

# Westwood One podcast advertiser and agency study

February 2020

# **The podcast world according to the media planners, media buyers, and advertisers who invest in podcasting**

Westwood One commissioned MARU/Matchbox to conduct a study of key players on the advertising buy side of the podcast ecosystem.

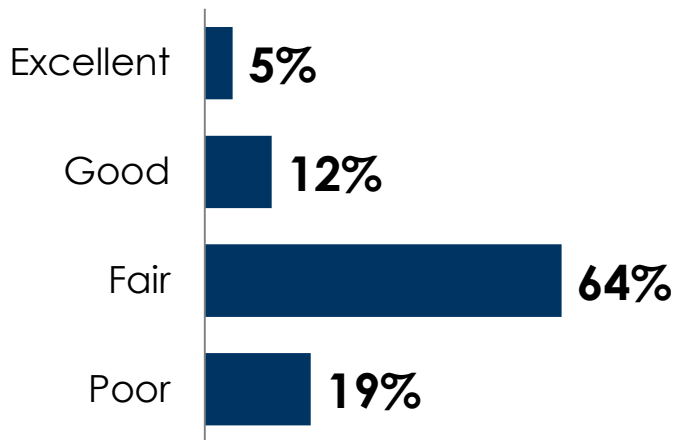
95 respondents completed an online survey during the first week of February 2020. Respondents averaged six years of experience in the podcast industry.

Topics covered include dynamic ad insertion, awareness and interest in new measurement firms, as well as determining what the U.S. podcast industry must accomplish to achieve \$2 billion in ad revenue.

# There is low evaluation of the current state of podcast measurement and attribution; Agencies and brands indicate things are improving

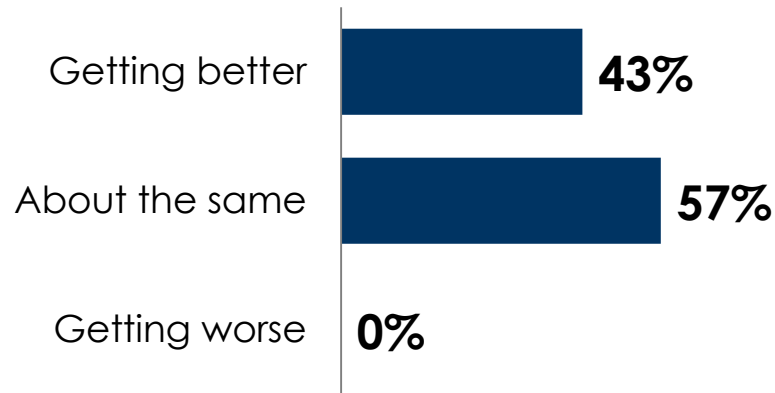
Few gave high marks to podcast measurement and attribution...

Q: What is your assessment on the current state of podcast audience measurement and attribution?



...yet there is a sense that things are improving

Q: Compared to prior years, how would you rate the current state of podcast audience measurement and attribution?



# The Interactive Advertising Bureau (IAB) forecasts ad revenue for the U.S. podcast industry will exceed \$1B by 2021. What is it going to take to make podcasting a \$2B advertising industry?

Verbatim response
Better measurement
Richer insights/data through tagged actions Maintaining leaned in audience without over saturating show with ads Keep reads organic
Uniform effort to deliver ads, and a better way to tag/track the ad delivery
Accountability and better measurement of downloads/listens. More advertiser buy in of audio as an effective means of communication.
Advancement in attribution and scale
Lower CPM's
Advances in measurement & analytics, continued consumption growth, and further consolidation of podcast networks.
Greater accountability and more uniform reporting metrics
rating system of actual impressions by listeners not downloads
Reach
Standardized measurement and easier vendor interaction
uniform measurement from all publishers from a third party.

# The Interactive Advertising Bureau (IAB) forecasts ad revenue for the U.S. podcast industry will exceed \$1B by 2021. What is it going to take to make podcasting a \$2B advertising industry?

## Verbatim response

Better measurement and attribution
Better data and more focused selling techniques.
attribution enhancements
Broader listenership and more companies viewing podcasts mainstream.
Better measurement. Connections to Data Management Platforms.
Better listener experiences in a fragmented ecosystem.
More options for podcast. Additional content. Better attribution models to connect visitors and conversions to podcast media buys. Clickable engagement content during streams.
Enhanced advertising attribution.
Major brands realizing that they can get more bang for their advertising bucks by placing ads with podcasts.
Transparency and flexibility in reporting (demo, device, program, etc). flexibility to buy by specific programs and/or genre. capability to track to in store sales/tagging for attribution
More content. Larger scale content. A big breakthrough in the content space. Better search and better discovery.
Better transparency about who's listening, when and how much, so there is accountability. Right now there is too much black box.
Monetize the longer tail shows which are being relatively ignored currently.
more brands entering the space

# The Interactive Advertising Bureau (IAB) forecasts ad revenue for the U.S. podcast industry will exceed \$1B by 2021. What is it going to take to make podcasting a \$2B advertising industry?

