



Digital Audio Buyer's Guide – 2.0

An overview and resource for planning and buying digital audio advertising



This document has been developed by the IAB Digital Audio Committee, led by Jennifer Lane as consultant for IAB.

About the IAB Digital Audio Committee

The IAB Digital Audio Committee aims to establish industry guidance by creating standards and best practices that bring clarity to the Digital Audio marketplace. The Committee strives to educate marketers and agencies on the value of Digital Audio as a powerful and effective advertising medium.

Members of the Digital Audio Committee

- ABC News
- ABC TV Network
- Acast
- Active International
- Adform
- AdLarge Media
- AdsWizz
- ADTECH
- AdVoice
- ADVR
- Alliance for Audited Media (AAM)
- BIA/Kelsey
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- iHeartMedia
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- Rubicon Project
- Sales Athlete Media Network
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- Sharethrough
- Sizmek
- Slate
- Spotify
- TargetSpot
- Terra Networks USA
- The Center For Sales Strategy
- The New York Times Company
- Triton Digital
- Univision
- Varick Media Management
- WebSpectator
- Westwood One
- WideOrbit
- WNYC
- Wondery
- XAPPMedia

About IAB

The Interactive Advertising Bureau (IAB) empowers the media and marketing industries to thrive in the digital economy. It is comprised of more than 650 leading media and technology companies that are responsible for selling, delivering, and optimizing digital advertising or marketing campaigns. Together, they account for 86 percent of online advertising in the United States. Working with its member companies, IAB develops technical standards and best practices and fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing. The organization is committed to professional development and elevating the knowledge, skills, expertise, and diversity of the workforce across the industry. Through the work of its public policy office in Washington, D.C., IAB advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. Founded in 1996, IAB is headquartered in New York City and has a West Coast office in San Francisco.

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Introduction

The demand for digital audio is growing, driven by connected lives that rely more and more on mobile devices. According to the most recently reported study of consumer adoption of digital media, *The Infinite Dial 2016* by Edison Research and Triton Digital, 57 percent of Americans (12+) listen to online radio, while 21 percent listen to podcasts. This mainstreaming of digital audio follows a broader pattern of smartphone use and connected mobile lifestyles where audio plays an increasingly central role.

With smartphone ownership now exceeding three-quarters of the population, constant connectivity has become the way most Americans live their lives. The expectation of constant connectivity has driven innovation in terms of connected cars as well as devices in the home and everywhere—the internet of things. As consumer demand for these products expands, screens and browsers on these devices are shrinking or even disappearing, while new, voice-activated products like Amazon Echo are becoming increasingly popular. The connected car and the internet of things are “audio first” environments where what you hear is more important than what you see, creating a landscape where advertisers, brands, and agencies with developed expertise in audio messaging are poised to excel.

This guide is designed to provide those key players with the information and resources necessary to take advantage of digital audio advertising opportunities. IAB and the members of its Digital Audio Committee have pursued a goal of educating marketers, agencies, creatives, planners, and buyers about audio advertising opportunities, and discussing best practices and guidelines for building highly successful audio campaigns.

Digital Audio's Value Proposition to Advertisers

In today's highly mobile and connected consumer environment, advertisers are investing in digital audio for several key reasons:

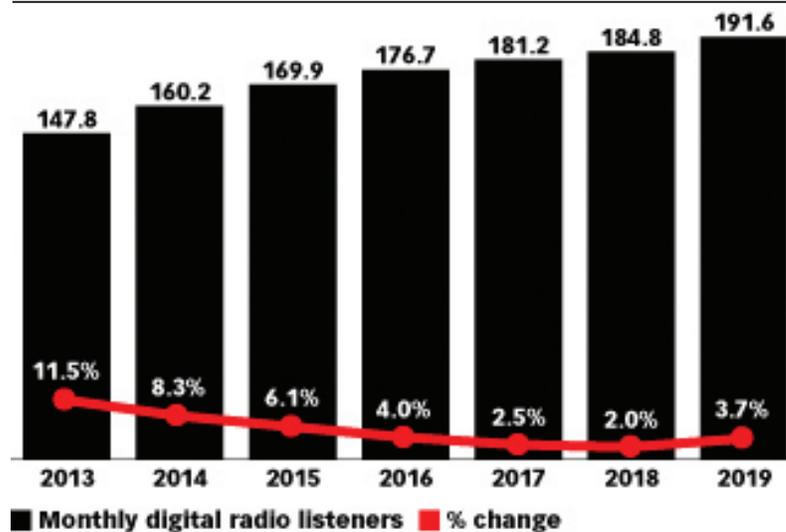
- Large and Growing Audience
- Effective Reach with Mobile Consumers
- Audio Is On When Screens Are Not
- Favorable Demographics
- Measureable Impressions
- Strong Engagement

Large and Growing Audience

177 million internet users are projected to have listened to internet radio or podcasts in 2016.

