



NARODNI RADIO

Market

The Croatian radio programme market is very large, with 156 radio stations for a little over 4 million people. When considered per capita, and according to this figure, the radio diffusion segment is more developed in Croatia than it is in most European Countries, and the figure is still on the rise, providing an extremely dynamic setting. Of the total number of existing radio stations, six of them hold a national concession, 20 hold county concessions and 130 hold local or city concessions. On the national level, airspace is taken by three Croatian Radio programmes (within the HRT network), one radio station with a predominantly religious programme, and two private commercial radio stations, one of which is Narodni radio. Narodni radio is unique because it only airs Croatian music - "100% home made", news programme with a special accent on service information and news from the areas of economy, culture and sports. The number of radios stations is bound to continue growing, especially at the local level. This means that narrow programme profiling, continuous adaptation to the wishes and new needs of listeners, technical and technological advances will remain the main business strategy of market behaviour in the future.

Achievements

Narodni radio is the highest rating and the most popular radio station in Croatia and the real market leader. Its leading position is confirmed by radio rating surveys conducted by all independent market research agencies. Depending on the sample type and research methodology, its average market share amounts to 17%, followed by Hrvatski radio 1 programme with 12%, and Otvoreni radio in third place with a 10% market share in the total population, i.e. the population aged between 12 and 74. Even though different agencies use different methodologies and obtain alternative figures, in all of them Narodni radio has the leading position and is more



listened to than the second one by 50%. In December 2006, Puls agency, directly cooperating with the global R & D company AGB Nielsen Media Research, registered a 12,1% of daily coverage of Narodni radio, 8,5% daily coverage of Otvoreni radio and 5,6% daily coverage of Hrvatski radio 1.

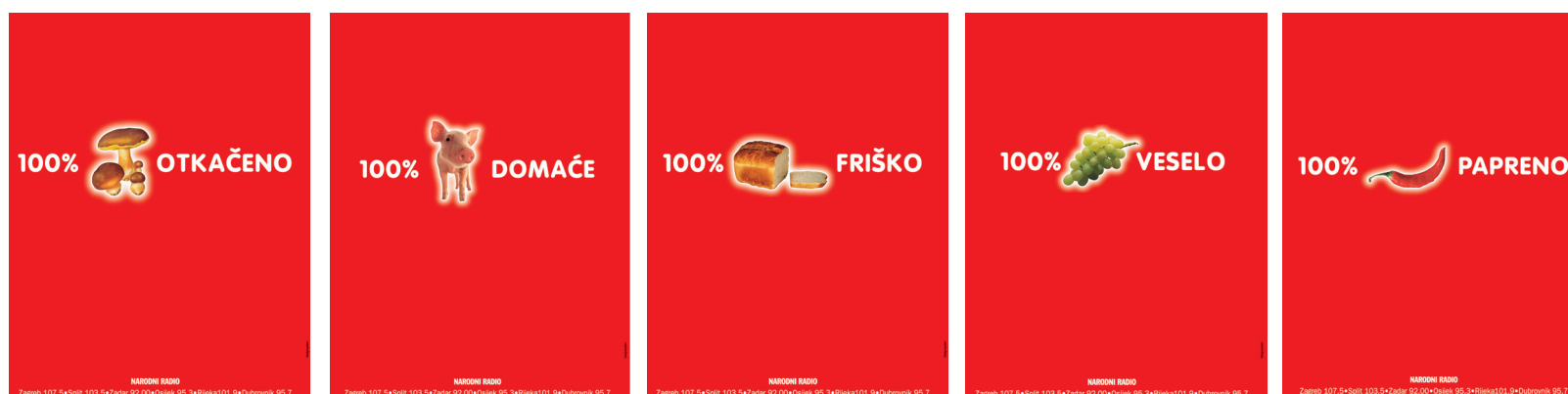
Narodni radio is a brand of the Radio Croatia company, dealing in production and broadcasting of radio programme, and acting as the executive producer of the largest music festival in the region - the Hrvatski radijski festival (Croatian Radio Festival) and many other music and social events. The Narodni radio birthday concerts should be highlighted here. Considering that this is the only station in the Croatian electronic media market to play exclusively Croatian music, its relations with all authors and performers are very good. The birthday concerts, attracting audiences in tens of thousands, have always pooled the most popular and the best performers, which guarantee good music, an excellent atmosphere and a great music event. In a series of its big events, Narodni radio dedicated two of its birthday concerts for humanitarian purposes. The first one, in 2004, was dedicated to the final stage of the "Dajmo da

čuju" ("Let Them Hear") campaign, and the second, in 2005, for the renovation of the sanctuary of St. John in Podmilačje.

History

Narodni radio first appeared on the Croatian radio waves on December 23rd, 1997, with the now recognizable cock's crow, and was the first private commercial radio station with a state-wide broadcasting concession. After only a few months, it became the highest rated radio and has kept this position during nine years of broadcasting. In the first year, it had 680 000 listeners, and the highest number of listeners was registered in 2003, when it surpassed the average of 1 million listeners a day, on the Croatian market alone. This meant that literally every third Croat over 10 years of age was listening to Narodni radio more than one hour a day. With the increasing number of local radio stations this figure has dropped somewhat, but new available technologies opened other channels towards listeners.

