

RBA ANNUAL REPORT

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THE YEAR BY NUMBERS

NUMBER OF PEOPLE EMPLOYED IN RADIO
BY RBA MEMBERS

1,301

ANNUAL RADIO REVENUE

\$275 MILLION

% OF ALL NZ ADVERTISING REVENUE

10.7%

OF COMMERCIAL RADIO FREQUENCIES

768

OF LISTENERS TO ALL RADIO
84.7% OF ALL NEW ZEALANDERS

3.39 MILLION

OF LISTENERS TO COMMERCIAL RADIO
79.1% OF ALL NEW ZEALANDERS

3.17 MILLION

OF RADIO STUDENTS IN 2016

119

Radio continues to be a strong and dynamic media that is loved by listeners, effective for advertisers and keeping pace with technology to be able to transcend all platforms of delivery
Jana Rangooni, RBA CEO

FROM THE RBA CHAIRMAN – NORM COLLISON

2016 was a successful year for commercial radio with share of all advertising revenue remaining relatively stable at around \$275 million and radio audiences reaching record new weekly highs of over 3.1 million New Zealanders listening to commercial radio every week and over 2.4 million listening to our members' music and talk breakfast shows.



The Executive Board continue to meet 4 times per year with our objectives to ensure we are focused on the issues of today and to challenge ourselves to look ahead for the industry. While the Association primarily represents the non-competing interests of commercial members, the Executive Board strives to consider issues that are common to all NZ radio broadcasters.

While the overall outlook is positive for our industry we need to be aware there are challenges ahead in terms of:

- Renegotiating our various music royalty agreements contracts with RMNZ
- Improving the expired voluntary NZ Music Code to achieve transparency and co-operation with stakeholders and focusing on a new target which is reduced from the currently unachievable level of 20% NZ music
- Indications that the industry may be looking to move away from AM transmission prior to 2031
- The long-term challenges to convert analogue AM and FM broadcasting systems to Digital Broadcast options for NZ at some time in the future with the associated challenge of encouraging audiences to replace millions of radio receivers
- The challenges we face from advertisers having greater choice in the channels for advertising as audiences have increasing choice in accessing content particularly online.

Now more than ever it will be critical we have the ability to present a united front to our stakeholders when required. That while members compete robustly for audiences and revenue, it is a compliment to the Executive Board that the organisation is able to be focused on the future and achieve outcomes that deliver results for the greater good of the whole industry not just in the short term but for where we need to be in 5 or 10 years.

My personal thanks to Executive Board members, CEO Jana Rangooni, and Executive Secretary extraordinaire Janine Bliss.

FROM THE RBA CHIEF EXECUTIVE – JANA RANGOONI

It has been a great pleasure for me to take up the CEO role for the RBA in 2016. This has been an industry I have loved since I first started doing the breakfast show at Energy FM when it was launched by Steven Joyce and his partners in New Plymouth in 1987.



It has been eye-opening for me to move into a truly independent role in the industry as I feel it allows such a clear perspective that is hard to find when you are focused on delivering results for your particular brand or company.

Radio has always been a competitive industry but as we face more competition for our listeners and advertisers from non-radio channels it is critical we ensure we work together where we can to tell Radio's story in the modern media landscape. It is a very good story and we have not told it often or loudly enough in recent years.

Some of the key pieces of work for the RBA in 2016 were:

- The introduction of the new GfK survey methodology and reporting.
- Submissions on RSM – Licence Fees, Digital Spectrum, Renewal of local licenses and a strong submission on the ASA's Children and Young Persons' Code. There has also been regular input to the Ministry of Communications work on Convergence.
- We met and started work with the Minister of Broadcasting on a review of the voluntary NZ music code as this has not been achieved since 2005 and it is vital for all stakeholders we have a voluntary agreement in place that is something everyone can work to achieve.
- The end of 2016 saw work start on a combined RBA and TRB project to develop a communications strategy for the radio industry and the first part of this work was the initiation of key stakeholder interviews to understand the issues we currently face both real and perceived. This project continues to be a focus in 2017 and beyond.

