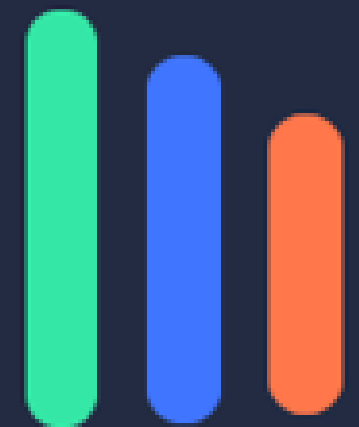


SOUND PROFITS

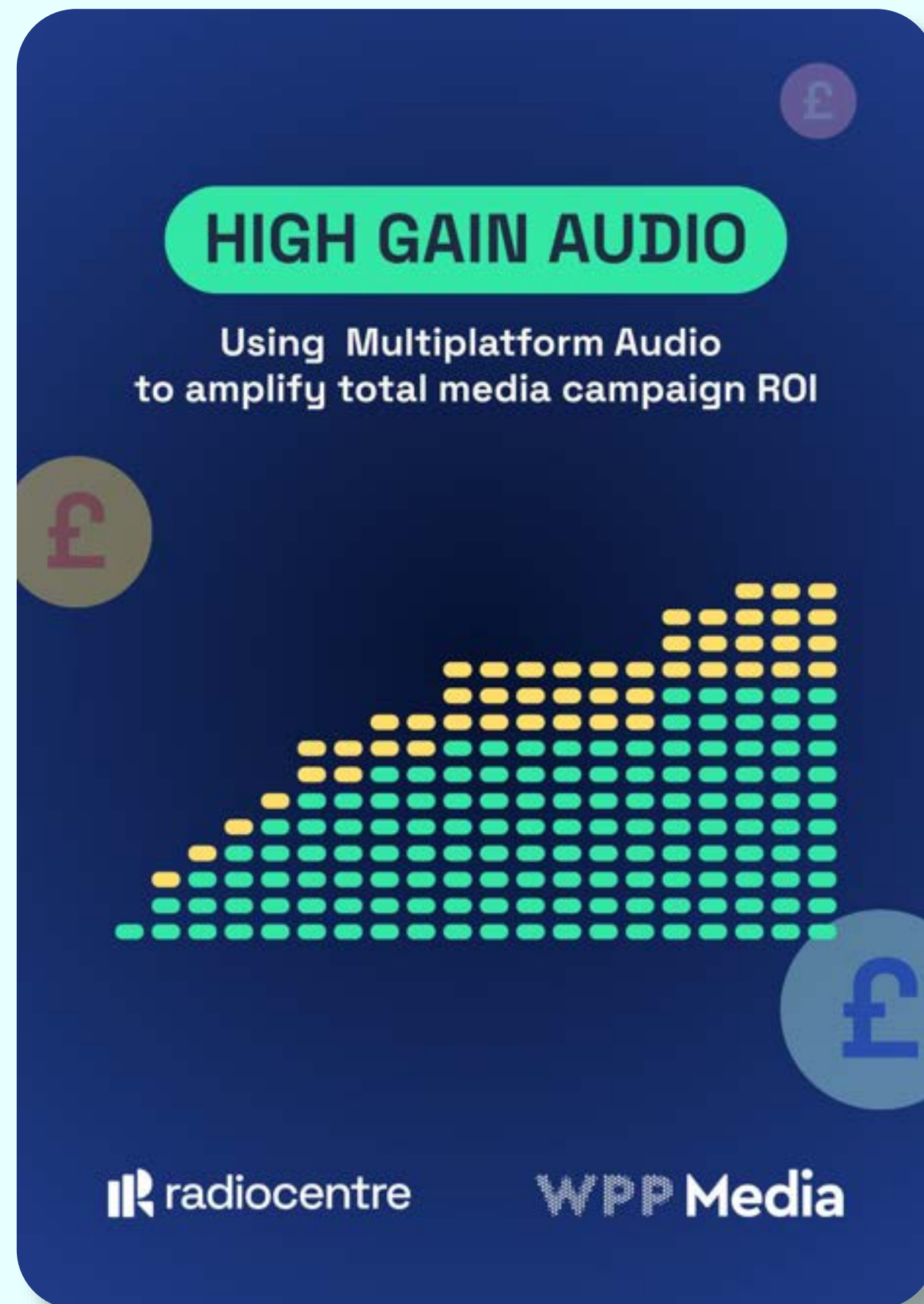
Harnessing Audio's priming effect
to amplify results from Search & Social.

Donna Burns
Head of Insight
Radiocentre

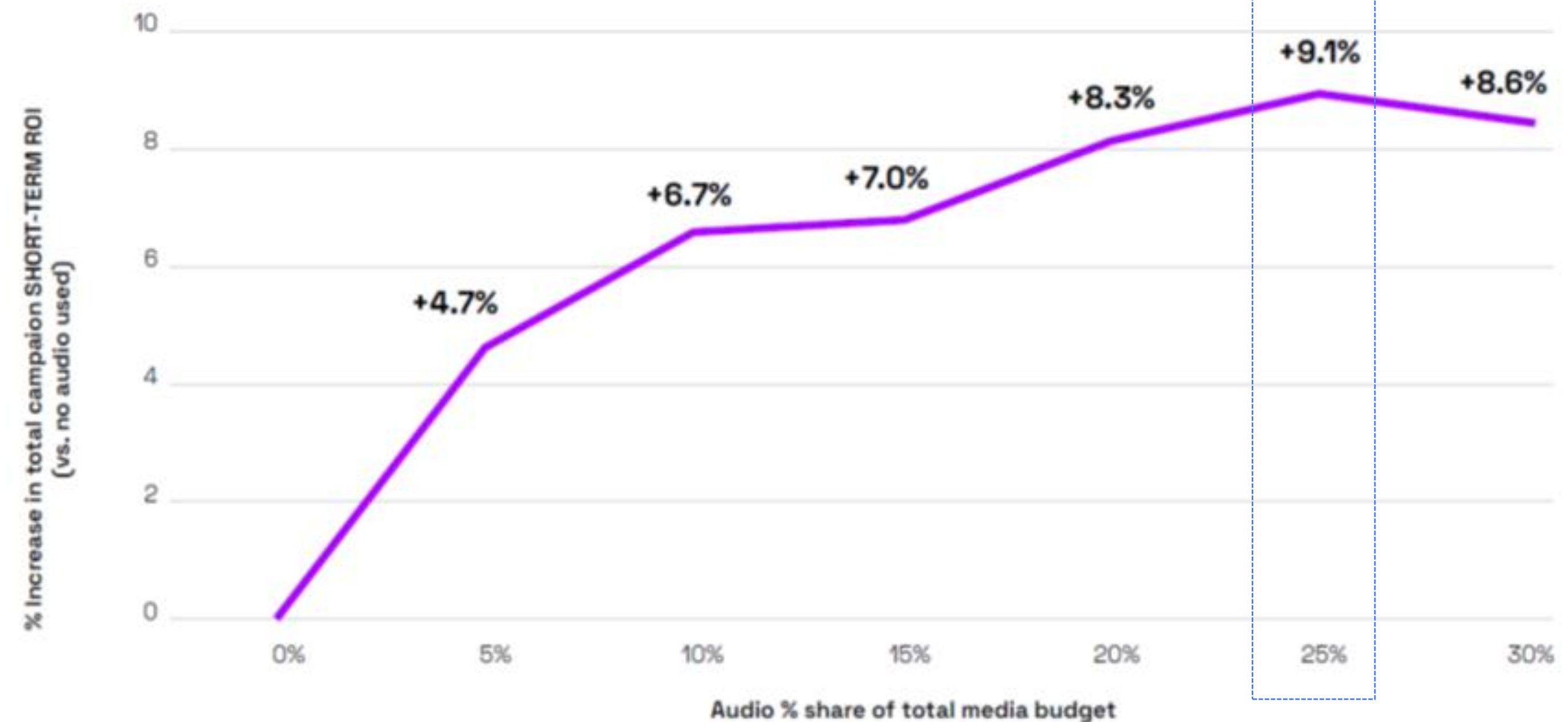
Background and Objectives



Increasing Audio's share of total media budget amplifies total campaign ROI



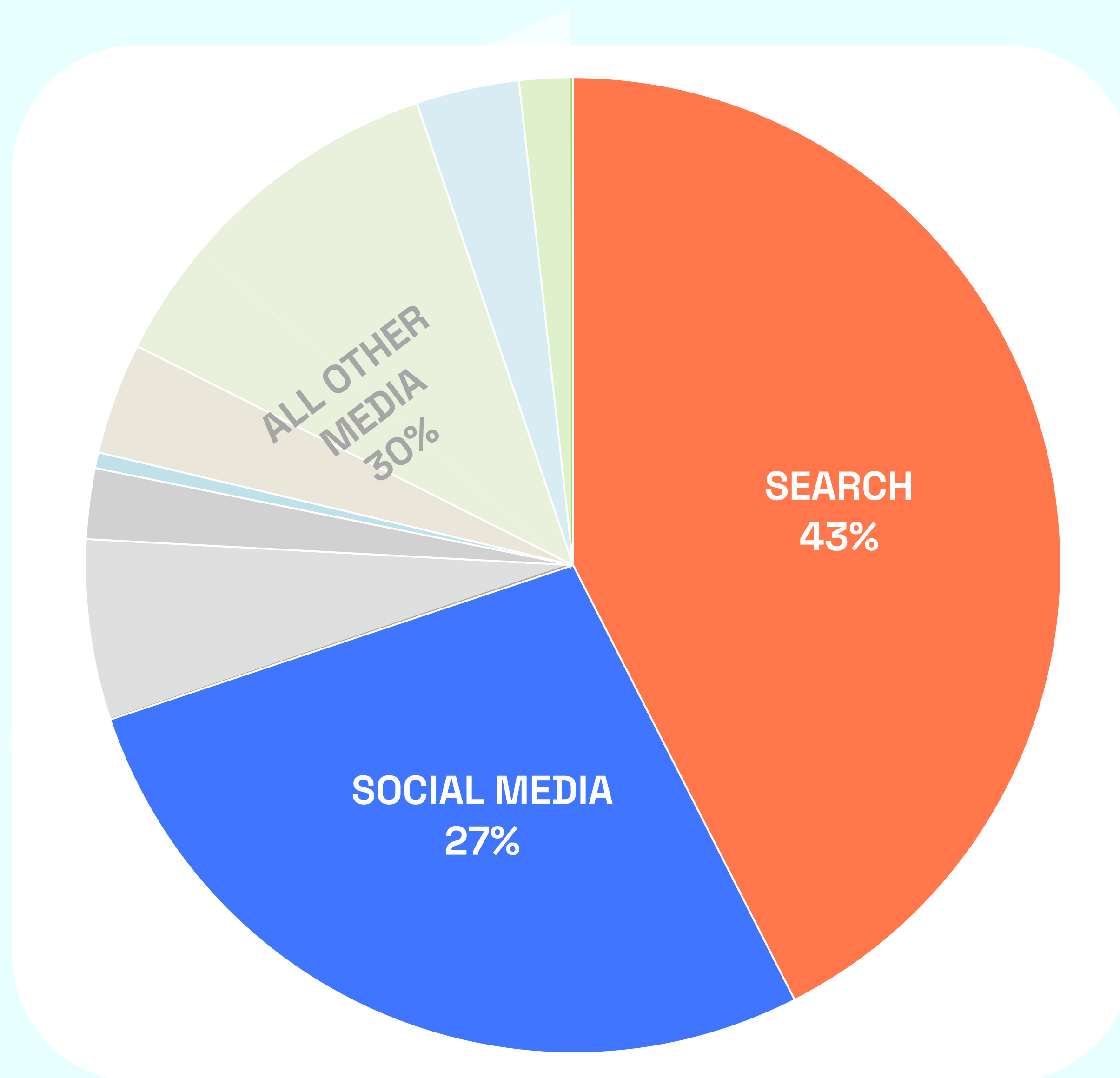
% Increase in total campaign short-term ROI relative to audio's % share of total media budget



