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FEATURED

Study: Shifting 1% More Of Budget To Audio Causes ROAS To Surge 23%.

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The Neustar logo is displayed in white lowercase letters on a solid green rectangular background. The word "neustar" is followed by a small registered trademark symbol (®).

There's more evidence that shifting a small portion of an advertising budget to audio can have a dramatic impact on return on ad spend.

An ambitious new study looked at 40 advertiser models from the past three years across the auto, retail, financial service and telecom categories with audio included among 14 media touch points examined. Conducted by information services and technology company Neustar and commissioned by Audacy, it confirms that a slight shift of ad dollars to optimize audio brings significant returns across various industries.

Titled “The Audio Amplification: The Return on Ad Spend,” the study shows that a 1.2% shift of media investment to audio would cause brands’ return on audio ad spend to surge by as much as 23%. Mirroring earlier studies conducted by Westwood One and others, it showed audio also boosted other media’s performance, namely TV, paid search and online video.

“In today’s cluttered landscape, reach alone is not enough to break through, engage and convert,” said Audacy Senior VP of Research and Insights Idil Cakim. “Brands need meaningful connections with their audiences through all the moments that matter and we know that audio powers up media plans. This study shows optimizing OTA and digital audio in the media mix catapults sales to new heights.”

Key findings for various categories include:

- Whether it’s cars, commerce or credit cards, audio adds tremendous momentum to media campaigns. And a slight shift of dollars to optimize audio brings significant returns

	Shift Media Dollars to Audio by	Get Audio ROAS Lift by
Auto	+1.8%	+23%
Retail	+1.1%	+16%
Financial Services	+1.2%	+14%
Telecom	+0.8%	+11%

Note: Shifts in audio allocation are percentage points

- Over-the-air (OTA) plays a significant role in driving sales, along with digital audio.
- Across categories, there is a need to dial things up both in OTA and in digital audio.

	To optimize audio, shift allocation to...	
	OTA	Digital Audio
Auto	+0.5%	+1.4%
Retail	+0.5%	+0.6%
Financial Services	+0.6%	+0.6%
Telecom	+0.6%	+0.2%

Note: Shifts in audio allocation are percentage points

- Audio lends synergistic impacts to other media channels, such as TV, paid search, online video, and out-of-home, among others. Across categories, every dollar invested in audio has a 74% to 83% direct impact on incremental sales.
- An overview of performance across auto, retail and telecom industries shows that audio impact peaks within the first week of activation. With the right measurement plans and tools in place, audio enables marketers to show progress against their goals – in the time they need.
- Audio delivers quarter after quarter, with effects lasting up to 21 weeks

"Our findings revealed that there are still untapped ad opportunities in audio media, across key verticals that can be leveraged to drive marketing performance," said Kayla Coutts, a consultant, at Neustar Consulting Services. "As consumer needs continue to shift, it's become increasingly critical that marketers ensure they are constantly evaluating their media spend in relation to these consumer trends so as to ensure they are maximizing the value of their media investments."