

COMMERCIAL RADIO ADVERTISING REVENUE SHOWS STRONG GROWTH

Total advertising revenue for commercial radio showed strong growth increasing by 6.7 per cent to \$237.9m in the six months to 31 December 1993 compared with the same period in 1992.

This was the fourth consecutive increase in total advertising revenue. In the previous three periods, the six months ending 30 June 1993, 31 December 1992 and 30 June 1992, total advertising revenue increased by 5.0, 3.4 and 1.4 per cent respectively.

Total advertising revenue for the commercial radio industry for the 12 months to December 1993 increased by 5.9 per cent to \$440.5m, compared with the same period in 1992.

For Capital City services, total advertising revenue increased by 7.8 per cent to \$154.9m in the six months to December 1993 compared with the same period in 1992.

Capital city services which have converted from AM to FM over the past five

years performed particularly well, recording a revenue increase of 38.7 per cent to \$43.3m in the six months to December 1993 compared with the same period in 1992. In the six months to June 1993, revenue increased by 34.7 per cent. The size of these increases can be partly attributed to drops in total advertising revenue in the previous year.

Capital City AM services revenue fell by 1.0 per cent to \$53.6m in the six months to December 1993, reversing the 3.0 per cent increase in the six months to June 1993. Original FM services revenue also decreased by 0.6 per cent to \$58.0m in the six months to December 1993 compared with the same period in the previous year.

Total advertising revenue in the Larger Cities category increased by 5.2 per cent to \$36.8m in the six months to December 1993 compared with the same period in 1992. A similar increase was recorded in the six months to June 1993.

For Other Services, total advertising revenue increased by 4.2 per cent to \$46.2m in the six months to December 1993. This increase is the largest recorded by Other Services for a six month period since December 1990.

Total advertising revenue in all states, except Victoria, increased for the six months to December 1993 compared with the previous year. New South Wales performed particularly well, increasing by 10.5 per cent. Queensland, Western Australia and South Australia increased by 7.6, 7.6 and 6.0 per cent respectively.

SEASONALLY ADJUSTED FIGURES

On a seasonally adjusted basis, total advertising revenue for the commercial radio industry increased by 5.0 per cent to \$225.3m in the six months to December 1993 compared with the same period in the previous year.

ADVERTISING REVENUE GROWTH

TO 31 DECEMBER 1993

Compared with the corresponding period in 1992

AUSTRALIA

	Six Months to 31 December 1993 %	Twelve Months to 31 December 1993 %
Capital City Original FM	(0.6)	(0.7)
Capital City AM-FM Converted	38.7	32.5
Capital City AM	(1.0)	1.1
All Capital City	7.8	7.2
Larger Cities	5.2	5.2
Other Services	4.2	2.3
Australia	6.7	5.9

Figures in brackets indicate decline.

PROVISIONAL SEASONALLY ADJUSTED ADVERTISING REVENUE GROWTH

TO 31 DECEMBER 1993

Compared with the previous six months (Jan. to June 1993)

AUSTRALIA

	Capital City %	Larger Cities %	Other Services %	All %
NSW/ACT	11.6	3.3	5.7	8.9
VIC	(1.0)	(2.9)	3.6	(0.5)
QLD	3.2*	7.1	5.6	4.8*
SA	1.4	(2.5)	5.9	1.3
WA	8.0*	(3.0)	1.9*	5.3*
TAS/NT	(1.8)	4.4*	13.7*	2.7*
AUSTRALIA	5.4	2.8	5.4	5.0

Figures in brackets indicate decline.

* unstable seasonal pattern.

ADVERTISING REVENUE GROWTH TO 31 DECEMBER 1993

Compared with the corresponding period in 1992

ALL STATES

	Capital City %	Larger Cities %	Other Services %	All %
NSW/ACT				
Six months	14.2	7.3	3.5	10.5
Twelve months	9.7	7.9	(0.2)	7.0
VIC				
Six months	(1.6)	(1.0)	5.7	(0.5)
Twelve months	2.7	0.7	2.7	2.5
QLD				
Six months	10.4	7.5	3.3	7.6
Twelve months	10.8	4.4	6.0	7.9
SA				
Six months	6.5	3.4	3.8	6.0
Twelve months	8.5	7.6	(0.4)	7.7
WA				
Six months	8.2	4.6	8.4	7.6
Twelve months	4.5	7.8	9.6	5.6
TAS/NT				
Six months	2.8	(9.2)	10.9	0.9
Twelve months	4.0	(11.8)	5.6	(0.1)
AUSTRALIA				
Six months	7.8	5.2	4.2	6.7
Twelve months	7.2	5.2	2.3	5.9

Figures in brackets indicate decline.

