

2019

THE PODCAST LISTENER:

One Size Definitely Doesn't Fit **All**

As podcasting dips into the mainstream and covers every topic and category, marketers seeking podcast listeners must now choose a target within the podcast audience, focusing on content that resonates with their desired consumer.

BY CORT IRISH, MATT DREGLER AND DANA ELMQUIST



Podcasting continues to grow exponentially in advertiser adoption due to the significant increase in audience penetration across all genres. According to the Interactive Advertising Bureau (IAB), it's projected that podcasting ad revenue will surpass \$1 billion by 2021, up from \$479 million in 2018. While growth continues to happen at a rapid pace, many marketers still struggle with how and where to integrate this channel into their marketing mix.

Claritas™, Market Engenuity® and PRX believe that the marketplace still needs significant education on the value proposition of podcasting, including understanding the types of audiences tuning in, how to develop a campaign and how to measure a podcast campaign's effectiveness.

Podcasting has the wind at its back. From a consumer standpoint it has become much easier to listen to on demand audio in all forms in just the past two to three years. Connected cars have become more prevalent in the overall domestic fleet and the ubiquity of smartphones has made it possible to listen to audio whenever and wherever a consumer wants.

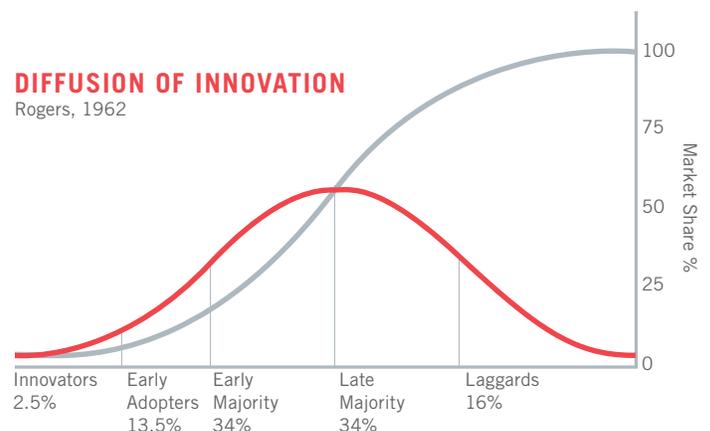
Claritas, Market Engenuity and PRX collaborated to uncover the demographic and psychographic trends in the large group of Americans who identify as podcast listeners. Our goal was to determine if the U.S. podcast audience can be thought of as one group from an advertising and marketing standpoint.

Podcasting is tipping into the mainstream as shown by Edison Research this year. Edison estimates that 22% of Americans (62 million people 12+) listen to podcasts weekly and 32% of Americans (90 million people 12+) listen monthly. When plotted on Rogers' Diffusion of Innovation graph, podcasting trends toward the mainstream.

This transition into mainstream media begets several important new developments in understanding podcast consumers and how to position your brand with a podcast investment.

It's critical that marketers understand how robust the tools are that exist today for integrating this channel into their media mix. There's a misconception that the channel lacks the same opportunities to engage the right audiences and measure the ROI that exist across other digital channels. The reality is that podcasting already offers these critical elements.

Market Engenuity and PRX surfaced multiple data points and anecdotal evidence that the market had changed, but sought firm evidence. They partnered with Claritas to deploy the subsequent study.



Understanding the Dynamics of the Podcast Audience

The study's research hypotheses are as follows:

HYPOTHESIS 1

Podcast listenership has expanded vastly in recent years, leading to important differentiation in the marketplace. Not all podcast consumers are alike and PRX listeners differ in several important ways from the general podcast audience as defined by both Nielsen and MRI.

PRX listeners:

- have a higher income
- have more income producing assets like stocks, bonds and real estate
- spend 10% more on average on their credit cards
- are more urban

HYPOTHESIS 2

PRX listeners are a significant sample of the weekly podcast listenership. At 10.7M U.S. uniques, PRX listeners provide directional data for pure play podcast publishers more broadly. PRX listeners are both hard to reach in a traditional media mix and have a psychographic preference for information, peer review and recommendation over being sold products and services.

PRX listeners are not concentrated across a single channel (TV, Radio, Print, Magazine). When considered collectively as a media mix, TV, Radio, Print and Magazines still do not have a high enough concentration of PRX listeners for an ad campaign to effectively and efficiently reach young, affluent and urban PRX listeners. A podcast investment is essential for a marketer to reach this important consumer audience.