Base: Multiplatform Audio Dataset (6 campaigns) - maximum ROI increase available at each increment of audio budget share

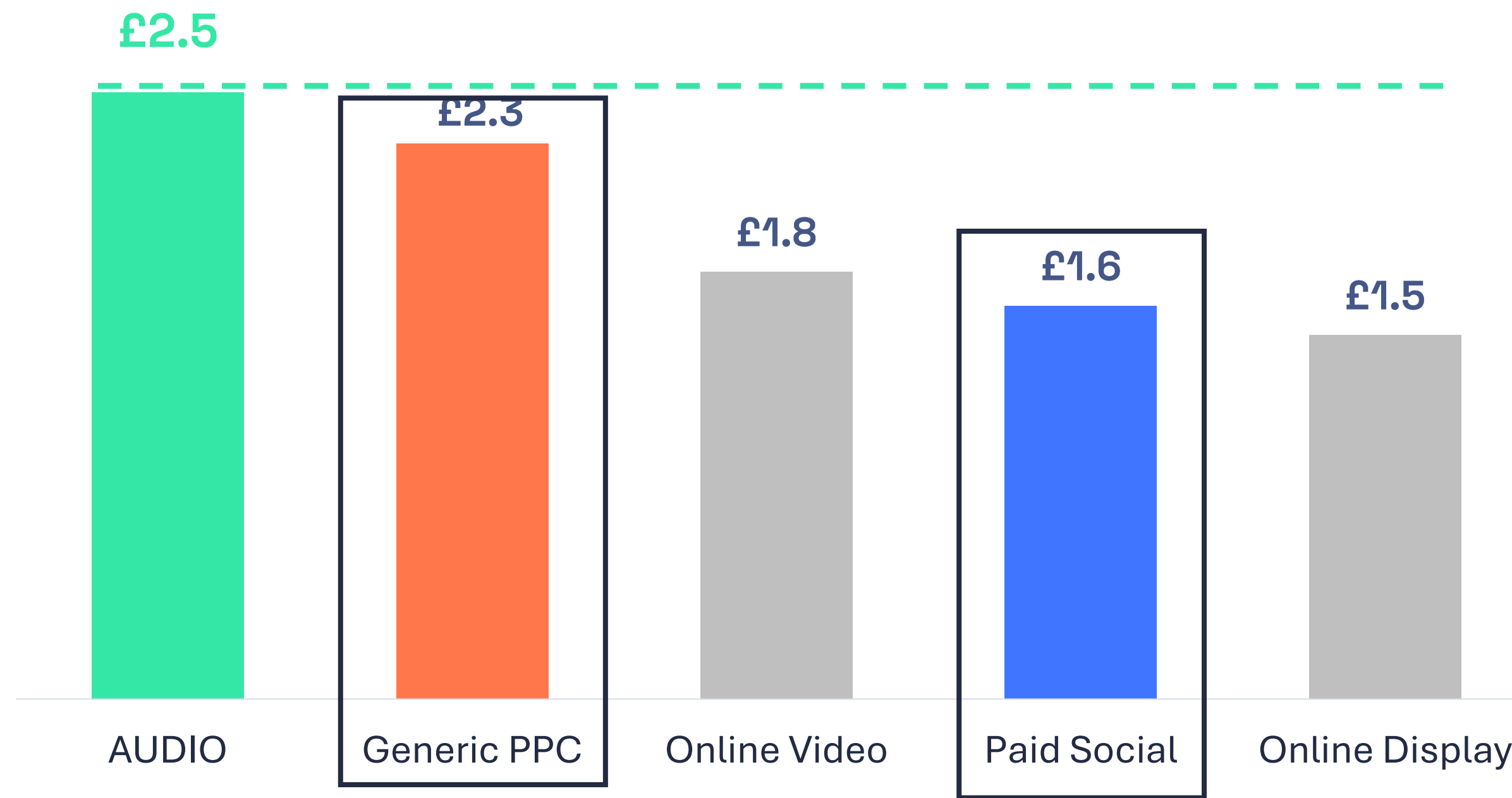
Source: High Gain Audio - WPP Media & Radiocentre