COMMERCIAL RADIO SERVICES SALE OF AIR TIME

AUSTRALIA

		Six Months to 31 December 1993		Twelve Months to 31 December 1993	
	No. of Stns	\$000	Growth %	\$000	Growth %
ORIGINAL FM	9				
Agency		39 697	(0.1)	72 838	(1.5)
Non-Agency		16 233	(1.7)	30 326	3.1
Contra		2 077	(1.3)	4 324	(10.4)
ADVERTISING REVENUE		58 007	(0.6)	107 488	(0.7)
Other		29	(62.8)	105	34.6
TOTAL SALE OF AIR TIME		58 036	(0.7)	107 593	(0.7)
AM-FM CONVERTED	9				
Agency		27 035	57.5	46 743	55.9
Non-Agency		15 090	17.3	27 471	8.9
Contra		1168	(0.9)	2389	(7.2)
ADVERTISING REVENUE		43 292	38.7	76 603	32.5
Other		16	NM	72	NM
TOTAL SALE OF AIR TIME		43 308	38.7	76 675	32.7
ORIGINAL AM	19				
Agency		22 421	(9.0)	41 840	(7.7)
Non-Agency		28 654	4.9	54 806	9.5
Contra		2498	15.4	4 536	(2.3)
ADVERTISING REVENUE		53 574	(1.0)	101 183	1.1
Other		5 130	5.0	10 069	(10.1)
TOTAL SALE OF AIR TIME		58 704	(0.5)	111 252	0.0
CAPITAL CITY	37				
Agency		89 153	9.3	161 422	8.1
Non-Agency		59 977	5.8	112 603	7.5
Contra		5 743	5.4	11 249	(6.6)
ADVERTISING REVENUE		154 873	7.8	285 274	7.2
Other		5 175	4.2	10 246	(9.2)
TOTAL SALE OF AIR TIME		160 048	7.7	295 520	6.5
LARGE CITIES	38				
Agency		11 665	22.3	21 459	14.1
Non-Agency		23 623	(0.9)	44 534	2.1
Contra		1 507	(6.3)	3 017	(5.1)
ADVERTISING REVENUE		36 795	5.2	69 009	5.2
Other		283	(2.7)	602	(0.2)
TOTAL SALE OF AIR TIME		37 078	5.1	69 612	5.1

Figures in brackets indicate decline.

No of stns refers to the latest six month period.

Growth % is calculated from the same period in the previous year.

NM denotes not meaningful.

COMMERCIAL RADIO SERVICES SALE OF AIR TIME

AUSTRALIA

		Six Months to 31 December 1993		Twelve Months to 31 December 1993	
	No. of Stns	\$000	Growth %	\$000	Growth %
OTHER	81				
Agency		10 374	11.4	19 334	4.3
Non-Agency		34 624	2.6	64 663	2.2
Contra		1 196	(7.4)	2 213	(10.2)
ADVERTISING REVENUE		46 195	4.2	86 210	2.3
Other		74	146.7	110	(5.2)
TOTAL SALE OF AIR TIME		46 269	4.3	86 320	2.3
AUSTRALIA	156				
Agency		111 192	10.8	202 215	8.3
Non-Agency		118 225	3.5	221 800	4.8
Contra		8 446	1.2	16 478	(6.8)
ADVERTISING REVENUE		237 863	6.7	440 493	5.9
Other		5 532	4.6	10 958	(8.7)
TOTAL SALE OF AIR TIME		243 395	6.6	451 452	5.5

Figures in brackets indicate decline.

No of stns refers to the latest six month period.

Growth % is calculated from the same period in the previous year.

NM denotes not meaningful.

