AD RECEPTIVITY, DECONSTRUCTED

THE WHEN, WHERE, WHAT OF DIGITAL AUDIO & VIDEO
ADVERTISERS HAVE COUNTLESS MEDIA BUYING OPTIONS... ALL AIMED AT REACHING RECEPTIVE AUDIENCES.
WE GOT BACK TO WHAT MATTERS MOST - THE CONSUMER - TO DETERMINE WHEN THEY ARE MOST RECEPTIVE TO ADVERTISING ON DIGITAL AUDIO & VIDEO.
**THE METHODOLOGY**

**RECRUITMENT**

Evenly recruited weekend and weekday to ensure representativeness

TOTAL n=2,529  
Gen Pop n=1,697  
Pandora Booster n=832

**SCREENERS**

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

Forced split:
- 🎧 Audio Diary: 2/3 of sample
- 🎬 Video Diary: 1/3 of sample

**MEDIA CONSUMPTION LOG**

Online diary of digital audio and video consumption over past 24 hours

Up to 3 daypart-based diary entries per person

- 🎧 Audio Diary Entries n=4,188
- 🎬 Video Diary Entries n=2,107

**RECEPTIVITY AND ATTENTION INDEX**

Deep dive into receptivity and attention paid to advertising and content

19 reported behaviors and attitudes during digital media experience (e.g. location, device, mood, type of content, ad receptivity, etc.)
THE METRICS

BEFORE SEEING AD

AD RECEPTIVITY

DEFINITION
Willingness to receive an ad before exposure to an ad

A STATE OF MIND
Exists prior to and during exposure

DIARY ENTRIES FOR INDIVIDUAL AUDIO/VIDEO SESSIONS
Q: How receptive were you to advertising yesterday while you [listened to audio/watched video]?

DURING AD

AD ATTENTION

DEFINITION
An active behavior of noticing an ad

AN ACTION
Exists during exposure only

DIARY ENTRIES FOR INDIVIDUAL AUDIO/VIDEO SESSIONS
Q: Did you notice any ads yesterday on your [device] as you [listened to audio/watched video]?
Q: You mentioned you were performing other tasks as you [watched audio/listened to video] yesterday. How much attention did you pay to the digital compared to the other task(s)?
CONSUMERS ARE REACHABLE THROUGH DIGITAL VIDEO 24 HRS A DAY

% OF TOTAL AD-SUPPORTED MEDIA EXPERIENCES FOR DIGITAL VIDEO VIEWERS BY HOUR

- **Morning**: 3am – 11:59am
- **Afternoon**: 12pm – 4:59pm
- **Evening**: 5pm – 8:59pm
- **Night**: 9pm – 2:59am

Video viewing naturally peaks in the evening.

- 7% of ad-supported video sessions take place at 8:00 PM
- 8:00 PM, 7.2%
- 2:00 PM, 6.1%
- 10:00 AM, 3.7%

Video diary N=1,240.
Digital audio is also consumed every hour, but sessions are more sustained.

% of total ad-supported media experiences for digital audio listeners by hour

6% of ad-supported audio sessions take place at 2:00 PM.
THE AUDIENCE IS THERE,

BUT ARE THEY ACTUALLY OPEN TO ADVERTISING?
THE TRUTH IS…
AD RECEPTIVITY IS NOT A CONSTANT MINDSET FOR DIGITAL AUDIO OR DIGITAL VIDEO

% OF CONSUMERS WITH CHANGES IN AD RECEPTIVITY THROUGHOUT DAY

- Fluctuating
- Consistent

Those With Multiple Diary Entries: Audio diary N=999, video diary N=387.