HYPOTHESIS 3

As the podcast ecosystem has grown, we see a clear divergence in audience delineated by content type. Legacy Radio companies like iHeartMedia, Cumulus Media and Entercom have diversified how they interact with audiences by adding digital touchpoints. However, podcast listeners on legacy platforms differ demographically from PRX listeners.

PRX listeners:

HHI

- Index 139 HHI \$250k+

Assets

- Index 138 income producing assets greater than \$2M

Urban / Rural

- Index 150 urban households

Graduate School

- Index 120 graduate degree holders

Age

- Index 110* ages 25-44

Psychographic Ad Preferences (MRI)

- have above average interaction with the Internet and Mobile Channels
- are above average Cord Cutters
- do not hold strong brand preference or are brand disloyal
- feel that ad frequency is an issue across TV, Radio, Print and Magazines
- feel that traditional ads do not inform on any channel
- are concerned about false claims in traditional advertising

* Indexes appear more conservative than they are due to the methodology of how the data was gathered, which looked at PRX podcast listeners relative to the Nielsen defined podcast listener, which captures the entire podcast industry.

Through this research we zeroed in on the phrase “unduplicated consumer.” As evidenced both the PRX listener and the broader audience of pure play podcast publishers are highly desirable consumers from a marketing standpoint. While no single statistic in isolation proves this point, the divergence in the large group of Americans who identify as podcast listeners, taken together with the demographic and psychographic indicators shared above, paint a picture of a group who both has the **means** and **tech savvy** to isolate themselves from many forms of traditional media advertising, as well as a strong mindset against the hard sell of commercial advertising.

If a late-millennial, urban, affluent consumer is important to your brand, consider a podcast investment to complement the media mix that works for your company, but also look for publishers and content that serve the exact group you seek. While the “unduplicated consumer” may not be every brand’s target, they represent an important demographic for most marketers. Their shift away from traditional media should inform the gradual changes in media mix that advertisers need to consider as they seek to reach the most desirable audiences through content they enjoy.



ABOUT CLARITAS

For nearly 50-years, Claritas’ unparalleled knowledge of the American consumers has yielded the most adopted segmentation in the industry, helping marketers identify their best customers. Through key acquisitions, the company has transformed into a leader with a single source suite of solutions to enable marketers the ability to identify their ideal audiences, deliver multichannel marketing engagements with precision and leverage measurement tools to optimize the media spend across online and offline channels to drive better marketing ROI. With an accuracy-first foundation, the robust Claritas Graph serves as the engine that drives these powerful solutions, reaching 120 million households and over 900 million devices. More information can be found by visiting www.claritas.com.

Methodology

The analysis and insights described are a result of Claritas, Market Enginuity and PRX working together to profile the audiences of the PRX network. By leveraging an integration between Claritas and PRX, the Claritas team was able to ingest the download and listening data across 10 shows. With that data, Claritas mapped the exposure data to its high-scale and accurate Identity Graph, which in turn enabled an overlay of consumer demographic, psychographic and shopping preference data across a wide range of industry specific metrics from auto preferences to voting behaviors.

In early 2020, Claritas, Market Enginuity and PRX will be publishing a full white paper on Podcast Measurement and Attribution, which will dive deeper into these methodologies and insights that all marketers should be aware of. This report will highlight best practices based on actual brand campaigns across a variety of industry verticals.



ABOUT MARKET ENGINUITY

Market Enginuity links mission-driven media clients and sponsors in mutually beneficial partnerships. As the largest public media sponsorship sales force in the U.S., Market Enginuity represents local and national sponsorship for clients ranging from public media stations in Nielsen media markets #2-44 to independent podcast networks. Comprised of podcast sponsorship specialists and pioneers in the industry, Market Enginuity Podcast Group is the sponsorship sales agent for PRX — the third largest podcast network in the U.S. and public radio’s largest distribution marketplace. More information can be found by visiting www.marketenginuity.com.



ABOUT PRX

PRX is a non-profit media company shaping the future of audio by producing and distributing content, building technology, and training talented, independent producers. We believe strong public media is anchored in journalism, strengthened with diverse voices, and amplified by innovative technology. Our award-winning portfolio ranges from iconic public radio programs to a growing body of podcast-first productions. Each month we reach more than 28.5 million listeners and generate in excess of 70 million podcast downloads. More information can be found by visiting www.prx.org.