COMMERCIAL RADIO SERVICES SALE OF AIR TIME

NEW SOUTH WALES

		Six Months to 31 December 1993		Twelve Months to 31 December 1993	
	No. of Stns	\$000	Growth %	\$000	Growth %
CAPITAL CITY	9				
Agency		37 215	16.7	64 562	9.4
Non-Agency		25 139	11.0	47 292	11.5
Contra		1 568	10.1	3 138	(9.0)
ADVERTISING REVENUE		63 923	14.2	114 992	9.7
Other		470	19.3	864	(45.1)
TOTAL SALE OF AIR TIME		64 393	14.2	115 856	8.9
LARGE CITIES	13				
Agency		5 482	18.0	10 334	13.8
Non-Agency		10 748	2.1	19 966	5.7
Contra		875	13.0	1 662	1.2
ADVERTISING REVENUE		17 106	7.3	31 963	7.9
Other		80	NM	81	NM
TOTAL SALE OF AIR TIME		17 186	7.8	32 043	8.2
OTHER	33				
Agency		4 599	9.0	8 713	0.2
Non-Agency		17 482	2.4	32 508	0.1
Contra		541	(5.4)	1 000	(12.0)
ADVERTISING REVENUE		22 623	3.5	42 221	(0.2)
Other		25	NM	25	(46.8)
TOTAL SALE OF AIR TIME		22 648	3.6	42 246	(0.3)
NSW	55				
Agency		47 297	16.0	83 609	8.9
Non-Agency		53 370	6.2	99 766	6.4
Contra		2 985	7.8	5 801	(6.8)
ADVERTISING REVENUE		103 652	10.5	189 176	7.0
Other		575	45.9	969	(40.2)
TOTAL SALE OF AIR TIME		104 227	10.7	190 145	6.6

Figures in brackets indicate decline.

No of stns refers to the latest six month period.

Growth % is calculated from the same period in the previous year.

NM denotes not meaningful.



COMMERCIAL RADIO SERVICES SALE OF AIR TIME

VICTORIA

		Six Months to 31 December 1993		Twelve Months to 31 December 1993	
	No. of Stns	\$000	Growth %	\$000	Growth %
CAPITAL CITY	8				
Agency		23 152	(2.5)	44 134	0.6
Non-Agency		14 096	(2.1)	26 288	7.5
Contra		2 213	14.8	3 962	(3.5)
ADVERTISING REVENUE		39 461	(1.6)	74 384	2.7
Other		1 660	31.5	2 924	19.7
TOTAL SALE OF AIR TIME		41 121	(0.5)	77 308	3.2
LARGE CITIES	5				
Agency		1 546	44.9	2 611	15.5
Non-Agency		2 143	(16.0)	4 461	(2.9)
Contra		167	(39.9)	317	(34.6)
ADVERTISING REVENUE		3 856	(1.0)	7 389	0.7
Other		0	NM	0	NM
TOTAL SALE OF AIR TIME		3 856	(1.0)	7 389	0.7
OTHER	11				
Agency		1 877	15.4	3 444	7.5
Non-Agency		5 454	3.0	10 290	2.3
Contra		203	0.5	360	(23.4)
ADVERTISING REVENUE		7 533	5.7	14 094	2.7
Other		1	NM	1	NM
TOTAL SALE OF AIR TIME		7 534	5.8	14 095	2.6
VIC	24				
Agency		26 574	0.5	50 189	1.7
Non-Agency		21 693	(2.5)	41 040	5.0
Contra		2 582	7.2	4 639	(8.4)
ADVERTISING REVENUE		50 850	(0.5)	95 868	2.5
Other		1 661	31.6	2 925	19.5
TOTAL SALE OF AIR TIME		52 511	0.3	98 793	2.9

Figures in brackets indicate decline.

No of stns refers to the latest six month period.

Growth % is calculated from the same period in the previous year.

NM denotes not meaningful.

COMMERCIAL RADIO SERVICES SALE OF AIR TIME

QUEENSLAND

	No. of Stns	Six Months to 31 December 1993		Twelve Months to 31 December 1993	
		\$000	Growth %	\$000	Growth %
CAPITAL CITY	6				
Agency		10 374	11.6	18 993	20.4
Non-Agency		8 398	8.2	16 170	2.0
Contra		964	15.6	1 834	4.6
ADVERTISING REVENUE		19 736	10.4	36 997	10.8
Other		799	6.5	1 601	(24.7)
TOTAL SALE OF AIR TIME		20 534	10.2	38 598	8.7
LARGE CITIES	8				
Agency		3 418	30.3	6 067	20.8
Non-Agency		5 841	0.5	10 916	(1.5)
Contra		248	(39.1)	624	(18.4)
ADVERTISING REVENUE		9 507	7.5	17 607	4.4
Other		11	NM	11	NM
TOTAL SALE OF AIR TIME		9 518	7.6	17 618	4.4
OTHER	19				
Agency		2 958	12.5	5 402	9.0
Non-Agency		8 199	1.3	15 565	5.8
Contra		346	(16.0)	648	(9.7)
ADVERTISING REVENUE		11 502	3.3	21 615	6.0
Other		11	1 000	12	300.0
TOTAL SALE OF AIR TIME		11 514	3.4	21 628	6.1
QLD	33				
Agency		16 749	15.2	30 461	18.3
Non-Agency		22 438	3.6	42 652	2.4
Contra		1 559	(5.6)	3 107	(4.0)
ADVERTISING REVENUE		40 745	7.6	76 220	7.9
Other		821	9.3	1 624	(23.7)
TOTAL SALE OF AIR TIME		41 567	7.6	77 844	7.0

Figures in brackets indicate decline.

