

AUDIO TODAY

*Digital Streaming
IS Audio's Growth*

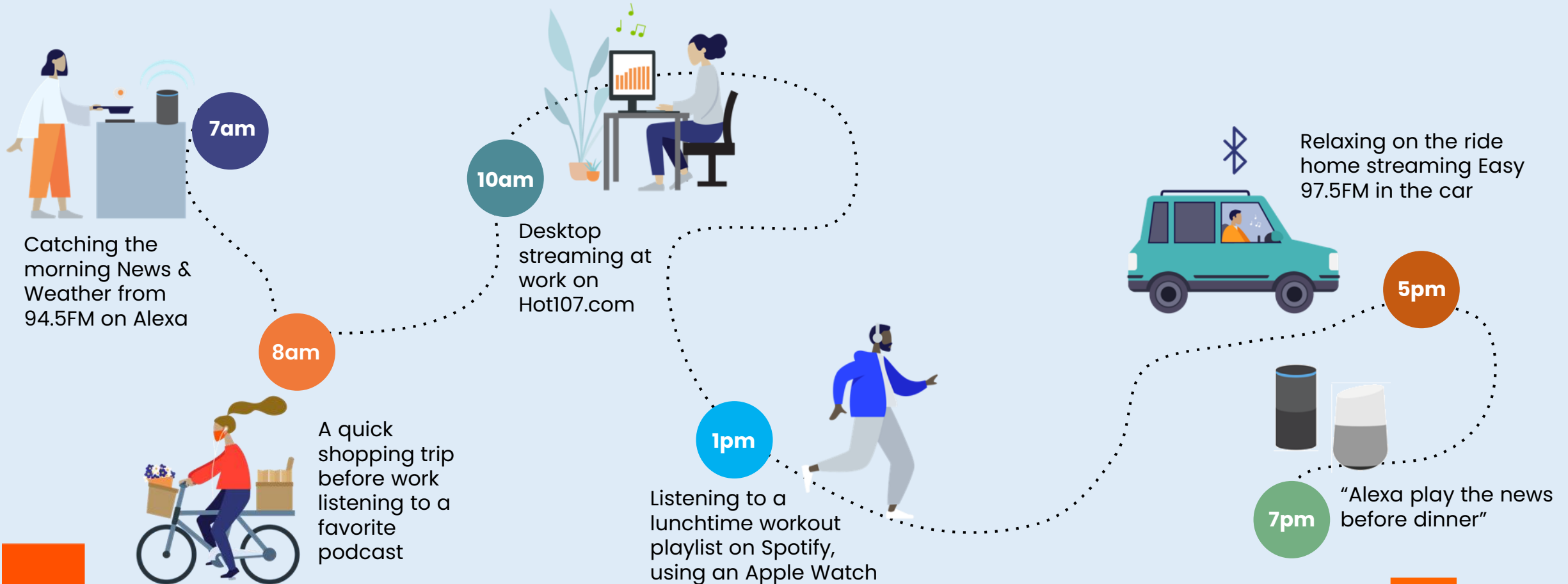
Audio Today & Tomorrow

Executive Summary

- Digital audio options are **surging** because of the increasingly fast adaptation of new technologies
- Growth of digital audio use is on a variety of **devices** and in all **locations** – both in and out of home
- Multiple sources show the surge in digital audio in the last 3 years – coming from **all demographics**
- Digital leads audio **engagement**
- Audio leads all **mobile** usage
- **Podcasting growth** intensifies digital audio's gains
- **Multi-cultural** demographics outpace general market in adaptation of digital audio
- Advertisers recognize digital audio's effectiveness – *it has seen the **fastest ad spending growth** of any medium – for the 2nd consecutive year.*

