Creating a new digital listening habit

Simon Gooch, October 2019
The media puzzle is broken
Audio focused innovation
Linear Radio | Daily Reach 12-79-year-olds, Sweden

Source: PPM Kantar Sifo
On Demand | Weekly Reach, Sweden

Source: Poddindex
Podcasting | Listening trends, Global

Proportion who used a podcast last month, selected markets

Source: Reuters Digital News Report 2019
Daily Total Reach | By Radio Channel, Sweden

Source: PPM and CATI, Kantar Sifo
Daily Total Reach | By Radio Channel

Source: PPM and CATI, Kantar Sifo
Incremental reach from on-demand is important
Netflix needs to become HBO before HBO can become Netflix.

Ted Sarandos, Chief Content Officer, Netflix to GQ, 2013
Platform Listening | Our digital distribution strategy
Platform Listening | Internal vs. External

Share of Total Weekly Reach

- Internal: 45%
- External: 55%

Share of Internal Weekly Reach

- SR web: 29%
- SR apps: 71%

Share of External Weekly Reach

- Itunes/Apple podcasts: 64%
- Pod RSS (incl Spotify): 32%
- SR api: 4%
<table>
<thead>
<tr>
<th>Title</th>
<th>Internal</th>
<th>External</th>
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<tbody>
<tr>
<td>Creepypodden i P3</td>
<td>15%</td>
<td>85%</td>
</tr>
<tr>
<td>P3 Dystopia</td>
<td>18%</td>
<td>82%</td>
</tr>
<tr>
<td>P3 Dokumentär</td>
<td>20%</td>
<td>80%</td>
</tr>
<tr>
<td>P3 Musikdokumentär</td>
<td>22%</td>
<td>78%</td>
</tr>
<tr>
<td>Så funkar det</td>
<td>22%</td>
<td>78%</td>
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We see that linear is dying whilst ‘on-demand’ is winning... I think the same thing is happening with audio.

Barry McCarthy, Chief Financial Officer, Spotify to Dagens Industri, 2019
Focus on the needs and behaviours of your listeners, less on their age
Current situation

- Changing listening behaviours among younger audiences
- Declining linear listening
- Increasing podcast listening
- Social/digital success stories

Challenges

1. To create a linear offering that meets the needs of the target group
2. Strengthen and maintain the success of podcast and social/digital strategies
<table>
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<tr>
<th>How?</th>
<th>Goals</th>
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<tr>
<td>• Adapt the linear offering to the needs of the audience</td>
<td>1. Reverse the linear listening trend</td>
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<td>• Continued strategic focus on P3's podcast portfolio</td>
<td>2. Strengthen P3's podcast position</td>
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<tr>
<td>• Continue to develop P3's social/digital content</td>
<td>3. Strengthen the relationship with our audience</td>
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Better music, Smarter entertainment

Live experiences that:

• Play the best music for discerning listeners
• Keep me company
• Make me think
• Make me happy/ laugh
• Keep me up to date about music, news and pop culture
• Are happening right here, right now

Sweden's best quality podcasts

Clear, innovative and exciting formats that:

• Affect me
• Teach me something new
• Make me think
• Make me laugh
• Surprise me
Radio & Podcast Listening | Occasions, 15-49-year-olds

On what occasions do you listen to radio / podcasts?

- **Radio**
  - on average 2 occasions

- **Podcasts**
  - on average 4 occasions

Source: Ungdomsbarometern 2019
In-Car Radio Listening | Sweden

Share of Total Radio Listening Time Spent In-Car 2010 - 2018

Source: CATI, Kantar Sifo
10% have at least one smart speaker at home

- Current consumers are a bit more likely to be male than female. They also tend to be below 50 years of age.
- Google is the most common brand of choice.
- Half of smart speaker owners agree that their audio consumption increased post-purchase – increased music streaming being the most common reason.

20% of non-owners are interested in a future purchase

80% of current voice assistant users* believe that they will increasingly use this function

Source: Novus, May 2018

* Access through smart speaker or mobile
Our role in the new music ecosystem
Radio vs. Music Streaming | Share of time spent yesterday

16-34-year-olds
- Radio: 30%
- Music Streaming: 70%
Total: 81 min

35-80-year-olds
- Radio: 77%
- Music Streaming: 23%
Total: 77 min

Source: Orvesto Konsument 2019:1, Kantar Sifo
Radio vs. Music Streaming | What do you associate P3 with?

Source: Ungdomsbarometern 2019
A digital news experience with audio in focus
In 2018 we began testing short form audio news in our app Sveriges Radio Play.

First as a "Top News" playlist mixing local, national and international reports. No presenter. The news reports must "stand alone" without a presenter.

Now there are separate playlists for local news (from our 25 P4-channels) and the culture, sports and science editorial teams.

During the first year 12.7 million clips were played by 660,000 unique users. During the parliamentary elections and the forest fires we saw audience spikes.

Around 30 million clips have been played so far during 2019 – consumption is steadily increasing.

Next steps might include: a mix of human and algorithmic curation, adding a "news value" rating at the point of publication and using "tagging" create deeper and more dynamic and personalised playlists.
Summary

- The media puzzle is broken forever, it’s pointless trying to fix it.

- If we’re going to stay relevant we need to focus.

- On-demand reach is starting to become meaningful, as podcasting becomes a business that interests global giants who are experts at getting users hooked.

- Serving the needs and behaviours of our listeners with is more important than only worrying about their age.

- Understanding our role in the new music ecosystem is vital for radio’s future.

- Short form audio news is an area where can excel, if we can create a new digital listening habit.