

PRESS RELEASE

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Progress alliance overtakes "alliance of preventors"

BLM Forum demonstrates route of success for digital radio

Networking in Munich: On 17 July 2012, broadcasters, hardware manufacturers, marketing experts, infrastructure operators and regulators met at the "Literaturhaus" for the BLM Forum "Digital radio 2012 on its + course" to analyse the situation of digital radio one year after the start of transmissions in the DAB+ standard. The participants shared the verdict of Willi Schreiner, the manager of Digitalradio Deutschland, who found that the alliance supporting digital radio is growing continuously, rapidly displacing the "alliance of those slowing digital radio down". However, sales the presentations of digital radio and in-car use still require some work to be done.

According to Michael Reichert, head of the digital radio project office, retail trade should focus on selling radio sets rather than a distribution infrastructure. "It's the content that matters" Reichert emphasised, explaining the successful development of digital radio in the DAB+ standard with the experience gained in recent years. "We have finally understood how to place the added value for content before questions of technology". In his opinion, gaining the support of the car industry now presents the most pressing task; mobile use is key for digital radio. However, looking at the car industry, "there is still a great deal of work waiting for us".

Prof. Dr. Birgit Spanner-Ulmer, head of production and technology of the Bavarian Broadcasting Corporation (BR), shared this view. In-car reception of digital radio is currently priced at around 300 Euros; serial production is therefore unlikely to start quickly. Only 41 per cent of car manufacturers offer digital radio, while 38 per cent are planning to integrate it; however, some 21 per cent still do not take it into consideration. With the i-pod generation shortly taking up work, hardware manufacturers and content providers need to bank on the added value offered by additional services possible with digital radio such as slide shows, traffic information or "smart radio text".

Whereas the number of DAB receivers in cars has risen by only two per cent over the last two years according to the figures established during the 2012 research in Bavaria (FAB), overall growth in sets installed by around five per cent is proof of

the upwards trend of digital radio. According to Siegfried Schneider, President of regulator BLM, some 7.7 per cent of the population in Bavaria aged ten years or older now already have a DAB set at home or in the car. Some 200.000 persons listen to at least one digital radio service per day. Schneider agreed with the general view held by all speakers that in view of the North-South division of the digital radio landscape in Germany, "there is still plenty of room for growth".

The current data for Bavaria are very encouraging as regards regional and local digital radio, as was demonstrated by both Helwin Lesch, head of programme distribution of the BR, and Reiner Müller, head of technology of the BLM. Their presentations showed that up to 40 national, regional and local services can currently be received in the major conurbations in Bavaria via DAB and DAB+.

With infrastructure set-up being realised on plan from 2013/2014 onwards, Uwe Ludwig, head of distribution at Media Broadcast forecasts that 61 channels will be available for in-house reception national to some 50 million citizens while mobile coverage will reach 76 per cent. In order to gear the strategic focus even more strongly on audiences, Media Broadcast is currently developing an interactive solution for market research aimed at improving measurement of contacts.

According to Christian Hoppe of Dual, more than 200 different receiver models, sales of a million sets in 2012 and 13 national channels including original DAB+ services such as football channel 90elf and an expanding transmitter network present an impressive achievement. Beatrice Merlach, chairperson of the Steering Board World DMB marketing committee, applauds the great achievement reached by the colleagues in Germany over the last year.

In the light of these positive statements, the criticism regarding the logo and the slogan "radio of the future" which was voiced by Josef Thaler, managing director of sternthaler ad agency, went almost unheard. Digital radio in his view is no project of the future but of the present, and radio sets designed in the retro look do not encourage purchasing. Marketing should rather follow the rule "emotion sells" and should generate "desire rather than familiarity" for digital radio.

**This information is also available in the internet: www.blm.de,
all presentations and videos of the event: www.medienpuls-bayern.de**

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