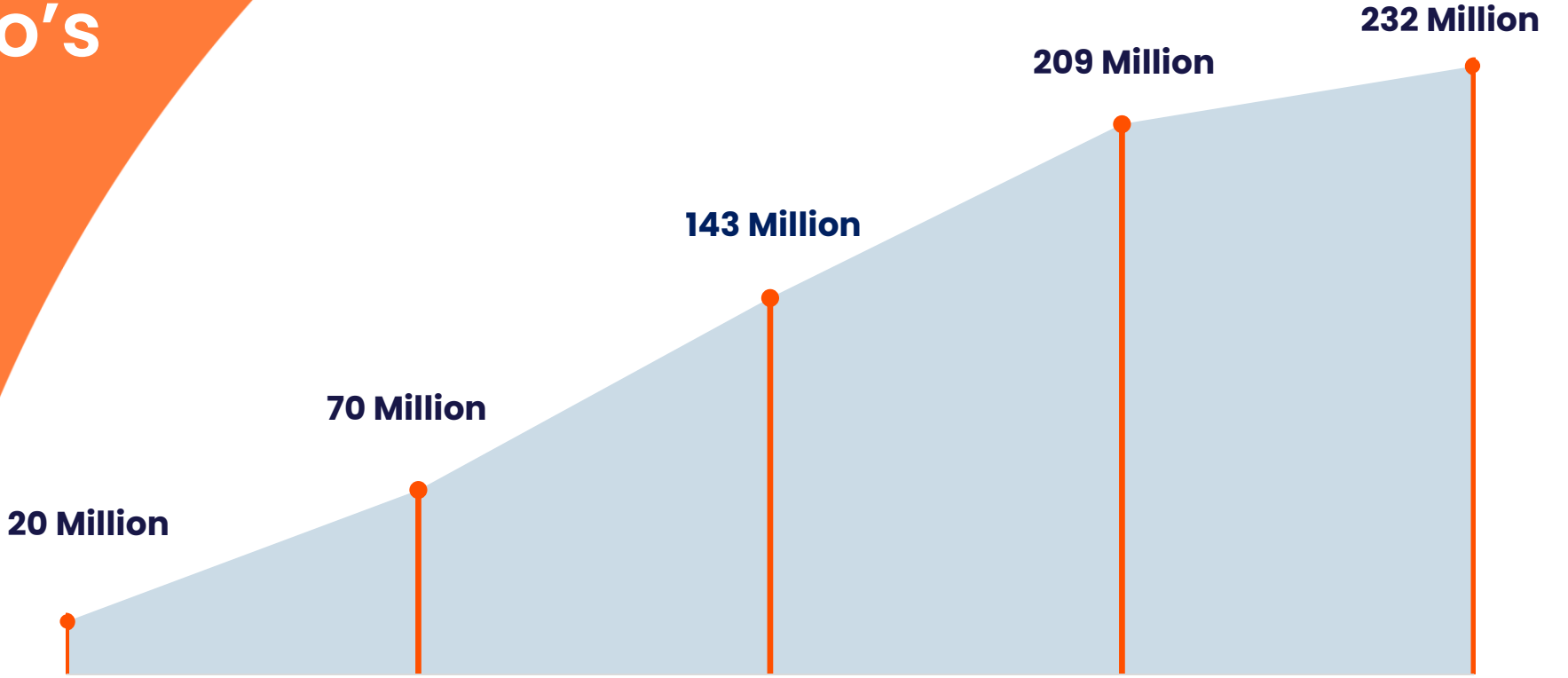
Streaming Audio Enhances Every Moment of Our Lives

The Listener Journey: listeners seamlessly switch between platforms and devices depending on place and time



Technology has driven Streaming Audio's acceleration

Streaming Audio Users



2000



AUDIO ON THE DESKTOP
Computers enable streaming at work

2010



AUDIO ON-THE-GO
Smartphones enable audio to go everywhere

2015



AUDIO RETURNS TO THE HOME
Smart Devices bring back at-home listening

2020



WORK FROM HOME LISTENING
Technology accelerates digital device adoption

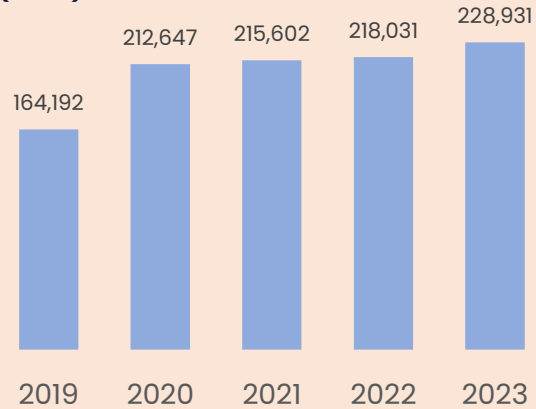
2025 Est.



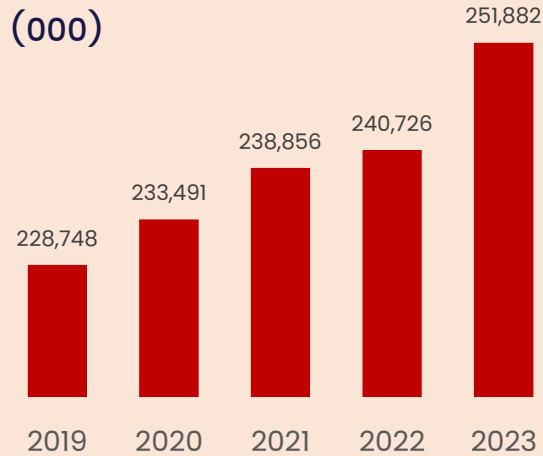
STREAMING AUDIO IN THE CAR
Dashboards go digital via Wi-Fi, 5G and Voice Assistants

Streaming Audio's surge continues!

