

‘The Time To Learn Audio Is Now,’ WARC Tells Brands And Agencies.

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A white paper by WARC

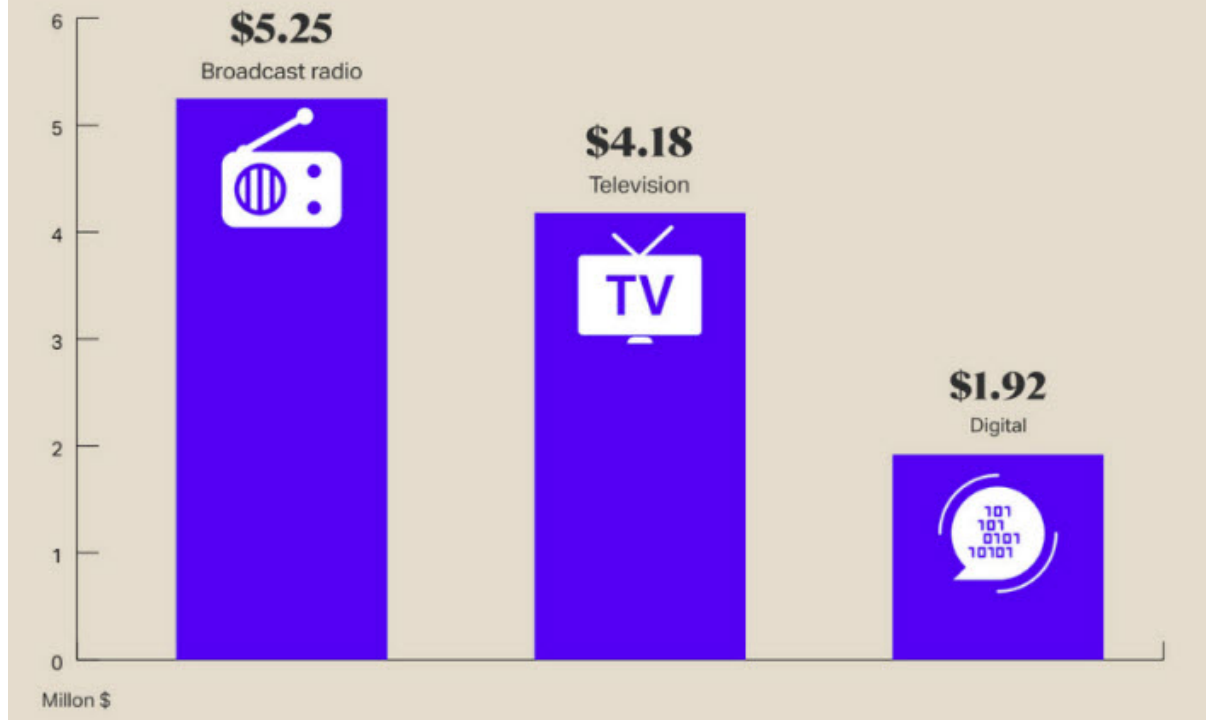
The investment gap: understanding the value of audio



WARC

The head-turning headline to emerge from last week's WARC study is the audio spending gap: the channel captures 31% of media consumption but just 9% of ad spend. But the 27-page study also illustrates broadcast radio's effectiveness with a slew of learnings from a host of other respected researchers. For example, NC Solutions studied return on advertising across different media channels. Using a sample of 19 consumer packaged goods brands, it found broadcast radio delivered the highest return on ad spend.

