

AdsWizz Podcast Trends Report 2020.

Podcast listening, creation and advertising trends in 2020, and predictions for podcast adtech in 2021.

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January 2021



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Everyone is listening.

Audio listening reached new heights in 2020. In February, Edison Research estimated 169 million people, about 60% of the U.S. population were listening to online audio each week. By August, Nielsen reported 75% of people listen to music while working from home at least once a week, and 40% reported tuning in daily—the highest share percentage of media-related activity of any media outlet. As of December, industry consensus and our own data show 2020 to be a record-breaking year for listening.

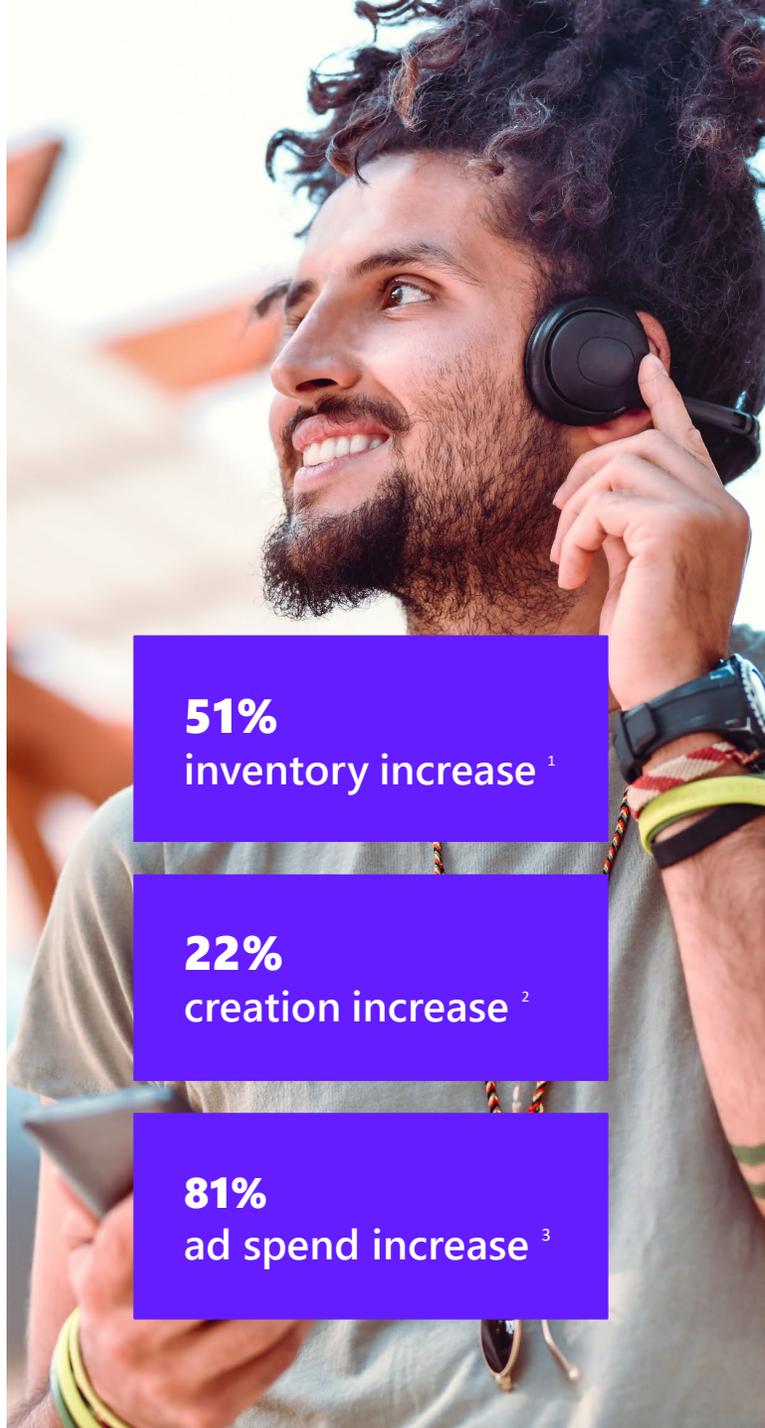
Podcasts, audio's digital darling, also saw phenomenal growth in 2020. While it's easy to think that the pandemic alone placed podcasts in the limelight, podcast listening has been on a trajectory of exponential growth for quite some time. In April of 2019, the podcast audience was projected to grow 81% by 2022. In February 2020, Nielsen's Podcast Listener Buying Power database showed the total podcast audience growing at a compound average growth rate of 20% from 2014 to 2019.

Given the natural gravitation towards podcasts as a

trusted voice for timely news, entertainment and even an escape—it's hard not to attribute most of podcasts' success to the global events that unfolded last year. But really, 2020 has just accelerated something that was already in the making. We have always believed in the power of podcasts. So much so that we began making investments in our podcast tech early on and delivered the first dynamically inserted podcast ad in 2012.

