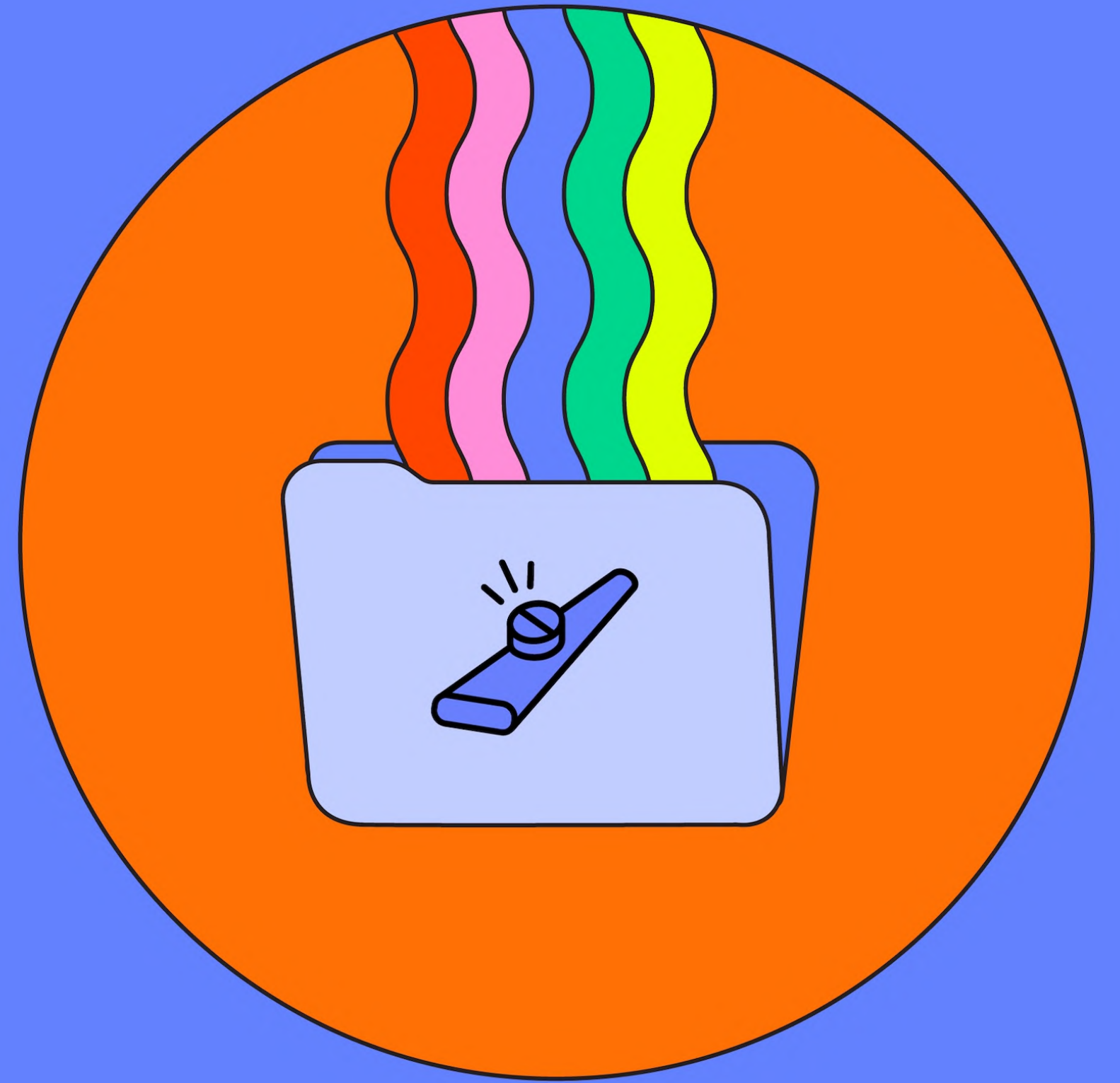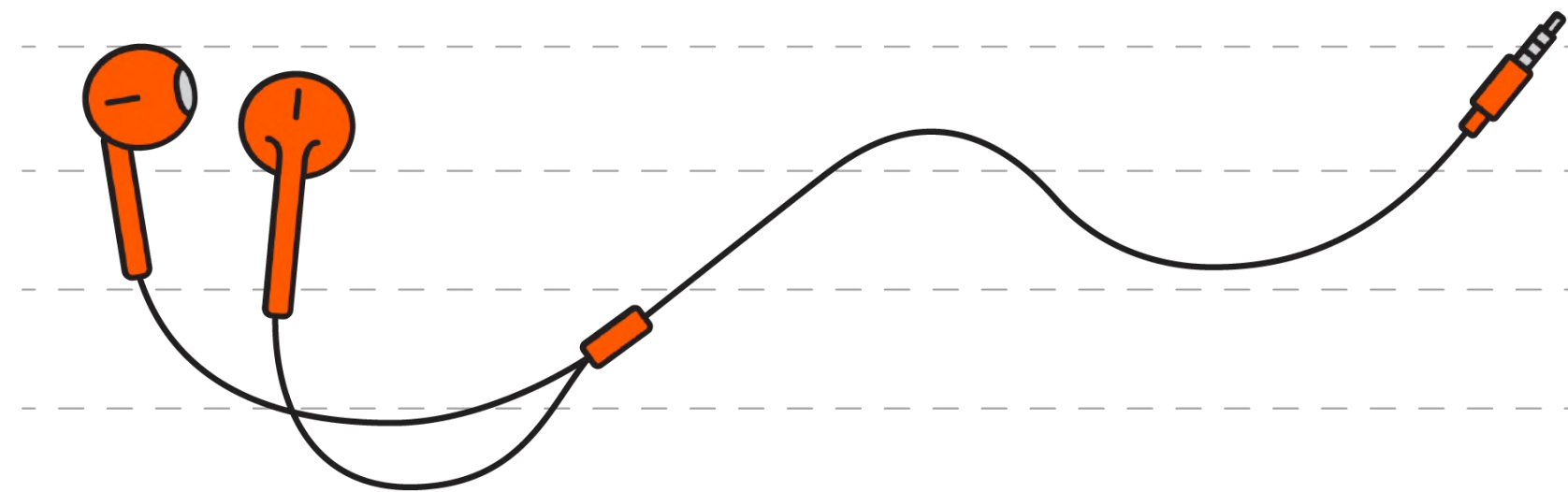# podsights

Benchmark Report

Q2 2023 →

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.

Executive Summary

Over the last year, podcast advertising continues to show strong performance. Conversion metrics like purchase rate and mobile install rate saw an upward trend, emphasizing the importance of podcasts within an advertiser's media mix.

Here are a few highlights from the report ⟶

1. **Conversion rates for mobile app installs rose sharply by 44%**, signaling advertisers who are focused on growing their mobile app customer base can rely on podcasts to be a strong channel to drive app downloads and engagement.

2. **The average conversion rate for website visits in 2022 was 1.21%**, and although that is slightly lower than the previous report, historical trends consistently show growth in performance quarter after quarter starting in Q1. Now is a great time to take advantage of the expected uptick.

3. We saw a **5% increase in average purchase conversion rate from attributed visitors** and a 10% increase in lead conversion rate from attributed visitors – which continues to support the insight that once an exposed listener in the podcast channel arrives at your website, they're likely to take action.

And there's so much more. Read on for the full story.

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

01

Overviews & Key Takeaways
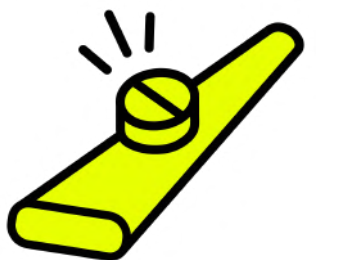
Analysis Overview

Q2 2022 – Q1 2023

10B
41% YoY
Impressions

4.5K
55% YoY
Campaigns

1K
21% YoY
Brands

$790M
94% YoY
Ad Spend
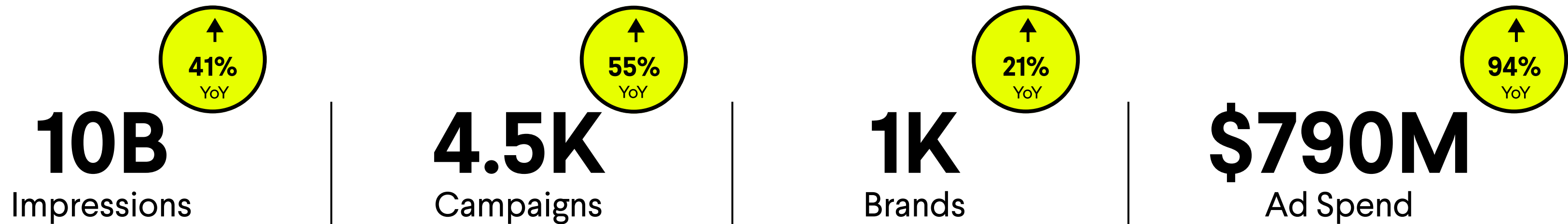
Podsights estimates that we measure more than **1 in every 3 dollars** spent in the podcast advertising space, given the estimated **$3B** global podcast ad market .

Fast Figures

1.21% → **Average CR**
across industries this period

4.55 → **Average Frequency**
consistent with last quarter

2M → **Minimum Impressions**
recommended for an advertiser's first campaign in the podcast channel

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

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

Podcast Media Buyer's Guide

Start with **2,000,000 impressions** if you want a small test, or go big with **10,000,000+ impressions** to get even better results

Impressions	Average Conversion Rate	Visitors[1]
0 – 400,000	1.06%	1,418
400,001 – 1,000,000	1.16%	3,853
1,000,001 – 2,000,000	1.33%	8,863
2,000,001 – 4,000,000	1.25%	16,642
4,000,001 – 10,000,000	1.18%	39,296
10,000,001+	1.36%	54,480

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.

First-time podcast buyers should focus on testing at the 2,000,000 impressions level. That being said, the brands that decide to go all-in are rewarded as **larger campaigns drive stronger results**.

$$\text{Visitors} = \text{Avg. Conversion Rate} \; x \; \left(\frac{\text{Impression Size}}{\text{Avg. Frequency}_1} \right)$$

Pre-roll leads once again

This quarter, **pre-roll** continues to lead and outperform **mid-roll** placements by 25%.