Nielsen/Scarborough
(000)

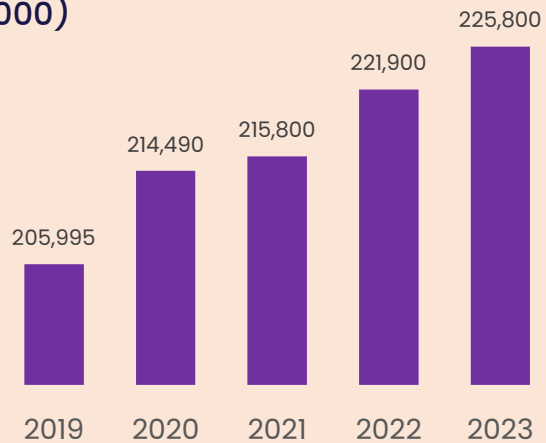


comScore
(000)

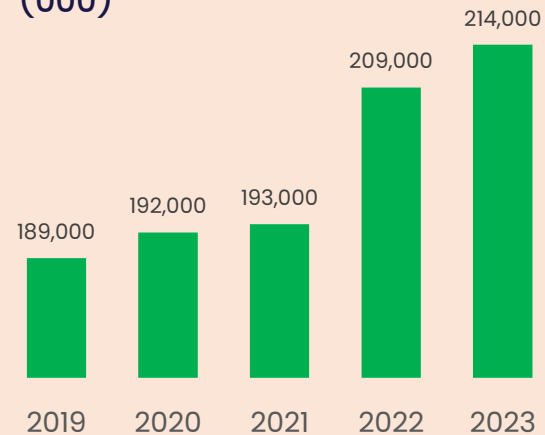


All major sources agree Streaming Audio listening is on the rise!

eMarketer
(000)



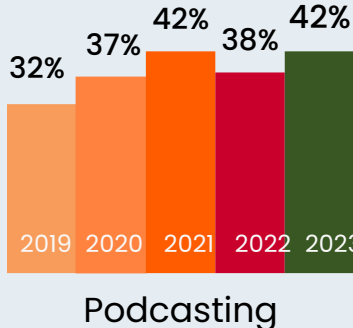
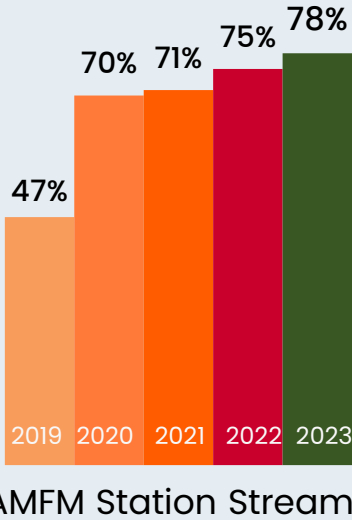
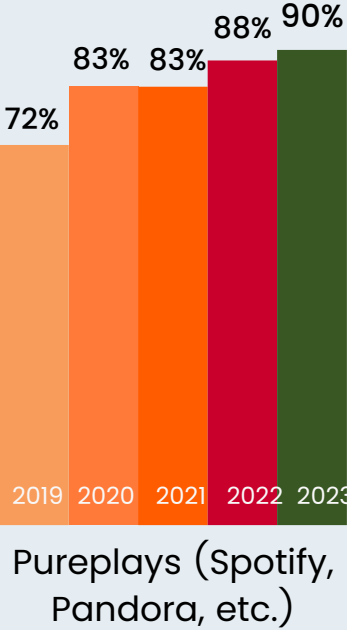
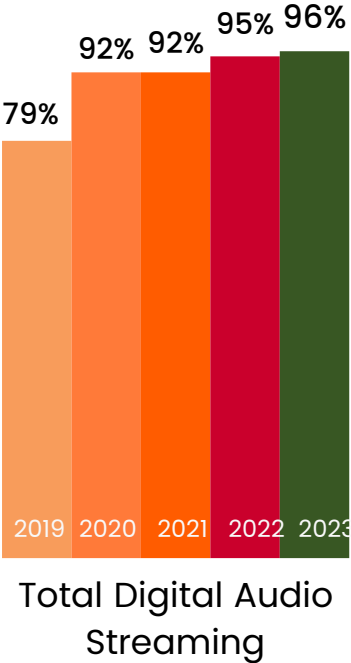
Edison Infinite Dial
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Streaming Audio reaches 96%!

