



# Digital Radio

The next generation of radio  
is coming to Australia

Digital radio is an exciting new way to experience radio, bringing crystal clear sound, brand new features and more listening choices.



Digital radio is the most significant advancement in radio broadcasting since the introduction of FM nearly 30 years ago.



## A new wave of excitement



The commercial radio industry is set to launch digital broadcasting across Australia on 1 January 2009, creating a new wave of consumer interest and excitement about this well-loved medium. Australia will be one of the first countries in the world to adopt DAB+, a superior new technology that will enable radio stations to broadcast a variety of multimedia, data and interactive programming – all free to air.

Commercial radio stations will need to invest up to an estimated \$300 – \$400 million in launching digital radio across the country, starting in six capital cities – Sydney, Melbourne, Brisbane, Adelaide, Perth and Hobart – with regional and rural Australia to follow.



## Expect more from your radio...

### HEAR THE DIFFERENCE

Listeners will notice an amazing sound upgrade from AM and FM, with digital radio able to provide near CD-quality sound with much less interference. Digital radio provides crystal-clear sound with no hiss or crackle as the digital radio automatically locks in to the strongest signal.

### EXTRA PROGRAMS

New kinds of programs, more music and more talk. Because digital technology is so efficient, radio stations will be able to stream extra audio shows or data on a second channel. This could include shows broadcast exclusively on digital radio such as music specials, extended interviews, comedy highlights, sports events and program highlights, giving listeners more choice than ever before.

### TEXT AND DATA

Have you ever heard a song on the radio and wondered what it's called? Digital radios have screens that show scrolling or block displays of text such as artist and song titles, the latest news and weather updates, traffic reports, what's coming up next, vital emergency information or product and offer details.

### PICTURES

Some digital radios are capable of broadcasting images. Imagine being able to see a picture of your favourite artist or radio personality, a weather map or view a traffic cam shot to see how the traffic's flowing. Advertisers will be able to show product pictures and logos. Images will provide a richer radio experience and opportunities for content innovation.

### EASE OF USE

Digital radio is simple to tune. There is no need to remember frequencies or twiddle dials. Digital radios display stations by name, allowing listeners to find what they want with the touch of a button.

### TAKE CONTROL OF YOUR LISTENING

Many digital radios include the ability to pause and rewind live radio, so you can answer the phone without missing anything important or listen again to take down a phone number. Electronic Program Guides can provide useful information about programs up to seven days in advance.

### THE SKY'S THE LIMIT

Digital technology paves the way for future innovation, which could include listeners being able to buy and download music tracks as they listen to them on a digital-radio enabled mobile phone. Electronic coupons to redeem special offers from participating advertisers could be available. In-car digital radios might be integrated with satellite navigation systems to provide an intelligent transport system incorporating real-time traffic conditions. Once digital radio is established, radio stations and their listeners will be able to investigate a whole new range of possibilities.

IT'S FREE - Once you have purchased a digital radio, digital radio can be enjoyed for free, there are no subscription fees.





## Digital radio at home, in the car and on the move

Listeners will need to buy a new digital radio to access digital radio. There is an ever expanding range of products on the market, including hi-fi, kitchen radios, CD players, clock radios and hand-held devices which also offer mp3 playback.



The development of smaller digital radio chips has allowed the creation of smart and affordable portable digital radios. Some are extremely thin and light and allow listeners to upload their own photos to a high quality screen or view broadcast slide show images.

In-car digital radios are expected to be available as an option on some cars from 2009. A plug-in for iPods, which will allow listeners to access digital radio simply and easily through their mp3 music player, is one of the exciting new developments coming to market. PC radios, which plug into a computer and allow receiver functions to be controlled from the computer screen, are also available.

### THE DAB+ STANDARD

Australia has selected the new internationally approved Eureka 147 DAB+ standard using advanced audio codec (AAC+) as its primary technology platform for digital radio. DAB+ is a powerful audio technology with powerful data capabilities.

