MAGNA

PODCAST AD EFFECTIVENESS
BEST PRACTICES FOR KEY INDUSTRIES

Nielsen

13 October 2022

TABLE OF CONTENTS

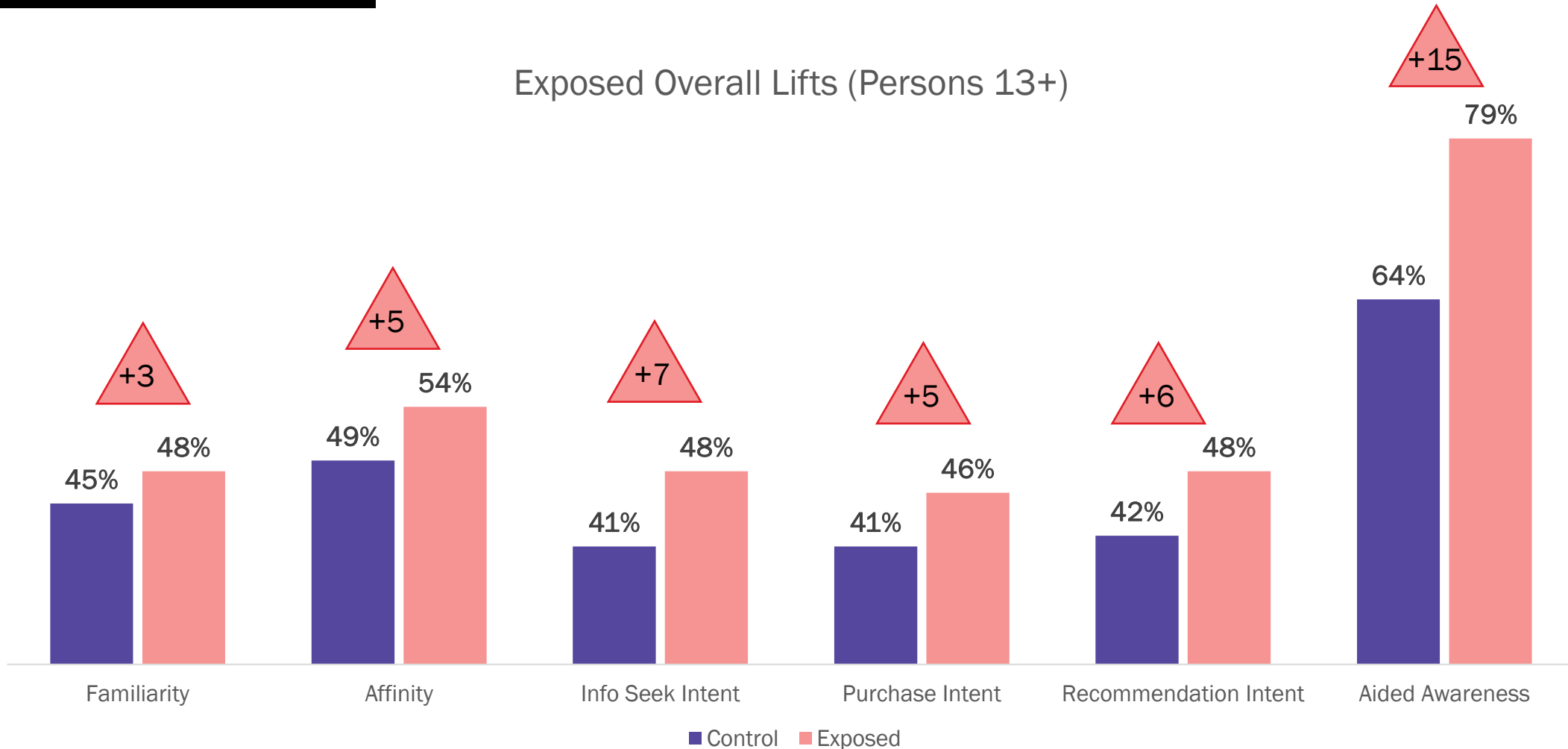# HOW THE STUDY WAS CONDUCTED

METHODOLOGY

- **Objective:** to better understand the consumer impact of podcast advertising in driving key brand metrics.

- **Total Sample Design:** 610 Studies, n = 147,525, Ages 13+

- **Cell Design:** n = 77,486 Exposed, n = 70,039 Control

- **Survey Design:** The studies are conducted through an online panel and uses a controlled exposure methodology. Respondents take a brief screener before exposure to a podcast clip with selected advertising or a clip with no advertising. A post survey is then be used to measure lift across key brand measures.

- **Nielsen Norms:** Nielsen's Podcast Norms are compiled from the study database for benchmark figures, reflecting multiple publishers, brands/categories, etc. This database currently comprises ~600 studies overall.

OVERALL RESULTS

OVERALL, PODCASTS PROVIDE RELIABLE LIFTS ON KEY BRAND METRICS

Exposed Overall Lifts (Persons 13+)

Metric	Control	+Lift	Exposed
Familiarity	45%	+3	48%
Affinity	49%	+5	54%
Info Seek Intent	41%	+7	48%
Purchase Intent	41%	+5	46%
Recommendation Intent	42%	+6	48%
Aided Awareness	64%	+15	79%

■ Control ■ Exposed

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THEY DRIVE THE LARGEST LIFTS AMONG ADULTS 50+, WITH RESULTS CONSISTENT ACROSS YOUNGER COHORTS

Lifts by Age Demographic (Control vs Exposed, in Percentage Points)

Familiarity
- A18+: 3
- A18-34: 3
- A35-49: 3
- A50+: 3

Affinity
- A18+: 5
- A18-34: 5
- A35-49: 5
- A50+: 7

Info Seek Intent
- A18+: 6
- A18-34: 6
- A35-49: 6
- A50+: 8

Purchase Intent
- A18+: 5
- A18-34: 5
- A35-49: 5
- A50+: 6

Recommendation Intent
- A18+: 5
- A18-34: 4
- A35-49: 5
- A50+: 6

Legend: A18+ | A18-34 | A35-49 | A50+
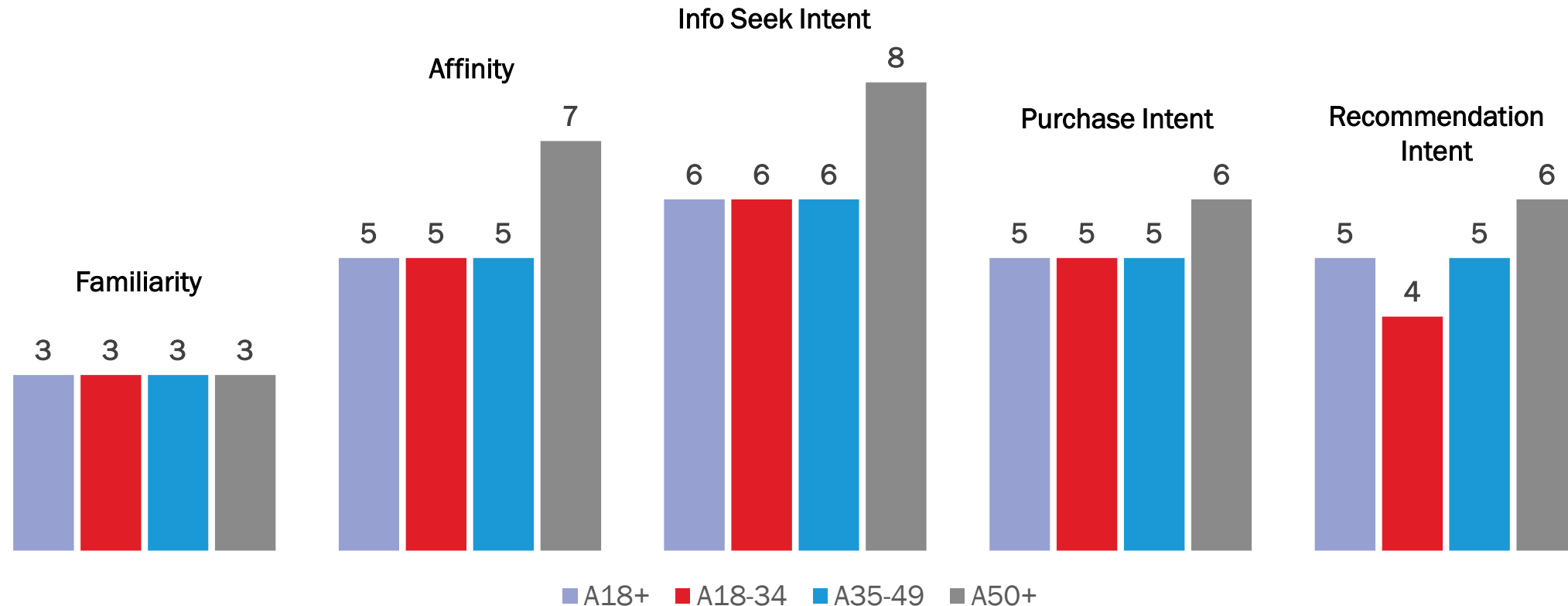
LIFTS ARE CONSISTENTLY HIGHER AMONG WHITE AND HISPANIC LISTENERS COMPARED TO OTHER GROUPS

Lifts by Race/Ethnicity, Adults 18+ (Control vs Exposed, in Percentage Points)

Asian American listeners also showed a strong lift in purchase intent

Familiarity
- Black/African-American, Non-Hispanic: 2
- White, Non-Hispanic: 3
- Asian, Non-Hispanic: 2
- Hispanic/Latino: 2

Affinity
- Black/African-American, Non-Hispanic: 4
- White, Non-Hispanic: 5
- Asian, Non-Hispanic: 4
- Hispanic/Latino: 5

Info Seek Intent
- Black/African-American, Non-Hispanic: 6
- White, Non-Hispanic: 7
- Asian, Non-Hispanic: 6
- Hispanic/Latino: 7

Purchase Intent
- Black/African-American, Non-Hispanic: 4
- White, Non-Hispanic: 5
- Asian, Non-Hispanic: 6
- Hispanic/Latino: 6

Recommendation Intent
- Black/African-American, Non-Hispanic: 3
- White, Non-Hispanic: 5
- Asian, Non-Hispanic: 4
- Hispanic/Latino: 5

Legend: Black/African-Amercian, Non-Hispanic | White, Non-Hispanic | Asian, Non-Hispanic | Hispanic/Latino
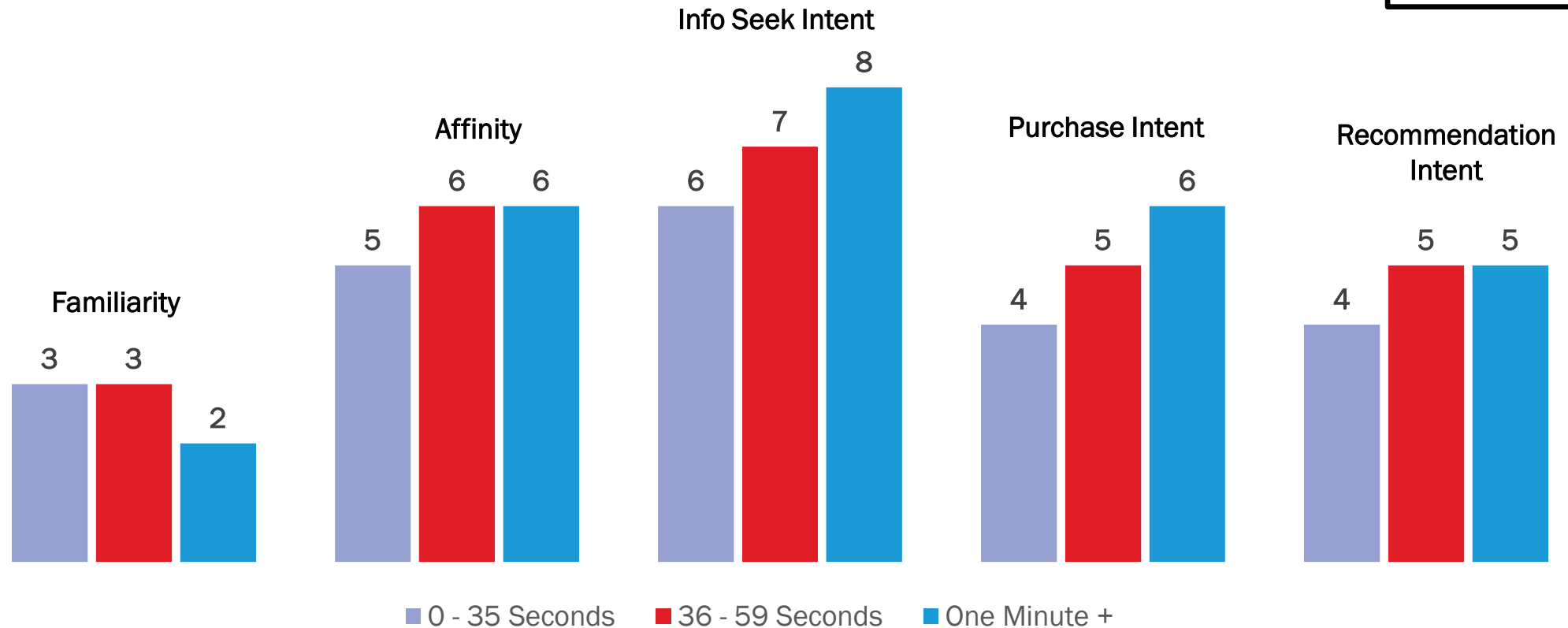
ADS LONGER THAN 35 SECONDS GENERALLY DRIVE BETTER RESULTS THAN SHORTER CREATIVE
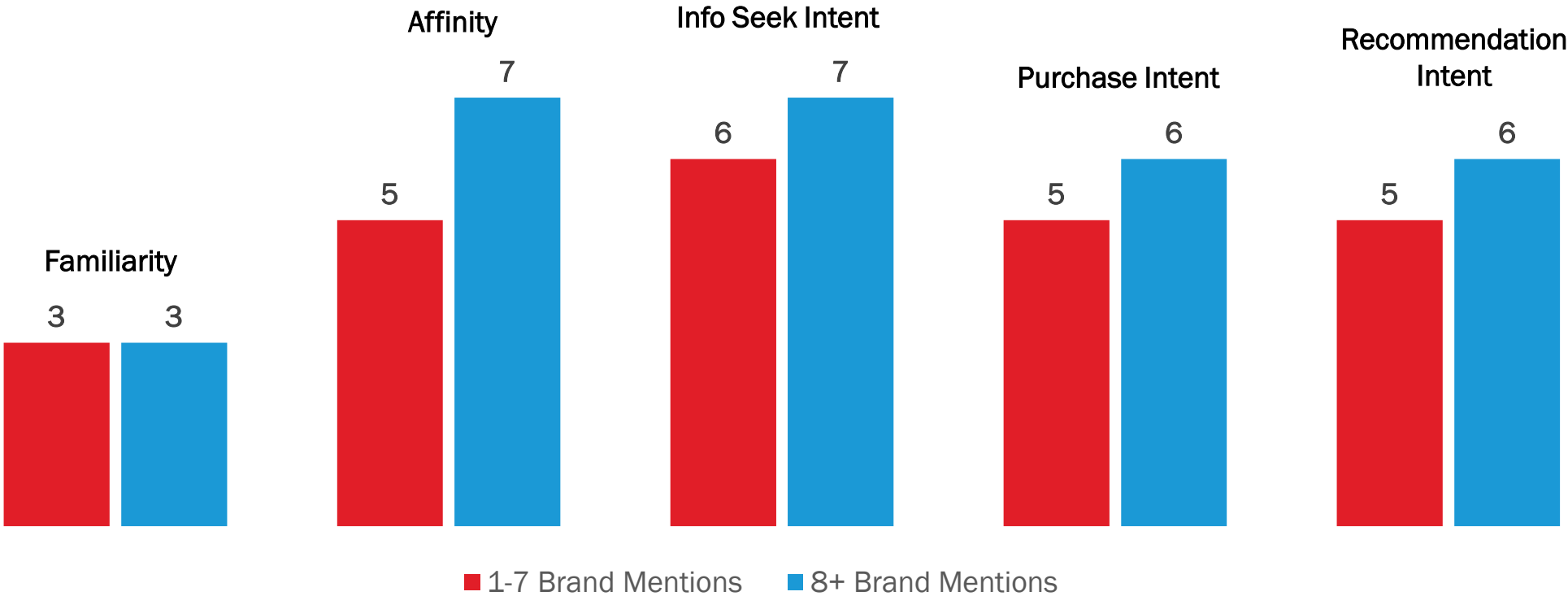
35 seconds to a minute is optimal in most cases except info seeking and purchase intent