Consumption of Streaming Audio is growing across ALL audio channels

% of Adults 18–54 are reached by All Audio types. 2019–2023 trended



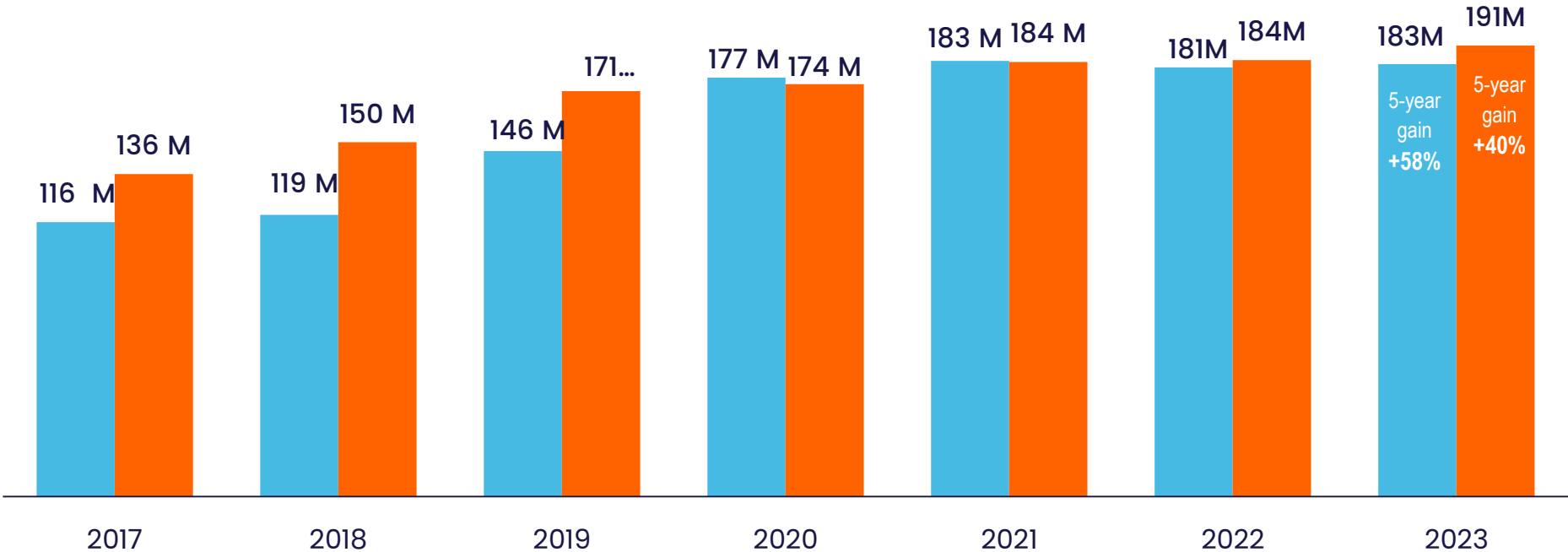
Source: Nielsen/Scarborough (note: percentages add to significantly more than 100% because of robust cross-channel usage). & Edison Infinite Dial

Broadcast Streams outpace Pureplays

Broadcast Streams vs. Pureplays

2017–2022 (unique users in millions)

