

The Growing UK Audio Landscape

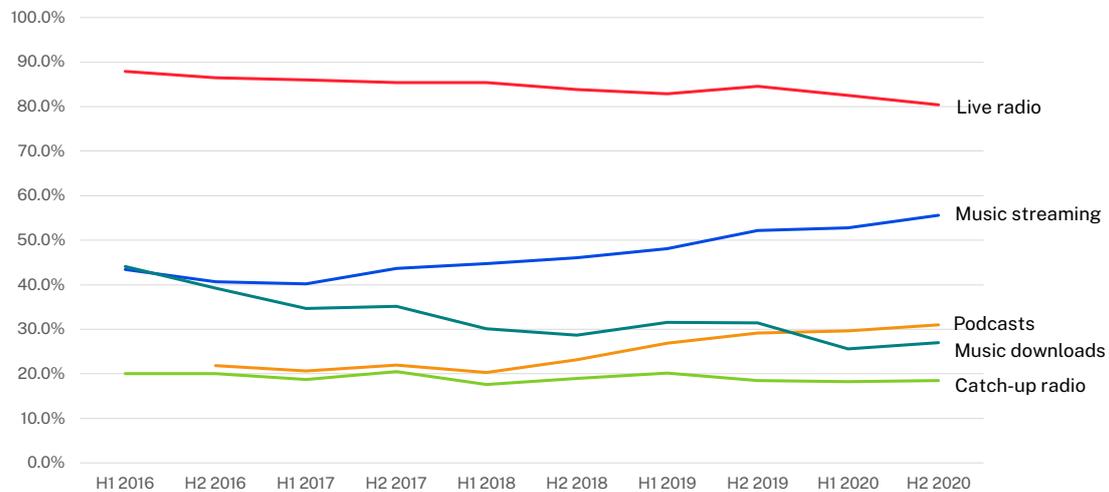
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The growing UK audio landscape

Audio has had a form of renaissance over the past few years. Technological advancements have revolutionised new ways of both accessing and creating new content. And at the heart of this audio landscape remains radio, still an “at scale” audience. Providing a familiar friend and voice in the corner of any room, radio has managed to maintain its importance whilst other technologies attempt to snap at its heels.

Listening activities: past year – trend

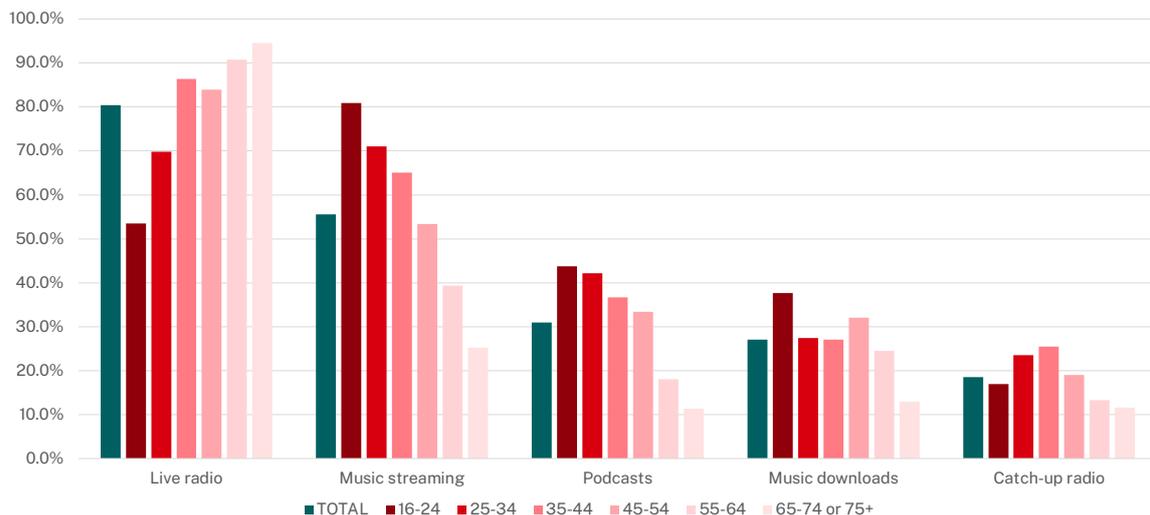


M Source: Mediatel’s Connected Screens H2 2020
Original question: Thinking about your use of TV, video and radio, which of the following have you done in the last 12 months?

