

M/GNA



Spotify

# CA Peak Openness

Leveraging Digital to Reach People When Most  
Willing to Consider

**Receptivity before persuasion.**  
A good ad is served to the right person. But is the person really open to the brand message?

# Our research questions

How does ad  
receptivity  
compare in  
digital audio vs.  
digital video?

How has  
consumption of  
media changed  
since March  
2020?

What do  
advertisers need  
to know about  
the emerging  
podcast  
medium?

# Extensive media diaries

## Recruitment

Recruited from an online representative panel

Evenly recruited weekday and weekend sample

- Gen Pop n=2,001
- Booster of Spotify Users n=300

## Screeners

Must have listened to digital audio or watched digital video in past 24 hours

## Media Diaries

Participants reported on up to 2 digital audio or digital video sessions from past 24 hours in detail in a media diary

- Digital Audio Sessions n=3,026
- Digital Video Sessions n=1,576

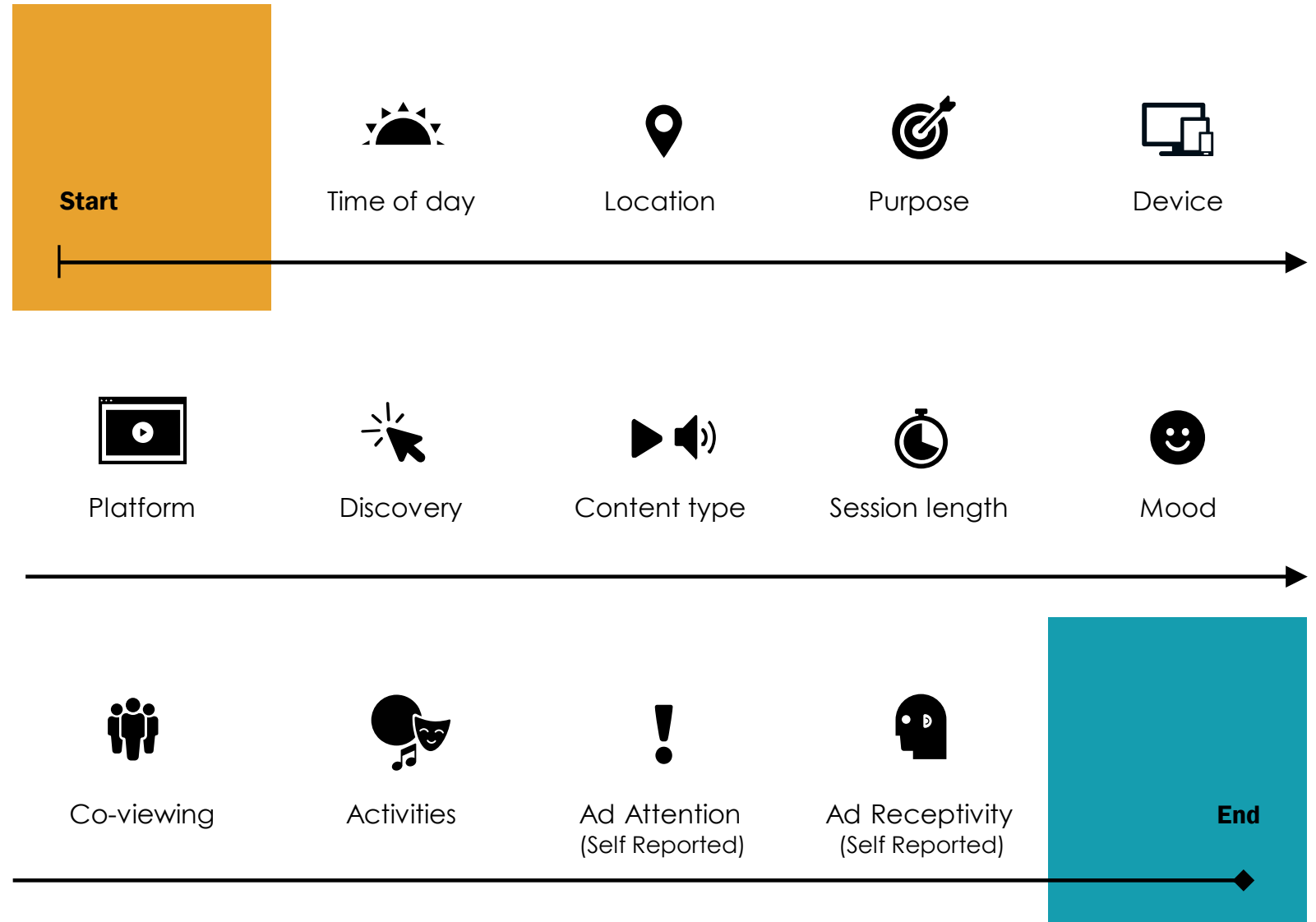
## Deep Dive

Deep dive on podcast listening vs TV show watching behaviors, as well as how media consumption has changed during the COVID-19 pandemic

Note: Survey recruitment ran in February 2021  
Digital audio: Audio listened on a digital device (connected to the Internet)  
Digital video: Video viewed on a digital device (connected to the Internet)  
Sessions based any listening or watching, which could be long or short periods of time

# The Media Diary

Ways and means of consumption







# Pursuit of Receptivity

The Facts About Eyes vs. Ears

# Multi-tasking nature of digital audio lends itself to throughout the day listening

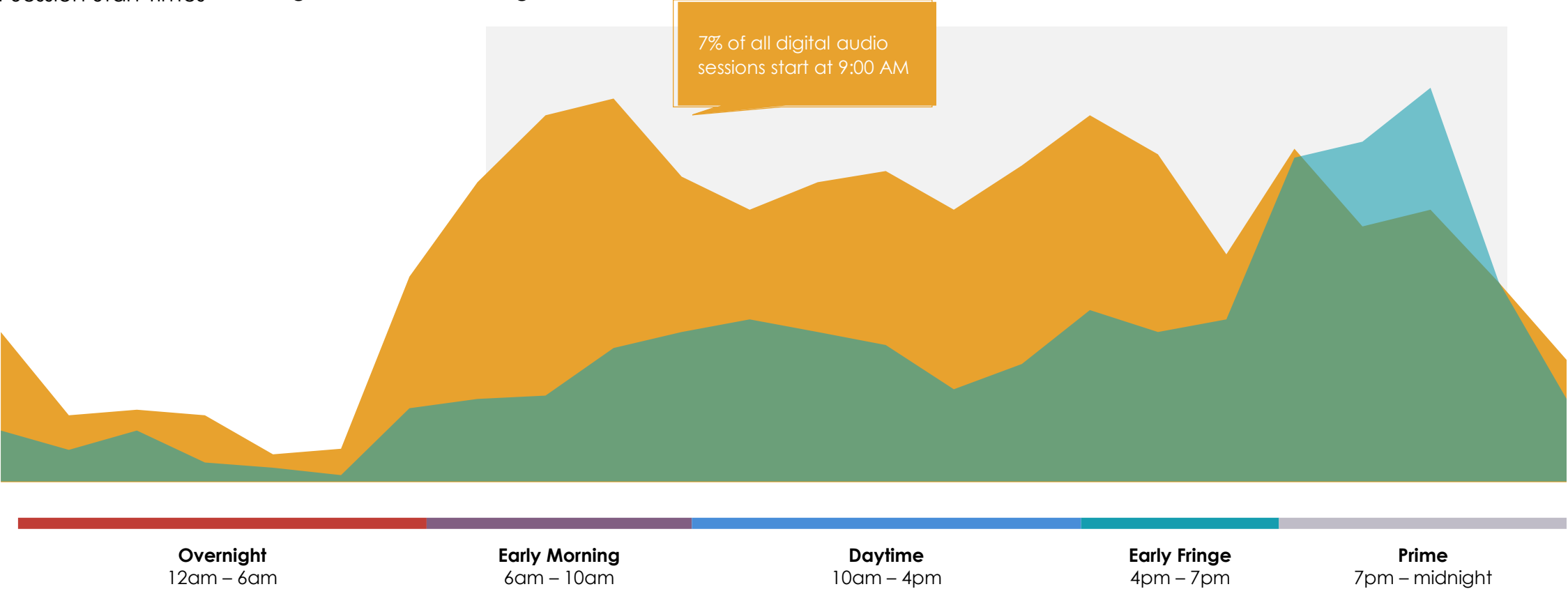
Digital video naturally peaks highest in the evening during primetime