42% of audio listeners experienced fluctuations in ad receptivity within a single day

**AUDIO: 42%**
of Individuals Experienced Changes in Ad Receptivity Listening to Audio

**VIDEO: 45%**
of Individuals Experienced Changes in Ad Receptivity Watching Video

42% of Individuals Experienced Changes in Ad Receptivity Listening to Audio
**IN FACT, RECEPTIVITY VARIES WILDLY THROUGHOUT THE DAY**

AD RECEPTIVITY (%) BY HOUR

- **Audio**
- **Video**

At 4:00 PM, 40% of audio listeners are receptive to ads, compared to just 25% of video viewers.

Audio diary N=3,048, video diary N=1,240.
SOME CONSUMERS ARE PRONE TO RECEPTIVITY. BUT BRANDS CAN’T CHANGE THEIR TARGETS

INDEXED AD RECEPTIVITY BY AGE AND GENDER

INDEXED TO AVG. OVERALL AD RECEPTIVITY

AGE

<table>
<thead>
<tr>
<th></th>
<th>Audio</th>
<th>Video</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gen Z</td>
<td>69</td>
<td>71</td>
</tr>
<tr>
<td>Millennial</td>
<td>100</td>
<td>104</td>
</tr>
<tr>
<td>Gen X</td>
<td>119</td>
<td>90</td>
</tr>
</tbody>
</table>

GENDER

<table>
<thead>
<tr>
<th></th>
<th>Audio</th>
<th>Video</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>132</td>
<td>117</td>
</tr>
<tr>
<td>Female</td>
<td>105</td>
<td>100</td>
</tr>
</tbody>
</table>

Young consumers are least receptive, but are equally receptive to digital audio and video.

Q: Please describe the subject(s) of what you [listened/watched] yesterday. Select all that apply.

Audio diary N=3048. | Video diary N=1240.
CONSUMERS ARE GENERALLY MORE RECEPTIVE TO AUDIO THAN THEY ARE TO VIDEO

% CONSUMERS WILLING TO RECEIVE AN AD DURING MEDIA EXPERIENCE

23%▲
ARE RECEPTIVE TO AUDIO ADS

17%
ARE RECEPTIVE TO VIDEO ADS

Consumers are 35% more receptive when listening to audio than when watching video

Δ = significant difference between audio and video at 90% confidence.
INFLUENCE RECEPTIVITY THE MOST?

WHICH INDICATORS

DEVICE
LOCATION
GENRE OF CONTENT
CONTENT TYPE

MOOD
SITUATION
MULTITASKING
NEEDS STATE
**EACH INDICATOR IMPACTS AD RECEPTIVITY TO VARYING DEGREES**

The Receptivity Influence Index represents the variance of ad receptivity within an indicator—a higher value means receptivity is more sensitive to changes within that indicator. A value of 100 is average variance.

**AUDIO RECEPTIVITY INFLUENCE INDEX**

- **HIGH**
  - Mood (170)
  - Genre (119)
  - Needs State (96)
  - Device (86)
  - Time of Day (69)
  - Situation (48)
  - Multitasking (37)
  - Content Type (15)
  - Location (10)

- **LOW**

**VIDEO RECEPTIVITY INFLUENCE INDEX**

- **HIGH**
  - Mood (171)
  - Needs State (165)
  - Device (152)
  - Genre (121)
  - Content Type (111)
  - Situation (110)
  - Location (103)

- **LOW**

*Mood has a larger impact on audio ad receptivity than genre*

Note: Receptivity influence indices are calculated from variance of receptivity within that indicator.
**GOOD MOOD TRANSLATES INTO WILLINGNESS TO SEE ADS**

INDEXED AD RECEPTIVITY BY MOOD

<table>
<thead>
<tr>
<th>Mood</th>
<th>Audio</th>
<th>Video</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excited</td>
<td>123</td>
<td>132</td>
</tr>
<tr>
<td>Relaxed</td>
<td>113</td>
<td>95</td>
</tr>
<tr>
<td>Focused</td>
<td>112</td>
<td>96</td>
</tr>
<tr>
<td>Happy</td>
<td>103</td>
<td>93</td>
</tr>
<tr>
<td>Stressed</td>
<td>90</td>
<td>116</td>
</tr>
<tr>
<td>Bored</td>
<td>78</td>
<td>84</td>
</tr>
<tr>
<td>Tired</td>
<td>69</td>
<td>68</td>
</tr>
</tbody>
</table>

Q: Which of the following best describes your mood while you [listened to audio/watched video] yesterday?