Search and Social account for 70% of UK ad spend

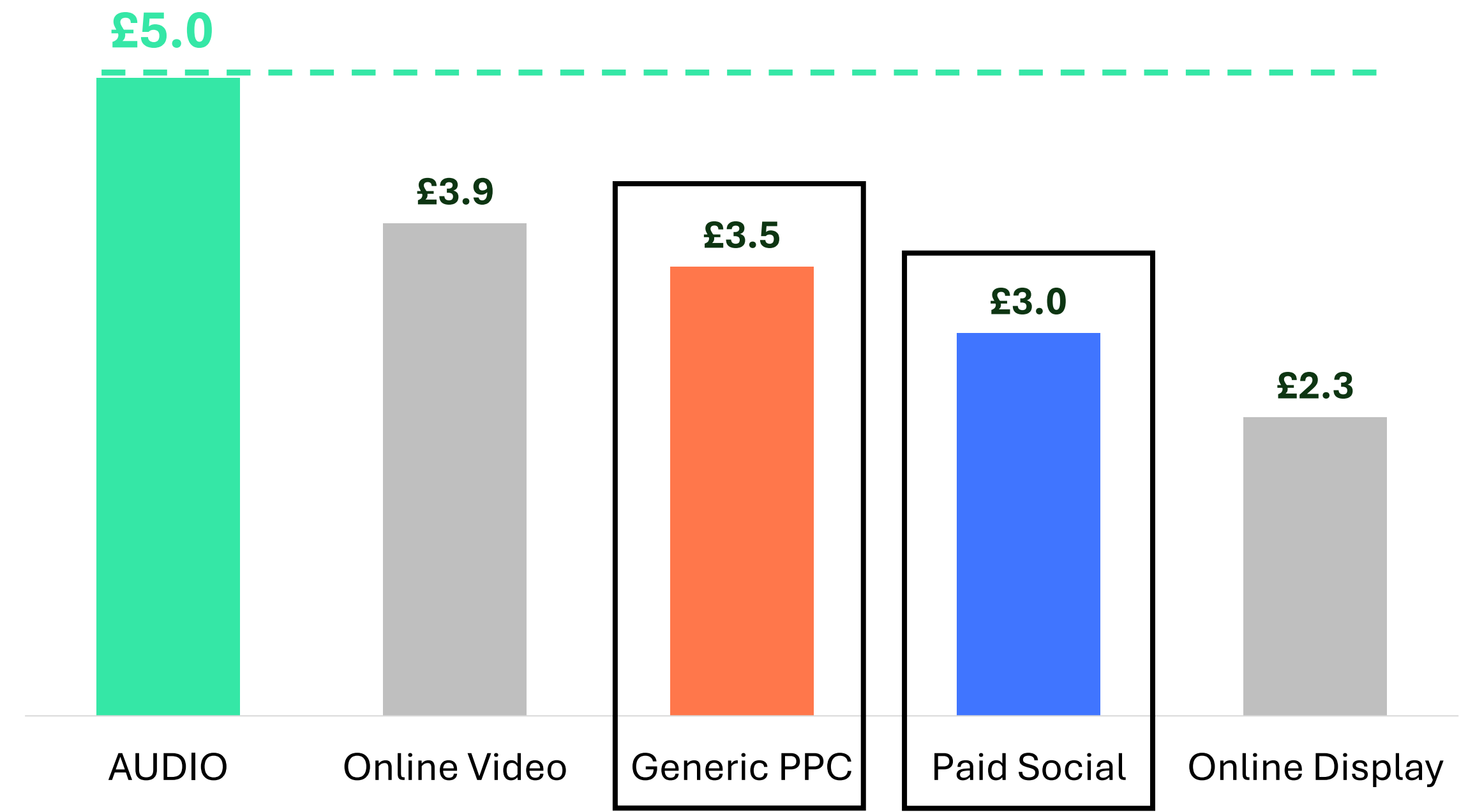


Audio Profit ROI outperforms pureplay digital channels

SHORT-TERM Profit ROI



LONG-TERM Profit ROI



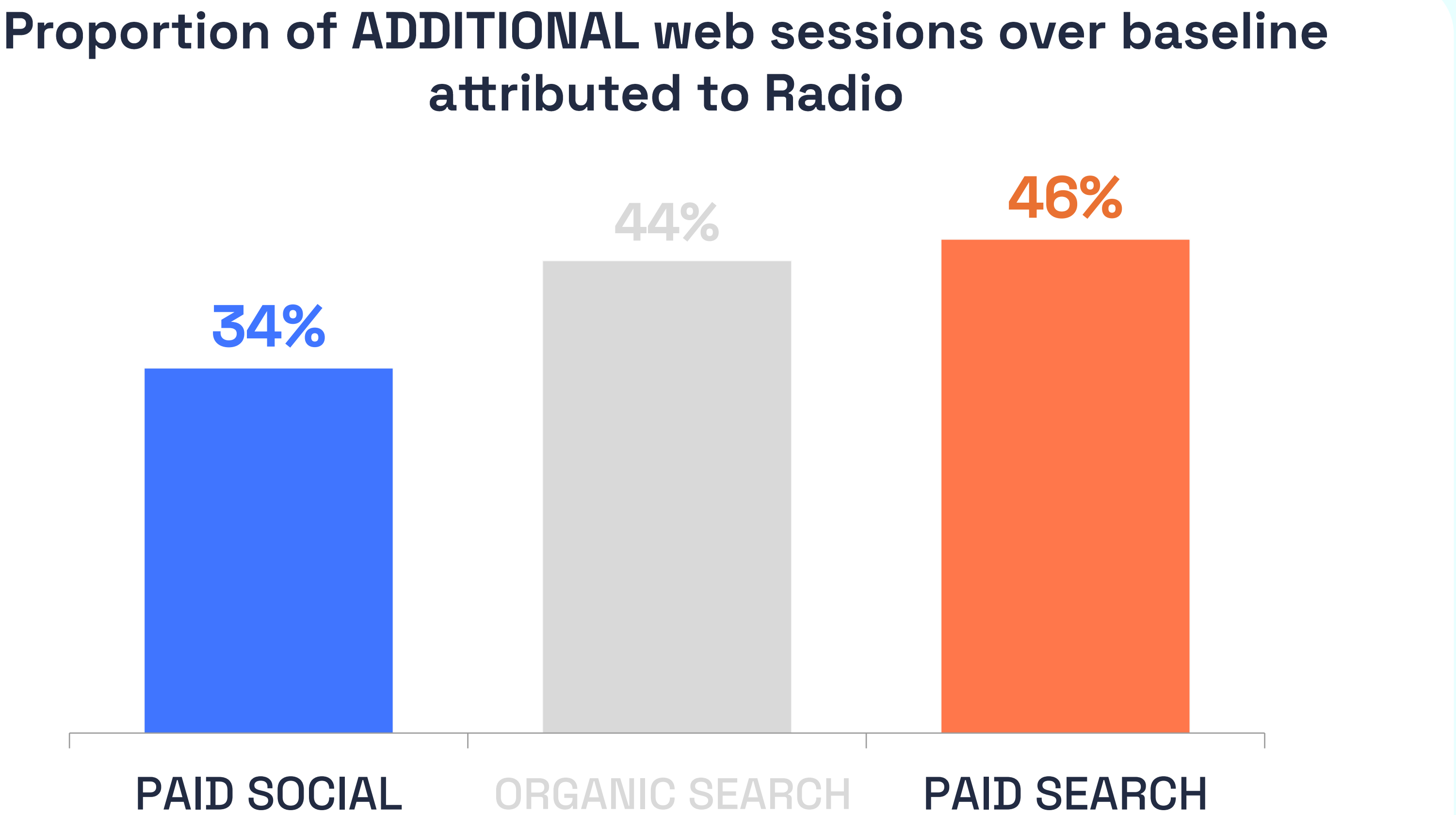
Radio boosts the performance of pureplay digital channels

Radio: The Performance Multiplier
THE AMPLIFIED EDIT



How re-allocating media budget to radio advertising helps brands punch-through The Performance Plateau.

 radiocentre



Understanding interaction effects: Audio+Search : Audio+Paid Social



d.fferentology

Survey of 6,000 UK adults,
consumers/users of:

- Commercial Radio and Podcasts
- Online Search
- Social Media

The challenge for advertisers: Consumers exercise caution before clicking

38%



“Social media ads annoy me!
I ignore them completely and
never click — they don’t feel real
or trustworthy.”

“Unwilling to click
on paid-for links in
SOCIAL feed”

36%



“If I don’t know the brand,
I don’t trust the site.”

“Unwilling to click
on paid-for links in
SEARCH results”

The antidote: FAMILIARITY breeds confidence to click

6 IN 10 AGREE

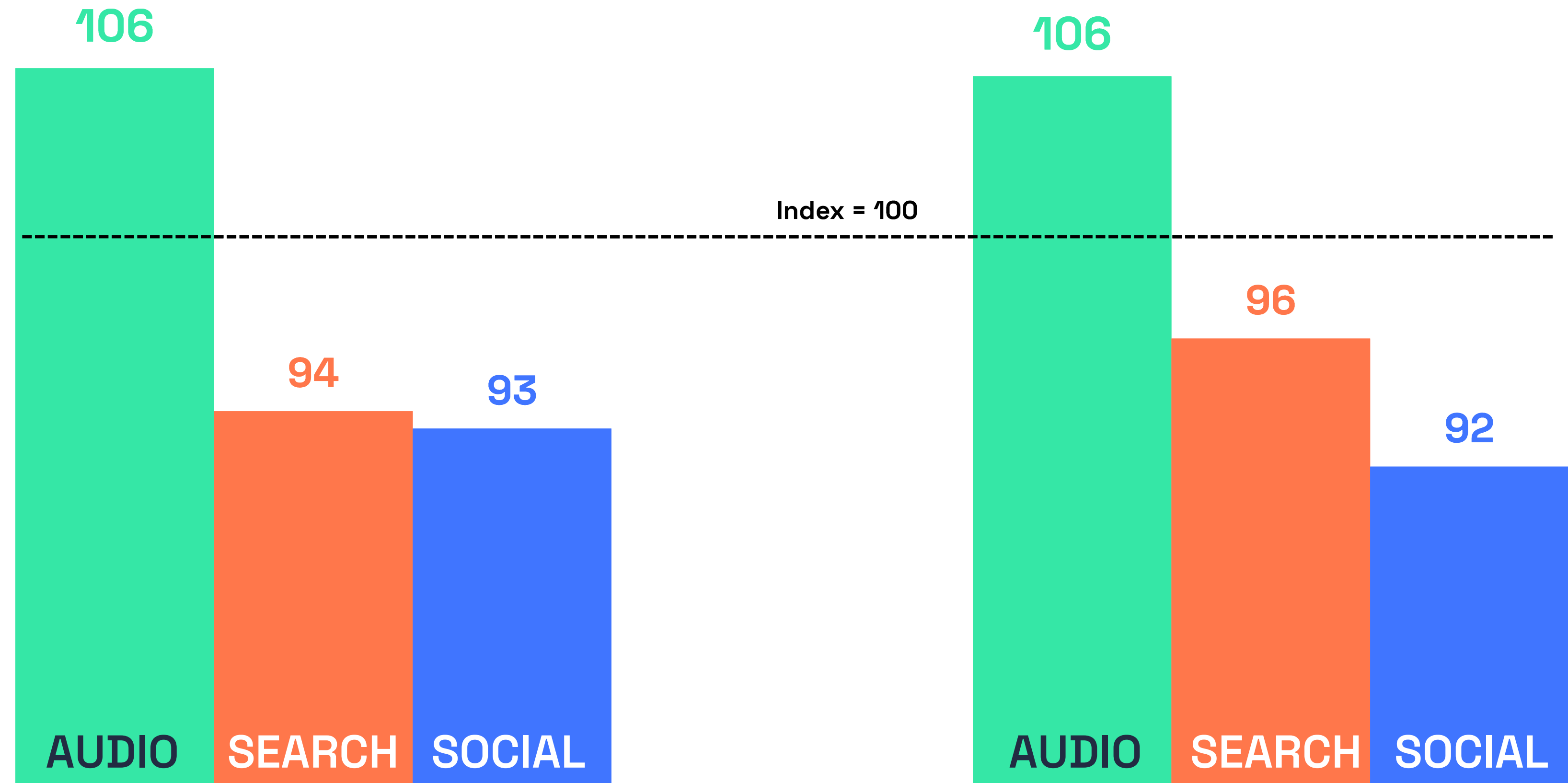
“I’m more likely to click on paid-for links or social ads for brands I’m familiar with”

Audio plays a crucial role in building **FAMILIARITY**



The TRUSTED Audio context lends CREDIBILITY to brands

All agreeing by medium (indexed vs. avg across three media = 100)



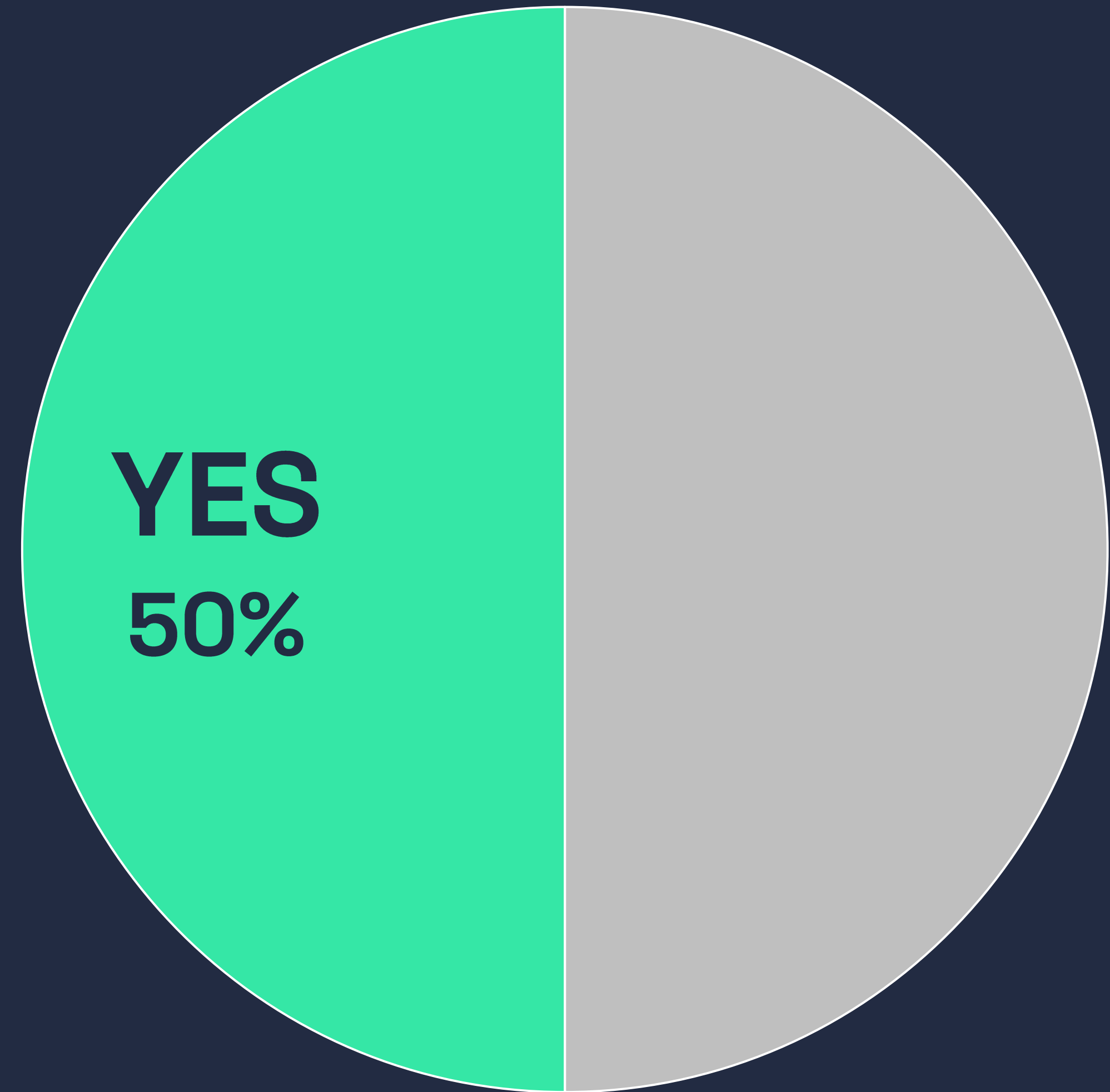
“...The radio station is reputable, so I trust they did their checks to ensure the company is one of integrity - so I would buy it.”

