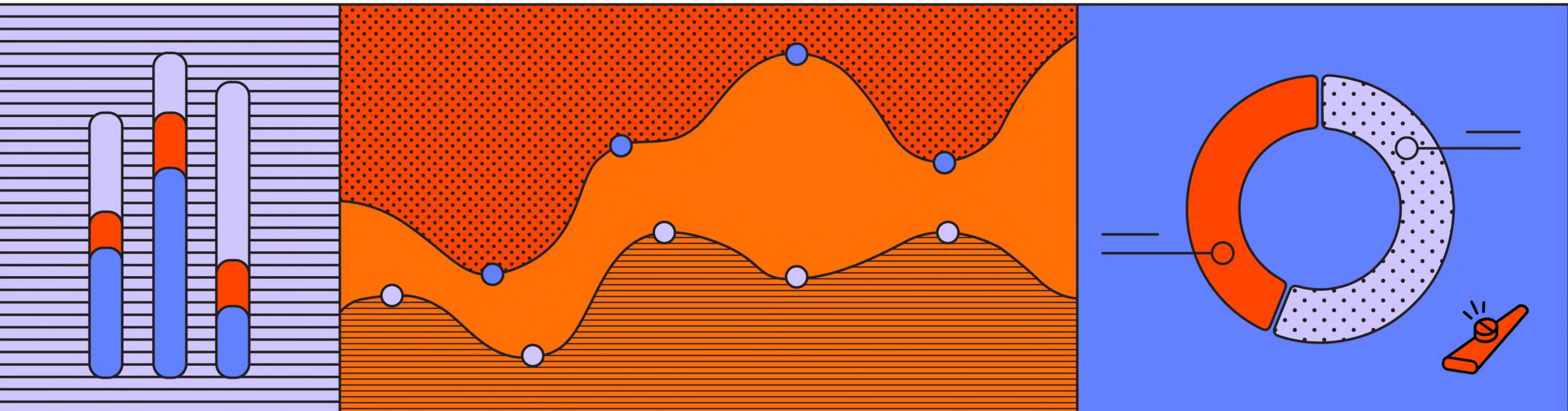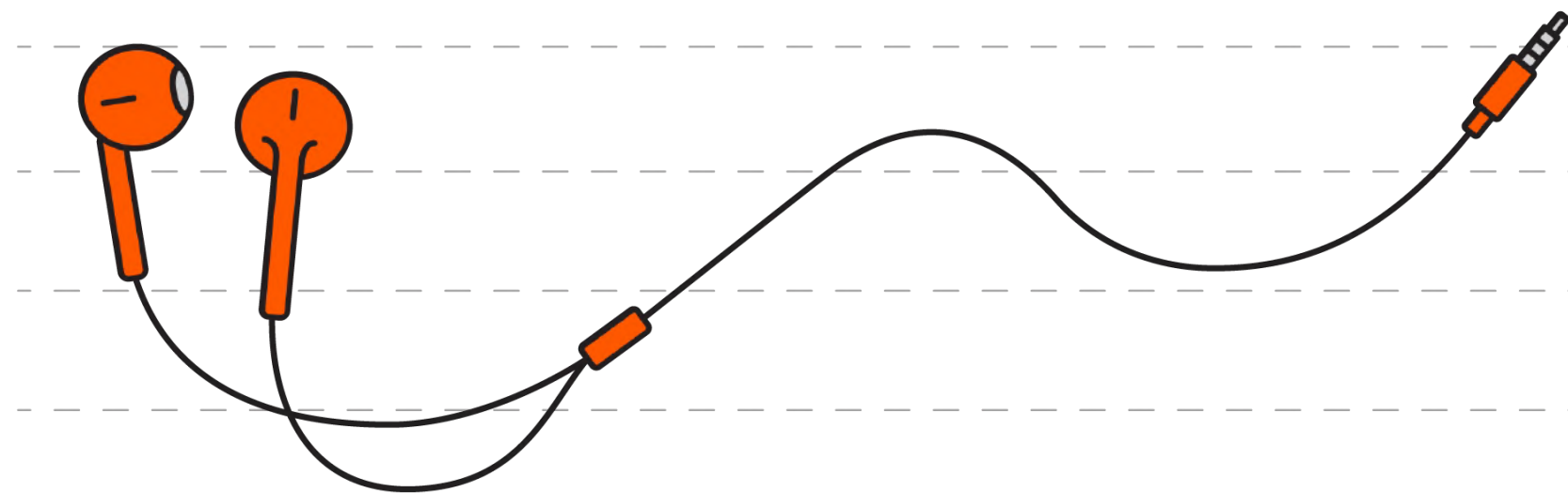# podsights

Benchmark Report

Q3 2022 →

Podcast advertising is measurable!

Podsights empowers brands and agencies with valuable attribution and performance measurement to help validate and scale their podcast advertising.

Publishers use Podsights to help grow their audience and effectively monetize their podcast content.

We are on a mission to grow podcast advertising by helping advertisers truly understand and leverage the power of the podcasting medium.

What you can expect to find in this report...

01

Overviews & Key Takeaways
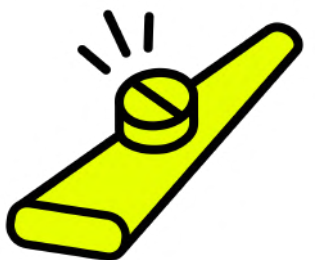
Analysis Overview

Q3 2021 - Q2 2022

77% YoY

8B
Impressions

7% YoY

3K
Campaigns

34% YoY

938
Brands

244% YoY

$530M
Ad Spend
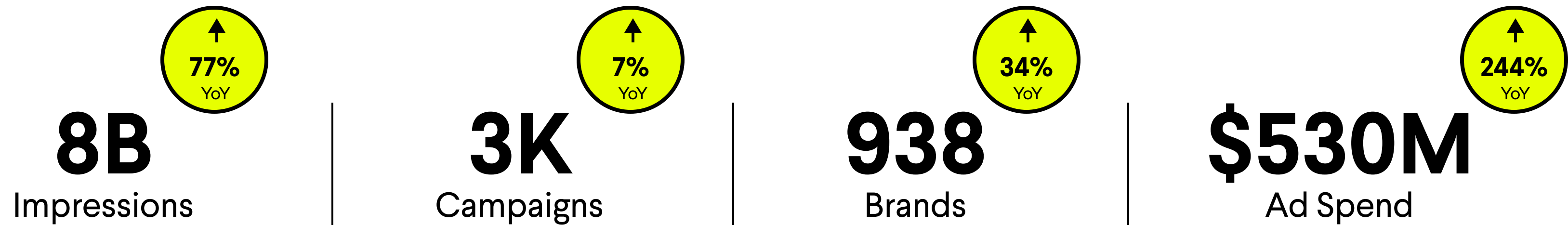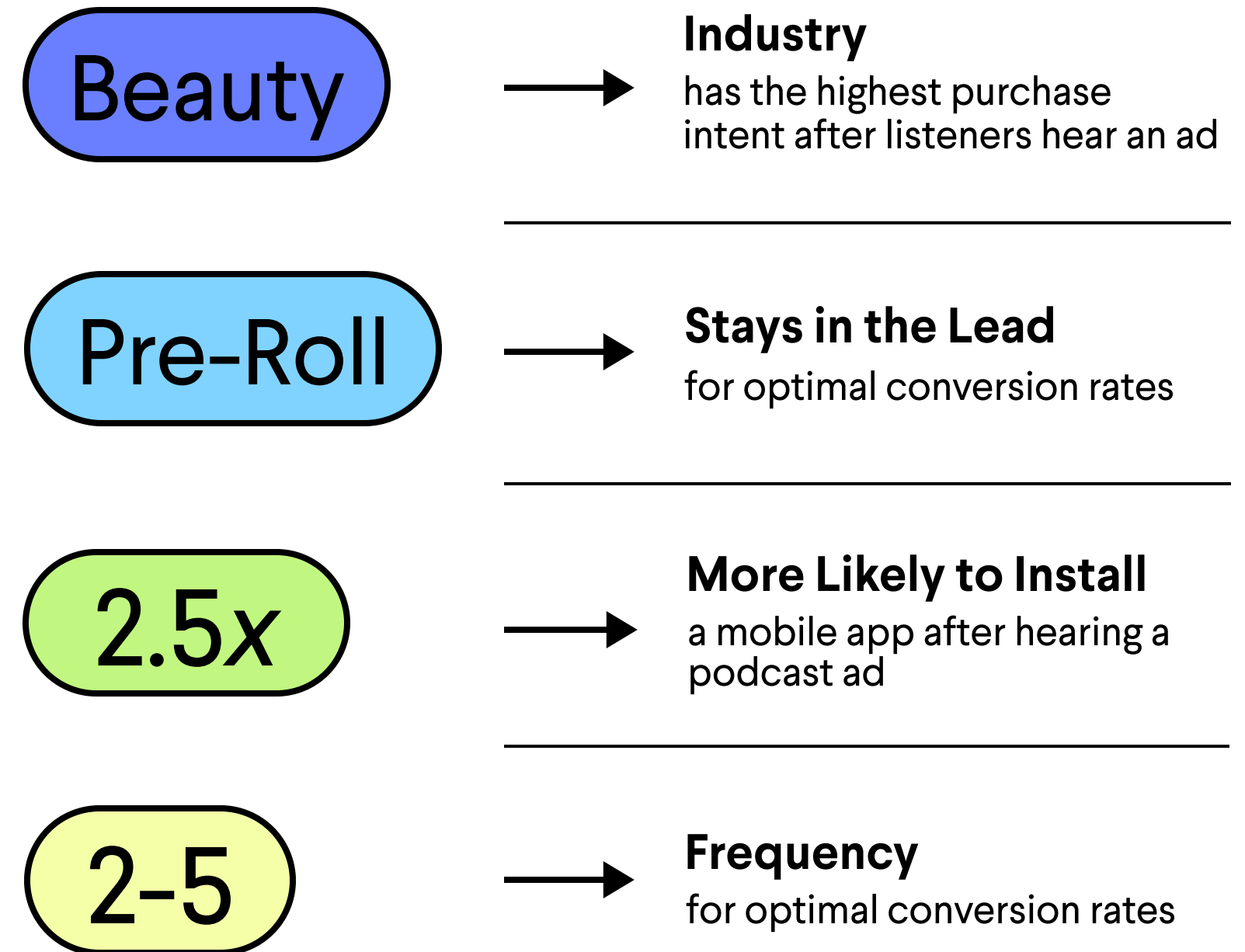
Podsights estimates that we measure more than **1 in every 4 dollars** spent in the podcast advertising space, given the **$2B** podcast advertising market[1].

Fast Figures

1.17% → **Average CR**
across industries this period

4.76 → **Average Frequency**
a reduction for the first time
which positively impacted CRs

63% → **Higher Conversion Rate**
for dynamic ads *vs.* embedded ads

27% → **More Produced Ads (56%)**
compared to 44% host-read
ads are measured by Podsights

Beauty → **Industry**
has the highest purchase
intent after listeners hear an ad

Pre-Roll → **Stays in the Lead**
for optimal conversion rates

2.5x → **More Likely to Install**
a mobile app after hearing a
podcast ad

2-5 → **Frequency**
for optimal conversion rates

Key Takeaways

Average conversions rate bounced back this period from a low in Q1 2022 to 1.17%.

Average frequency saw a decrease for the first time, positively impacting conversion rates. **Podsights continues to recommend frequency between 2-5 for optimal conversion rates.**

Pre-roll and **mid-roll** remain neck-and-neck, with **pre-roll** continuing to stay in the lead.

Dynamic ad conversion rates surpassed **embedded ads** again this period, with dynamic leading by 63%.

Podsights added preliminary analysis on host-read vs produced ads.

*Unless otherwise indicated, the data in this report is representative of campaigns that were running in **July 2021-June 2022.***

Podcast Media Buyer's Guide

Brands running over **400k impressions** are seeing higher conversion rates

Impressions	Average Conversion Rate	Visitors[1]
0 – 400,000	0.95%	1,273
400,001 – 1,000,000	1.03%	3,434
1,000,001 – 2,000,000	1.10%	7,306
2,000,001 – 8,000,000	0.98%	26,115
8,000,001+	1.57%	62,735

Note: *a campaign is defined as a wholistic advertising campaign which may include multiple networks*