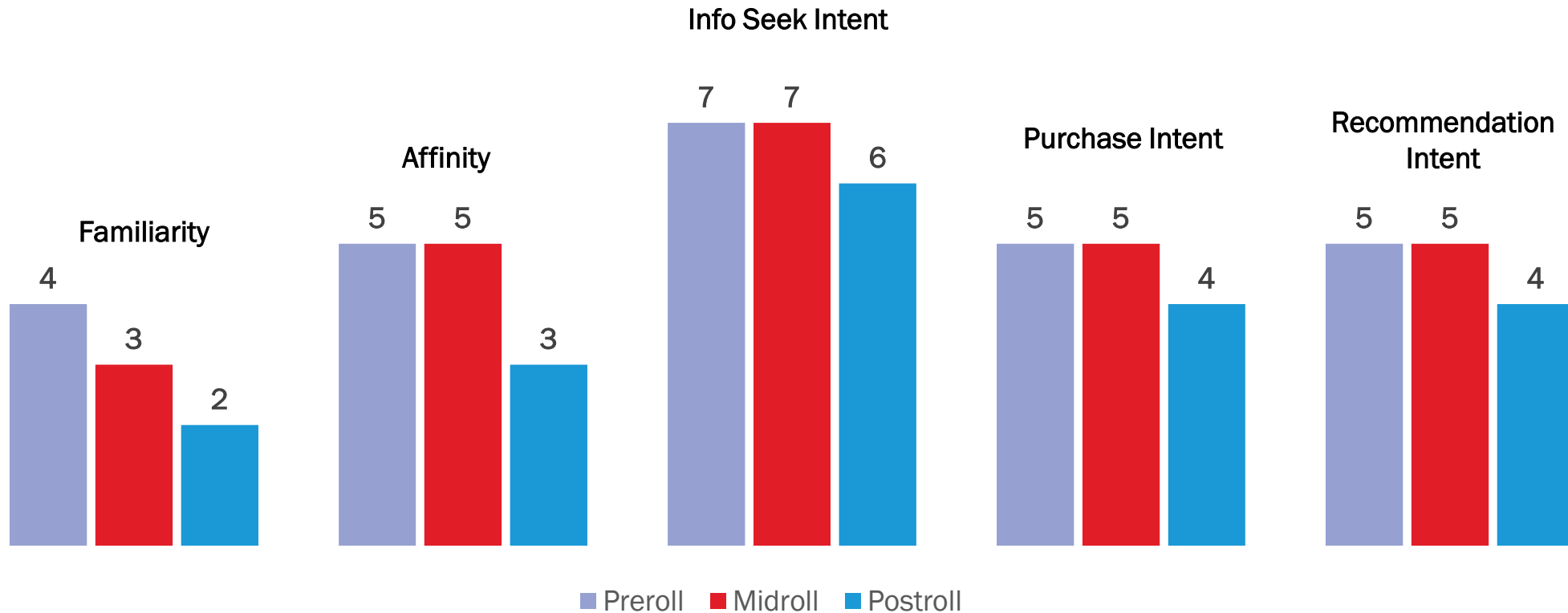Lifts by Ad Length, Persons 13+ (Control vs Exposed, in Percentage Points)

Familiarity: 3, 3, 2
Affinity: 5, 6, 6
Info Seek Intent: 6, 7, 8
Purchase Intent: 4, 5, 6
Recommendation Intent: 4, 5, 5

■ 0 - 35 Seconds   ■ 36 - 59 Seconds   ■ One Minute +

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NOT SURPRISINGLY, MORE BRAND MENTIONS DRIVE BETTER RESULTS

Lifts by Number of Brand Mentions, Persons 13+ (Control vs Exposed, in Percentage Points)

Familiarity: 3, 3
Affinity: 5, 7
Info Seek Intent: 6, 7
Purchase Intent: 5, 6
Recommendation Intent: 5, 6

■ 1-7 Brand Mentions   ■ 8+ Brand Mentions

PRE AND MIDROLL PLACEMENTS SHOW COMPARABLE LIFTS, WHILE POSTROLL HAS A CLEAR DISADVANTAGE

Lifts by Ad Position, Persons 13+ (Control vs Exposed, in Percentage Points)

Familiarity: Preroll 4, Midroll 3, Postroll 2
Affinity: Preroll 5, Midroll 5, Postroll 3
Info Seek Intent: Preroll 7, Midroll 7, Postroll 6
Purchase Intent: Preroll 5, Midroll 5, Postroll 4
Recommendation Intent: Preroll 5, Midroll 5, Postroll 4
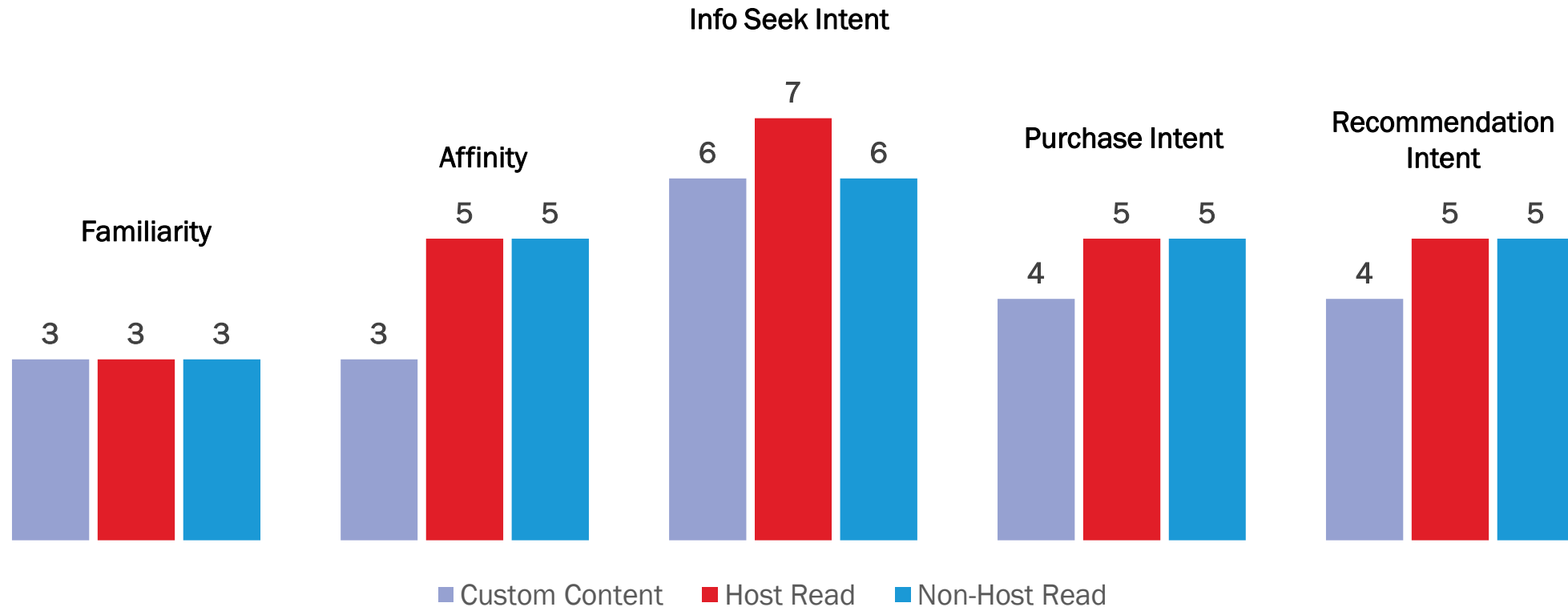
Legend: Preroll, Midroll, Postroll

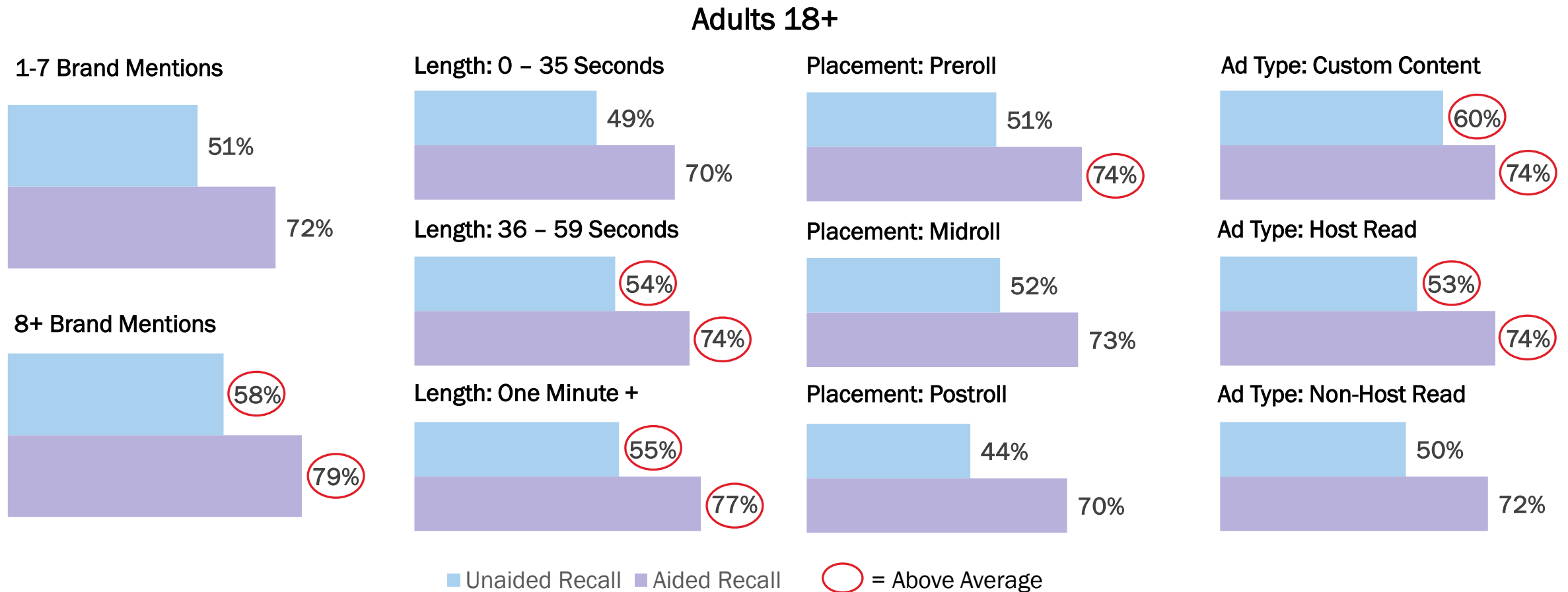# HOST READ AND NON-HOST READ HAVE SIMILAR IMPACT OVERALL, THOUGH HOST-READ DRIVES MORE SEARCH

Custom content may not be worth the price of creation given it lags in performance

Lifts by Ad Type, Persons 13+ (Control vs Exposed, in Percentage Points)

Familiarity
- Custom Content: 3
- Host Read: 3
- Non-Host Read: 3

Affinity
- Custom Content: 3
- Host Read: 5
- Non-Host Read: 5

Info Seek Intent
- Custom Content: 6
- Host Read: 7
- Non-Host Read: 6

Purchase Intent
- Custom Content: 4
- Host Read: 5
- Non-Host Read: 5

Recommendation Intent
- Custom Content: 4
- Host Read: 5
- Non-Host Read: 5

■ Custom Content   ■ Host Read   ■ Non-Host Read

MAGNA   Source: Nielsen Podcast Ad Effectiveness Norms Database –Exposed studies conducted from 2018-2022