AAC+ is two to three times more efficient than the original DAB standard using MPEG Audio Layer II coding. This gives broadcasters the ability to deliver more services using the same amount of spectrum.

### THE BENEFITS OF DAB+ INCLUDE:

- ◀ exceptional performance efficiency
- ◀ more stations can broadcast on a multiplex
- ◀ more efficient use of radio spectrum
- ◀ lower transmission costs for digital stations and
- ◀ robust audio delivery.

Some digital radios available overseas, such as those on sale in the UK, are based on the original DAB standard and will not be compatible for use in Australia. Like other technology, the price of digital radios has fallen in recent years while specifications have improved. Broadcasters are working with receiver manufacturers to have a wide range of exciting DAB+ radios ready for the launch.

“Radio ads can be complemented by text or visual elements”



### Benefits for advertisers

Digital radio will offer advertisers a range of enhancements to add to the power of the audio message. Audio can be complemented by text displaying prices, opening hours, store locations, web site addresses and contact details.

As receivers become more data enabled, advertisers will be able to broadcast graphics to a screen, such as animated brand logos, product shots, e-coupons and broadcast websites.

Special digital only programming will provide opportunities to target very engaged niche audiences. Advertising could include branded content and program sponsorship opportunities.



# What listeners say

## Listener quotes

“Sound quality is excellent. I mainly listen to AM so it is very noticeable.”

“You don’t need to tune the radio in...it scans the DAB and you can preset your stations and forget about it.”

“Really like the now playing information on the scrolling text - great to see info on the song, artist, even their album.”

“Brilliant quality!”

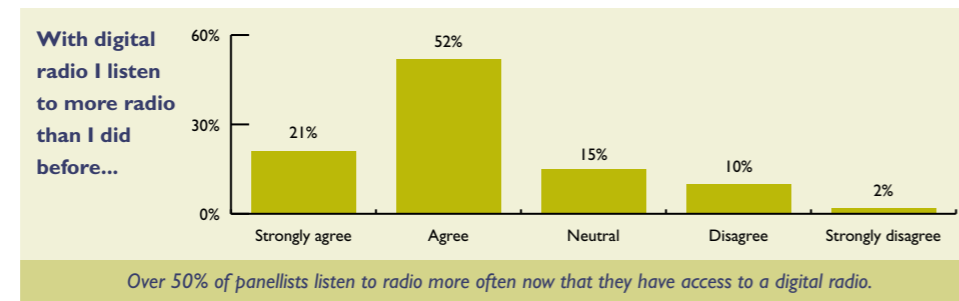
“Crisper sound, better depth”.

What do Australians think of digital radio? To find out, digital radio was trialled in 100 homes in Sydney, with panels of listeners testing a range of digital radio receivers and content. Four panels were formed to test a range of in-car, portable, hi-fi and PC card digital radios. Listeners were asked to assess sound quality, level of interest in new features such as scrolling text, pause/rewind functions and special digital programming.

### KEY FINDINGS – CONSUMER PANELS

Surveys and focus group research with test listeners has shown that:

- ◀ Digital radio increases listening, with a large majority of panellists saying they listen more often than they did before, and more than half saying they listen for longer with digital radio.
- ◀ Over 80% of panellists are satisfied or very satisfied with the ability to select a station by name from a list on a digital radio screen (no longer needing to manually tune to a station using its frequency number).
- ◀ Panellists are extremely satisfied with the enhanced audio quality, particularly regular AM listeners.
- ◀ Panellists are positive towards seeing text, and would like to see it used to provide breaking news, sports scores and updates, traffic information, weather updates, current song playing and program information.
- ◀ Panellists would be interested in being able to access digital radio via existing devices such as mobile phones, MP3 players and PDAs.