Our own internal data shows tremendous growth as well. From January to September 2020, we saw a 51% increase in podcast inventory globally, a 22% year-over-year increase in podcast creation, and an 81% in podcast buying from January to September 2020. All signs are pointing to podcasts playing a bigger part in the overall audio buying ecosystem.

As you read on, we'll touch on what 2020 has looked like for podcast publishers, advertisers, and creators, and what trends we see continuing throughout 2021.



51%
inventory increase ¹

22%
creation increase ²

81%
ad spend increase ³

Technology and creators coming together.

AdsWizz was created out of a passionate belief in how technology can amplify the power of audio. Since its inception in 2008, AdsWizz has grown to be the [award-winning](#) audio advertising technology platform that connects over 250M unique devices every month in over 40 countries around the globe. AdsWizz is the adtech subsidiary powering the SiriusXM properties, including Pandora, which was acquired by SiriusXM in 2018.

In June of 2020, SiriusXM acquired leading podcast management and analytics platform Simplecast. The Simplecast solution, paired with the monetization platform from AdsWizz, creates an end-to-end solution that enables podcast publishers of any size to publish and generate revenue from their podcasts—all in one place.

The Simplecast platform continues to be the leading solution for independent podcasters of any size to create, publish, distribute, and measure their podcasts, and is the underlying solution for respected brands, including Nike, REI, Microsoft and popular podcasters including Dax Shepard and Mayim Bialik.

Today, the AdsWizz Podcast Solution—which includes content management and audience analytics from Simplecast—powers some of the world’s largest podcast publishers, including Pandora, Stitcher, iHeart, NPR, The Washington Post, NBCUniversal News Group, and The New York Times.

Total Reach.⁴

250M

unique devices
per month

25B+

monthly impressions

240+

countries reached

14k+

podcast creators

19M+

hours listened
per month

Report Methodology.

Data collection

Data for this report was collected and analyzed in aggregate from global audio publishers using the AdsWizz technology platform for podcast advertising and sponsorship management.

In addition to data collected in aggregate from the AdsWizz platform, surveys and interviews were conducted with independent podcasters, advertisers, and audio publishers. Survey data comes from the following sources:

1. *"Spotlight: Independent Creators"* data comes from 360 podcasters that were surveyed between November 2, 2020 – December 7, 2020.
2. *"Advertiser Perspective"* data comes from 20 decision makers and budget owners at ad agencies and brands surveyed and interviewed who currently run audio campaigns in the US, UK, Canada, and Italy. The results were collected between November 2, 2020 and December 7, 2020.
3. *"Publisher Perspective"* data comes from 30 audio publishers surveyed and interviewed from the US, Canada, UK, Germany, Spain, Poland, and Columbia. The results were collected between November 9, 2020 and December 7, 2020.

Definition of terms

Podcast ad inventory refers to the actual opportunities to serve an audio ad to an active listener.

Impressions refer to the actual delivery of an audio ad to an active listener. We have used podcast ad inventory data to glean listening insights, and impression data to glean advertising insights.

Privacy notice

We take our data protection and privacy responsibilities very seriously. Please click [here](#) to learn how we collect and store data.⁵



Spotlight: Independent Creators.

The listening habits of podcast consumers and podcast advertisers have been put under a microscope since March 2020. But what about the independent podcast creators? How have their shows been impacted during the many ups and downs of 2020? And how do they feel about 2021? Well, spoiler alert: the future looks bright.

As plenty of industry trade publications worried about the bursting of the podcast bubble, creators were creating more than ever before. During the peak of the pandemic's first US wave, Apple Podcast hit its millionth show created. **New podcasts created on the Simplecast platform were up 53% over the same period.** In March 2020, we saw our best month ever for new podcasts created, and the majority of that growth came in the last 2 weeks of the month, when the pandemic fallout was growing markedly worse. From February to March alone, we saw a 22% increase in new podcasts. As good as March was for new podcasts, April successfully surpassed it, and May surpassed that.



Staying home may mean more free time to invest in creative endeavors.

What drove this increase in new podcasts? Shelter-in-place orders expanding across multiple states likely played a role. More creators staying home may mean they have more free time to invest in creative endeavors. Creative communities have been hit particularly hard by job loss as a result of COVID-19, with theaters, comedy clubs, television and movie production shuttering. If creators are looking for a new outlet, podcasting is one of the few that make sense.