## Time Of Day

% Of Session Start Times

● Digital Audio

● Digital Video



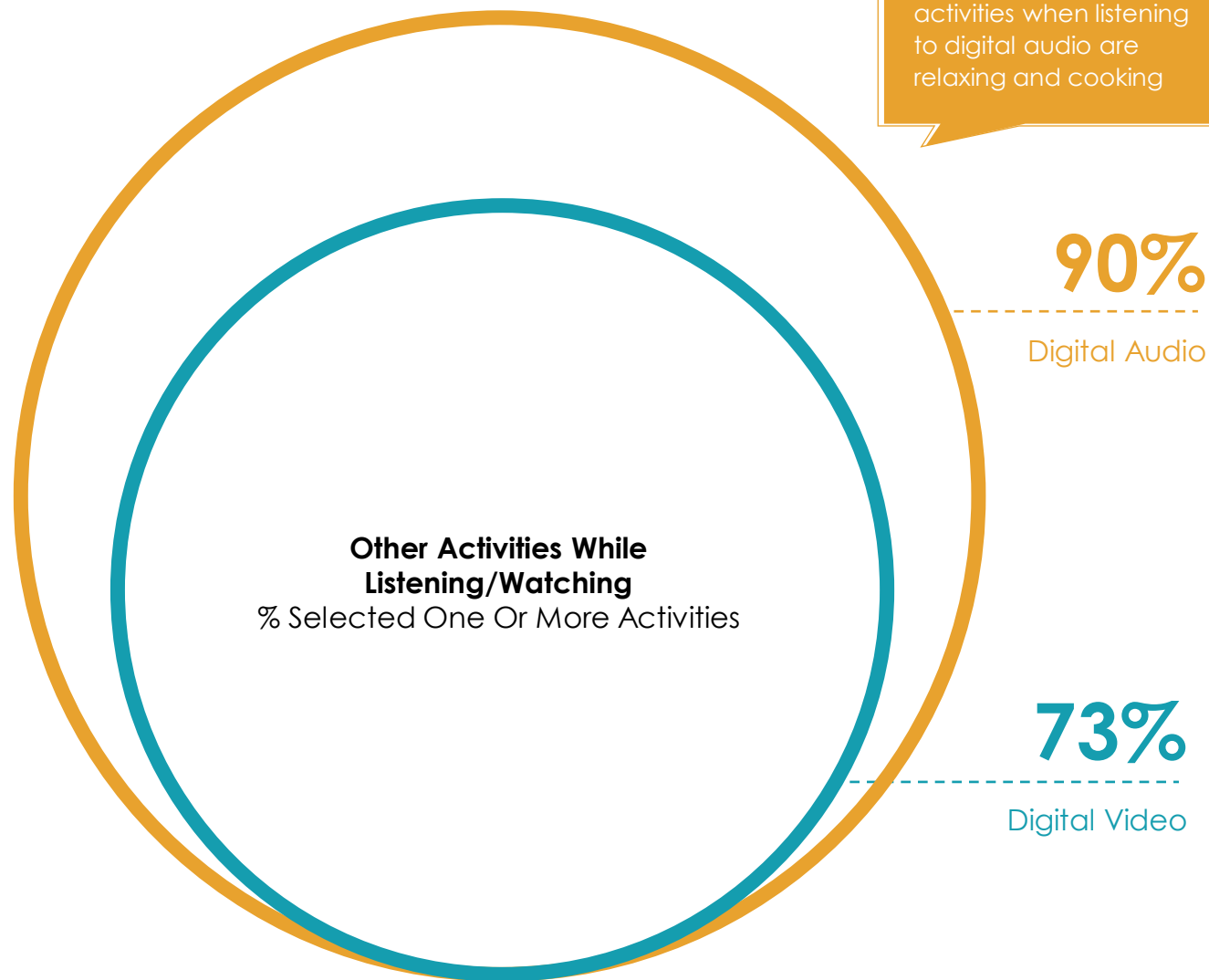
# In fact, more unique moments with digital audio

More unique moments = more opportunities for contextual alignment

## Activities

- Hanging out with friends
- Entertaining kids
- On a road trip
- Relaxing
- Doing yoga
- While playing video games
- Working out, Running, Biking
- Doing outdoor activities
- Cooking
- Shopping
- Commuting/travelling
- Studying
- Working
- Running errands
- Preparing for/before going to sleep
- Doing housework/chores
- Eating dinner
- Taking a shower/bath
- Getting ready to go out (party, etc.) on nights or weekend
- Getting ready in the morning
- Browsing online on the same device
- Browsing online on a different device
- Other

The most common activities when listening to digital audio are relaxing and cooking

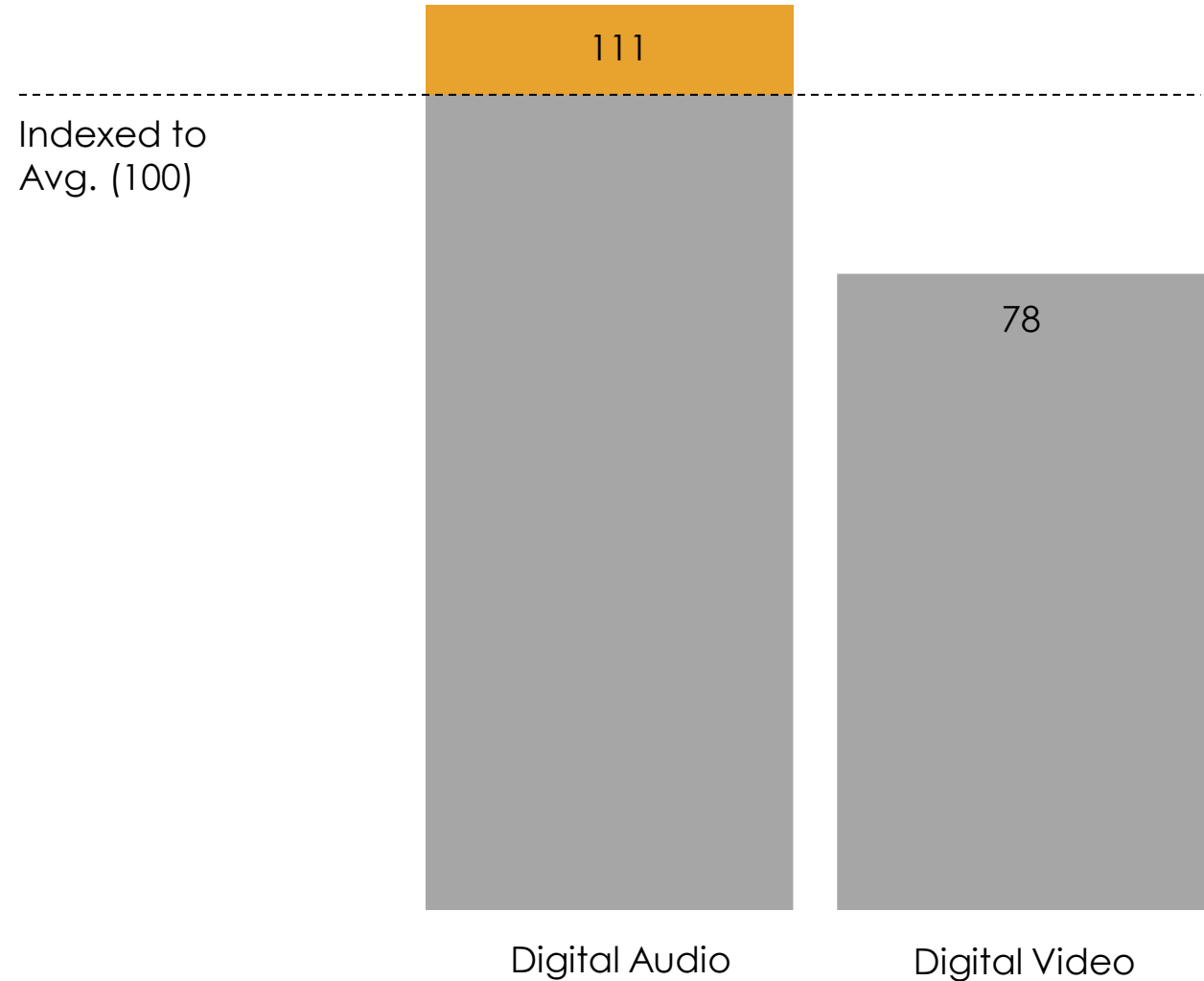




# Digital audio reaches people when they are more open to messages from brands

MAGNA's research has consistently shown consumers are more open to ads while listening to digital audio vs. digital video