- Broadcast Streams
- Pureplays

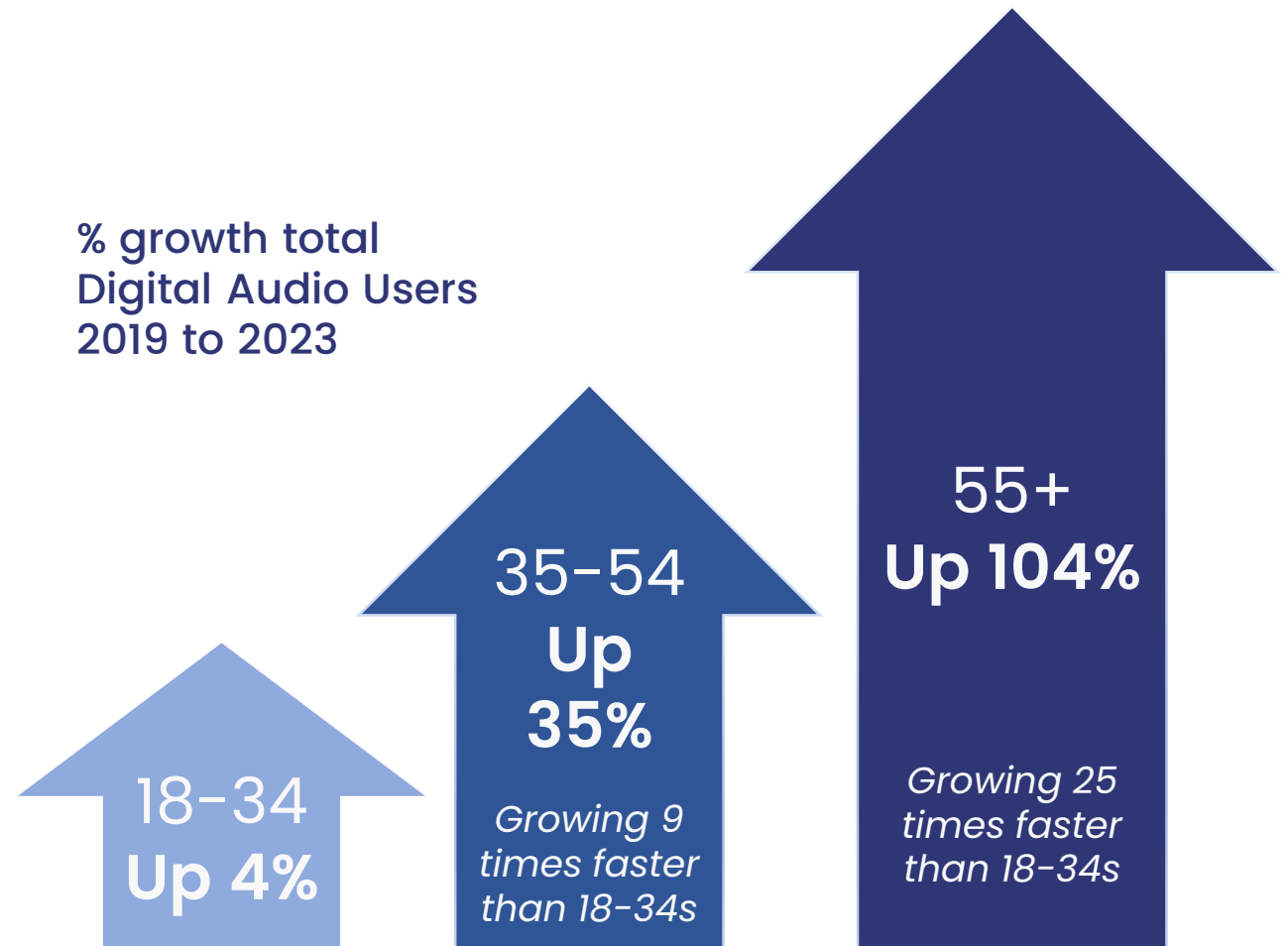


ComScore monthly unique visitors. Total persons. January data from each year is compared. Broadcast Streams are represented by Katz Digital, iHeart, TuneIn and Audacy, deduped. Pureplays is Spotify, Pandora, Soundcloud, Amazon Music, Apple Music and Tidal deduped

Digital Audio growth is now coming from Older demos



% growth total
Digital Audio Users
2019 to 2023

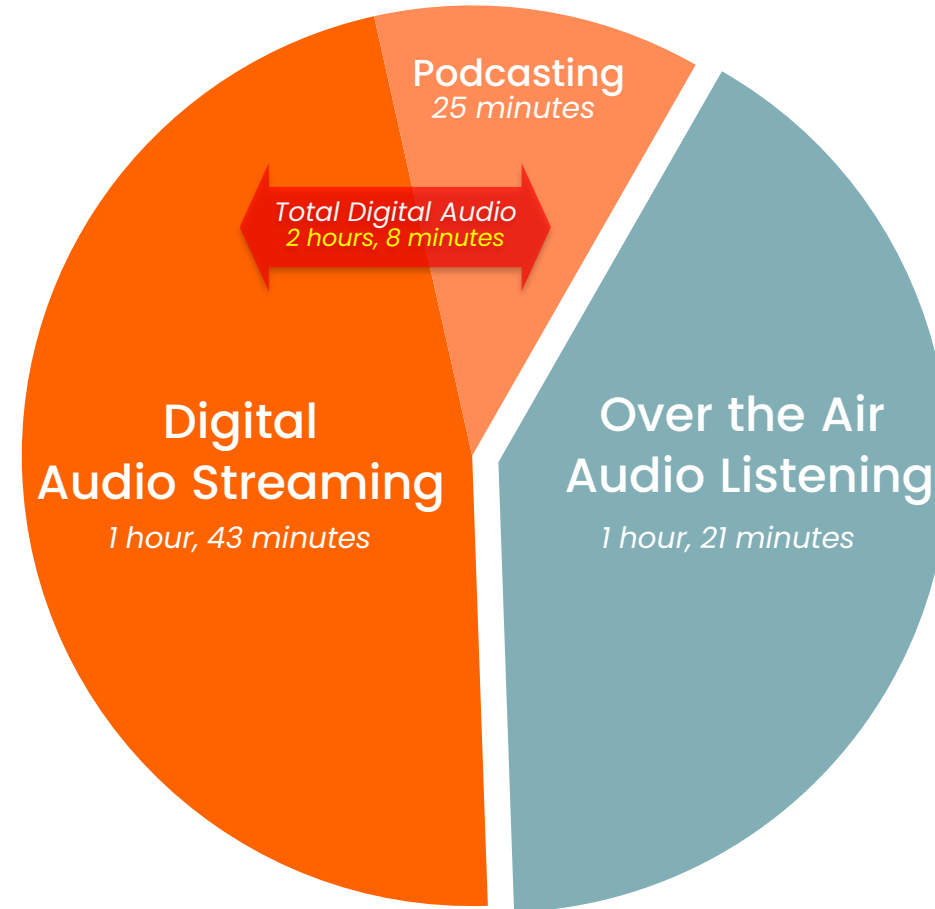


*Younger demos
have reached
saturation*

Digital dominates Audio Engagement

60% of all Audio Listening is now done Digitally!!