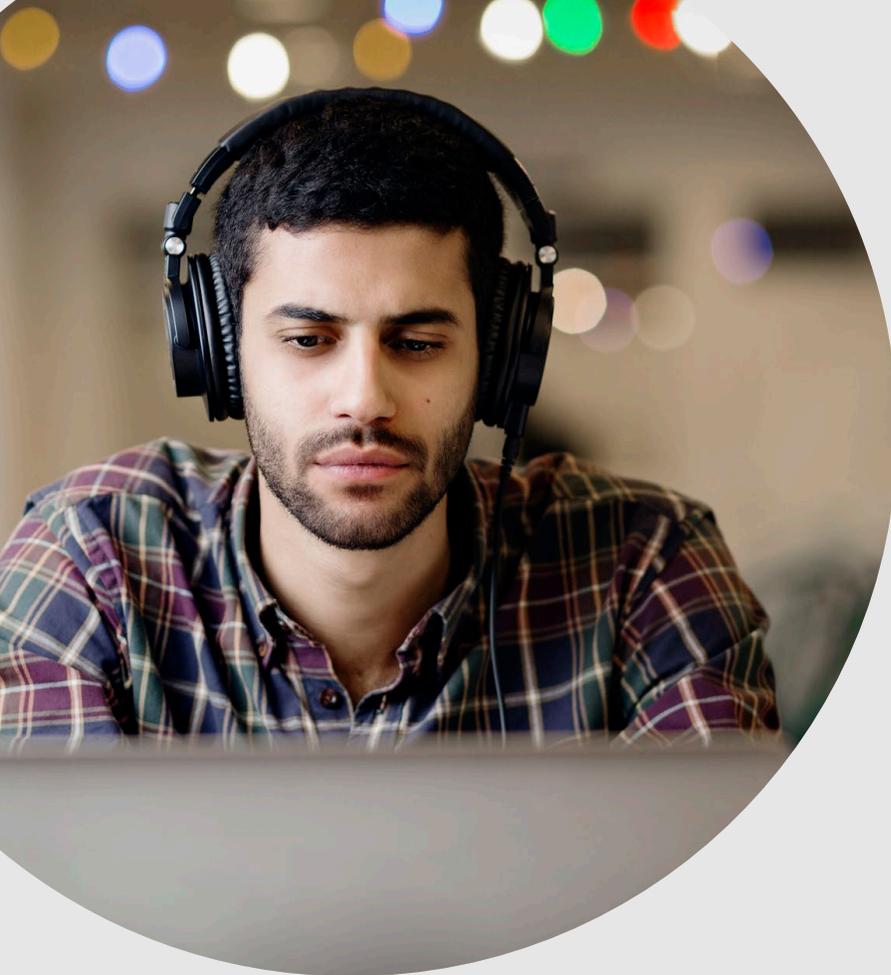
When we asked podcasters how their show production had changed since 2020,⁶ we were bracing ourselves to hear about hiatuses, indefinite pauses, and cancelled shows. Instead,

- 36% of creators are launching more episodes and/or new shows,
- 48% of creators are keeping their podcast production about the same, and
- 16% of creators are scaling back with fewer episodes or paused shows.

And these creators aren't just shouting into the void. They're finding and retaining an audience, despite 2020's many upheavals. Since March 2020,

- 65% of creators have found more listeners,
- 26% have had their listener counts remain the same, and
- 9% have lost listeners.





Growing and monetizing content are top of mind for creators.

When we asked podcasters what kept them up at night, there was one clear winner, and a few surprises:

- **59%** said figuring out how to grow their show.
- **19%** said figuring out how to monetize their show. Of the creators surveyed who were not currently monetizing their show, only 16% said figuring out monetization kept them up at night. And of those who were currently monetizing, monetization concerns kept 27% of them up at night.
- **11%** said figuring out how to make their publishing process more efficient.

Other worries were finding great guests, the elections, potential lawsuits for defamation, and wondering if podcasting is actually contributing to their business's bottom line.

Downloads still reign supreme, but creators are adapting to more nuanced and textured analytics.

And what about measurement? The download still reigns supreme, but podcast creators are adapting to the more nuanced and textured analytics available to them by also valuing listener behavior metrics like completion rates and unique listener counts.

Which metric is most important to you?

- 54% thought downloads were the most important,
- 34% thought unique listeners were the most important,
- 8% thought completion rate was the most important, and
- 4% valued something else, such as reviews and newsletter signups, location and conversions.



Indie podcasters will take 2021 head-on and continue to create.

Looking towards 2021, things are even more encouraging.

- 49% anticipate releasing more episodes and/or new shows,
- 46% will keep their production about the same and
- 5% will scale back in some way.

In 2021, an overwhelming majority anticipate more listeners (85%), followed by listenership remaining the same (13%), with just a few pessimists in the bunch anticipating fewer listeners (2%)

49%

of podcasters polled
anticipate releasing more
episodes and/or new shows.