Nielsen   11

FOR RECALL, FREQUENT BRAND MENTIONS AND HOST READ COPY WORK WELL, BUT CUSTOM CONTENT IS ALSO STRONG

Adults 18+

1-7 Brand Mentions
- 51%
- 72%

8+ Brand Mentions
- 58%
- 79%

Length: 0 – 35 Seconds
- 49%
- 70%

Length: 36 – 59 Seconds
- 54%
- 74%

Length: One Minute +
- 55%
- 77%

Placement: Preroll
- 51%
- 74%

Placement: Midroll
- 52%
- 73%

Placement: Postroll
- 44%
- 70%

Ad Type: Custom Content
- 60%
- 74%

Ad Type: Host Read
- 53%
- 74%

Ad Type: Non-Host Read
- 50%
- 72%

■ Unaided Recall ■ Aided Recall ◯ = Above Average

IMPLICATIONS

PODCASTS ARE GENERALLY EFFECTIVE AT DRIVING KEY BRAND METRICS, BUT FINE-TUNING CAN CREATE EVEN MORE VALUE.
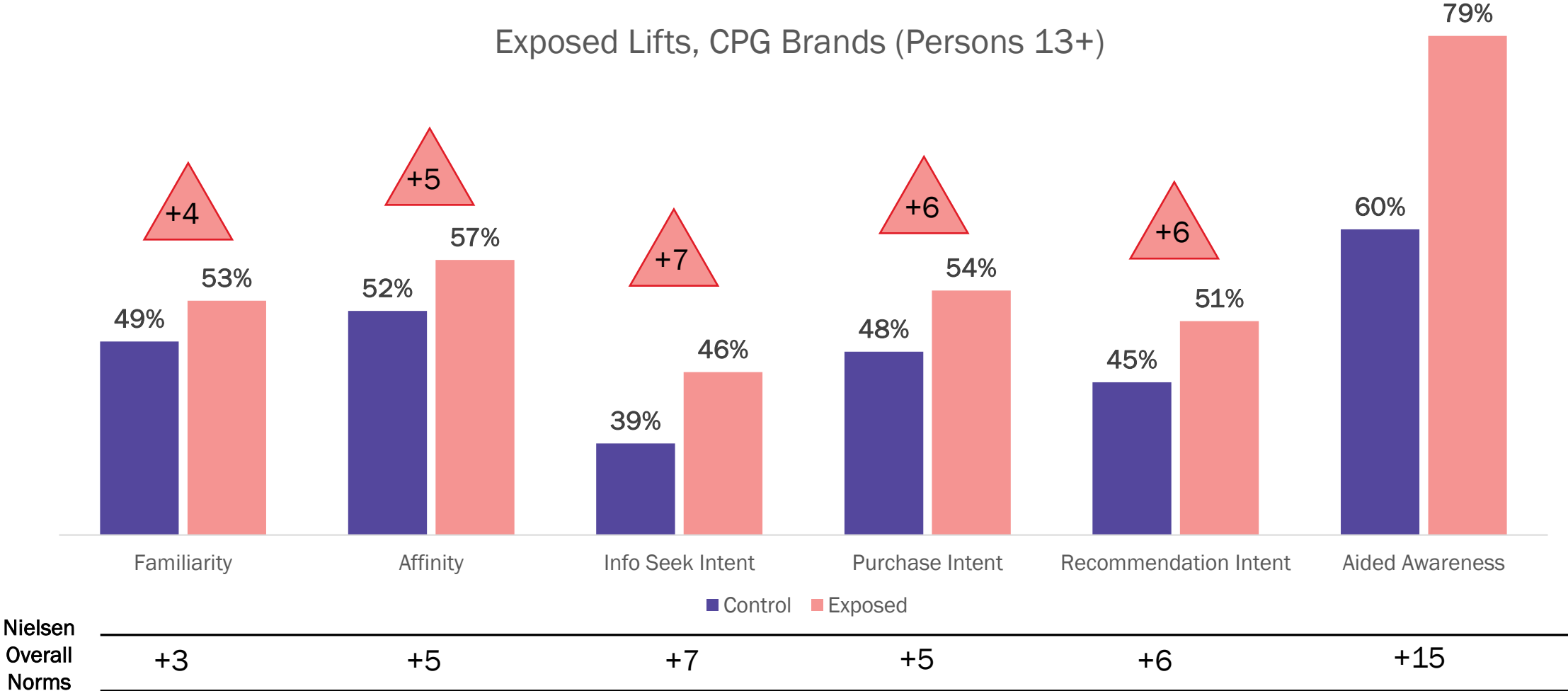
- For brands seeking to reach Hispanic/Latino or Asian American listeners, podcasts are particularly good at driving mid-to-lower funnel metrics.

- Longer creative generally drives higher lifts, but 35 seconds to a minute seems to strike the right balance between results and the listener experience.

- Ad copy with eight or more brand mentions consistently drives higher lifts than creative with fewer mentions.

- Focus on pre and midroll placements to maximize impact.

- Consider which ad type to use based on brand KPIs:
  - Non-host read ads can be existing audio creative—and thus more cost effective and easier to use for dynamic insertion— but without sacrificing too much in terms of results.
  - Host read ads are better for building awareness and driving search, however.
  - Custom content seems best suited for brands seeking to build awareness, as recall is strong.
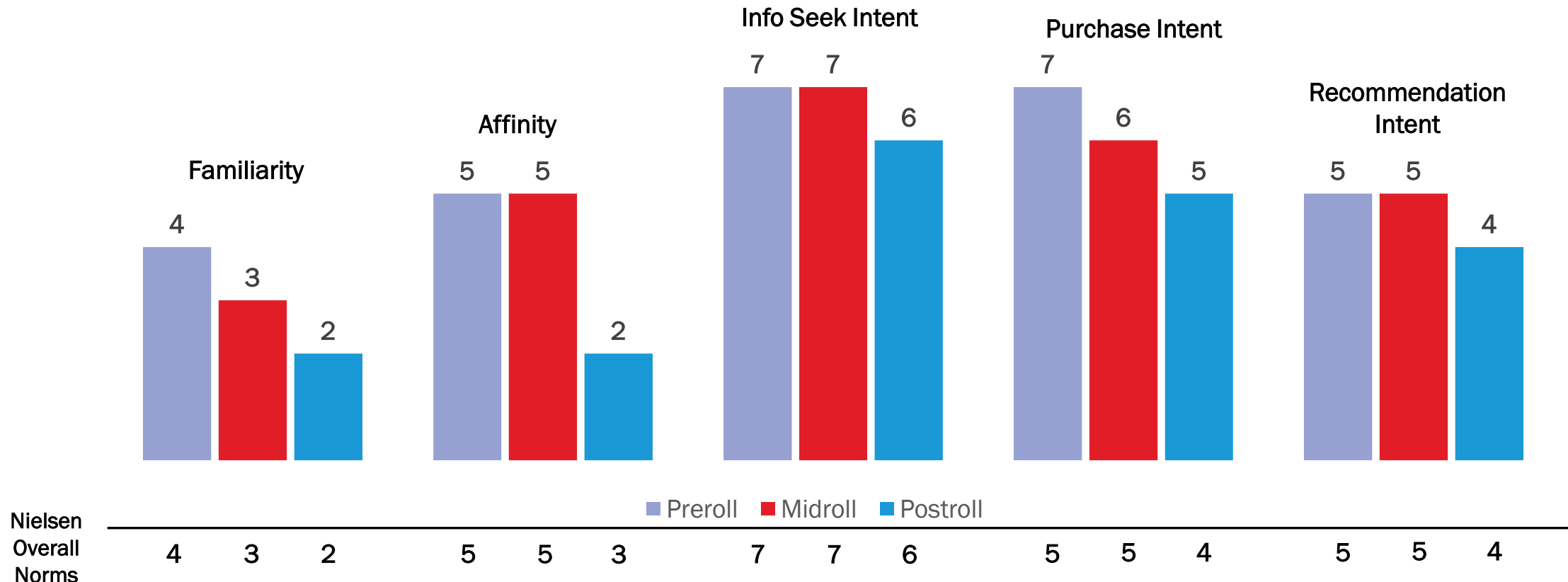
CPG

CPG BRANDS SEE ABOVE-AVERAGE LIFTS FOR FAMILIARITY, PURCHASE INTENT, AND AWARENESS WITH PODCASTS

Exposed Lifts, CPG Brands (Persons 13+)

	Familiarity	Affinity	Info Seek Intent	Purchase Intent	Recommendation Intent	Aided Awareness
Lift	+4	+5	+7	+6	+6	+19
Control	49%	52%	39%	48%	45%	60%
Exposed	53%	57%	46%	54%	51%	79%

■ Control ■ Exposed

Nielsen Overall Norms	+3	+5	+7	+5	+6	+15

MAGNA   Source: Nielsen Podcast Ad Effectiveness Norms Database –Exposed studies conducted from 2018-2022

Nielsen   15

WHILE ALL AD PLACEMENTS DRIVE STRONG PURCHASE INTENT FOR CPG BRANDS, PREROLL STANDS OUT

CPG Lifts by Ad Position, Persons 13+ (Control vs Exposed, in Percentage Points)

	Familiarity			Affinity			Info Seek Intent			Purchase Intent			Recommendation Intent		
Preroll/Midroll/Postroll	4	3	2	5	5	2	7	7	6	7	6	5	5	5	4

■ Preroll ■ Midroll ■ Postroll

| Nielsen Overall Norms | 4 | 3 | 2 | 5 | 5 | 3 | 7 | 7 | 6 | 5 | 5 | 4 | 5 | 5 | 4 |

8+ BRAND MENTIONS WORKS EVEN HARDER FOR CPG ADVERTISERS THAN AVERAGE

CPG Lifts by Number of Brand Mentions, Persons 13+ (Control vs Exposed, in Percentage Points)

	Familiarity		Affinity		Info Seek Intent		Purchase Intent		Recommendation Intent	
	3	4	5	6	6	8	5	7	4	6

■ 1-7 Brand Mentions   ■ 8+ Brand Mentions

Nielsen Overall Norms	3	3	5	7	6	7	5	6	5	6

MAGNA   Nielsen 17
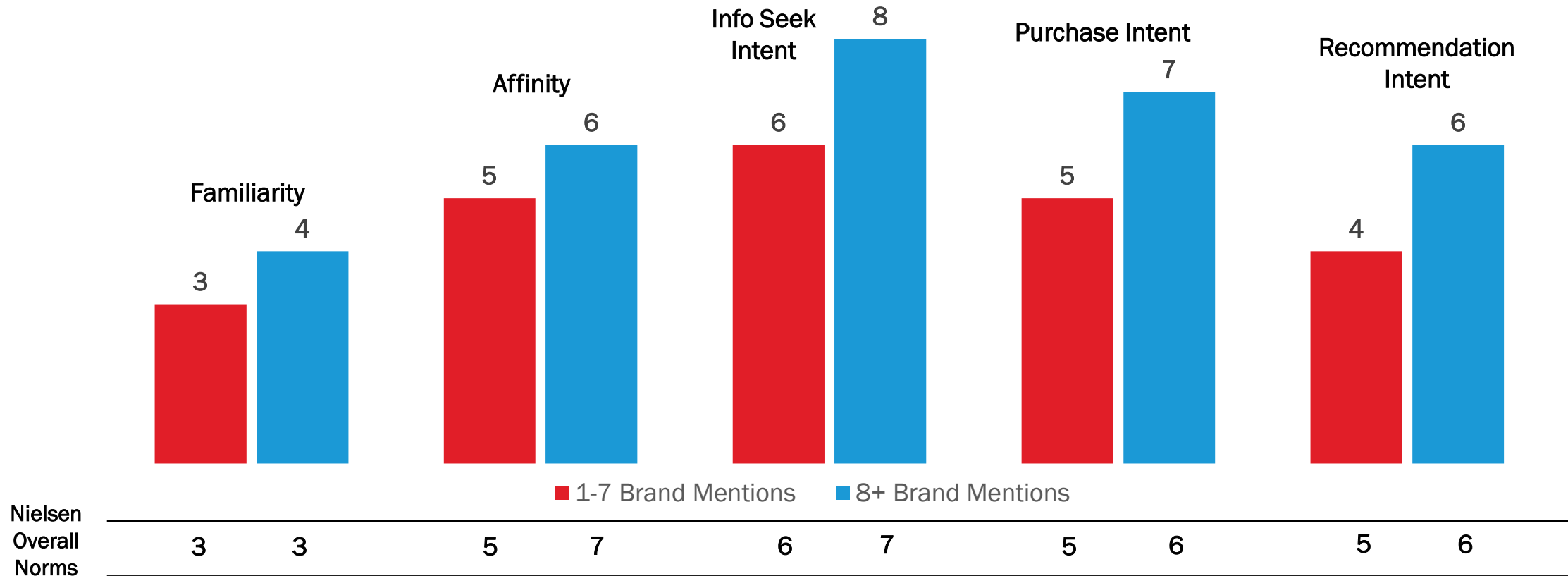
ADS BETWEEN 35 SECONDS AND A MINUTE ARE OPTIMAL FOR CPG BRANDS ON PODCASTS

Lifts by Ad Length, Persons 13+ (Control vs Exposed, in Percentage Points)

