

## PROGRAMMATIC AUDIO CORNER

DIGITAL AUDIO NEWS

## INTRO

This quarter we're focusing on the continued GROWTH of Digital Audio, from Podcasting to Device Usage. **Trends are UP!**

## LISTENERSHIP GROWTH

## Digital Audio Listenership Growth

This year, US digital audio listeners will grow to 218.6 million, increasing to 230.8 million in 2025.

There has been a **278% increase** in share of time spent listening to Spoken Word Audio on a mobile device over the past seven years.

With a projected 17.8% increase, streaming audio/podcasting is among the channels poised for the largest growth in 2022.

**230.8M**  
LISTENERS IN 2025

**218.6M**  
LISTENERS IN 2022



## Spoken Word

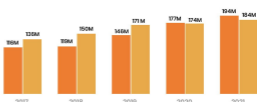
The audience for podcasts, a subset of digital audio, is growing even faster than the overall category.

57% of the US population have listened to a podcast as of 2021, which is a new all-time high.

## Broadcast Streams Outpace Pureplay Growth

2017-2021 (unique users in millions)

- Broadcast Streams
- Pureplays



## Growth in Diverse Audiences

Share of time Spent Listening to Spoken Word Audio in the past 7 years:

- 83% increase in African-American
- 80% increase in Hispanic/Latino
- 71% increase in women vs 23% increase in men
- 116% increase in A13-34 vs 36% increase in A35-44

## REVENUE GROWTH



In 2021, digital audio advertising spending in the United States was expected to amount to **\$5.59 billion** U.S. dollars. The latest predictions indicate that this figure will rise to nearly **\$8 billion** by 2025.

## Digital audio advertising is the next big thing

In 2021, digital audio advertising spending increased by around **16 percent**. In the U.S., short-form user-generated audio is also poised to increase the advertising pot in the future.

For the first time, digital audio will surpass **\$1 billion in programmatic ad spending**. We expect the surge to continue until the end of 2023, by which time programmatic digital audio ad spending will total **\$1.57 billion**.



## Podcast advertising shows plenty of potential



**116M**  
LISTENERS

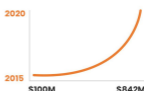
In 2021, the number of podcast listeners in the U.S. reached an estimated **116 million** people each month, and over **143 million** online users are forecast to be listening to podcasts every month by 2025.

Podcasts also account for about **one-fourth** of digital audio ad spending, up from a **share of 19.9% in 2020**. This format has become essential for many marketers, and its importance will only continue to grow.

## Podcast advertising revenue in the U.S. jumped from just over \$100 million U.S. dollars in 2015 to more than \$842 million in 2020.

While podcast advertising is accelerating, data shows that podcasts and online audio, in general, remain the most under-invested media formats worldwide.

Podcast advertising is on pace for a 32% surge in 2021, while Hispanic audio ad spend is set to rise 16.5%.



## GROWTH IN MEASUREMENT OPTIONS

## MORE BRANDS ARE USING ATTRIBUTION SERVICES TO MEASURE DIGITAL AUDIO THAN EVER BEFORE!

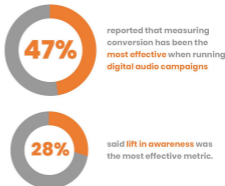
From 2020 to 2021, advertisers with conversion KPI goals increased across Audiology by **37%**.

Now, nearly half (**47%**) of respondents reported that measuring conversion has been the most effective when running digital audio campaigns.

More than one-quarter (**28%**) of respondents said lift in awareness was the most effective metric.

Only 1 in 10 respondents felt that click-through rate was effective measurement metric to use. This has been in rapid decline, and we expect less than 1 in 20 marketers to use CTR to measure audio in 2022.

Over the past two years, the number of companies measuring **success in audio has quadrupled**.



**Audiology is now integrated with 16 different measurement services in audio, up from only 2 in 2017 providing KPIs for Foot Traffic, Site Visitation, App, Brand Study & Health.**

## GROWTH IN DEVICE CONSUMPTION



IoT (Internet of Things) Connected Devices grew 9% in 2021 (with 12.9 billion connections) and is expected to grow an additional 22% between 2022-2025! (which would be a total of 27 billion)

## Audio is now the center of the home

- % Homes now have Smart Speakers
- 82% have Bluetooth connected Speakers

## Voice AI is the norm in Auto dashboards

- 161% Increase in access to 5G
- By 2028 95% of new vehicles will have built in voice assistants

Internal numbers show a rapid expansion of consumer electronics used to consume audio:

## 2020

- 343 Media Players
- 150 were on Smart Speakers & Connected Devices

## 2022

- 414 Media Players
- 174 were on Smart Speakers & Connected Devices



**That is a 21% increase in the number of apps across all device types & 16% increase for Smart Speakers & Connected Devices!**