



 CUMULUS  
MEDIA |  Westwood One  
**AUDIO ACTIVE**  
GROUP

 **Advertiser  
Perceptions**

# Advertiser Perceptions: The state of podcast advertising, a nine-year tracking study

# September 2015: The first IAB Podcast Upfront



## ADWEEK

**Here's Why the IAB's First  
Podcast Upfront Was Such  
a Hot Event for Marketers**

Branding opportunities 'hiding in plain sight'



The Cumulus Media | Westwood One Audio Active Group® retained Advertiser Perceptions to conduct a study on podcast advertising among 300 marketers and media agencies. The study consists of four questions:

1. Have you and your colleagues discussed podcast advertising for potential media investment?
2. How likely are you to consider advertising in podcasts in the next six months?
3. How likely are you to actually advertise in podcasts in the coming months?
4. Do you currently advertise in podcasts?

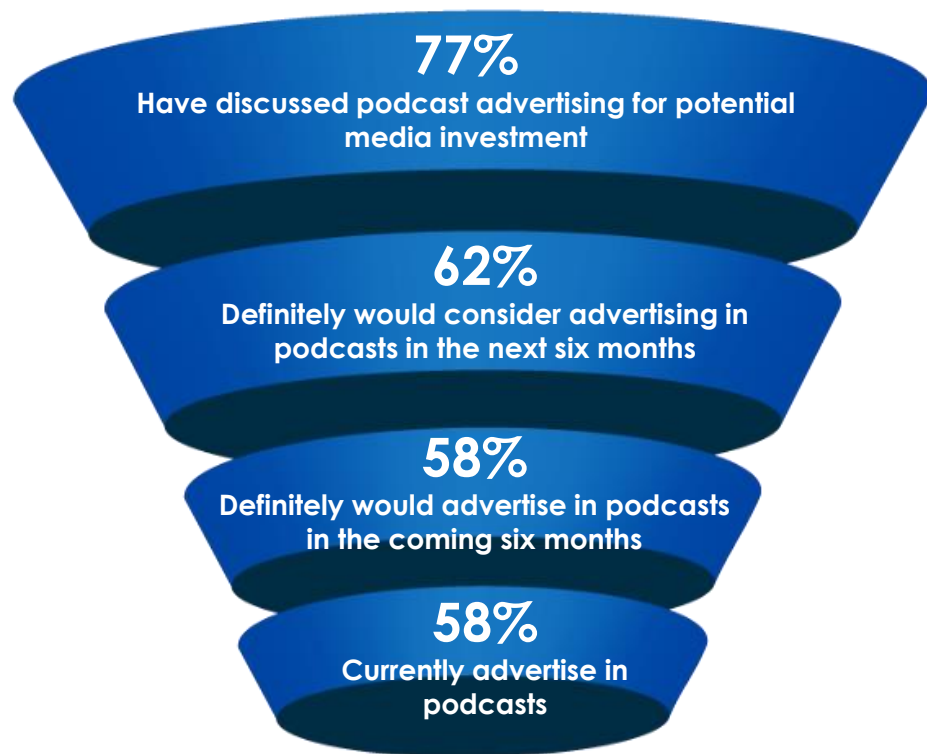


**Advertiser Perceptions June 2023 study of 302  
media agencies and marketers: Podcast  
advertising consideration, intention, and  
usage are high.**



Agency/advertiser interest is significant at every stage of the podcast ad purchase funnel