No of stns refers to the latest six month period.

Growth % is calculated from the same period in the previous year.

NM denotes not meaningful.



COMMERCIAL RADIO SERVICES SALE OF AIR TIME

SOUTH AUSTRALIA

	No. of Stns	Six Months to 31 December 1993		Twelve Months to 31 December 1993	
		\$000	Growth %	\$000	Growth %
CAPITAL CITY	5				
Agency		9 333	11.9	17 051	16.2
Non-Agency		5 057	(0.1)	9 601	0.9
Contra		554	(13.0)	1 293	(16.7)
ADVERTISING REVENUE		14 944	6.5	27 945	8.5
Other		1 131	(1.1)	2 272	4.8
TOTAL SALE OF AIR TIME		16 075	5.9	30 217	8.3
LARGE CITIES	3				
Agency		364	11.0	712	10.2
Non-Agency		1 220	2.7	2 288	8.4
Contra		36	(28.0)	65	(28.6)
ADVERTISING REVENUE		1 620	3.4	3 065	7.6
Other		13	160.0	21	162.5
TOTAL SALE OF AIR TIME		1 634	4.0	3 086	8.1
OTHER	3				
Agency		325	13.6	580	7.8
Non-Agency		1 040	1.5	1 873	(3.2)
Contra		27	(12.9)	54	20.0
ADVERTISING REVENUE		1 392	3.8	2 508	(0.4)
Other		20	150.0	34	61.9
TOTAL SALE OF AIR TIME		1 412	4.6	2 542	0.1
SA	11				
Agency		10 023	12.0	18 343	15.7
Non-Agency		7 316	0.6	13 762	1.5
Contra		618	(13.9)	1 412	(16.4)
ADVERTISING REVENUE		17 957	6.0	33 517	7.7
Other		1 164	0.6	2 327	5.9
TOTAL SALE OF AIR TIME		19 121	5.6	35 845	7.6

Figures in brackets indicate decline.

No of stns refers to the latest six month period.

Growth % is calculated from the same period in the previous year.

NM denotes not meaningful.

COMMERCIAL RADIO SERVICES SALE OF AIR TIME

WESTERN AUSTRALIA

	No. of Stns	Six Months to 31 December 1993		Twelve Months to 31 December 1993	
		\$000 %	Growth %	\$000	Growth
CAPITAL CITY	5				
Agency		8 061	9.9	14 736	4.1
Non-Agency		4 903	7.6	8 949	6.9
Contra		255	(23.4)	540	(17.8)
ADVERTISING REVENUE		13 219	8.2	24 226	4.5
Other		933	(17.9)	2 091	(12.5)
TOTAL SALE OF AIR TIME		14 152	6.0	26 317	2.9
LARGE CITIES	6				
Agency		456	(6.4)	963	(6.1)
Non-Agency		2 560	5.0	4 917	9.6
Contra		92	100.0	170	73.5
ADVERTISING REVENUE		3 108	4.6	6 050	7.8
Other		1	(88.9)	6	(66.7)
TOTAL SALE OF AIR TIME		3 110	4.4	6 056	7.6
OTHER	10				
Agency		348	1.5	718	(3.4)
Non-Agency		1 524	9.5	2 787	12.2
Contra		36	44.0	60	130.8
ADVERTISING REVENUE		1 908	8.4	3 566	9.6
Other		1	(75.0)	6	(33.3)
TOTAL SALE OF AIR TIME		1 909	8.2	3 572	9.5
WA	21				
Agency		8 865	8.6	16 417	3.1
Non-Agency		8 986	7.2	16 653	8.5
Contra		384	(4.7)	770	(1.5)
ADVERTISING REVENUE		18 235	7.6	33 841	5.6
Other		935	(18.7)	2 104	(13.0)
TOTAL SALE OF AIR TIME		19 170	5.9	35 945	4.3

Figures in brackets indicate decline.

No of stns refers to the latest six month period.

Growth % is calculated from the same period in the previous year.

NM denotes not meaningful.