According to Mediatel’s exclusive Connected Screens survey, radio listening figures remain relatively static and strong, with 80% of respondents claiming to have listened to radio in the past 12 months, whilst listening to music streaming services and podcasts are both on the rise, at nearly 56% and 31% respectively.

Digging deeper into the data, we can see how these results change by age group.

Listening activities: past year – split by age



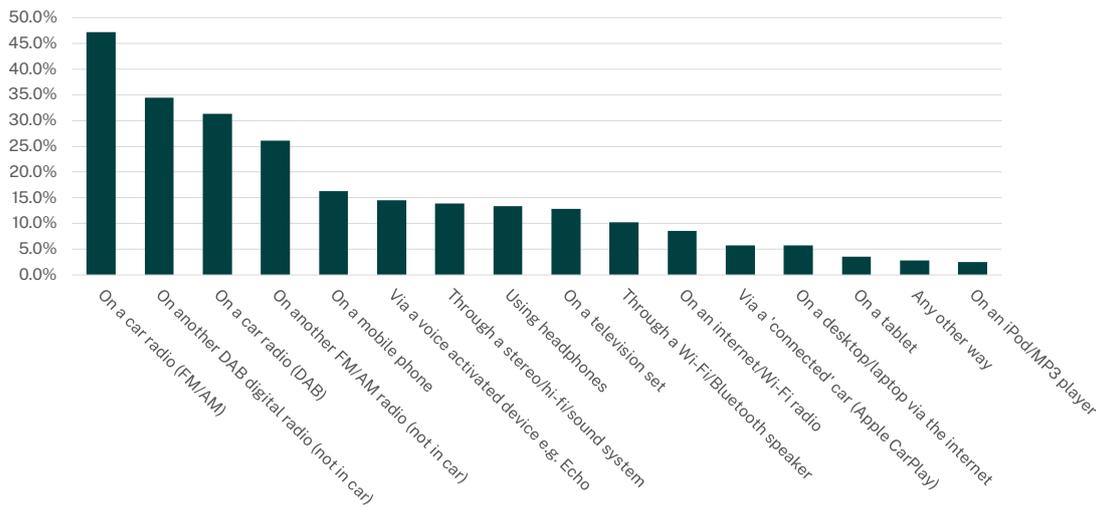
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Original question: Thinking about your use of TV, video and radio, which of the following have you done in the last 12 months?

For the 80% who claimed to listen to radio, this drops to 53% for 16-24s but climbs to nearly 95% for 65+. By comparison, music streaming has that pattern reversed, with younger audiences being more au fait with the technology, and figures gradually dropping as the age grows.

This same age pattern can be seen for podcasts, albeit from a lower overall total and therefore in a less dramatic fashion. Just over 30% of respondents claim to have listened to podcasts in the past year, in comparison to 55% for music streaming.

With radio still being so dominant as an audio option, it's interesting to see how this content is being accessed. This chart, taking data from the IPA's TouchPoints 2020 lockdown dataset is looking at weekly radio listening, split by device.

Radio: listening at least weekly - by device



M Source: IPA TouchPoints 2020 Lockdown
Original question: How often do you listen to the radio on the following devices?

Those first four bars dominate the device choices. Listening via a car radio makes up two of the top three most popular methods, even during lockdown, with 47% claiming to listen via FM/AM in the car and 31% on DAB in the car. Accessing by DAB digital radio outside of the car is the second most popular device at nearly 35%, and FM/AM radio (also non-car) being used by over 25% of respondents. Meanwhile the ease of access to radio content makes for a long tail of access choices, from smart speakers, to tablets, to desktop.

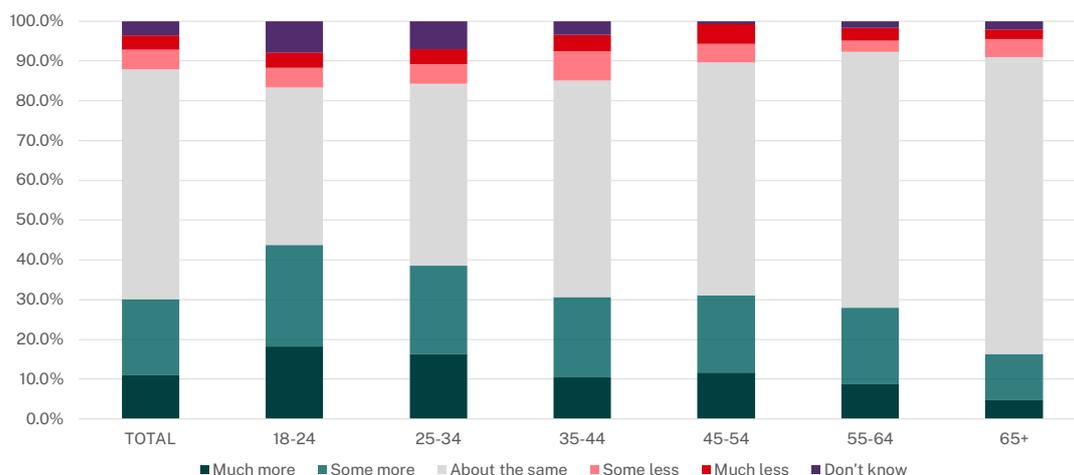
Looking closer at the data, one age group had some interesting device choices, with 35-44s embracing smart speakers.