Average Conversion Rate
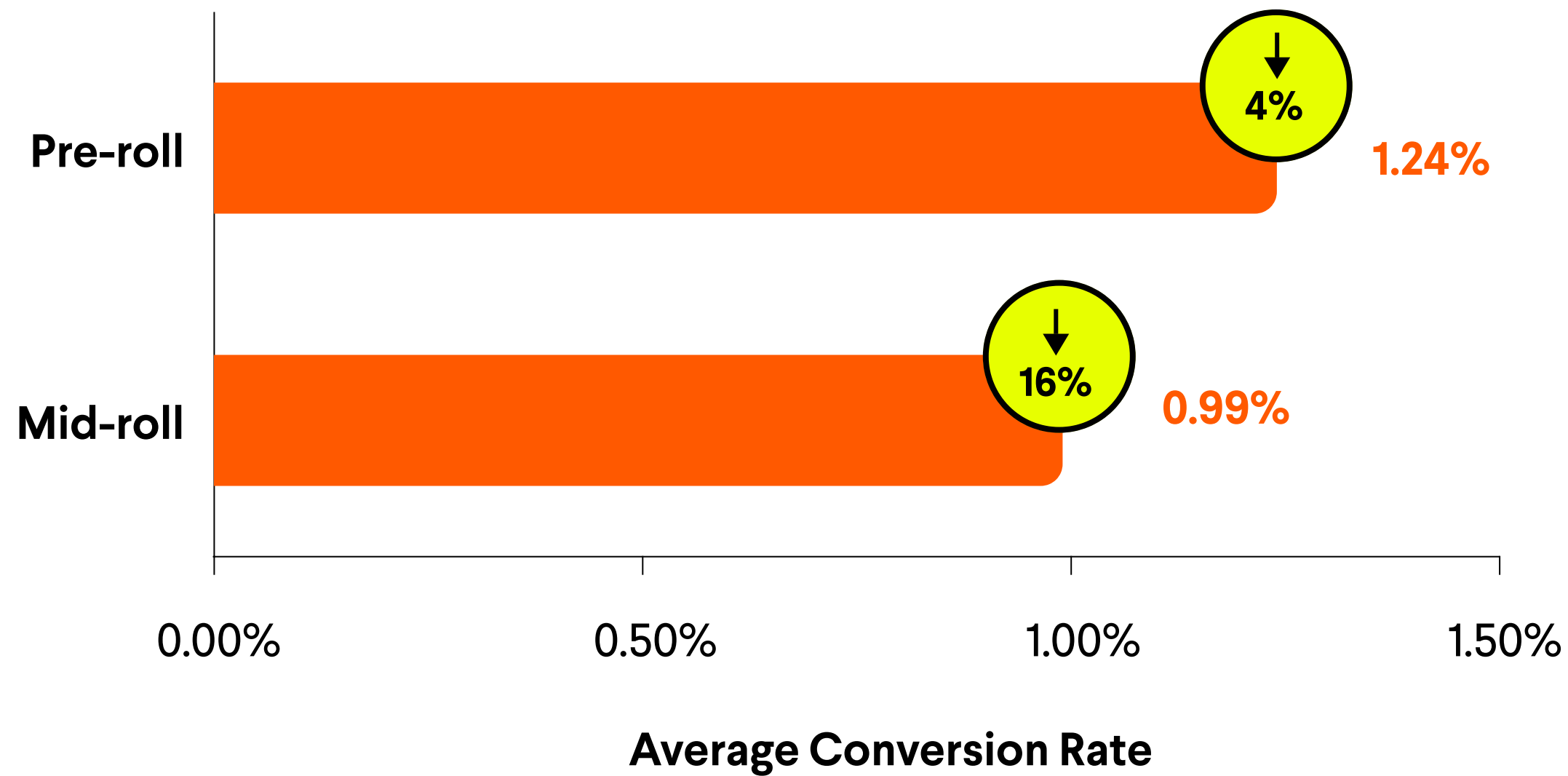
Conversion Rate Benchmarks
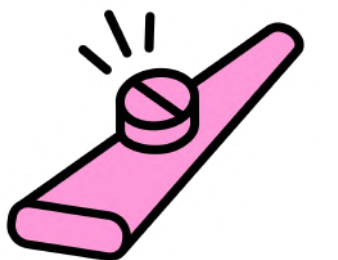
Average conversion rate saw
9% Year over Year growth
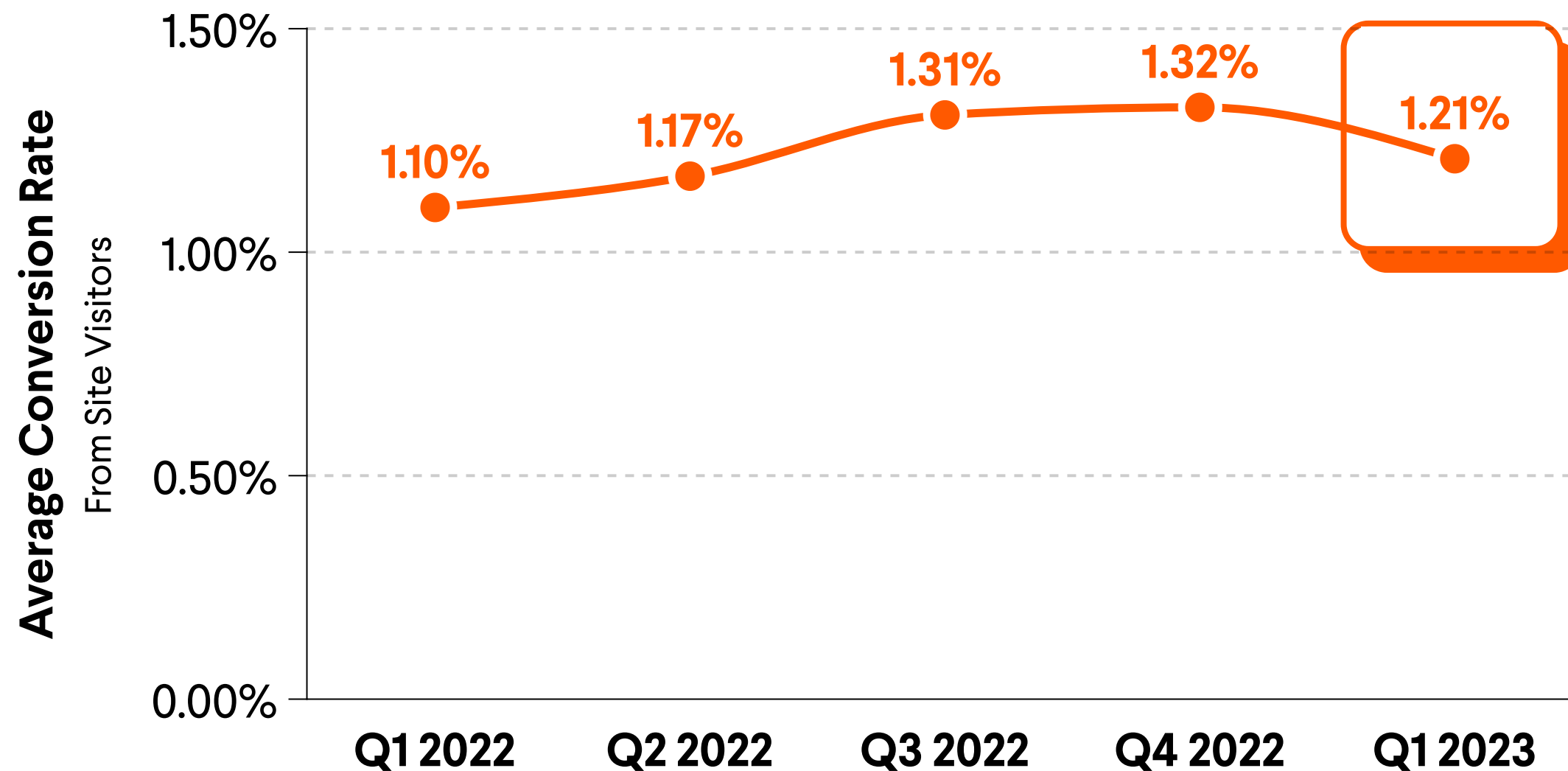
Conversion rate represents **site visit events**, calculated as:

Visitors ÷ Household Reach

The average conversion rate for site visitors is **1.21%** in Q1 2023, an 8% drop from the previous quarter. Compared to a 23% drop the previous year, 2023 podcast media performance is starting the year out strong.