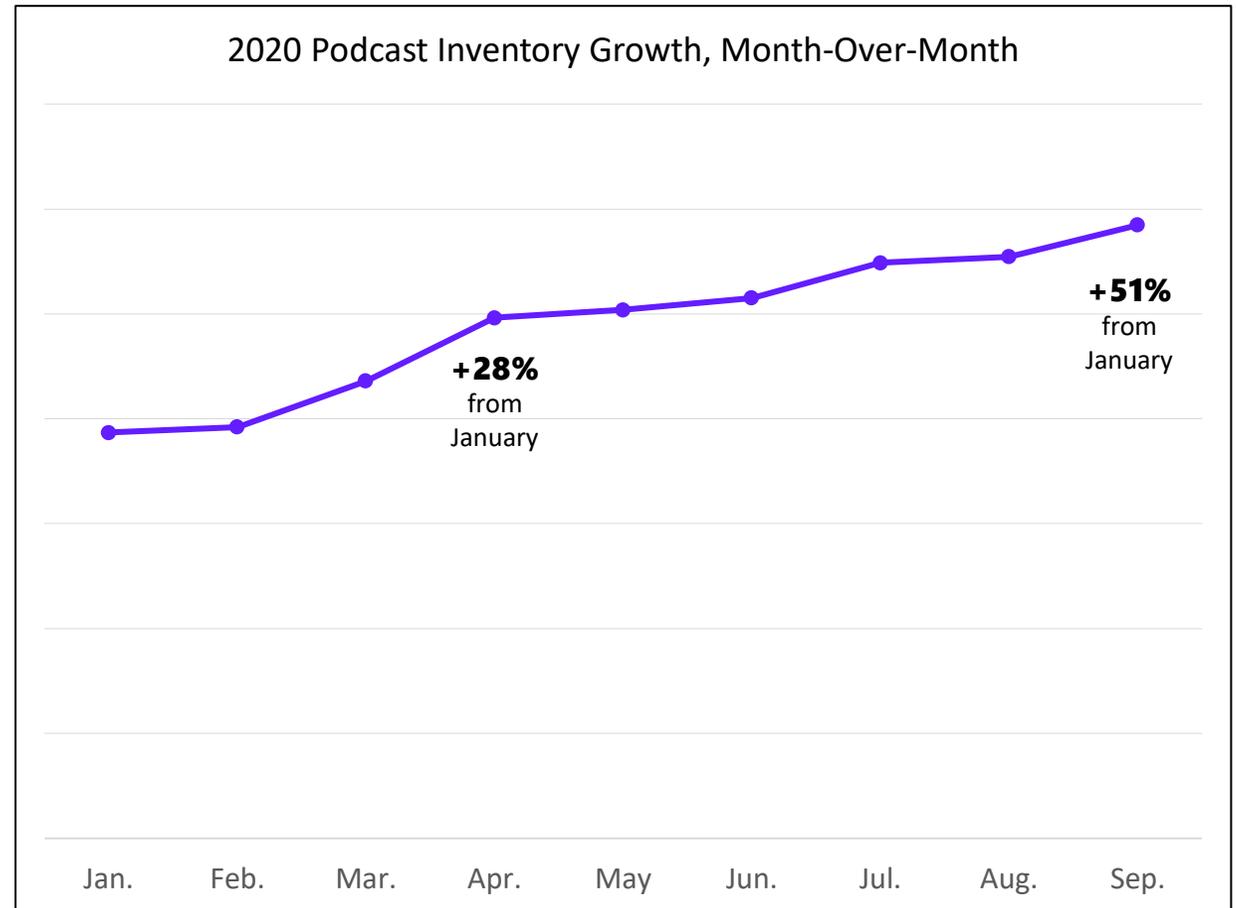
Podcast listening trends.

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Overall listening steadily grows despite loss of commute times.

Even though COVID-19 re-shuffled listening times for many podcast consumers, there was no marked dip in the advertising opportunities. By tracking podcast ad inventory data, we see steady (and impressive) growth across our platform. Despite the drastic changes in our daily routines, like the loss of commute times, podcasts flourished throughout the year with two significant bumps: a **28% increase in April 2020** at the beginning of shelter in place orders and continued growth to reach a **51% increase since January by September 2020**.



Source: AdsWizz internal data, available podcast ad inventory from direct sales and programmatic platforms, January 01, 2020 – September 30, 2020.

Podcasts have become part of the ebb and flow of daily life.

While conventional podcast wisdom says that most listening happens in mornings and evenings, we saw some fluctuation through turbulent events.

To paint a picture of monthly peak listening hours, we used podcast inventory avail data from one week of each month—we opted to sample the middle week of each month. ⁶

Through this sampling of weeks, we saw:

- **January and February** had average peak listening hours that ranged from 7:00 a.m. to 9:00 a.m. and 5:00 p.m. to 6:00 p.m.—nicely lining up with average commute times.
- **March** had an overall increase in hours and much of the same average morning and evening peak times, but with an additional mid-day peak between 11:00 a.m. and 12:00 p.m. One hypothesis is that as events unfolded quickly around the world, listeners were tuning in more.
- **April** peak morning hours expanded to 9:00 a.m. to 1:00 p.m., and evening hours to 5:00 p.m. to 8:00 p.m. As distinctions around working hours blurred, so too did typical podcast listen times.
- **May** seemed to have lost the evening hype with peak listening hours shifting slightly to a later start time, 9:00 a.m. to 11 a.m.
- **June and July** listening overall increased and high and low listening times were replaced with a very long peak stretching from 9:00 a.m. to 6:00 p.m.
- **August and September** followed suit with an increased peak listening window, 8:00 a.m. to 8:00 p.m.

