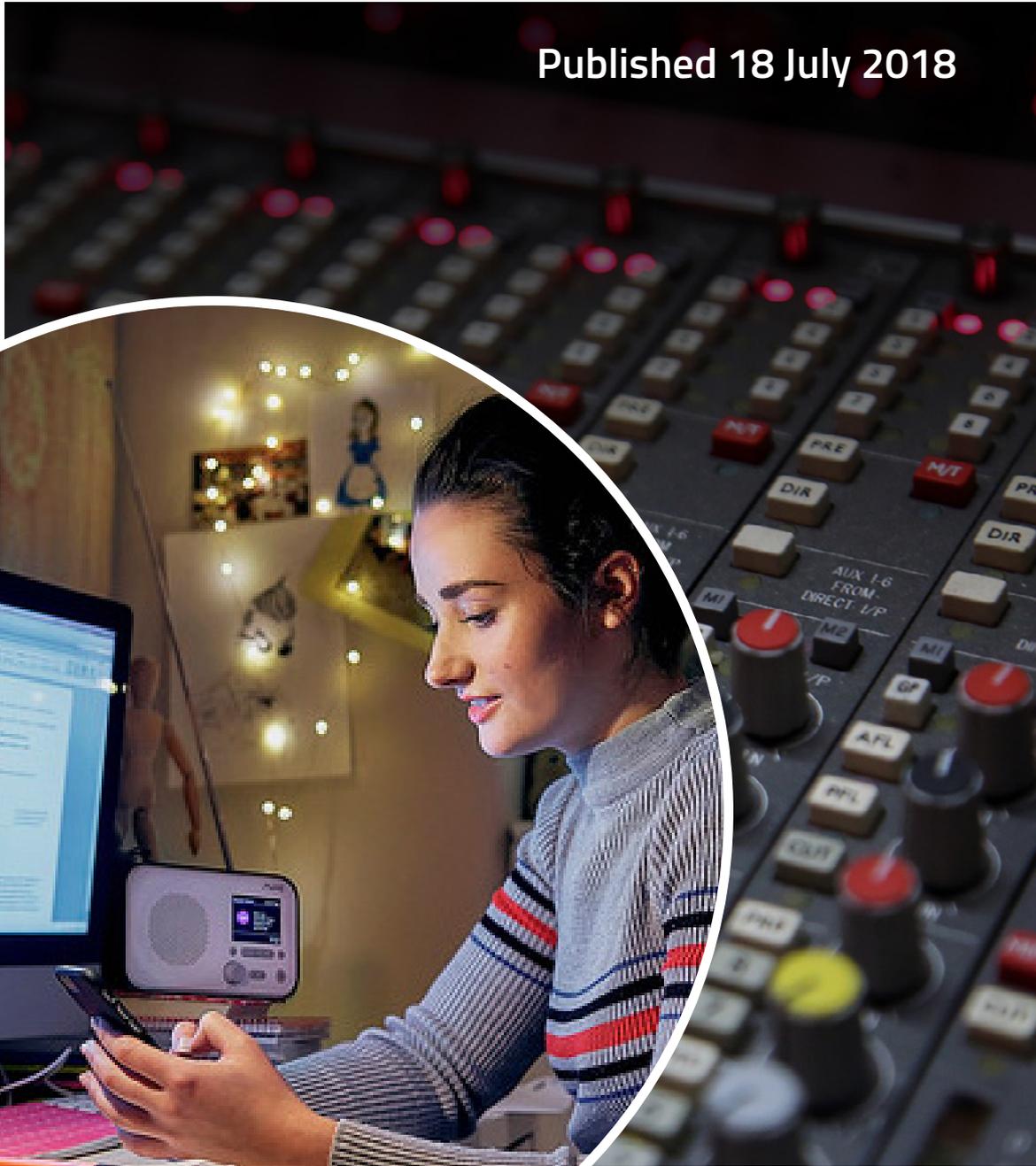




MEDIA NATIONS: Scotland 2018

Published 18 July 2018





About this document

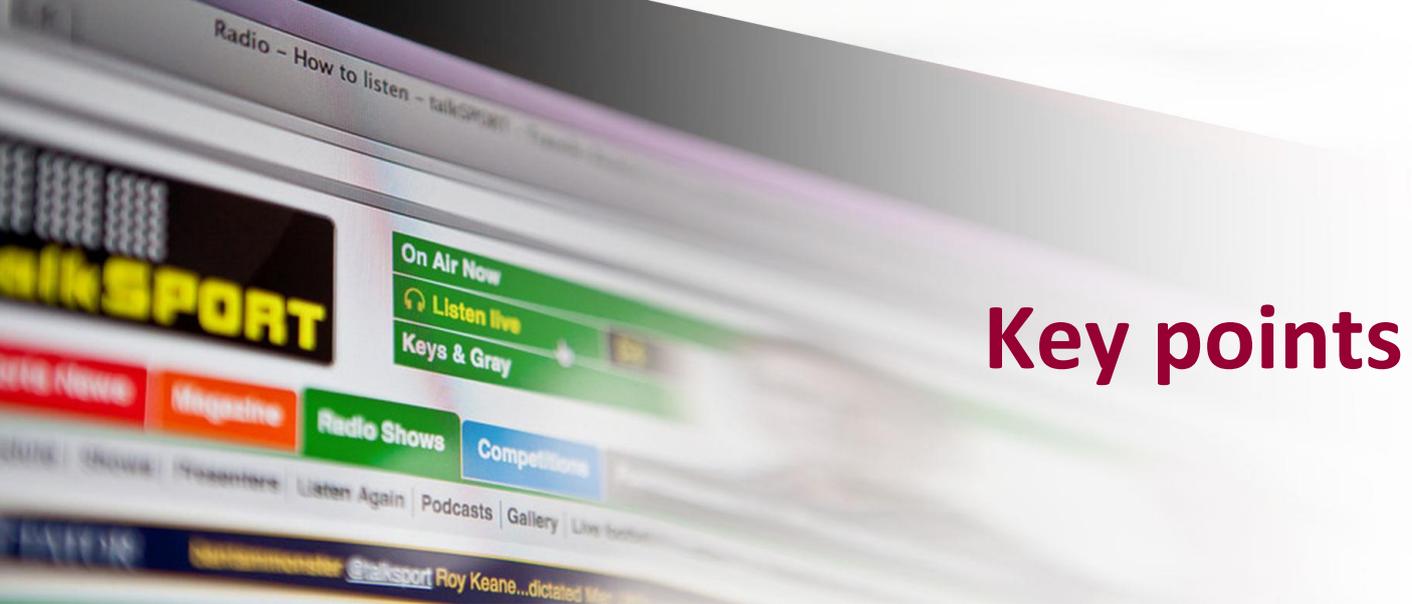
This is Ofcom’s first annual Media Nations: Scotland report. The report reviews key trends in the television and audio-visual sector as well as the radio and audio industry in Scotland. It provides context to the work Ofcom undertakes in furthering the interests of consumers and citizens in the markets we regulate.

In addition to this Scotland report, there are separate reports for the UK as a whole, Wales, and Northern Ireland, as well as an [interactive data report](#).

The report provides updates on several datasets, including bespoke data collected directly from licensed television and radio broadcasters (for output, spend and revenue), Ofcom’s proprietary consumer research (for audience opinions), and BARB and RAJAR (for audience consumption). It should be noted that our regulatory powers do not permit us to collect data directly from online video-on-demand and video-sharing services (such as ITV Player, Netflix, Amazon Prime Video and YouTube) for research purposes, and therefore we rely predominately on third-party sources for information relating to these services.

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Key points

Despite a decline in time spent viewing broadcast TV, people in Scotland watched more than any other UK nation in 2017

- In 2017, people in Scotland spent an average of 3 hours 46 minutes per day watching broadcast television, 9 minutes less than in 2016.
- As well as having the highest levels of TV consumption of the four UK nations (overtaking Wales for the first time since 2011), Scotland experienced the smallest decline in total viewing between 2016 and 2017 (down by 3.7% compared to 4.2% across the UK as a whole).
- Although people in Scotland are watching less broadcast television, they are using their TV set more for watching other things. Viewing of other non-broadcast services on the TV set (such as streaming services like Netflix and Amazon, or gaming) increased by three minutes a day in 2017, to 40 minutes per person per day.
- The semi-final of *Strictly Come Dancing* was the most-viewed broadcast programme on the TV set across Scotland in 2017, with nearly 1.2 million viewers.

There was an 8% real-terms decline in spend on new programming for viewers in Scotland in 2017

- Together, the BBC, STV and ITV spent £53.9m on first-run UK-originated content specifically for viewers in Scotland in 2017, an 8% decrease in real terms since 2016. This decline was the result of lower spending by the BBC, which reduced spend by 10% year on year; STV/ITV spend remained broadly stable.

Scotland had the highest take-up of cable TV in the UK in Q1 2018

- Seventeen per cent of households in Scotland had Virgin Media's cable TV service in the beginning of 2018 – a higher proportion than in Wales (10%), Northern Ireland (9%) and the UK average (14%).
- Paid satellite services – as offered by Sky – were the most common pay-TV services in Scotland, with 33% of homes having such a service, a 5 percentage point (pp) decline since 2014, when it was at its highest.

- Almost a third of homes (32%) had a digital terrestrial TV service (Freeview) as their only TV platform in Q1 2018.
- BBC iPlayer was the most popular on-demand/streaming service among adults in Scotland in 2018, with 47% claiming to use it. This was followed by Netflix (39%) and the STV Player (31%).

Viewers in Scotland continue to value public service broadcasting content, with 71% either satisfied or very satisfied

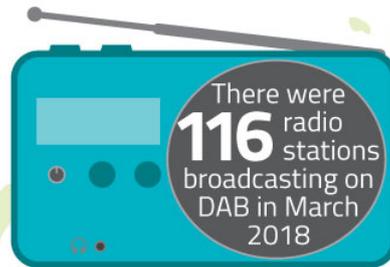
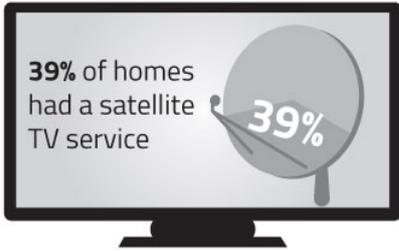
- This compares to 75% for the UK average, 75% in England, 72% in Wales and 69% in Northern Ireland.
- Regular audiences of the public service broadcasters (PSBs) in Scotland rated delivery of *'its news programmes are trustworthy'* highly at 79%. This is comparable with Northern Ireland (74%) and significantly¹ higher than the UK average, 69% and England (68%) and Wales (65%).
- Sixty-two per cent of regular/occasional PSB viewers in Scotland rated the statement *'it portrays Scotland fairly to the rest of the UK'* highly. This is significantly higher than in Wales (47%) and Northern Ireland (48%) and is comparable to England (56%).
- *'It shows different parts of the UK, including England, Northern Ireland, Scotland and Wales'* was rated highly for delivery by 70% of Scottish regular/occasional PSB viewers. This is significantly higher than the score in Wales (56%) and compares with 63% in Northern Ireland and 66% in England.

Digital listening grows: ownership of DAB radios is higher in Scotland than in the rest of the UK

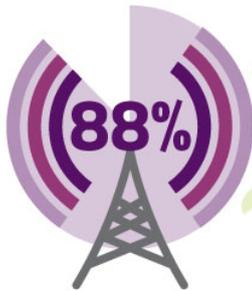
- In Q1 2013, 79% of adults in Scotland listened to analogue radio; in the same period five years later, this has dropped to 69%. In contrast, digital listening, either online, through a DAB set or through the TV, has increased from 43% of the population to 57%.
- Listening via a digital platform accounted for 46.9% of time spent listening to the radio in Q1 2018 (up from 41.3% in Q1 2017), lower than the UK average of 50.9% but higher than the digital share of listening in Wales (46.6%) and Northern Ireland (35.4%).
- Two-thirds of adults (66%) owned a DAB radio in Q1 2018. This was higher than in any other nation across the UK, with the average UK ownership figure standing at 64% in Q1 2018.
- Eighty-eight per cent of adults in Scotland listen to the radio each week.
- The BBC had a 46.3% share of the radio market in Q1 2018. Of the commercial radio groups, Bauer Radio had the largest proportion of the market, at 26.0%, followed by Global Radio with 14.9%.
- BBC Radio 2 was the most popular radio station across Scotland in Q1 2018.

¹ Throughout the *Satisfaction with and perceptions of TV* chapter of this report, 'significantly' has only been used to highlight any increase or decrease in scores that show statistically significant differences at the 95% confidence level for results compared within the current year, and at the 99% confidence level for results compared between years. For further details, please refer to the PSB Tracker technical report on Ofcom's website <https://www.ofcom.org.uk/research-and-data/data/statistics/stats18>

Key findings: Scotland



On average people spent **3 hours 46 minutes** per day watching TV in 2017



88% of adults listen to the radio every week



of regular or occasional PSB viewers claimed to be satisfied with PSB broadcasting in 2017



Ownership of DAB radio sets reached **66%**, higher than any other UK nation

All data relates to 2018 in Scotland unless stated otherwise



TV services and devices

Chapter overview

TV services are available in a variety of ways in Scotland. Freeview is available on digital terrestrial television (DTT) while Sky and Freesat offer satellite services and Virgin Media offers a cable TV service. Set-top boxes from providers including TalkTalk and BT offer a Freeview service, alongside pay-TV channels delivered through an internet connection (sometimes referred to as internet protocol television or IPTV).