Industries performed relatively similar compared to Q1 benchmarks, with **Gambling** *&* **Parenting** touting the highest average **visitor conversion rates**

Average Visitor Conversion Rate

- Average CR = **1.21%**

Industry	Rate
Gambling	2.44%
Parenting	2.35%
Retail (B&M)	2.27%
Education	2.10%
Automotive	1.66%
Home	1.57%
Arts, Ent. & Media	1.55%
Travel	1.45%
Retail DTC	1.34%
Fashion	1.31%
Telecom	1.31%
Other	1.30%
Prof. Services	1.24%
Restaurants	1.10%
Financial Services	0.98%
Beauty	0.92%
B2B	0.89%
Pharma	0.77%
Health/Wellness	0.76%
CPG	0.72%
Beverage	0.33%
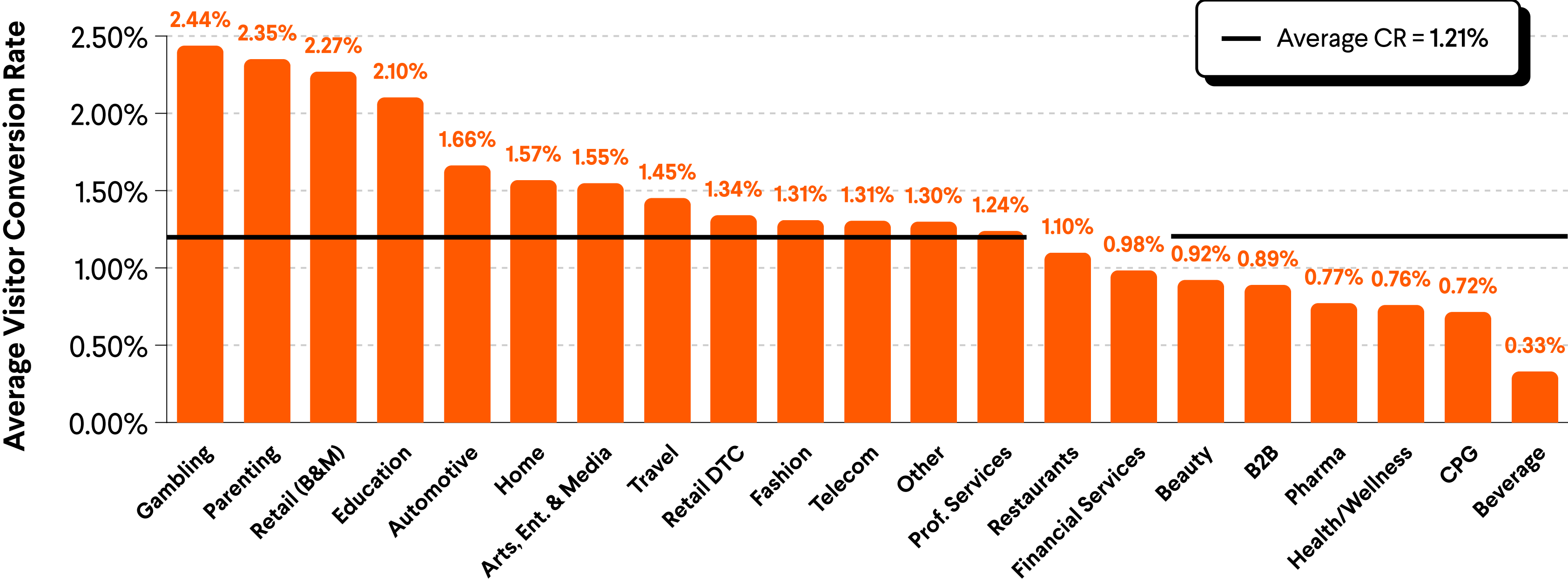
Other includes non-profit companies, Job-searching sites, Real Estate, etc. Find the full breakdown of all industries in the Appendix.

Podsights Q2 2023 Benchmark Report | 13

Frequency declined slightly, **improving** the listener experience and **driving better performing** campaigns overall

Average Frequency

8.00	
6.32	
6.00	
	4.76 4.75 4.94 4.55
4.00	
2.00	
0.00	

Q1 2022   Q2 2022   Q3 2022   Q4 2022   Q1 2023
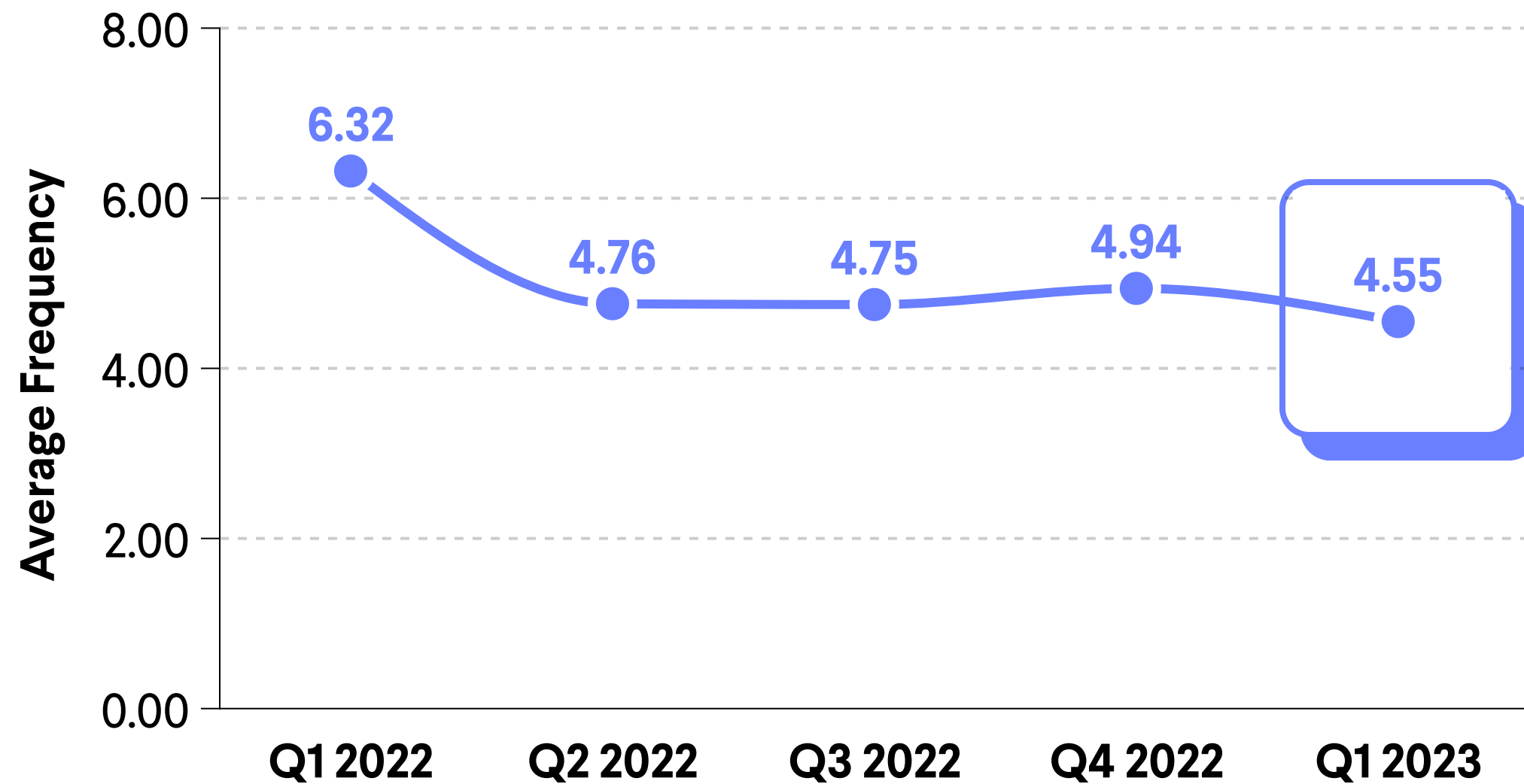
Frequency is the number of times a household was exposed to an ad. The average frequency had a **8% decrease** this period.

Frequency has remained largely stable for the last four quarters. Podsights continues to recommend advertisers keep their frequency between **2–5** to achieve optimal results.

Average purchase conversion rate **remained high** compared to previous quarters

Average Purchase Conversion Rate
From Reach

0.080%	
0.060%	
0.045%	
0.040%	0.037% 0.044% 0.044% 0.043%
0.020%	
0.000%	

Q1 2022   Q2 2022   Q3 2022   Q4 2022   Q1 2023
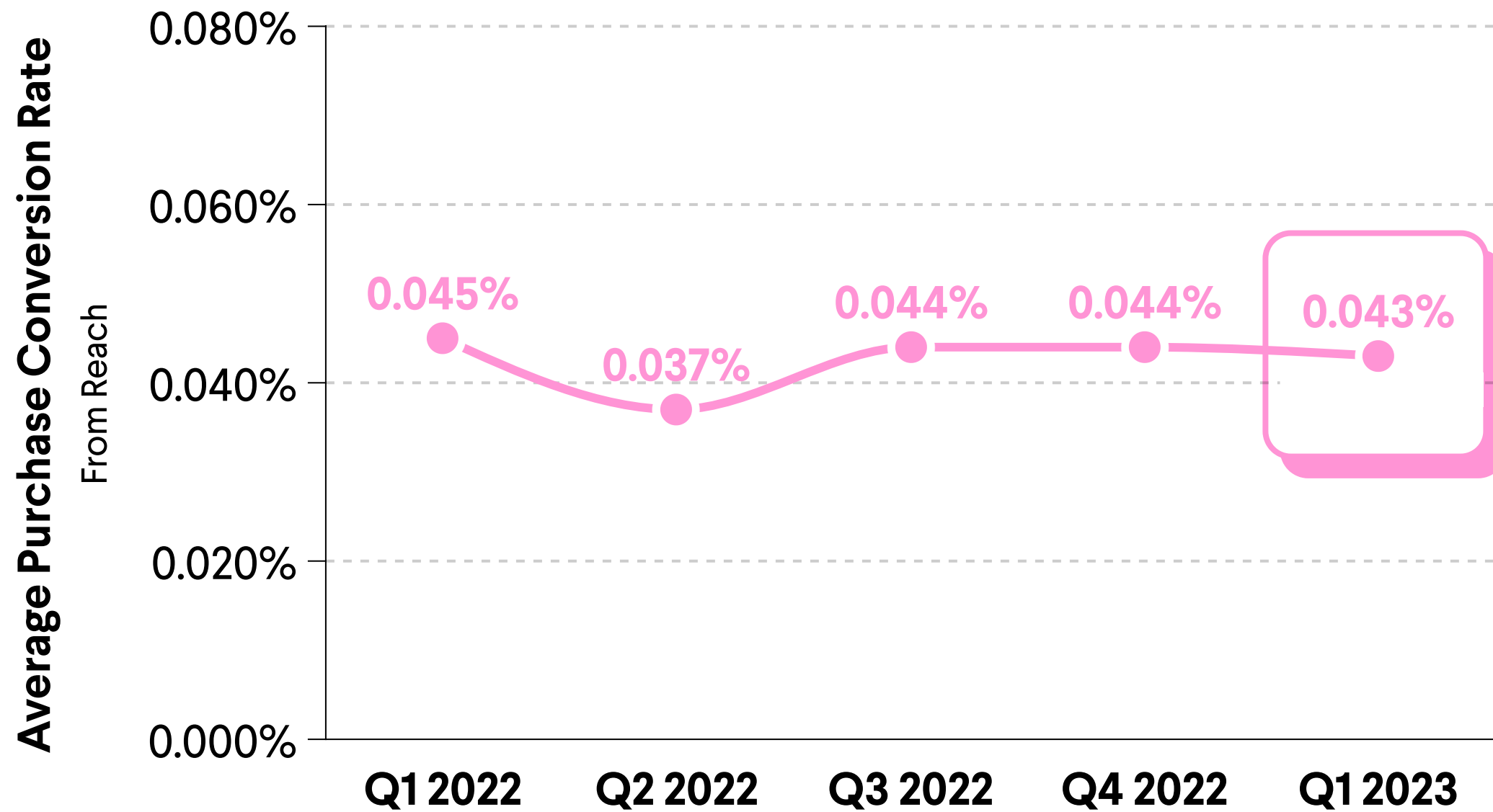
Purchase conversion rate represents **purchase events**, calculated as**:**