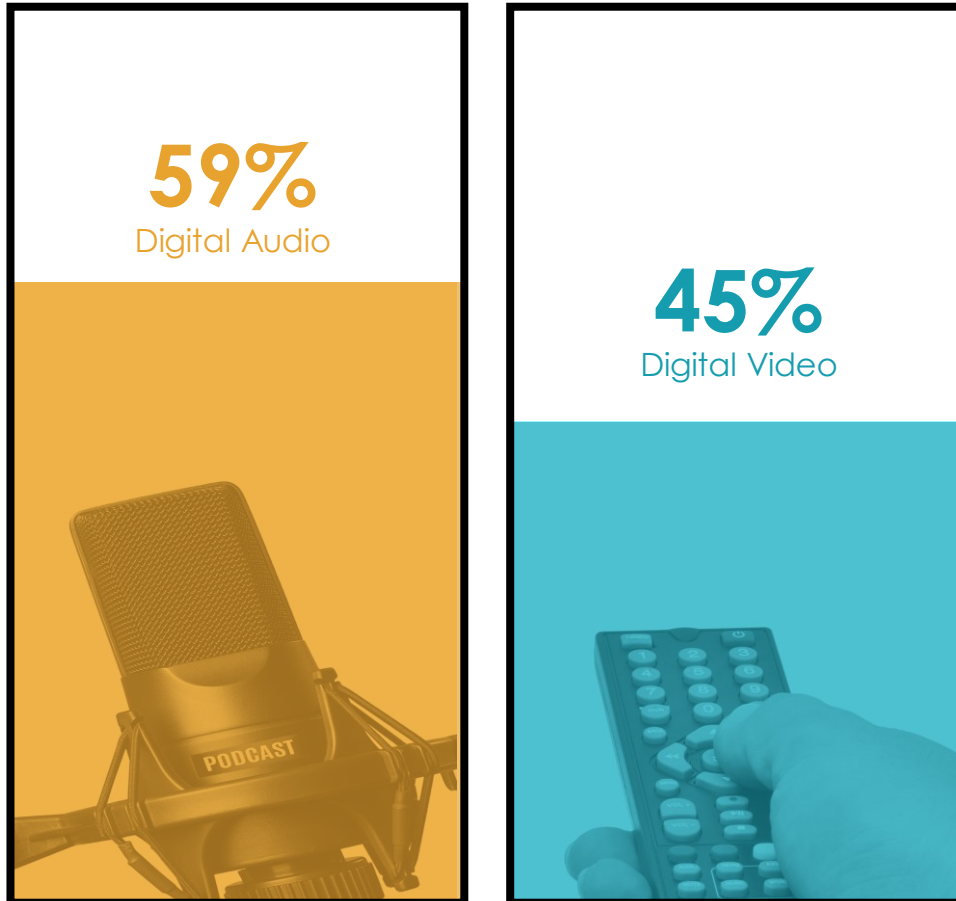
**High Ad Receptivity**  
Indexed To Average (100)



# Openness to ads = higher ad attention & interaction

## Attention to Advertising

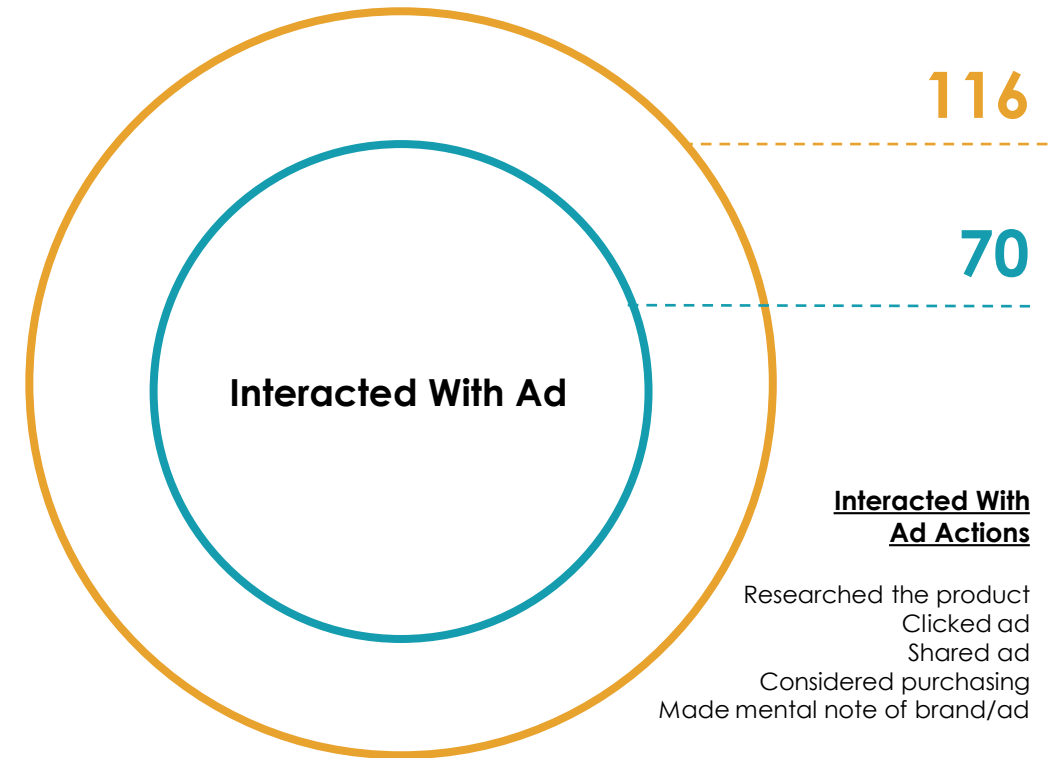
% Paid Full Attention/Some Attention to Ad(s) While Listening/Watching



## Ad Actions Taken

Indexed to Average (100)

● Digital Audio ● Digital Video



# Surprisingly, digital audio listeners are most open to ads from visually focused industries

Despite lack of visuals, audio serves as an effective storytelling tool for visually focused industries

## High Ad Receptivity To Industry Verticals

(Scale 1-10) % Very Receptive (7-10)

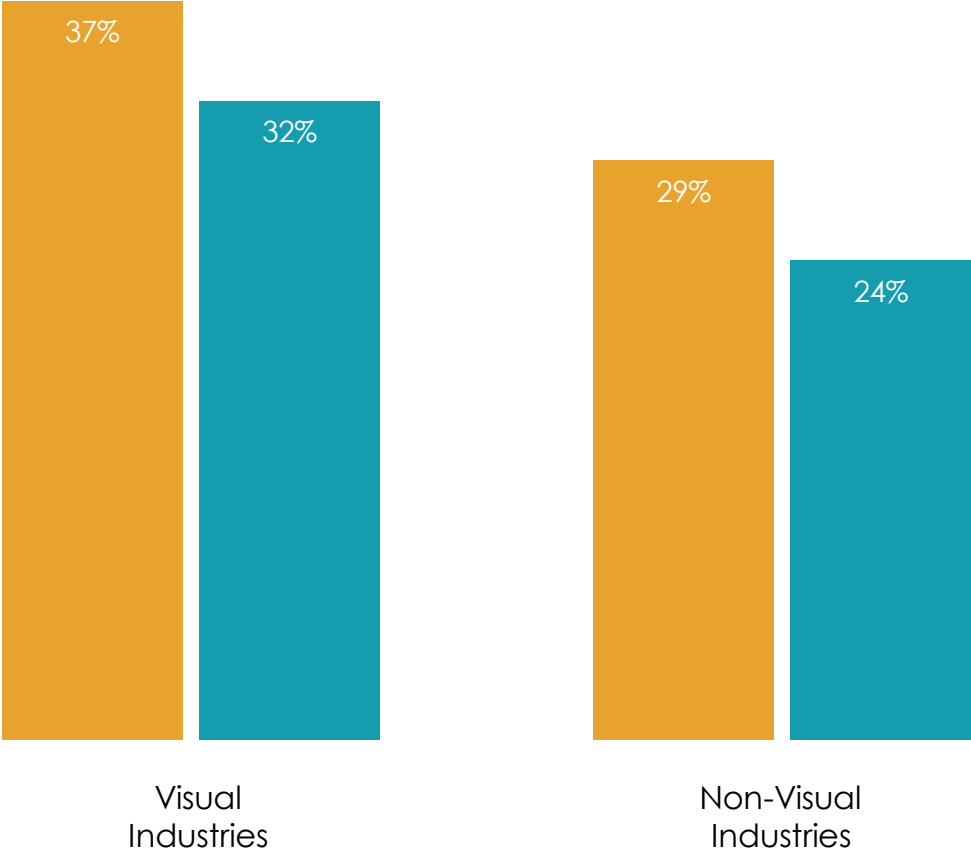
● Digital Audio      ● Digital Video

### Visual Industries

- Automotive
- Entertainment (e.g. movies/TV shows)
- Food/Beverage
- Personal Care (e.g. Beauty),
- Restaurants
- Retail (e.g. clothing stores)
- Travel (e.g. hotels, airlines)

### Non-Visual Industries

- Finance (e.g. banks/investment)
- Pharma (e.g. medication)
- Technology
- Telecom