There is also a growing number of on-demand and streaming services available to consumers online. These range from public service broadcaster (PSB) services like BBC iPlayer, STV Player, All4 and My5 to the subscription services offered by Netflix and Amazon.

98.7% of premises in Scotland had DTT coverage in 2018²

DTT services, which are delivered through a television aerial, are provided in Scotland through a combination of PSB and commercial (COM) multiplexes.³ Examples of services on the PSB multiplex include BBC One, STV, Channel 4 and Channel 5, while the COM multiplexes provide access to services such as Dave, Sky News and E4.

As of January 2018, 1.3% of premises in Scotland had no DTT coverage at all. However, this varies across the country; the Shetland Islands (17%), Argyll and Bute (10%), Na h-Eileanan Siar (9%) and the Highlands (7%) have significantly higher proportions of premises with no such coverage. A further 11.9% of premises in Scotland had DTT coverage through the PSB multiplex but were unable to receive the COM channels through their aerial⁴; these households would have to use satellite, cable or the internet to watch the channels provided by the commercial multiplex.

² Ofcom analysis of operator data, January 2018

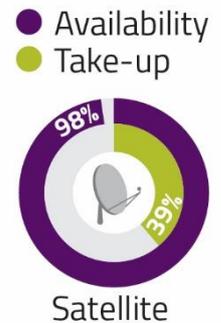
³ Multiplexes are the transmission infrastructure used to distribute television services.

⁴ Ofcom analysis of operator data, January 2018

A slightly lower proportion of households in Scotland than in the UK as a whole had a TV set (94.5% vs. 95.6%). Almost a third of homes (32.4%) had a digital terrestrial TV service through Freeview as their only TV platform at the beginning of 2018.⁵

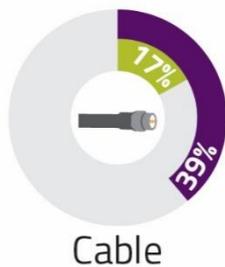
Two in five homes had a satellite TV service at the beginning of 2018

Satellite TV services are provided by Sky and Freesat and serve about 98% of UK premises⁶, with broadly the same level of availability across Scotland. Sky's paid satellite service was the most common pay-TV service in Scotland at the beginning of 2018, with 33.3% of homes having such a service, a 5pp decline since its peak in 2014. A further 5.8% had a free satellite service, meaning that at 39.1%, satellite TV take-up in Scotland was higher than across the UK as a whole (37.1%) at the beginning of 2018.⁷



Scotland had the highest take-up of cable TV in the UK in 2018

Legend: Availability (purple), Take-up (green)



Virgin Media's cable service was available to more than a million premises (38.6%) in Scotland in 2018. This is a 3pp increase on the 2016 coverage figure of 35.4%; Virgin Media continues to expand its network through [Project Lightning](#).⁸

Seventeen per cent of households in Scotland had a cable TV service in 2018, a higher proportion than in Wales (10%), Northern Ireland (9%), and the UK as a whole (15%).⁹

⁵ Source: BARB Establishment Survey Q1 2018

⁶ Based on the availability of a line-of-sight path to the satellite. Does not include the impact of factors such as access in multi-dwelling units where it is not feasible to install a dedicated household satellite dish and where there is no internal wired distribution system for satellite, or the need for planning permission in some locations

⁷ Source: BARB Establishment Survey Q1 2018

⁸ Ofcom analysis of operator data, January 2018

⁹ Source: BARB Establishment Survey Q1 2018

Broadband in Scotland

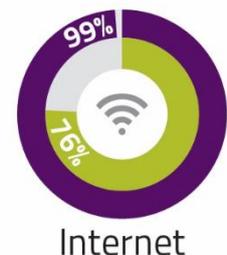
A download speed of 2Mbit/s is the minimum speed required to deliver standard definition (SD) video, and 98.5% of premises in Scotland had access to such a service in January 2018, more than 1pp up on the June 2016 figure of 97.4%. The vast majority (97.1%) of premises with PSB DTT coverage that were unable to receive transmissions from the commercial multiplex through their aerial had access to such a broadband service in January 2018.¹⁰

Ofcom research shows that 76% of households in Scotland had fixed internet access in the first half of 2018, in line with the 80% across the UK.¹¹ Superfast broadband offers download speeds of ≥ 30 Mbit/s, and 39% of superfast lines in Scotland delivered such speeds in 2017. This was lower than the 43% across the UK as a whole.¹²

Broadband take-up provides further access to TV content

The proportion of homes that have internet protocol television (IPTV) only (either from BT TV, TalkTalk TV, Plusnet TV, or a standalone YouView box), and do not also have satellite, cable or other service, is growing in Scotland; 5.8% of homes had such a service in Q1 2018, up from 2.5% in 2012.¹³

- Availability
- Take-up



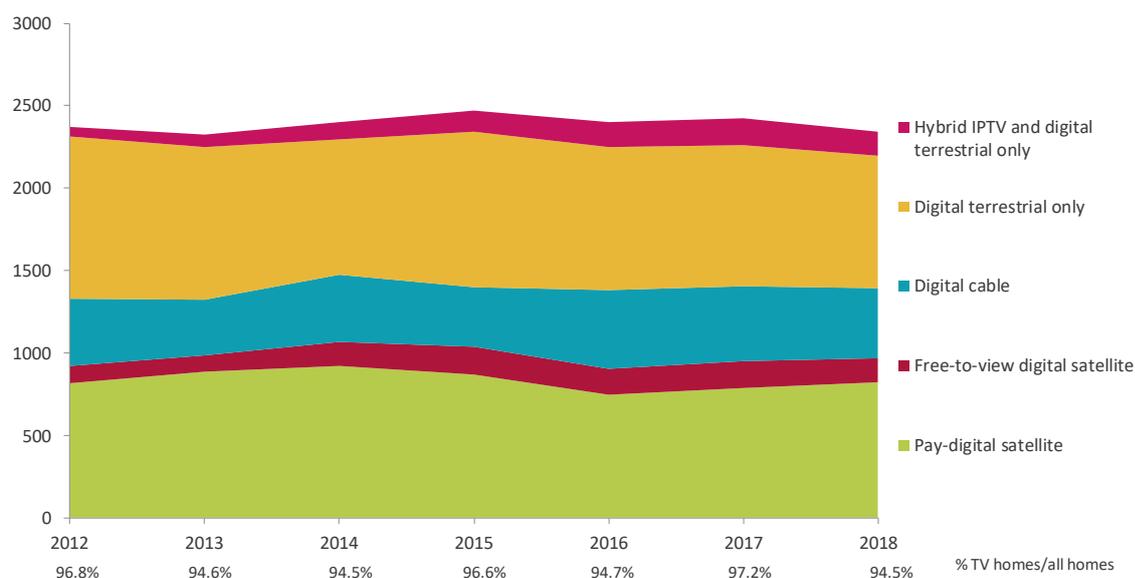
¹⁰ Ofcom analysis of operator data, January 2018

¹¹ Source: Ofcom Technology Tracker H1 2018

¹² Ofcom analysis of operator data, published in *Connected Nations 2017: Scotland*, available at https://www.ofcom.org.uk/_data/assets/pdf_file/0022/108814/scotland-connected-nations-2017.pdf

¹³ Source: BARB Establishment Survey Q1 2012, Q1 2018

Figure 1: Platform take-up in Scotland 2012-2017, households (000s)



Source: BARB Establishment Survey. BBC areas. Household-level data. All TV sets in the home included, so there may be platform overlaps. Notes: Data points are based on Q4 of each year until 2018, when it is Q1. From Q4 2015 the claimed usage element was removed, leading to an increase in the TV set homes population. Digital terrestrial only TV = receives digital TV through an aerial and not through digital satellite (DSAT) / digital cable (DCAB) or other platforms. Hybrid IPTV digital terrestrial only = receives digital terrestrial TV through either BT TV/TalkTalk TV/YouView/Plusnet TV and not DSAT/DCAB/other platforms.

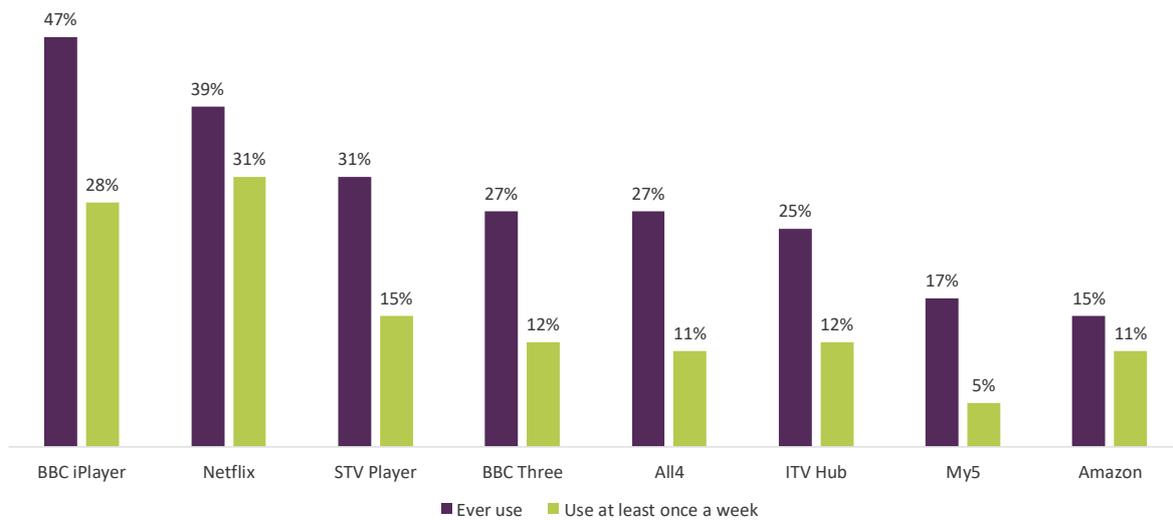
On-demand and streaming services offer additional content and options for consumers

BBC iPlayer was the most popular on-demand/streaming service among adults in Scotland in January 2018, with 47% claiming to ever use it. This was followed by Netflix (39%) and the STV Player (31%). However, when looking at regular use, adults in Scotland are as likely to use Netflix as they are BBC iPlayer; around three in ten adults in Scotland use Netflix (31%) and BBC iPlayer (28%) once a week.

The use of Netflix, in particular, is heavily skewed towards younger viewers. Thirty-one per cent of adults in Scotland claim to use the service at least once a week, but this rises to 60% of 16-24s and 53% of 25-34s and drops to just 8% of the 65+ age group.¹⁴

¹⁴ Source: Ofcom BBC Competition Assessment research

Figure 2: Use of on-demand/streaming services in Scotland



Source: Ofcom BBC Competition Assessment research, December 2017/January 2018. Base: All adults in Scotland aged 16+ (1,111). Summary of TV channels or services ever watched/watched at least once a week. A5: How often, if ever, do you watch any of the following TV channels or services – using a TV set, a computer or tablet, or a mobile phone?

More than half of TV households in Scotland have a television connected to the internet

In the first half of 2018 nearly half of all TV-owning households in Scotland had a smart TV (47%), with 81% of these directly connected to the internet. But when we take other devices into account, more than half of TV households (53%) had their TVs connected to the internet¹⁵: one in five (22%) had used a set-top box with access to digital or cable TV broadcasts (such as Sky+, Virgin TiVo, YouView), higher than the UK figure (14%). Eighteen per cent used a games console to connect their TV to the internet and 12% used an internet-connected dongle or set-top box (such as NOW TV, Roku, Google Chromecast, Amazon Fire TV stick, Amazon Fire TV or Apple TV).¹⁶

Watching TV on the go is enabled by the growth in smartphone take-up in recent years – 82% of those with a mobile phone now use a smartphone in Scotland, in line with 85% in Northern Ireland and 78% in Wales. Among smartphone users in Scotland, 87% have a 4G service, similar to Wales and Northern Ireland.¹⁷ In January 2018, indoor 4G premises coverage from all mobile network operators stood at 67% in Scotland, with geographic coverage at 30%.¹⁸

¹⁵ Source: Ofcom Technology Tracker H1 2018

¹⁶ Source: Ofcom Technology Tracker H1 2018

¹⁷ Source: Ofcom Technology Tracker H1 2018

¹⁸ Ofcom analysis of operator data, as published in Ofcom *Connected Nations Update Spring 2018*, available at <https://www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-update-spring-2018>



