasting the impacts on radio listening by platform (e.g., AM/FM, DAB, IP etc.); in the revised forecasts, Mediatique considered the impact of increased connectivity, DAB take-up, and new data relating to connected devices specifically
- Updated forecasts covered radio listening by platform, and some high-level insights into the scale of AM listening over the model period (to 2035). The report concluded that higher take up of connected devices would lead to greater radio listening over IP.

Report Three (delivered March 2021): *Ownership and use of audio-enabled devices in 2035*

- Here, we focused on trends in audio-device ownership and technological enablement, which are crucial drivers of changes to consumer behaviour and listening.
    - The scope of Mediatique's third report was three-fold: to understand how device penetration will change by 2035 absent intervention to identify the drivers of changing listening behaviours with the greatest impact on usage; and to consider how certain regulatory scenarios might alter outcomes.
- This report concluded that, despite increased competition facing AM/FM and DAB usage in the home, both will remain relatively resilient in terms of take up and radio consumption; future changes to policy are unlikely to materially affect outcomes given the rapidity of change already witnessed.

[1] Assessment of the commercial and public policy implications of Mediatique's analysis was outside scope.