In order to make conversion rates more tangible, this table uses Podsights benchmark data on **campaign size, frequency,** and **conversion rates** to illustrate the outcomes you can expect from your podcast advertising campaign at different impression levels.
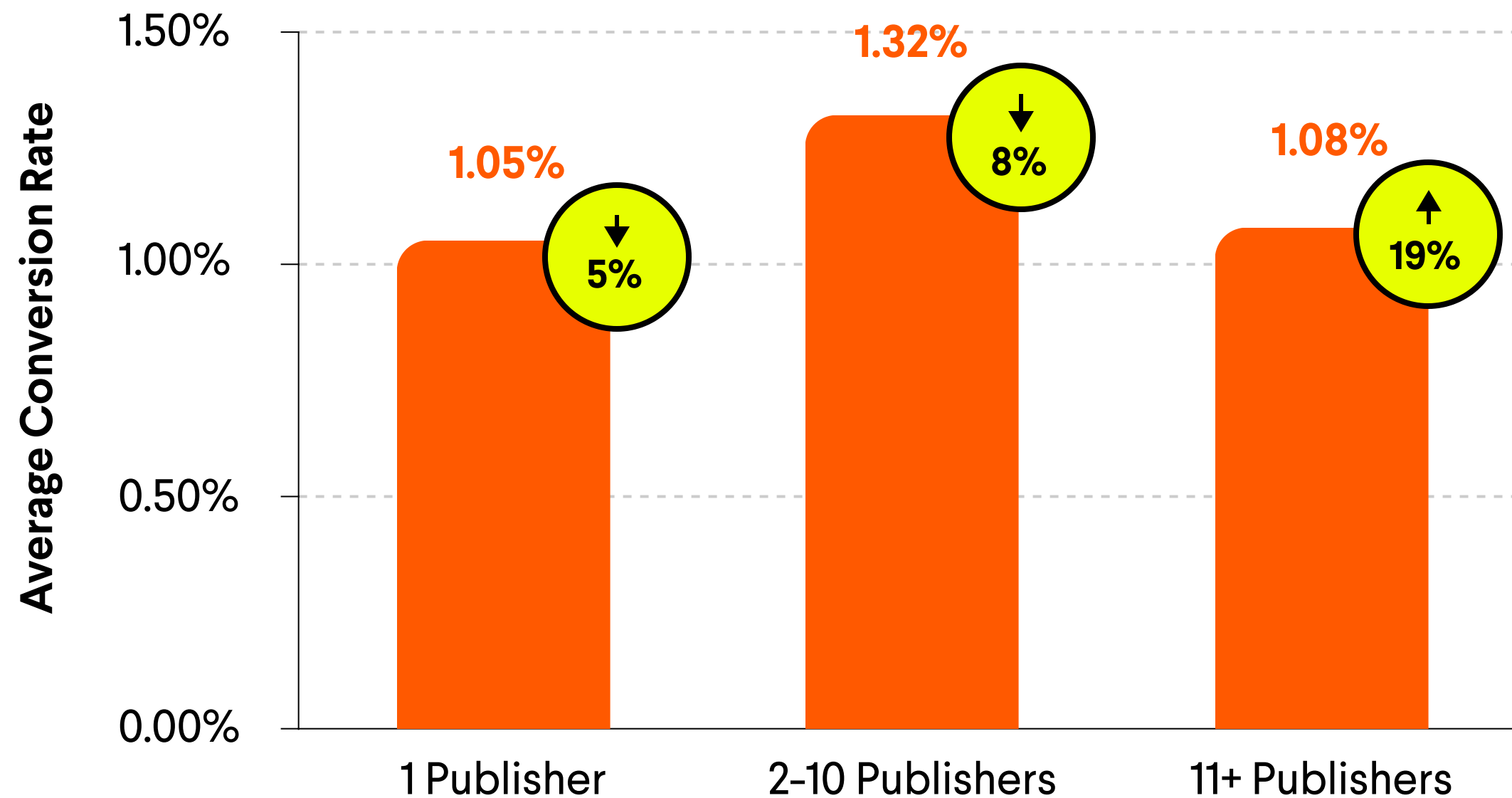
Podsights estimates the number of visitors using impressions and average conversion rate, assuming a recommended frequency of 3.

$$\text{Visitors} = \text{Avg. Conversion Rate} \times \left(\frac{\text{Impression Size}}{\text{Avg. Frequency}} \right)$$

Advertisers running ads on **2-10 publishers** saw the highest conversion rates
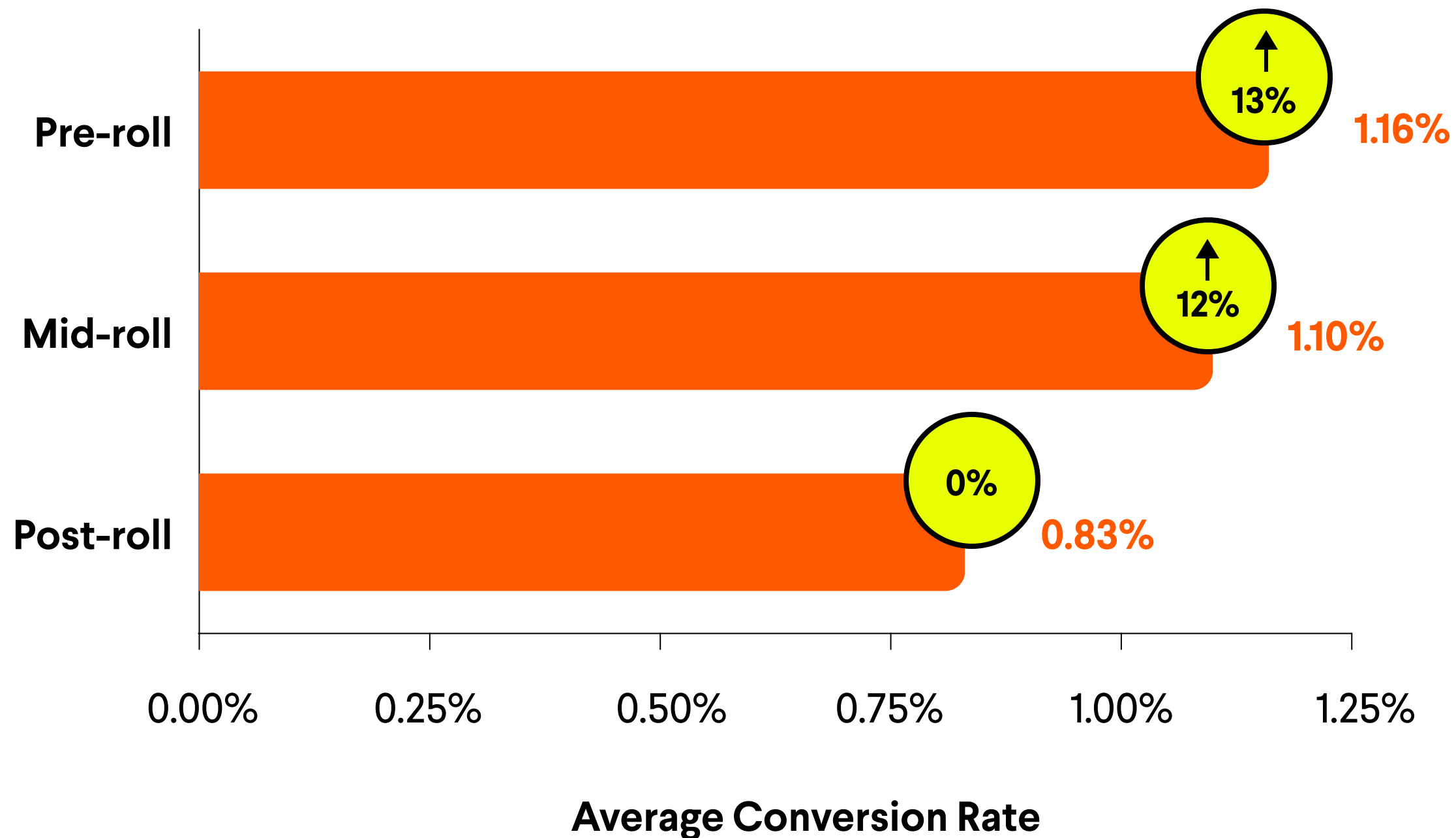

Advertisers running on more than one publisher saw higher conversion rates.

Those who run podcast advertisements on **2 - 10 publishers, or networks,** saw the **highest** average conversion rate.

Advertisers running ads on **11+ publishers** saw a 19% increase in conversion rates compared to last period.

Pre-roll & **mid-roll remain neck-and-neck**, with **pre-roll** continuing to stay in the lead

Pre-roll — ↑ 13% — 1.16%

Mid-roll — ↑ 12% — 1.10%

Post-roll — 0% — 0.83%

0.00% 0.25% 0.50% 0.75% 1.00% 1.25%

Average Conversion Rate

This quarter, **pre-roll** outperformed **mid-roll** placements by 5%.

Average conversion rates for both **pre-roll** and **mid-roll** grew by relatively the same rate (*13% vs 12%, respectively*).

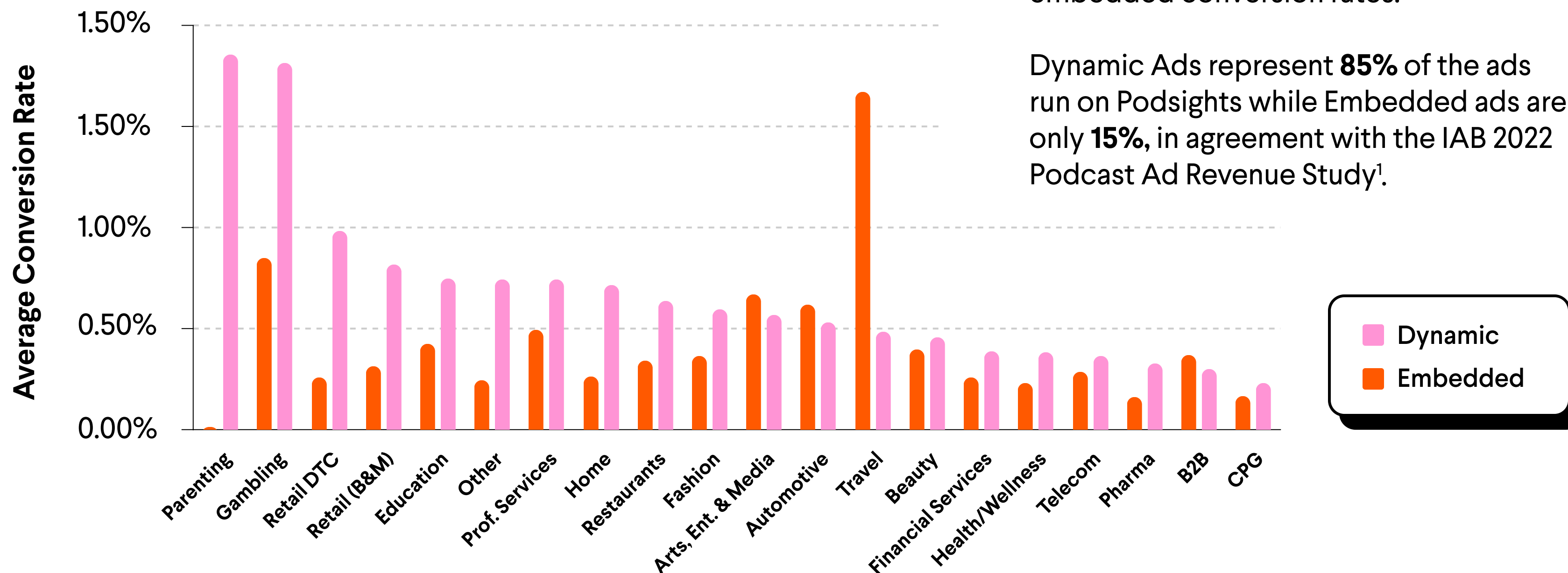**Post-roll** continues to stay constant from the previous quarter.

Dynamic ad conversion rates **exceeded embedded ads** again this period, on average

This period, dynamically inserted ads had an average of **1.37%** while embedded ads had an average conversion rate of **0.84%**.

Parenting had the highest dynamic ad conversion rate, while **travel** dominated embedded conversion rates.

Dynamic Ads represent **85%** of the ads run on Podsights while Embedded ads are only **15%,** in agreement with the IAB 2022 Podcast Ad Revenue Study[1].

Average Conversion Rate

Legend: Dynamic, Embedded

Categories: Parenting, Gambling, Retail DTC, Retail (B&M), Education, Other, Prof. Services, Home, Restaurants, Fashion, Arts, Ent. & Media, Automotive, Travel, Beauty, Financial Services, Health/Wellness, Telecom, Pharma, B2B, CPG

Currently, **produced ads exceed** the number of **host-read ads** run on Podsights

👤 Host-Read

43.9%

▶ **Produced**

56.1%
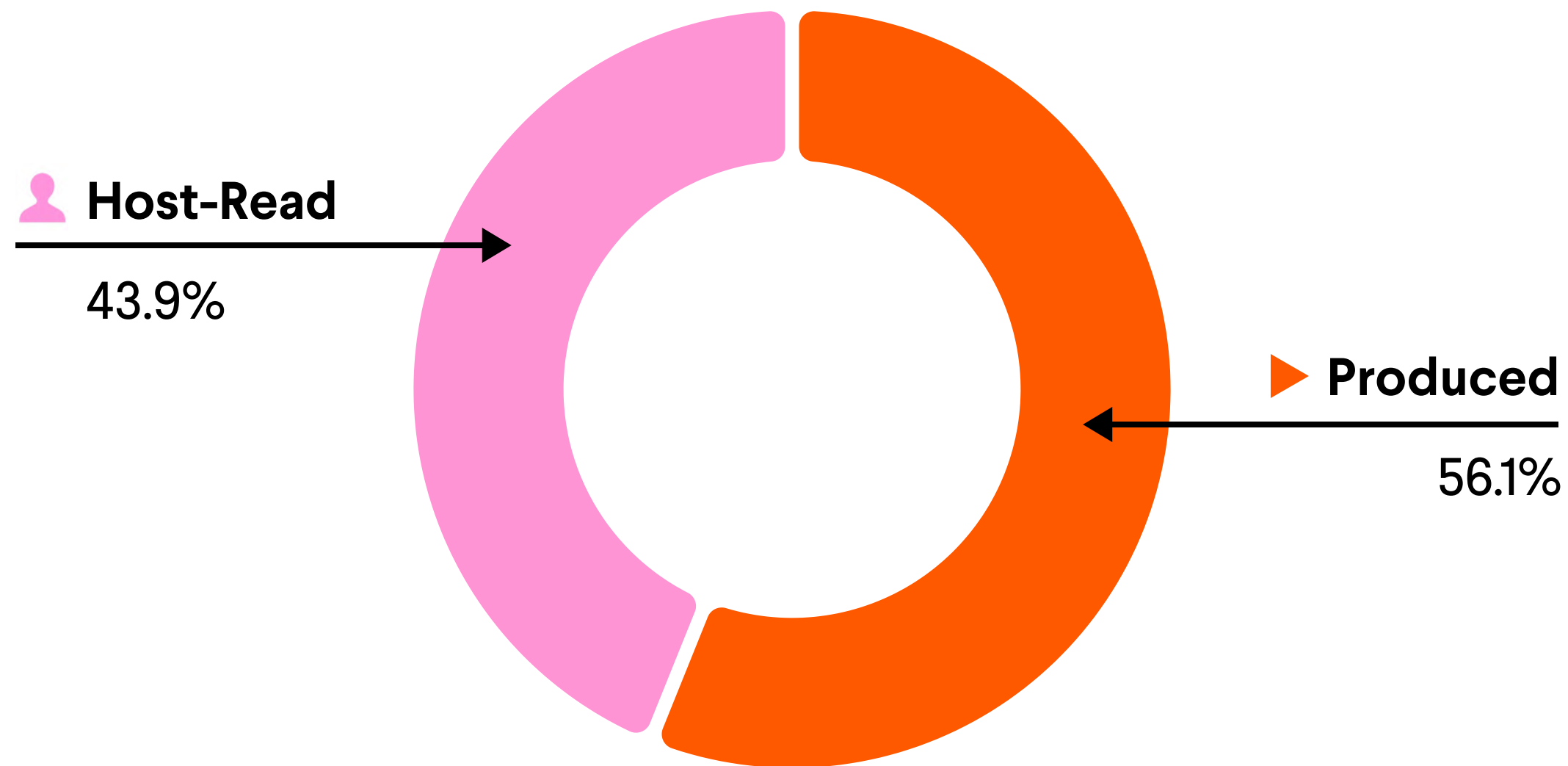
Host-Read *vs.* **Produced**

Podsights added data on whether an ad is host-read or produced to our platform on June 2nd.