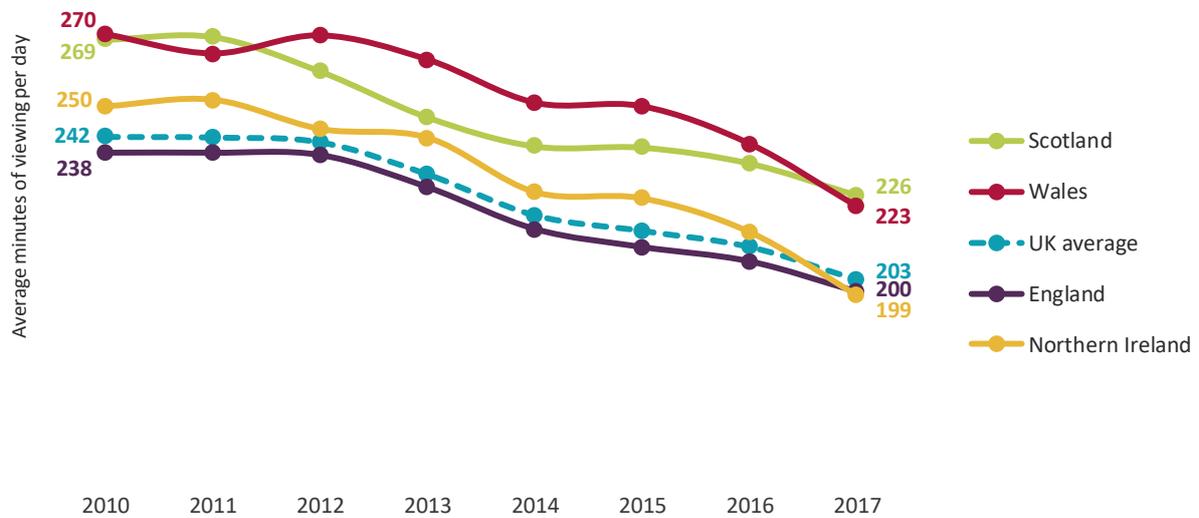
TV and AV consumption

This section uses data provided by the Broadcasters' Audience Research Board (BARB), a panel of 5,100 homes across the UK providing the official broadcast TV measurement for the industry. This includes all viewing of broadcast TV through a television set, and via any device attached to the set such as a computer, laptop or tablet. Unless otherwise stated, figures quoted are for seven-day consolidated viewing. Consolidated viewing includes viewing of programmes at the time they were broadcast on TV (live viewing) as well as recordings on digital video recorders (DVRs) and through catch-up player services (e.g. apps on smart TVs) up to seven days after the first broadcast (time-shifted). [See the methodology annex for more information.](#)

Despite a decline in time spent viewing broadcast TV, people in Scotland watched more than any other UK nation in 2017

In 2017, people in Scotland spent an average of 3 hours 46 minutes per day watching television - 24 minutes more than the UK average. As well as having the highest levels of TV consumption of the four UK nations (overtaking Wales for the first time since 2011), Scotland had the smallest decline in total viewing between 2016 and 2017. Between these dates viewing fell by 3.8% in Scotland, compared to an average of 4.2% across the whole of the UK.

Figure 3: Average total TV daily viewing, by nation (in minutes): 2010-2017

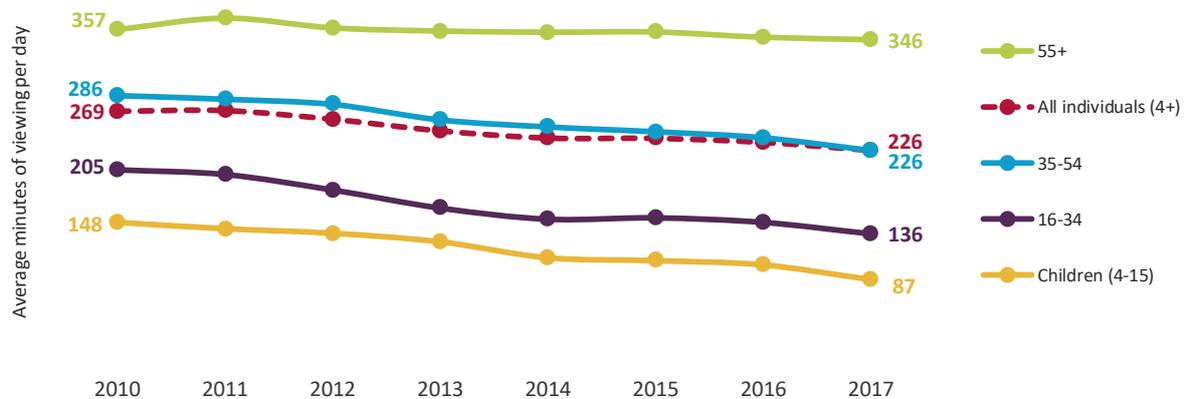


Source: BARB. BBC areas, all individuals (4+).

Younger viewers are driving the decline of broadcast TV viewing

As in the rest of the UK, it is the decline in viewing by children and young adults that is driving the overall decline in TV consumption in Scotland. Viewing among the 55+ age group has remained fairly stable in recent years, with a decline of only three minutes between 2016 and 2017. However, the year-on-year decline in the average number of minutes of daily TV viewing was in the double digits for all other age groups.

Figure 4: Average daily minutes spent viewing total TV, by age group in Scotland: 2010-2017



Source: BARB. BBC areas.

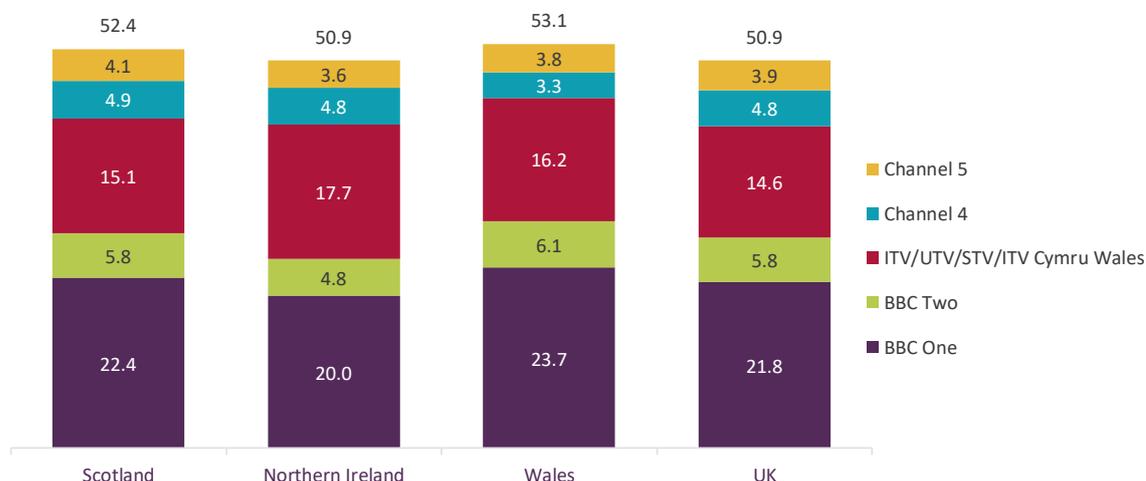
The PSB channels

Public service broadcasting (PSB) is currently provided in Scotland by the BBC, Channel 4 Corporation (C4C), STV, ITV and Channel 5. While all of the BBC TV services are PSB, only the main channels of the other broadcasters are. In return for providing PSB services such as news and original productions, these broadcasters receive certain benefits: access to spectrum (the radio waves that support wireless communication) to broadcast their services; prominence on electronic programme guides on television (EPGs); and, in the BBC's case, the licence fee.

More than half of all broadcast TV viewing in Scotland in 2017 was to the main five PSB channels

In 2017, the main five PSB channels accounted for a combined 52.2% share of the total broadcast TV audience in Scotland. The PSB channels' share in Scotland, although lower than in Wales, was higher than in Northern Ireland and the UK average. The viewing shares of each of the main five PSB channels in Scotland is very similar to the UK average, although BBC One and Channel 5 had slightly larger shares of viewing in Scotland.

Figure 5: Percentage share of total TV viewing, UK nations, five main PSB channels: 2017



Source: BARB. BBC areas, all individuals (4+).

The semi-final of *Strictly Come Dancing* was the most-viewed programme across Scotland in 2017

Two of the top 20 most-viewed programmes in 2017 were only shown in Scotland. Hogmanay staple *Only an Excuse?* was the sixth most popular programme, while *Hogmanay Live* was 15th; both were

on BBC One Scotland. Six of the top 20 programmes were broadcast on STV, including the first episode of the last series of *Broadchurch*.

Figure 6: Top 20 most-watched programmes in Scotland, 2017

Rank	Programme Title	Channel	Date	Average 000s	% TVR	% Share
1	Strictly Come Dancing	BBC One Scotland	09/12/2017	1,171	24.0	58.8
2	Blue Planet II	BBC One Scotland	12/11/2017	1,092	22.4	45.8
3	Mrs Brown's Boys Christmas Special	BBC One Scotland	01/01/2017	1,048	21.4	46.3
4	Broadchurch	ITV/STV	27/02/2017	1,029	21.0	40.7
5	Strictly Come Dancing: The Results	BBC One Scotland	10/12/2017	1,028	21.1	50.5
6	Only an Excuse?	BBC One Scotland	31/12/2017	958	19.7	56.0
7	The Moorside	BBC One Scotland	14/02/2017	945	19.3	38.4
8	I'm a Celebrity - Get Me Out of Here!	ITV/STV	19/11/2017	938	19.2	44.5
9	Britain's Got Talent (Series 11)	ITV/STV	22/04/2017	934	19.1	44.0
10	One Love Manchester	BBC One Scotland	04/06/2017	915	18.7	45.1
11	Line of Duty	BBC One Scotland	30/04/2017	896	18.3	36.3
12	Call the Midwife	BBC One Scotland	19/02/2017	885	18.1	36.6
13	Strictly Come Dancing Launch Show	BBC One Scotland	09/09/2017	879	18.0	47.1
14	Sherlock	BBC One Scotland	01/01/2017	865	17.7	36.0
15	Hogmanay Live	BBC One Scotland	31/12/2017	861	17.7	51.5
16	Coronation Street	ITV/STV	11/12/2017	840	17.2	43.5
17	Emmerdale	ITV/STV	11/12/2017	834	17.1	42.2
18	Doctor Foster	BBC One Scotland	03/10/2017	805	16.5	37.3
19	All Round to Mrs Brown's	BBC One Scotland	01/04/2017	786	16.0	40.4
20	Ant & Dec's Saturday Night Takeaway	ITV/STV	18/03/2017	772	15.8	39.4

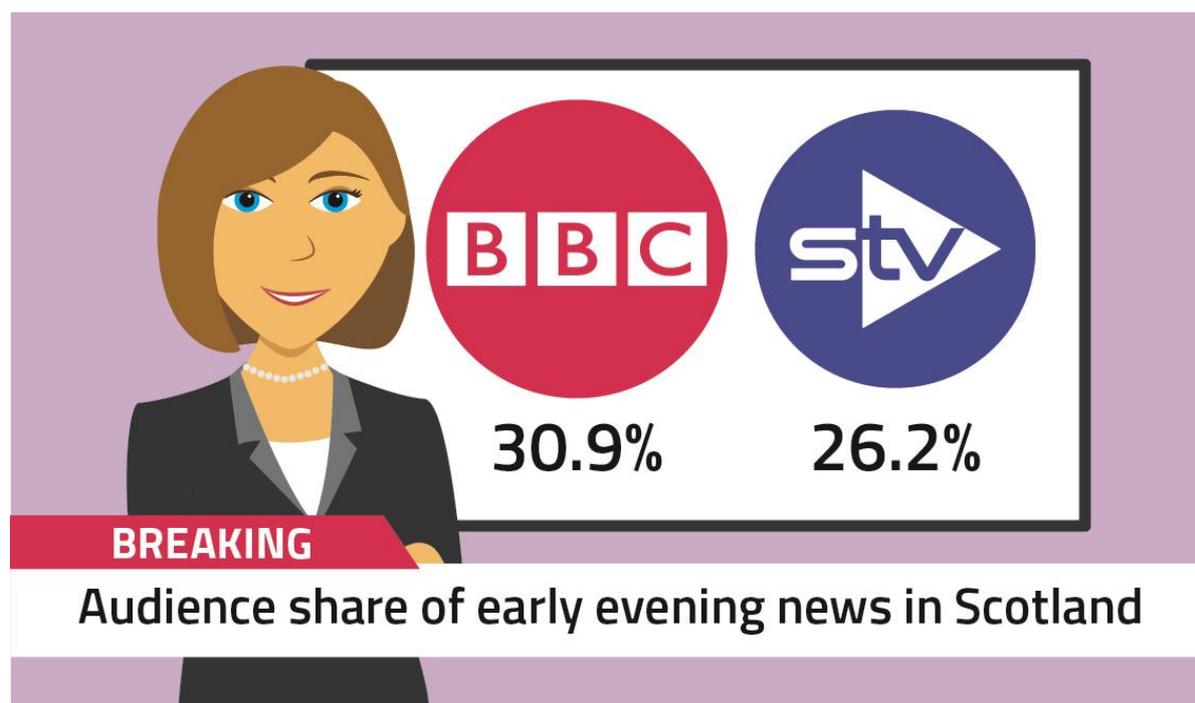
Source: BARB. BBC areas, all individuals (4+). The TVR (television rating) measures the popularity of the programme by comparing its audience to the population as a whole. One TVR is numerically equivalent to 1% of the target audience.

BBC One's and STV's early evening local news bulletins attracted a greater share in Scotland than the UK average for the slot

Reporting Scotland, BBC One Scotland's early evening news bulletin, attracted a 30.9% share of the slot's viewing in Scotland, slightly up on 2016 (30.3%). STV's counterpart, *STV News at Six*, attracted a lower share at 26.2% (25.5% in 2016) albeit higher than the Channel 3 UK average share (20.5%) for the slot.¹⁹

¹⁹ Source: BARB. Individuals (4+). UK averages based on share of respective early evening news bulletin time slots (using the London news schedule). BBC One's news is based on BBC Scotland area, STV news is based on BARB's ITV Scotland area, and therefore excludes viewing to *ITV's News Lookaround* in the BARB ITV Border area that includes part of Scotland and part of England. *ITV News Lookaround* had an average share of 40.2% in all of the BARB ITV Border area.