Purchase CR *from reach* **=** Purchases ÷ Reach

The **average purchase conversion rate** this quarter continues to stay strong, coming in at **0.043%.**

Education & Beauty experienced the highest purchase conversion rate

Both **Travel** and **Automotive** grew by over 100%, while **Health/wellness** showcased 25+% better performance

Average Purchase Conversion Rate
From Reach

— **Average Purchase CR** *from reach* = **0.043%**

Category	Value
Education	0.07%
Beauty	0.06%
Fashion	0.06%
Health/Wellness	0.05%
Retail (B&M)	0.05%
CPG	0.05%
Retail DTC	0.05%
Financial Services	0.04%
Travel	0.04%
Arts, Ent. & Media	0.04%
Restaurants	0.04%
Other	0.04%
Home	0.03%
Gambling	0.02%
Telecom	0.02%
Beverage	0.02%
B2B	0.02%
Pharma	0.02%
Automotive	0.02%
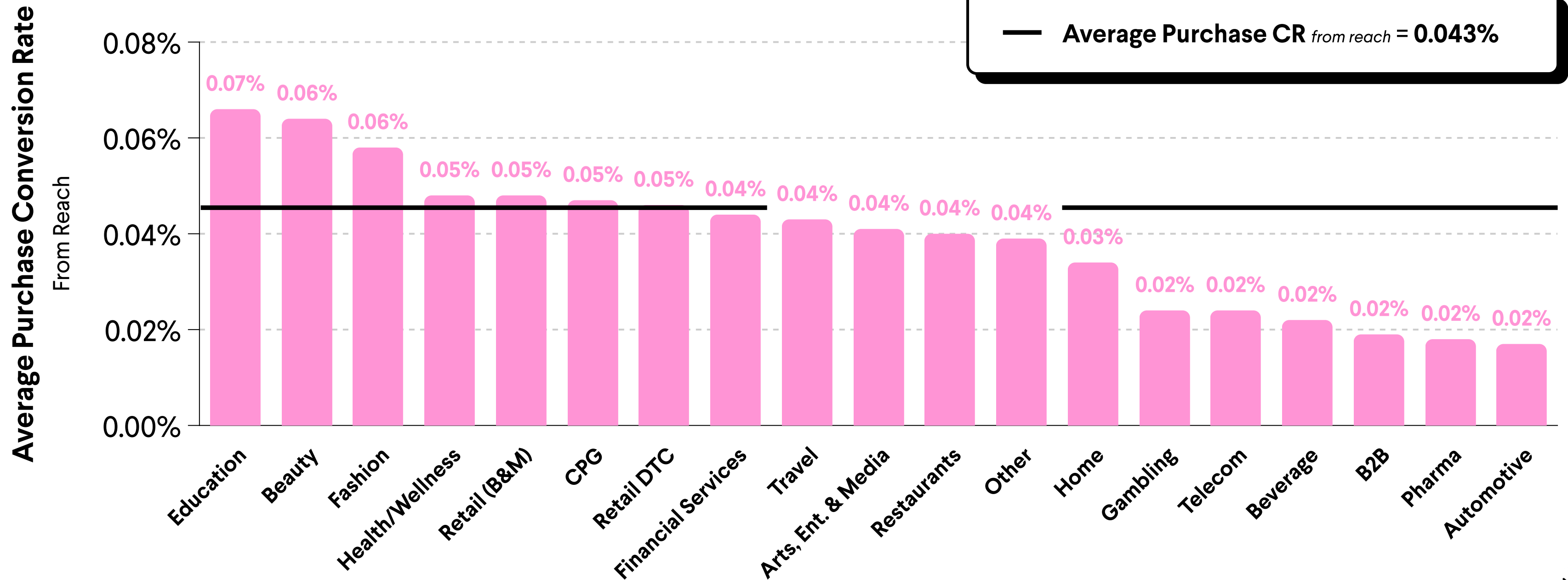
Average purchase conversion rate from attributed visitors **continues to increase**

Average Purchase Conversion Rate
From Attributed Visitors

Q1 2022	5.29%
Q2 2022	4.64%
Q3 2022	4.81%
Q4 2022	5.15%
Q1 2023	5.35%
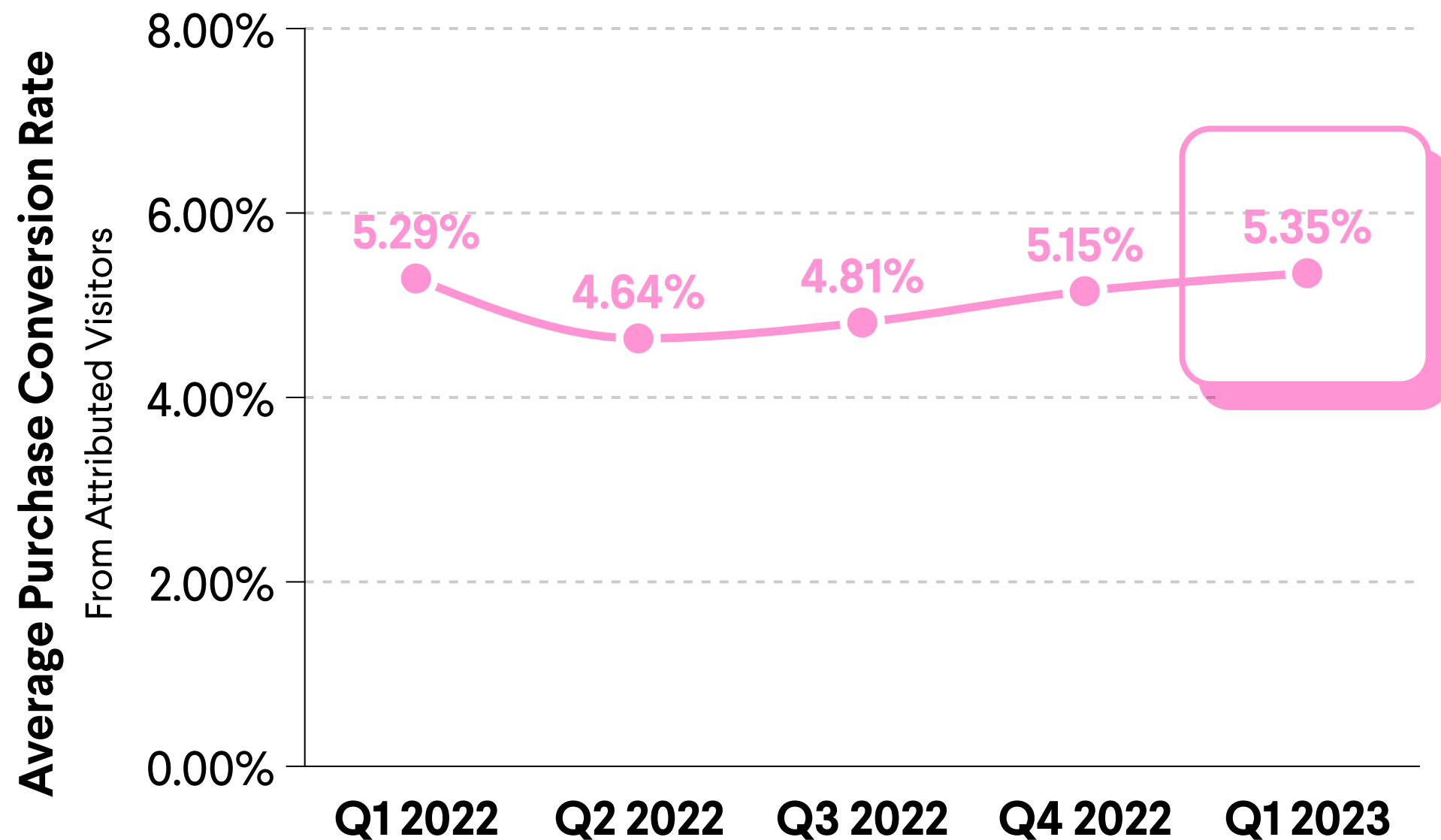
The **conversion rate from attributed visitors** describes the **rate of purchase** from households who are driven to the website as a result of the podcast ad and is calculated as:

Purchase CR *from attributed visitors* = Purchases ÷ Visitors

Q1 2023 showcased the strongest average purchase conversion rate since before 2022. This continues to showcase how effective podcast ads can be to drive lower-funnel objectives.
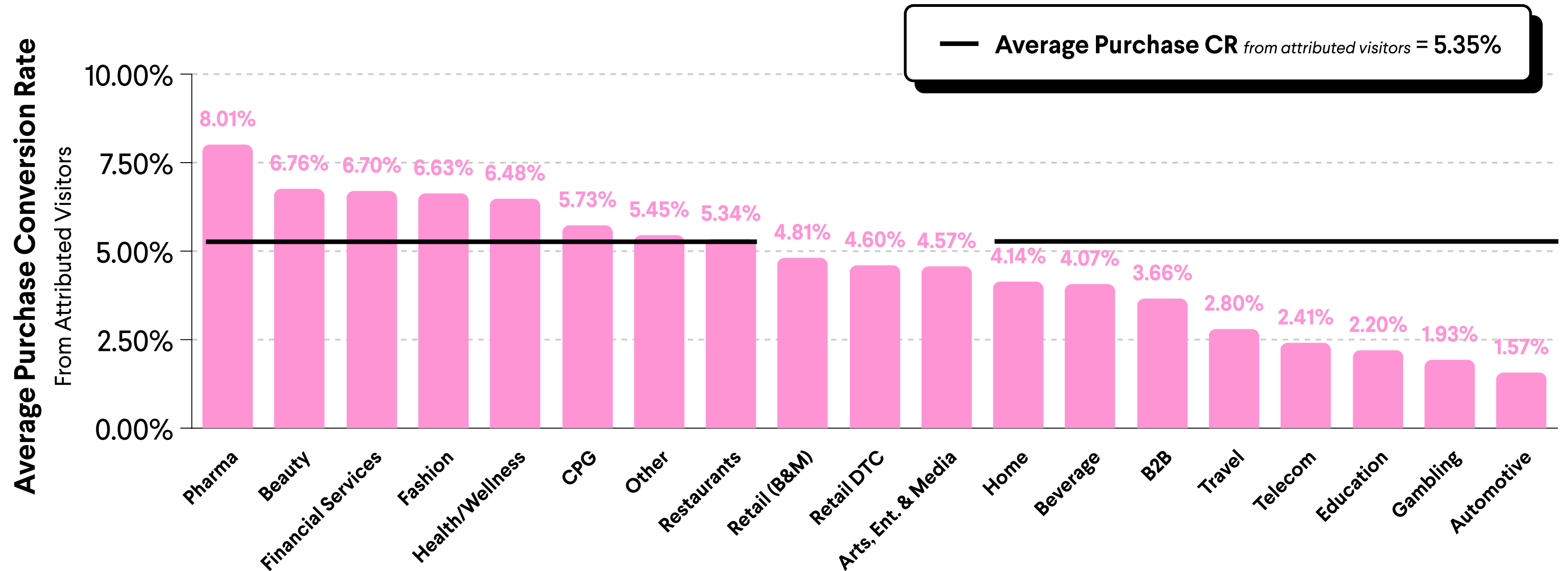
Pharma continues to experience the **highest** purchase conversion rate from attributed website visitors

Restaurants experienced ~25% better performance, while **Home** and **Fashion** remained mostly flat.

Average Purchase Conversion Rate
From Attributed Visitors

— **Average Purchase CR** *from attributed visitors* = **5.35%**

Category	Rate
Pharma	8.01%
Beauty	6.76%
Financial Services	6.70%
Fashion	6.63%
Health/Wellness	6.48%
CPG	5.73%
Other	5.45%
Restaurants	5.34%
Retail (B&M)	4.81%
Retail DTC	4.60%
Arts, Ent. & Media	4.57%
Home	4.14%
Beverage	4.07%
B2B	3.66%
Travel	2.80%
Telecom	2.41%
Education	2.20%
Gambling	1.93%
Automotive	1.57%

This graph compares the visitor rate vs. the purchase rate based on **Reach**

Average Purchase Conversion Rate
By Reach

Average Visitor Conversion Rate
by Reach

Data points: Gambling, Retail (B&M), Education, Automotive, Home, Arts, Ent. & Media, Travel, Fashion, Telecom, Other, Retail DTC, Restaurants, Financial Services, Beauty, B2B, Health/Wellness, Pharma, CPG, Beverage
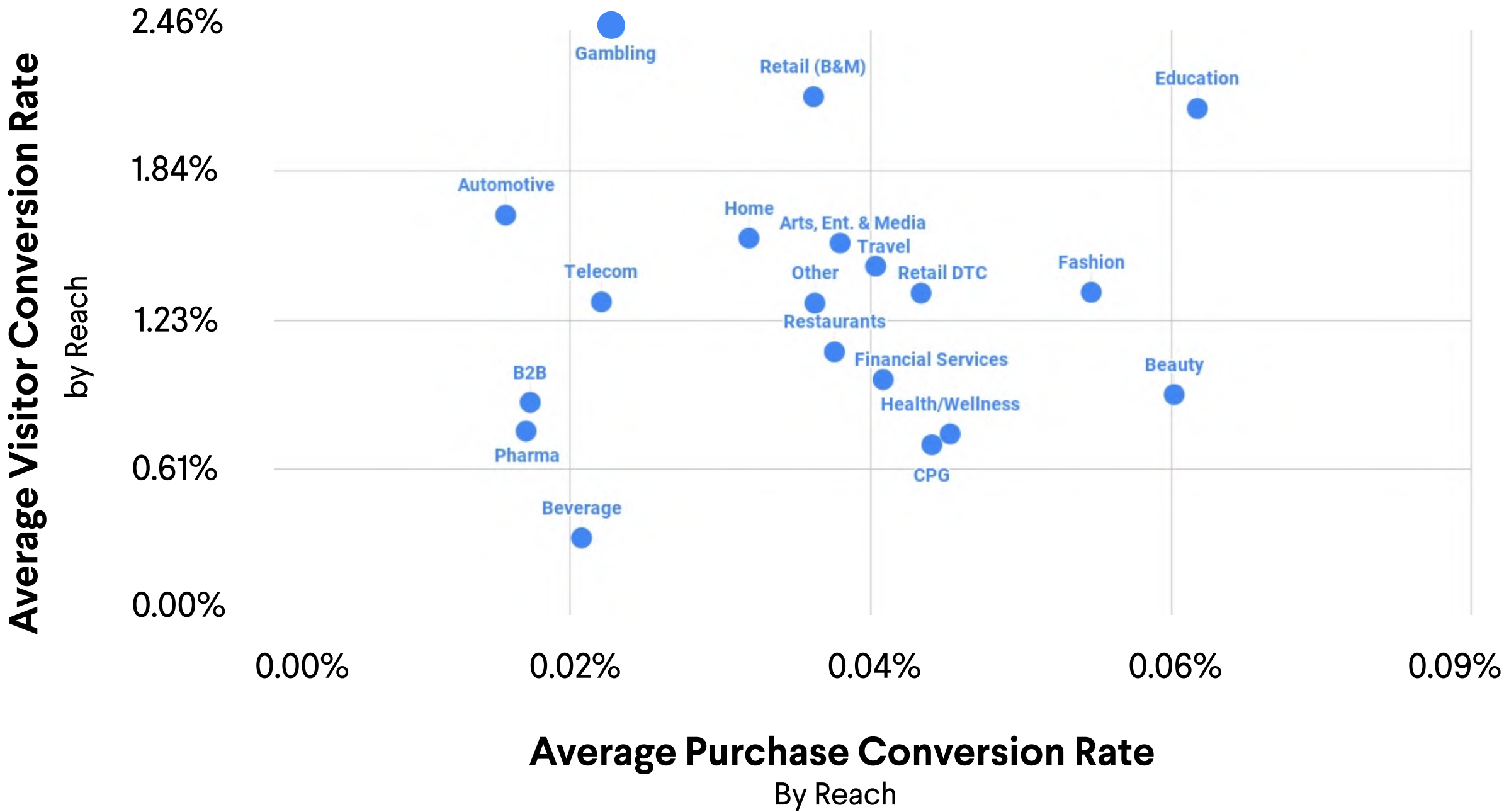
Lead conversion rate
remains the same as last quarter
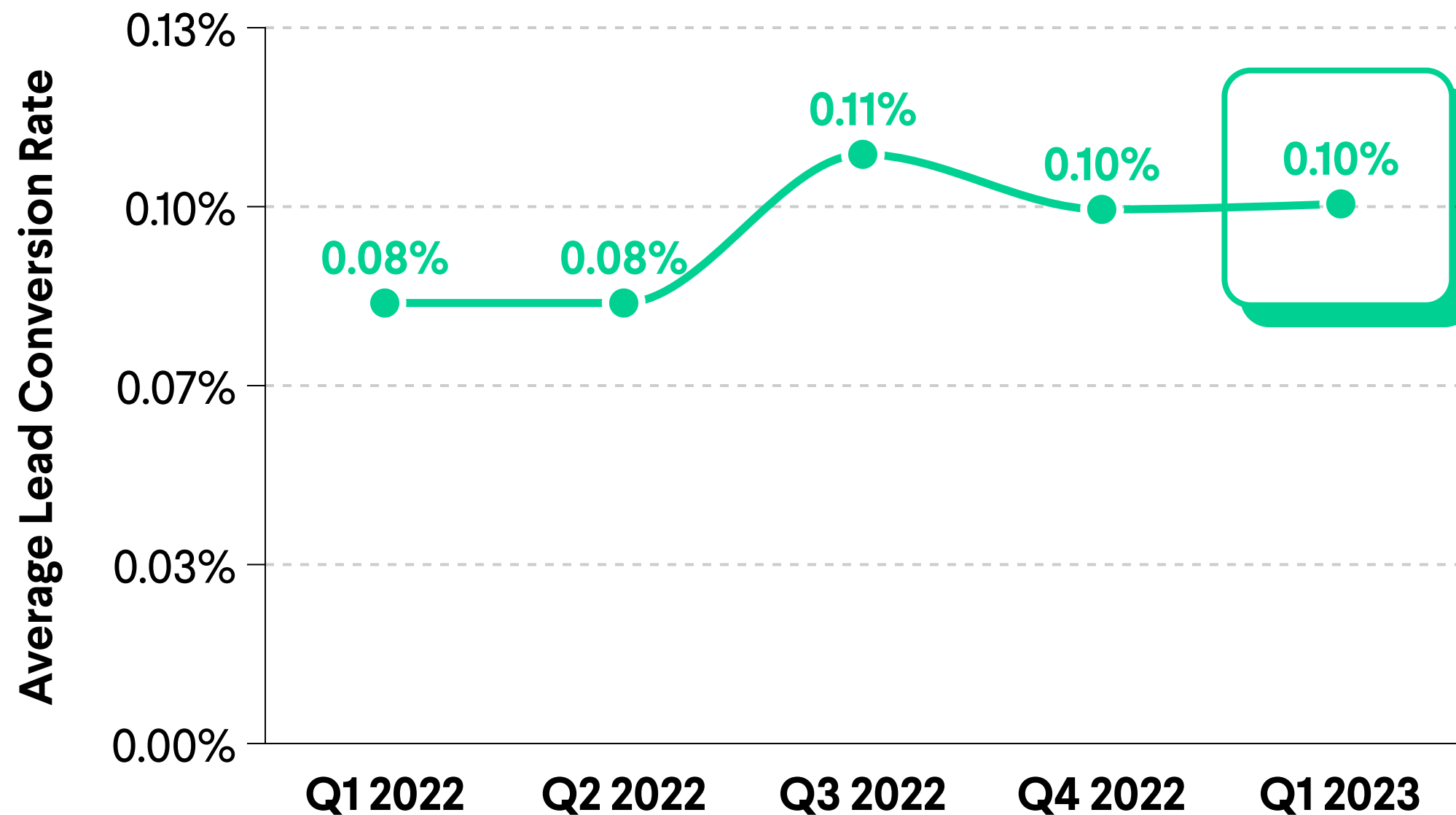
Average Lead Conversion Rate