The graph to the left represents **5% of Podsights' line item data**, and is a taste of what percentage of ads run in Podsights are host-read vs. produced.

Conversion Rate Benchmarks

The average conversion rate **bounced back** since Q1 2022

Average Conversion Rate
From Site Visitors

- 2.00%
- 1.50%
- 1.00%
- 0.50%
- 0.00%

1.58% — Q2 2021
1.24% — Q3 2021
1.42% — Q4 2021
1.10% — Q1 2022
1.17% — Q2 2022
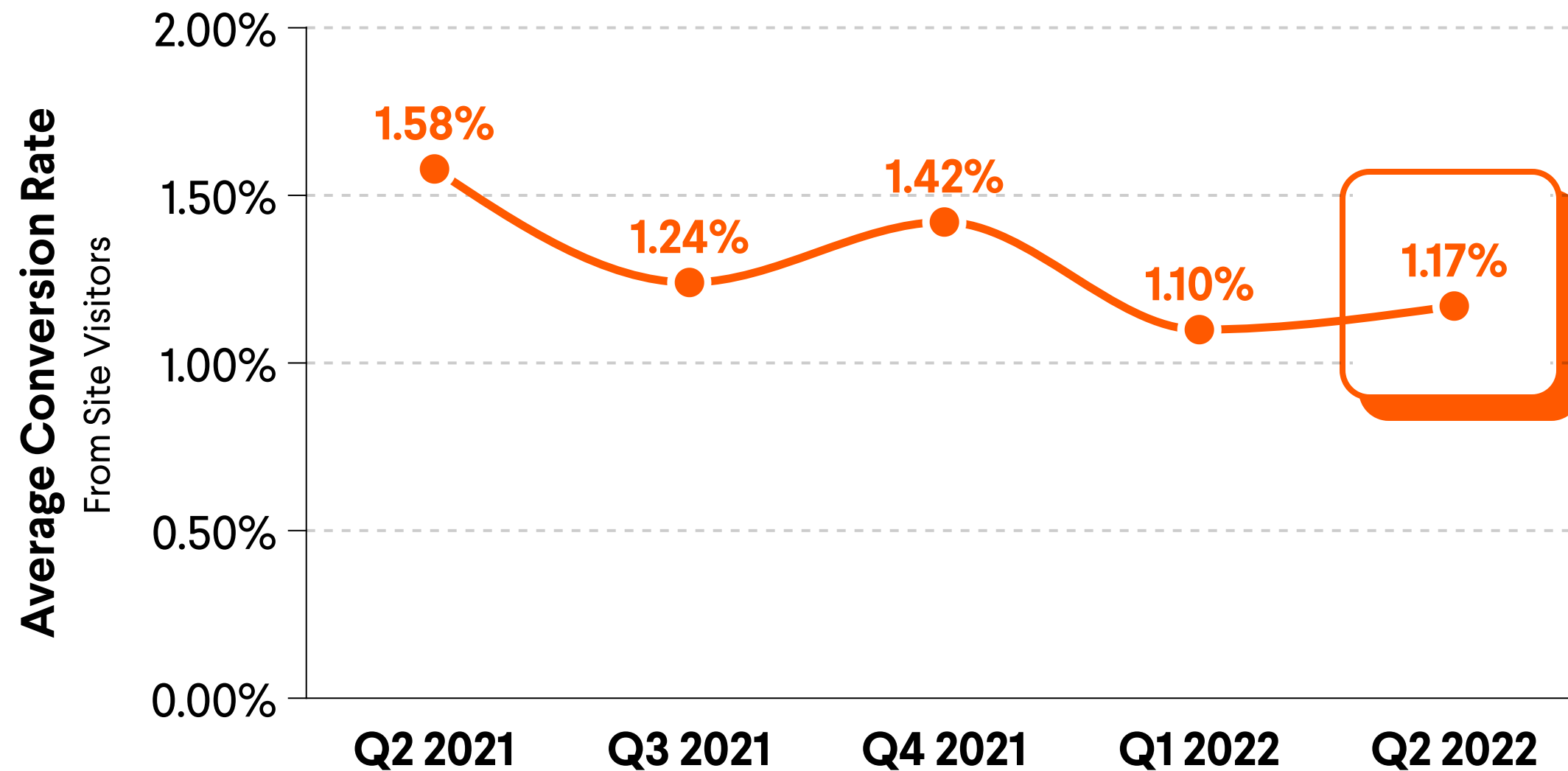
Conversion rate represents **site visit events**, calculated as:

Visitors ÷ Household Reach

The average conversion rate for site visitors is **1.17%** in Q2 2022. Podsights speculates that the increased conversion rate can be attributed to the reduction in frequency this period.

Parenting & **Gambling** lead again in highest average **visitor conversion rates**

The average conversion rate across industries was **1.17%**.

Average Visitor Conversion Rate

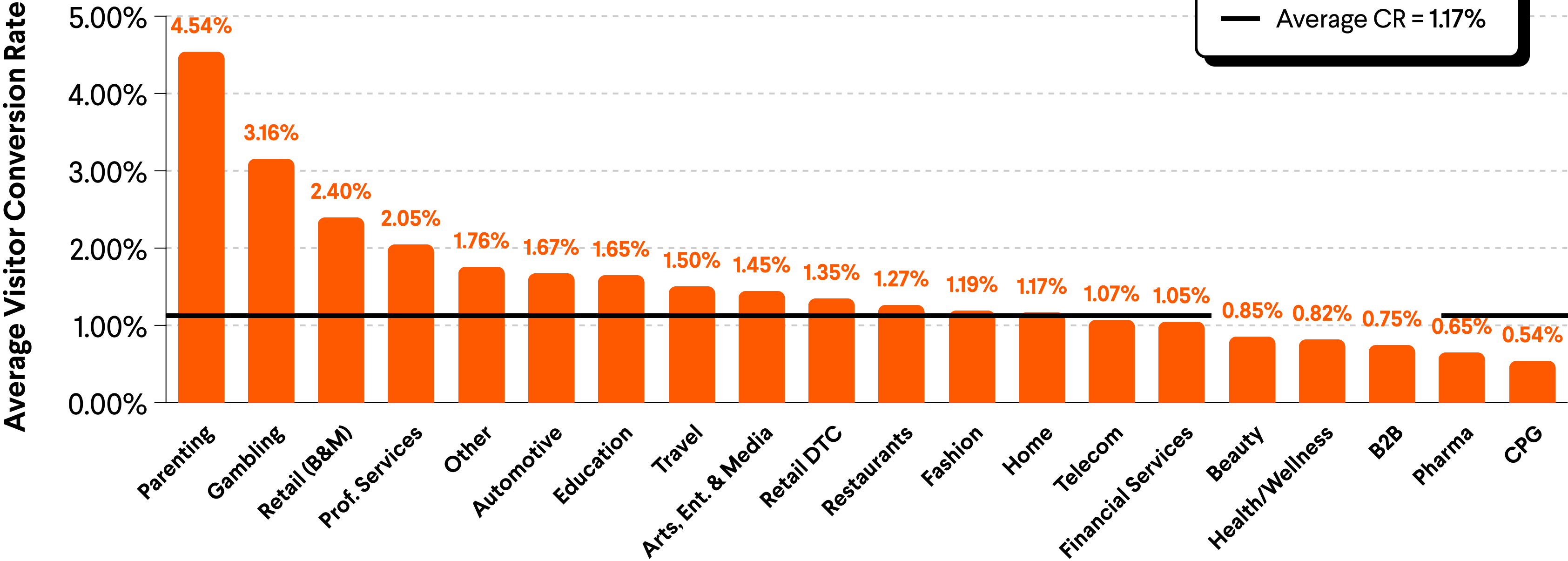- Average CR = 1.17%

Industry	Rate
Parenting	4.54%
Gambling	3.16%
Retail (B&M)	2.40%
Prof. Services	2.05%
Other	1.76%
Automotive	1.67%
Education	1.65%
Travel	1.50%
Arts, Ent. & Media	1.45%
Retail DTC	1.35%
Restaurants	1.27%
Fashion	1.19%
Home	1.17%
Telecom	1.07%
Financial Services	1.05%
Beauty	0.85%
Health/Wellness	0.82%
B2B	0.75%
Pharma	0.65%
CPG	0.54%

Other includes non-profit companies, Job-searching sites, Real Estate, etc. Find the full breakdown of all industries in the Appendix.

Frequency saw a **decrease** for the first time, which **positively impacted conversion rates**

Average Frequency

Q2 2021	3.47
Q3 2021	4.01
Q4 2021	5.69
Q1 2022	6.32
Q2 2022	4.76

Frequency is the number of times a household was exposed to an ad. The average frequency decreased by **25%** this quarter.

Podsights believes that the decrease in frequency this period positively impacted conversion rates.

Podsights continues to recommend advertisers drop frequency between 2–5 to achieve optimal results.

For the first time, since **Q3 2021**, we are seeing Frequency meet our recommendation.
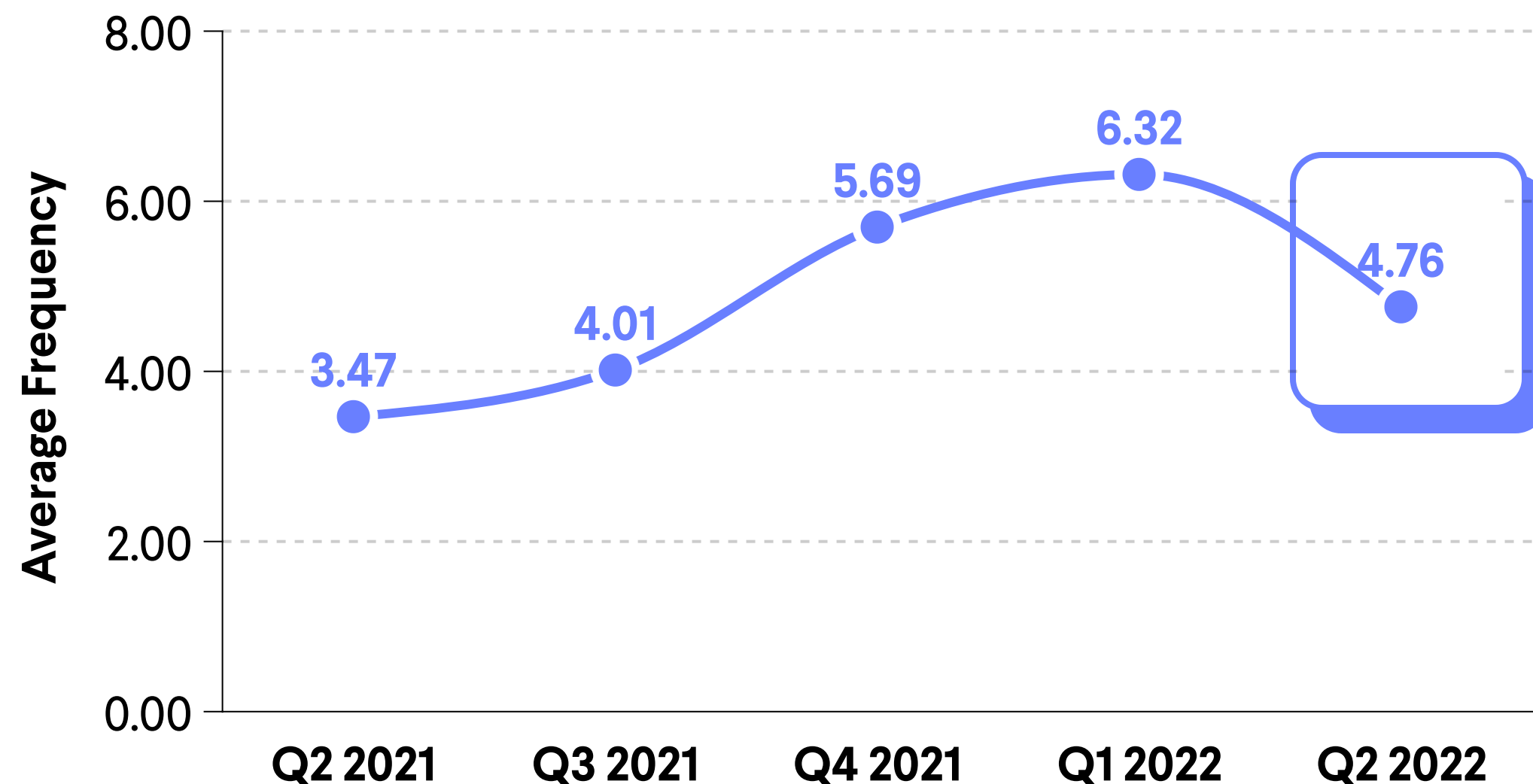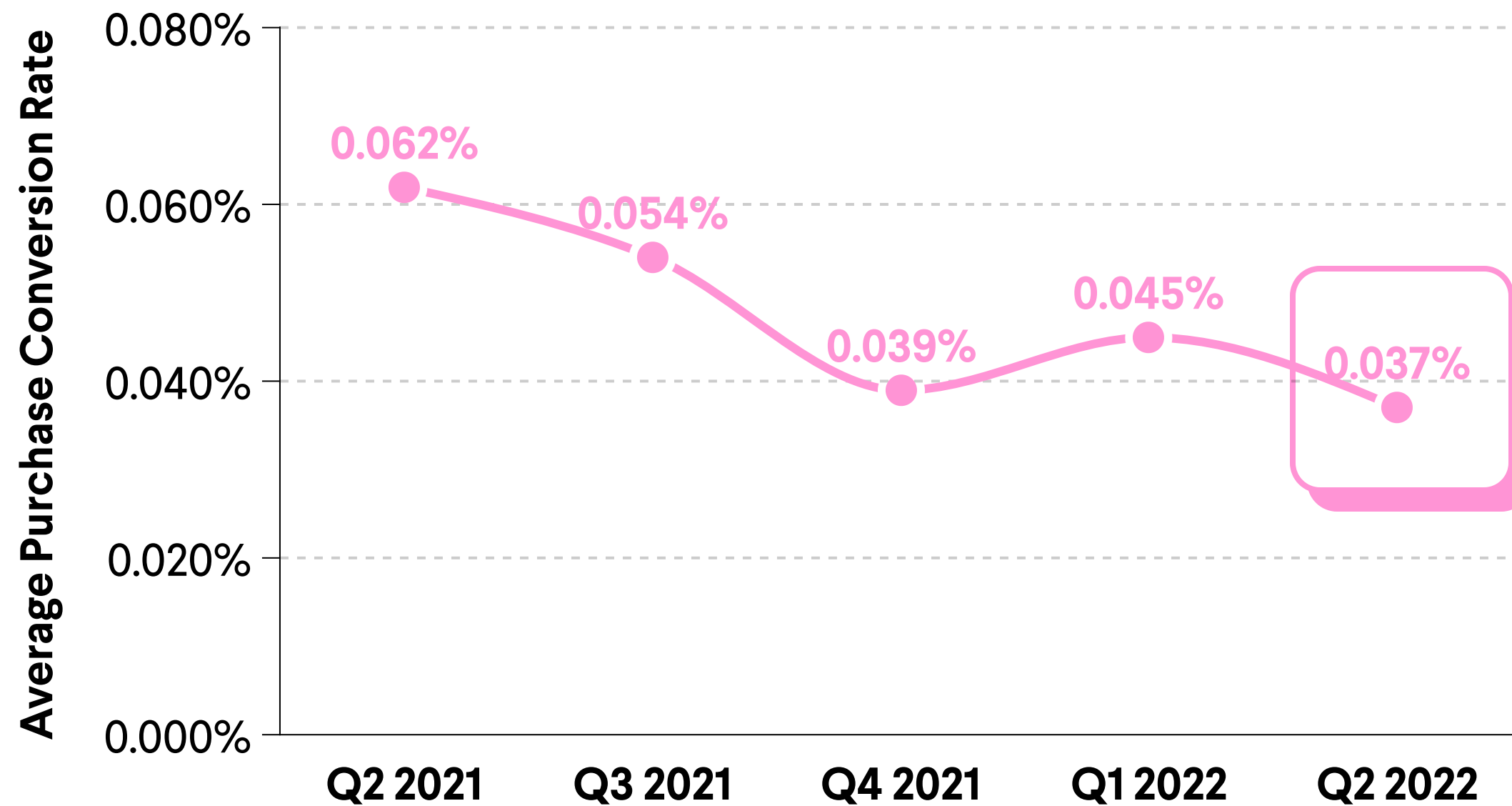
Q2 2022 saw a **decrease** in average purchase conversion rate