For this age group, the car options still came out on top, but there were more of this group using smart speakers for listening to the radio than non-car based FM/AM or DAB digital radios, with 25% of radio users in this age profile using voice activated smart speakers to listen to the radio at least weekly.

35-44s
 19% - FM/AM radio (non-car)
 23% - DAB digital radio (non-car)
 25% - Voice activated device

In light of the pandemic, we added a new question to our exclusive Video & Voice survey, run with YouGov, asking how lockdown had affected audio listening behaviour.

Audio behaviour during the pandemic

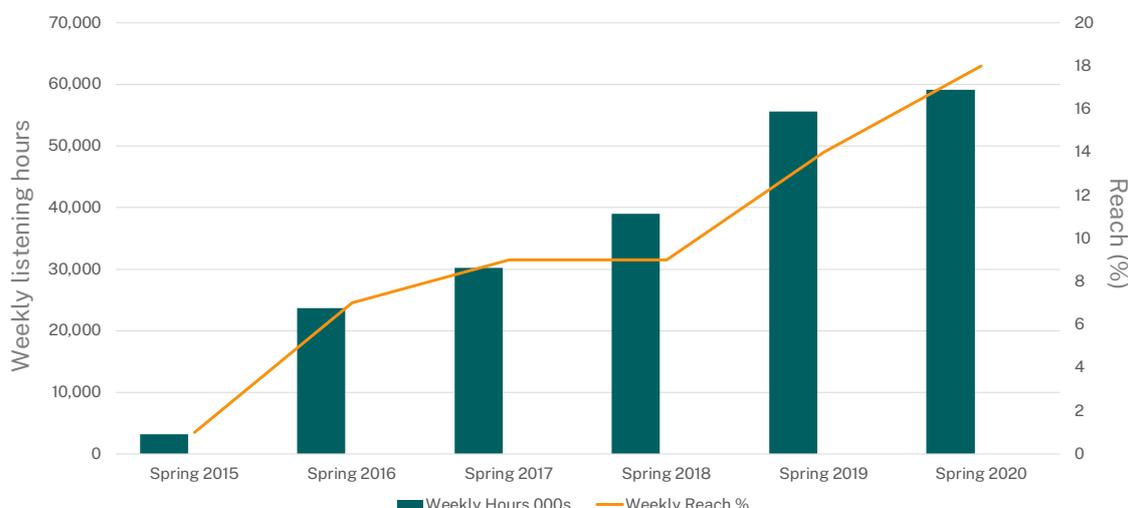


M Source: YouGov Video & Voice H2 2020
Original question: In light of the current coronavirus crisis, how has the lockdown affected your radio and audio listening behaviour?

30% of respondents claimed they were listening to either “some more” or “much more” audio content, and this increased to 42% for 18-24s and 38% for 25-34s. This younger audience, therefore, may not be listening to traditional radio in the same numbers as other audiences, but are clearly open to, and enjoying, audio content.

Of the new technologies referenced earlier, podcasts is an area Mediatel Group is closely watching, and as demonstrated below, there has been a swift growth in podcast listening over the past five years.