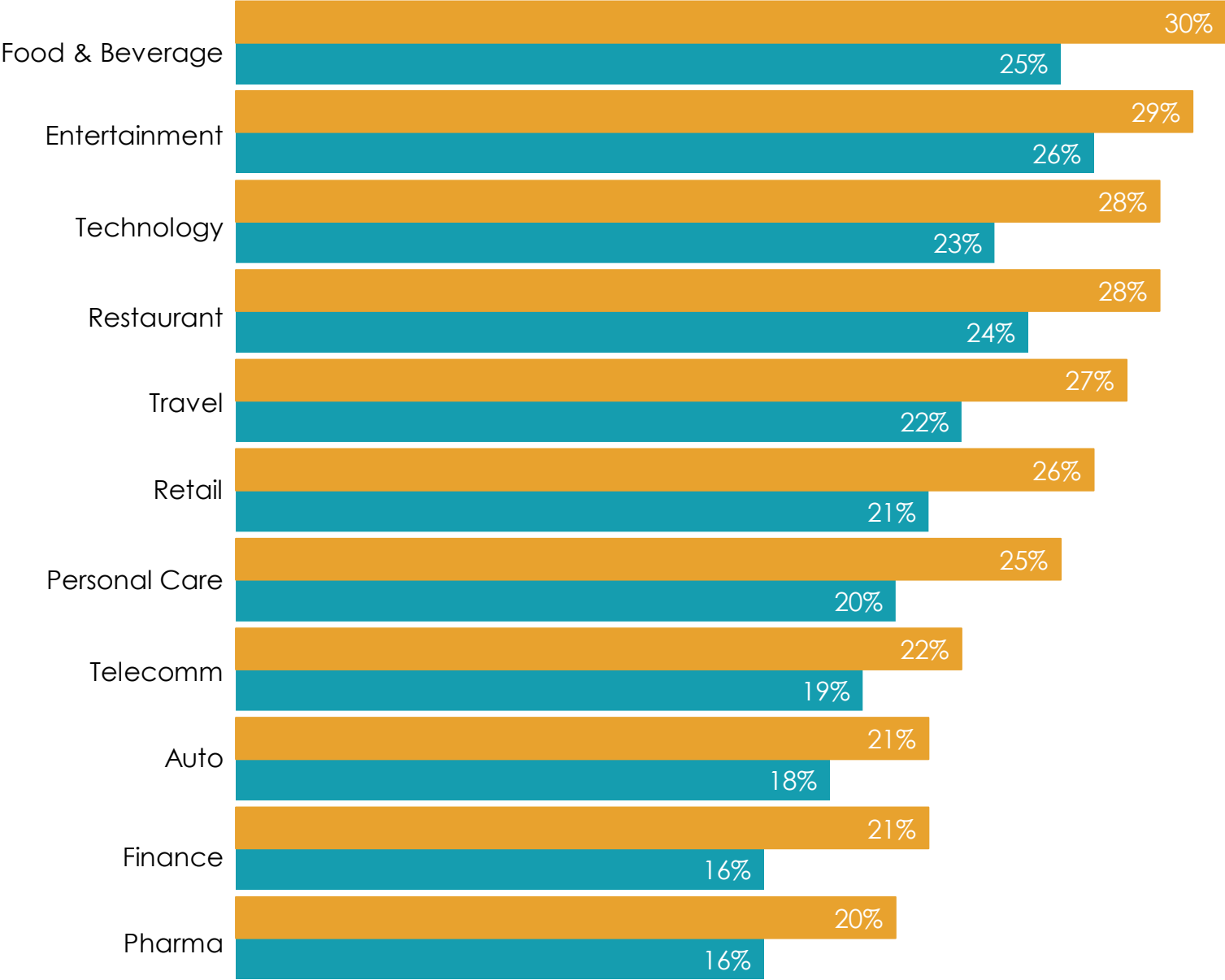


# Ads in all tested verticals benefit from placement in digital audio

Receptivity to ads in in all verticals are on par with or higher for digital audio compared to digital video

## High Ad Receptivity To Industry Verticals (Scale 1-10) % Very Receptive (7-10)

● Digital Audio    ● Digital Video







# Digital Media

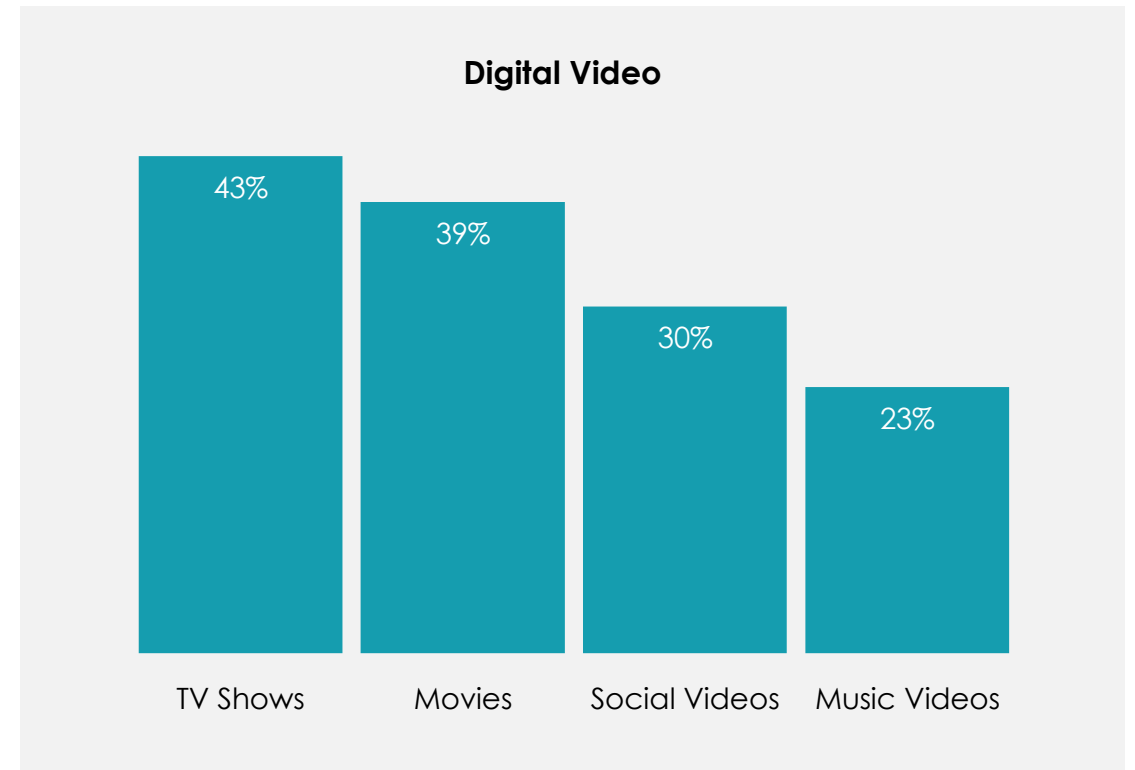
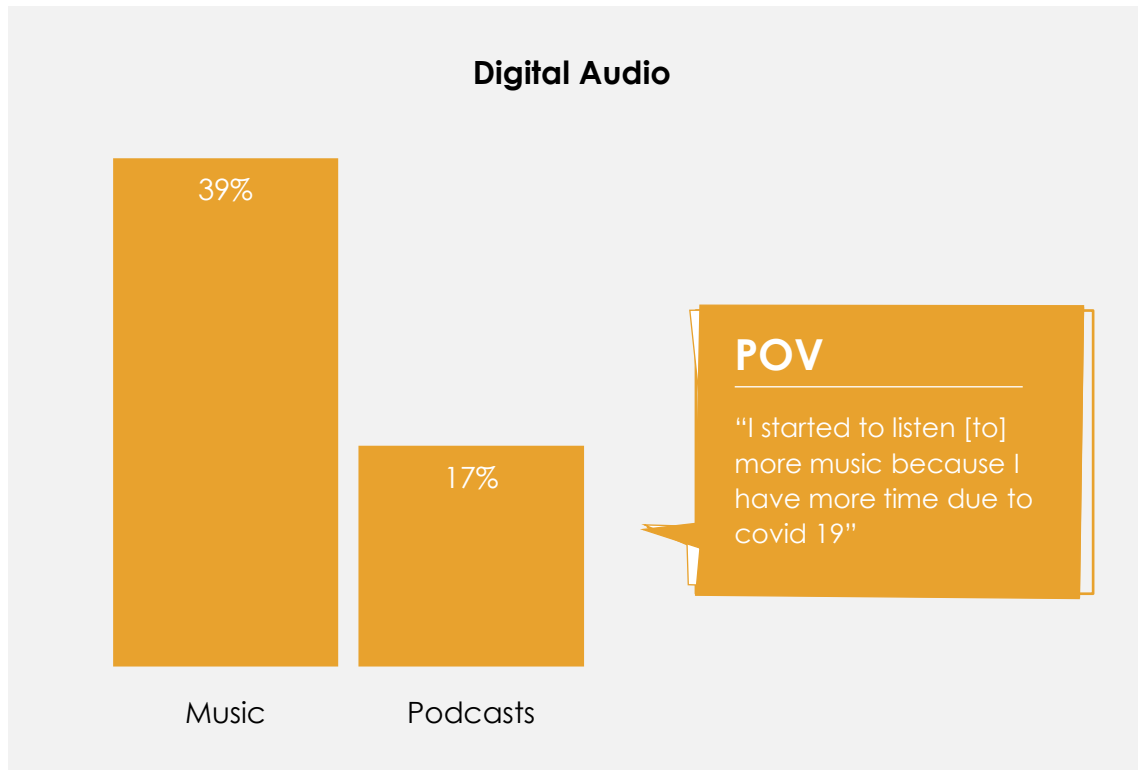
In A Post-pandemic World