Brands gain CREDIBILITY from ads in this medium

I tend to TRUST brands with ads in this medium

AUDIO drives FAMILIARITY + TRUST = ACTION

“I’m more likely to click on Social Media ads or paid-for links in Search results for brands I’ve heard advertised on radio/in podcasts”



SOUND PROFITS: The Context

1.

**Audio advertising
effectiveness
in the context of
Search & Social**

2.

**The effectiveness
challenge for
Search & Social ads**

.....

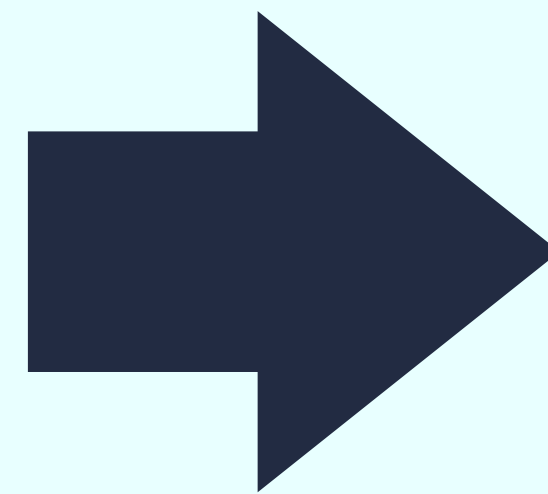
**CONSUMER
CAUTION**

3.

**Audio advertising
plays a crucial role
in building
familiarity and
credibility for
brands**

Hypothesis

Advertisers can enhance profit returns from their media investment by reallocating a proportion of their PPC & Paid Social budgets to Audio



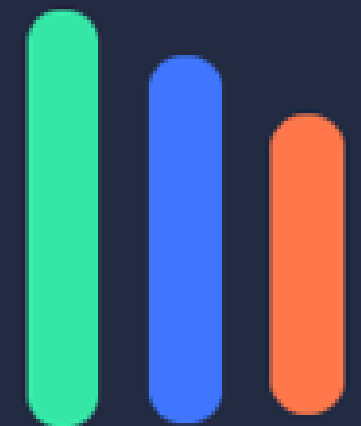
Objective

Quantify the impact on Profit ROI of shifting budget into Audio

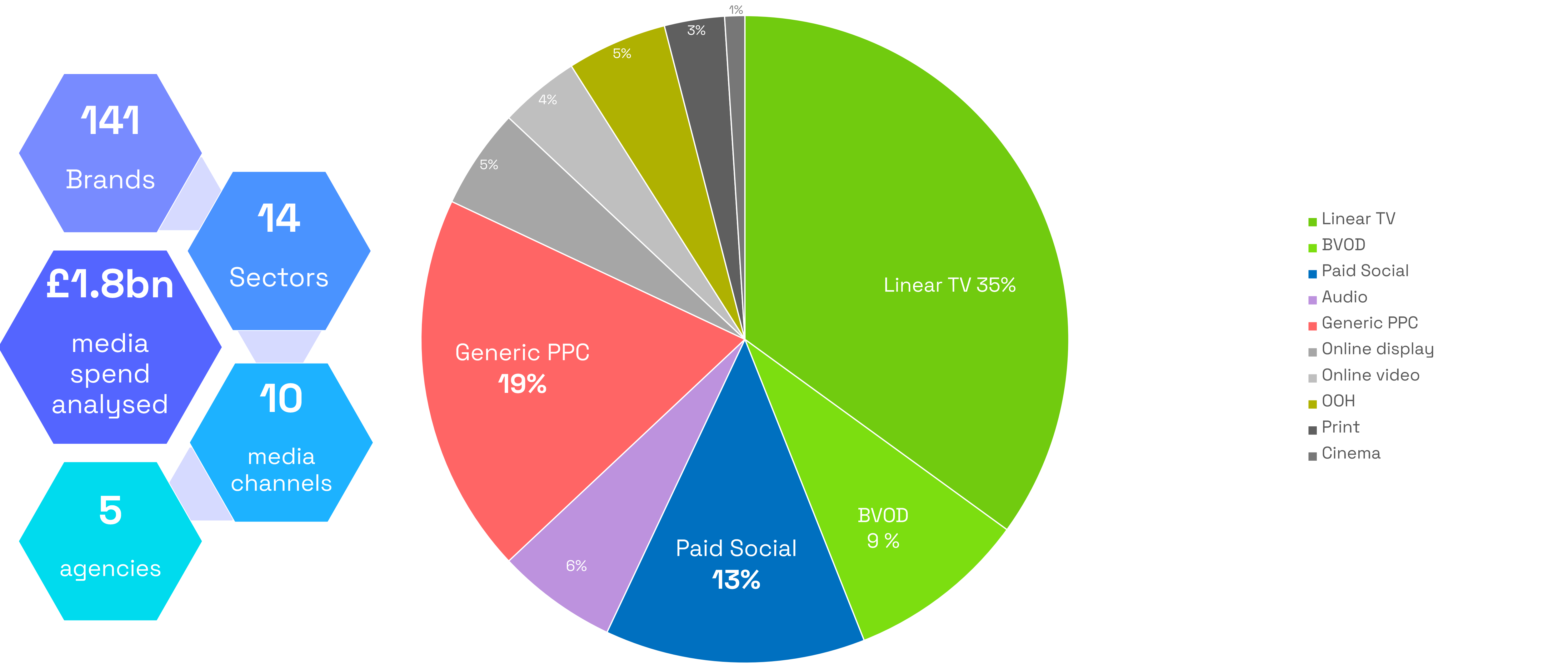
1. from Generic PPC
2. from Paid Social

(both short-term and long-term)

Methodology & Findings



Profit Ability 2 dataset - share of spend by medium



The analysis



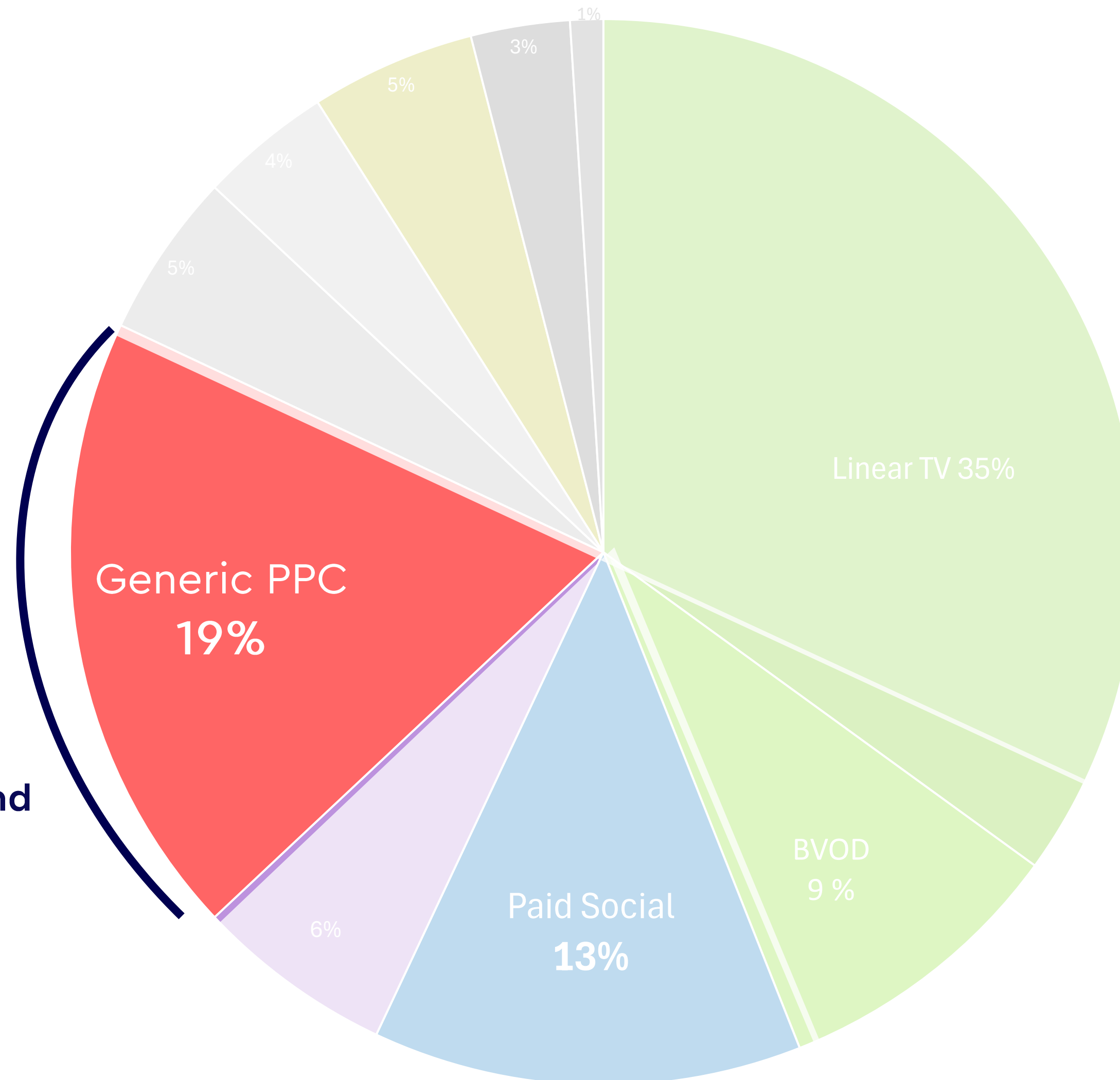
SHORT-TERM
(up to 13 weeks)