Familiarity
- 0 - 35 Seconds: 3
- 36 - 59 Seconds: 4
- One Minute +: 3

Affinity
- 0 - 35 Seconds: 4
- 36 - 59 Seconds: 5
- One Minute +: 5

Info Seek Intent
- 0 - 35 Seconds: 6
- 36 - 59 Seconds: 7
- One Minute +: 7

Purchase Intent
- 0 - 35 Seconds: 5
- 36 - 59 Seconds: 6
- One Minute +: 6

Recommendation Intent
- 0 - 35 Seconds: 4
- 36 - 59 Seconds: 5
- One Minute +: 5

Legend: ■ 0 - 35 Seconds ■ 36 - 59 Seconds ■ One Minute +

Nielsen Overall Norms	3	3	2	5	6	6	6	7	8	4	5	6	4	5	5
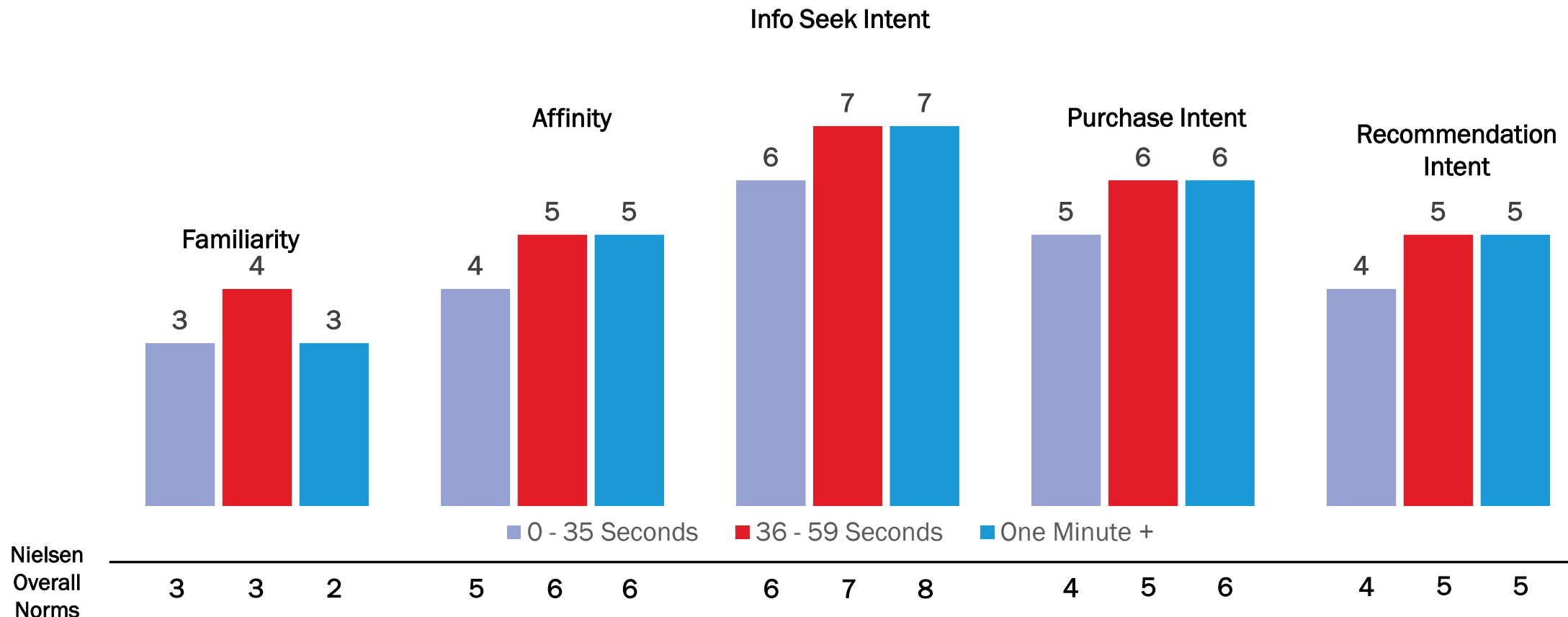
HOST READ ADS PROVIDE BETTER LIFTS FOR CPG BRANDS, WITH NON-HOST READ UNDER PERFORMING

Lifts by Ad Type for CPG Brands, Persons 13+ (Control vs Exposed, in Percentage Points)

| Host Read | Non-Host Read |

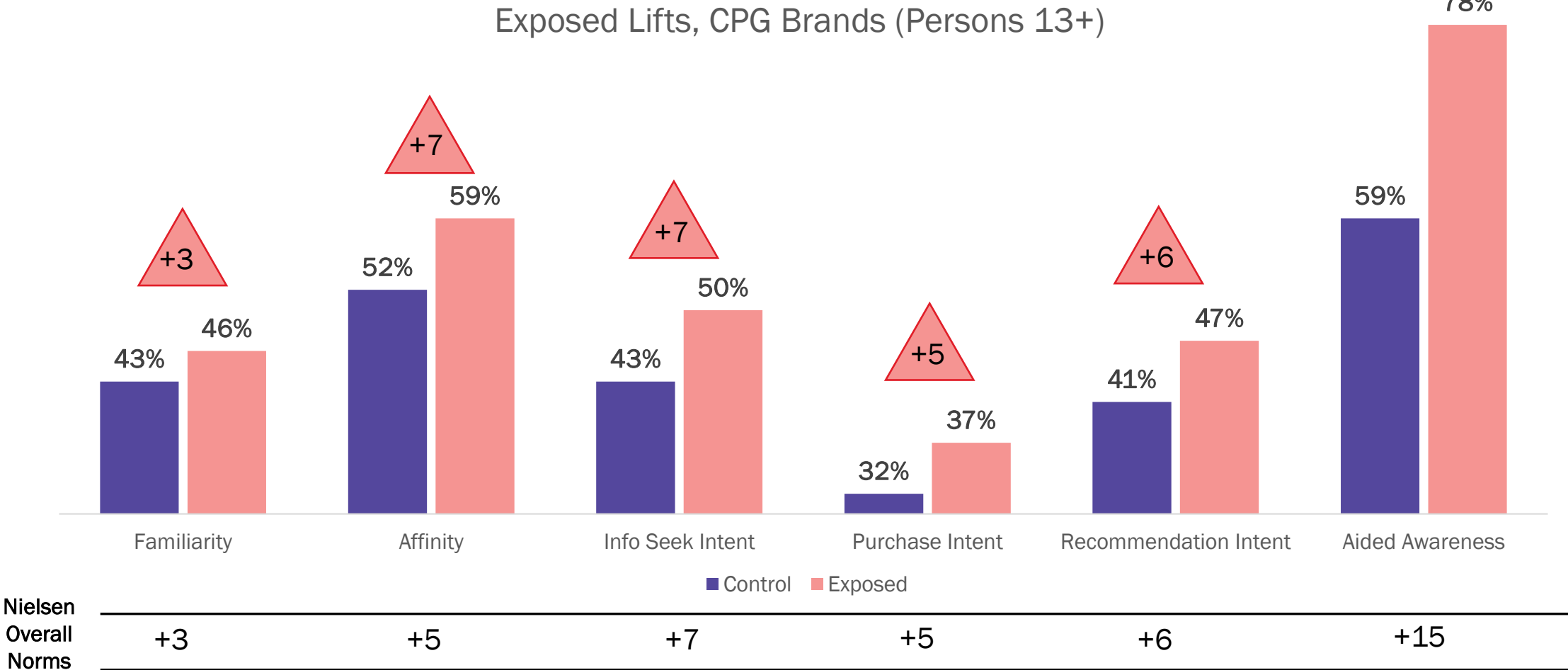| Nielsen Overall Norms | 3 | 3 | 5 | 5 | 7 | 6 | 5 | 5 | 5 | 5 |

IMPLICATIONS

PODCASTS CAN DRIVE POSITIVE RESULTS FOR CPG BRANDS ACROSS THE FUNNEL.

- Depending on brand KPIs, podcasts can be used to build awareness and familiarity or boost purchase intent, creating an opportunity for sequential messaging.

- Pre-roll ad placements are strongest at boosting purchase intent for CPG brands.

- More brand mentions are better in general, but eight or more works even harder for CPG brands than average.

- Ads between 35 seconds and a minute look to be the optimal length for CPG advertisers.

- Host-read ads drive average or above-average lists for CPG brands, while non-host read spots under-perform.
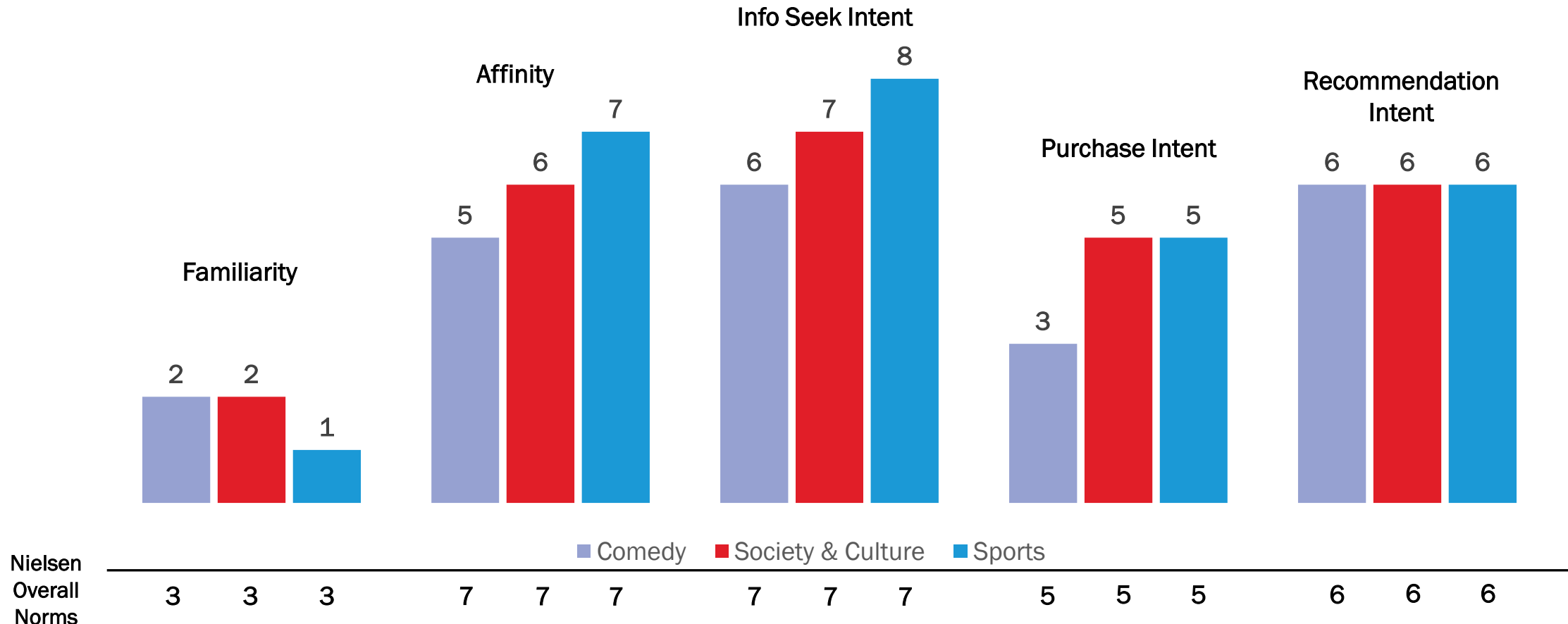
AUTO

AUTO BRANDS SEE ABOVE-AVERAGE LIFTS FOR AFFINITY AND AWARENESS WITH PODCASTS

Exposed Lifts, CPG Brands (Persons 13+)

	Familiarity	Affinity	Info Seek Intent	Purchase Intent	Recommendation Intent	Aided Awareness
Exposed lift	+3	+7	+7	+5	+6	+19
Control	43%	52%	43%	32%	41%	59%
Exposed	46%	59%	50%	37%	47%	78%

■ Control ■ Exposed

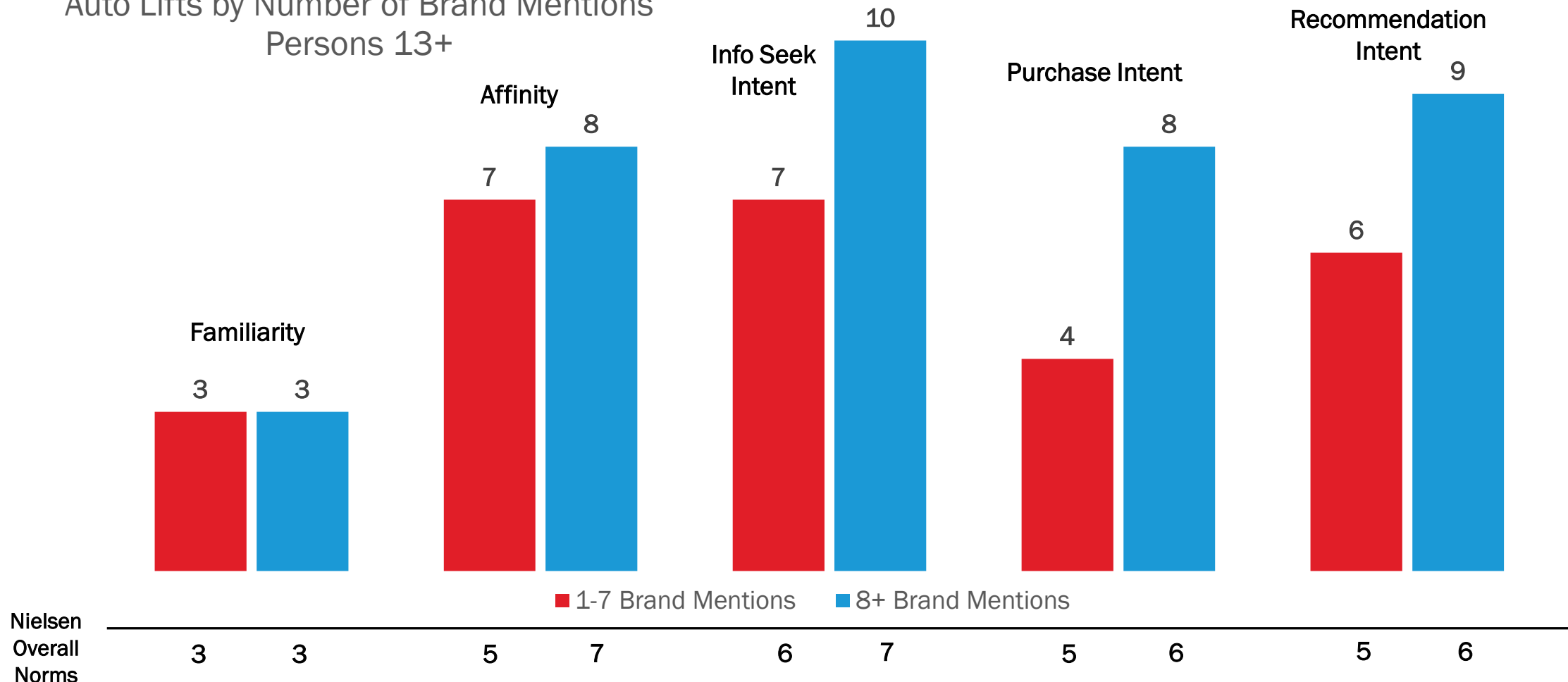| Nielsen Overall Norms	+3	+5	+7	+5	+6	+15