Quarter	Rate
Q1 2022	0.08%
Q2 2022	0.08%
Q3 2022	0.11%
Q4 2022	0.10%
Q1 2023	0.10%

0.13%
0.10%
0.07%
0.03%
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:
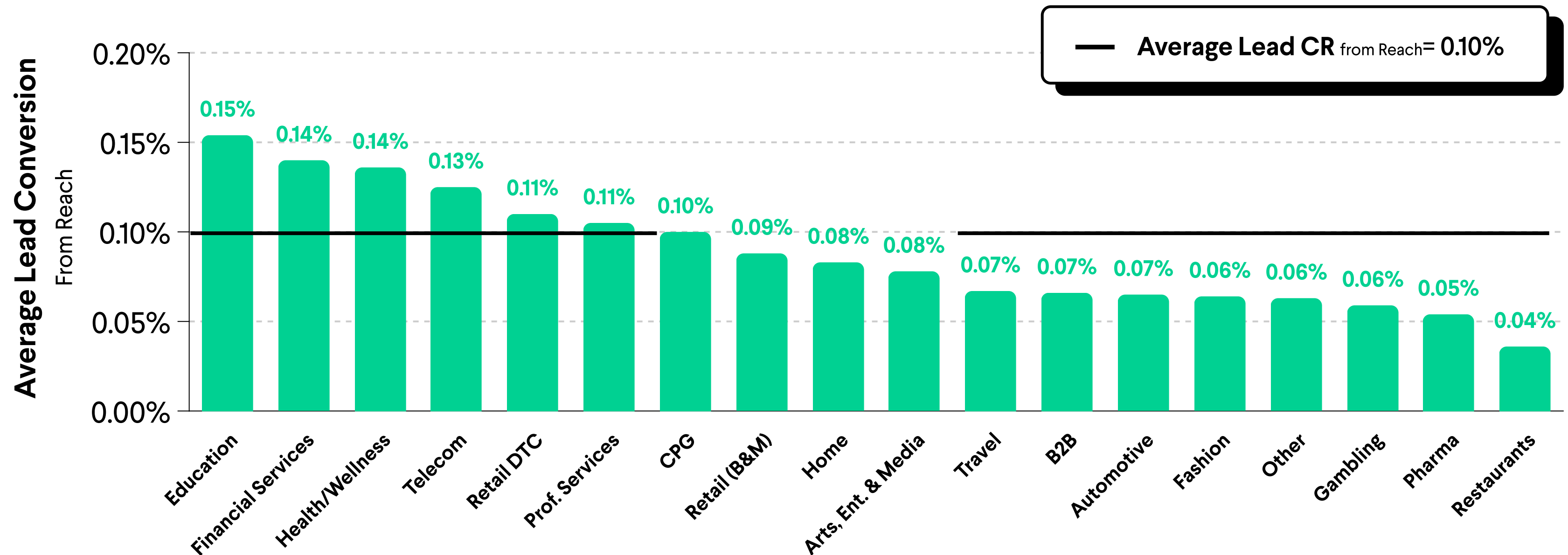
$$\textbf{Lead CR}_{\text{from Reach}} = \text{Leads} \div \text{Reach}$$

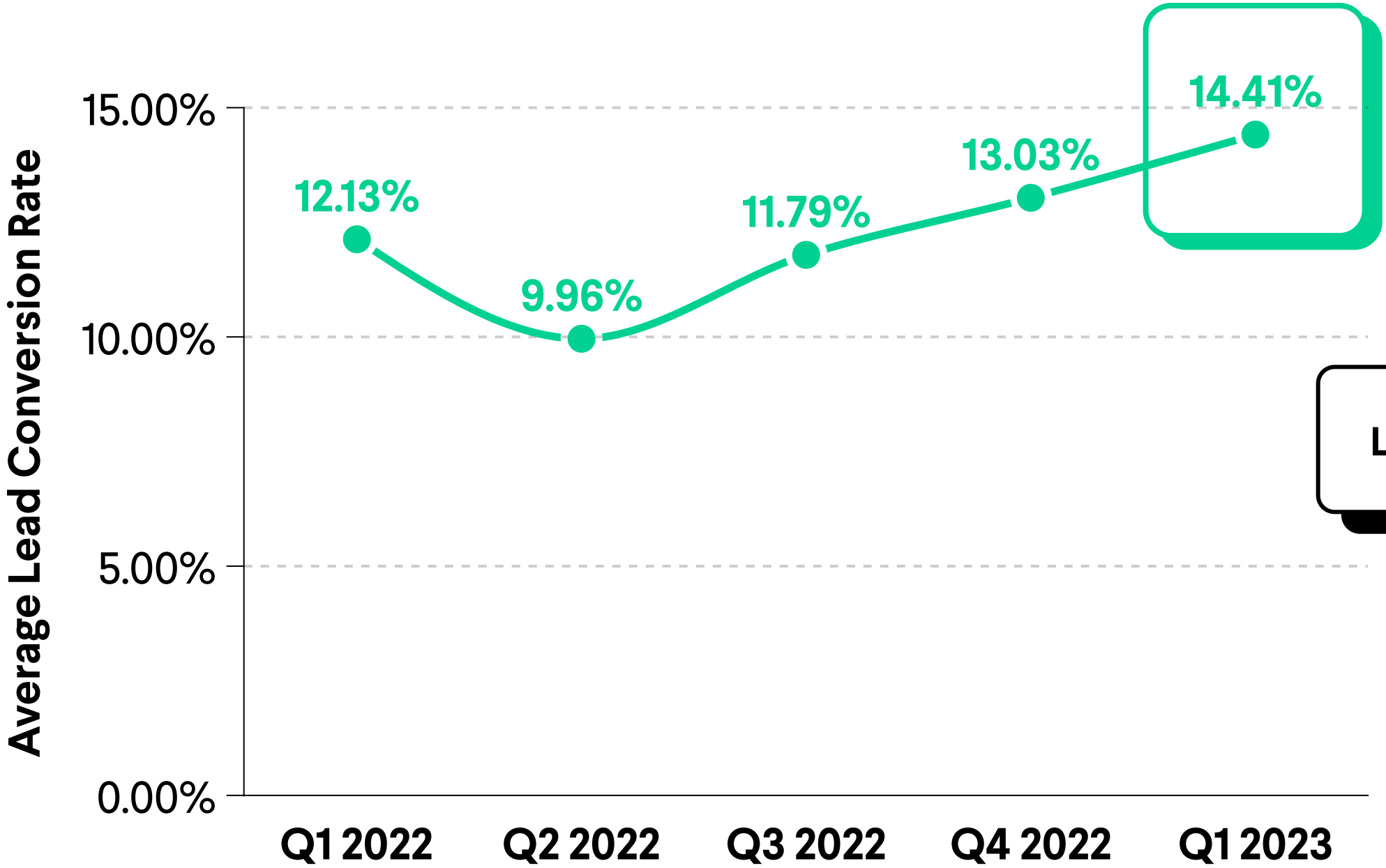The lead conversion rate this quarter was **0.10%**.

Education jumps to the top, **growing by 36%** and dominating **lead conversions** in podcast advertising this quarter

Restaurants and **Automotive** continue to showcase impressive performance, growing by 33% and 40% respectively.

—— **Average Lead CR** from Reach **= 0.10%**

Average Lead Conversion From Reach

Category	Value
Education	0.15%
Financial Services	0.14%
Health/Wellness	0.14%
Telecom	0.13%
Retail DTC	0.11%
Prof. Services	0.11%
CPG	0.10%
Retail (B&M)	0.09%
Home	0.08%
Arts, Ent. & Media	0.08%
Travel	0.07%
B2B	0.07%
Automotive	0.07%
Fashion	0.06%
Other	0.06%
Gambling	0.06%
Pharma	0.05%
Restaurants	0.04%

The lead conversion rate from attributed visitors **is at it's highest rate** since before 2022