## Among agencies and brands

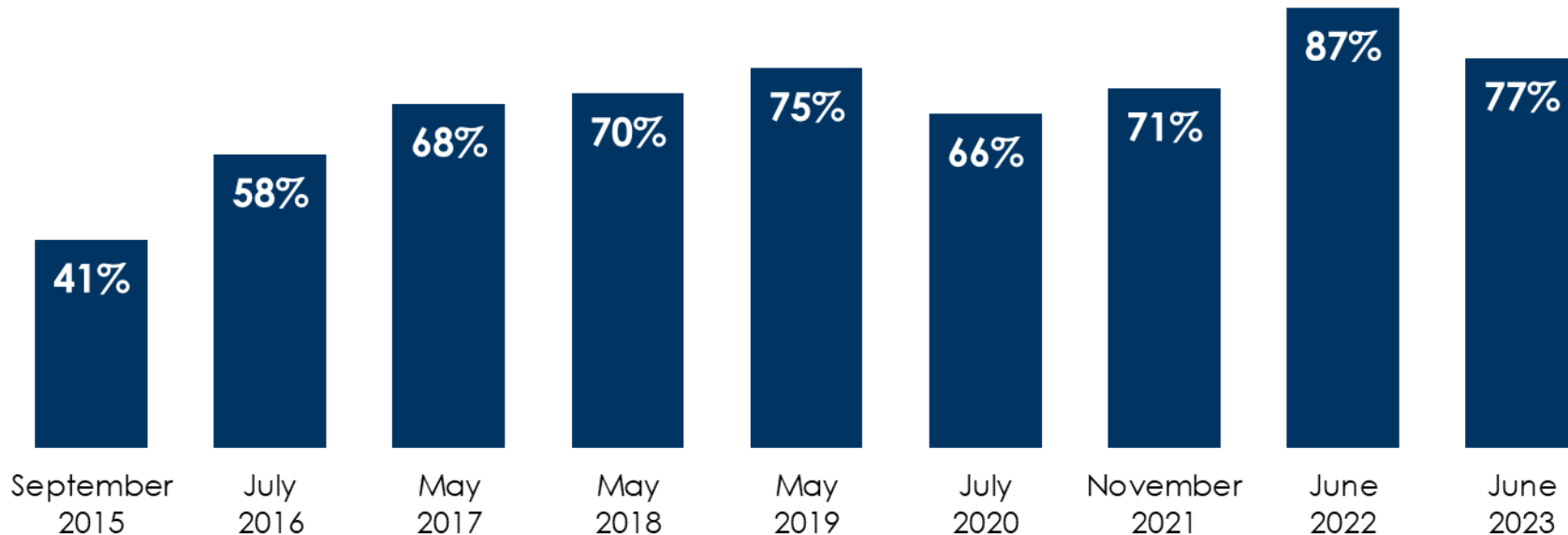


Source: Advertiser Perceptions study of agencies and advertisers, June 2023; Sample size: 302.

# Discussion: Nearly 80% of agencies/advertisers have discussed podcast advertising as a potential media investment

Q: Have you and your colleagues discussed podcast advertising for potential media investment?