LONG-TERM/Sustained Payback
(week 14 up to 2 years)

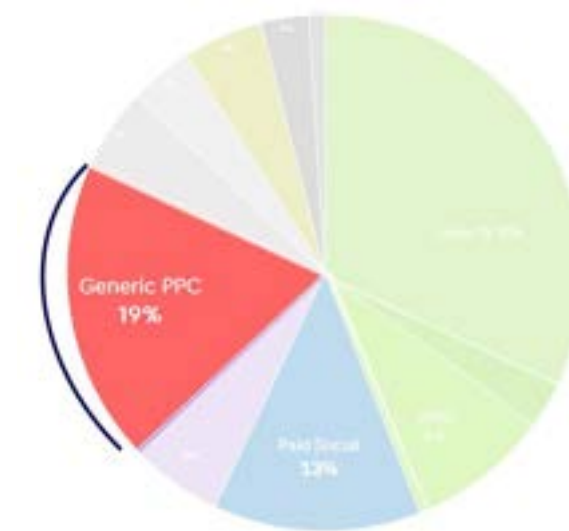
FULL-TERM

1. Generic PPC → Audio budget reallocation analysis

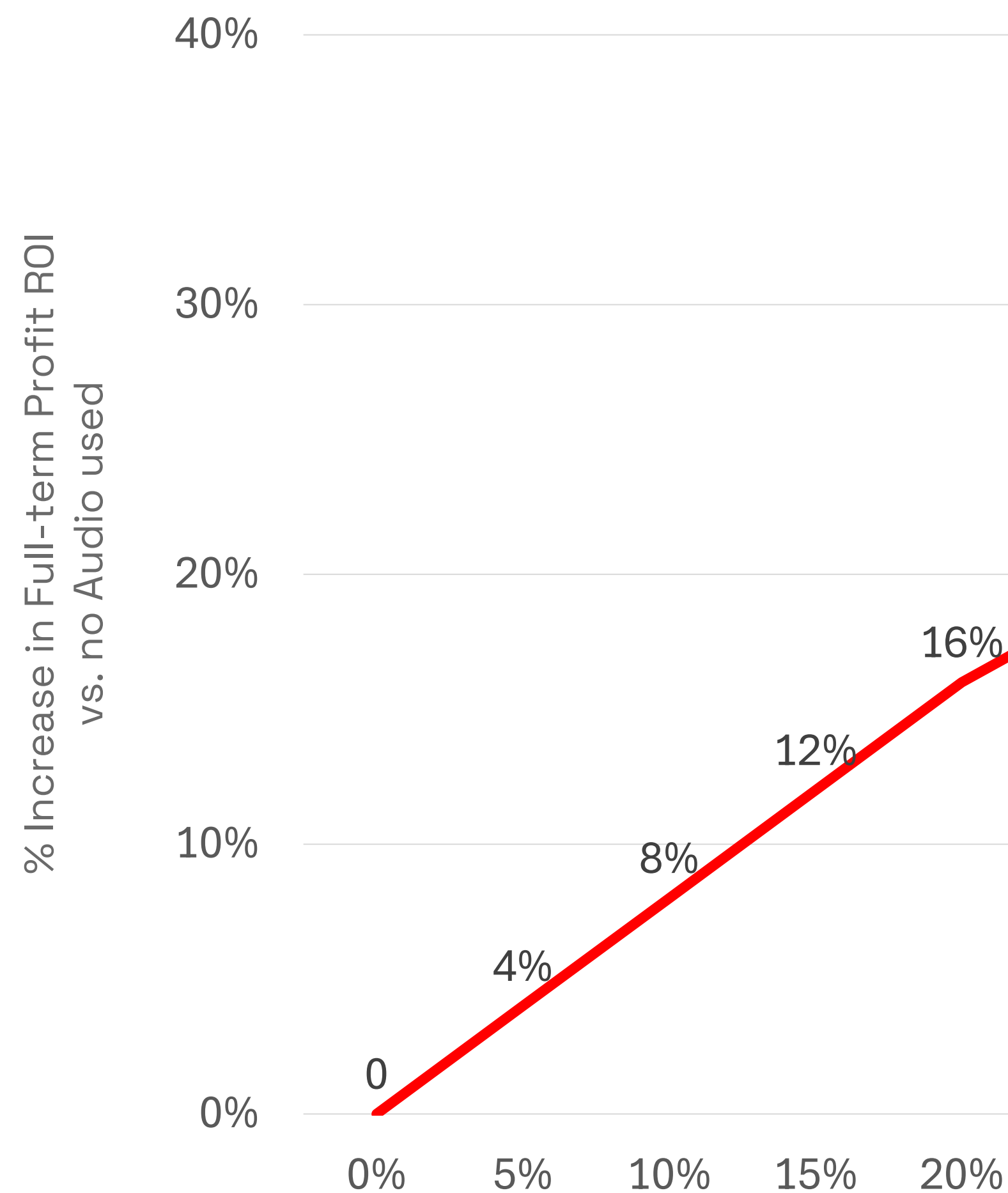
Our PPC/Audio ROI analysis focuses exclusively on the profit advantage that can be leveraged by reallocating PPC budget to Audio within this 19% segment of total spend



Full-term Profit ROI initially increases +4% for every 5% of **Generic PPC budget** allocated to **Audio**

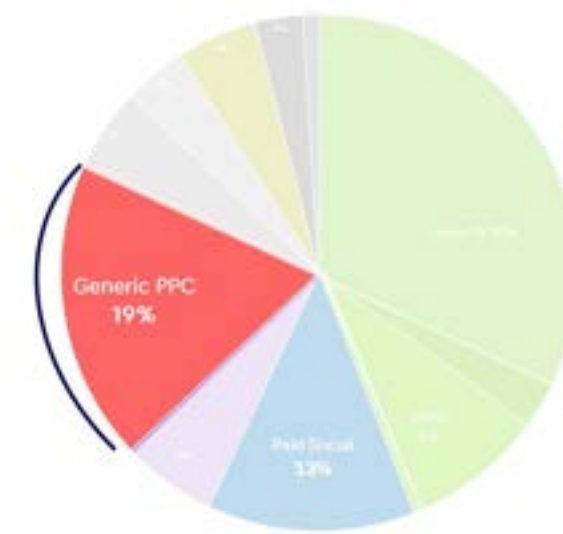


% Increase in Full-term Profit ROI at different levels of AUDIO budget allocation