Time-Spent Per Day



Mobile now dominates Audio usage



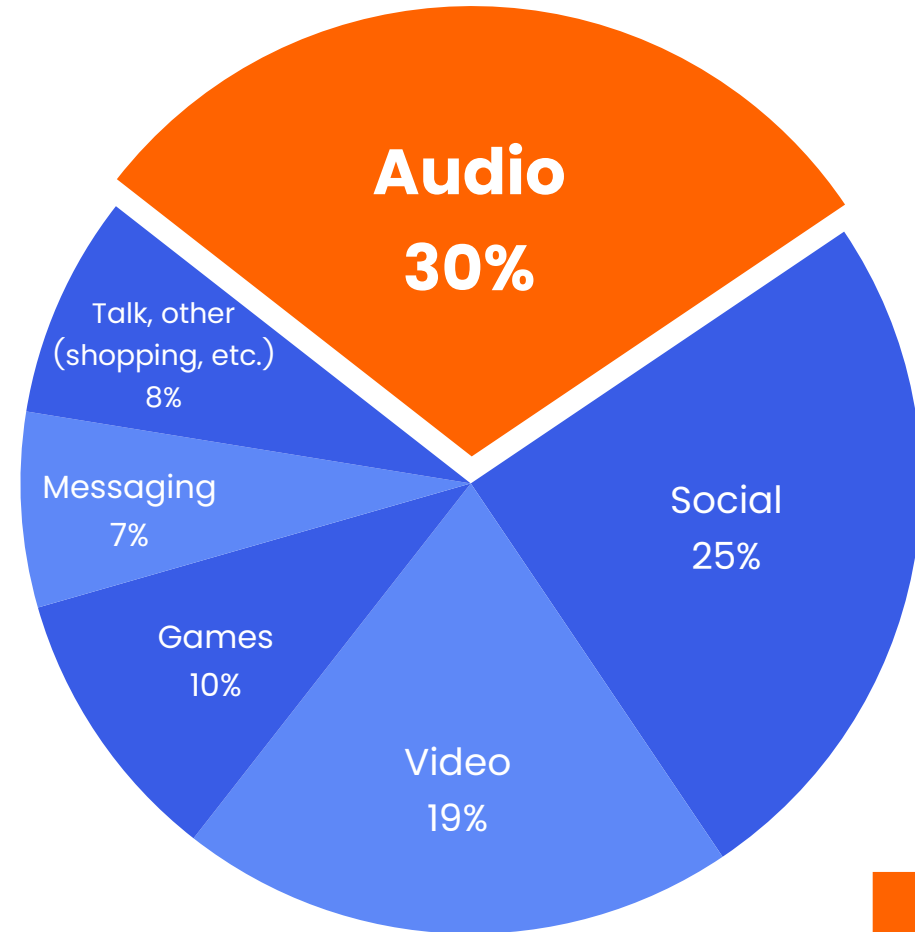
Last year ***Mobile devices*** ***surpassed Radio sets*** in audio consumption!

Now 80% of Digital Audio listening is done on a mobile device!

Audio Dominates all Mobile Usage

1/3rd of the Time
on MOBILE
is spent
WITH AUDIO!

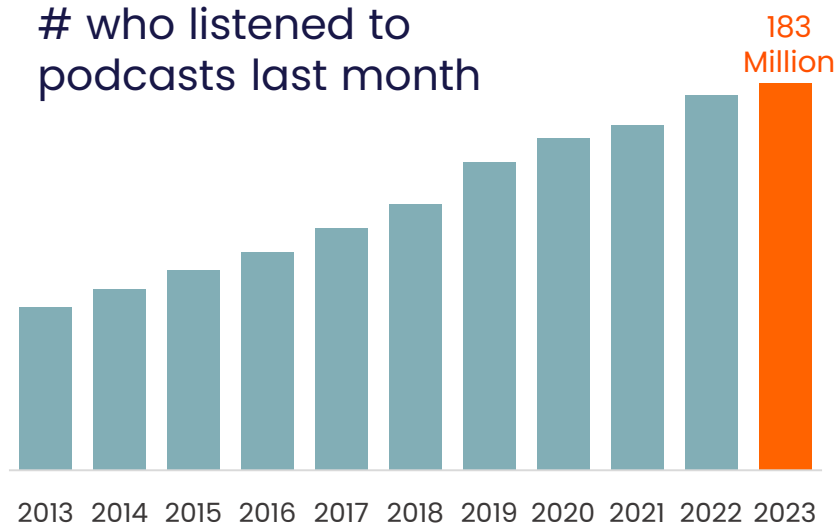
Percentage of daily time-spent with mobile devices