Purchase conversion rate represents **purchase events**, calculated as:

Purchase CR = Purchases ÷ Reach

The **average purchase conversion rate** decreased by 17% to **0.037%** this quarter.

This may be attributed to the fact that consumers are spending at a slower pace amid inflation, rising interest rates, and the current economic state, according to the Bureau of Economic Analysis[1].

Average Purchase Conversion Rate

- 0.062% — Q2 2021
- 0.054% — Q3 2021
- 0.039% — Q4 2021
- 0.045% — Q1 2022
- 0.037% — Q2 2022

(Y-axis: 0.000%, 0.020%, 0.040%, 0.060%, 0.080%)

[1]*Consumer spending growth slows in May, as higher prices weigh on the economy*, The Washington Post.

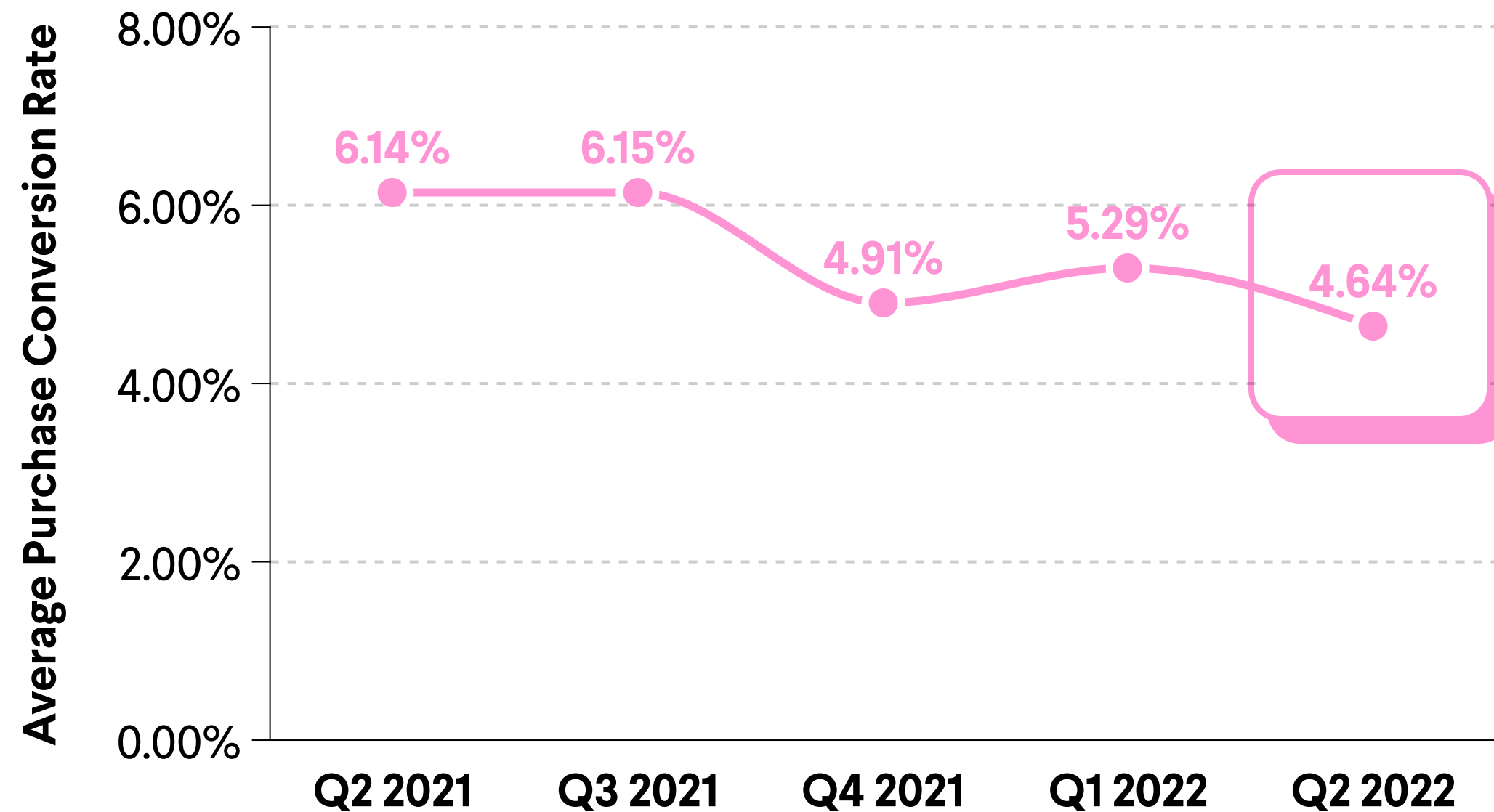Podsights Q3 2022 Benchmark Report | 19

Beauty makes its way to the top and experiences the **highest** purchase conversion rates this quarter

The average purchase conversion rate across industries was **0.037%**.

— Average CR = 0.037%

Average Purchase Conversion Rate
From Reach

Beauty	0.06%
Retail (B&M)	0.05%
Fashion	0.05%
Other	0.05%
Restaurants	0.05%
Retail DTC	0.05%
Automotive	0.04%
Health/Wellness	0.04%
CPG	0.04%
Education	0.04%
Financial Services	0.04%
Arts, Ent. & Media	0.03%
Home	0.03%
Telecom	0.03%
Travel	0.02%
Gambling	0.01%
B2B	0.01%
Pharma	0.00%
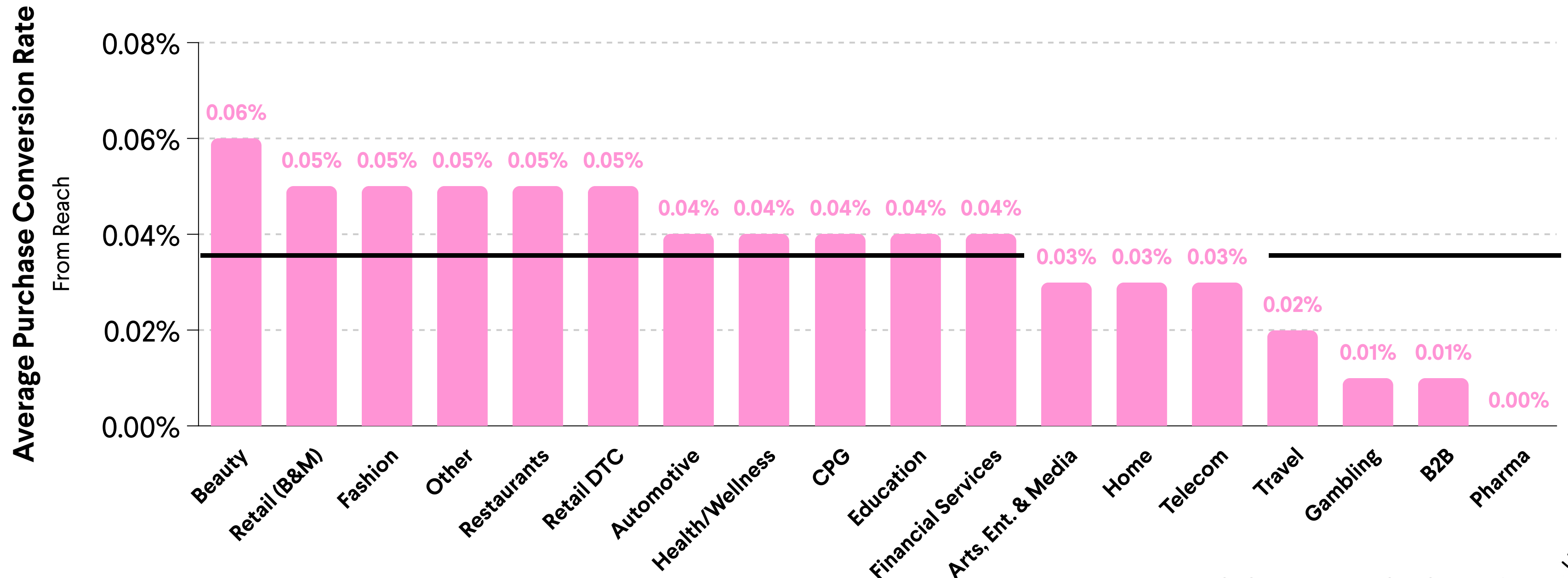
Q2 2022 saw a **slight dip** in average purchase conversion rate

The **conversion rate from attributed visitors** describes the **rate of purchase** from households who are driven to the website as a result of the podcast ad and is calculated as:

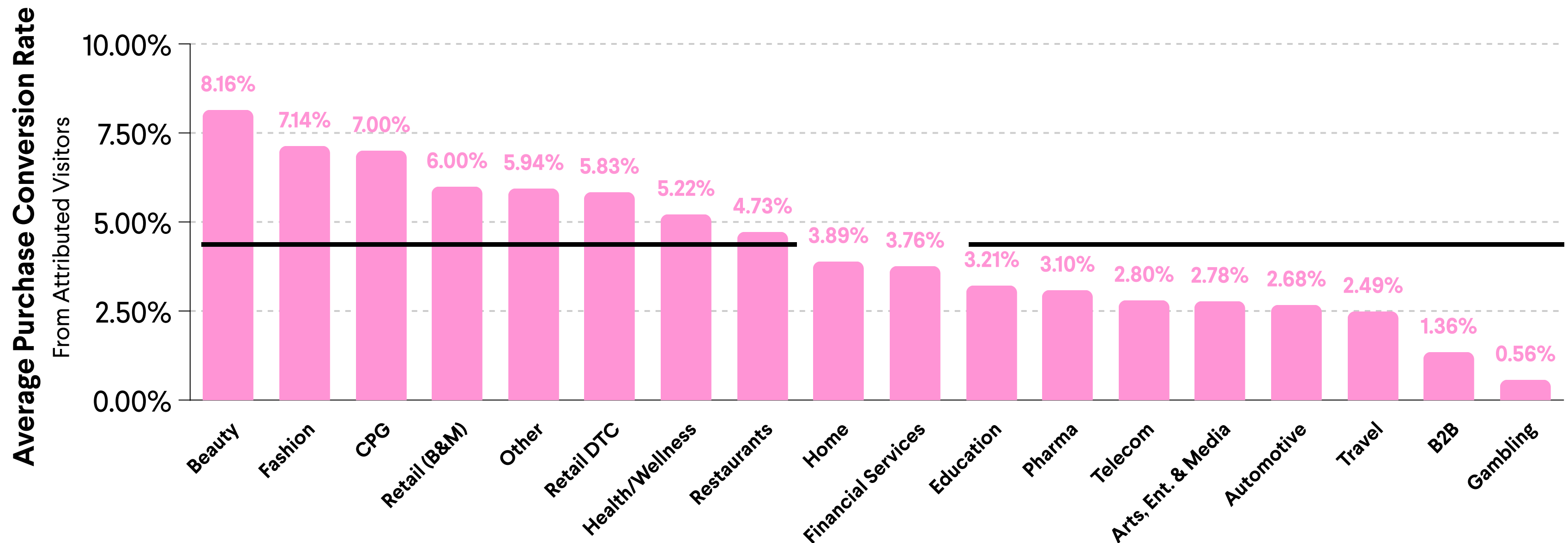**Purchase CR =** Purchases ÷ Visitors

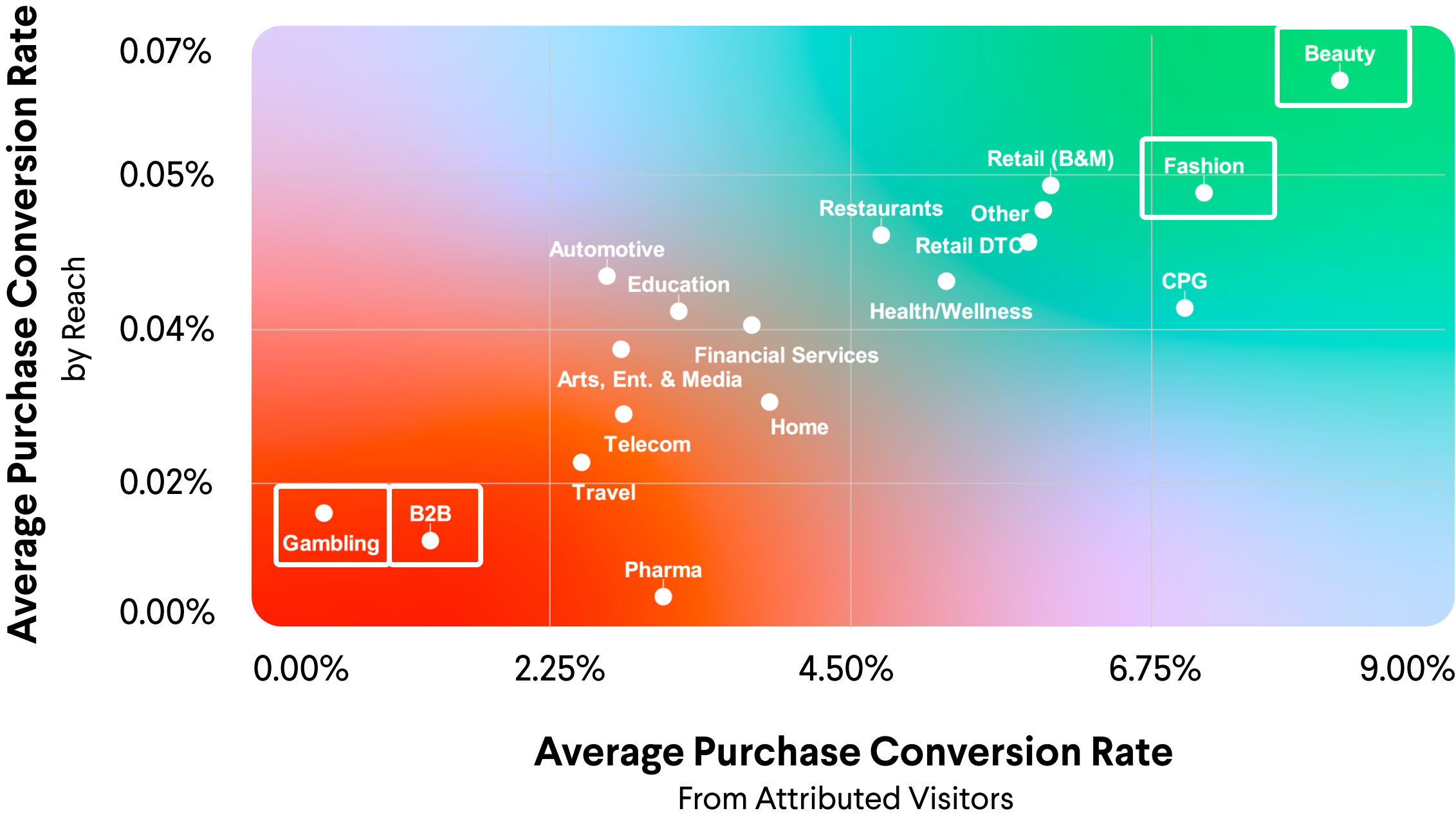The average purchase conversion rate **decreased by 12%** to 4.64%.

Beauty also comes out **at the top** with a higher likelihood of website visitors going on to make a purchase

The average purchase conversion rate from attributed visitors across industries was **4.64%.**

— Average CR = 4.64%

Average Purchase Conversion Rate
From Attributed Visitors

Industry	Rate
Beauty	8.16%
Fashion	7.14%
CPG	7.00%
Retail (B&M)	6.00%
Other	5.94%
Retail DTC	5.83%
Health/Wellness	5.22%
Restaurants	4.73%
Home	3.89%
Financial Services	3.76%
Education	3.21%
Pharma	3.10%
Telecom	2.80%
Arts, Ent. & Media	2.78%
Automotive	2.68%
Travel	2.49%
B2B	1.36%
Gambling	0.56%

Fashion & Beauty experience the highest purchase intent

Average Purchase Conversion Rate by Reach

- 0.07%
- 0.05%
- 0.04%
- 0.02%
- 0.00%

Beauty
Retail (B&M)
Fashion
Restaurants
Other
Retail DTC
Automotive
Education
CPG
Health/Wellness
Financial Services
Arts, Ent. & Media
Home
Telecom
Travel
Gambling
B2B
Pharma

0.00% 2.25% 4.50% 6.75% 9.00%

Average Purchase Conversion Rate
From Attributed Visitors

Similar to last quarter, industries like Fashion and Beauty experience a **higher purchase intent** after listeners hear an ad.

Industries like **Gambling** and **B2B** have less of an impact on listeners' intention to buy.

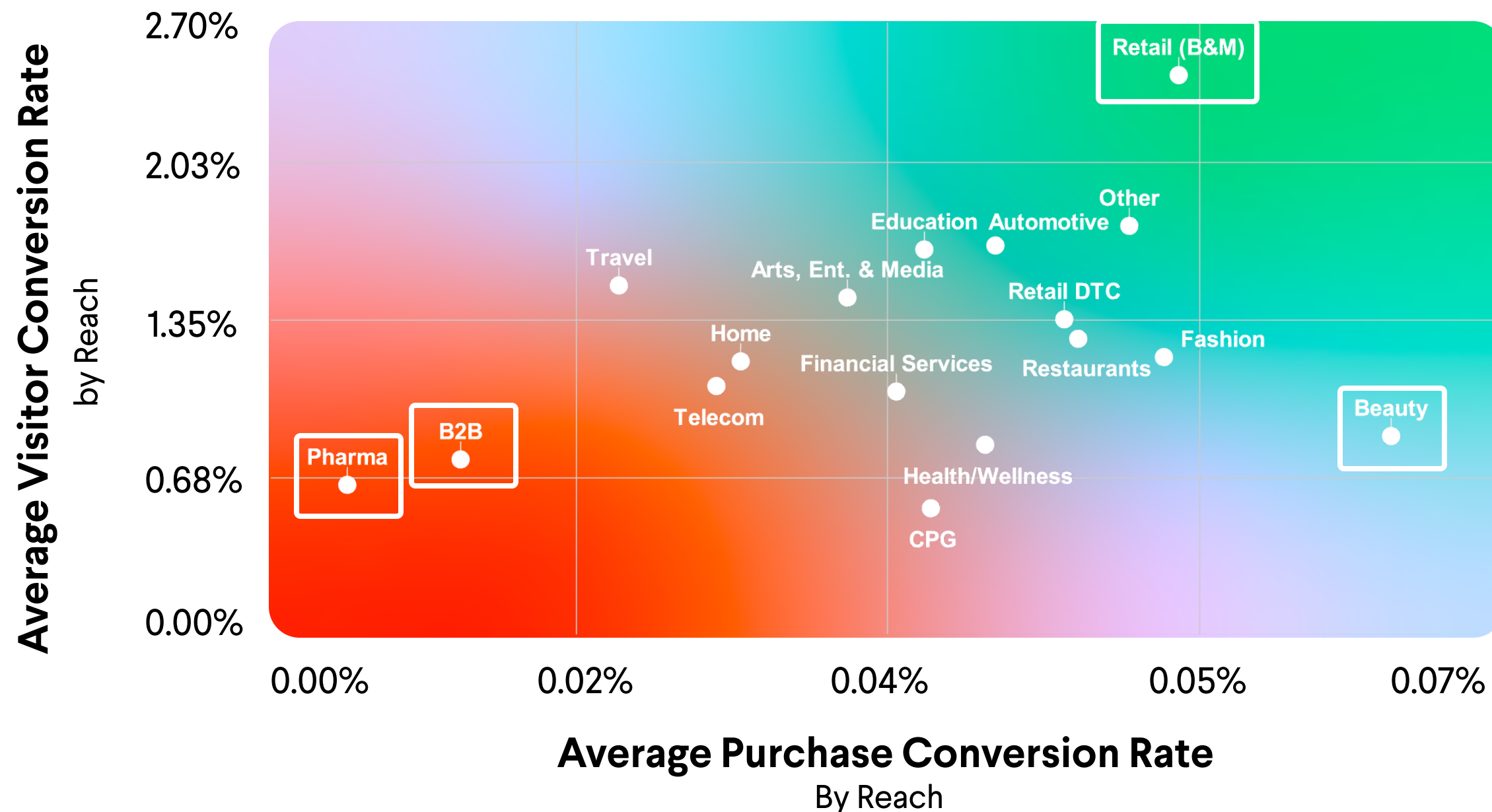- Higher Purchase Intent
- Lower Purchase Intent

Comparing **visitor conversion rate** against **purchase conversion rate** reveals an **extra layer** of customer behavior

Similar to last quarter, **Retail (B&M)** brands are not only effective in capturing listeners' attention, but are also able to push listeners to make a purchase.

The **Beauty** industry is effective in driving purchases but only when they capture the right audience.
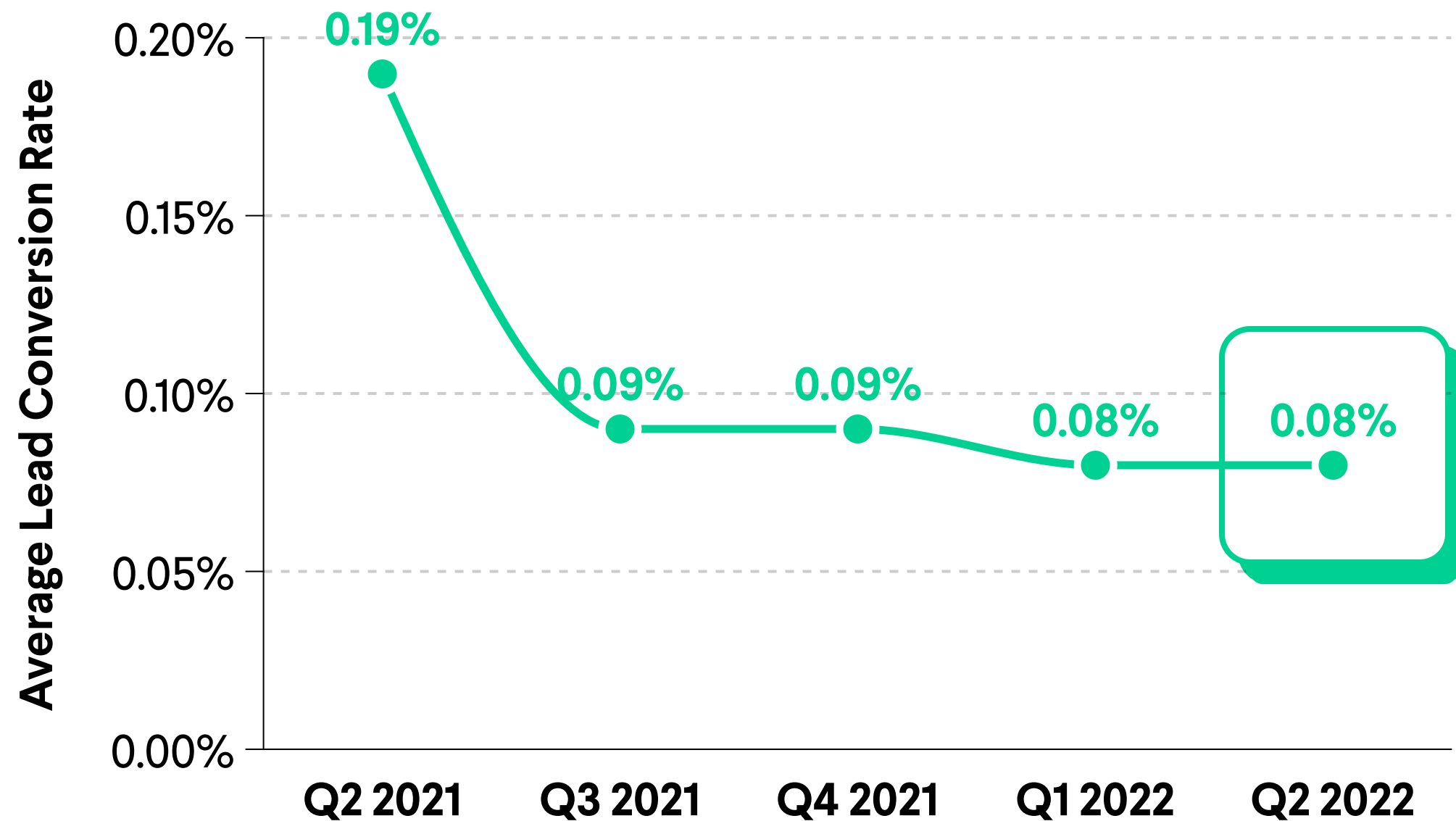
Pharma and **B2B** brands have a more difficult time capturing both visitors and purchases.