I would like to thank our Chair Norm Collison, Executive Board and other senior Industry Executives for their support and contribution to our workload in 2016. I would also like to thank Janine Bliss our Executive Secretary who continues to be tireless in her work and support for our industry and whose years of experience are an invaluable resource to us.

NZ MUSIC

New Zealand Music airplay decreased in 2016 reaching 14.57% against the 20% target. The Top 10 Most Played NZ songs in 2016 were:

GENRE	2016 ACTUAL
Pop	15.48%
Rock	12.91%
Urban	16.05%
A/C	12.96%
Dance	18.26%
Overall	14.57%

RANK	TITLE	ARTIST
1	Free	Broods
2	Mother's Eyes	Six60
3	Don't Worry Bout It	Kings
4	Stay Together	Six60
5	Oh My My	Nomad
6	Couldn't Believe	Broods
7	White Lines	Six60
8	Higher	The Naked & Famous
9	Roam	Theia
10	Kind of Love	MAALA

2016 NZ RADIO AWARDS

There were strong entries again in 2016 – 428 received, indicating the continuing support for the awards.

Winners of the major categories were:

SIR PAUL HOLMES BROADCASTER OF THE YEAR:

Paul Henry

STATION OF THE YEAR:

Network – Newstalk ZB; Surveyed Market – 92.1 More FM Canterbury; and Non-Surveyed Market – Radio 1XX, Whakatane

OUTSTANDING CONTRIBUTION TO RADIO:

Awarded to Grant Lee & Robert Khan

SERVICES TO BROADCASTING:

John Markby, Bruce Appleton & Murray Inglis

'THE BLACKIE' AWARD:

Hauraki Breakfast.

AIR PERSONALITY OF THE YEAR:

Best Talkback Presenter All Markets – Leighton Smith, Newstalk ZB Network;

Best Talk Presenter All Markets – Paul Henry, RadioLIVE Network;

Best Music Non-Breakfast Host or Team Single Surveyed Market – Stu Smith, The Breeze Wellington;

Best Music Non-Breakfast Host or Team Network – Jono & Ben, The Rock Network;

Best Music Breakfast Show Single Surveyed Market – Callum Procter & Patrina Roche, The Hits, Dunedin;

Best Music Breakfast Show Network – Jay-Jay, Mike & Dom, The Edge Network.

Thanks to our sponsors & supporters for 2016, RCS, GfK, NZ On Air & CPIT. As usual, financial support also came from within the industry – MediaWorks, NZME, The Radio Bureau and the RBA

ADVERTISING STANDARDS AUTHORITY

The ASA Complaints Board released 454 decisions in 2016. Of these, 145 were Upheld/Settled and 110 Not Upheld.

There were 25 complaints about radio advertisements – 3 were Upheld/Settled and 4 Not Upheld.

This compares with 16 in 2015 – 3 Upheld/Settled and 2 Not Upheld.

The category of health & beauty accounted for 20% of complaints, household goods 14%, advocacy 12% and vehicle/transportation 10%.

454
DECISIONS

25
COMPLAINTS

BROADCASTING STANDARDS AUTHORITY

During 2016, there were 19 complaints about broadcasts by RBA members, of which 7 were Upheld. This compares with 21 in 2015 with 3 upheld.

For all radio stations, the number of decisions released was 61 (45 in 2015) with 9 of these Upheld (6 upheld in 2015).

19
COMPLAINTS

61
DECISIONS

RADIO IN TIMES OF CRISIS

In 2016 we agreed a revised MOU between Civil Defence, the RBA, RNZ, Access Radio, TVNZ and NewsHub. Many RBA stations faced the need to move to Civil Defence/emergency broadcasting mode with the Kaikoura earthquake causing major damage and disruption to people in the upper South Island and Lower North Island in the small hours of November 14th.