# Consumption is on the rise since the pandemic

People are listening to more music, similar to TV shows and movies

## Increases In Consumption During Pandemic

% Listen/View More



# Increased music consumption is driven by younger audiences, particularly Gen Z

Both millennials and Gen Z are most likely to be listening to more podcasts

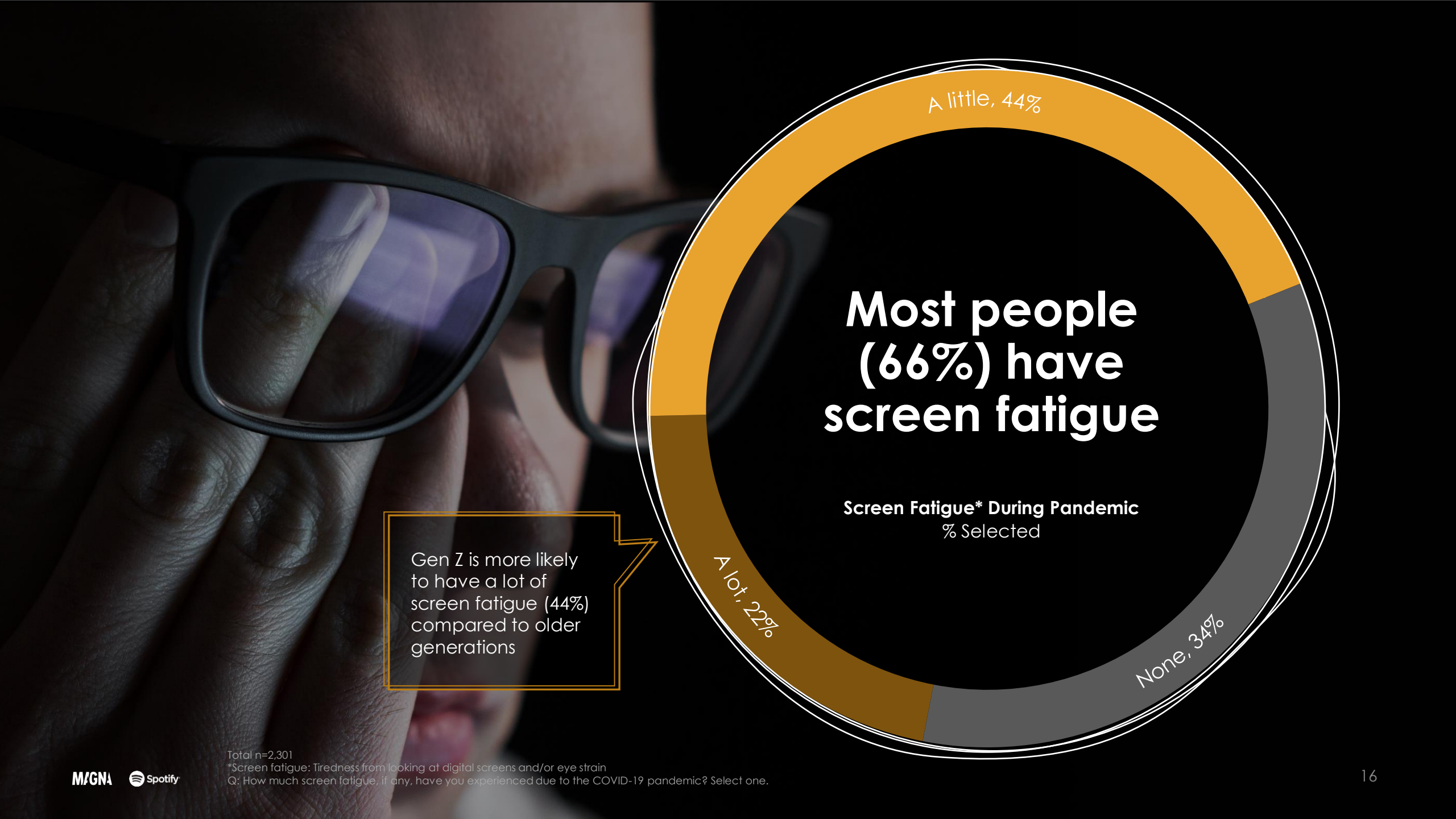
**Increases In Digital Audio Consumption During Pandemic**  
% Listen More

61% of Gen Z are listening to more music during the pandemic



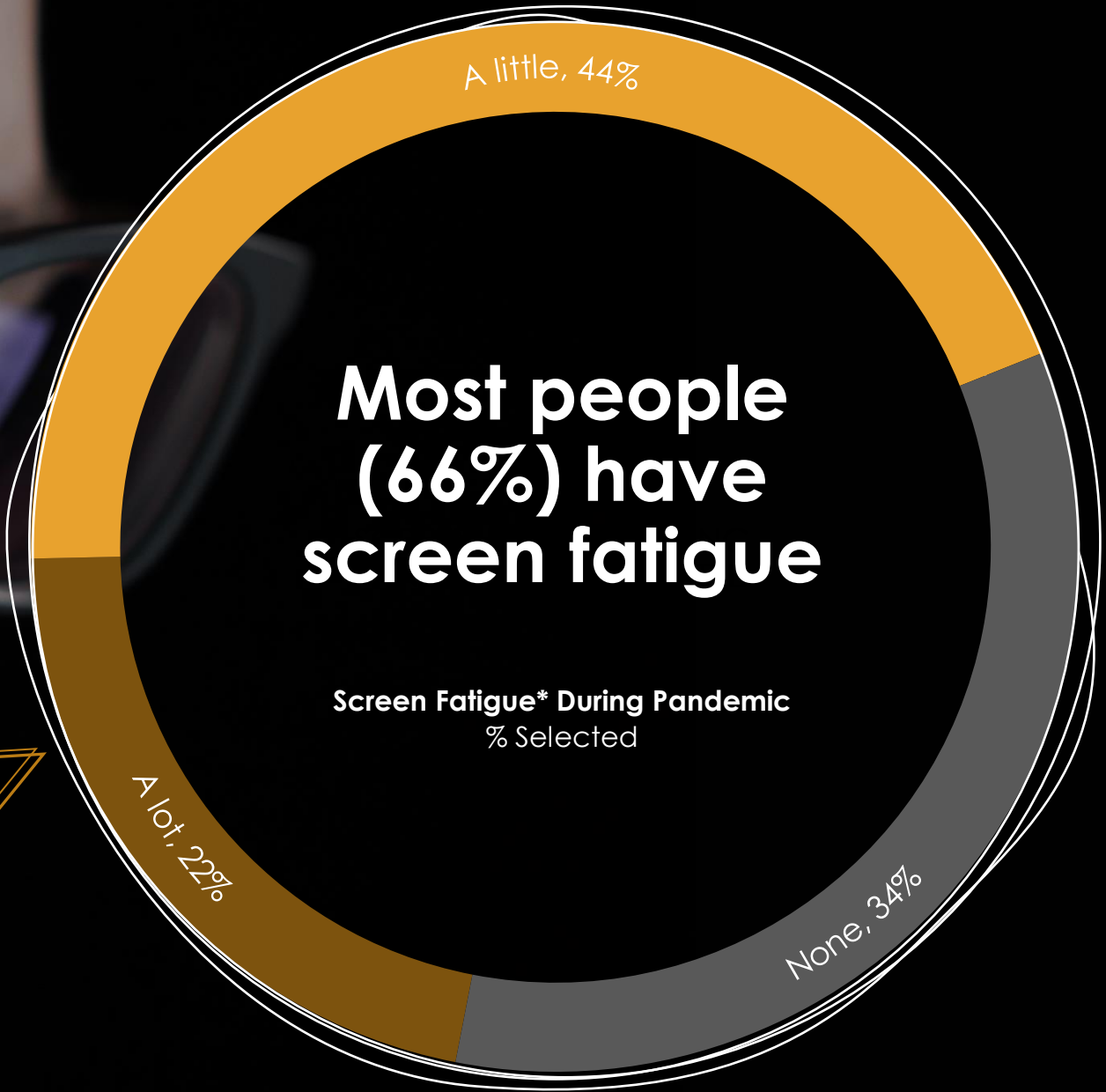
Total n=2,301  
Q: How has your time spent listening or watching the following types of media changed, if at all, during this COVID-19 pandemic? Select one for each option.