Podcasts: weekly hours and reach

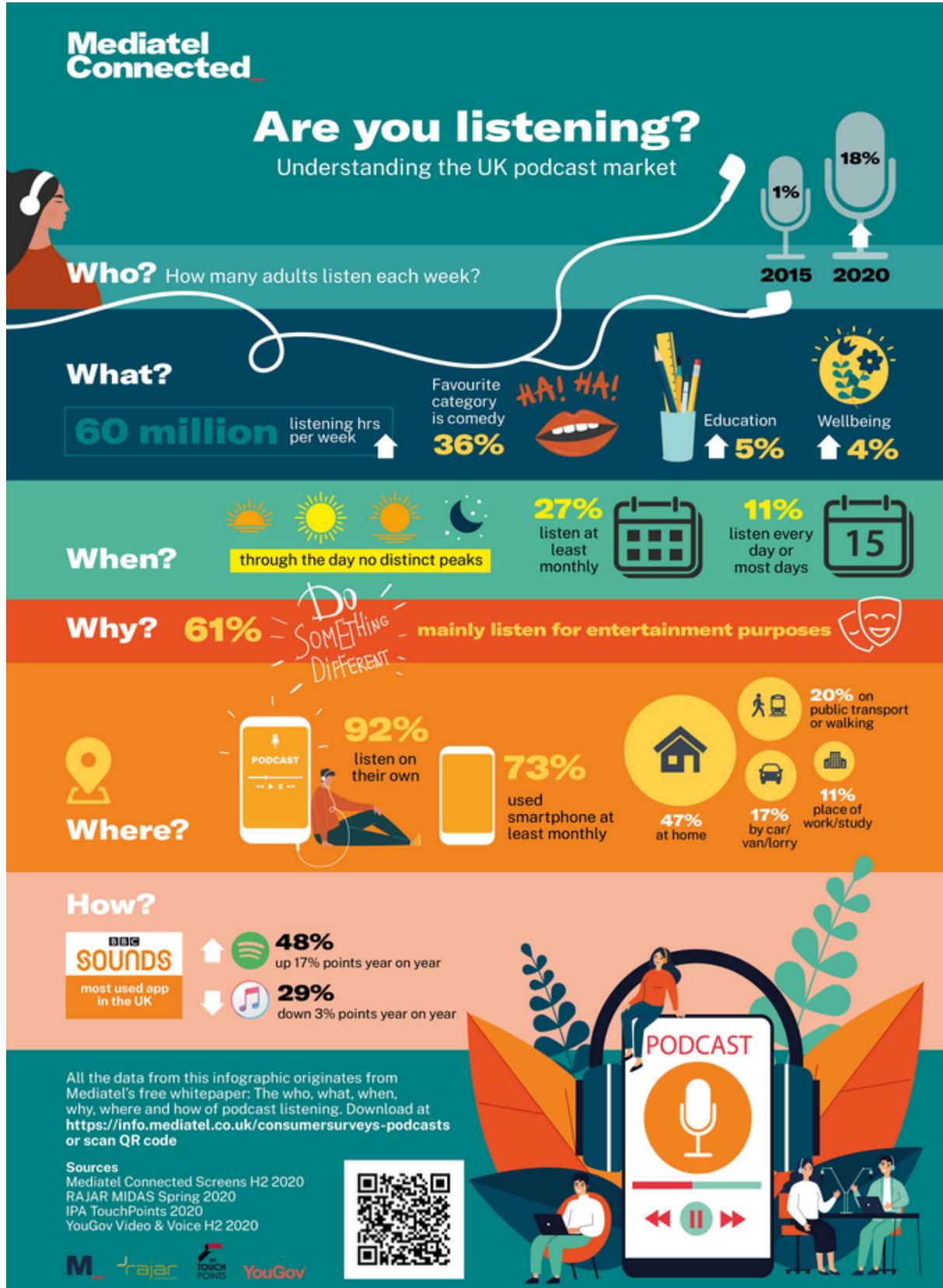


M Source: RAJAR MIDAS 2020

While podcasts have been around since 2004, they are generating a lot of interest due to dramatic increases in listening more recently. 18% of us listened to podcasts each week in 2020, which is double the number who listened two years previous and up from just 1% in 2015.