Average return on ad spend across media types – CPG category

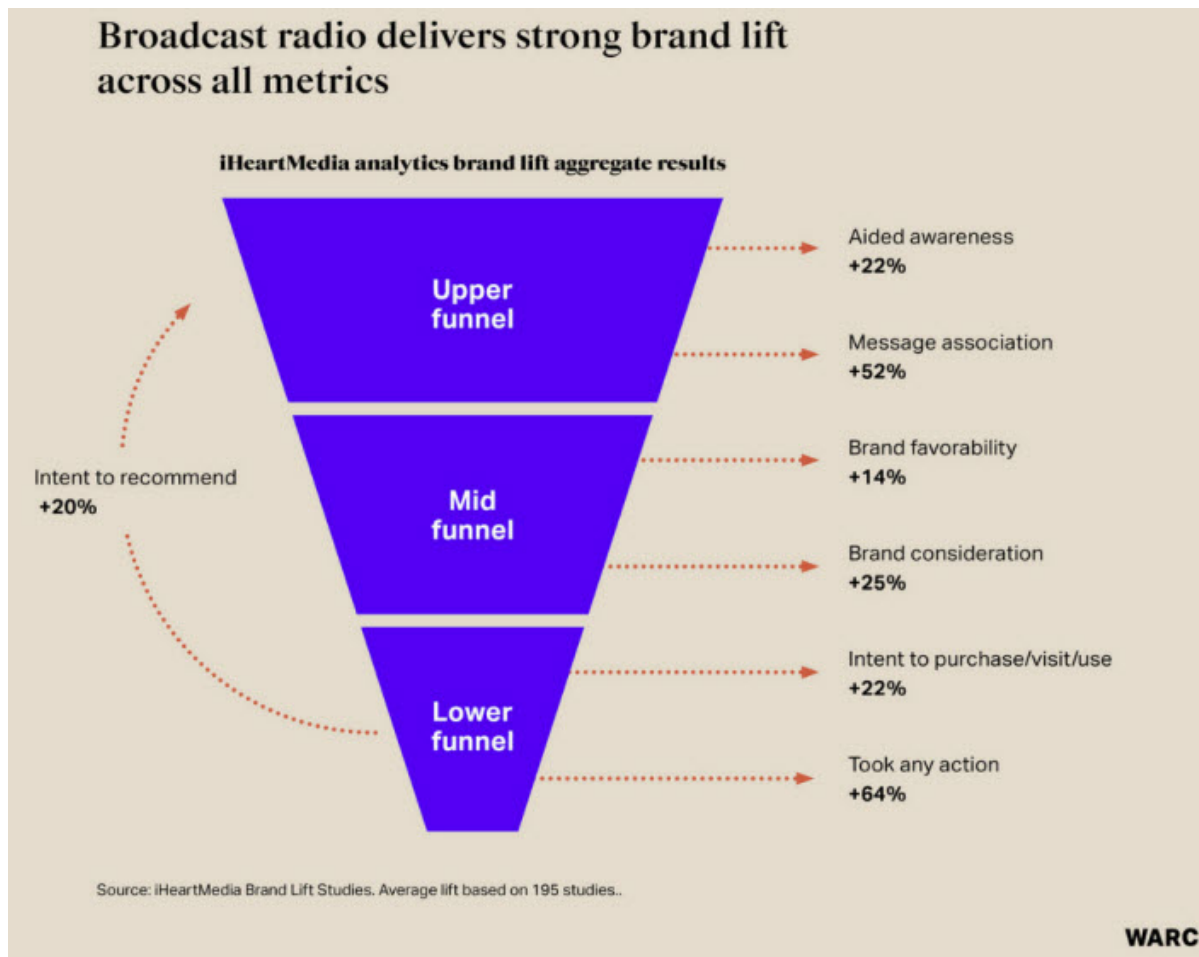


In a similar vein, the WARC study cites a major research study in the UK that examined 12 performance measures across different media channels. It found radio came in a very close second to TV in terms of overall effectiveness and was significantly ahead of all other channels.

Add citing its own research, WARC notes that audio fuels the effectiveness of other media: adding radio to a TV campaign increased average return on investment by 20%.

The study also gleans findings from aggregated brand lift studies conducted by iHeartMedia that show audio can be highly effective across every stage of the advertising funnel. Aggregated results based on 195 different iHeart studies show an average 22% lift in aided awareness and a 52% increase in message association – both are upper funnel metrics. The aggregated studies demonstrate the mid-funnel impact with a 14% average increase in brand favorability and a 25% lift in brand consideration. Broadcast radio's influence reaches the lower funnel, too, with a 22% increase in intent to purchase/visit/use with a 64% bump in people taking any action.

Broadcast radio delivers strong brand lift across all metrics



WARC's study includes an aggregate of reach studies conducted by Nielsen in 2019-2020, showing broadcast radio drives incremental reach across all demographics. The inclusion of broadcast radio within a campaign boosted reach among 18-34 year-olds by 41%, and triggered double-digit reach increases in three other demos: P18-49 (+33%), P35-54 (+26%) and P 55+ (+13%).

Finally, WARC looks to the future, exposing five opportunities for brands that take advantage of the audio investment gap:

Solve For Video Overload: Audiences are nearing the saturation point under the weight of visual stimuli, making it more and more difficult for commercial messaging to get through.

More Competitive Share Of Voice: Not only does audio offer an escape from visual overload, the fact that its share of adspend is markedly lower than share of consumption means there is much less competition for consumers' attention, the WARC study says.

Better Engagement: Audio offers strong levels of engagement in environments that people trust. "Receptivity has always been high; new formats are pushing it higher," says WARC.

Growing Medium: All the trends point to audio's growth acceleration over the remainder of this decade, WARC says in the report. "Commercially valuable touchpoints and advertising formats will continue to emerge," it predicts.

Finally, WARC tells brands and agencies "the time to learn audio is now." No matter what their current levels of investment in the channel, the research firm says brands "should invest and test" to understand the channel's full potential. "Those who act now will be best positioned to profit in audio's everywhere world," it says.

Read the full report [HERE](#).