SPORTS PODCASTS ARE A GOOD FIT FOR AUTO BRANDS, LEADING LISTENERS TO SEEK MORE INFO

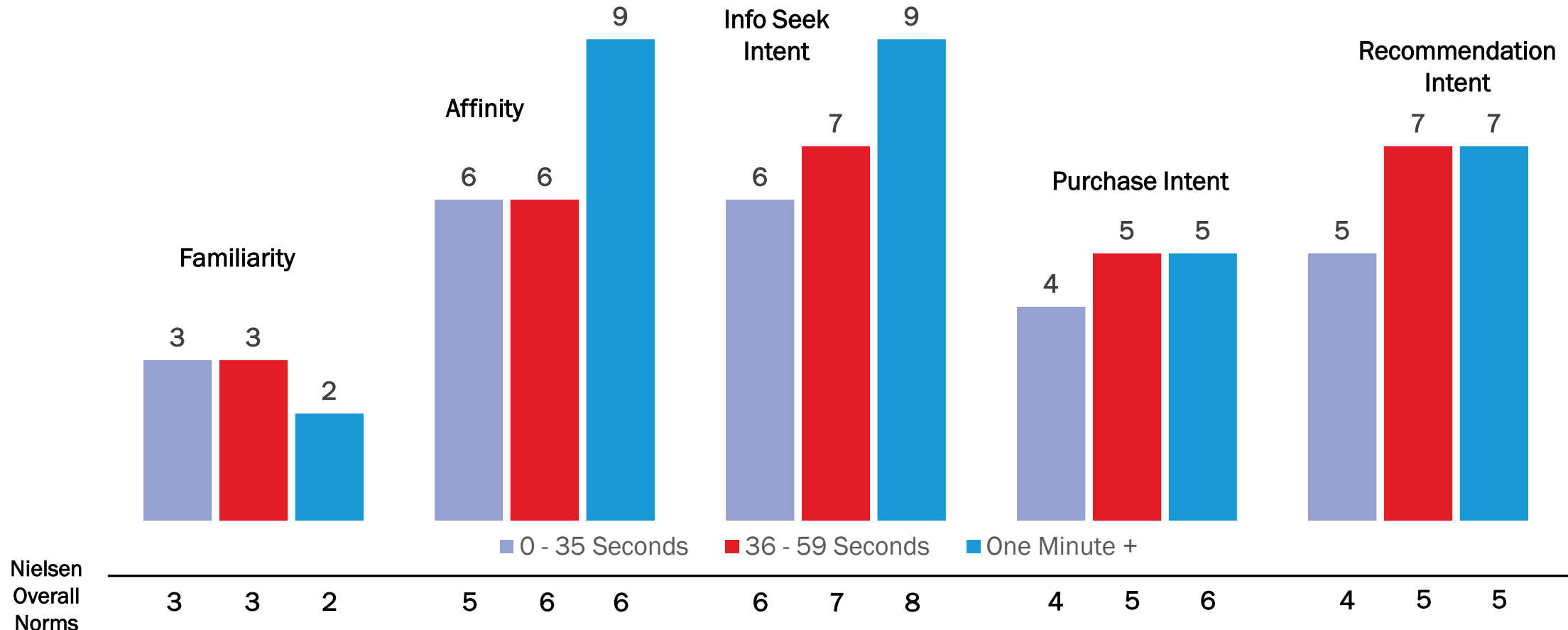Auto Lifts by Ad Position, Persons 13+ (Control vs Exposed, in Percentage Points)

Familiarity: Comedy 2, Society & Culture 2, Sports 1

Affinity: Comedy 5, Society & Culture 6, Sports 7

Info Seek Intent: Comedy 6, Society & Culture 7, Sports 8

Purchase Intent: Comedy 3, Society & Culture 5, Sports 5

Recommendation Intent: Comedy 6, Society & Culture 6, Sports 6

Legend: ■ Comedy ■ Society & Culture ■ Sports

Nielsen Overall Norms	3	3	3	7	7	7	7	7	7	5	5	5	6	6	6

MAGNA   Nielsen 23

8+ MENTIONS DRIVES VERY STRONG SEARCH AND PURCHASE INTENT FOR AUTO BRANDS

Auto Lifts by Number of Brand Mentions
Persons 13+

Familiarity — 3, 3
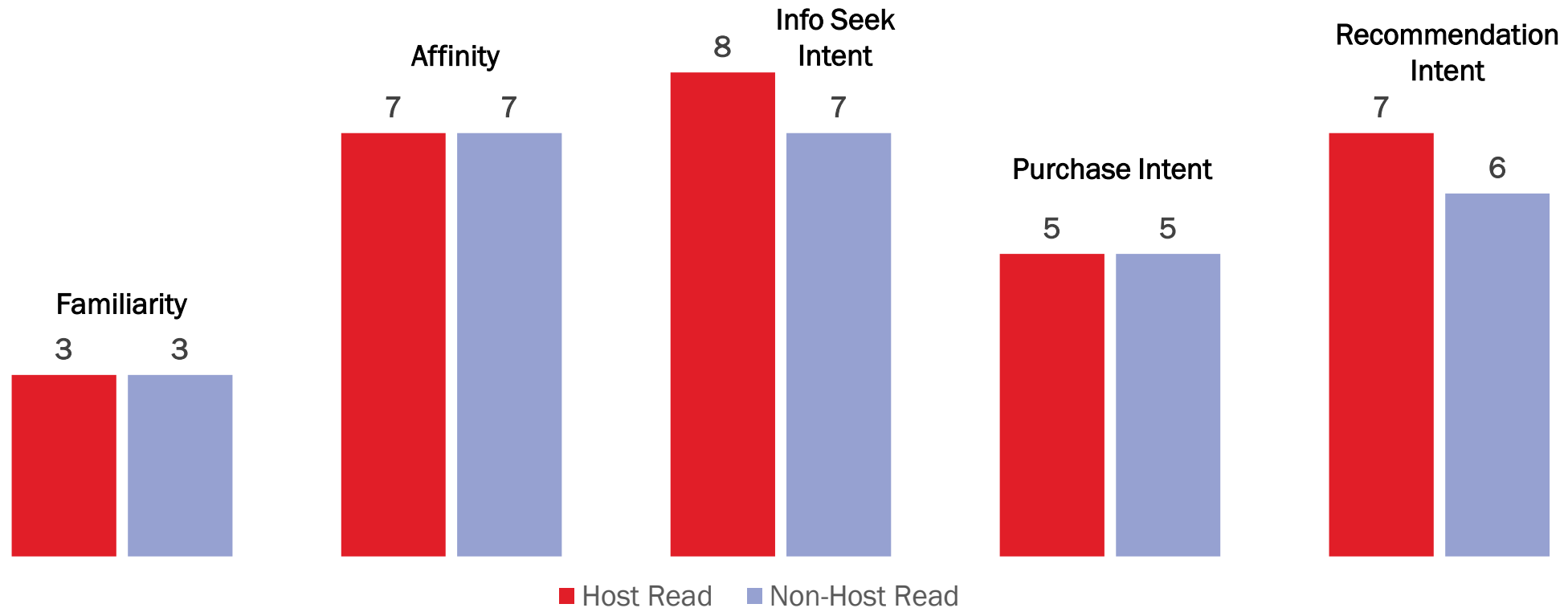
Affinity — 7, 8

Info Seek Intent — 7, 10

Purchase Intent — 4, 8

Recommendation Intent — 6, 9

■ 1-7 Brand Mentions   ■ 8+ Brand Mentions

Nielsen Overall Norms									
3	3	5	7	6	7	5	6	5	6

FOR AUTO, ADS THAT ARE A MINUTE OR LONGER GET THE BEST RESULTS

Auto Lifts by Ad Length, Persons 13+ (Control vs Exposed, in Percentage Points)

	0 - 35 Seconds	36 - 59 Seconds	One Minute +
Familiarity	3	3	2
Affinity	6	6	9
Info Seek Intent	6	7	9
Purchase Intent	4	5	5
Recommendation Intent	5	7	7

Nielsen Overall Norms

	0-35s	36-59s	1min+
Familiarity	3	3	2
Affinity	5	6	6
Info Seek	6	7	8
Purchase	4	5	6
Recommendation	4	5	5

HOST READ AND NON-HOST READ ADS PERFORM ALMOST EQUALLY WELL FOR AUTO ADVERTISERS

Lifts by Ad Type for Auto Brands, Persons 13+ (Control vs Exposed, in Percentage Points)

	Familiarity		Affinity		Info Seek Intent		Purchase Intent		Recommendation Intent	
	3	3	7	7	8	7	5	5	7	6

■ Host Read ■ Non-Host Read

| Nielsen Overall Norms | 3 | 3 | 5 | 5 | 7 | 6 | 5 | 5 | 5 | 5 |

IMPLICATIONS

AUTO BRANDS CAN USE PODCASTS TO BUILD AWARENESS AND AFFINITY.

- Sports shows are a particularly good fit for auto brands, while comedy under-delivers the average brand metric lifts.

- Though auto brands' lifts for purchase intent are on par with Nielsen norms, there is still a clear benefit.

- More than eight brand mentions drives very strong results for auto advertisers, particularly for search and purchase intent.

- Though 35 seconds to a minute seems to be the "sweet spot" for ad length overall, auto ads get better results with longer creative.