Audio diary: excited N=244, stressed N=217, happy N=542, focused N=411, relaxed N=1,142, bored N=201, tired N=280.

Video diary: excited N=82, stressed N=83, happy N=169, focused N=118, relaxed N=475, bored N=142, tired N=158.

Receptivity is lowest for audio and video when people are tired.

INDEXED TO AVG. OVERALL AD RECEPTIVITY
Audio receptivity is less sensitive to format, while for video, mid-length content (e.g. TV shows) is key.

### Indexed Ad Receptivity by Content Type

#### Audio

<table>
<thead>
<tr>
<th>Content Type</th>
<th>Receptivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Music</td>
<td>105</td>
</tr>
<tr>
<td>Podcast</td>
<td>107</td>
</tr>
<tr>
<td>Audiobook</td>
<td>103</td>
</tr>
</tbody>
</table>

#### Video

<table>
<thead>
<tr>
<th>Content Type</th>
<th>Receptivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>TV Show</td>
<td>111</td>
</tr>
<tr>
<td>Movie</td>
<td>82</td>
</tr>
<tr>
<td>Short Video Clip</td>
<td>89</td>
</tr>
</tbody>
</table>

Audio diary N=3048, video diary N=1240.
**RECEPTIVITY IS HIGH WITH RELAXING MUSIC GENRES, BUT POP AND ROCK ARE EXCEPTIONS**

**INDEXED DIGITAL AUDIO AD RECEPTIVITY BY GENRE OF MUSIC**

- **Jazz**: 131
- **Oldies**: 126
- **Ambient**: 110
- **R&B/Soul**: 106
- **Rock**: 106
- **Pop**: 105
- **Country**: 104
- **Reggae**: 104
- **Instrumental**: 103
- **Blues**: 102
- **Electronic**: 92
- **Hip-Hop/Rap**: 92
- **Folk**: 90
- **Classical**: 89
- **Alternative/Indie**: 85
- **Latin**: 83

**TOP 5 GENRES FOR GEN Z/MILLENNIALS**
1. Ambient
2. Jazz
3. Reggae
4. R&B/Soul
5. Blues

**TOP 5 GENRES FOR GEN X & OLDER**
1. Oldies
2. Jazz
3. Pop
4. Country
5. Rock

Q: Please describe the subject(s) of what you [listened/watched] yesterday. Select all that apply.

Audio diary N=3,048. | Video diary N=1,240.
Digital video viewers are generally more receptive when seeking practical content.

Indexed digital video ad receptivity by genre of content:

- **Indexed to Avg. Overall Video Ad Receptivity**
  - Informational: 108
  - Entertaining: 101

Top 3 informational genres:
1. Business
2. Cooking or Home Design
3. News & Politics

Informational includes business, cooking/home design, news/politics, how-to/DIY, science/technology/education; Entertaining includes sports, drama, mystery, true crime, action, family, music, pet/animal, comedy, reality/game/talk shows.

Q: Please describe the subject(s) of what you (listened/watched) yesterday. Select all that apply. Video diary N=1,240.
YOU CAN’T TARGET MOOD, BUT YOU CAN TARGET GENRE

MOST LIKELY GENRES FOR TOP 3 RECEPTIVE MOODS

**TOP 3 DIGITAL AUDIO GENRES PER MOOD**

1. **Hip-Hop/Rap**
   - Mood: Excited
2. **Pop**
   - Mood: Relaxed
3. **Rock**
   - Mood: Focused

**TOP 3 DIGITAL VIDEO GENRES PER MOOD**

1. **Action**
   - Mood: Excited
2. **Drama**
   - Mood: Relaxed
3. **Music**
   - Mood: Stressed

Q: Please describe the subject(s) of what you [listened/watched] yesterday. Select all that apply.
Audio diary N=3048. Video diary N=1240.
THE BIG SCREEN IS KEY FOR VIDEO; THE SMALL SCREEN FOR AUDIO

Indexed Ad Receptivity by Device

Audio listeners are more receptive on smartphone and tablets than video viewers.