# Most people (66%) have screen fatigue

Screen Fatigue\* During Pandemic  
% Selected



Gen Z is more likely to have a lot of screen fatigue (44%) compared to older generations

Total n=2,301  
\*Screen fatigue: Tiredness from looking at digital screens and/or eye strain  
Q: How much screen fatigue, if any, have you experienced due to the COVID-19 pandemic? Select one.



# People are turning to digital audio as a tool to combat screen fatigue

With new purposes for listening, there is an increased reliance on digital audio

## Listening To More Digital Audio To Reduce Screen Fatigue During Pandemic

Those Who Have Screen Fatigue - % Selected

30%

Primary reason  
I'm listening to more digital audio

46%

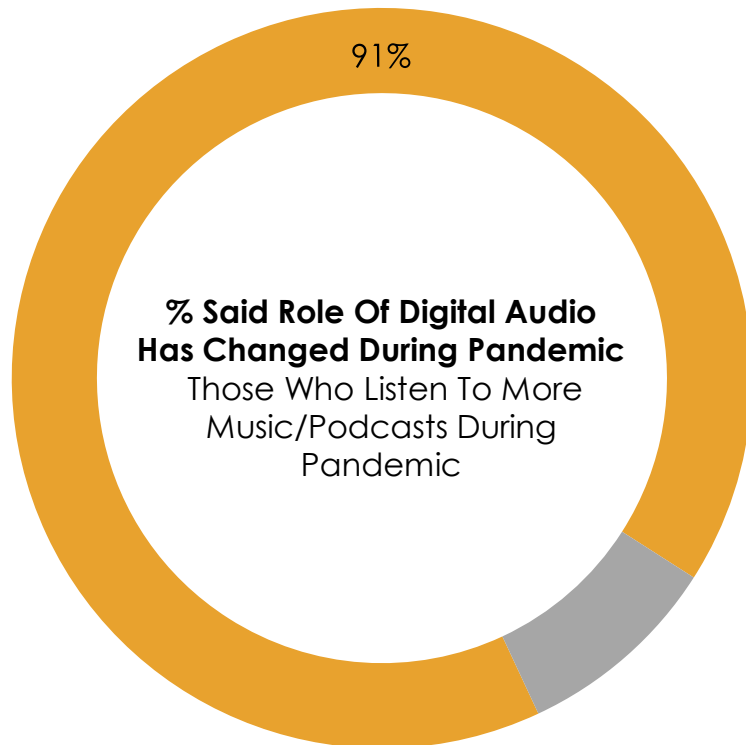
Part of the reason

24%

Other reasons

# Major shift in the role of digital audio, with it serving as a respite for many

Over a third of people are listening to more digital audio as a way to destress



## Top 3 Ways Role Of Digital Audio Has Changed During Pandemic

Those Who Listen To More Music/Podcasts During Pandemic - % Selected

It's a way to de-stress



It's a break from screen time



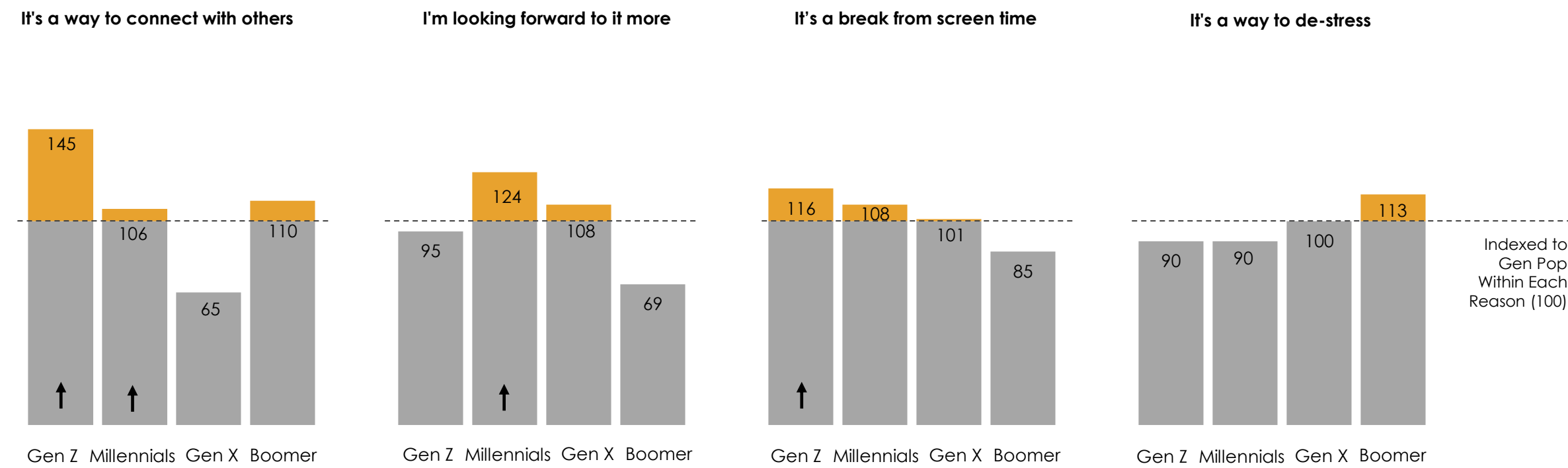
I'm looking forward to it more



# For younger listeners, digital audio is a tool to connect with others & break from screen time

## Ways The Role Of Digital Audio Has Changed During Pandemic

Those Who Listen To More Music/Podcasts During Pandemic - Indexed To Gen Pop (100)