14.41%

13.03%

12.13%

11.79%

9.96%

15.00%

10.00%

5.00%

0.00%

Average Lead Conversion Rate

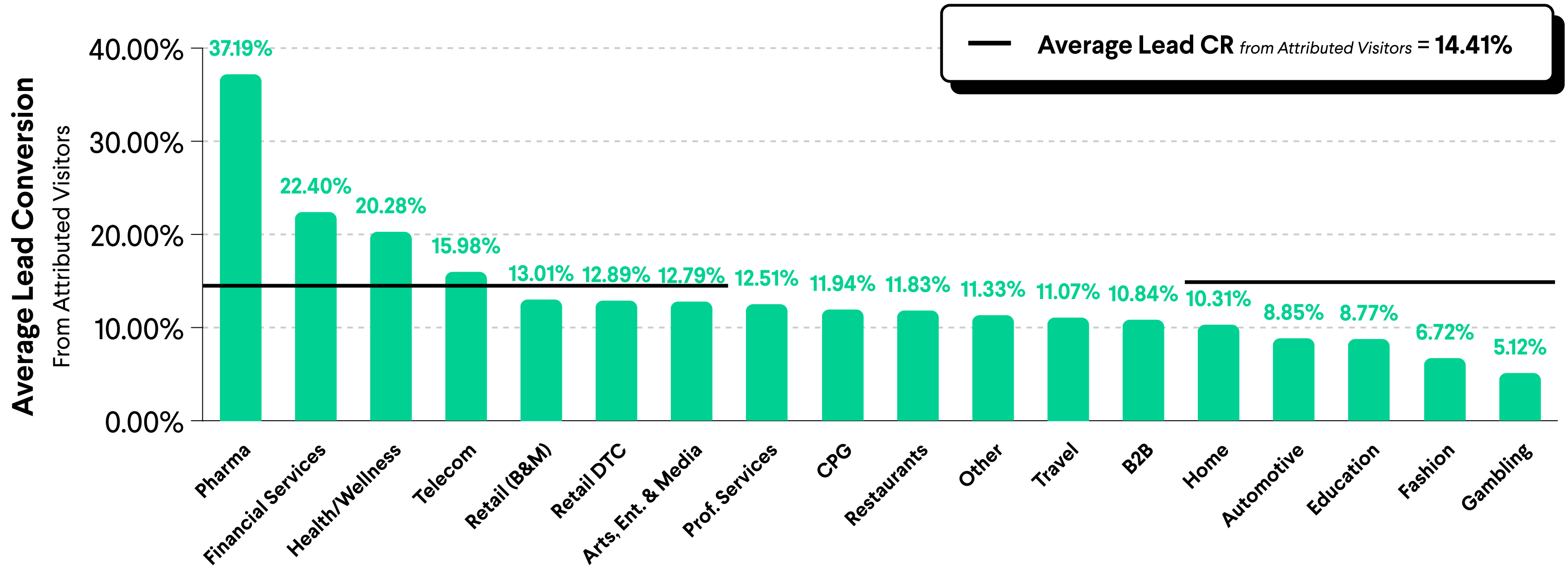**Q1 2022**   **Q2 2022**   **Q3 2022**   **Q4 2022**   **Q1 2023**

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

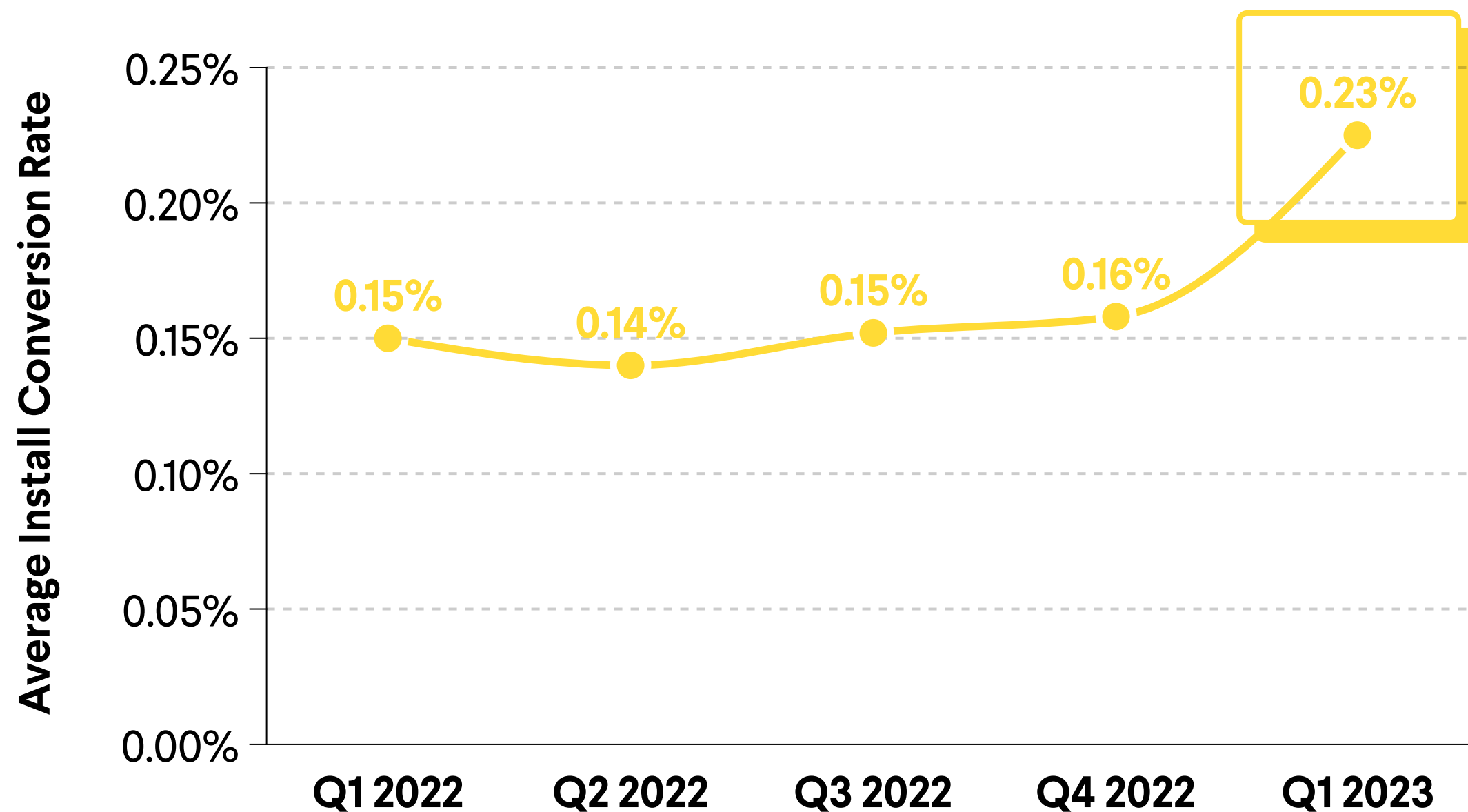**Lead CR** *from Attributed Visitors* = Leads ÷ Attributed Visitors

The lead conversion rate **increased by 11% again** this quarter. Although leads are typical custom, it shows a level of engagement deeper than simply a visit.

Pharma continues to **increase** and remain at the top for lead events

Average Lead CR *from Attributed Visitors* = **14.41%**

Average Lead Conversion From Attributed Visitors

Category	Value
Pharma	37.19%
Financial Services	22.40%
Health/Wellness	20.28%
Telecom	15.98%
Retail (B&M)	13.01%
Retail DTC	12.89%
Arts, Ent. & Media	12.79%
Prof. Services	12.51%
CPG	11.94%
Restaurants	11.83%
Other	11.33%
Travel	11.07%
B2B	10.84%
Home	10.31%
Automotive	8.85%
Education	8.77%
Fashion	6.72%
Gambling	5.12%

Install conversion rates saw a **major boost**, signaling that Podcasts can effectively drive app downloads

Average Install Conversion Rate

- 0.25%
- 0.20%
- 0.15%
- 0.10%
- 0.05%
- 0.00%

Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
0.15%	0.14%	0.15%	0.16%	0.23%

The **install conversion rate** refers to mobile app installs, and is calculated as:
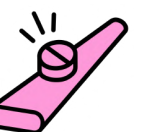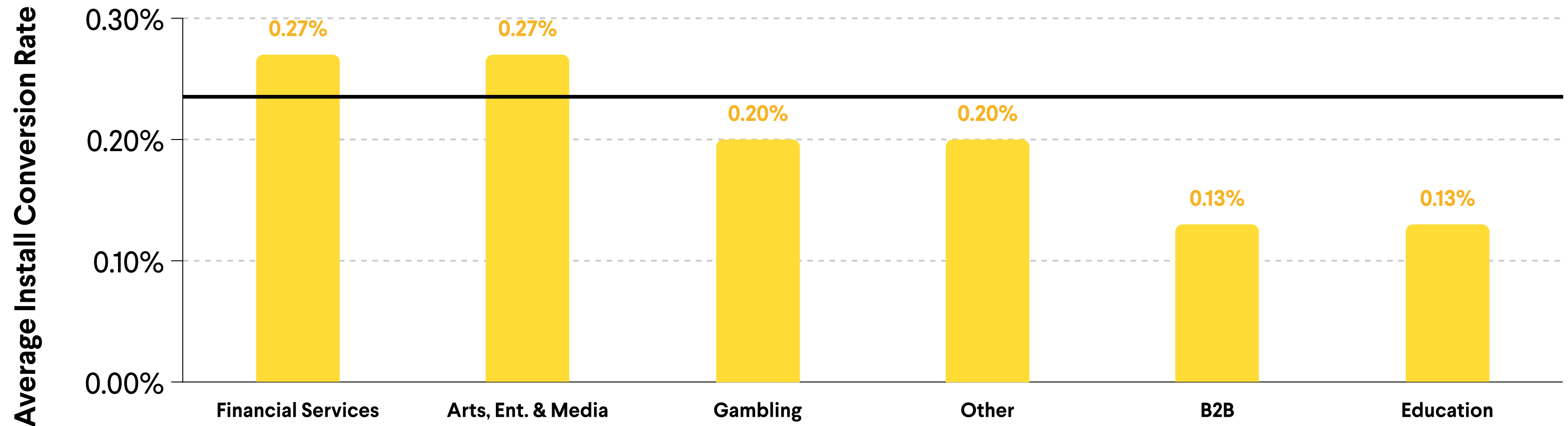
Install CR = Installs ÷ Reach

The install conversion rate increased by **44%** this quarter to **0.23%**. Most industries saw growth, contributing to the highest install conversion rate since before 2022.

Financial Services leads with the highest install conversion rate

Financial Services saw a 42% **increase**, and all other industries either grew or stayed flat this quarter.

— Average CR = **0.23%**

Average Install Conversion Rate

Financial Services	0.27%
Arts, Ent. & Media	0.27%
Gambling	0.20%
Other	0.20%
B2B	0.13%
Education	0.13%

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 check out our **help center!**

help.podsights.com

# *Get started with* **Podsights!**

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

You can now easily register for a Podsights account and activate a membership without having to talk to us!

Podsights is your place to gain access to world class podcast advertising attribution and insights.