It would seem podcasting is no longer appointment-listening and is instead part of the ebb and flow of daily life.

Top day of the week for Simplecast listeners: Mondays.

Podcast advertising trends.

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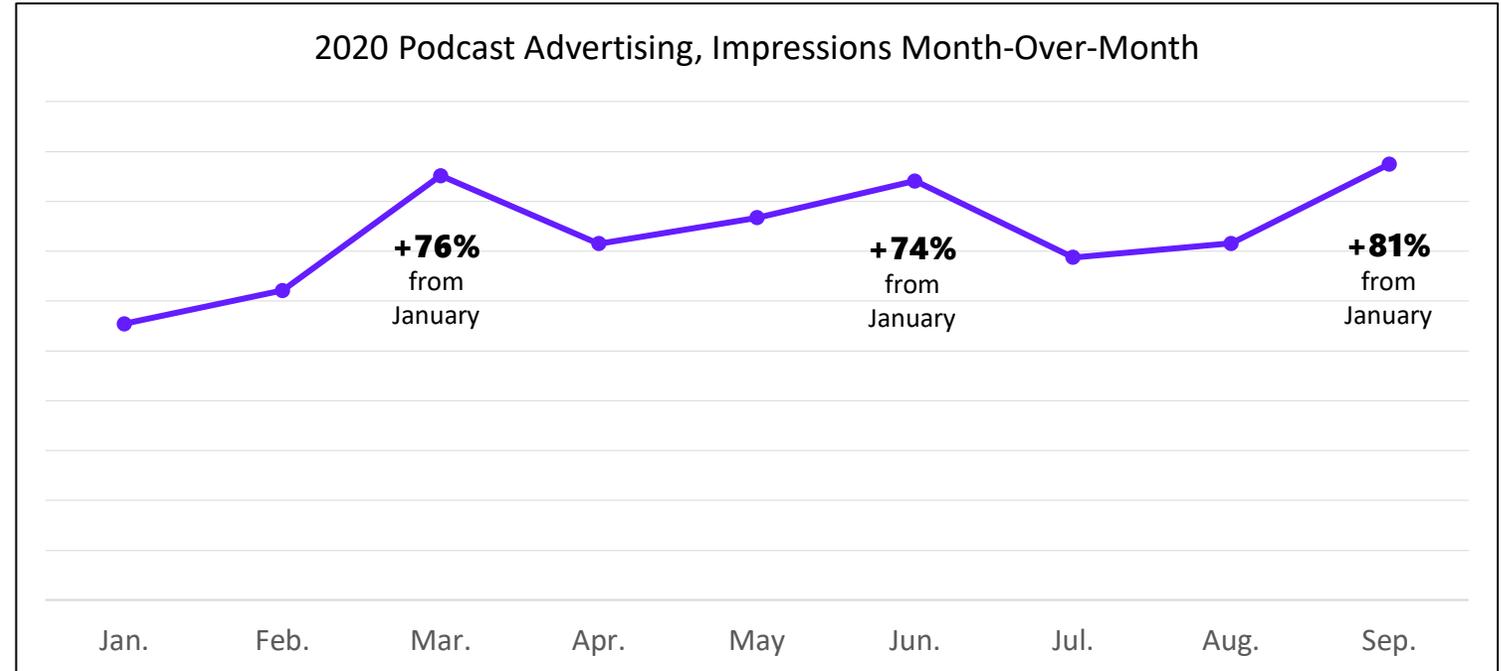


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Podcast creators take note: spending patterns echo larger advertising trends.

Despite all the irregularities 2020 has given us, it looks like we can still rely on the consistent end of quarter spending highs, even among emerging media like podcasting. We can assume advertisers worldwide are “using it or losing it” in March, June and September. So, podcasters, get ready to see fresh waves of demand at the end of each quarter. Overall, growth has been strong with an **81% increase in impressions since January 2020.**

Source: Adswizz internal data, podcast ad impressions from direct sales and programmatic platforms, January 01, 2020 – September 30, 2020.



Even within the home, mobile still dominates as the primary device.

The increase in remote working could have easily swayed device usage towards desktop or smart speakers, but the data from both Simplecast and Adswizz platforms show the smartphone is still the primary way most people listen to podcasts. And while smart speakers represent a small percentage here, they have seen a significant increase within our platform and across the industry this year.

Podcast listening devices:

- 63% smartphone
- 18% desktop
- 19% tablets and other

Ad delivery devices:

- 82% mobile and tablets
- 13% desktop and laptops
- 3% smart speakers
- 2% connected TVs/OTT devices

The News genre, unsurprisingly, is where advertisers found audiences this year.