INDEXED TO AVG. OVERALL AD RECEPTIVITY

Connected TV: 98
Computer: 103
Smartphone: 107
Tablet: 119
Smart Devices: 108
Audio Specific Devices: 102
Gaming Devices: 86

Q: Which device did you use for digital [audio/video] yesterday? If you were using more than one device, please select the primary one at this time.

Audio diary: connected TV N=589, computer N=468, smartphone N=1,047, tablet N=201, smart devices N=150, audio devices N=451, gaming N=116.
Video diary: connected TV N=294, computer N=250, smartphone N=310, tablet N=80, gaming N=109.
Audio Thrives on Multitasking While Video Thrives on Socializing

Indexed Ad Receptivity by Needs State

When multitasking, audio listeners are 24% more likely to be receptive than video viewers.
**Video Receptivity is More Sensitive to Situation Than Audio**

INDEXED AD RECEPTIVITY BY SITUATION

<table>
<thead>
<tr>
<th>Situation</th>
<th>Audio</th>
<th>Video</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spending time with family</td>
<td>110</td>
<td>112</td>
</tr>
<tr>
<td>Shopping</td>
<td>103</td>
<td>101</td>
</tr>
<tr>
<td>Socializing without family</td>
<td>107</td>
<td>108</td>
</tr>
<tr>
<td>Working / running errands</td>
<td>91</td>
<td>81</td>
</tr>
<tr>
<td>Pursuing interests / hobbies</td>
<td>96</td>
<td>81</td>
</tr>
</tbody>
</table>

Because audio is more multitasking friendly, ad receptivity is 34% higher for audio when consumers are highly task oriented.

Q: While you were [listening to audio/watching video] yesterday, what was happening at that moment? Please select the option which best describes the situation you were in.

Audio diary: family N=606, hobbies N=1,052, socializing N=467, job N=630, shopping N=293.

PARENTS TEND TO BE MORE RECEPTIVE ACROSS ALL GENERATIONS

INDEXED AD RECEPTIVITY BY AGE AND HOUSEHOLD STATUS

Q: How many people (including yourself) are currently living or staying in your household?
Audio diary: Gen Z (0 children n=178, 1+ children n=236), Millennials (0 children n=698, 1+ children n=739), Gen X (0 children n=371, 1+ children n=417)
Video diary: Gen Z (0 children n=103, 1+ children n=135), Millennials (0 children n=253, 1+ children n=200), Gen X (0 children n=152, 1+ children n=158)
INDEXED AD RECEPTIVITY BY VERTICAL OF AD

INDEXED TO AVG AD RECEPTIVITY OVERALL

AUDIO

VIDEO

121
122
107
101
103
96
103
95
88
79
90
82

ADVERTISING FOR...

Movies/TV
Retail
Groceries
Casual Dining
Financial
Auto

Q: While you [listened to audio/watched video] yesterday on your [device], how open would you have been to watching an ad about the following categories?

Audio diary N=3,048.
Video diary N=1,240.

RECEPTIVITY IS NATURALLY HIGHER FOR CERTAIN INDUSTRIES
ADVERTISERS NEED TO BE ESPECIALLY THOUGHTFUL WITH THEIR APPROACH TO DIGITAL VIDEO

AVERAGE RECEPTIVITY INFLUENCE INDEX BY MEDIA TYPE
(INDEXED TO AVERAGE [100])

Fun Fact

- Variance in receptivity for video is influenced by indicators 56% more strongly than audio.