Figure 7: Audience share of BBC One Scotland and STV early evening news: 2017



Source: BARB. All Individuals (4+). Note: Early evening ('local') news bulletin figures based on 'regional news' genre programmes, start time 17:55-18:35, 10mins+ duration, weekdays. UK averages based on share of respective early evening news bulletin time slots (using the London news schedule). BBC One's early evening news bulletin is transmitted between 18:30-19:00 and based on BBC areas. STV early evening news bulletin is transmitted between 18:00-18:30 and based on ITV Scotland area.

Strategic review of STV

On 16 May, STV announced a [three-year growth plan](#) "to focus the organisation on content and digital to deliver long-term growth for shareholders". It said it would allocate £15m for investment in new original content and digital to help re-establish STV as a creative force.

As part of this review STV decided to close STV2, which had combined the five local TV licences for Glasgow, Edinburgh, Aberdeen, Dundee and Ayr into a single networked service from April 2017 until June 2018. The move followed the channel's £800,000 loss in 2017²⁰ and STV's increased focus on online content investment, following the strategic review.

Commercial terms have been agreed to sell STV's local TV assets to That's Media. Each licence's programming commitments for hours of local programming is available on [Ofcom's website](#).

²⁰ See STV's full year results for 2017, available at <http://www.stvplc.tv/files/download/2cf4378a02da349>

Non-broadcast viewing on the TV screen continues to increase

As in the rest of the UK, although people in Scotland are watching less broadcast television, they are spending more time watching other things on their TV set. Viewing of non-broadcast services on the TV set (such as streaming services like Netflix and Amazon, or gaming) increased by three minutes a day in 2017, to 40 minutes per person per day. This increase did not totally offset the overall decline in use of the television set, which decreased from 276 minutes per day in 2016 to 271 minutes in 2017.

Figure 8: Average daily minutes, per person, of total TV screen time, Scotland



Source: BARB. BBC areas, all individuals (4+). * Note: Unmatched viewing refers to when the TV is in use, but content cannot be audio-matched or otherwise identified. It includes gaming, viewing DVDs/box sets/archives, subscription video-on-demand (SVoD), time-shifted viewing beyond 28 days, apps on smart TVs and navigation around EPG guides where there is no in-picture broadcast content. Audio-matched digital radio stations are excluded.



TV programming for viewers in Scotland

Chapter overview

The BBC, STV and ITV provide programming specifically for viewers in Scotland across a range of genres, but most notably news and current affairs output. BBC One Scotland and BBC Two Scotland are available across the country, while STV and ITV provide bespoke news programmes for those who live in the north of Scotland, central Scotland and the south of Scotland.²¹

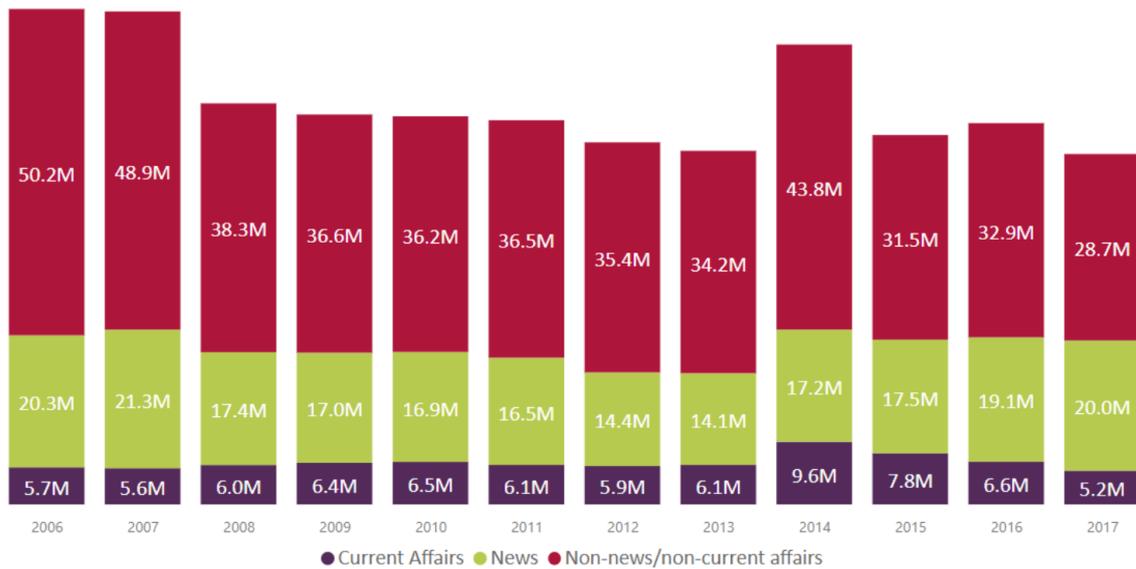
The analysis below examines first-run UK originations, which are programmes commissioned by or for a licensed public service channel with a view to their first showing on television in the UK in the reference year. Spend on such content includes all costs incurred by the broadcaster associated with making programmes. These include both direct and indirect production costs for in-house productions, and licensing costs for commissioned programmes, but exclude costs related to marketing and distribution. All spend figures are in **real terms**, which mean they are adjusted for inflation using the consumer price index (CPI) and are listed in 2017 terms.

There was an 8% real-terms decline in spend on new programming for viewers in Scotland in 2017

BBC, STV and ITV spent a combined £53.9m on first-run UK-originated content specifically for viewers in Scotland in 2017, an 8% decrease in real terms since 2016. Just under half of this was on news (£20m) and current affairs (£5.2m); the rest (£28.7m) was on other genres.

²¹ The STV figures in this chapter relate to content on the main STV channel only and not the local TV services operated by STV until June 2018.

Figure 9: First-run UK-originated spend for Scotland, by genre



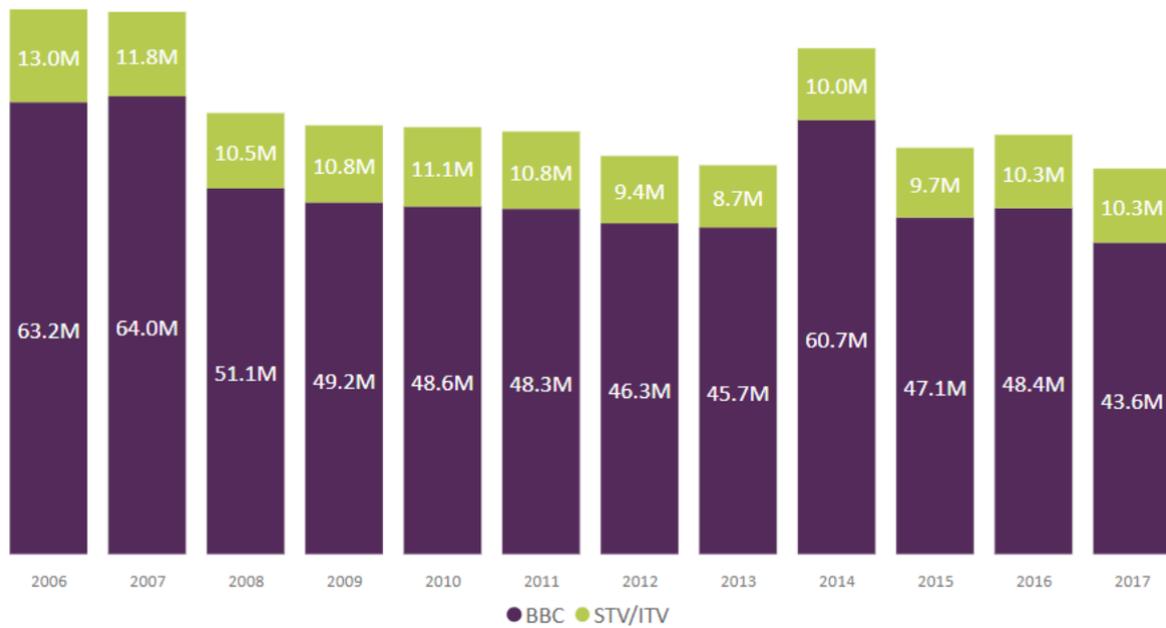
Source: Ofcom/broadcasters. Note: Figures are expressed in 2017 prices.

BBC spend on new content for Scotland declined by 10% year on year in real terms

The BBC accounts for most of the spend on first-run UK originations for Scotland, but it reduced its spend on BBC One and BBC Two by £4.8m in 2017 to £43.6m, a 10% year-on-year decrease in real terms (BBC Alba also spent £15m on first-run originations in 2017 – see Figure 14 below).

Investment by STV and ITV has been broadly stable in recent years, at £10.3m in both 2016 and 2017.

Figure 10: PSB spend on non-network first-run UK originations, Scotland (£m)

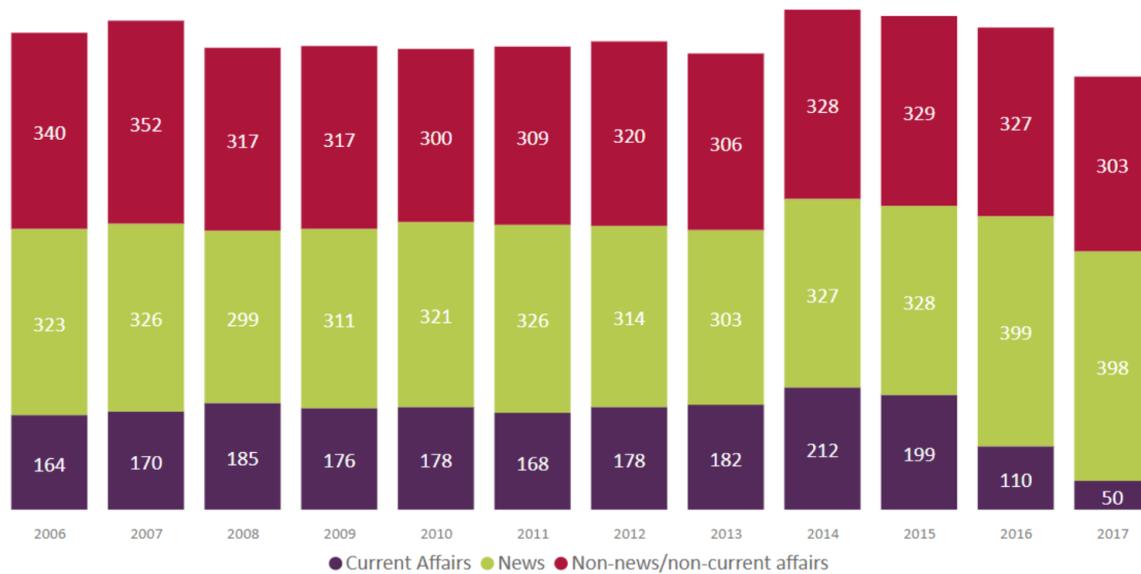


Source: Ofcom/broadcasters. Note: Figures are expressed in 2017 prices.

BBC current affairs output for viewers in Scotland has reduced in recent years

The BBC broadcast 50 hours of first-run current affairs output for Scotland in 2017, a 55% (60 hours) year-on-year reduction, following an 89 hour (45%) decline in 2016. Since the end of 2016, BBC Two Scotland has broadcast the weekly *Timeline* current affairs show, replacing *Scotland 2016* that used to be broadcast on several nights throughout the week.

Figure 11: BBC hours of first-run UK-originated content for Scotland (BBC One and BBC Two)



Source: Ofcom/broadcasters.

BBC Scotland

In November 2017 the BBC published a public interest test proposing to launch a new channel for Scotland. The channel would broadcast from 7pm to midnight every evening, with BBC Two simulcasts from 12 noon to 7pm, interspersed with events such as live political coverage. There would be a one-hour, integrated news programme broadcast each weeknight at 9pm, featuring international, UK and national stories, told from a Scottish perspective. The channel would replace BBC Four on the electronic programme guide on some platforms in Scotland. The BBC subsequently updated its proposal to include an HD simulcast of the service.