U.S.: Top 10 Genres by Impression, AdsWizz Podcast Marketplace

January – September 2020

1. News
2. Society & Culture
3. Comedy
4. Sports
5. Education
6. TV & Film
7. Arts
8. Health
9. Science
10. Politics

EUROPE: Top 10 Genres by Impression, AdsWizz Podcast Marketplace

January – September 2020

1. News
2. Society & Culture
3. Sports
4. Education
5. Music
6. Health
7. Religion & Spirituality
8. TV & Film
9. Comedy
10. Business

Simplecast Top Podcast Categories by Download

July – September 2020

1. Society & Culture
2. Business
3. Education
4. Arts
5. Comedy

Top sub-categories

July – September 2020

1. Self-improvement
2. Entrepreneurship
3. Personal Journals
4. Christianity
5. Careers

Advertiser perspective:

Podcast now represents 19% of digital audio buys.

We spoke with 20 budget owners from leading brands and agencies around the globe to learn how programmatic and brand safety play a part in their audio and podcast buys, what targeting parameters and measurement metrics matter most, and how COVID-19 has impacted their year. All of the respondents currently include digital audio into their media buys, so we also took a moment to gauge their feelings on podcasts' role in 2021.⁷

We heard from international leaders.

San Francisco, CA, USA

Houston, TX, USA

New York, NY, USA

Nova Scotia, Canada

London, United Kingdom

Milan, Italy



Behavioral segments and brand safety are paramount.

Whether or not our advertiser friends were buying podcasts, they still ranked their desired targeting parameters the same, in order of importance:

1. Behavioral segments
2. Contextual targeting
3. Location based
4. Genres
5. Age/gender demographics

When asked about brand safety, **48% said the ability to target away from specific content was very important.**

When it came to metrics, **conversion rates dominated with 94% of respondents ranking it as the most important.** After conversion rates came sales lift, intent to buy and brand lift.

Programmatic buys gaining momentum.

We found that agencies favor programmatic transactions, more so than brands. In fact, of the decision makers that responded to our survey, on average **23% of their digital audio buys are done programmatically today.**

For those who were not currently buying digital audio or podcasts programmatically, **60% are planning to do so in the next 12 months or sooner** (digital audio and podcasts).



Since COVID-19, 64% of advertisers are spending more or about the same in podcasts—with more coming.

Audio has seen its fair share of effects from the global pandemic, but as time has gone by, we have seen listeners and advertisers turning to audio for a trusted and effective way of connecting. In fact, **64% of our survey respondents are spending more or about the same in podcasts since COVID-19.**

When asked how they thought their company or client's podcast advertising strategy would be different in 2021, **half predicted that their**

podcast spending would increase by at least 25%, 18% say their podcast spend will increase by fifty-percent or more. Additionally, an encouraging 64% had a positive outlook seeing podcast advertising growing to represent a significant portion of audio buys in 2021.

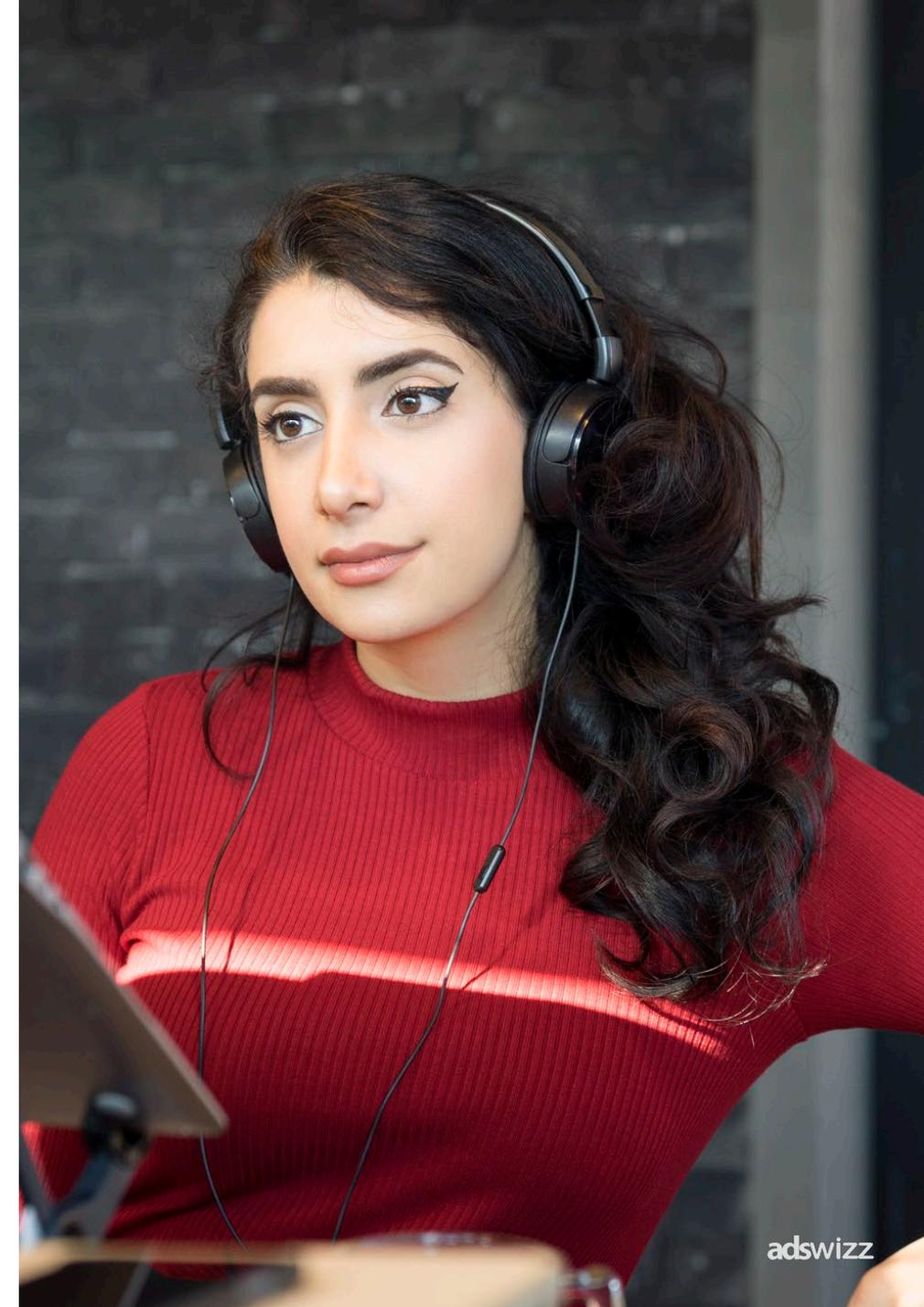
Advertisers seek contextual targeting and ways to show ad effectiveness.