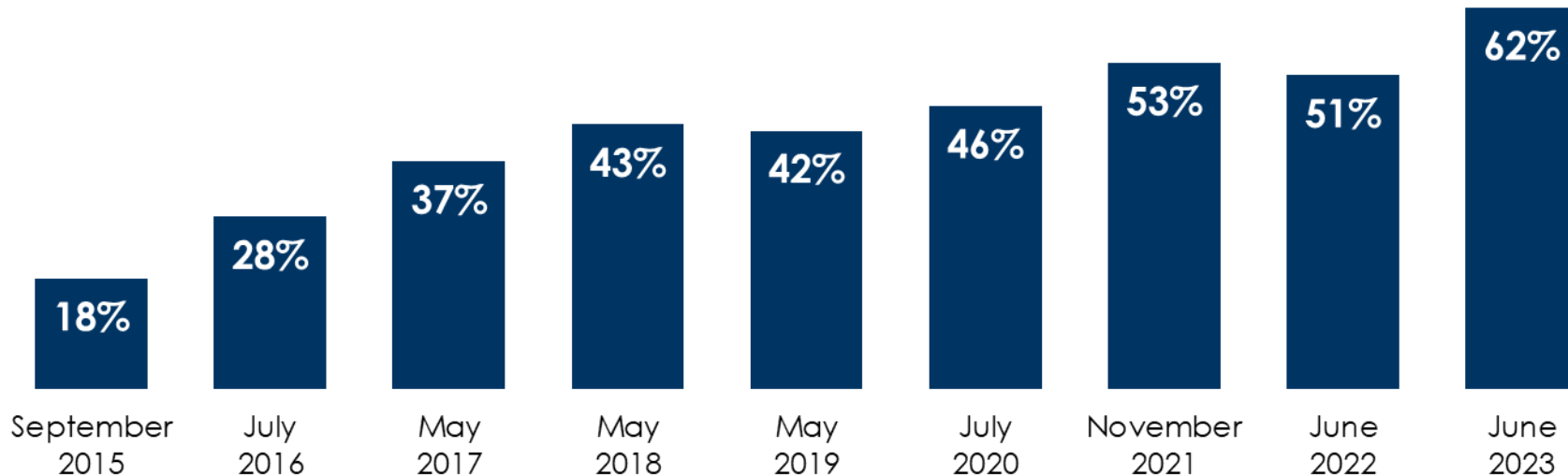
% who said yes



Source: Advertiser Perceptions study of agencies and advertisers. Sample size: September 2015 310, July 2016 284, May 2017 316, May 2018 300, May 2019 302, July 2020 300, Nov 2021 300, June 2022 300, June 2023 302

# Consideration: 62% of agencies/advertisers would definitely consider advertising in podcasts in the next six months, an all time high

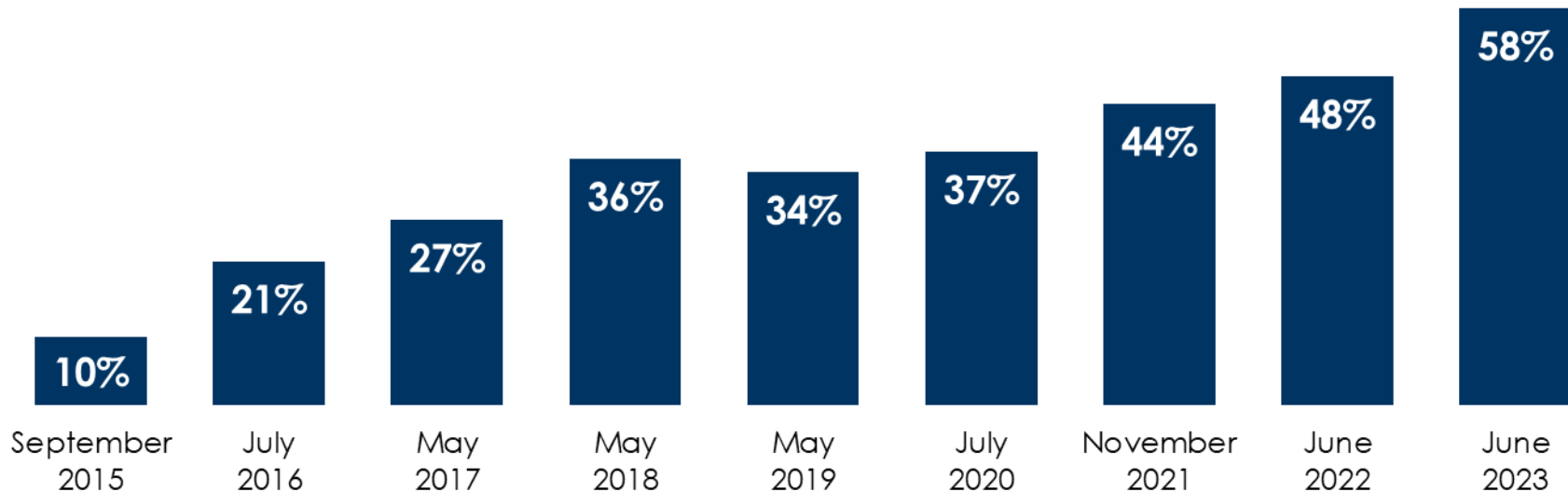
Q: How likely are you to consider advertising in podcasts in the next six months?  
% who said definitely would consider