Many New Zealanders up and down the East Coast were also affected as there was talk of potential tsunami threats from Northland to Otago.

After 2011 we had conducted research in Christchurch that focused on how radio was used in the crisis. The key findings were.

- Radio was used as the main media channel immediately following the earthquake with 60% of respondents selecting it as the primary source of information.
- Radio had the highest importance ranking compared with other media channels with 77% of respondents saying it was very important to them during this period.
- The role radio played was one of providing information and awareness and was important for over 90% of respondents for finding out what had actually happened. Radio also played a role in providing information about what facilities were available and where to go for emergency supplies.

- Radio was also relied upon to distribute Civil Defence information, with 82% of respondents getting Civil Defence information through the radio, with only 16% getting information directly from Civil Defence either through the website or from Civil Defence staff in person or by phone.
- There was a big increase in radio listening with 70% of respondents listening to radio more than they usually would.

Whilst we have not been able to replicate this research since November, radio stations saw large spikes in the calls they received that night and all broadcasters had incredible feedback that while information was provided via social media, this was not available to most people in the heart of the disaster area where power was off and the phone/mobile networks were down for some time.

Even in areas where power/mobile networks and the internet was on, there was sometimes a lack of or conflicting information so people still turned to radio to find out what to do, for company and reassurance.

Radio takes these roles seriously and we are now working far more proactively with Civil Defence to improve communications between CDEM's and radio broadcasters to ensure all CDEM's understand how critical radio is to reach New Zealanders in the first few hours of a crisis and to improve the information we are able to provide people who are relying on us at such a critical time.



Photos courtesy of NZME

RBA COUNCIL MEMBERS (representing RBA Full Members)

Norm Collison, NZME (RBA Chairman)
Dean Buchanan, NZME (Executive Board Member)
Leon Wratt, MediaWorks (Executive Board Member)
Tim Lockhart, MediaWorks (Executive Board Member)
Glenn Smith, Radio Bay of Plenty (Executive Board Member)
Robert Khan, Radio Tarana (Executive Board Member)
Samson Yau, Chinese Voice Broadcasting
Andrew Fraser, Rhema Media
Brent Birchfield, Port FM Network
Simon Law, Central FM
Mike Regal, Radio Wanaka
Corran Crispe, Beach FM
Geoff Anderson, Peak FM

RBA ASSOCIATE MEMBERS

Southland Community Broadcasters
Pacific Media Network
Humm FM

RBA AFFILIATE MEMBERS

Radio Computing Services

RBA SUB-COMMITTEES

TECHNOLOGY COMMITTEE

Bill Hays (NZME, Chair), Anthony Crawford (NZME), Jana Rangooni (RBA), Ray Smith & Blake Beale (MediaWorks), Vern Talbot (Independent) & David Broad (Independent).

RADIO INDUSTRY RESEARCH COMMITTEE

Jana Rangooni (Chair, RBA), Peter Richardson (The Radio Bureau), Nicki Steers & David Brice (NZME), Leon Wratt & Johnathan Schaffer (MediaWorks), Suzanne Morton (Radio New Zealand), Robert Khan (Independents), Alistair Jamieson (Agencies) & GfK representatives.

RADIO INDUSTRY AWARDS COMMITTEE

Jana Rangooni (Chair, RBA), Mike McClung (NZME), Leon Wratt (MediaWorks), Janine Bliss (RBA) & Donna Bloxham (Executive Producer).

NZ MUSIC PERFORMANCE COMMITTEE

Michael Glading (Chairman), Paul Kennedy (Radioscope), Jana Rangooni (RBA), Janine Bliss (Secretary), Damian Vaughan (RMNZ), Leon Wratt (MediaWorks), Mike McClung (NZME), Jeff Newton & David Ridler (NZ On Air), Dylan Pellett (IMNZ) & Cath Andersen (Music Commission).

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