As for what keeps them up at night, **57% say that not being able to show the effectiveness of podcast advertising as the cause of their tossing and turning.** 19% and 14% says scaling their advertising campaigns and lack of brand safe inventory are the cause, respectively.

In closing out our conversations with this group, we asked what they want the next big advancement in podcast advertising to be. Here's their wish list in order of importance:

1. Contextual targeting
2. Increase in available inventory
3. Programmatic host-read ads
4. Addressability and measurement

All in all, it could be said that advertisers are eager for advancements in podcast advertising technology to help them expand and enhance the ways they touch their audiences.





International leaders
shared their thoughts.

San Francisco, CA, USA

Los Angeles, CA, USA

Nashville, TN, USA

Philadelphia, PA, USA

New York, NY, USA

Bogotá, Columbia

Toronto, Canada

London, United Kingdom

Barcelona, Spain

Frankfurt, Germany

Warsaw, Poland

Publisher perspective:

Programmatic host-read and contextual targeting ranked as top must haves.

We spoke with 30 global publishers of all sizes— independent, small to medium and large/enterprise—to hear how they are providing their advertising partners with the best solutions amidst the climate shifts due to COVID-19. We also took some time to learn how programmatic and brand safety play a part in their audio and podcast selling strategies, as well as what their general outlook on podcast advertising is for 2021.

Of our leadership group, 96% are the decision makers for implementing advertising technology, and 79% currently monetize their podcast content. ⁸

Sponsorships and host-read ads bring home 50% of the bacon.

Considering the spread of publisher types—large/enterprise (43%), independent (25%), small/medium (11%)—we were interested to see the collective responses to questions around podcast content monetization. Turns out **78% of respondents currently monetize their podcast content.** Of those who currently monetize podcast content, 50% do so through sponsorships and/or host-read ads. For those publishers who do not monetize their content, when asked why, the majority simply stated they don't feel their listener base is large enough yet.

When asked to rank the importance of monetizing their back catalog on a scale from 1 to 10—10 being very important—our publisher friends rated this ability at an 8.9. **Three-quarters of our respondents currently monetize 48% of their back catalog.**

What's the verdict on baked-in vs. dynamically inserted ads? **54% of our publisher's ads are dynamically inserted, with the remainder baked-in.**

Definitive age/gender targeting prevails, brand safety gains notice.

As for targeting, publishers felt the most important parameters for their advertising partners is age/gender demographics—contrasting our previous survey where advertisers rated behavioral segments as first. Location-based targeting, behavioral segments, and contextual targeting rated second, third and fourth, respectively.

When asked how important brand safety and the ability to target away from content was to their advertising partners, **29% said it's very important to their partners, and 37% said it is somewhat important.** (Aligning to what our panel of advertisers said.)

When asked what measurement metrics are most important to their advertising partners the **resounding winner was conversion rates**, with sales lift in second and engagement rates in third.

Programmatic podcast selling on the horizon for 63% of publishers.

Currently, our surveyed publishers on average sell less than half of their podcast content programmatically. Of those that are not selling their podcasts programmatically, **63% plan to start selling programmatically in the in the next 12 months.**





85% of publishers plan to increase their podcast ad-tech investment in 2021.