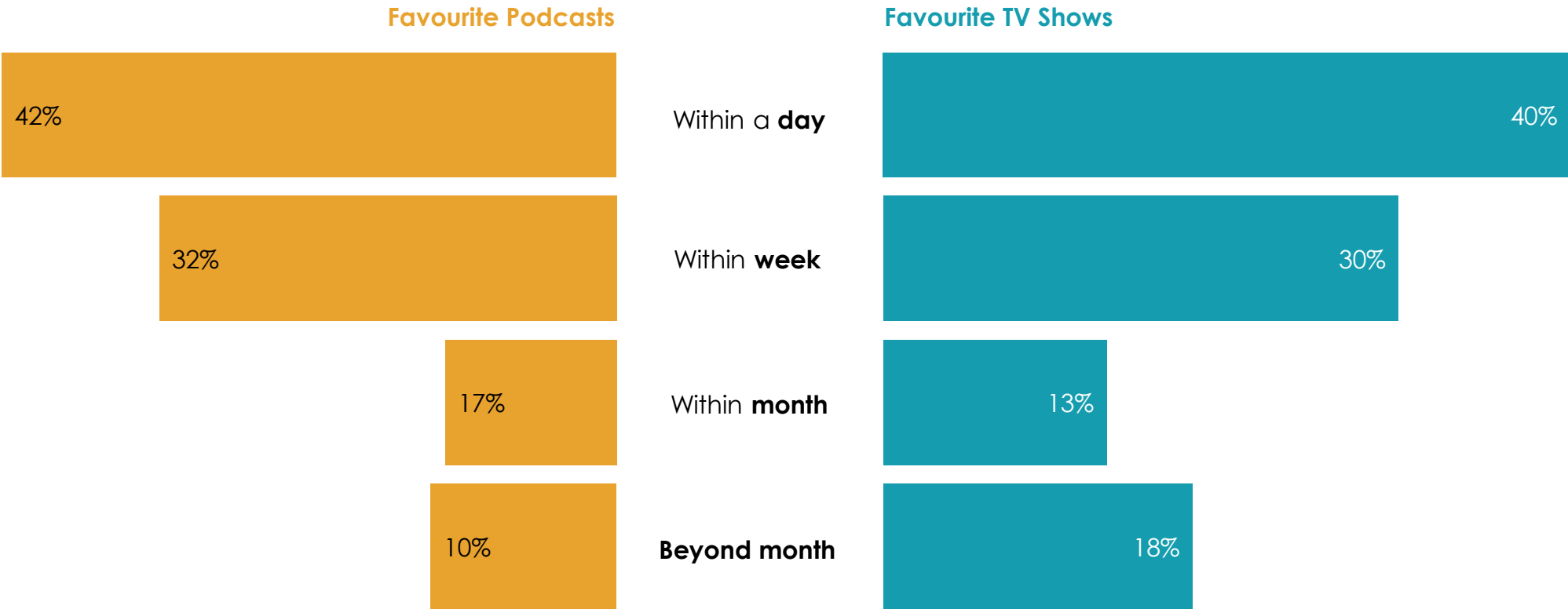
# Connecting Through Podcasts

A Galvanizing Ad Experience



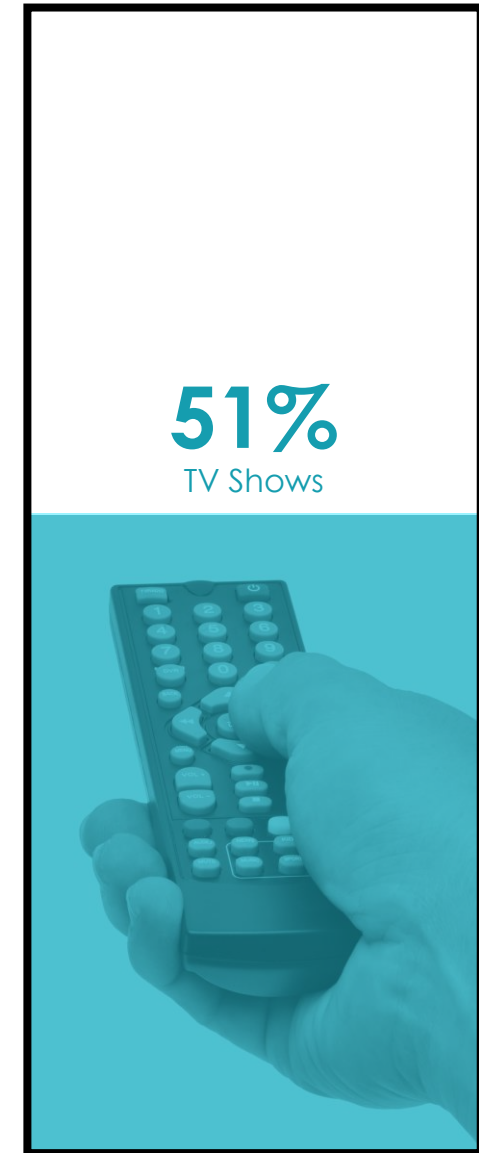
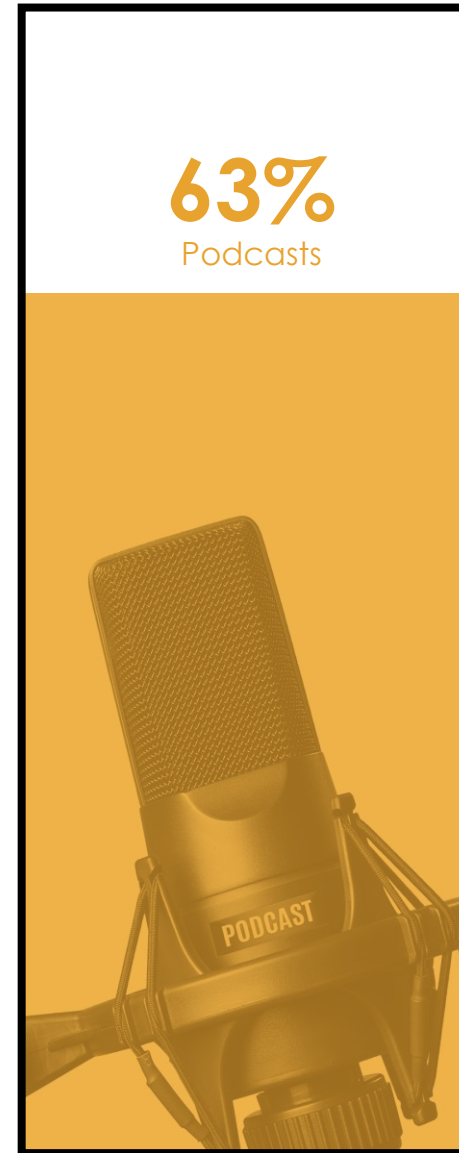
# Similar sense of urgency to listen to a favourite podcast as there is to watch a favourite TV show

Time New Episodes Of Favourite Podcasts/TV Shows Are Listened To/Watched  
% Selected



# More broadly, people keep up with the podcasts they listen to compared to the TV shows they watch

Up-To-Date With Podcast/TV Show  
- % Selected



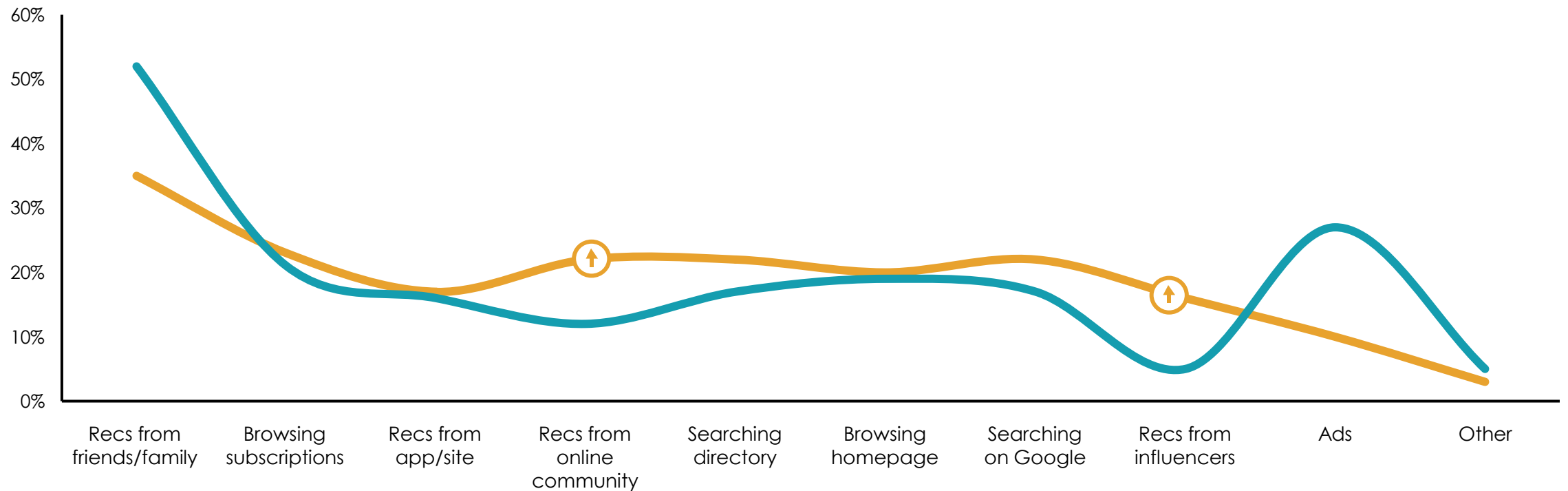
# Podcast listeners rely on their online community more

Podcasts tailor to those with niche interests, with listeners more likely connecting with others who share their passions, instead of people in their physical world

## Discovery Of New Podcasts/TV Shows

% Selected

● Podcasts ● TV Shows



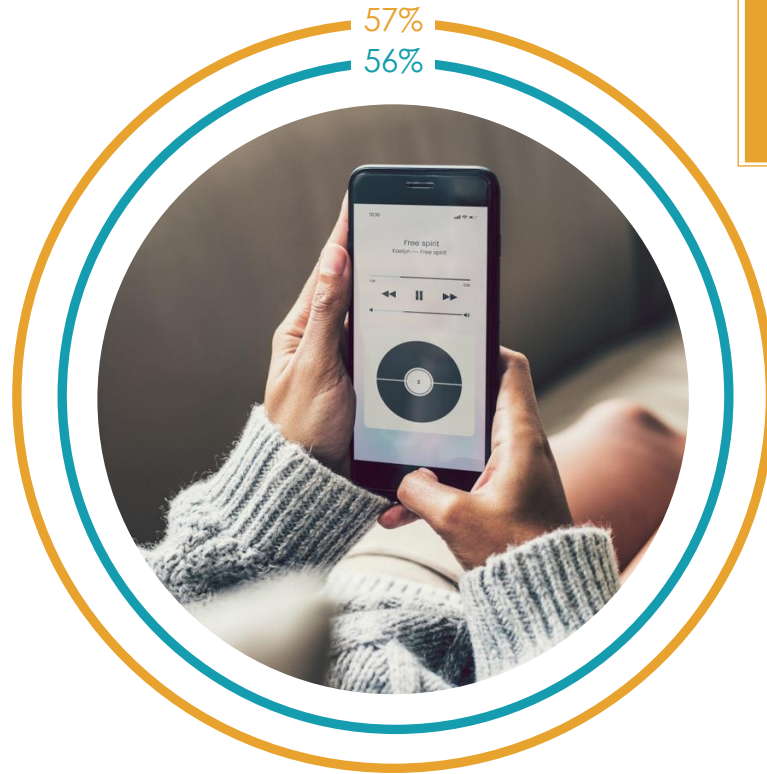
# Listeners have a strong passion for the podcast hosts themselves