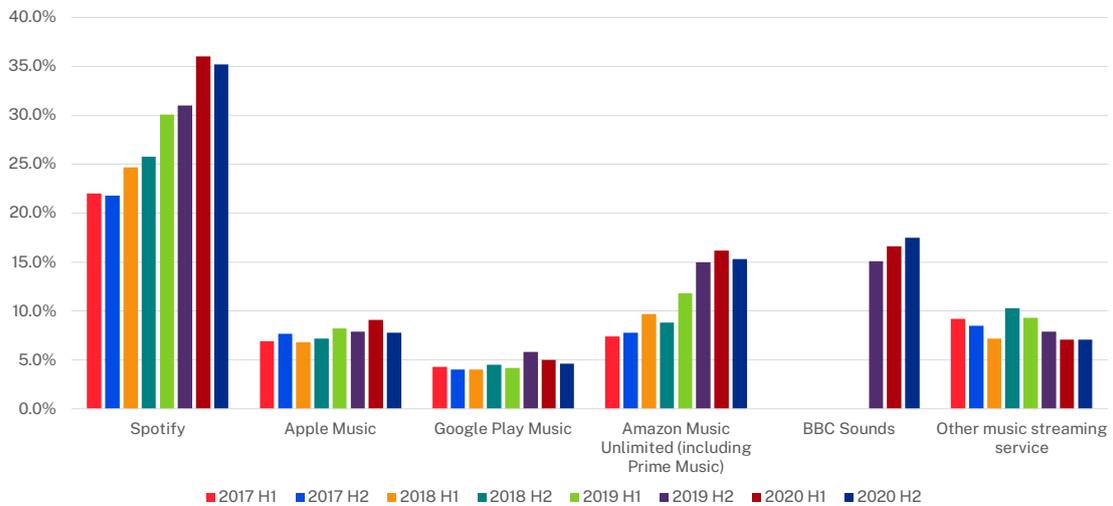
We now listen to almost 60 million hours of podcasts per week, which is over twice what we did two years ago and seventeen times what we did in 2015. But despite this stellar growth, there still remains plenty of potential for further expansion.

Mediatel Connected's recent infographic helps provide more insights around the podcast market, with data taken from another Mediatel Group whitepaper, the "Who, What, When, Why, Where and How of Podcast Listening".



Meanwhile, the other big disruptors in the audio space are the streaming services, with around 55% claiming to have used a streaming service in the past year, rising to 80% for 16-24s. Looking more closely at monthly listening, we've drilled down into the services available and Spotify leads the way, with a fantastic growth trajectory since we began measuring claimed usage at the beginning of 2017.

Monthly listening to streaming services

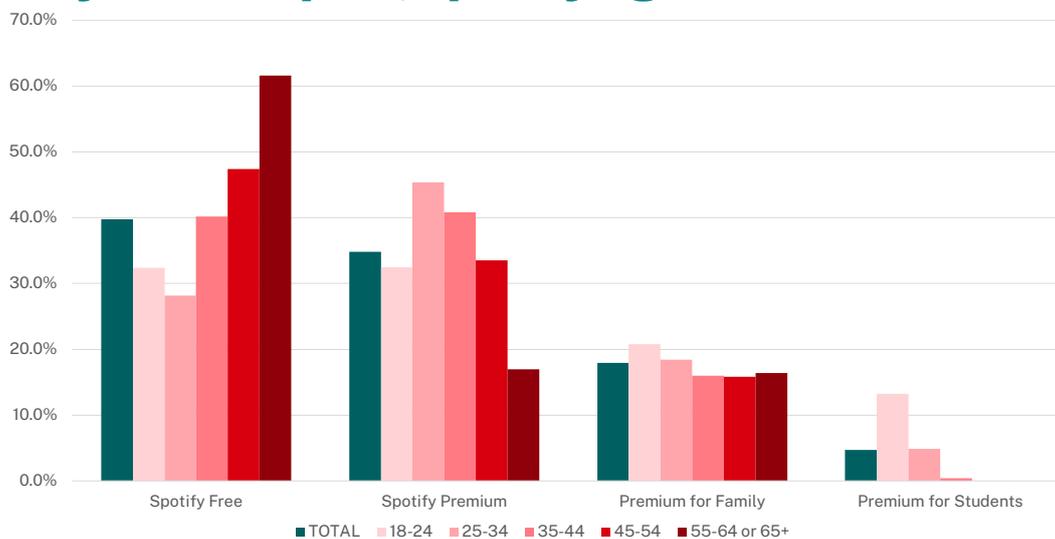


M Source: YouGov Video & Voice
Original question: How often, if ever, do you use each of the following music streaming services?

By comparison Apple Music and Google Play Music (which has recently been rebranded to YouTube music) have remained very static despite the services' strong brands and easy access through smartphones. Meanwhile, Amazon Music has nearly doubled its claimed monthly listening, likely assisted by the parallel growth of Echo smart speakers. BBC Sounds was added to the survey in 2019 and, bolstered by a strong promotional push on the BBC platforms, it's currently the second most used service in the UK, and clearly advertising free.

Looking closer at Spotify, it's interesting to see how many are using the free service which has advertising compared to the "premium" ad-free paid-for subscriptions.