Average Visitor Conversion Rate by Reach (y-axis: 0.00%, 0.68%, 1.35%, 2.03%, 2.70%)

Average Purchase Conversion Rate By Reach (x-axis: 0.00%, 0.02%, 0.04%, 0.05%, 0.07%)

Data points: Retail (B&M), Other, Automotive, Education, Travel, Arts, Ent. & Media, Retail DTC, Restaurants, Fashion, Home, Financial Services, Telecom, Beauty, Health/Wellness, CPG, Pharma, B2B

Legend:
- Higher Purchase Intent
- Lower Purchase Intent

Lead conversion rate **remains consistent** over the past four quarters

Average Lead Conversion Rate

0.20% — **0.19%**

0.15%

0.10% — **0.09%** **0.09%**

0.05% — **0.08%** **0.08%**

0.00%

Q2 2021   Q3 2021   Q4 2021   Q1 2022   Q2 2022

Lead events are a **custom event** such as a sign-up or email capture. **Lead conversion rate from attributed visitors** is calculated as:

Lead CR = Leads ÷ Reach

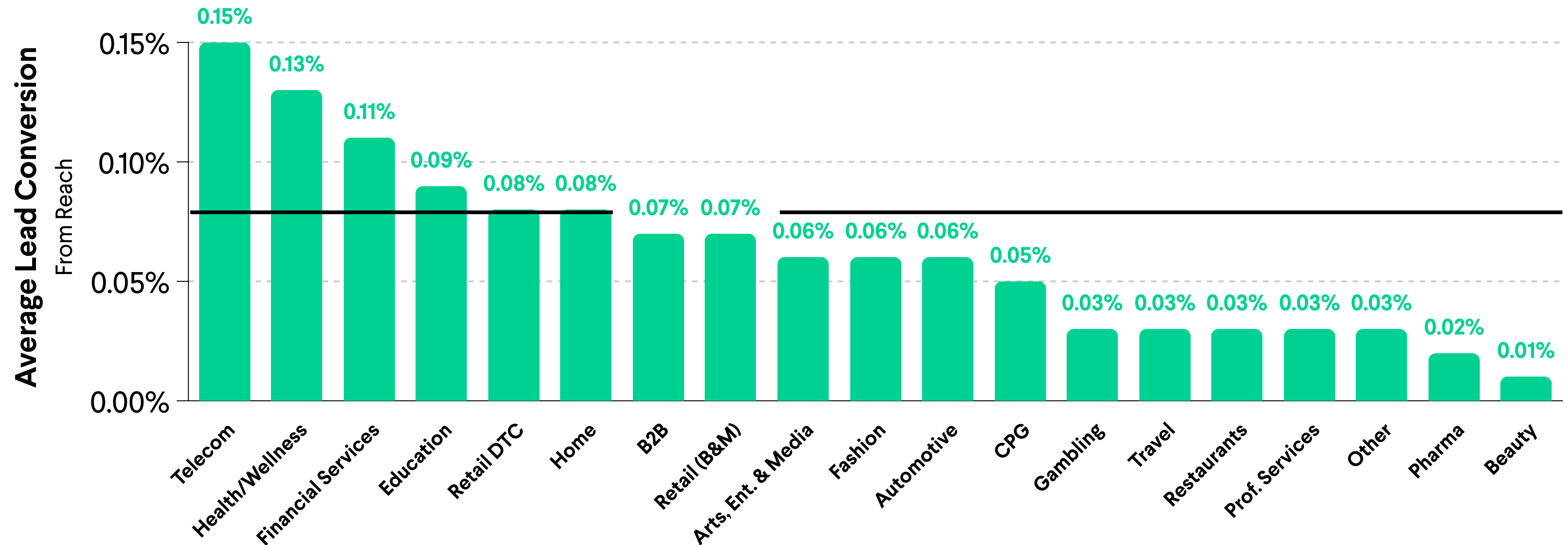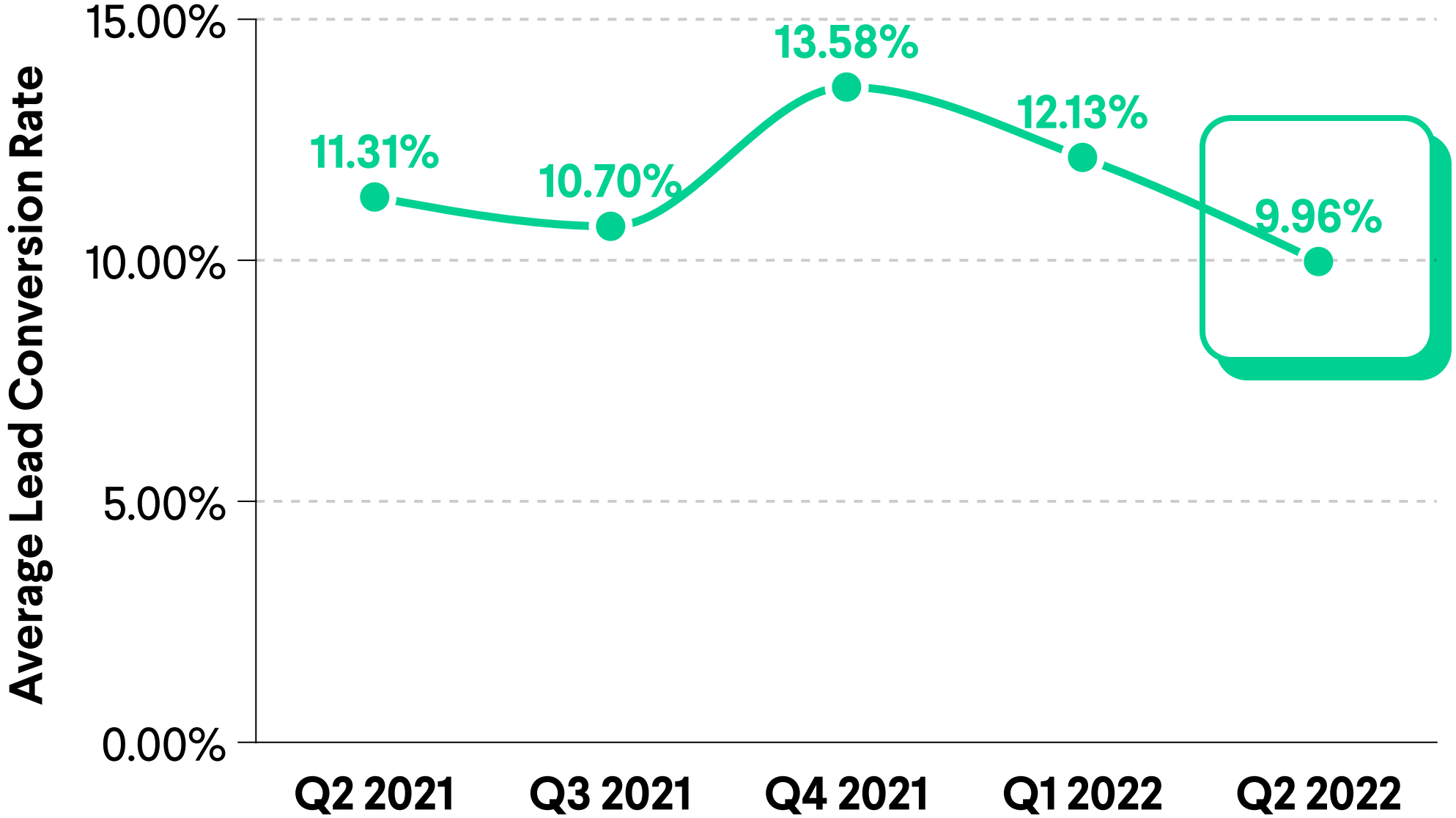The lead conversion rate remained at **0.08%** this quarter.

The **telecom industry** continues to dominate lead conversions in podcast advertising this quarter

This quarter, **Automotive** saw a dramatic dip, dropping from second place to below average.

—— Average CR = **0.08%**

Average Lead Conversion
From Reach

Telecom	0.15%
Health/Wellness	0.13%
Financial Services	0.11%
Education	0.09%
Retail DTC	0.08%
Home	0.08%
B2B	0.07%
Retail (B&M)	0.07%
Arts, Ent. & Media	0.06%
Fashion	0.06%
Automotive	0.06%
CPG	0.05%
Gambling	0.03%
Travel	0.03%
Restaurants	0.03%
Prof. Services	0.03%
Other	0.03%
Pharma	0.02%
Beauty	0.01%

The lead conversion rate from attributed visitors dipped to an **all time low** this quarter

Average Lead Conversion Rate

- 15.00%
- Q2 2021: 11.31%
- Q3 2021: 10.70%
- Q4 2021: 13.58%
- Q1 2022: 12.13%
- Q2 2022: 9.96%
- 10.00%
- 5.00%
- 0.00%

Lead events are a **custom event** such as a sign-up or email capture. **Lead conversion rate from attributed visitors** is calculated as:
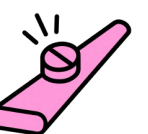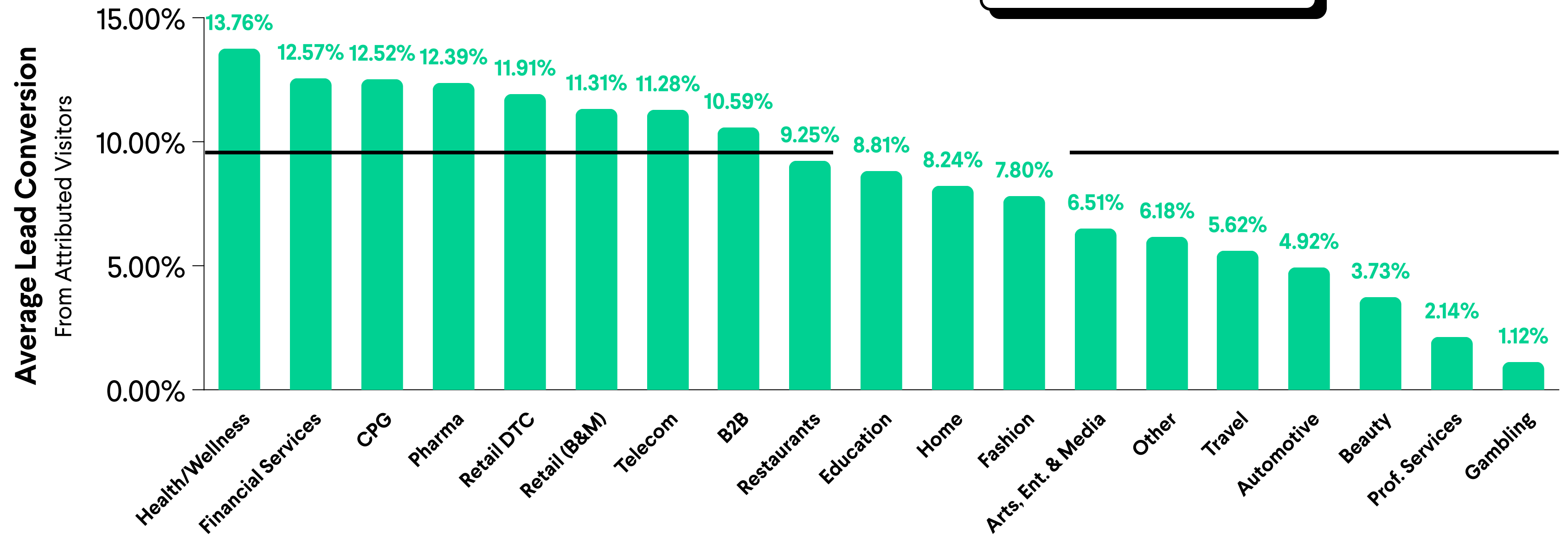
Lead CR = Leads ÷ Attributed Visitors

The lead conversion rate dropped slightly from the previous quarter to **9.96%** this quarter.
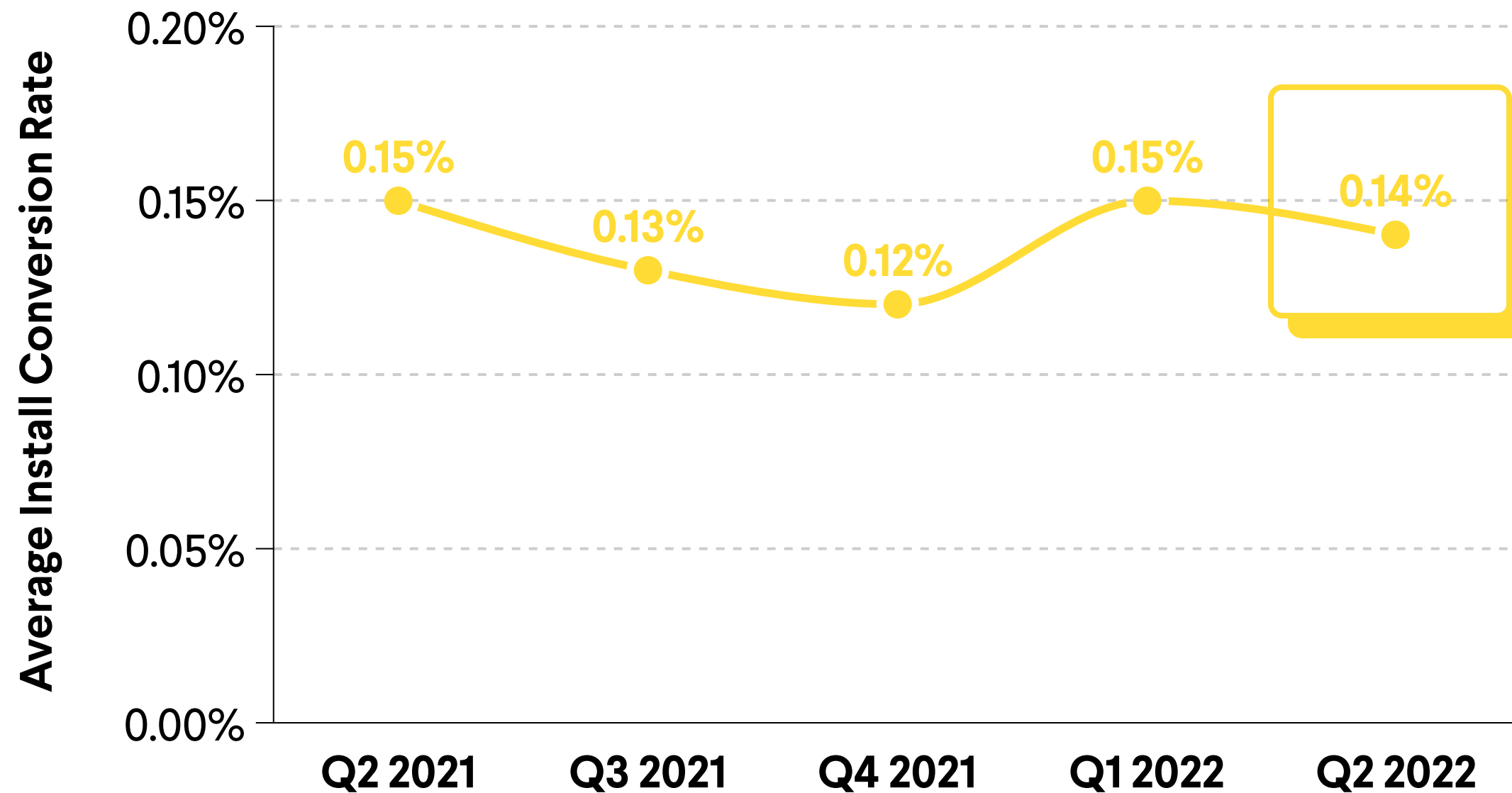
Health & Wellness surpassed Financial Services this quarter for lead events

Health/Wellness and **Financial Services** switched places for highest average lead conversion from attributed visitors this period.