Intimacy with the host is the #2 reason why listeners love podcasts (educational component was #1)

**Passion** - (Scale 1-10) % Strong Passion (7-10)

● Podcasts

● TV Shows



Strong Passion For Favourite **Podcast Or TV Show**

In the US, passions for their favorite podcasts were higher than that of TV shows, which may signify the emergence of podcasts in Canada

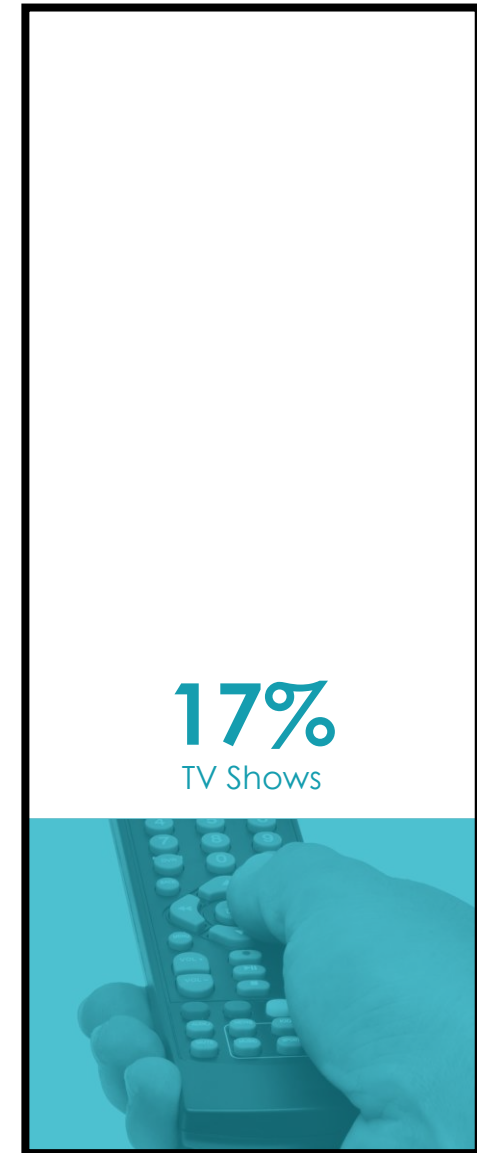
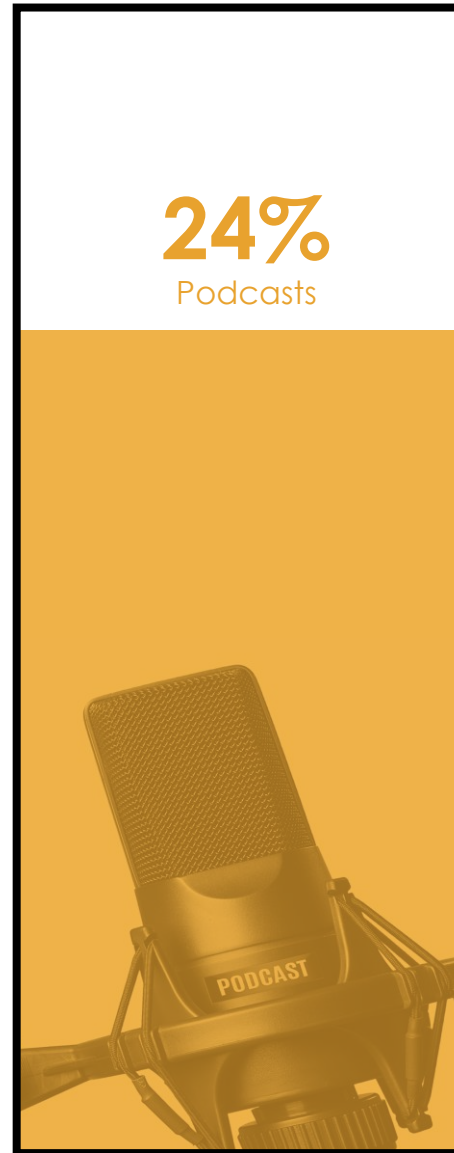


Strong Passion For **Host Of Favourite Podcast Or Actors In Favourite TV Show**

# People are more receptive to ads in podcasts compared to TV shows, potentially related to strong passion

## High Ad Receptivity

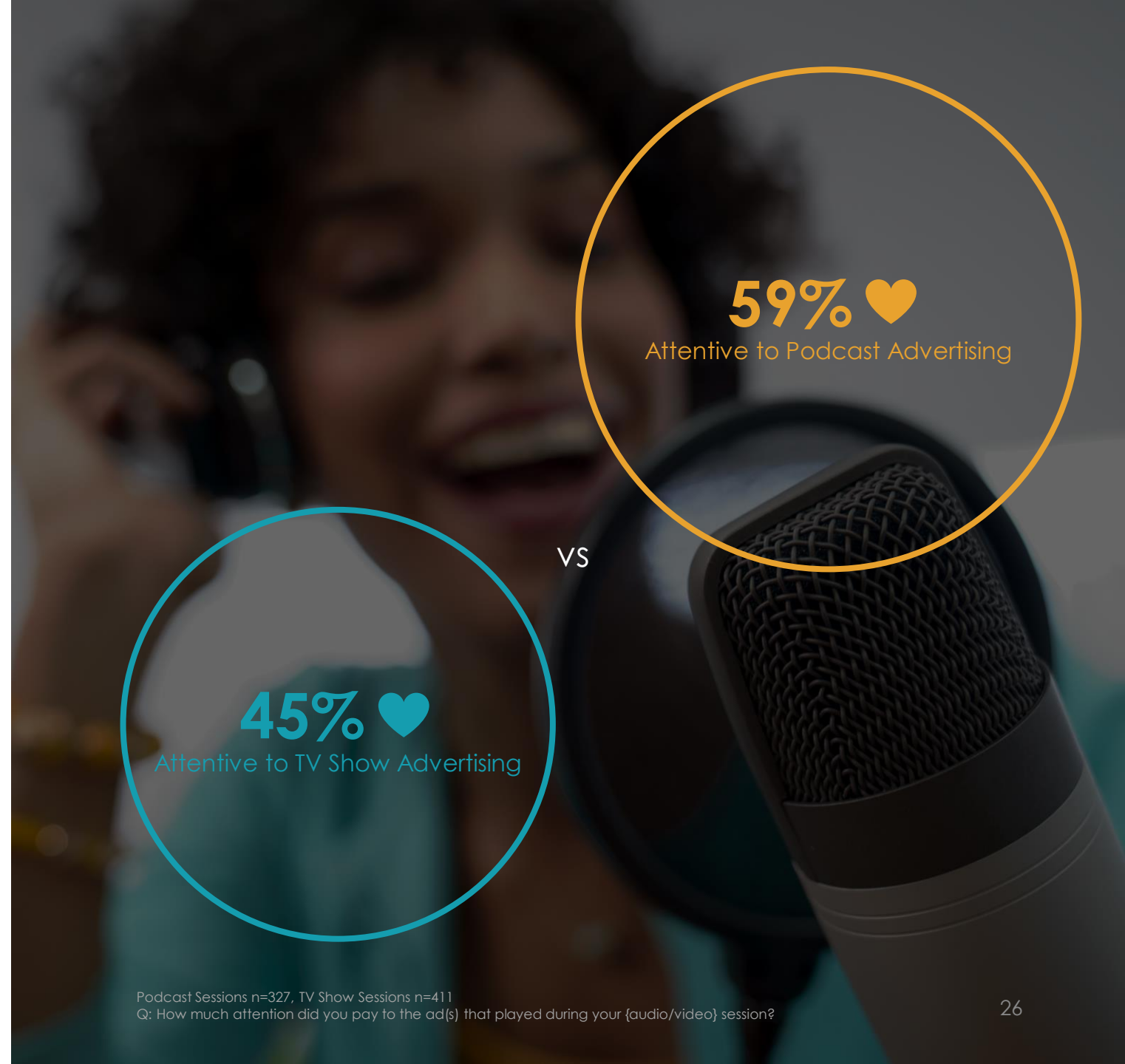
(Scale 1-10) % Very Receptive (7-10)





# Ultimately, passion + openness translates into higher attention to advertising during podcasts

**Attention to Ad(s) While Listening/Watching**  
% Paid Full/Some Attention To Ad(s)



# Summary

# Action Items

## Leverage digital audio to reach people when most open to ads

Multi-tasking friendly nature of digital audio leads to greater openness, attention and ad interaction

## Invest in moments when leveraging digital audio

Digital audio offers vast opportunities for reaching consumers contextually throughout the day - with higher ad receptivity compared to digital video to boot

## Consider investing in podcasts

Podcasts offer brands a unique opportunity to reach consumers within an environment they feel passionately about



# Thank You

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