Source: Advertiser Perceptions study of agencies and advertisers. Sample size: September 2015 310, July 2016 284, May 2017 316, May 2018 300, May 2019 302, July 2020 300, Nov 2021 300, June 2022 300, June 2023 302

# Spend intention: 58% of agencies/advertisers say they will definitely advertise on podcasts in the next six months, an all time high

Q: How likely are you to actually advertise in podcasts in the coming six months?  
% who said definitely will advertise

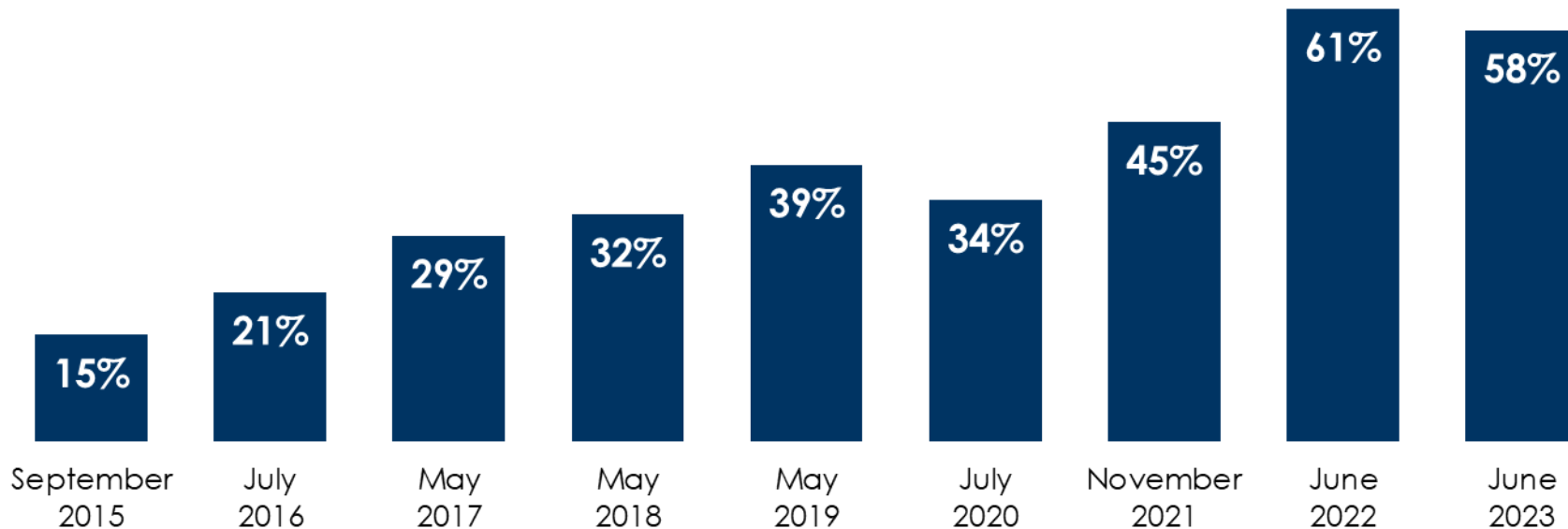


Source: Advertiser Perceptions study of agencies and advertisers. Sample size: September 2015 310, July 2016 284, May 2017 316, May 2018 300, May 2019 302, July 2020 300, Nov 2021 300, June 2022 300, June 2023 302



# Currently advertise: Nearly 60% of agencies/advertisers currently advertise in podcasts, growing substantially since 2021

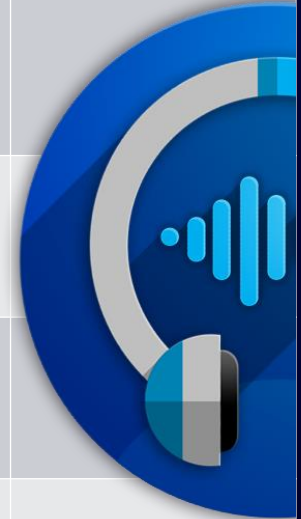
Q: Do you currently advertise in podcasts?  
% who said yes