- Though host read ads have a slight edge on search and recommendation intent, non-host read ads perform almost equally as well, opening up possibilities for dynamic ad insertion.
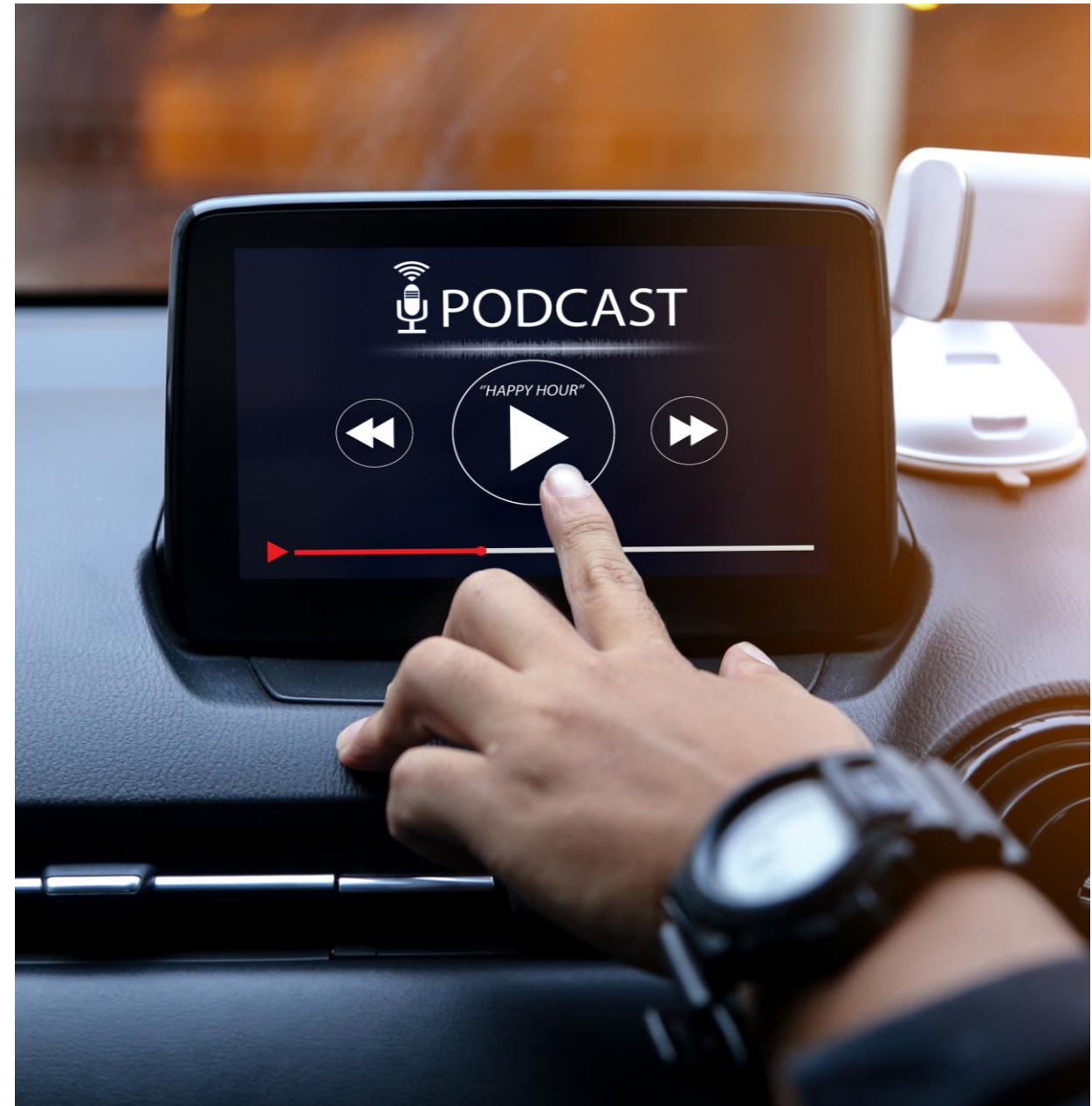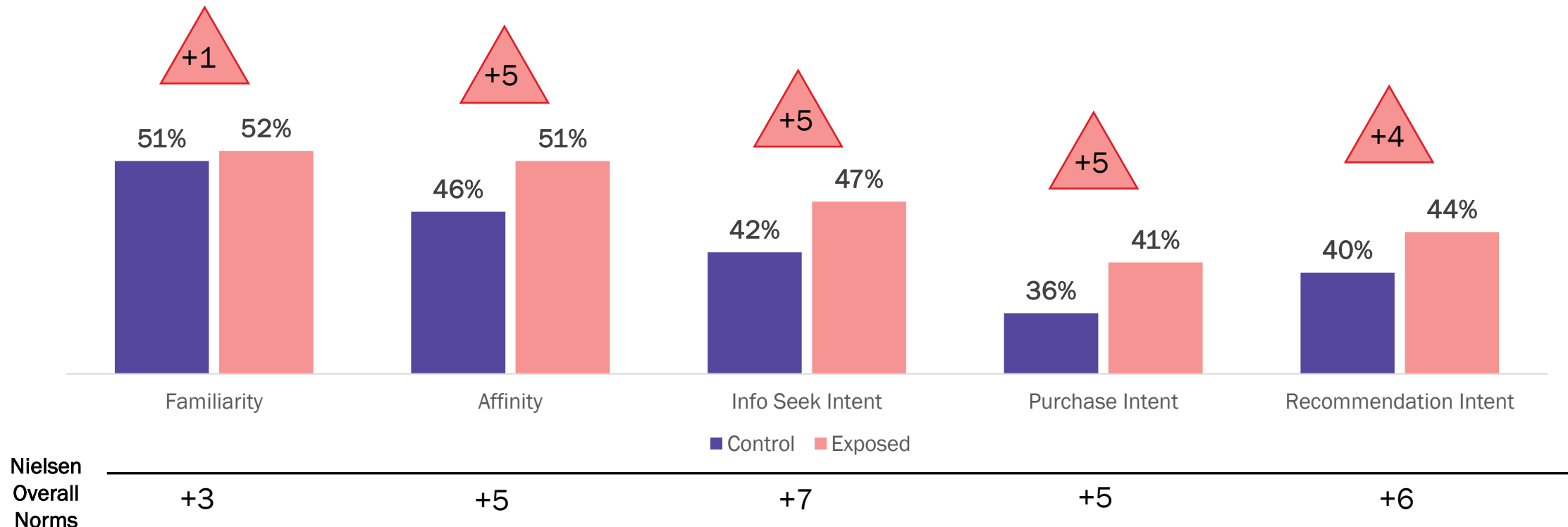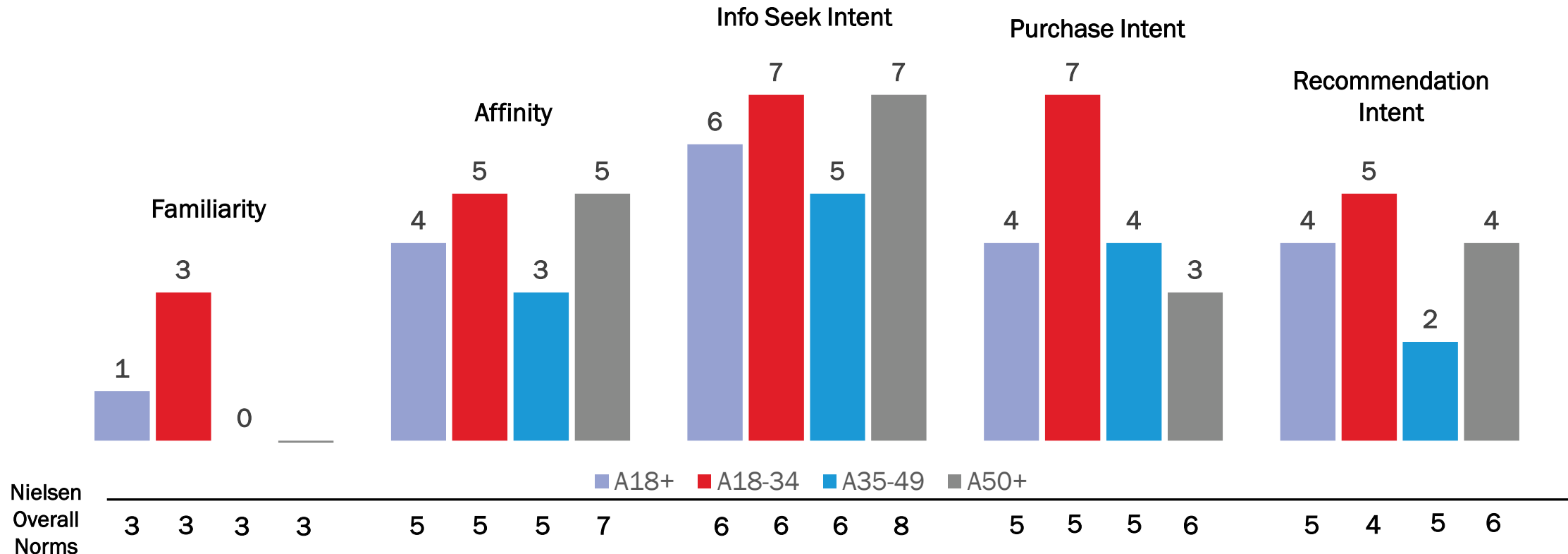
TELECOM

WHILE TELECOM BRANDS DO SEE A BENEFIT FROM PODCAST ADVERTISING, LIFTS ARE BELOW AVERAGE

Exposed Lifts, Telecom Brands (Persons 13+)

	Familiarity	Affinity	Info Seek Intent	Purchase Intent	Recommendation Intent
Control	51%	46%	42%	36%	40%
Exposed	52%	51%	47%	41%	44%
Lift	+1	+5	+5	+5	+4

■ Control ■ Exposed

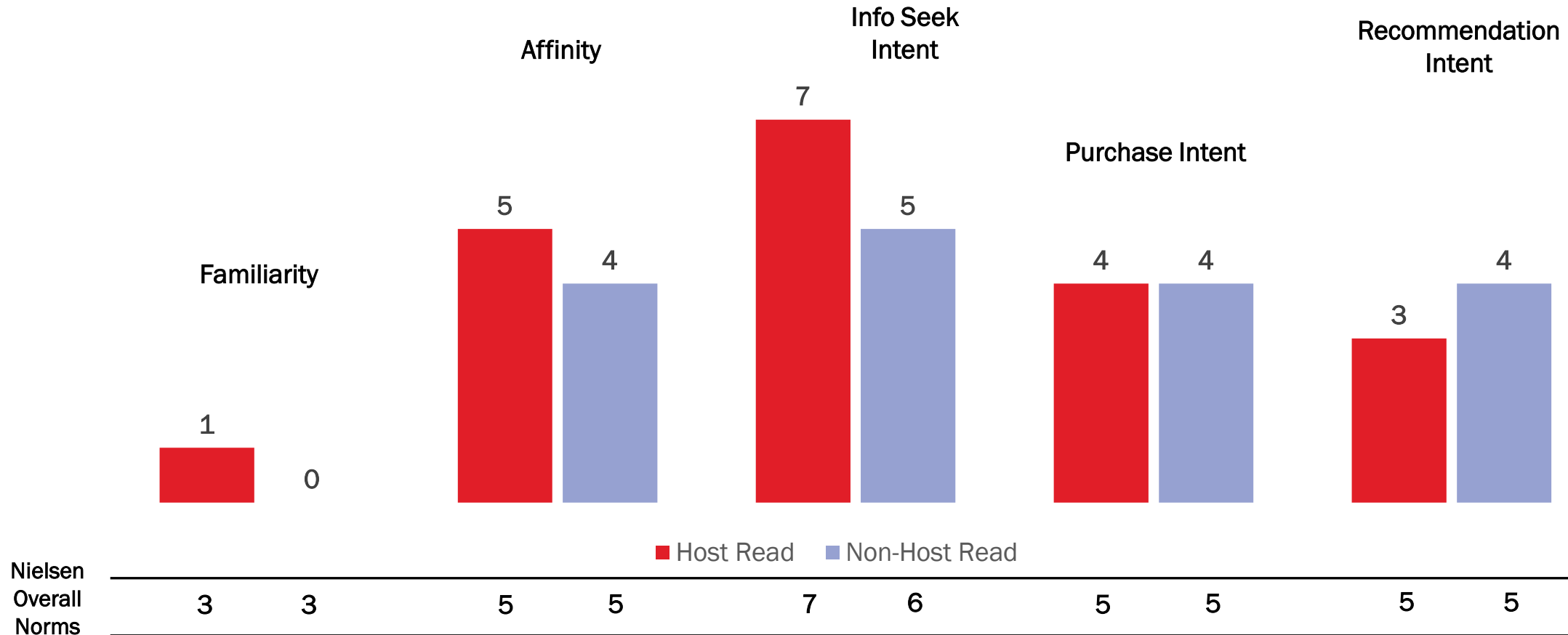| Nielsen Overall Norms	+3	+5	+7	+5	+6

FOR TELECOM BRANDS, PODCASTS ARE BEST FOR TARGETING YOUNGER ADULTS

Lifts by Age Demographic for Telecom Brands (Control vs Exposed, in Percentage Points)

Familiarity

A18+	A18-34	A35-49	A50+
1	3	0	

Affinity

A18+	A18-34	A35-49	A50+
4	5	3	5

Info Seek Intent

A18+	A18-34	A35-49	A50+
6	7	5	7

Purchase Intent

A18+	A18-34	A35-49	A50+
4	7	4	3

Recommendation Intent

A18+	A18-34	A35-49	A50+
4	5	2	4

Legend: ■ A18+ ■ A18-34 ■ A35-49 ■ A50+

Nielsen Overall Norms

3	3	3	3	5	5	5	7	6	6	6	8	5	5	5	6	5	4	5	6

Source: Nielsen Podcast Ad Effectiveness Norms Database – Exposed studies conducted from 2018-2022

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HOST READ COPY IS CLEARLY THE STRONGER OPTION FOR TELECOM ADVERTISERS

Lifts by Ad Type for Telecom Brands, Persons 13+ (Control vs Exposed, in Percentage Points)

Info Seek Intent

Affinity

Recommendation Intent

Purchase Intent

Familiarity

	Host Read	Non-Host Read

Nielsen Overall Norms	3	3	5	5	7	6	5	5	5	5

IMPLICATIONS

STRATEGIC TARGETING CAN MAXIMIZE THE VALUE OF PODCASTS FOR TELECOM BRANDS.

- Podcasts generate strong lifts in mid-to-lower funnel metrics among adults 18-34 for telecom brands, making it an ideal place to supplement more awareness-driven campaigns.

- Podcasts can also add incremental reach on top of media where younger audiences are harder to connect with, like broadcast & cable TV.
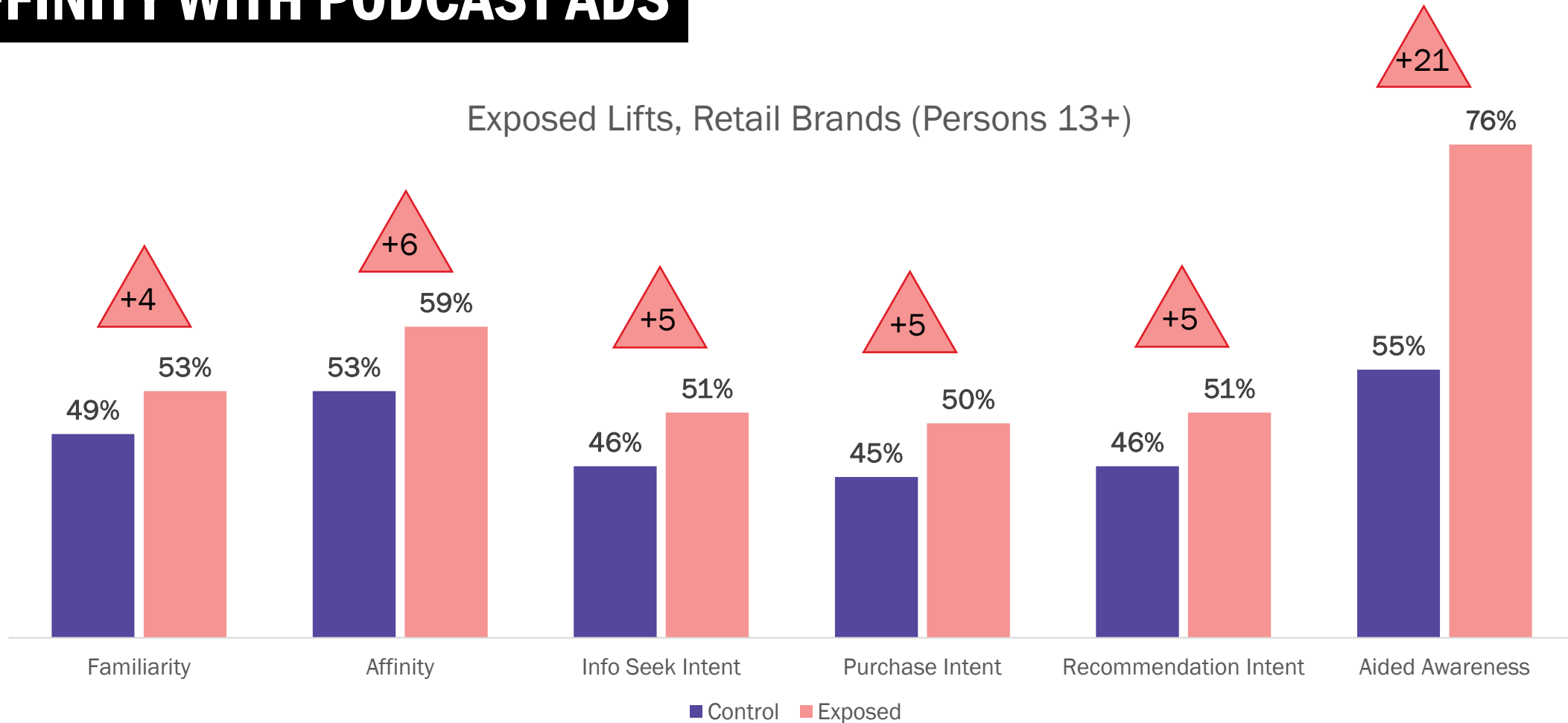
- Host read ads tend to resonate more for telecom brands than non-host read.

