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

Q: For your (audio/video) sessions yesterday, what time did you start? Select one for each option.

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

- Overnight 12am – 6am
- Early Morning 6am – 10am
- Daytime 10am – 4pm
- Early Fringe 4pm – 7pm
- Prime 7pm – midnight

7% of all digital audio sessions start at 9:00 AM
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

Other Activities While Listening/Watching
% Selected One Or More Activities

90% Digital Audio

73% Digital Video

Digital Audio Sessions n=3,026, Digital Video Sessions n=1,576
Q: What else were you doing while you were (listening/watching) if anything? Select all that apply.
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

59% Digital Audio

45% Digital Video

Ad Actions Taken
Indexed to Average (100)

- Digital Audio
- Digital Video

Interacted With Ad

116

70

Interacted With Ad Actions
- Researched the product
- Clicked ad
- Shared ad
- Considered purchasing
- Made mental note of brand/ad

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

Q: How much attention did you pay to the ad(s) that played during your {audio/video} session?
Q: What did you do when you noticed ad(s) during your {audio/video} session?
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

<table>
<thead>
<tr>
<th>Visual Industries</th>
<th>Non-Visual Industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Automotive</td>
<td>• Finance (e.g. banks/investment)</td>
</tr>
<tr>
<td>• Entertainment (e.g. movies/TV shows)</td>
<td>• Pharma (e.g. medication)</td>
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<tr>
<td>• Food/Beverage</td>
<td>• Technology</td>
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<tr>
<td>• Personal Care (e.g. Beauty),</td>
<td>• Telecom</td>
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<tr>
<td>• Restaurants</td>
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<tr>
<td>• Retail (e.g. clothing stores)</td>
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<tr>
<td>• Travel (e.g. hotels, airlines)</td>
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</table>

Digital Audio Sessions n=3,026, Digital Video Sessions n=1,576
Q: On a scale of 1 to 10, how open were you to seeing ads from the following types of brands during your {audio/video} session? Drag the slider to a point on the scale.
Ads in all tested verticals benefit from placement in digital audio

Receptivity to ads 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

Food & Beverage
- Digital Audio: 25%
- Digital Video: 29%

Entertainment
- Digital Audio: 26%
- Digital Video: 28%

Technology
- Digital Audio: 23%
- Digital Video: 28%

Restaurant
- Digital Audio: 24%
- Digital Video: 28%

Travel
- Digital Audio: 22%
- Digital Video: 27%

Retail
- Digital Audio: 21%
- Digital Video: 26%

Personal Care
- Digital Audio: 20%
- Digital Video: 25%

Telecomm
- Digital Audio: 19%
- Digital Video: 22%

Auto
- Digital Audio: 18%
- Digital Video: 21%

Finance
- Digital Audio: 16%
- Digital Video: 21%

Pharma
- Digital Audio: 16%
- Digital Video: 20%
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**

<table>
<thead>
<tr>
<th>% Listen/View More</th>
<th>Music</th>
<th>Podcasts</th>
</tr>
</thead>
<tbody>
<tr>
<td>39%</td>
<td>17%</td>
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</tbody>
</table>

**POV**

“I started to listen [to] more music because I have more time due to covid 19”

<table>
<thead>
<tr>
<th>% Listen/View More</th>
<th>TV Shows</th>
<th>Movies</th>
<th>Social Videos</th>
<th>Music Videos</th>
</tr>
</thead>
<tbody>
<tr>
<td>43%</td>
<td>39%</td>
<td>30%</td>
<td>23%</td>
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</tbody>
</table>

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.
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
Most people (66%) have screen fatigue

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

Total n=2,301
Q: Have you listened to more audio (e.g. music, podcasts) to reduce your screen fatigue during the COVID-19 pandemic? Select one.
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: 38%
- It's a break from screen time: 26%
- I'm looking forward to it more: 22%

% Said Role Of Digital Audio Has Changed During Pandemic
Those Who Listen To More Music/Podcasts During Pandemic
91%

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

It's a way to connect with others

I'm looking forward to it more

It's a break from screen time

It's a way to de-stress

Indexed to Gen Pop Within Each Reason (100)

Gen Z Millennials Gen X Boomer

Gen Z Millennials Gen X Boomer

Gen Z Millennials Gen X Boomer

Gen Z Millennials Gen X Boomer

Total n=2,301
Q: In what way has the role of audio in your life changed due to the COVID-19 pandemic? Select one.
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

Favourite Podcasts

- Within a day: 42%
- Within week: 32%
- Within month: 17%
- Beyond month: 10%

Favourite TV Shows

- Within a day: 40%
- Within week: 30%
- Within month: 13%
- Beyond month: 18%

Podcast Listeners n=1,300, TV Show Watchers n=1,363
Q: When do you usually (listen to/watch) new episodes of your favourite (podcasts/TV shows)? Select one.
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

63% Podcasts

51% TV Shows

Podcast Sessions n=327, TV Show Sessions n=411
Q: Were you up-to-date with the [podcast/show] you were [listening to/watching]?
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

<table>
<thead>
<tr>
<th>Discovery Method</th>
<th>Podcasts</th>
<th>TV Shows</th>
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<tbody>
<tr>
<td>Recs from friends/family</td>
<td></td>
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<tr>
<td>Browsing subscriptions</td>
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<tr>
<td>Recs from app/site</td>
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<tr>
<td>Recs from online community</td>
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<tr>
<td>Searching directory</td>
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<tr>
<td>Browsing homepage</td>
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<tr>
<td>Searching on Google</td>
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<tr>
<td>Recs from influencers</td>
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<tr>
<td>Ads</td>
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<tr>
<td>Other</td>
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</tbody>
</table>

Podcast Listeners n=1,300, TV Show Watchers n=1,363
Q: In general, how do you find new (podcasts/TV shows) to (listen to/watch)? Select all that apply.
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

57% 56%
Strong Passion For Favourite Podcast Or TV Show

47% 29%
Strong Passion For Host Of Favourite Podcast Or Actors In Favourite 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

Podcast Listeners n=1,300, TV Show Watchers n=1,363
Q: On a scale of 1 to 10, how passionate are you about the following? Favourite (podcasts/TV shows), (Hosts/Actors & actresses) of my favourite (podcasts/TV shows). Drag the slider to a point on the scale.
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)

Podcast Sessions n=327, TV Show Sessions n=411

Q: Now thinking more broadly, on a scale of 1 to 10, how open were you to seeing ads during your [audio/video] session?
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)  

Podcast Sessions n=327, TV Show Sessions n=411  
Q: How much attention did you pay to the ad(s) that played during your (audio/video) session?
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