Source: Advertiser Perceptions study of agencies and advertisers. Sample size: September 2015 310, July 2016 284, May 2017 316, May 2018 300, May 2019 302, July 2020 300, Nov 2021 300, June 2022 300, June 2023 302

# Advertiser Perceptions: Advertiser discussion, intention, and usage of podcast continue to be high

Advertiser Perceptions	Sept 2015	July 2016	May 2017	May 2018	May 2019	July 2020	Nov 2021	June 2022	June 2023
Have you and your colleagues discussed podcast advertising for potential media investment?	41%	58%	68%	70%	75%	66%	71%	87%	77%
How likely are you to consider advertising in podcasts in the next six months?	18%	28%	37%	43%	42%	46%	53%	51%	62%
How likely are you to actually advertise in podcasts in the coming six months?	10%	21%	27%	36%	34%	37%	44%	48%	58%
Do you currently advertise in podcasts?	15%	21%	29%	32%	39%	34%	45%	61%	58%



Source: Advertiser Perceptions study of agencies and advertisers. Sample size: September 2015 310, July 2016 284, May 2017 316, May 2018 300, May 2019 302, July 2020 300, Nov 2021 300, June 2022 300, June 2023 302

# MAGELLAN

Q2 2023

## Podcast advertising benchmark report



# Podcast ad spend is very small

- Advertisers spent an average of only \$200k per month on podcasts ranking in the top 500 in Q2 2023
- 2,465 new brands began using podcast in Q2 2023
- Each new brand spent an average of only \$18K

# Brands need to apply Arnie Semskey's "5% solution" to podcasting



Arnie Semskey, legendary BBDO media chief

**It is time for brands to get serious and allocate 5% of digital budgets to podcasting**

At the dawn of cable TV, legendary BBDO media chief Arnie Semskey created the "5% solution," which stipulated that brands devote 5% of media budgets to cable. 5% is enough of allocation to generate meaningful impact.

Semskey was prescient. His brands hugely benefited from taking an early, bold, and strong position in a growing new medium, a lesson for the marketers of today.

# Key findings

- Agency/advertiser investment interest is significant at every stage of the podcast ad purchase funnel; Spending intention has grown 6X since 2015 according to Advertiser Perceptions.
- Eight out of ten marketers and media agencies say they have discussed podcast advertising for potential media investment.
- Podcast advertising consideration surges to a nine-year high: 62% of brands and agencies say they are likely to consider advertising in podcasts.
- Podcast spending intention jumps to 58%, a nine-year record.

# Key findings

- Per Magellan AI, advertisers spent an average of only \$200k per month on podcasts ranking in the top 500 in Q2 2023. Each new brand spent an average of only \$18K during Q2 2023.
- Nearly 60% of agencies and advertisers currently advertise in podcasts, a nearly 4X increase since the first IAB podcast upfront in 2015.
- “Arnie Semsky’s 5% solution”: It is time for brands to get serious and allocate 5% of digital budgets to podcasting.



**Full-service advisory for national brands offering media planning recommendations, creative best practices, and measurement services**

The **Cumulus Media | Westwood One Audio Active Group®** is a true comprehensive marketing advisory that partners with clients to measure the impact of the **entire** audio campaign (not just the Cumulus Media | Westwood One investment), specializing in the following areas:

- **Audio creative best practices**
- **Media planning**
- **Strategic allocation within audio**
- **Measure the impact of the entire audio investment**



# For more, please visit the Cumulus Media | Westwood One Audio Active Group® blog

CumulusMedia.com



Click '**Blog**' at the bottom of the homepage

WestwoodOne.com/blog



Or click '**BLOG**' at the bottom of the homepage



# Thank You

The intellectual property included in this presentation is property of Cumulus Media, including Westwood One, and may not be used without permission. Any details are subject to change. 2023 Cumulus Media, Inc.