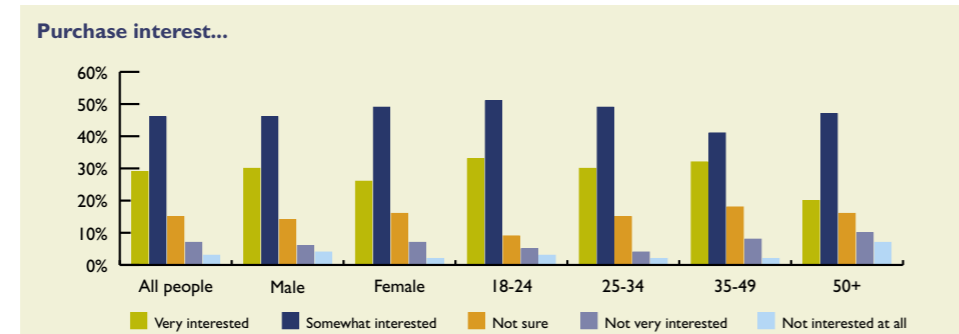
Source: Consumer panel focus group, 2005

### CONSUMER INTEREST IN DIGITAL RADIO

Three waves of research were also undertaken by Colmar Brunton Media Solutions to assess consumer attitudes to digital radio. The most recent wave was completed by 8220 people online across Australia in February 2006.

Key findings from the survey included:

- ◀ 75 percent of Australians surveyed said they would be very or quite interested in purchasing a digital radio (this was up from 68% in 2004).
- ◀ 84% of 18-24 year olds said they would be very or quite interested in purchasing a digital radio (up from 80% in 2004).
- ◀ the most popular features of digital radio were easy one-touch tuning by station name (89%) and enhanced sound (88%)
- ◀ 88% said they were interested in being able to pause and rewind radio
- ◀ 81% were interested in getting artist or track details by text
- ◀ 77% were interested in receiving news and weather updates
- ◀ 36% wanted advertiser contact details
- ◀ 76% said they wanted to view images via radio
- ◀ 59% said they were interested in accessing new digital only audio programs.



Source: Colmar Brunton Media Solutions

# Partnerships



Peak industry body, Commercial Radio Australia, is working with a number of strategic partners to develop digital radio. The industry has been undertaking consumer trials in Sydney since 2003 in partnership with the national public broadcasters ABC and SBS, under a consortium named Digital Radio Broadcasting Australia (DRBA).

Partnerships have also been established with transmission and receiver manufacturers, advertisers, retailers and software developers, car manufacturers and the intelligent transport systems industry. Australia also works with international bodies and participates in working groups of WorldDMB, an international non-government organisation, and the Asia-Pacific Broadcast Union.

# About commercial radio

Commercial radio continues to be one of Australians' favourite mediums:

- ◀ Commercial radio attracts loyal audiences, with over 8.6 million Australians tuning into metropolitan commercial radio each week in 2006\*
- ◀ 95% of Australians listen to radio with 80% of Australians listening to commercial radio
- ◀ Australians spend an average of two hours and 33 minutes per day listening to commercial radio
- ◀ Commercial radio travels with consumers wherever their day takes them, with about 45% of listening taking place at home, 27% in the car, 26% at work and 2% elsewhere.
- ◀ Research conducted in the UK shows personal mp3 players or iPods are complementary to radio and are used in different ways. iPods allow listeners to enjoy music they have already chosen, while radio can bring them new tracks at any time. iPods allow listeners to cut themselves off (to escape), while radio connects people to the outside world (to engage)#
- ◀ There are more than 40 million radios in Australia.



\* Nielsen Media Research, average of radio surveys 1-8, 2006, all people 10+  
# Radio Advertising Bureau (UK) 2006



## More information

Commercial Radio Australia has set up a website to provide more information. Visit [www.digitalradioaustralia.com.au](http://www.digitalradioaustralia.com.au) or [www.commercialradio.com.au](http://www.commercialradio.com.au)

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