Ofcom published its [decision](#) to approve the launch of the new channel in June 2018, following a competition assessment and public consultation on the provisional decision, and the new channel is expected to launch in February 2019. Alongside this, the BBC announced that it would invest £4m in a new digital hub in Glasgow, creating an additional 60 jobs that will focus on developing BBC services on voice platforms such as Amazon Echo Alexa and Google Home, on education and on creating a common digital platform for BBC online.²²

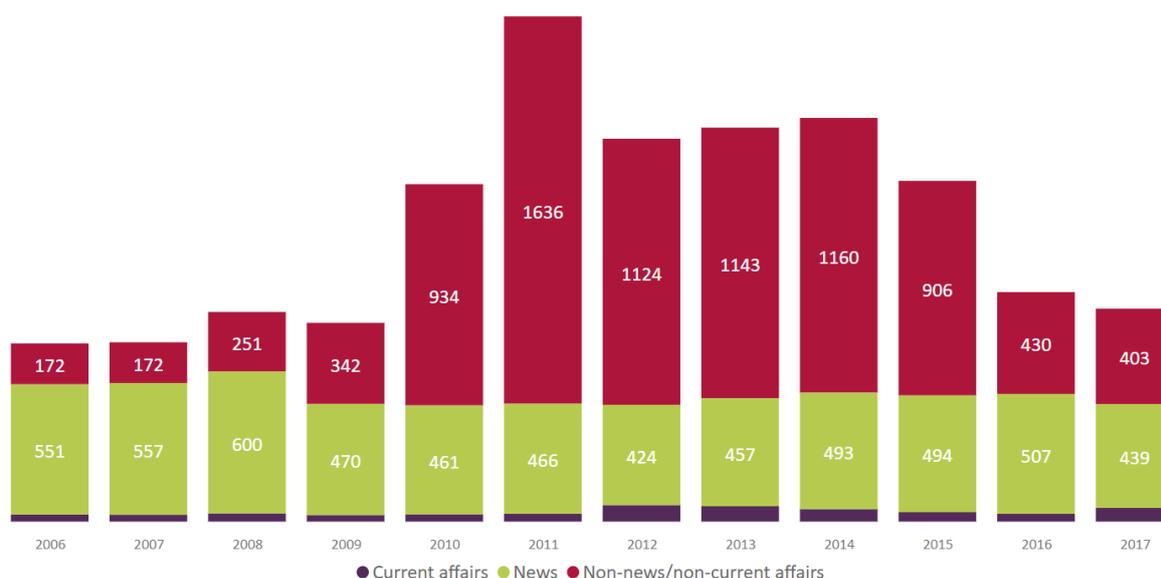
²²Further information available at <http://www.bbc.co.uk/mediacentre/latestnews/2018/digital-hub-scotland>

In 2017, STV news output was at its lowest level since 2012

STV's first-run UK-originated hours reduced in 2017, most notably across news content. At 439 hours of news broadcast in 2017, this was a 13% reduction (68 hour) on 2016 and the lowest since 2012. However, at 58 hours, new current affairs output in 2017 was at its highest level since 2013 on STV.

ITV broadcast 87 hours of original current affairs for viewers in the South of Scotland in 2017, an increase on the 76 hours broadcast in 2016.

Figure 12: STV hours of first-run UK originations for viewers in Scotland



Source: Ofcom/broadcasters.

Creative Scotland/Screen Unit

Progress has been made to establish the Screen Unit - a partnership between Creative Scotland, Highlands and Islands Enterprise, Skills Development Scotland, Scottish Enterprise and the Scottish Funding Council. The Unit is tasked with driving and achieving increased screen production and business growth, with a focus on the major TV opportunities as yet untapped in Scotland.

In September 2017 the Scottish Government announced an additional £10m investment into the film and TV sector as part of its Programme for Government, bringing its commitment to £20m per year in screen development, production and growth. It also announced that it would maintain investment in the Production Growth Fund, to incentivise production in Scotland.²³ Since October 2015, the Scottish Government and Creative Scotland, through the National Lottery, have allocated £3.7m through the Fund to attract film and high-end television productions to come to, or stay in, Scotland.

More than 8% of qualifying network content across the PSB channels were Scotland-based productions in 2017

The public service broadcasters assign programming produced across the UK based on Ofcom's [regional production guidance](#).²⁴ Of all qualifying hours in 2017, 8.5% were Scotland productions, and accounted for 5.6% of all qualifying spend, broadly in line with 2016 levels. For context, around 8.2% of the UK population live in Scotland.

The BBC commissioned the most Scottish productions in 2017 across the PSBs, with 16.3% of its qualifying network hours and 9.1% of its spend attributed to Scotland. This spanned high-volume network productions like the BBC's snooker coverage and *Homes under the Hammer* as well as dramas set in Scotland such as *Trust Me* and *Clique*, the latter of which premiered online on BBC Three before being broadcast on BBC One.

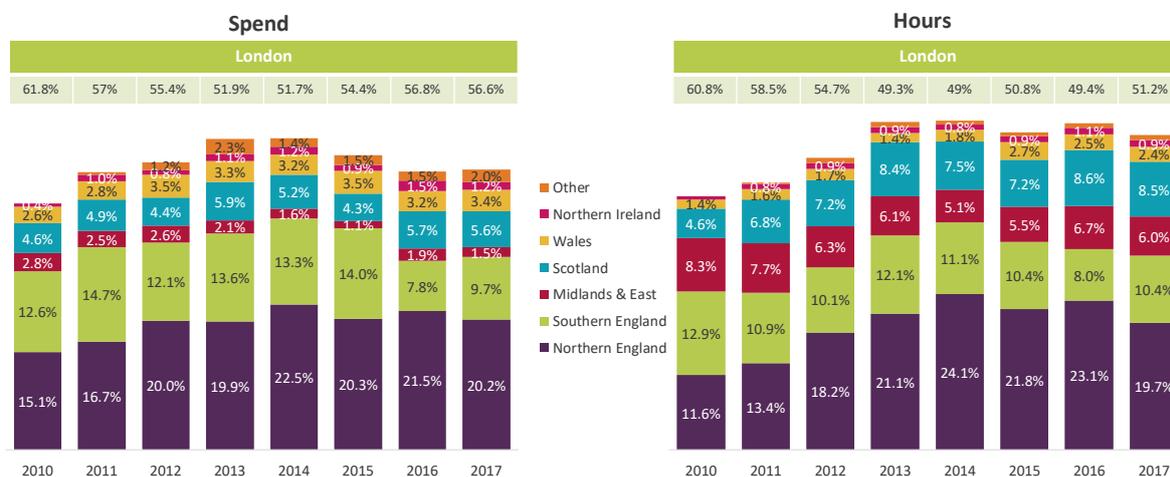
Channel 4 increased both spend and hours of Scotland productions in 2017 compared to 2016, with 8.7% of hours and 6.8% of spend attributed to Scotland, up from 6.3% and 5.2% respectively. Its programming covered network formats including *Fifteen to One*. The vast majority of ITV's (99.7%)

²³ See <https://news.gov.scot/news/record-spend-on-film-and-tv-production>

²⁴ The main purpose of the PSBs' regional production requirements, measured against their out-of-London quotas, is to support and strengthen the TV production sector and the creative economies in the nations and regions of the UK. Ofcom is currently reviewing the guidance, and published a call for evidence in March 2018: <https://www.ofcom.org.uk/consultations-and-statements/category-2/regional-production-programming-guidance-review>.

and Channel 5's (98.8%) qualifying network productions continued to be produced in England in 2017.

Figure 13: Expenditure on, and hours of, originated network productions outside London: 2010-2017



Source: Ofcom/broadcasters. Note: Figures do not include network news production. The category 'other' refers to programmes made by producers based within the M25 which qualify as regional productions on the grounds that 70% of total spend and 50% of off-screen talent spend was outside the M25, but not all in one macro-region, and therefore cannot be attributed to a single region. See www.ofcom.org.uk/data/assets/pdf_file/0019/87040/Regional-production-and-regional-programme-definitions.pdf on Ofcom website for further details.

Glasgow shortlisted for Channel 4's National HQ and Creative Hubs

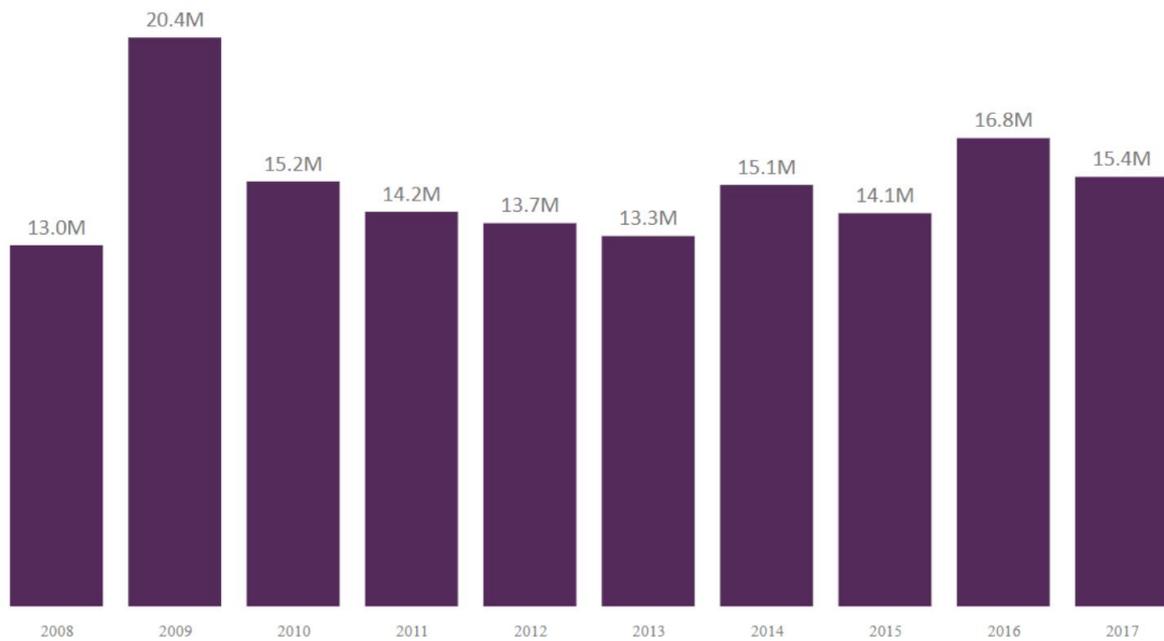
Glasgow has moved onto the shortlist of cities under consideration for the new national HQ and the two Creative Hubs that Channel 4 will be opening from 2019 onwards. The decision will be made in October 2018; Glasgow faces competition from six cities for the National HQ and 12 cities for the two Creative Hubs.²⁵

BBC Alba spent £15.4m on first-run UK- originated content in 2018

There were 648 hours of first-run UK originations broadcast on BBC Alba in 2017, a 58-hour reduction on 2016 and the lowest figure since 2013. There was also an 8% year-on-year decline in real-terms spend on first-run UK originations in 2017. However, at £15.4m, this was the third highest annual spend on first-run UK originations since the channel launched in 2008.

²⁵ <http://www.channel4.com/info/press/news/channel-4-reveals-shortlist-for-new-national-hq-and-creative-hubs>

Figure 14: BBC Alba spend on first-run UK originations



Source: Ofcom/Broadcasters. Note: Figures are expressed in 2017 prices.

In April 2018, it was announced that the Gaelic media service, MG Alba, had secured programmes worth £5.2m for the BBC Alba channel in a series of international deals. The channel's suppliers will team up with production companies in Germany, Denmark, Iceland, France, Norway and Canada.



Satisfaction with and perceptions of TV

Chapter overview

This chapter examines TV audiences' overall satisfaction with PSB channels in Scotland, and their opinions on the importance and delivery of a range of purposes and characteristics.²⁶ The data are drawn from Ofcom's 2017 PSB tracker survey.²⁷ The chapter then goes on to consider audience satisfaction with broadcasting standards, using data from Ofcom's 2017 cross-platform media tracker survey.

Viewers in Scotland continue to value PSB content

Seventy-one per cent of regular or occasional PSB viewers in Scotland who watch any PSB channel (BBC One, BBC Two, STV, Channel 4 or Channel 5) were very, or quite, satisfied with PSB broadcasting. This compares to 75% for the UK, 75% in England, 72% in Wales and 69% in Northern Ireland.²⁸

Looking at news provision in particular, audiences in Scotland rated delivery of *'its news programmes are trustworthy'* highly, at 79%. This is comparable with Northern Ireland (74%) and significantly²⁹ higher than the UK average (69%), England (68%) and Wales (65%).

²⁶ The statutory purposes and objectives of public service broadcasting are set out in Section 264 of the Communications Act 2003. In Ofcom's first PSB Review, we built on these, following extensive research and consultation, creating a framework of PSB purposes and characteristics.

²⁷ For details on the methodology and questionnaire, please refer to the PSB tracker technical report on Ofcom's website <https://www.ofcom.org.uk/research-and-data/data/statistics/stats18>

²⁸ Ofcom PSB tracker 2017. For details on the methodology and questionnaire, please refer to the PSB tracker technical report on Ofcom's website <https://www.ofcom.org.uk/research-and-data/data/statistics/stats18>

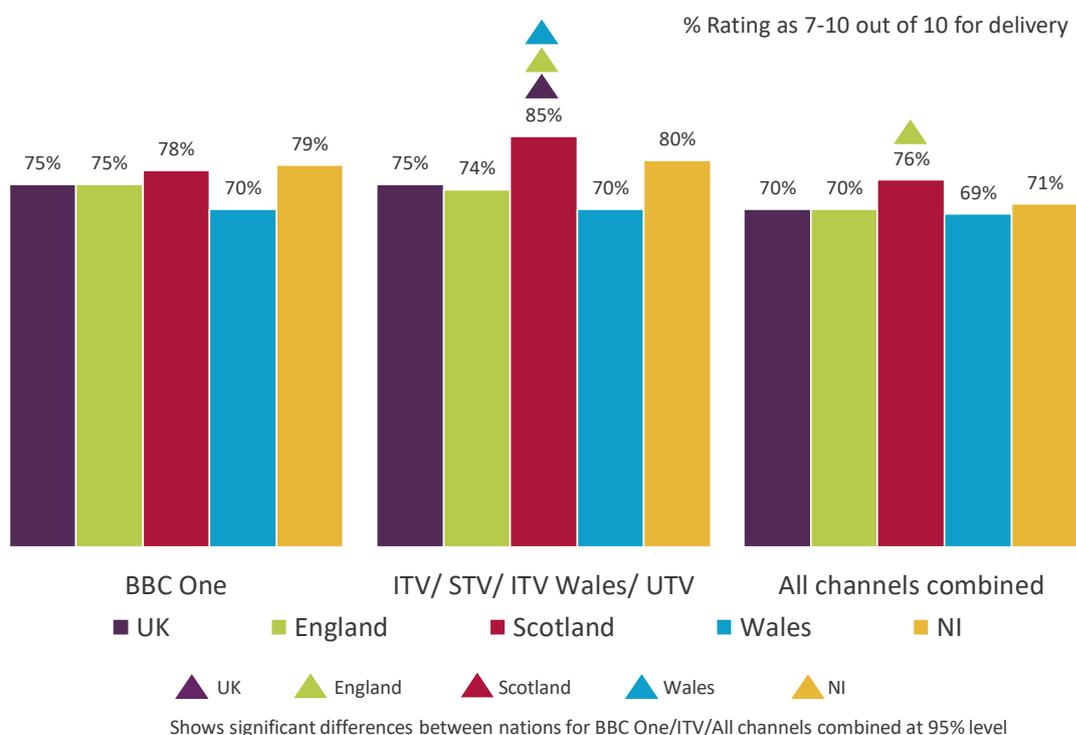
²⁹ Throughout the *Satisfaction with and perceptions of TV* chapter of this report, 'significantly' has only been used to highlight any increase or decrease in scores that show statistically significant differences at the 95% confidence level for results compared within the current year, and at the 99% confidence level for results compared between years. For further details, please refer to the PSB tracker technical report on Ofcom's website: <https://www.ofcom.org.uk/research-and-data/data/statistics/stats18>

The range of high-quality news output is rated highly by PSB viewers in Scotland

Figure 15 shows ratings for the delivery of the statement ‘regional news programmes provide a wide range of good quality news about my area’ for BBC One, the Channel 3 licence holders and all channels combined by nation. Four in five regular viewers in Scotland rated BBC One’s wide range of quality news highly (78%). This compares with 75% for both the UK average and England; 79% in Northern Ireland and 70% in Wales.