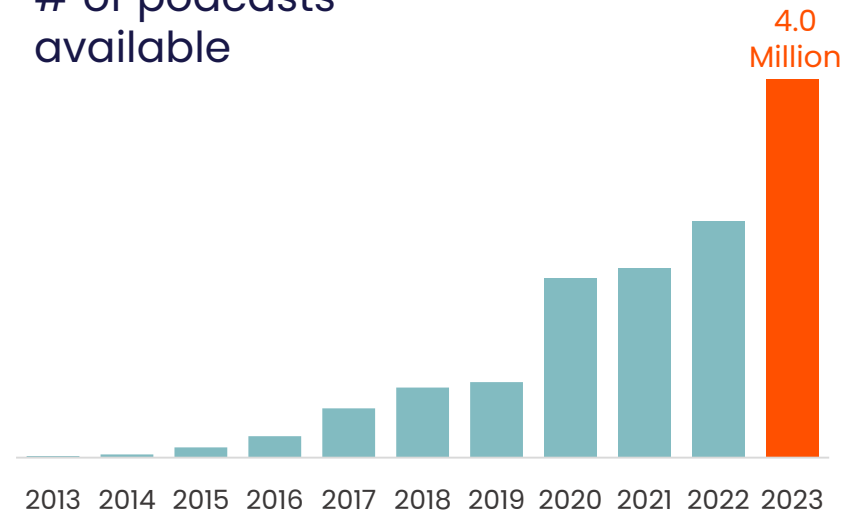
Podcasting content and listeners continue to grow

- The # of podcasts is growing faster than the # of listeners
- Today the average podcast user listens to 9 shows per week