Narodni radio is a music radio, and during the first days of its establishment there were only some ten people designing and broadcasting the programme. The



radio premises located at the Zagreb Fair was home to the successful team of Narodni radio in its first years. However, the constant improvement of the programme, profiling of radio anchors, new programme distribution technologies, as well as the development of the news programme, created a need for larger and more up to date premises. Narodni radio celebrated its seventh birthday at its own modern premises, a multi-media centre, where it shared the latest technological achievements with several other electronic media.

At the time of the birthday celebration in December 2005, Narodni radio received a new seven-year broadcasting concession.

Product

What sets Narodni radio apart from the competition is primarily its "100% home made" formula. It only broadcasts Croatian music, which takes up more than 80% of its programme. The news programme also focuses exclusively on Croatian topics or topics directly pertaining to Croatia. The Dobre vijesti (The Good News) is an especially popular programme, broadcast by Narodni radio at the top of the hour every hour between 07.00 and 16.00.

The Narodni radio business philosophy is contained in the slogan "Prvi do vasesh radija" ("First stop next to your local radio"), where it particularly highlights that it appreciates its listeners' attachment to local information, while on the national level it provides the best music and the most extensive brief high production news programmes. According to independent market research agency data, Narodni radio attracts a younger population, mostly between 20 and 49 years of age (55% of listeners), who prefer the latest Croatian pop music, and it is significant that women make up as much as 65% of this group. Surveys have also shown that the Narodni radio listeners are young, self-confident, success-oriented, mostly family-oriented people having one or two children. Narodni radio listeners enjoy the outdoors, travel, sports and are film fans, with religion as an important element of their lives. As much as 42,5% have permanent jobs. All the characteristics stated here are of great importance because they indicate the ideal consumer group, assuring Narodni radio a certain and growing media share in all relevant marketing campaigns on the Croatian market.

Recent developments

Narodni radio was the first Croatian radio station to start broadcasting its programme via satellite, and it currently covers Europe, North America and Australia. Croatian emigrants find the popular programme especially interesting, and special programme contents are created for them. Narodni radio has an average of 250,000 listeners via satellite every day. The satellite listeners' club uses Intelsat Americas 5 at 97°W and at 12 MHz, or Hot Bird 6 at 13°E and receiving frequency 12 520 MHz.



The Narodni radio web site, redesigned and updated daily, registers an increasing number of visitors every day, with the on-line programme followed by some 180 000 listeners. Therefore, the target number of one million listeners daily remains the main asset of Narodni radio, even in an age of powerful expansion of new and alternative media with the application of new technology.

The programme is going through an intense process of digitalization, and the need to cover as many events as possible on the spot is optimally met via ISDN, in 256 bit-rate studio quality. The speed and the mobility of broadcasting are complemented by 3G technology achievements, while interactive communication with the listeners is particularly increased by the use of SMS services.

Promotion

Narodni radio dedicates a significant part of its programme and other contents to charitable work. It initiated or took part in as many as 234 campaigns organized by different humanitarian organizations. It is especially proud of its participation in the largest humanitarian fundraisers such as "Dajmo da čuju" ("Let Them Hear"), "Hvala ti moj dobri anđele" ("Thank You, My Good Angel"), "Za lijepe naše" ("For Our Beautiful"), Zaklada Ane Rukavine (The Ana Rukavina Foundation) and others.

It is active in providing aid to soup kitchens, children's homes, and is the permanent media partner of the Croatian Caritas.

With special programmes, Narodni radio covers all economic fairs, exhibitions, presentations, cultural events, festivals, events promoting Croatian cultural heritage and similar topics.

Tourism, as a particularly important segment of the economy, has its own weekly programme, "Sunčana" ("Sunny"), and, in the summer months, Narodni radio has a special programme called "Turistički Radio" ("Tourist Radio"), a tour of reporters in big and small tourist destinations.

The news programme reports sports successes and failures, and Narodni radio is unique in giving significant airtime to sports usually not covered by the other non-sports oriented media. This gives true sports lovers the place they deserve in the radio programme. Great care is taken in establishing good business relations with all clients, by analyzing their agendas and products, offering the best contents for target groups in a highly professional manner in all segments of market processing. The fact that this is the highest rating radio also means a great commitment for Narodni radio to always cover the most important events in Croatia, to record the events and to promote its programme in the best possible way by being present on the scene.

Brand values

In developing its product - the Narodni radio programme, the management is always aware that at any

given time the listeners are their main focus. Several independent market research agencies continuously provide the Narodni radio management with detailed social and demographic characteristics of the market. In this way, the programme is adjusted to the wishes and needs of the current and future listeners on a daily basis. The fact that Narodni radio is distinctive amongst its competitors is its essential advantage. It is difficult to replace Narodni radio with any other station, and its listeners display above-average loyalty. The average daily listening is almost three hours, and the weekly coverage amounts to 30% of population.

Seen from this perspective, the brand value of Narodni radio is the highest in Croatia in the area of electronic media because Narodni radio is the outstanding leader in the electronic media and a truly profiled brand.

www.narodni.hr



THINGS YOU DIDN'T KNOW ABOUT...

Narodni radio

- Narodni radio became the highest rating radio station in Croatia in the very first days of its broadcasting.
- Thanks to the software developed at the Fireplay company, the Narodni radio programme was created and broadcast by only about ten people for several years.
- The Narodni radio satellite programme is the highest rating radio station among Croats living abroad, listened to by about 240,000 people every week.
- Narodni radio delivers 2,250,000 hours of programmes to its listeners in one day (each of the 750,000 listeners spending an average of three hours with Narodni radio programme).