

Your response

Question

Question 1: Please provide us with evidence and information in relation to the impact of BBC Sounds on the UK market. We also welcome stakeholder views, and any supporting analysis, related to the future development of BBC Sounds and the impact that this may have on the wider market.

Your response

Confidential? – Partially but mostly not.

Having established The Anfield Wrap as a Liverpool Football Club supporting podcast in 2011, in 2015 we moved to a subscription model. In doing so, we broadened our remit and committed to making between 12 and 16 podcasts a week about Liverpool Football Club, Premier League Football and the city of Liverpool in general.

The business grew, and now employs 13 people full time, [redacted].

Challenges and evidence

Over the past 2 years, we have seen the number of listeners of free content stall and the number of paying subscribers plateau. We have increased our price point but we have also been covering Liverpool Football Club against the backdrop of

unprecedented footballing success. We receive regular industry-wide praise for the quality of the work we produce, and we have excellent word-of-mouth endorsement from existing customers.

We conduct regular surveys of our listeners, and seek feedback. Our challenge in increasing paying subscribers is to convince people that the content we produce comes has value and should be paid for. In our last survey of our free listenership (800 responses), 40 percent stated they were not ready to pay for podcasts. 26 percent stated there was enough free content and 49 percent said that they didn't have the time to listen. So, regardless of other reasons not to subscribe, there is a substantial barrier due to the perception that podcasts should be free, created in part by organisations such as the BBC.

Structural problems

We also have two big structural challenges in comparison to BBC sounds. The first is the distribution of our product. We built our own app from September 2018 and launched it in March 2019. As we are a content production company, not a content distribution company this was a major endeavour with substantial business risk.

The second is getting our work in front of potential listeners and would be paying customers. We see the customer journey as leading from one to the other.

BBC Sounds have been able to solve both of those most difficult issues with the full resource of the BBC. They are able to develop BBC Sounds as a spin off of BBC iPlayer in-house and are able market work cross-promotionally. At times material which has been

developed as off-schedule work (e.g. The Peter Crouch Podcast) finds its way onto the schedule, and regardless, is heavily marketed during BBC radio shows.

Furthermore, part of the remit of BBC Sounds is to act as a go-to platform for audio consumers. But there is no way for The Anfield Wrap to end up on BBC Sounds and BBC Sounds' app wouldn't be doing its job properly if it wasn't trying to keep customers engaged there.

Convincing the would-be customers that The Anfield Wrap is worth paying for because of its production standards, ethos and focus is difficult enough. When there is material with BBC production standard free at the point of use then the consumer instinctively is left to wonder why it would pay. There is a risk that the BBC crowds out other producers.

In recent weeks we have for the first time invested in offline advertising but this is something BBC Sounds has been able to invest in around bespoke podcasts since its inception.

I understand completely the need and the want from the consumer to be able to listen again at ones own convenience to BBC commissioned radio shows. I also believe that BBC local radio has a crucial role to play. My concern is that if BBC Sounds wishes to grow it will do so by using its existing regional structure for sport, of which, given the popularity of Liverpool FC, may well mean Liverpool as a testing ground. This is just one example of the potential 'crowding out risks to independent businesses like ourselves of further BBC expansion.

As discussed above, we regularly survey our listeners, and if it would help OFCOM, we are

happy to do so as part of
this process.