Receptivity on video is influenced by indicators 17% more strongly than average.
THE INTERSECTION OF AD RECEPTIVITY + AD ATTENTION
Attention is finite for both media types, but audio listeners are less likely to avoid ads than video viewers.

% of respondents who...

Avoided ad

Audio: 39%

- Ignored the ad
- Muted or skipped the ad
- Left the area

Audio: 17%

- Avoided ad

Video: 46%

- Interacted with ad

Because it is easier to escape video ads (e.g., not looking at screen, leaving the room), video viewers are more likely to avoid ads than audio listeners.

Q: Which of the following did you do when you experienced an ad while you [listened to audio/watched video] yesterday on your [device]? Select all that apply.

Audio diary N=3,048, video diary N=1,240.

Δ = significant difference between audio and video at 90% confidence.
RELEVANT AND INFORMATIVE ADS ARE ATTENTION-GRABBING FOR AUDIO LISTENERS

Q: Which of the following did you do when you experienced an ad while you [listened to audio/watched video] yesterday on your [device]? Select all that apply.

Audio diary N=1,046. Video diary N=408.

∆ = significant difference between audio and video at 90% confidence.

- ...if product was relevant to me
  - Audio: 40%
  - Video: 36%

- ...if ad had useful information
  - Audio: 34%
  - Video: 32%

- ...if ad was entertaining
  - Audio: 34%
  - Video: 35%

- ...if I wasn’t doing anything else
  - Audio: 26%
  - Video: 32%
THE MORE RECEPTIVE CONSUMERS ARE, THE MORE LIKELY THEY’RE PAYING ATTENTION

As ad receptivity increases, so does attention to advertising.

Audio diary N=3,048, video diary N=1,240

![Graph showing the relationship between ad receptivity and attention to advertising.](image-url)

- Audio Receptivity
- Video Receptivity
- Linear (Audio Receptivity)
- Linear (Video Receptivity)

R² = 0.8332
R² = 0.699
SPOTLIGHT ON PANDORA
**Pandora is considered a go-to place for audio**

**Reasons for using Pandora (both free/paid)**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>It’s easy to use</td>
<td>26%</td>
</tr>
<tr>
<td>I’ve had it the longest</td>
<td>13%</td>
</tr>
<tr>
<td>It will always have something new to entertain me</td>
<td>10%</td>
</tr>
<tr>
<td>I know I will find the song/podcast I’m looking for</td>
<td>10%</td>
</tr>
<tr>
<td>It is my normal go-to place for listening to music/podcasts</td>
<td>17%</td>
</tr>
<tr>
<td>It’s the best way to discover new music/podcasts</td>
<td>8%</td>
</tr>
<tr>
<td>It has the highest quality content</td>
<td>7%</td>
</tr>
<tr>
<td>“I like how it is like the normal radio, you never know what song comes on next”</td>
<td></td>
</tr>
<tr>
<td>“I use it for listening to uninterrupted music on a shuffle”</td>
<td></td>
</tr>
<tr>
<td>“Not as many ads as youtube”</td>
<td></td>
</tr>
</tbody>
</table>

Q: You mentioned that you usually listen to Pandora in a typical month. Please tell us the primary reason why you listen to Pandora.
WHAT DOES A RECEPTIVE PANDORA USER LOOK LIKE?

INDEXED AD RECEPTIVITY BY...

- Gender
- Age

GENDER

- Male: 132
- Female: 105

INDEXED TO AVG. OVERALL AD RECEPTIVITY

AGE

- Gen Z: 65
- Millennial: 116
- Gen X: 128
- Boomer: 154

Q: Please describe the subject(s) of what you [listened/watched] yesterday. Select all that apply.