RETAIL

RETAIL BRANDS SEE SOLID GAINS IN AWARENESS AND AFFINITY WITH PODCAST ADS

Exposed Lifts, Retail Brands (Persons 13+)

|	Familiarity	Affinity	Info Seek Intent	Purchase Intent	Recommendation Intent	Aided Awareness
Lift	+4	+6	+5	+5	+5	+21
Control	49%	53%	46%	45%	46%	55%
Exposed	53%	59%	51%	50%	51%	76%

■ Control ■ Exposed

Nielsen Overall Norms	+3	+5	+7	+5	+6	+15

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PODCASTS CAN BE USED TO DRIVE AFFINITY FOR RETAIL BRANDS AMONG YOUNG ADULTS

Lifts by Age Demographic for Retail Brands (Control vs Exposed, in Percentage Points)

There are also solid lifts for familiarity and search among adults 50+

Nielsen Overall Norms																			
3	3	3	3		5	5	5	7		6	6	6	8		5	5	5	6		5	4	5	6

Legend: A18+ | A18-34 | A35-49 | A50+
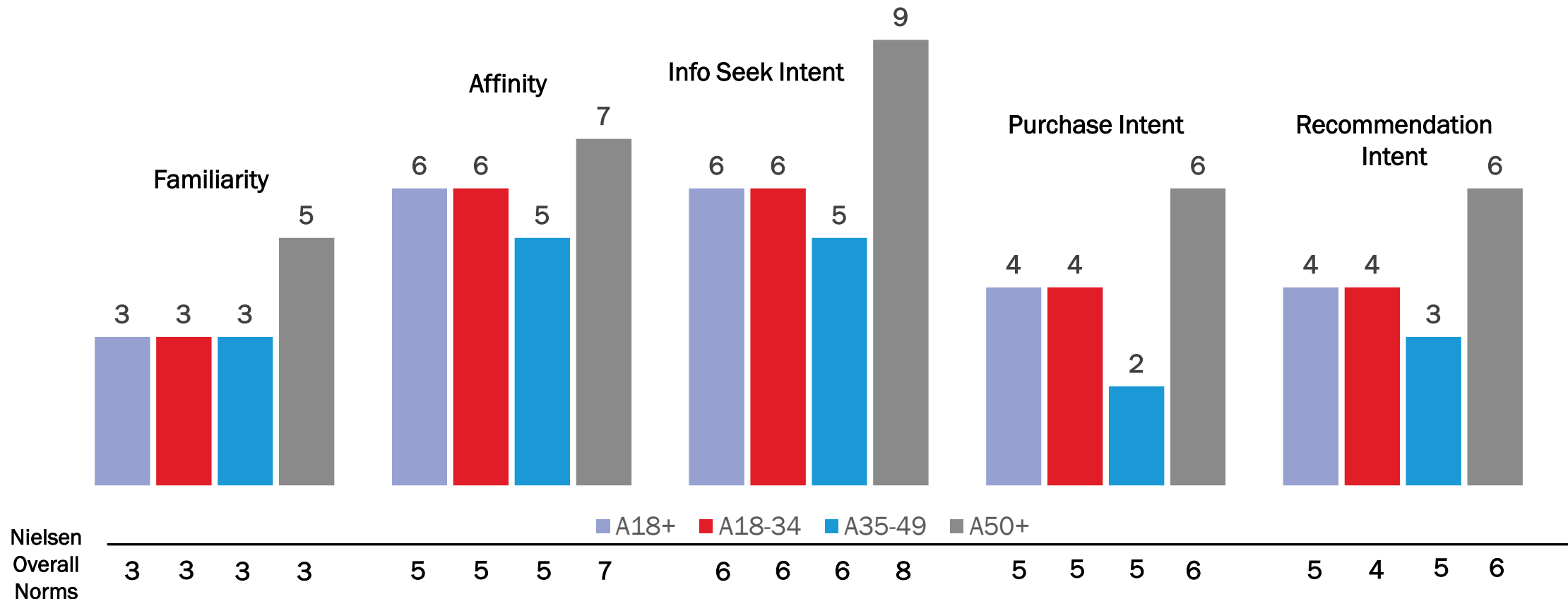
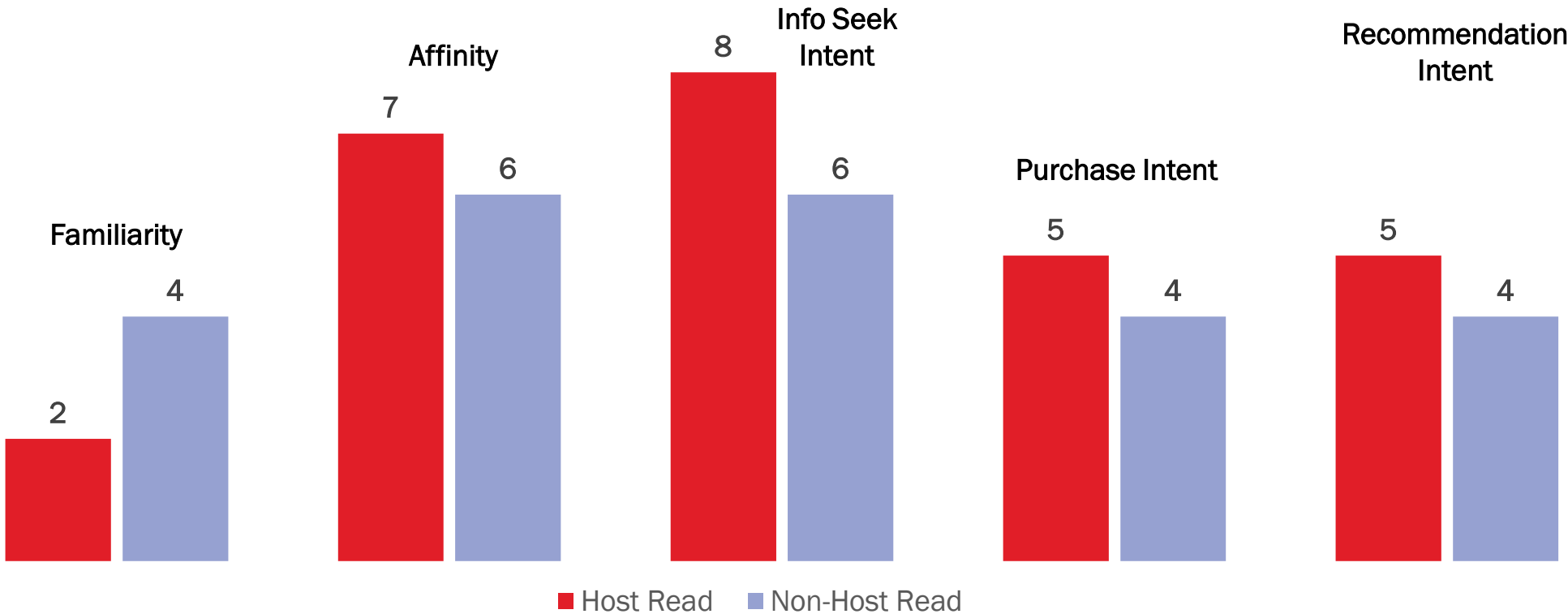# FOR SEARCH AND RECOMMENDATION INTENT, LONGER ADS WORK BEST FOR RETAIL

Ads 35 seconds to a minute in length also drive above-average results for search and purchase intent

Retail Lifts by Ad Length, Persons 13+ (Control vs Exposed, in Percentage Points)

■ 0 - 35 Seconds   ■ 36 - 59 Seconds   ■ One Minute +

Nielsen Overall Norms														
3	3	2		5	6	6		6	7	8		4	5	6		4	5	5
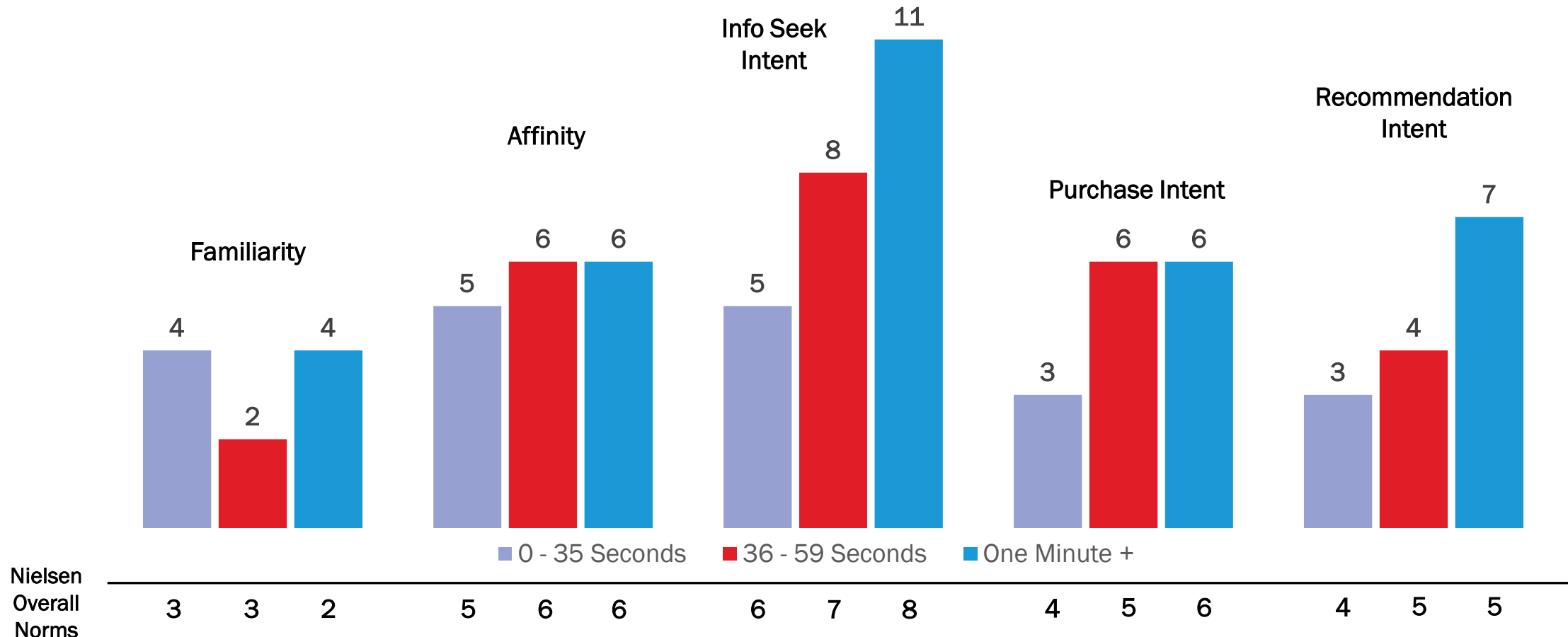
NON-HOST READ ADS CAN BE USED TO BUILD FAMILIARITY, WHILE HOST-READ IS BETTER FOR LOWER FUNNEL

Lifts by Ad Type for Retail Brands, Persons 13+ (Control vs Exposed, in Percentage Points)

Nielsen Overall Norms									
3	3	5	5	7	6	5	5	5	5

Legend: ■ Host Read ■ Non-Host Read

Source: Nielsen Podcast Ad Effectiveness Norms Database –Exposed studies conducted from 2018-2022

PODCASTS WORK WELL TO BUILD AWARENESS AND AFFINITY FOR RETAIL BRANDS.

- This is particularly true among young adults, though podcasts can also be used to drive older adults 50+ further down the funnel via search.

- Ads 35 seconds to a minute long get above-average results for search and purchase intent, longer ads are stronger on search and best for recommendation intent.

- Existing audio creative can be used to build familiarity for retail brands within podcasts, but pivoting to host read copy will help drive listeners further down the purchase funnel.
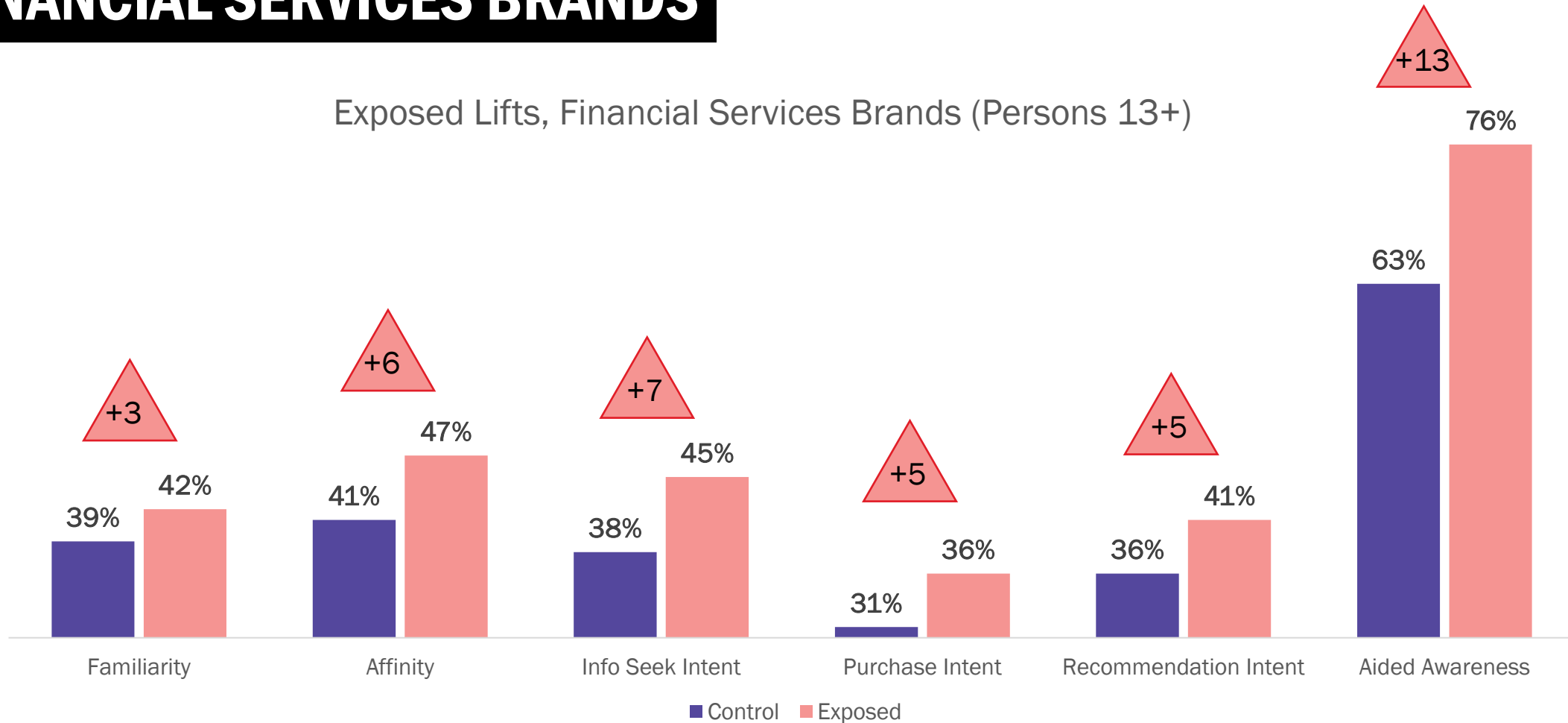
FINANCIAL SERVICES