—— Average CR = **9.96%**

Average Lead Conversion
From Attributed Visitors

Category	Value
Health/Wellness	13.76%
Financial Services	12.57%
CPG	12.52%
Pharma	12.39%
Retail DTC	11.91%
Retail (B&M)	11.31%
Telecom	11.28%
B2B	10.59%
Restaurants	9.25%
Education	8.81%
Home	8.24%
Fashion	7.80%
Arts, Ent. & Media	6.51%
Other	6.18%
Travel	5.62%
Automotive	4.92%
Beauty	3.73%
Prof. Services	2.14%
Gambling	1.12%

Install conversion rates remained **fairly consistent** from last quarter

Average Install Conversion Rate

0.20%	
0.15%	0.15%
0.10%	0.13% 0.12% 0.15% 0.14%
0.05%	
0.00%	

Q2 2021 · Q3 2021 · Q4 2021 · Q1 2022 · Q2 2022

The **install conversion rate** refers to mobile app installs, and is calculated as:

Intall CR = Installs ÷ Reach

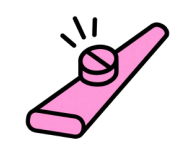The install conversion rate decreased by **7%** this quarter to **0.14%**.

Arts, Entertainment & **Media** continues to maintain the highest install conversion rate, with **Gambling** close behind

Arts, Ent. & Media includes mobile game apps, and this industry dominates install conversion rates.

The average install conversion rate across all industries was **0.14%**.
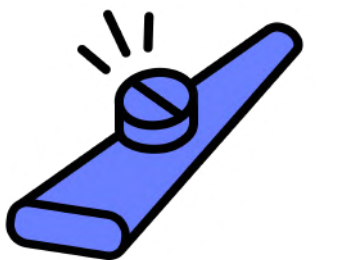

Average CR = **0.14%**

Average Install Conversion Rate

Arts, Ent. & Media	0.23%
Gambling	0.22%
Financial Services	0.14%
Home	0.11%
Other	0.10%
Health/Wellness	0.10%
B2B	0.10%
Retail DTC	0.09%
Pharma	0.07%
Education	0.06%
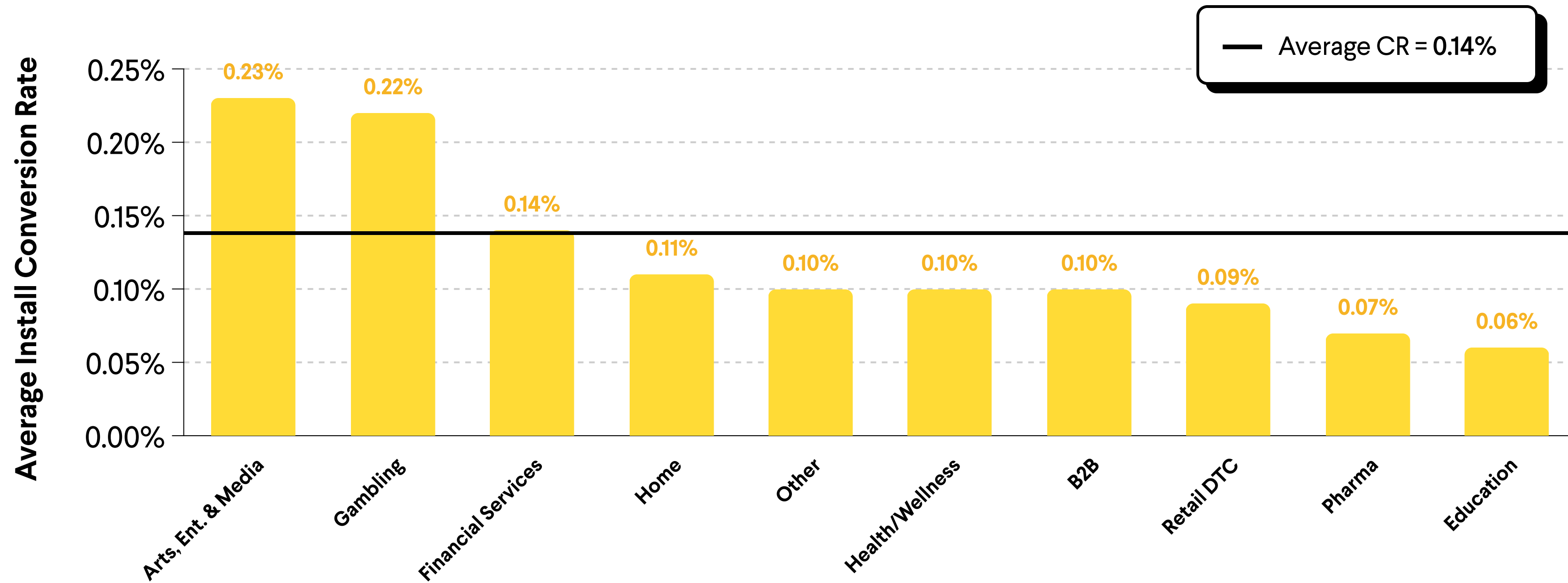
Note: Podsights excludes industries that have less than 3 campaigns with relevant data
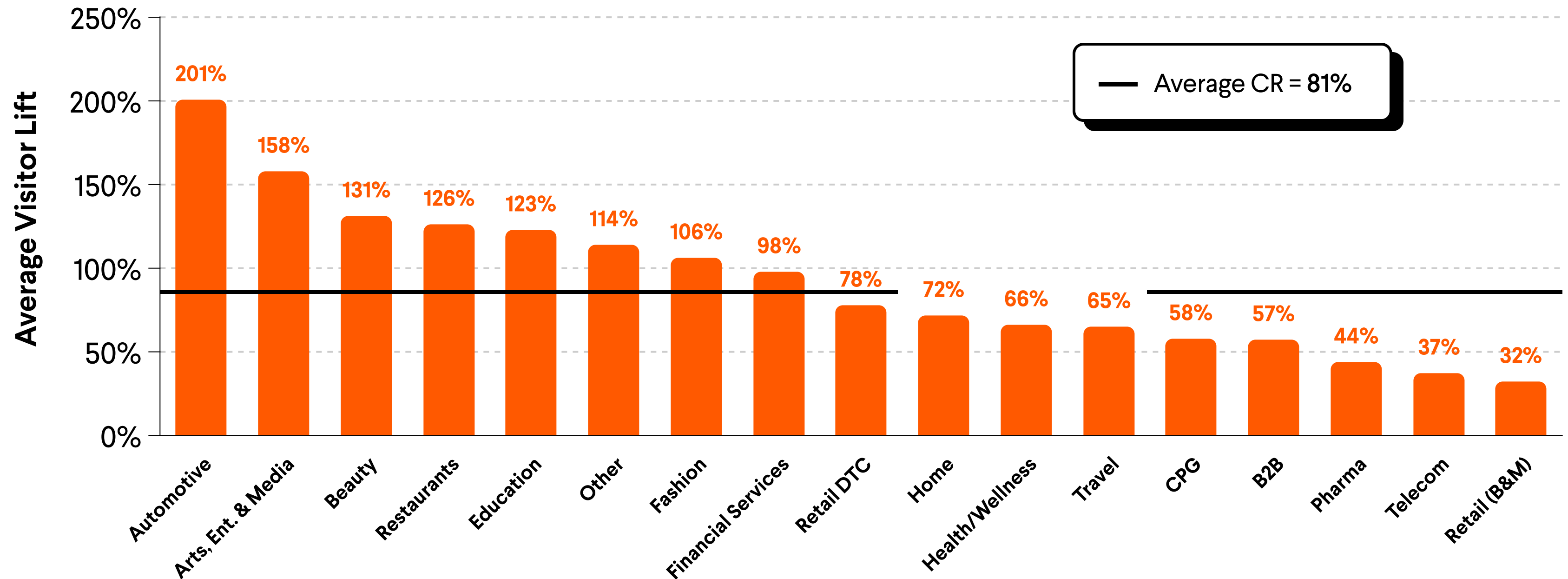
04

# Incremental Lift Benchmarks

Automotive rose to the top & takes over with the highest visitor lift

Incremental Lift measures the increase in conversions from podcast advertising vs. doing nothing at all[1].

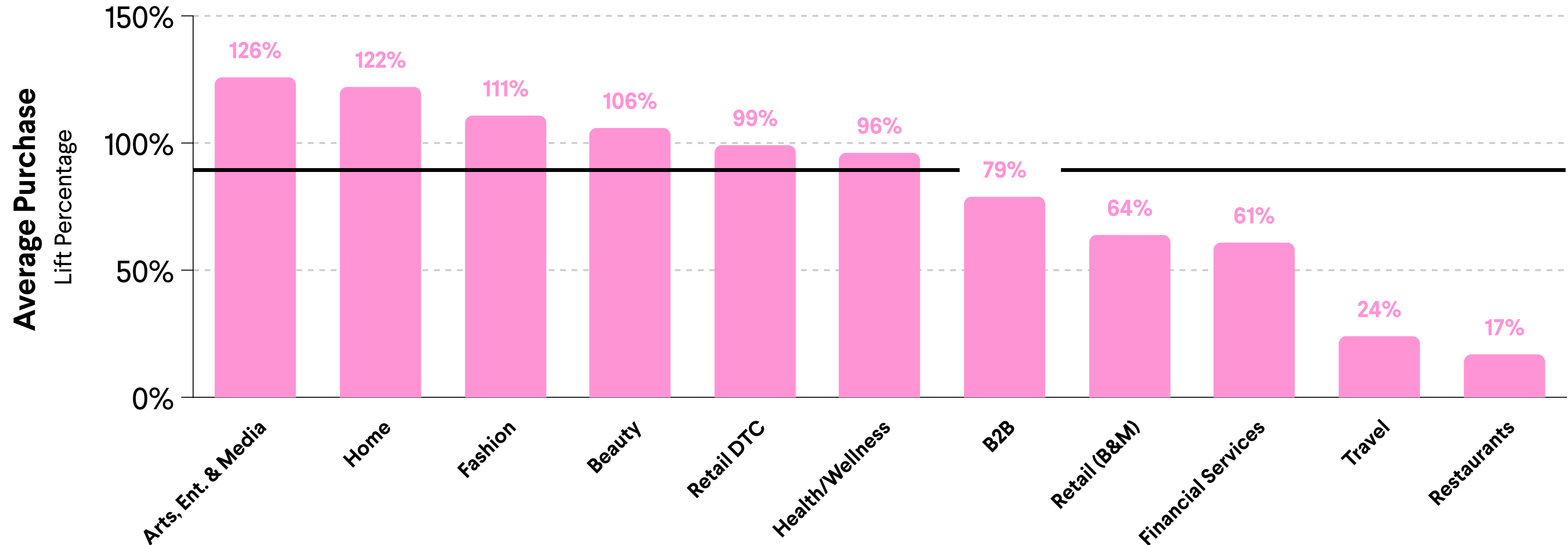For **site visitors (view events), the average lift** was **81%** across industries[2].

Average CR = 81%

Average Visitor Lift

201% — Automotive
158% — Arts, Ent. & Media
131% — Beauty
126% — Restaurants
123% — Education
114% — Other
106% — Fashion
98% — Financial Services
78% — Retail DTC
72% — Home
66% — Health/Wellness
65% — Travel
58% — CPG
57% — B2B
44% — Pharma
37% — Telecom
32% — Retail (B&M)

[1] For more information on lift please see our blog post: Incremental Lift for Podcast Advertising   [2] Up slightly from 78% last quarter

Podsights Q3 2022 Benchmark Report | 32
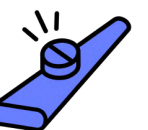
Arts, Entertainment & Media as well as **Home** take over with the highest purchase lift

For **purchase events**, **the average lift** was **94%** across industries[1].