Audio diary (Pandora users) N=2076.
PANDORA USERS IN PARTICULAR ARE RECEPTIVE TO AUDIO ADS

INDEXED AD RECEPTIVITY TO DIGITAL AUDIO BY GENERAL PANDORA USAGE

INDEXED AD RECEPTIVITY TO DIGITAL AUDIO BY GENERAL PANDORA USAGE AMONG GEN Z/MILLENNIALS

Even though Gen Z was the least receptive age group overall, Pandora users in this age bracket are particularly receptive.

---|---|---|---
118 | 86 | 103 | 76

INDEXED TO AVG. OVERALL AUDIO AD RECEPTIVITY

Pandora Users N=2076, Non Pandora Users N=972; Gen Z/Millennials: Pandora Users N=1249, Non Pandora Users N=602
THEY’RE EVEN MORE RECEPTIVE WHILE ON PANDORA

INDEXED AD RECEPTIVITY TO DIGITAL AUDIO BY PANDORA USERS ON AND NOT ON PANDORA

INDEXED AD RECEPTIVITY TO DIGITAL AUDIO BY PANDORA USERS ON AND NOT ON PANDORA AMONG GEN Z/MILLENNIALS

Pandora Users on Pandora: N=1149, Pandora Users on other audio platform(s): N=927; Gen Z/Millennials: Pandora Users on Pandora N=651, Pandora Users not on Pandora N=598

Other audio platforms include Audible, iHeartRadio, Soundcloud, Spotify, Stitcher, YouTube, Other.
THE WRAP UP
LOW RECEPTIVITY
HIGH ATTENTION

LOW RECEPTIVITY
LOW ATTENTION

HIGH RECEPTIVITY
HIGH ATTENTION

HIGH RECEPTIVITY
LOW ATTENTION

INFINITE MOMENTS EXIST, BUT HIGH RECEPTIVITY AND ATTENTION ARE KEY

- Advertisers shouldn’t simply hope for the best. They should be purposeful with their targeting.
- For example, audio listeners are highly receptive and attentive when listening to relax.

MOMENTS FOR AUDIO + VIDEO BY INDEXED ATTENTION AND RECEPTIVITY

- Listening to relax
- Listening at home on computer when happy
- Watching sports
- Listening in public while relaxed
- Listening at home on a tablet while relaxed
- Listening at home on a smartphone when focused

Audio diary N=3,048, video diary N=1,240
**RECOMMENDATIONS**

1. **MEDIA TYPE IMPACTS RECEPTIVITY.**

   Though consumers are reachable via digital audio and video throughout the day, ad receptivity varies widely across a variety of indicators, such as genre of content and device. Marketers should be mindful of when and where they are reaching audio listeners and video viewers.

2. **MINDSET IS CRUCIAL.**

   Mood, needs state, and situation, indicators that are often dependent on one another, have a strong impact on ad receptivity. Marketers should explore efficient ways of targeting these components of mindset with contextual targeting.

3. **AD RECEPTIVITY IS COMPLEX, BUT TARGETABLE.**

   While receptivity is influenced by many factors, marketers can learn and adapt targeting methods to optimize accordingly. Using data and AI to better target key indicators should be explored.
ACTION ITEMS

UNDERSTAND YOUR AUDIENCE
• Define your target audience and utilize enhanced targeting to improve audience delivery.

UNDERSTAND THE ENVIRONMENT
• To resonate with your target market, use contextual targeting to better understand the environment they are in when consuming content. Indicators like content type, mood, and need state highly impact receptivity for consumers.

UNDERSTAND YOUR MESSAGE
• Consider tactics such as dynamic ad creative to best tailor your engagements to your unique market.

UNDERSTAND AD DELIVERY & IMPRESSION LOAD
• Determine when your target audience is most receptive and explore the most appropriate frequency during those moments.

CONSIDER VALUE-EXCHANGE BASED ADS
• Though younger consumers are the least receptive age group, marketers can consider opt-in value exchange based ads to provide added value for these segments. Previous research has shown that value exchange based ads are especially effective among younger consumers and drive other key metrics for brands.
THANK YOU