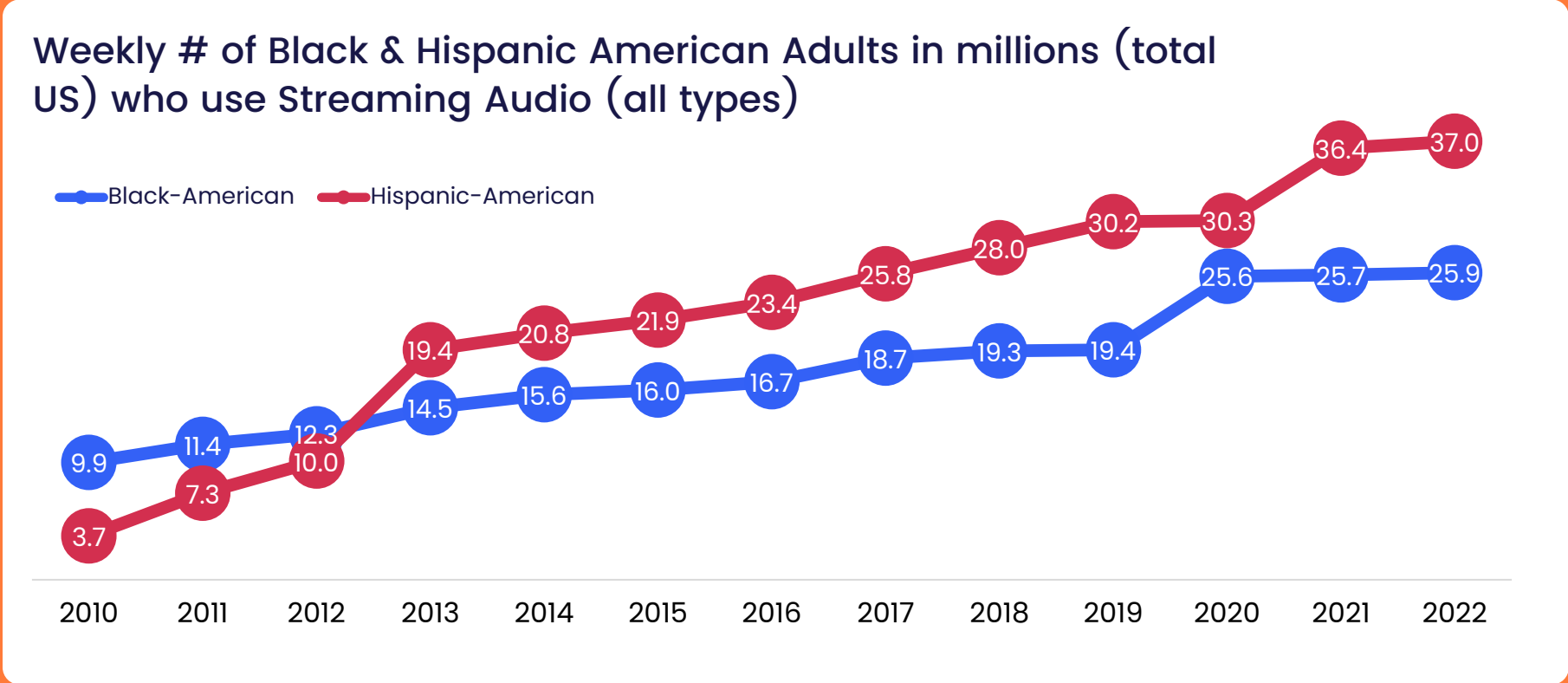
who listened to podcasts last month



of podcasts available



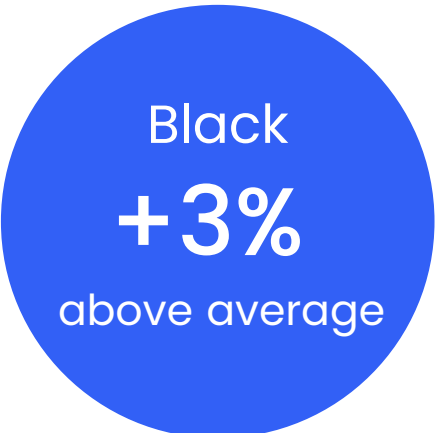
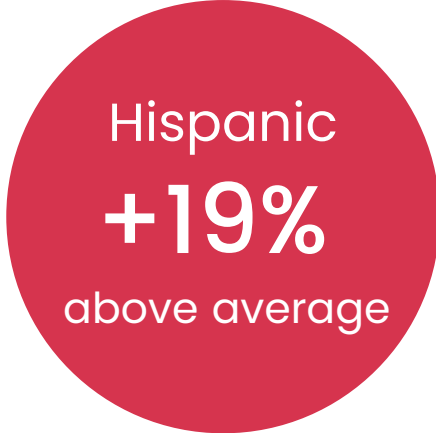
Multi-cultural Americans' Streaming Audio usage continues to soar



Source: Scarborough USA, 2022.2 Users to all types of Streaming Audio. 18+

Multi-Cultural Americans are Streaming Audio's heaviest users

Adults 25-54 Streaming Audio Streamers by Race, percent above average



Source: Scarborough USA 2022

Digital Audio drives results for advertisers

Attribution studies proved Digital Audio effectiveness



BRAND LIFT

Measured lift at any stage of the consumer funnel



FOOT TRAFFIC

Measured physical visits to locations



CREATIVE TESTING

A/B testing for audio's optimal creative impact



SITE/APP VISITS

Measured traffic to an app or website

[**CLICK HERE**](#)

For more information
Katz Digital's
case studies



Ad Spending on Digital Audio continues to surge!

For the second year in a row, **Digital Audio's Revenue grew faster than ANY other medium!**



In 2022 revenue was **up 21% to \$5.9 Billion**



The Future of Audio is just getting better!



Where is **In-Car** Audio Going?

79% of cars are digital audio enabled



Fully Connected Cars: *In-Dash Systems*

- **26%** of cars now have in-dash audio
- **New dashboards** make it difficult to find AM/FM
- **5G** will increase the number of connected cars
- **127 million** cars have In-Car Voice Assistants

Connected Cars using: *Mobile Phone/Bluetooth*

- **53% use Bluetooth** to connect to phone or Apple/Android Auto apps
- **Bluetooth now exceeds Radio** as the most important feature people want in a new car

Where is **In-Home** Audio Going?

**Smart Homes up 30% since 2019;
projected to double in 3 years**



Smart Speakers

- ✓ **Up 52%** since 2019
- ✓ **#1** usage is Audio Streaming
- ✓ **26%** of all AM/FM Station streaming
- ✓ **64%** own *more than one* smart speaker



Computers

- ✓ **Working-from-home** has led to a resurgence of listening on the PC
- ✓ **+25%** Audio usage on PCs grew during this WFH era



Mobile Devices

- ✓ **In Home:** Wi-Fi, Bluetooth speakers & wearables enable mobile to be used equally In & out of home
- ✓ **12% More** people own a Bluetooth speaker than own a Radio

Where else is Audio Going?



Wearables

- **Over 25%** use wearables today
- Expected to grow significantly



Smart Appliances

- Smart appliances will **double** in 5 years to **64.0 million**.



Connected TVs

- **200,000 Households now own a Connected TV**
- **Audio apps:** iHeart, Spotify, Pandora
- **Audio ads (with static video slide)** on CTV channels: Pluto, Roku, Xumo, FireTV

Where else is Audio Going?



Gaming

- **Music & podcasts are now integrated** into games.
- **38%** play games daily on a phone
- **63%** will accept ads in exchange for free game



Out of Home Audio

- **Reaches consumers on-the-go**
 - While shopping, in retail stores, convenience stores, restaurants
 - While traveling, in hotels
 - In recreation centers, fitness centers,
 - In medical offices, fitness facilities and wellness businesses

**Streaming Audio is
just getting started!**