Verbatim response
Better client service
better measurement and continued audience growth
uniform measurement and reporting
Better measurement
Measurement transparency
Audience Consistency and Growth. Individual Podcasts will have a hard road to compete with radio stations and large corporate podcast entities.
Time
Better ad technology for host reads; honest conversations about how much downward pressure dynamic insertion will take on CPMs (based on results it has to be low double or single-digit CPMs before it'll back out for most ROAS focused advertisers); engaging brands directly and creating long-lasting partnerships in-house vs. brands going from one agency to another and programs lacking continuity.
– Ad tech & measurement – Better discoverability – Scalable ad products – Higher quality programming – Interactive audio solutions
better measurements and dynamic ads
Decentralization
Greater access to the consumer data from all podcast tech companies.
Don't involve this industry in ad injection tactics

# Podcasting needs a monthly reach of 44% to attain meaningful advertising investment

## Monthly 12+ reach

Q: According to Edison Research, the current monthly reach of podcasting in the U.S. is 32%. In your opinion, what level of monthly reach does podcasting have to attain for agencies to consider it worthy of meaningful brand advertising investment?



32%

Edison Research's  
2019 Infinite Dial Study

TBD

Edison Research's  
2020 Infinite Dial Study  
(Publishes Thursday, March 19, 2020)

44%

The monthly reach podcasting needs  
to reach to attract meaningful  
agency investment according to  
frequent buyers and planners

# Dynamic ad insertion has strong usage, representing 55% of spend

Q: Have you heard of dynamic ad insertion (DAI) prior to this survey?

Q: Are you currently using dynamic ad insertion (DAI)?

Q: Given 100 share points, for the podcast orders that your company sells and/or buys what is the share between dynamic ad insertion ads and baked-in ads?

**95%**

of frequent buyers and planners are familiar with dynamic ad insertion (DAI)

**64%**

are using DAI

Buyers and planners estimate

**55%**

of their podcast orders occur via DAI and

**45%**

of orders are placed via baked-in ads



# The most utilized podcast test buy: 105 ads on 5 podcasts over 7 weeks

Mean among ad agency buyers, ad agency planners, and podcast advertisers

Q: When you test podcast advertising for a new brand/client...

How many podcasts do you typically buy or sell?

How many ads do you typically buy per podcast in a week?

How many weeks are you typically running the test campaign?

How are you typically flighting the campaign?

5

podcasts  
purchased  
for a typical  
test buy

3

ads in each  
podcast per  
week

7

weeks is the  
typical test  
buy length

68%

of test buys run  
every week;  
9% run every  
other week and  
9% run every 3  
weeks

# Measurement service awareness and evaluation: Attribution services receive the highest positive evaluation

Awareness among frequent buyers and planners Q: Have you heard of this service?		Evaluation among frequent buyers and planners Q: What do you think of the concept?			
Service	% awareness	Excellent	Good	Fair	Poor
Attribution (Chartable, Barometric, LeadsRx, AnalyticOwl, Podsights)	75%	28%	33%	31%	8%
Edison	64%	19%	47%	25%	8%
Podtrac	86%	17%	42%	19%	22%
Triton	61%	14%	39%	36%	11%
Brand lift (Nielsen, Audience Insights Inc.)	81%	14%	44%	33%	8%
Nielsen Scarborough	61%	6%	39%	44%	11%

## Likelihood to use: Attribution services have the highest intention to use, followed by Podtrac and brand lift studies

Likelihood to accept or use the service among frequent buyers and planners Q: How likely would your company be to accept or utilize this service?				
Service	Very likely	Somewhat likely	Somewhat unlikely	Very unlikely
Attribution (Chartable, Barometric, LeadsRx, AnalyticOwl, Podsights)	42%	36%	14%	8%
Podtrac	28%	33%	14%	25%
Brand lift (Nielsen, Audience Insights Inc.)	25%	42%	22%	11%
Nielsen Scarborough	17%	42%	28%	14%
Edison	14%	53%	22%	11%
Triton	8%	61%	17%	14%



# Thank You

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