Sign up for a free account today → **dash.podsights.com**
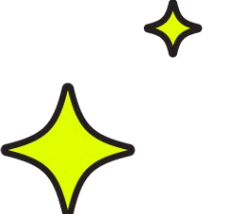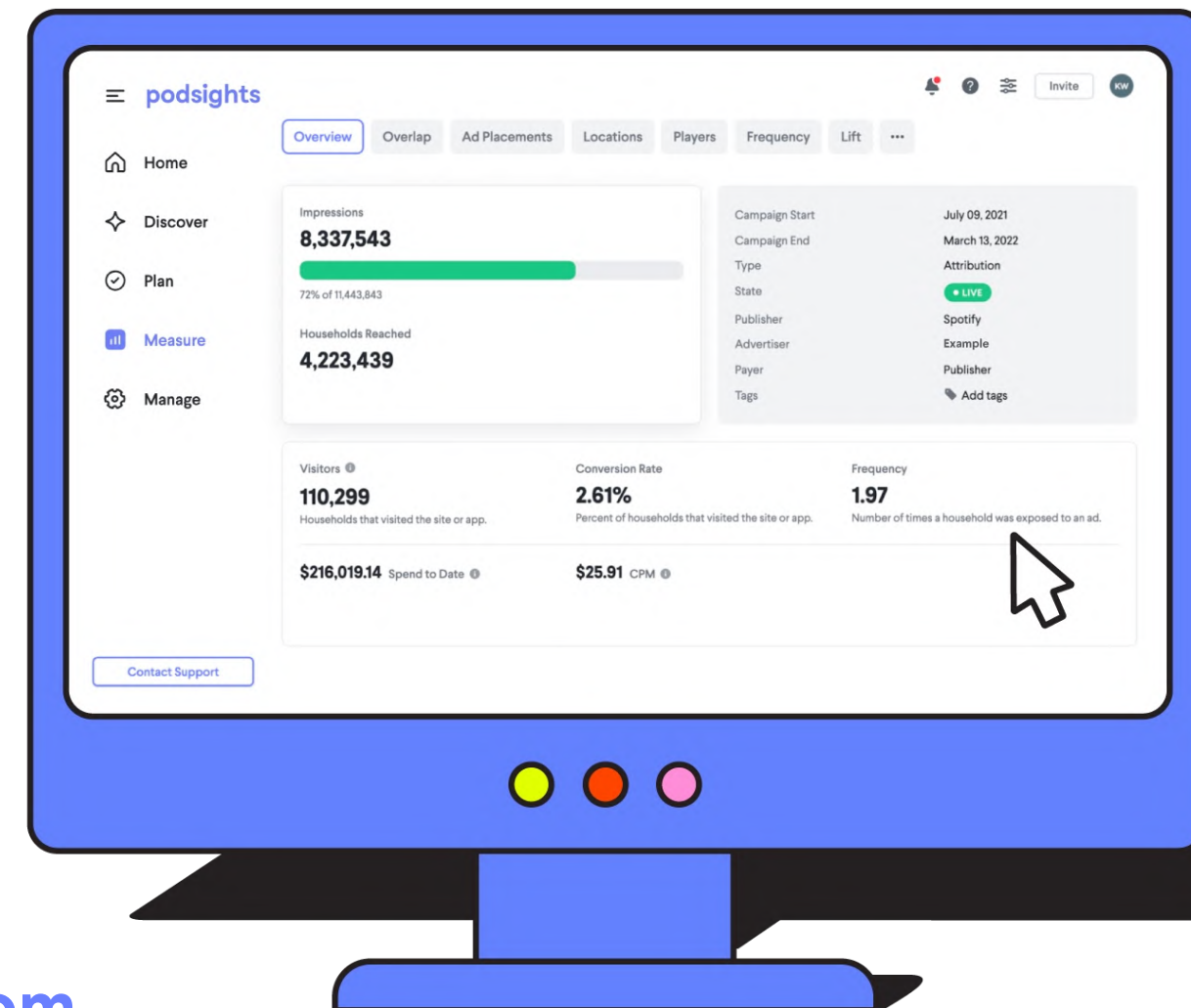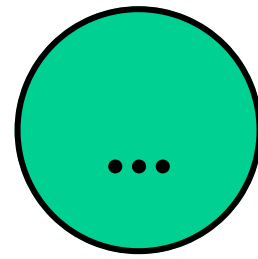
Methodology

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)*

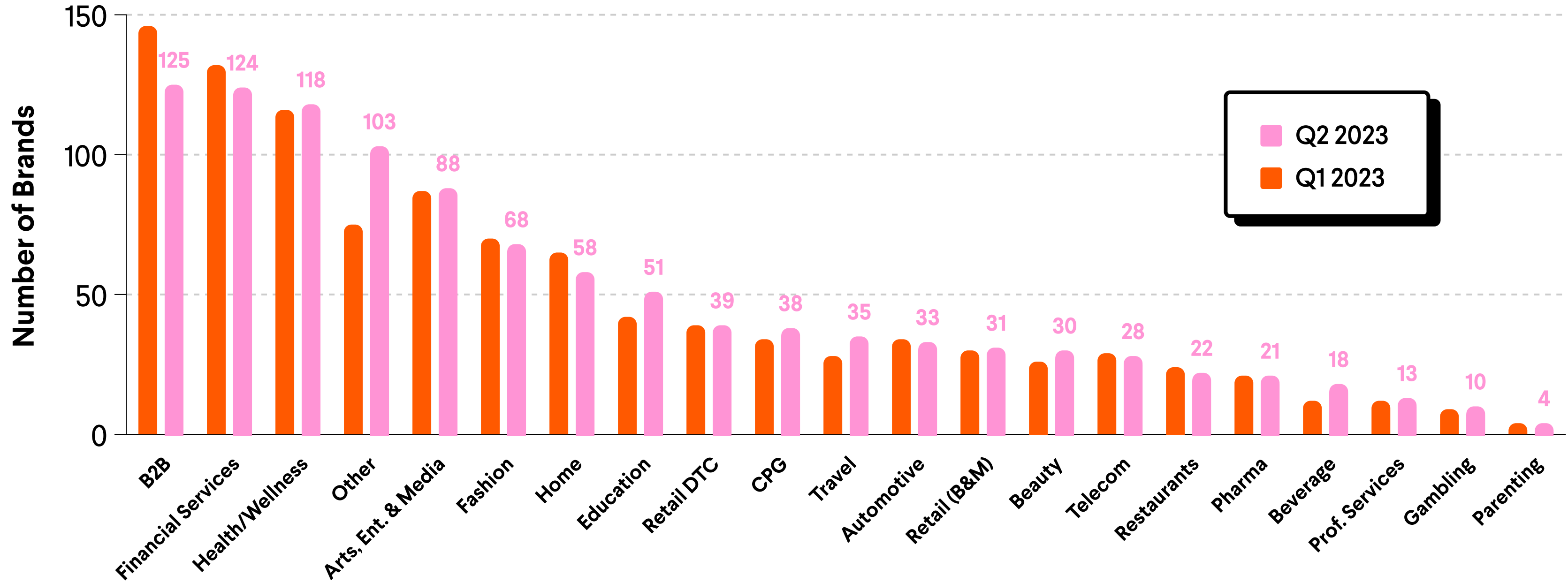| Industry Name *(Shortened)*	Industry Name *(Long)*	Count of Campaigns
Fashion	**Apparel/Fashion Accessories** *(Men/Women)*	445
Arts, Ent. & Media	**Arts, Entertainment & Media** *(Streaming Services, Movies, Dance, Theater, Concerts, Opera, Amusement Parks, Games, Books - Audio and Bound, Music, Magazines, Newspapers, Websites, Apps, DVDs, Radio and Television Networks/Stations/Programming)*	434
Automotive	**Automotive / Automotive Services**	80
Parenting	**Baby/Child/Parenting**	18
Beauty	**Beauty/Cosmetics**	172
Beverage	**Beverage (Alcohol / Beer / Wine)**	29
B2B	**Business-to-Business** *(Business conducted between one business and another such as a wholesaler and retailer)*	647
CPG	**Consumer Packaged Goods** *(CPG)*	117
Education	**Education**	135
Financial Services	**Financial Services** *(Banks, Insurance, Securities, Mortgages, Financial Services Software)*	608
Gambling	**Gambling/Sports Betting**	87

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

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Appendix B: *Campaigns*

Per Industry *(pt 2 / 2)*

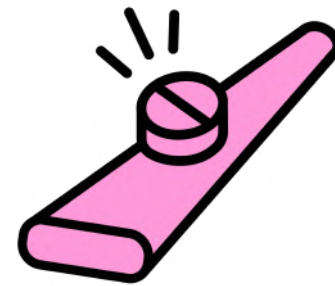| Industry Name *(Shortened)*	Industry Name *(Long)*	Count of Campaigns
Health/Wellness	**Health/Wellness** *(including Fitness, Diet, Yoga, Meditation, etc.)*	**524**
Home	**Home Improvement/Furnishings**	**270**
Other	**Other** *(Primarily includes energy, government/non-profit, and advocacy)*	**337**
Pharma	**Pharmaceuticals** *(OTC and DTC)*	**70**
Prof. Services	**Professional Services for non-Business Entities**	**22**
Restaurants	**Restaurants/bars**	**80**
Retail (B&M)	**Retail** *(Brick & Mortar / eCommerce)*	**99**
Retail DTC	**Retail Direct-to-Consumer** *(companies whose revenue is attained predominantly through E-commerce)*	**254**
Telecom	**Telecommunications** *(Telephony, Mobile Service Providers, Cable/Satellite TV services, ISPs, Wireless)*	**85**
Travel	**Travel and Tourism** *(Resorts/Hotels/Airlines)*	**63**

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

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Appendix C: *Brands*

Per Industry Measured by Podsights

Number of Brands

Legend: Q2 2023, Q1 2023

Industry	Q2 2023
B2B	125
Financial Services	124
Health/Wellness	118
Other	103
Arts, Ent. & Media	88
Fashion	68
Home	58
Education	51
Retail DTC	39
CPG	38
Travel	35
Automotive	33
Retail (B&M)	31
Beauty	30
Telecom	28
Restaurants	22
Pharma	21
Beverage	18
Prof. Services	13
Gambling	10
Parenting	4

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

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Thank You!