STV was also highly rated (85%) - significantly higher than the UK average (75%), England (74%) and Wales (70%) and comparable with Northern Ireland (80%).

Figure 15: Delivery of regional news programmes providing a wide range of good quality programmes, by nation: 2017



Source: Ofcom PSB tracker 2017. Q15 How would you rate each channel individually on this statement, on a scale of 1 to 10, where 10 is the highest score and 1 is the lowest? Q16 How would you rate BBC One and ITV combined on this statement? Base for individual channels: Self-reported regular viewers of each in each nation (BBC One = 2207, 1384, 351, 292, 180; ITV1 = 1884, 1183, 286, 246, 169). Base for ‘All channels combined’: All respondents who ever watch any PSB channels in each nation (3098, 1957, 502, 400, 239)

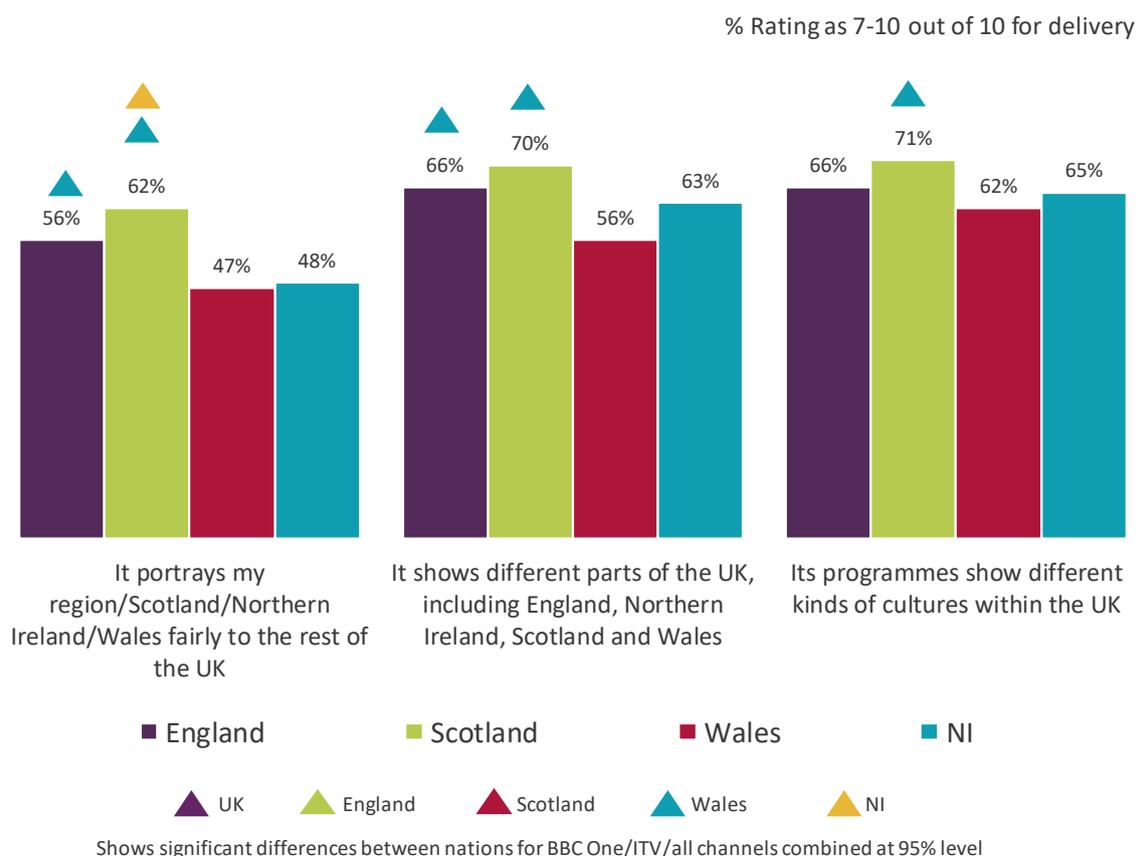
Viewers in Scotland feel more strongly than viewers in the rest of the UK that the PSBs portray the nations effectively

Sixty-two per cent of regular/occasional PSB viewers in Scotland rated the statement *'It portrays Scotland fairly to the rest of the UK'* highly. This is significantly higher than in Wales (47%) and Northern Ireland (48%) and is comparable to England (56%).

The statement *'It shows different parts of the UK, including England, Northern Ireland, Scotland and Wales'* was rated highly for delivery by 70% of Scottish regular/occasional PSB viewers. This is significantly higher than the score in Wales (56%) and compares with 63% in Northern Ireland and 66% in England.

Seventy-one per cent of regular/occasional PSB viewers in Scotland highly rated highly the statement *'Its programmes show different kinds of cultures within the UK'*. This is significantly higher than in Wales (62%) and compares with 65% in Northern Ireland and 66% in England.

Figure 16: Reflecting identity/representing diversity in the nations, by nation: 2017

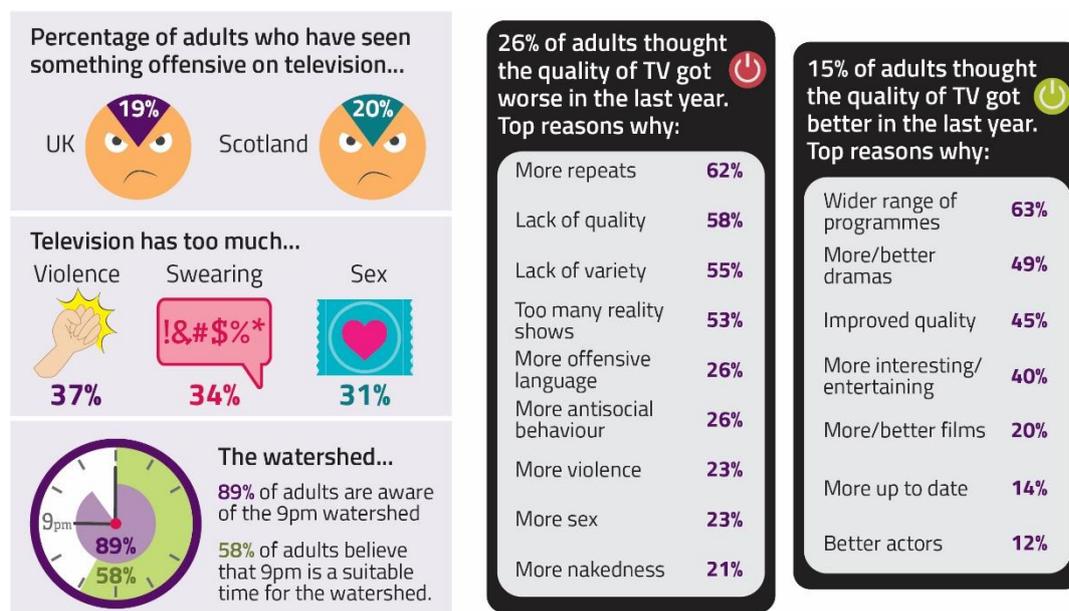


Source: Ofcom PSB tracker 2017. Q15 How would you rate each channel individually on this statement, on a scale of 1 to 10, where 10 is the highest score and 1 is the lowest? Base: All respondents who watch any PSB channels regularly or occasionally in each nation: 2017 (1957, 502, 400, 239)

Attitudes to TV in Scotland

One of Ofcom’s duties under the Communications Act 2003 is to ensure that people who watch television and listen to the radio are provided with appropriate protection from harmful or offensive material. The annual Ofcom cross-platform media tracker survey looks at attitudes to offensive language, sex and violence.

A quarter of television audiences in Scotland (26%) feel that TV has got worse in the past year; a third feel there is too much sex (31%), too much offensive language (34%) and too much violence (37%)³⁰. This is on par with UK audiences overall.



Source: Ofcom cross-platform media tracker 2017. Base: All with any TV sets in 2017; UK (2,313); Scotland (228)

³⁰ Base sizes below 100. Treat as indicative only.



The radio listener

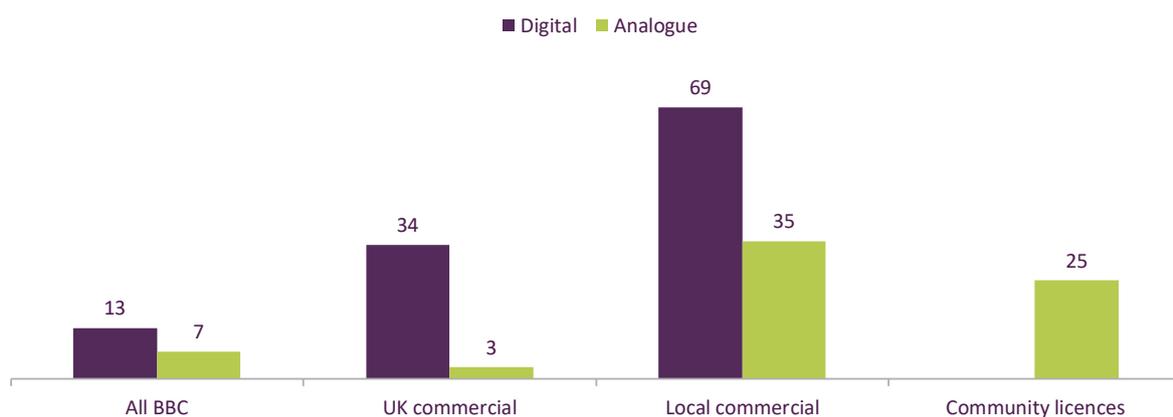
Chapter overview

This chapter provides an overview of the key developments in the radio and audio market in Scotland, including who is listening, how they are listening and what they are listening to. It also looks at the availability of DAB (digital audio broadcasting) services in Scotland.

There were 116 stations broadcasting on DAB in Scotland in March 2018³¹

A total of 69 local commercial DAB services were available on local DAB multiplexes in Scotland in March 2018. A further 34 commercial stations which broadcast across the UK on DAB are available in Scotland, as well as 13 from the BBC. There were 70 analogue stations available in March 2018, although Northsound 2's move to DAB-only in April 2018 mean that this figure will now be lower.³²

Figure 24: Radio station availability in Scotland



Source: BBC, Ofcom, March 2018

³¹ There may be some duplication in the services counted here where, services broadcast on more than one Scottish local multiplex.

³² <https://radiotoday.co.uk/2018/03/northsound-2-to-switch-off-am-radio-service/>

Note: This chart shows the maximum number of stations available. Local variations and reception issues mean that listeners may not be able to access all of them. The local commercial digital figure refers to the number of services carried by local DAB multiplexes in Scotland. Not all services will contain local content, and some services may be broadcast on a number of different multiplexes (but are still counted for these purposes as individual services).

Community radio in Scotland

Ofcom awarded five-year licence extensions to the community radio stations Crystal FM (which serves Penicuik)³³, East Coast FM (East Lothian)³⁴, Irvine Beat FM and K107 FM (Kirkcaldy)³⁵ in 2018.

On 29 March 2018 Ofcom announced the award of new community radio licences to Cumbernauld FM, covering Cumbernauld and North Lanarkshire, and Radio Saltire, to serve Tranent, Wallyford and Musselburgh in East Lothian.³⁶

DAB services from the BBC and commercial broadcasters are available to most households in Scotland

DAB radio stations from the BBC were available in 95% of homes in Scotland in March 2018. This was unchanged since 2017, as was coverage from the Digital One³⁷(82%) and local DAB (85%) multiplexes. There was a 1pp increase in the coverage across the Sound Digital multiplex over the same period, to 65%.