Spotify – free v paid, split by age



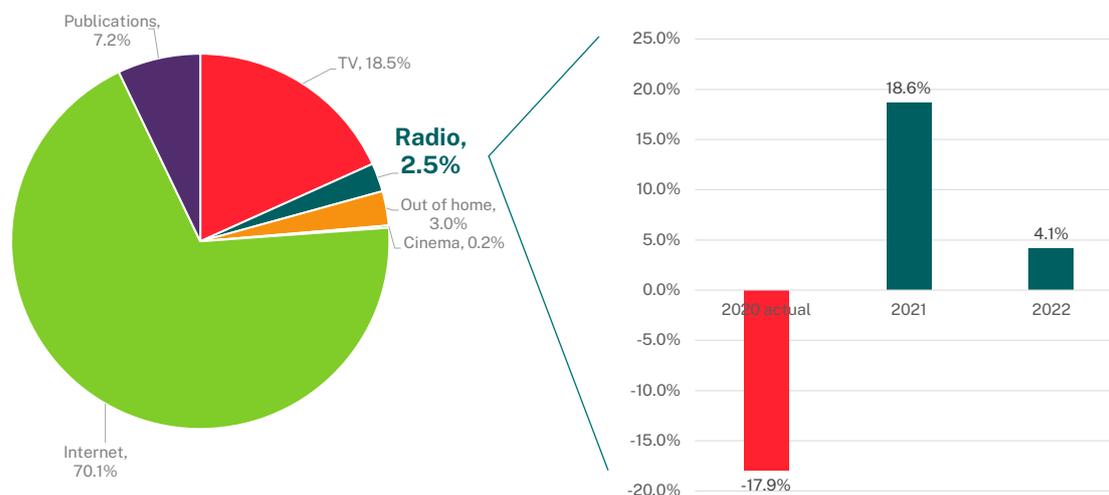
M Source: YouGov Video & Voice H2 2020
Original question: You previously said you use Spotify...Which subscription plan are you currently on (or did you last use)? If you are on a free trial, please think about the subscription plan the free trial is for.

As the chart overleaf shows, nearly 40% of those who claim to be users of Spotify have used the free service, with nearly 35% using standard Premium service, 18% for Premium family and nearly 5% for Students.

There's some interesting patterns in age splits here, with the free service being more popular with older generations, and a similar reversed pattern for the standard Premium service. And as you'd expect, the Student subscription plan is most popular in the 18-24 age group, reaching 13%.

All of these technological advancements in audio and an increased interest and appetite in listening, will understandably be having an impact on audio's financial performance.

Adspend share & radio forecast



M Source: Mediatel Connected & AA/WARC – July 2021

According to the July 2021 latest release from AA/WARC, radio (which by its definition encompasses spots, sponsorship and digital ad formats) currently makes up 2.5% of the total UK adspend share, at £577 million in 2020.

Like many media in 2020, the pandemic was instrumental in a dramatic decline, down 17.9% on the previous year's figures, but AA/WARC forecast that these numbers will rebound well during 2021 with a forecast increase of 18.6% this year, and then up 4.1% in 2022.

2021 looks financially very positive, and with a solid audience for the radio, podcasts and streaming services on the ascendency, the overall picture for audio in the UK looks extremely strong as we hopefully move on from the pandemic and into a new normal.

Further information

All the data within this whitepaper has originated from the Mediatel Connected data product. Containing independent media research, analysis and planning apps it provides information in one simple to use platform. It's the first stop for agencies, media owners, brands and academic institutions.

Mediatel Connected's Consumer Surveys app contains industry research from six key surveys covering the UK media market:

Mediatel's Connected Screens survey

6 monthly

2,000 respondents, nationally representative

Exclusive. Online survey, broadband households

Track screen ownership and screen behaviour

BARB Establishment Survey

Quarterly, constant feedback

53,000 interviews per year

Nationally representative

Device ownership and subscription levels

TouchPoints

Annual

6,000 online self-completion questionnaire

Nationally representative

Covering attitudes, shopping and media behaviour

Ofcom Technology Tracker

6 monthly

Around 3,000 face-to-face home interviews

Nationally representative

Track attitudes and behaviour on broadcasting

YouGov Video & Voice

6 monthly

2,000 respondents

Exclusive. Online survey, broadband households

Video & audio brands; voice activated market

RAJAR MIDAS

Quarterly

2,000 RAJAR respondents

Online diary and questionnaire

Digital audio across different platforms and devices

Consumer Surveys is just one of many apps provided by Mediatel Connected, the largest single source of media intelligence in the UK: mediatel.co.uk/connected

For more information please contact help@mediatel.co.uk or call 020 7420 3252.

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