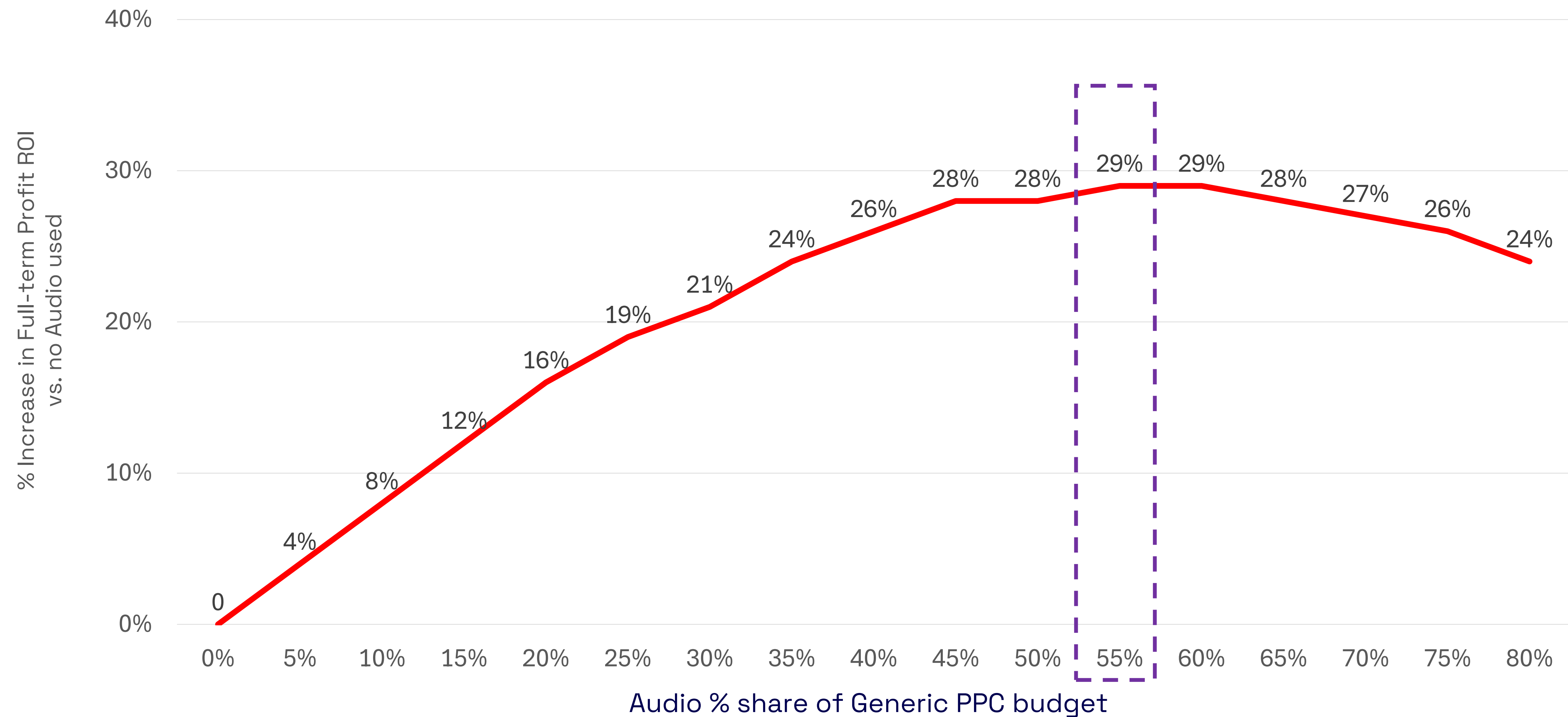


Audio % share of Generic PPC budget

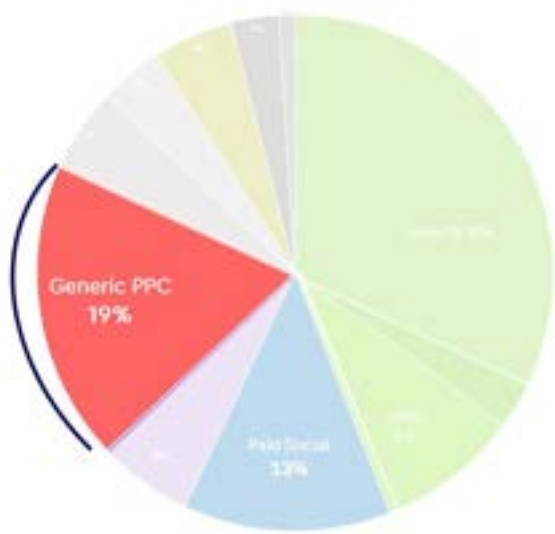
Full-term Profit ROI is maximised when **Audio** receives 55% of **Generic PPC** budget



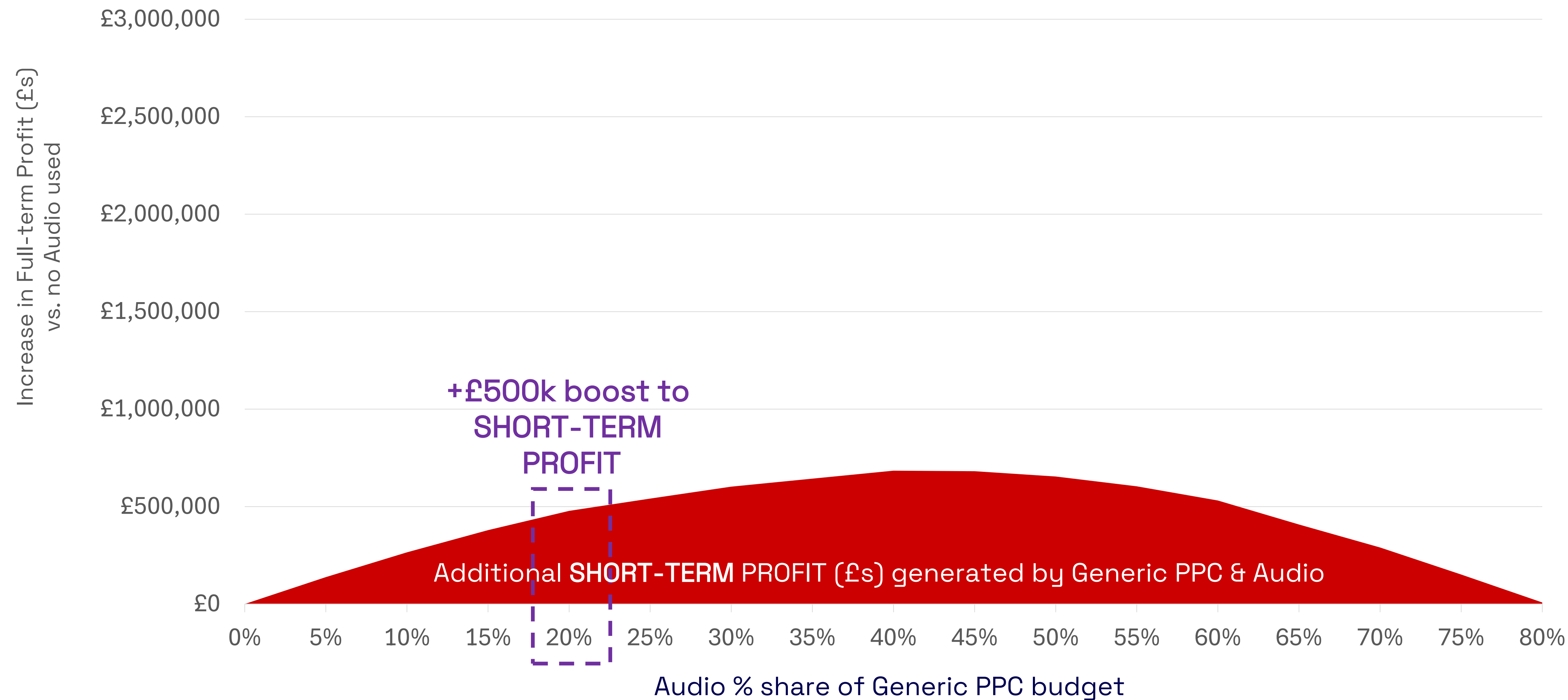
% Increase in Full-term Profit ROI at different levels of AUDIO budget allocation



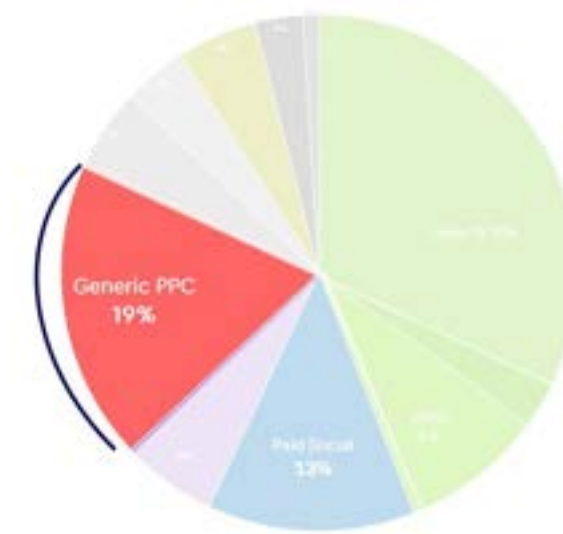
Increasing **Audio's** share of **Generic PPC** budget amplifies **SHORT-TERM PROFIT (£s)**



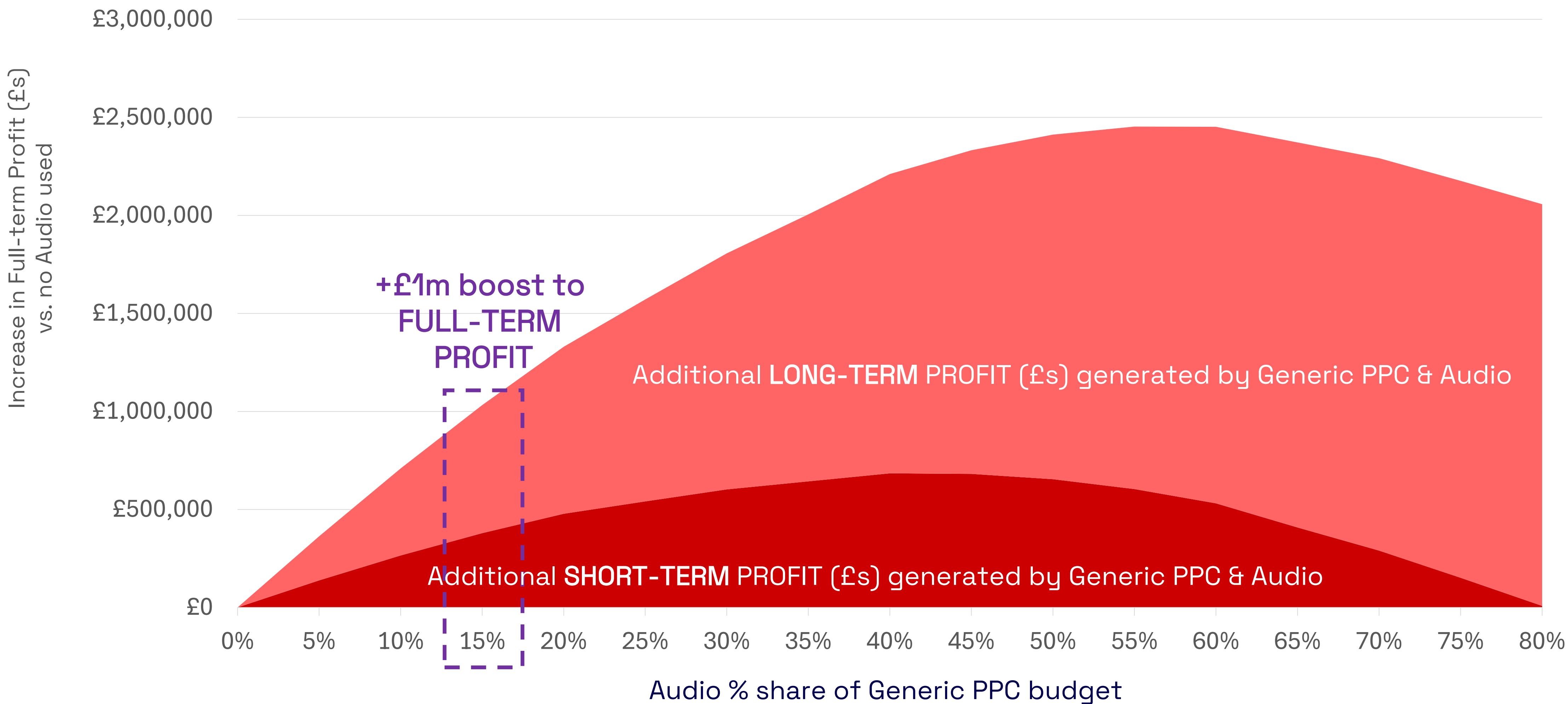
Additional PROFIT (£s) generated at different levels of AUDIO budget allocation