┌─────────────────────────────┐
│ —— Average CR = **94%**   │
└─────────────────────────────┘

Average Purchase Lift Percentage

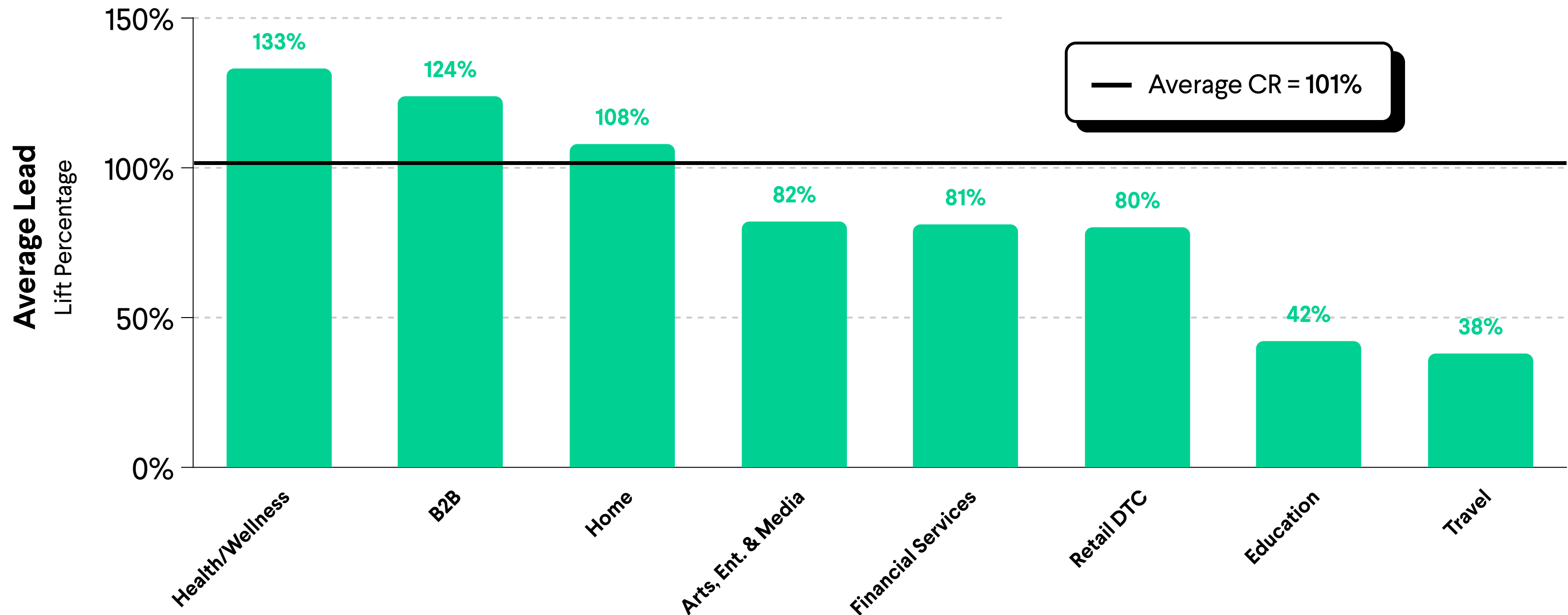|	
150%	
126%	Arts, Ent. & Media
122%	Home
111%	Fashion
106%	Beauty
99%	Retail DTC
96%	Health/Wellness
79%	B2B
64%	Retail (B&M)
61%	Financial Services
24%	Travel
17%	Restaurants

Health *&* **Wellness** rose to the top with the highest lift for lead events

For **lead events**, **the average lift** was **101%** across industries[1].

This means that a brand who ran ads on a podcast saw **2X more** leads than they would have without running a podcast campaign.
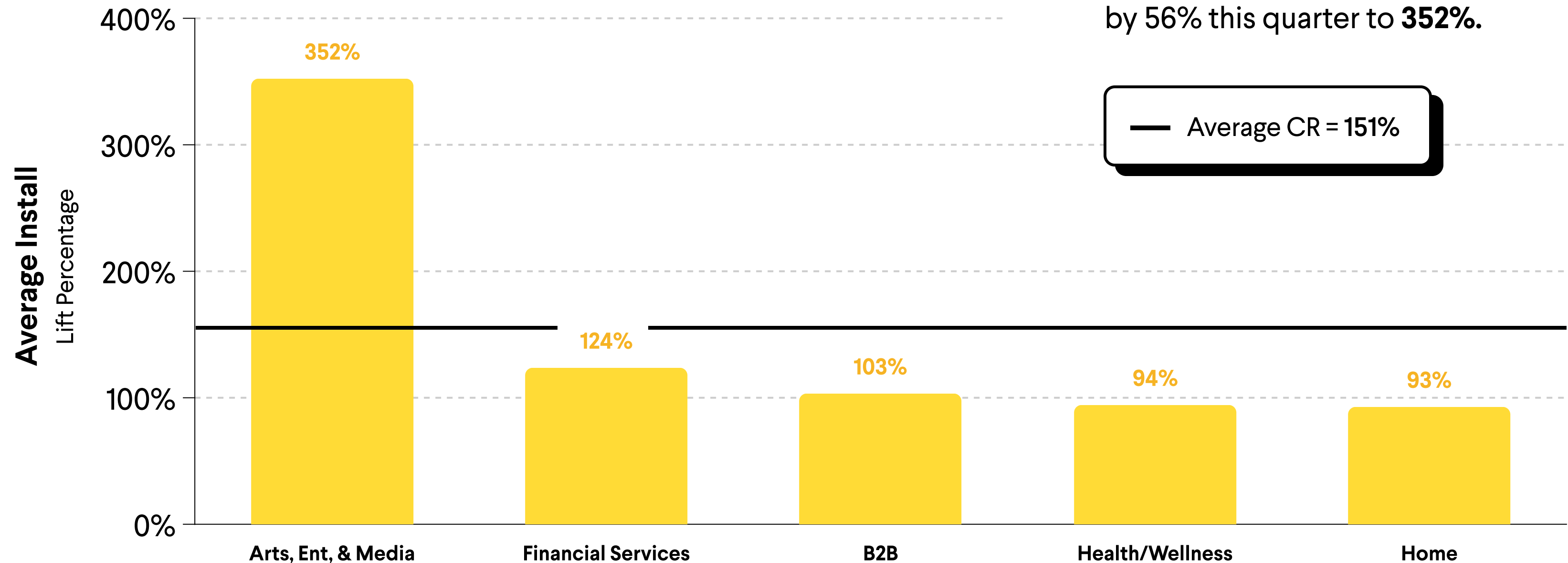
—— Average CR = 101%

Average Lead Lift Percentage

- Health/Wellness: 133%
- B2B: 124%
- Home: 108%
- Arts, Ent. & Media: 82%
- Financial Services: 81%
- Retail DTC: 80%
- Education: 42%
- Travel: 38%

Lift for **mobile events** outperforms lift for **web events** in all categories

For **mobile app install events, the average lift** was **151%** across industries[1].

Average install lift for **Arts, Entertainment and Media** increase by 56% this quarter to **352%.**

—— Average CR = 151%

Average Install Lift Percentage

352%	Arts, Ent, & Media
124%	Financial Services
103%	B2B
94%	Health/Wellness
93%	Home

Want to learn more?

For questions about this report, please reach out to **Emily Mai**

✉ **emilymai@spotify.com**

To learn more about Podsights and our suite of products, reach out to our **Sales Team**

✉ **sales@podsights.com**

Get started with **Podsights!**

First time advertising on podcasts and not sure where to start? Start with Podsights!
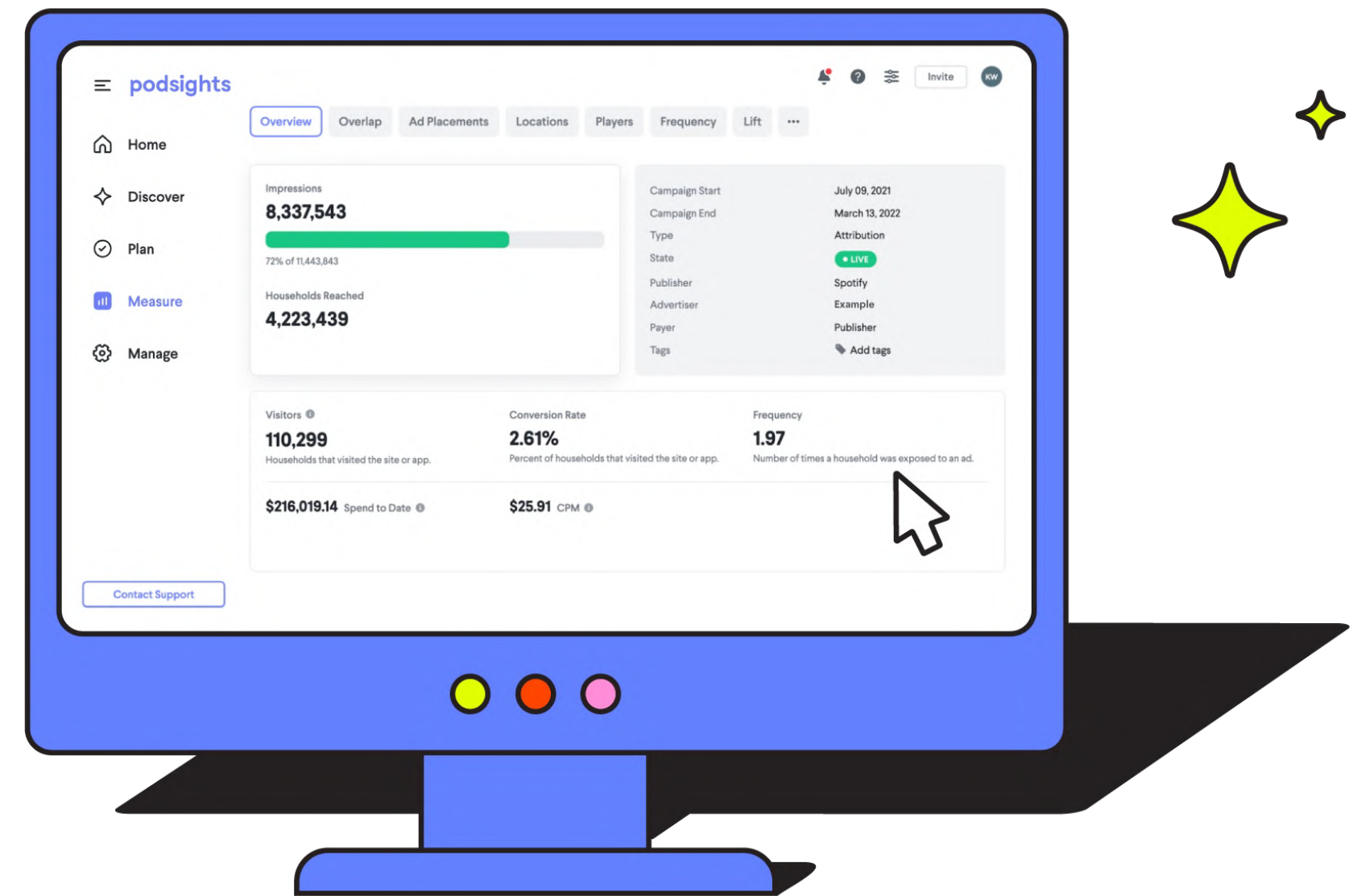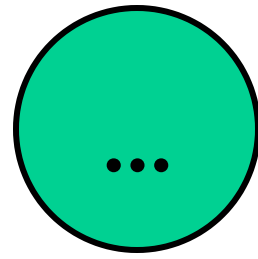
Podsights Pricing Plans:

Starter

$241 /Mo

Enterprise

Starting at

$925 /Mo

Ready to get started or interested in agency pricing?
Reach out to our sales team → sales@podsights.com

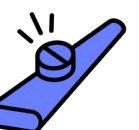# Appendix

Appendix: *Methodology*

Data Collection:

Data for this study was collected and analyzed in aggregate from all Podsights campaigns in the specified period. The aggregated data has been anonymized and does not identify individual listeners, brands or publishers.

For more information, check out our privacy policy.

Attribution Methodology:

Podsights defines a conversion rate as the number of attributed households that visited the site divided by the unique households that downloaded an episode. An attributed visitor is someone who downloaded a podcast containing an advertisement, and then visited the brand's owned and operated website. **Read more about our methodology here.**

Appendix B: *Campaigns*
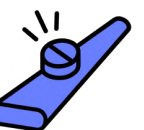
Per Industry *(pt 1 / 2)*

Industry Name *(Shortened)*	Industry Name *(Long)*	Count of Campaigns
Fashion	**Apparel/Fashion Accessories** *(Men/Women)*	276
Arts, Ent. & Media	**Arts, Entertainment & Media** *(Streaming Services, Movies, Dance, Theater, Concerts, Opera, Amusement Parks, Games, Books – Audio and Bound, Music, Magazines, Newspapers, Websites, Apps, DVDs, Radio and Television Networks/Stations/Programming)*	309
Automotive	**Automotive / Automotive Services**	87
Parenting	**Baby/Child/Parenting**	7
Beauty	**Beauty/Cosmetics**	120
B2B	**Business-to-Business** *(Business conducted between one business and another such as a wholesaler and retailer)*	475
CPG	**Consumer Packaged Goods** *(CPG)*	76
Education	**Education**	127
Financial Services	**Financial Services** *(Banks, Insurance, Securities, Mortgages, Financial Services Software)*	376
Gambling	**Gambling/Sports Betting**	22

Industry Categories align with the May 2021 US Podcast Advertising Revenue Study.

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Appendix B: *Campaigns*

Per Industry *(pt 2 / 2)*

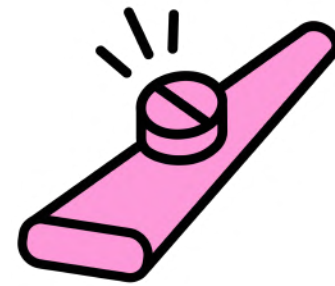| Industry Name *(Shortened)*	Industry Name *(Long)*	Count of Campaigns
Health/Wellness	**Health/Wellness** *(including Fitness, Diet, Yoga, Meditation, etc.)*	346
Home	**Home Improvement/Furnishings**	221
Other	**Other** *(Primarily includes energy, government/non-profit, and advocacy)*	91
Pharma	**Pharmaceuticals** *(OTC and DTC)*	42
Prof. Services	**Professional Services for non-Business Entities**	18
Restaurants	**Restaurants/bars**	51
Retail (B&M)	**Retail** *(Brick & Mortar / eCommerce)*	100
Retail DTC	**Retail Direct-to-Consumer** *(companies whose revenue is attained predominantly through E-commerce)*	154
Telecom	**Telecommunications** *(Telephony, Mobile Service Providers, Cable/Satellite TV services, ISPs, Wireless)*	105
Travel	**Travel and Tourism** *(Resorts/Hotels/Airlines)*	44

Appendix C: *Brands*

Per Industry Measured by Podsights

Legend: Q3 2022 (orange), Q2 2022 (pink)

Industry	Q3 2022
B2B	144
Financial Services	107
Health/Wellness	97
Arts, Ent. & Media	84
Home	68
Fashion	64
Retail DTC	50
Education	46
Other	45
CPG	36
Automotive	32
Restaurants	29
Telecom	28
Retail (B&M)	25
Travel	24
Beauty	22
Pharma	17
Prof. Services	8
Parenting	4
Gambling	4

Y-axis: Number of Brands (0, 50, 100, 150)

Industry Categories align with the May 2021 US Podcast Advertising Revenue Study.

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Thank You!