PODCASTS ARE STRONGEST AT DRIVING AFFINITY FOR FINANCIAL SERVICES BRANDS

Exposed Lifts, Financial Services Brands (Persons 13+)

	Familiarity	Affinity	Info Seek Intent	Purchase Intent	Recommendation Intent	Aided Awareness
Lift	+3	+6	+7	+5	+5	+13
Control	39%	41%	38%	31%	36%	63%
Exposed	42%	47%	45%	36%	41%	76%

■ Control ■ Exposed

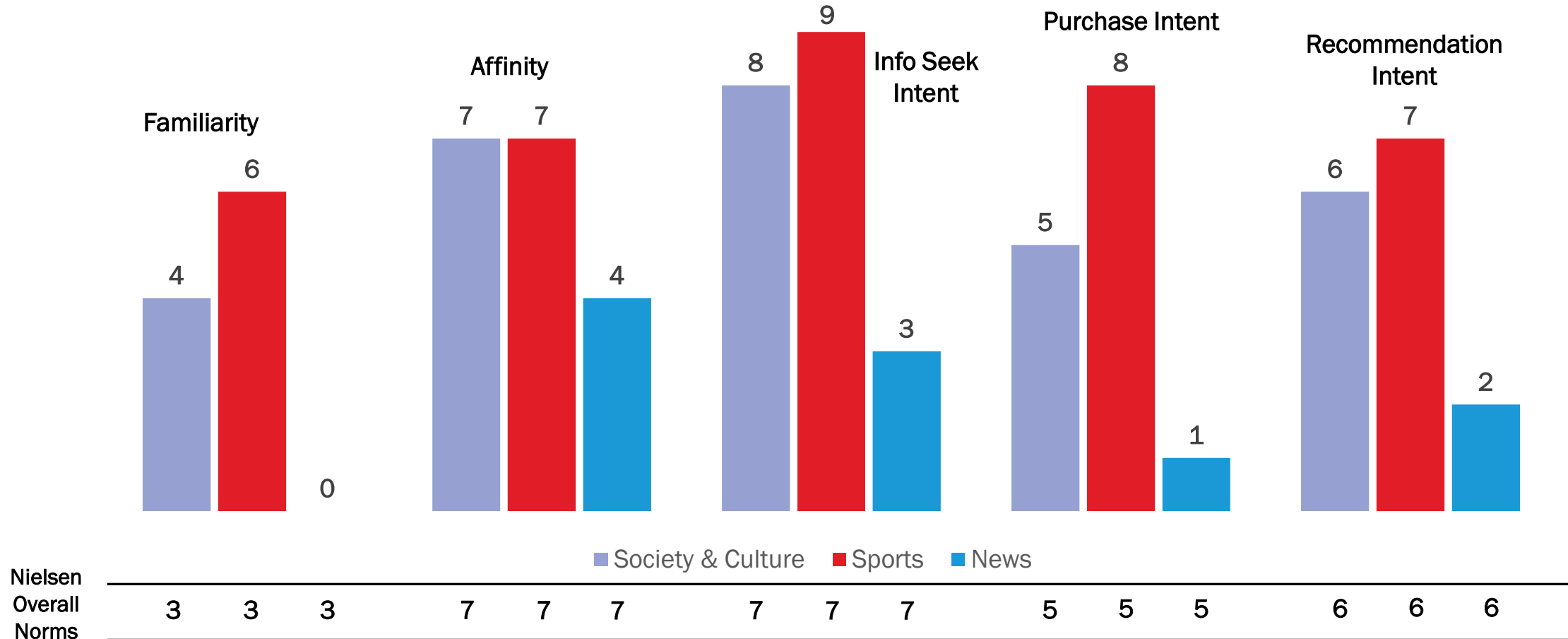| Nielsen Overall Norms	+3	+5	+7	+5	+6	+15

SPORTS PODCASTS GET VERY STRONG RESULTS FOR FINANCIAL SERVICES BRANDS

Society & Culture shows also generate above-average lifts for familiarity and search

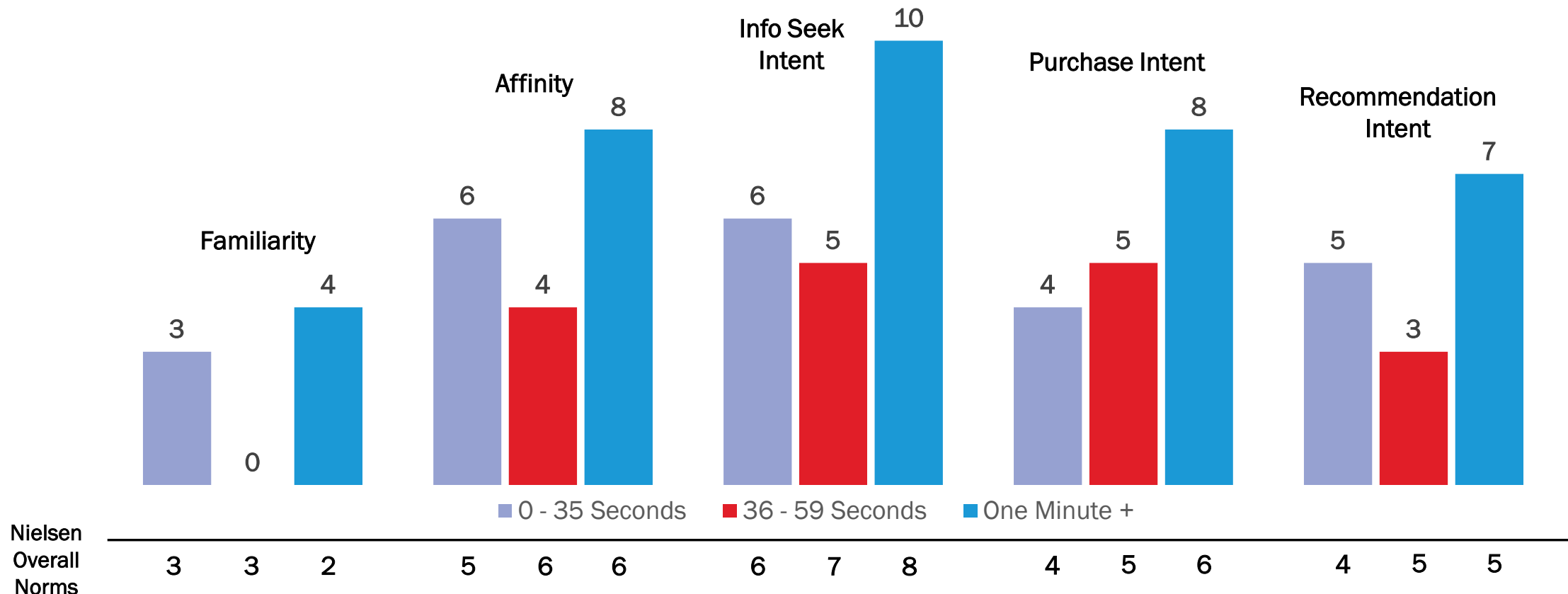Financial Services Lifts by Ad Position, Persons 13+ (Control vs Exposed, in Percentage Points)

	Familiarity	Affinity	Info Seek Intent	Purchase Intent	Recommendation Intent
Society & Culture	4	7	8	5	6
Sports	6	7	9	8	7
News	0	4	3	1	2

Legend: ■ Society & Culture ■ Sports ■ News

Nielsen Overall Norms	3	3	3	7	7	7	7	7	7	5	5	5	6	6	6

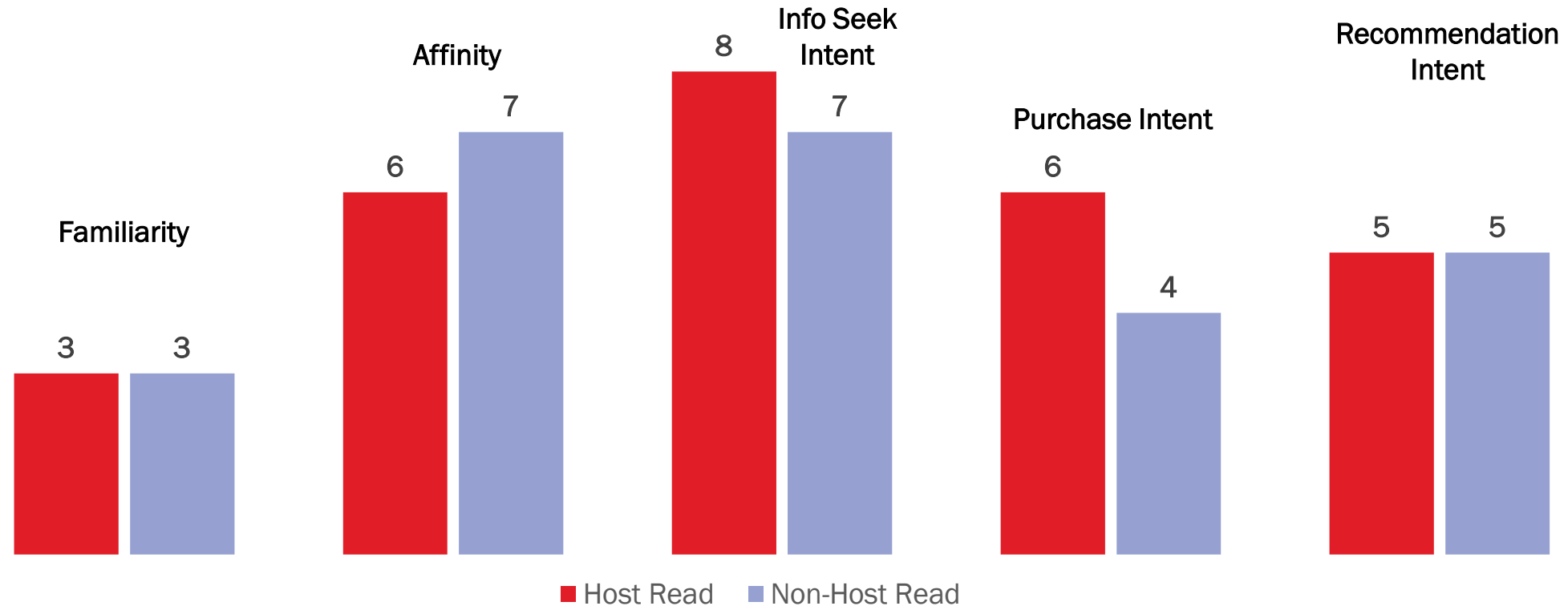# SHORTER AND LONGER ADS CAN WORK IN TANDEM FOR FINANCIAL SERVICES BRANDS

Ads under 35 seconds get solid results for Affinity and Recommendation, while spots over a minute drive Search and Purchase Intent

Financial Services Lifts by Ad Length, Persons 13+ (Control vs Exposed, in Percentage Points)

Familiarity: 3, 0, 4
Affinity: 6, 4, 8
Info Seek Intent: 6, 5, 10
Purchase Intent: 4, 5, 8
Recommendation Intent: 5, 3, 7

Legend: 0 - 35 Seconds | 36 - 59 Seconds | One Minute +

| Nielsen Overall Norms | 3 | 3 | 2 | | 5 | 6 | 6 | | 6 | 7 | 8 | | 4 | 5 | 6 | | 4 | 5 | 5 |

Source: Nielsen Podcast Ad Effectiveness Norms Database –Exposed studies conducted from 2018-2022

NON-HOST READ ADS WORK BEST FOR BUILDING AFFINITY, WHILE HOST-READ BOOSTS SEARCH AND PURCHASE INTENT

Lifts by Ad Type for Financial Services Brands, Persons 13+ (Control vs Exposed, in Percentage Points)

Nielsen Overall Norms										
Familiarity		Affinity		Info Seek Intent		Purchase Intent		Recommendation Intent	
3	3	5	5	7	6	5	5	5	5

Legend: ■ Host Read ■ Non-Host Read

IMPLICATIONS

PODCASTS ARE MOST EFFECTIVE AT BUILDING AFFINITY FOR FINANCIAL SERVICES BRANDS.

- However, Sports podcasts generate very strong results across a range of brand metrics

- Society & Culture series also show above-average results for familiarity and intent to seek information.

- Though it seems counterintuitive, News shows do not appear to be a good fit, underperforming compared to Nielsen benchmarks.

- Shorter (0-35 seconds) and longer ads (one minute and over) can work together to drive listeners down the funnel.

- Financial Services advertisers can optimize their podcast advertising by using non-host read spots for upper funnel KPIs and host read for lower funnel.