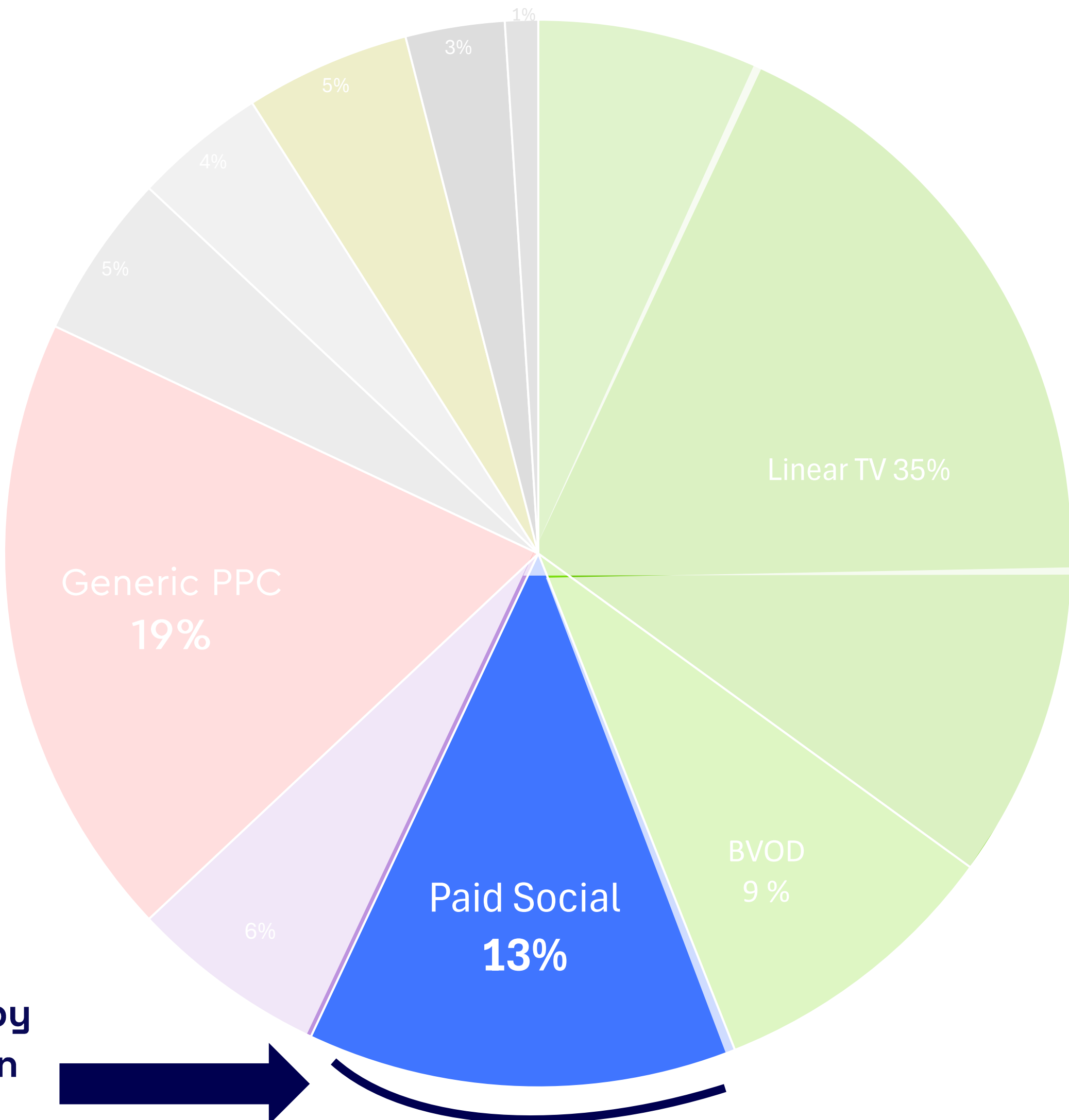
Increasing **Audio's** share of **Generic PPC** budget amplifies **SHORT-TERM** *and* **LONG-TERM PROFIT (£s)**



Additional PROFIT (£s) generated at different levels of AUDIO budget allocation



2. Paid Social→Audio budget reallocation analysis



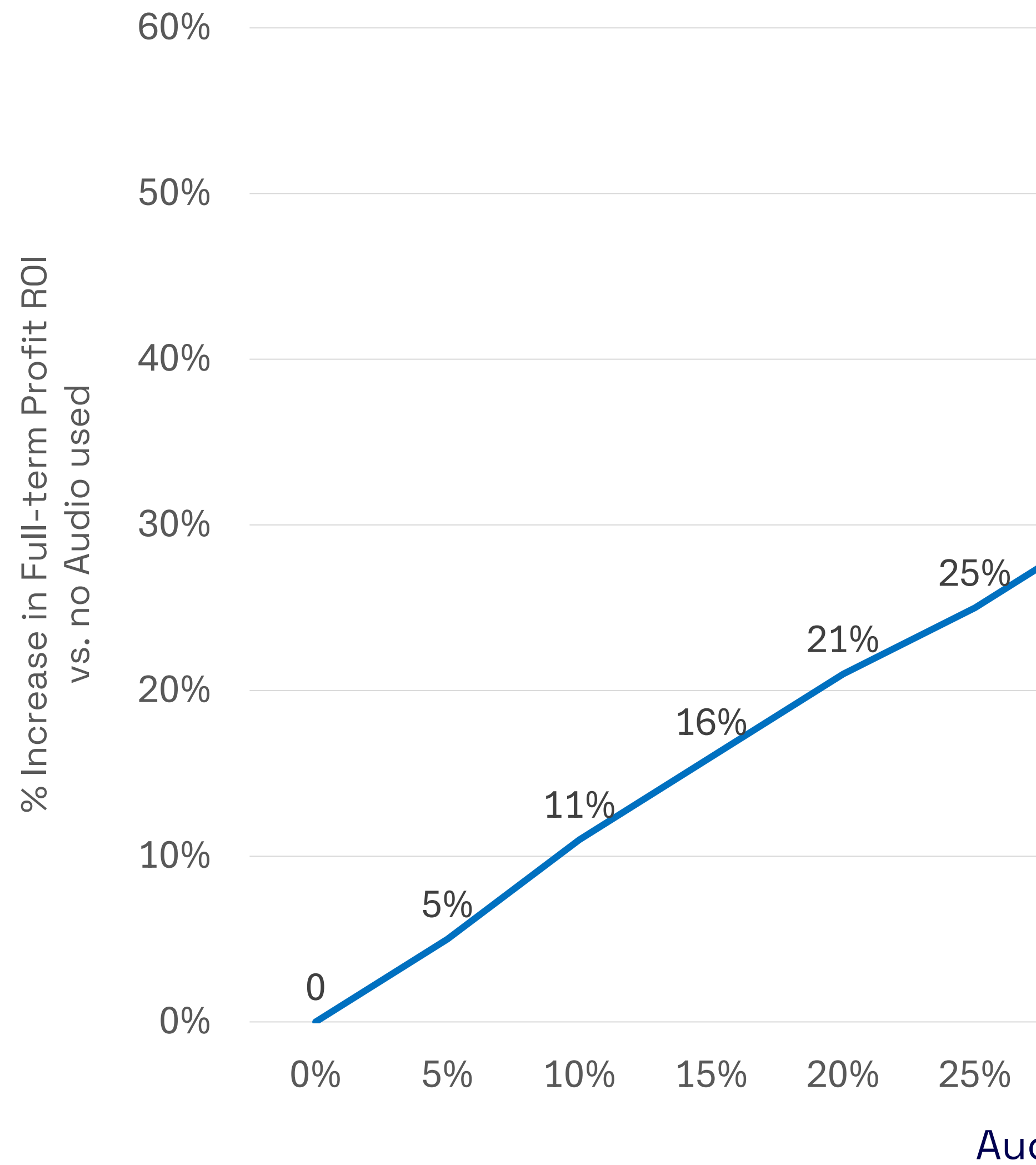
Our Paid Social/Audio ROI analysis focuses exclusively on the profit advantage that can be leveraged by reallocating budget to Audio within this 13% segment of total spend



Full-term Profit ROI initially increases +5% for every 5% of **Paid Social budget** allocated to **Audio**



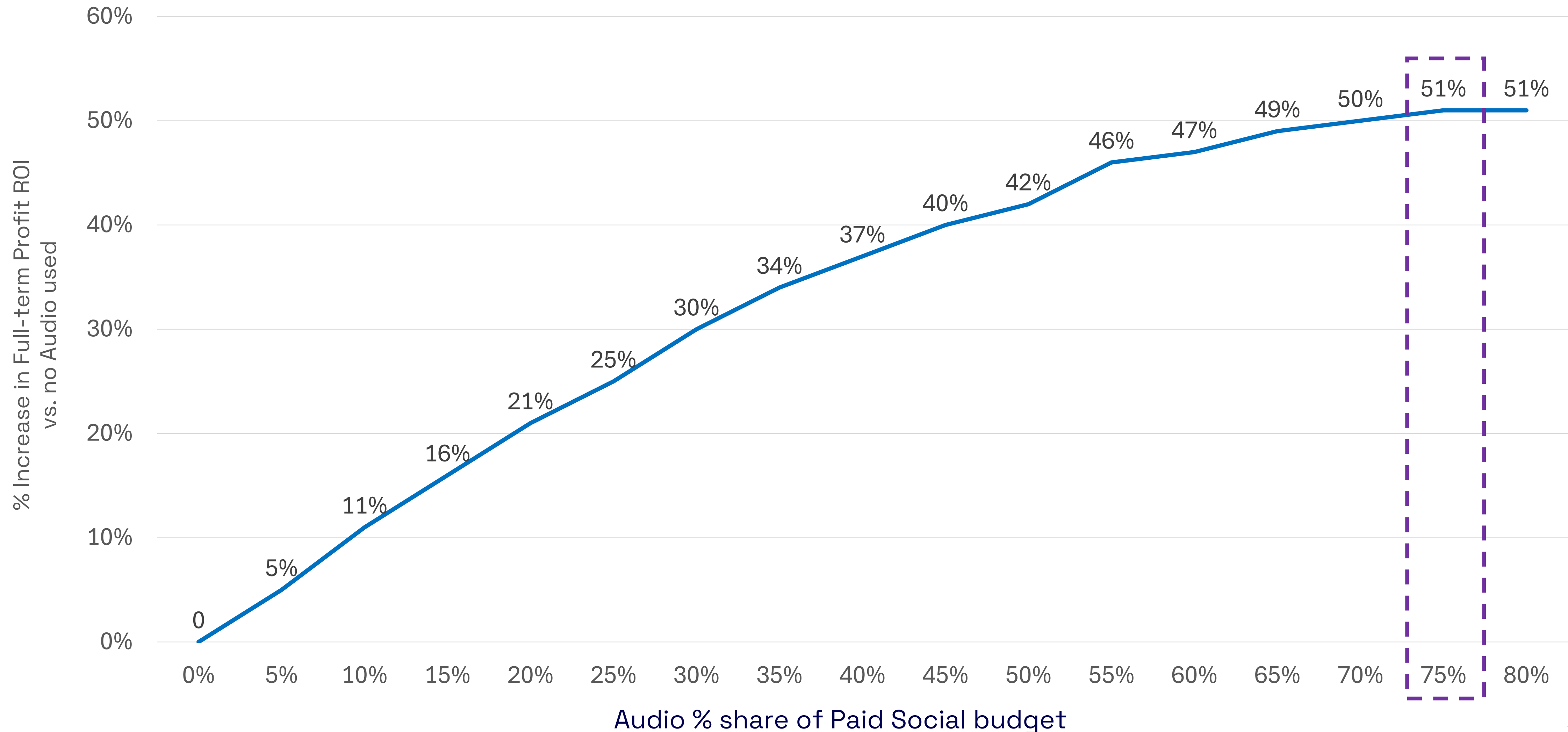
% Increase in Full-term Profit ROI at different levels of AUDIO budget allocation