³³ <https://www.ofcom.org.uk/manage-your-licence/radio-broadcast-licensing/monthly-updates/radio-broadcast-update-january-2018#Community>

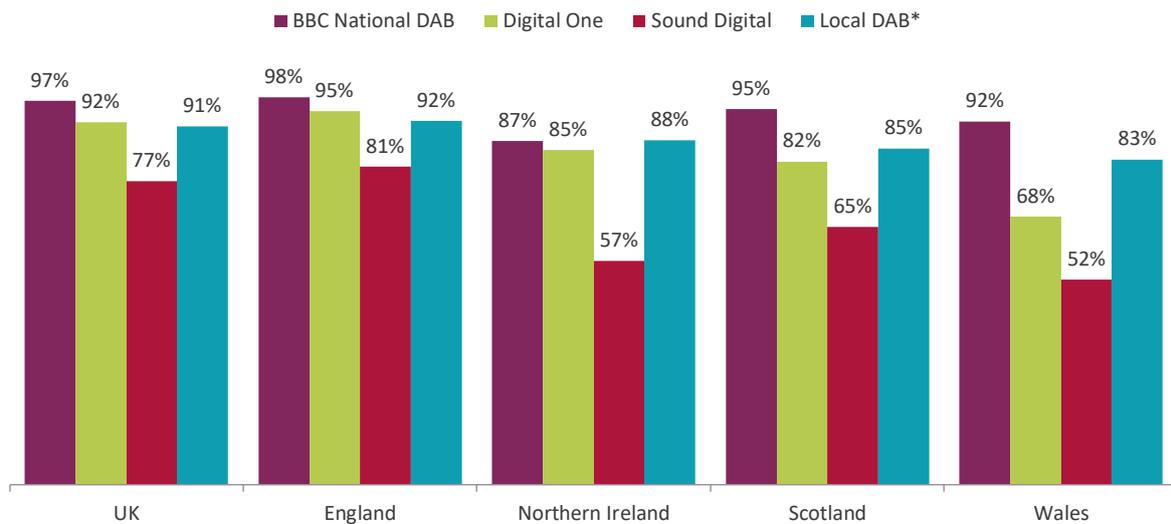
³⁴ <https://www.ofcom.org.uk/manage-your-licence/radio-broadcast-licensing/monthly-updates/radio-broadcast-update-february-2018#Community>

³⁵ <https://www.ofcom.org.uk/manage-your-licence/radio-broadcast-licensing/monthly-updates/radio-broadcast-update-april-2018#Community>

³⁶ <https://www.ofcom.org.uk/manage-your-licence/radio-broadcast-licensing/monthly-updates/radio-broadcast-update-march-2018>

³⁷ the UK's first national commercial multiplex, owned by Arqiva.

Figure 25: Household coverage of DAB (%)

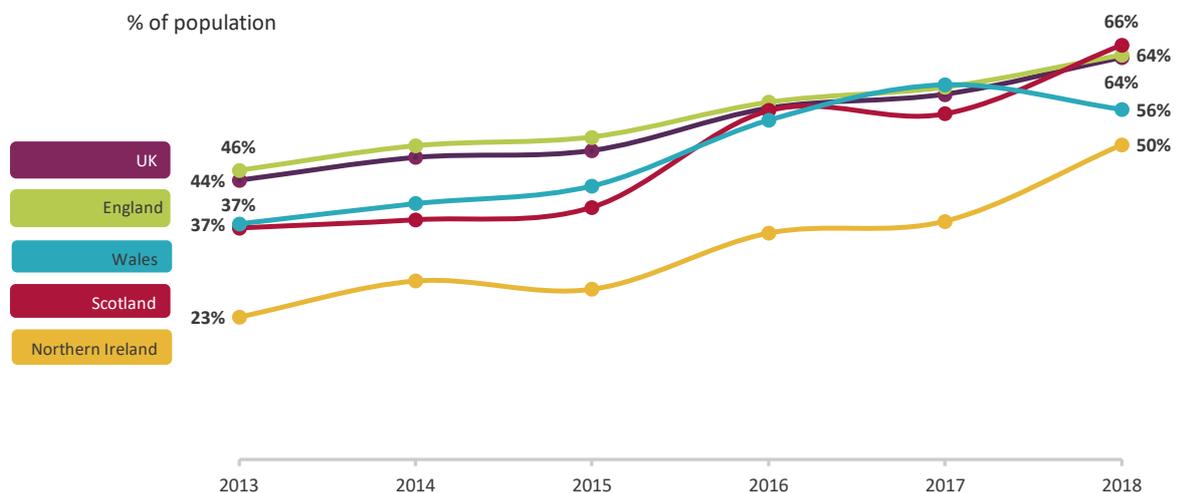


Source: BBC, Arqiva, Ofcom, March 2018.

Digital radio ownership in Scotland continued to grow in 2017

Two-thirds of adults in Scotland (66%) owned a DAB radio, either in the home or the car, at the end of Q1 2018, up from 37% in 2013.³⁸ This was higher than in any other UK nation - the average UK ownership figure was 64% in Q1 2018.

Figure 26: DAB ownership



Source: RAJAR³⁹, all adults (15+), Q1 for each year
BBC nations'/local radio TSA⁴⁰ for each nation

³⁸ Ofcom's technology tracker also looks at DAB ownership in the home, which stood at 40% among all radio listeners in H1 2018.

³⁹ Radio Joint Audience Research: the official body in charge of measuring radio audiences in the UK

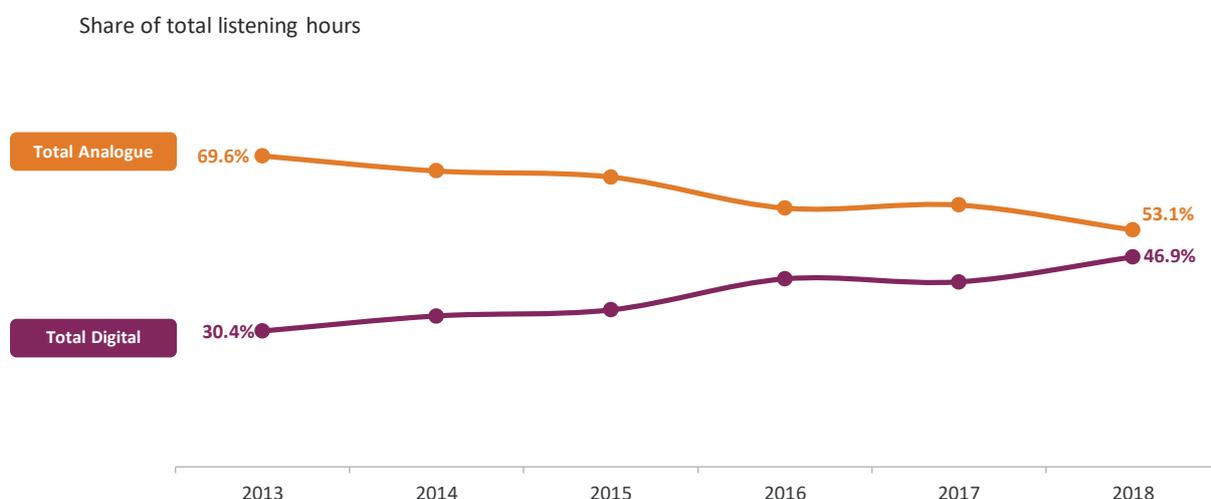
⁴⁰ RAJAR's Total Survey Area for a radio station

Listening to digital radio also continued to grow in 2018

Although 88% of adults listen to the radio, *how* they listen has been changing over the past few years. In Q1 2013, 79% of adults in Scotland listened through an analogue radio; in the same period, five years later, this has dropped to 69%. In contrast, digital listening, either online, through a DAB set or through a TV, has increased from 43% of the population to 57%.

Share of time spent listening to the radio through a digital platform in Scotland is now 46.9%, up from 41.3% in 2017, lower than the UK average of 50.9% but higher than the digital share of listening in Wales (46.6%) and Northern Ireland (35.4%).

Figure 27: Share of listening hours via digital and analogue platforms in Scotland: 2013-2018



Source: RAJAR; BBC Radio Scotland TSA, Q1 of each year

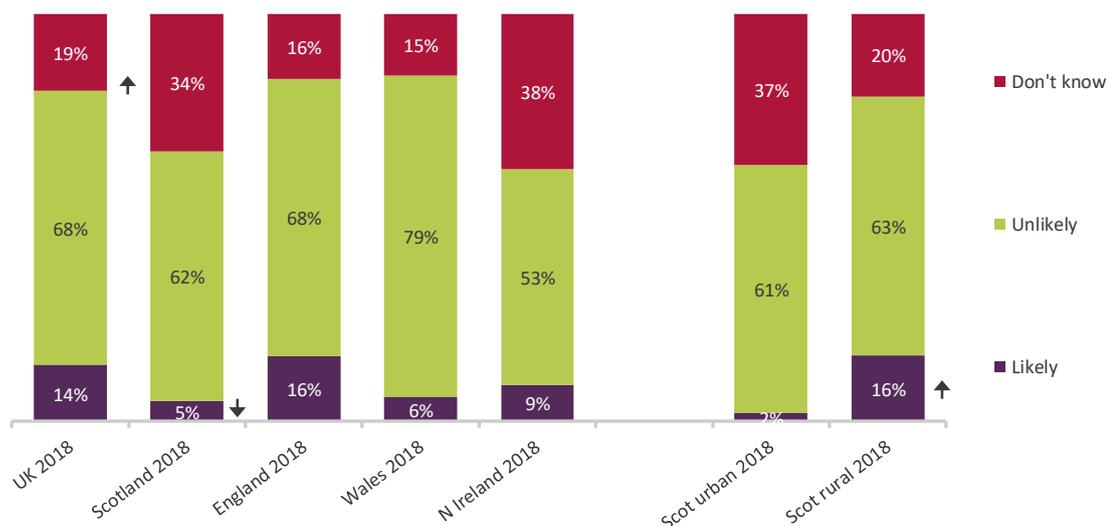
More than three in five radio listeners in Scotland without a DAB set say they're unlikely to buy one in the next year

Just 5% of radio listeners without a DAB radio in Scotland say they are likely to buy one in the next year, compared to 14% across the UK as a whole. This goes up to 16% in rural areas of Scotland.

Among those unlikely to get a DAB radio in the next 12 months, 55% said they had no need to do so and/or they were happy to use an existing service.⁴¹

⁴¹ Ofcom Technology Tracker, H1 2018

Figure 28: Likelihood of purchasing a DAB radio in the next year



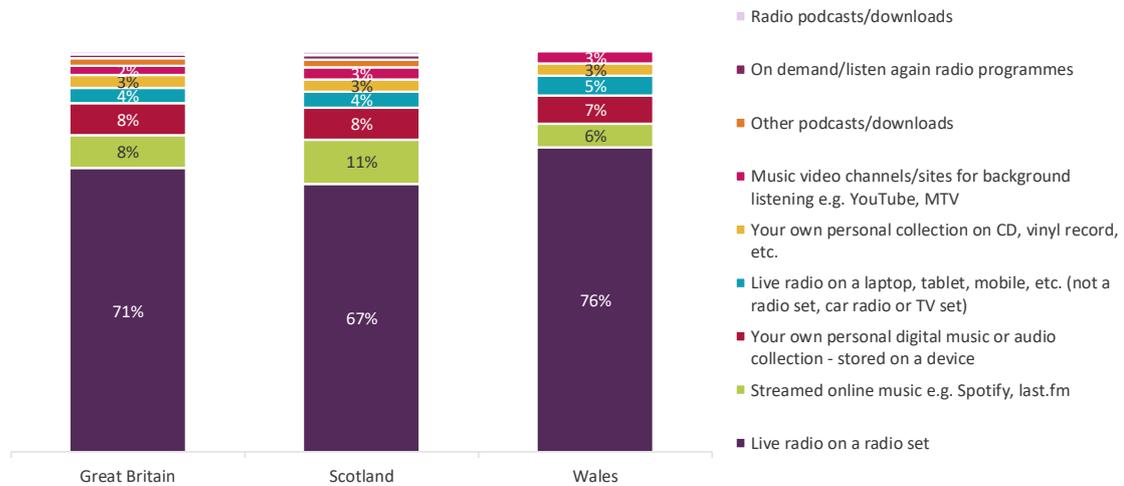
Source: Ofcom Technology Tracker, H1 2018. Base: Adults aged 16+ who listen to radio, have any active radio sets at home and do not have a DAB set** (n = 675 UK, 110 Scotland, 361 England, 98* Wales, 106 Northern Ireland, 52* Scotland urban, 58* Scotland rural). *Caution: Low base, treat as indicative only. Significance testing: Arrows indicate any significant differences at the 95% confidence level between Scotland and the UK in H1 2018 and between Scotland urban and rural in H1 2018. QP12: How likely is it that your household will get a DAB radio in the next 12 months?

Live radio is the most popular listening activity in Scotland

On average, adults in Scotland spend 14 hours 4 minutes each week listening to any type of audio; 71% of this was to live radio. This is lower than the proportion of time spent on live radio across Great Britain (75%).⁴² Adults in Scotland spend more of their listening time on streamed music (11%) compared to adults across Great Britain (8%). This is reflected in the fact that adults in Scotland are more likely than adults in Great Britain (33% vs. 30%) to subscribe to a music streaming service.