COMMERCIAL RADIO SERVICES SALE OF AIR TIME

TASMANIA AND NORTHERN TERRITORY

	No. of Stns	Six Months to 31 December 1993		Twelve Months to 31 December 1993	
		\$000 %	Growth %	\$000	Growth
CAPITAL CITY	4				
Agency		1 019	9.8	1 947	6.2
Non-Agency		2 385	4.9	4 303	4.5
Contra		187	(36.0)	481	(8.2)
ADVERTISING REVENUE		3 591	2.8	6 731	4.0
Other		181	(35.6)	493	(15.1)
TOTAL SALE OF AIR TIME		3 772	(0.1)	7 224	2.4
LARGE CITIES	3				
Agency		398	2.8	771	0.4
Non-Agency		1 110	(15.8)	1985	(19.3)
Contra		88	63.0	179	82.7
ADVERTISING REVENUE		1 597	(9.2)	2935	(11.8)
Other		177	(36.1)	483	(16.3)
TOTAL SALE OF AIR TIME		1 774	(12.8)	3 419	(12.4)
OTHER	5				
Agency		267	29.0	477	19.5
Non-Agency		926	7.8	1 640	1.1
Contra		43	(12.2)	89	30.9
ADVERTISING REVENUE		1 236	10.9	2 206	5.6
Other		16	0.0	32	0.0
TOTAL SALE OF AIR TIME		1 253	10.8	2 238	5.5
TAS/NT	12				
Agency		1 684	10.7	3 195	6.5
Non-Agency		4421	(0.6)	7 928	(3.3)
Contra		319	(19.2)	749	8.4
ADVERTISING REVENUE		6424	0.9	11 872	(0.1)
Other		375	(34.8)	1008	(15.3)
TOTAL SALE OF AIR TIME		6799	(2.0)	12 880	(1.5)

Figures in brackets indicate decline.

No of stns refers to the latest six month period.

Growth % is calculated from the same period in the previous year.

NM denotes not meaningful.

NOTES

- 1. This is the first report on the financial results of the commercial radio industry to be released by the Authority on a biannual basis.
- 2. During the six months to December 1993, 157 commercial radio services were operated. Two new services, 2AAY(NSW, Other Services) and 4MIC(Qld Other services) commenced operations on supplementary FM licences during the period. 3EE (Vic, Capital City AM) had not provided figures by the deadline for publication and was excluded from the tables leaving a total of 156 reported services.
- 3. Capital City original FM services (2DAY, 2MMM, 3FOX, 3MMM, 4MMM, 5SSA, 6NOW, 7TTT and 8HOT) were originally licensed as FM services. Capital City AM-FM converted services (2UUS,3KKZ, 3TTT, 4BBB, 5DDN, 5KKA, 6JKY, 6PPM and 7HHO) were originally licensed as AM services and converted to FM licences. During 1993, 2WS converted to FM.
- 4. Revenue percentage changes are calculated by comparing the same periods over the last two years because advertising revenue fluctuates on a seasonal basis, reaching a peak in the six months to December.
- 5. Seasonally adjusted figures are calculated by excluding the seasonal effect in the reported figures. Seasonally adjusted figures should be treated as provisional because only limited data is currently available for calculating the seasonal effects.

Changes in seasonally adjusted figures are calculated by comparing two consecutive six month periods. These changes will differ from the changes between consecutive six month periods of unadjusted figures. Unadjusted figures reflect different seasonal influences such as the Christmas peak in the first half of the financial year and the post Christmas low in the second half of the financial year. Typically these seasonal influences are strong enough to ensure that the second half of the financial year figure is always less than the first half of the financial year figure.

Comparing unadjusted figures for two consecutive periods would simply describe the seasonal pattern. As we are interested in whether, putting aside seasonal influences, the current six month period is better than the last, seasonal influences must be removed. Through comparing seasonally adjusted figures we are able to discern if there has been a six month period to six month period improvement. The benefit of comparing seasonally adjusted figures over consecutive six month periods is that any observed improvement has occurred during the six month period concerned. This immediacy is in contrast with comparisons between unadjusted figures for the same six month periods in consecutive years where an improvement could be concentrated early in the twelve month period covered by the comparison.

Seasonal patterns for some market groups exhibit a degree of instability. Accordingly seasonally adjusted figures for these groups include a significant amount of randomness that will limit their accuracy. These figures are included in this table for completeness however they should be interpreted in conjunction with other data.

- 6. Large Cities are defined as:
 - NSW/ACT - Newcastle, Canberra, Wollongong, Katoomba, Gosford
 - Vic - Geelong, Bendigo, Maryborough, Warragul
 - Qld - Gold Coast, Townsville, Toowoomba, Warwick, Gladstone
 - SA - Port Pirie, Murray Bridge, Mt Gambier
 - WA - Bunbury, Kalgoorlie, Mandurah, Geraldton, Albany
 - TAS/NT - Launceston, Devonport