Full-term Profit ROI is maximised when **Audio** receives 75% of **Paid Social** budget



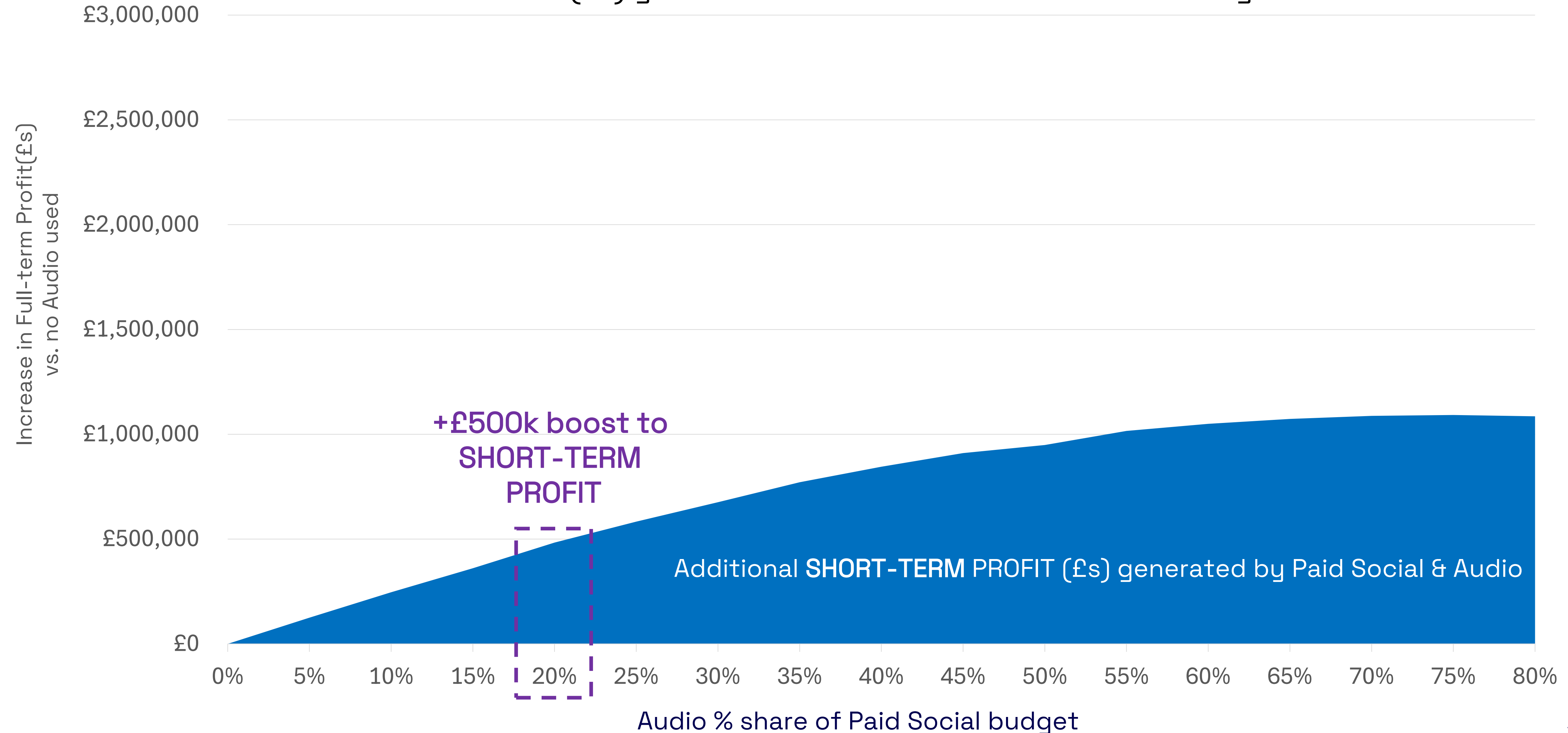
% Increase in Full-term Profit ROI at different levels of AUDIO budget allocation



Increasing **Audio's** share of **Paid Social** budget amplifies **SHORT-TERM PROFIT (£s)**



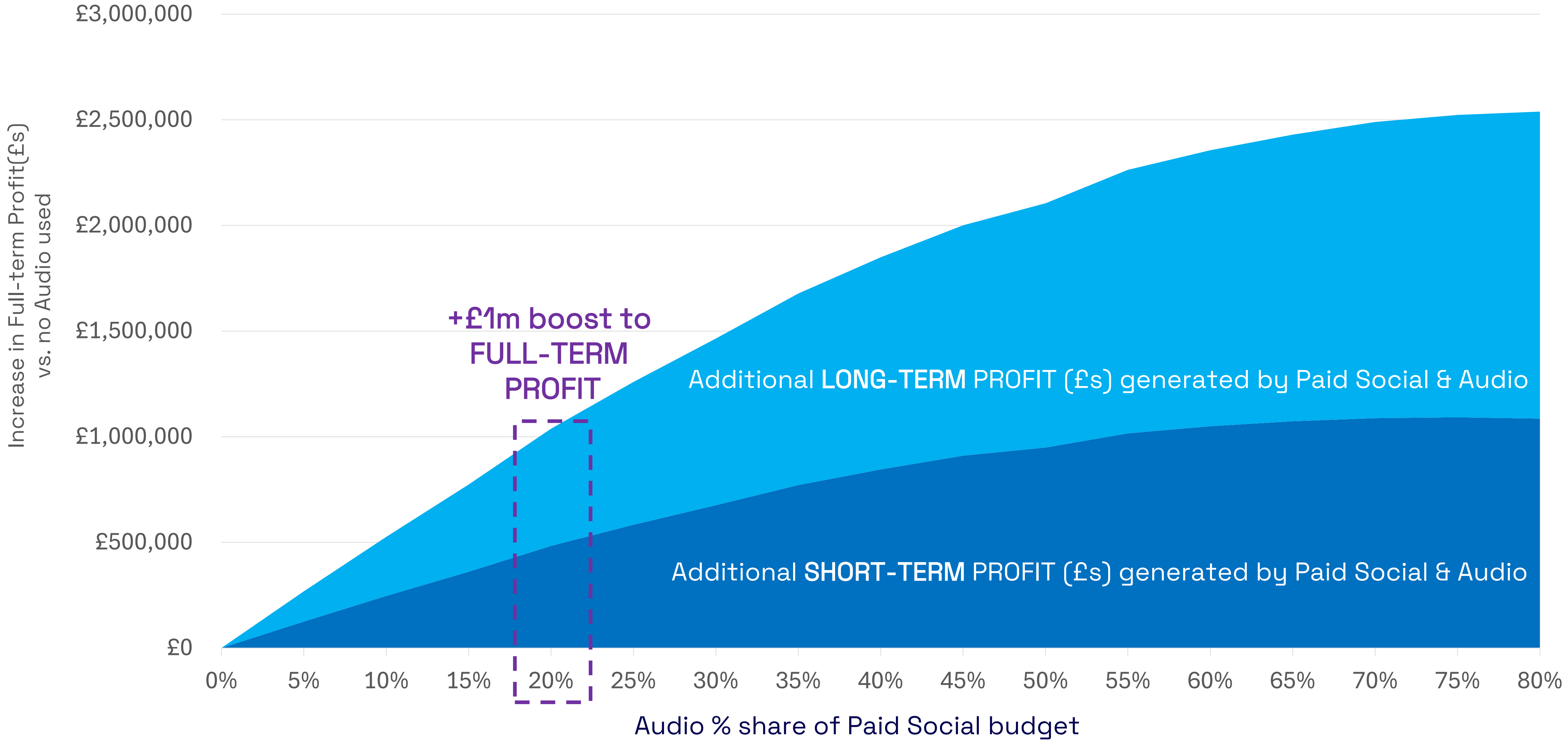
Additional PROFIT (£s) generated at different levels of AUDIO budget allocation



Increasing **Audio's** share of **Paid Social** budget amplifies **SHORT-TERM** *and* **LONG-TERM PROFIT (£s)**



Additional PROFIT (£s) generated at different levels of AUDIO budget allocation



SOUND PROFITS

Harnessing Audio's priming effect to amplify results from Search and Social

Summary

- Exposure to Audio ads increases confidence to click on Search & Social ads
- Reallocating spend to Audio makes Search & Social budgets work harder
- Small budget shifts elicit significant uplifts in profit (Short & Long):
 - * **15%** from **Generic PPC** → **Audio** = **+£1m** Full-term profit
 - * **20%** from **Paid Social** → **Audio** = **+£1m** Full-term profit

SOUND PROFITS

Harnessing Audio's priming effect to amplify results from Search & Social

How can your brand benefit
from the *Audio share-shift uplift?*

SOUND PROFITS

Harnessing Audio's priming effect
to amplify results from Search & Social

THANK YOU

Donna Burns
Head of Insight
Radiocentre