Audio, and now specifically podcasts, have proven their resilience and strength throughout this turbulent year. We found that **59% of respondents are investing more time and resources into podcast advertising since COVID-19.**

When asked, **85% of publishers say they plan to increase their podcast ad-tech investment in 2021.** This can be broken down by publishers saying their investment will increase by 50% or more in 2021 (31%); by 25%-50% (23%); and by an amount under 25% (31%).

When the publishers were asked 'what keeps you up at night', the top answer was **not being able to show the effectiveness of podcast advertising.**

Bright future? Indeed. **86% of publishers have a positive outlook on podcast advertising,** anticipating it to represent a significant portion of audio buys in 2021. When asked what they want the next big advancement to be, **programmatic host-read ads take the cake with 37%;** contextual targeting is next biggest request with 30%; and an increase in available inventory comes in at 26%.

2021 podcast predictions.

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Technology is accelerating a shift in the podcast landscape.

When we look back at the growth podcasts have had this year—from listening and creation booms to advertising spend increases—it is clear that podcasts are the next emerging medium.

So, what does 2021 look like for this hot commodity? We're placing our bets in these four areas:

1. Programmatic growth. Both advertisers and publishers alike are making plans to expand their programmatic transactions in podcasts. 60% of our surveyed advertisers are planning to start buying podcasts programmatically in the next 12 months, and 63% of polled podcast publishers plan to start selling programmatically in the in the next 12 months. Having both sides of the house advance towards this method of transacting will contribute to significant growth in 2021.

2. Contextual targeting. 2020 has thrown targeting a few curve balls as advertisers scramble to find alternate ways to reach audiences in a cookie-less and post-IDFA world. Enter contextual targeting. When done right, contextual targeting can tap into multiple sources of rich content segments that advertiser can use to include or exclude in their targeting—at the podcast show or episode level. And it's not without desire: 27% of surveyed advertisers and 30% of publishers are ranking it as one of their top requests.



3. Automating host-read ads. Today, 82% of the surveyed publishers say half of their podcast content is being monetized via sponsorships and/or host-read ads. Traditional host-read advertising is very effective. Because the ad is native and feels like part of the content, there's a built-in trust factor. But the method is labor intensive, and the ad can lose relevance over time. It's no surprise that 37% of podcasters are putting automated host-read ads as their top request. Imagine how much more of that content can be sold if you could scale the standard through automation, so that one script can reach hundreds of hosts and millions of listeners. In addition, enabling these automated host-read ads to be bought/sold programmatically is a game changer.

4. Brand safety. Delivering brand safe advertising in podcasts is no small feat. Podcast content can vary episode to episode and can include topics that don't match with preset descriptions. Not being able to target against accurate content topics can create uncertainty and may prevent brands from advertising on podcasts altogether. No wonder 48% of advertisers surveyed said the ability to target away from specific content was very important and 67% of surveyed publishers felt it was somewhat to very important for their advertising partners.

Additionally, we see podcast as a unique opportunity for Broadcasters to expand their digital footprint. We expect to see more content being produced by such media companies, making radio more interactive and customized.

So, as we look ahead, we cannot be 100% sure of what's going to happen (2020 has proven that to us, and then some). But we feel pretty good in saying that podcast advertising advancements will continue to accelerate towards more efficient, targeted and safe ways of reaching listeners. And as we advance, we must ensure the connections and interactions remain relevant and authentic. Because when it comes down to it, the listening experience matters the most—and we're all just listeners at the end of the day.

Thank you.

If you are a podcast publisher interested in monetizing your content, drop us a line at podcasts@adswizz.com.

If you are a podcaster interested in hosting and analytics, reach us at pro@simplecast.com.

If you are an advertiser interested in digital audio or podcast advertising, please contact usdemand@adswizz.com (North America) or euprogrammatic@adswizz.com (EMEA).

Sources.

1. AdsWizz internal data, available podcast ad inventory from direct sales and programmatic platforms, January 1, 2020 to September 30, 2020 had an increase of 51% impressions.
2. Simplecast internal data, 22% increase in new podcasts, February 1, 2020 to March 31, 2020.
3. AdsWizz internal data, podcast ad impressions from direct sales and programmatic platforms, January 1, 2020 – September 30, 2020.
4. “Total Reach” numbers are as of November 2020.
5. AdsWizz Privacy Notice 2020, <https://www.adswizz.com/our-privacy-policy/>.
6. AdsWizz internal data, hourly inventory/avails, Eastern Time Zone, January 12 – January 18, 2020; February 9 – February 15, 2020; March 15 – March 21, 2020; April 12 – April 18, 2020; May 10 – May 16, 2020; June 14 – June 20, 2020; July 12 – July 18, 2020; August 16 – August 22, 2020; September 13 – September 19, 2020.
7. Advertisers were surveyed between November 2, 2020 and December 7, 2020.
8. Publishers were surveyed between November 9, 2020 and December 7, 2020.

All survey data in “Spotlight: Independent Creators” comes from 360 podcasters that were surveyed between November 2, 2020 – December 7, 2020.