⁴² The TouchPoints sample only covers Great Britain and so does not include Northern Ireland

Figure 29: Proportion of time spent listening to different types of audio across the week: GB, Scotland, Wales

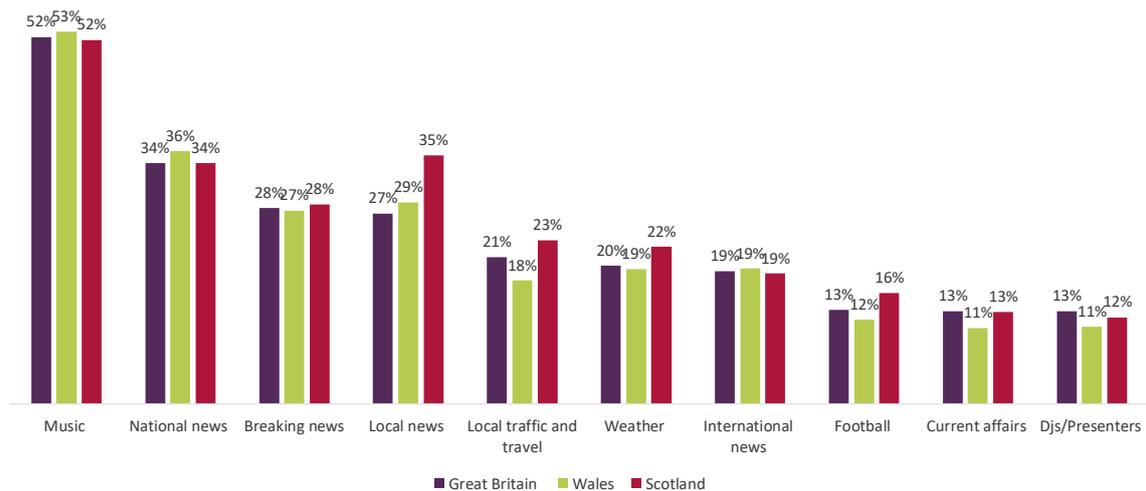


Source: TouchPoints 2017

Base: GB adults 15+; Government Office Regions: Scotland; Wales. Data for Northern Ireland are not collected by TouchPoints.

Music is the most valued type of content for radio listeners across Great Britain, followed by national news. But for listeners in Scotland, local news coverage is the second most valued type of content; it is valued more by Scotland listeners than by those in Wales (29%) or across Great Britain as a whole (27%).

Figure 30: Top ten most valued types of content on the radio



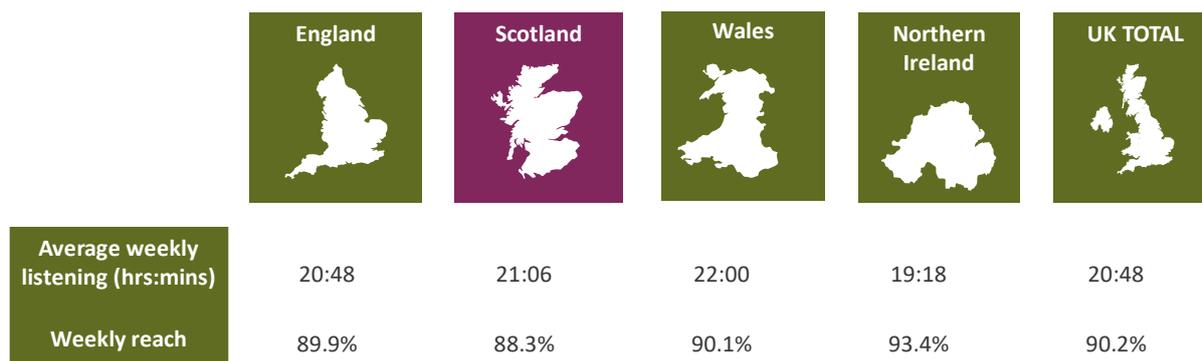
Source: TouchPoints 2017

Base: All who listen to the radio in GB and in Government Office Regions of Scotland and Wales

Eighty-eight per cent of adults in Scotland listen to the radio every week

Radio listeners in Scotland listened to an average of 21 hours 6 minutes of radio each week in Q1 2018.⁴³ At 88.3%, reach of radio in Scotland is lower than in the other UK nations. More people in Scotland listen to commercial radio (67%) than to BBC radio (58%), whereas in the UK as a whole 66% listen to commercial radio each week, and 64% listen to the BBC.

Figure 31: Average weekly reach and listening hours



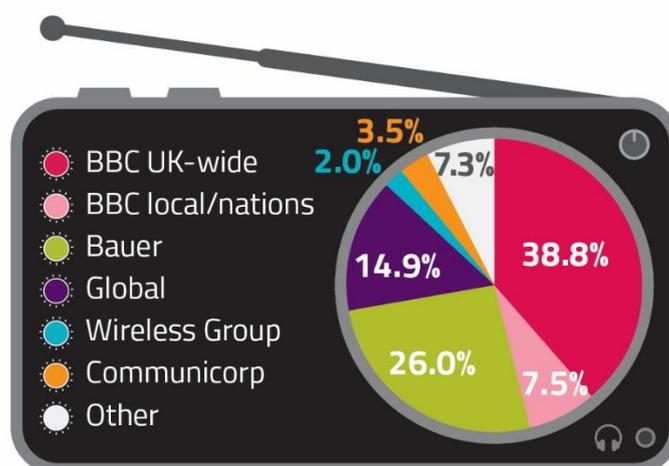
Source: RAJAR, all adults (15+), Q1 2018
BBC nations'/local radio TSA for each nation

The BBC commands nearly half of all radio listening in Scotland

In Scotland, the BBC had a 46.3% share of the radio market in Q1 2018. Of the commercial radio groups, Bauer Radio – which owns stations including Forth 1, Clyde 1 and Northsound 1 – has the largest proportion of the market, at 26%, followed by Global Radio – the owner of Capital and Heart – with 14.9%.

⁴³ This figure is greater than that from RAJAR as it looks only at radio listeners while TouchPoints looks at the listening activity of all adults.

Figure 32: Share of listening by radio group in Scotland



Source: RAJAR, all adults (15+), Q1 2018, BBC Radio Scotland TSA

More than half of people in Scotland listen to local commercial radio at least once a week

More people listened to local commercial radio across Scotland than listened to BBC nations/local radio (51% vs. 20%) in the first quarter of 2018. BBC nations' and local output⁴⁴ was more popular in Scotland than the equivalents listened to in England (14% reach) and Wales (18% reach). However, at 20%, BBC Radio Scotland's reach is slightly down from the 23% of adults who listened five years ago (Q1 2013).

Figure 33: Weekly reach to local radio, BBC vs. commercial



Source: RAJAR, all adults (15+), Q1 2018,

⁴⁴ This includes listening to any BBC nation's or local radio output, not just BBC Radio Scotland

BBC Radio 2 was the most popular radio station in Scotland in Q1 2018

BBC Radio 2 was the most listened-to station across Scotland in Q1 2018, with a reach of 27.8%, followed by BBC Radio Scotland with 20%. However, there were differences in radio listening habits depending on where people live and what stations are available.

For example, within the central belt,⁴⁵ where 62% of adults live, Capital Scotland was the third most popular station, with 17% reach, as opposed to BBC Radio 1 across Scotland as a whole. But in Aberdeenshire⁴⁶, Bauer's Northsound 1 was the most popular station, reaching almost two-fifths (39%) of adults in the area.

Table 34: Top three stations listened to across the UK, Scotland and Scottish regions

Rank	UK		Scotland*		Central belt**		Aberdeenshire***	
	Station	Weekly reach	Station	Weekly reach	Station	Weekly reach	Station	Weekly reach
1	BBC Radio 2	28.3%	BBC Radio 2	27.8%	BBC Radio 2	22.7%	Northsound 1	39.4%
2	BBC Radio 4	20.0%	BBC Radio Scotland	20.0%	BBC Radio Scotland	18.7%	BBC Radio 2	30.2%
3	BBC Radio 1	17.4%	BBC Radio 1	16.1%	Capital Scotland	17.3%	BBC Radio 1	23.1%

Source: RAJAR Q1 2018. * BBC Radio Scotland TSA. **Capital Scotland TSA. ***Northsound 1 TSA

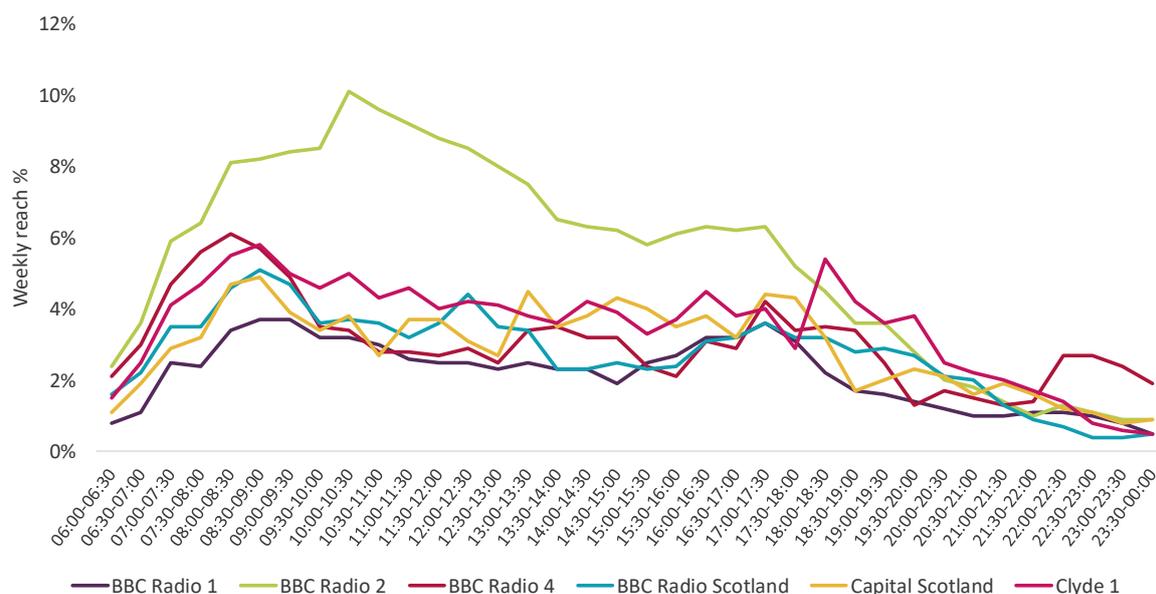
In the central belt region, peak listening time during the week was between 10am and 10.30am, when the most listened-to programme was BBC Radio 2's *The Ken Bruce Show*. Across its duration, the show⁴⁷ reached 13% of the central belt region, although this was lower than across the UK (16%).

⁴⁵ RAJAR's Capital Scotland TSA which includes 62% of adults 15+ in Scotland

⁴⁶ RAJAR's Northsound 1 TSA, with a population of 350,000 adults

⁴⁷ 09:30-12:00 Monday-Friday

Figure 35: Average reach across the day in the central belt: Monday-Friday



Source: RAJAR Q1 2018, all adults 15+. Capital Scotland TSA.

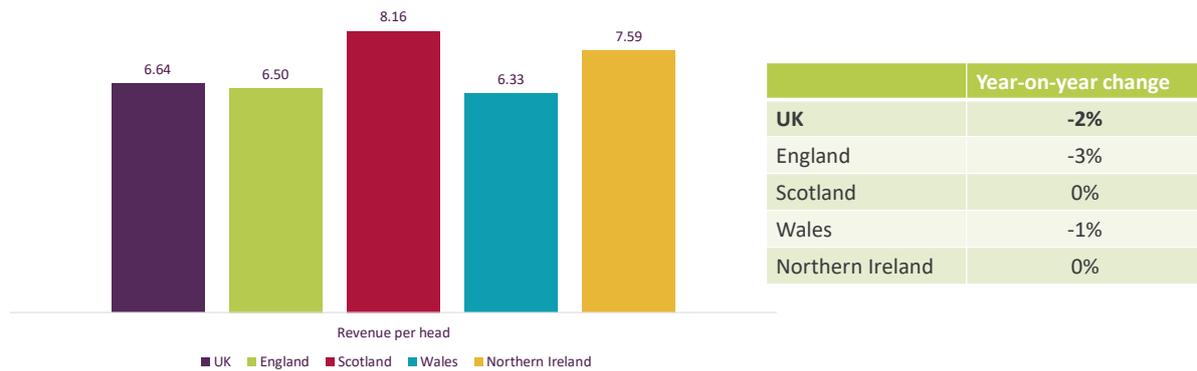
In March 2018 it was announced that Rockscot Ltd, which won the Ofcom FM radio licence for West Central Scotland, had been acquired by Nation Broadcasting (which predominantly own stations in Wales and London). It was later confirmed that the company would launch a station called 'Nation Radio Scotland' later in 2018.

Local commercial radio in Scotland generated the most revenue per head across the UK in 2017

Local analogue commercial radio stations in Scotland, such as Northsound 1 and Wave FM, generated £7.59 per head of population in 2017.⁴⁸ This was the highest of all the UK nations, and at the same level as 2016 in real terms.

⁴⁸ These figures relate to revenues generated against analogue licences only. Revenue generated through digital platforms are not included.

Figure 36: Local commercial radio revenue per head (£): 2017



Source: Ofcom/broadcasters. Note: These figures relate to relevant turnover of local analogue licences (local analogue commercial) and include local and national revenues and sponsorship.

In December 2017 it was announced that DC Thomson had acquired Dundee-based radio station Wave 102. The station joined DC Thomson’s publishing arm, DCT Media.