US Monthly Digital Radio Listeners, 2013-2019

millions and % change



Note: internet users of any age who have listened to digital broadcasts of terrestrial radio stations, digital-only radio stations or audio podcasts via any device at least once per month

Source: eMarketer, Feb 2015; confirmed and republished, July 2015

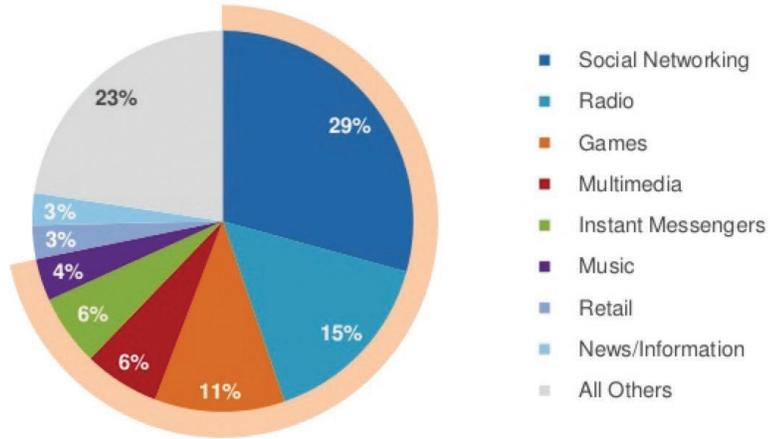
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www.eMarketer.com

Effective Reach with Mobile Consumers

With two-thirds of digital media minutes now spent on mobile (2015 U.S. Mobile App Report by comScore), advertising reach on mobile devices is a key consideration for advertisers. Listening to “radio” in apps is one of the top activities among smartphone users.

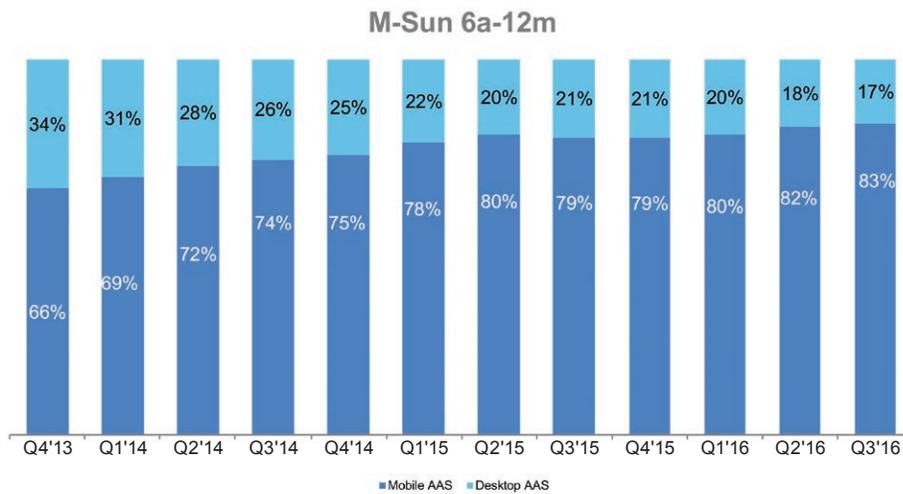
Share of Mobile App Time Spent
 Source: comScore Media Matrix MP and Mobile Metrix, U.S., Total Audience, June 2015



© comScore, Inc. Proprietary.

Listening to streaming music and podcasts is a highly mobile activity. As recently as Q2 2016, 82 percent of listening to streaming stations measured by Webcast Metrics took place on mobile devices:

Total Domestic AAS: Mobile vs. Desktop



Source: Triton Digital Webcast Metrics® / AAS
 Qtrly figure are three month averages/
 Average Active Sessions (AAS) is the average number of streams of one minute or more active within a time period. AAS is calculated by "Total Listening Hours (TLH) divided by hours in the reported time period." TLH is defined as the total number of hours that the station/publisher has streamed during sessions with duration of at least one minute in total within the reported time period.

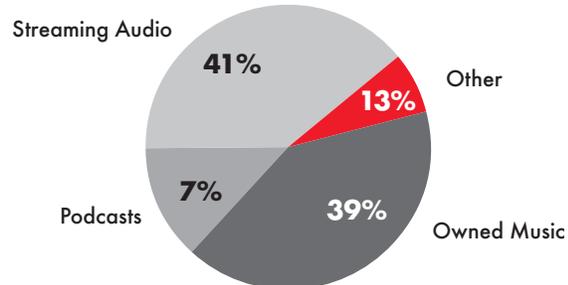


What do mobile consumers listen to? 48 percent of all listening on smartphones is streaming audio and podcasts:



Share of Ear®

Americans' Share of Time Spent Listening to Audio Sources on a Smartphone



Source: Edison Research Share of Ear study, 2016.

Audio Is On When Screens Are Not

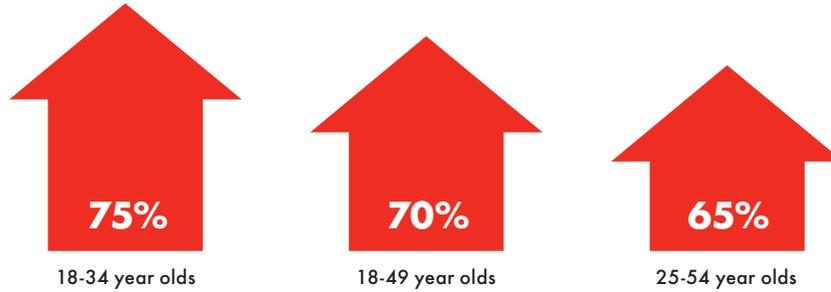
As consumption shifts to mobile, screens get smaller or disappear entirely. Devices that do have screens face challenges, as more and more use takes place while the consumer is driving or otherwise occupied. Digital audio impressions do not need a screen to impact the consumer—ads play whether the device screen is on, off, or nonexistent.



Favorable Demographics

Digital Audio is consumed widely across age groups. It has particularly strong usage in the coveted 18-34 demographic, when consumers are starting to make choices about brands that can last a lifetime.

Monthly Online Radio Listening

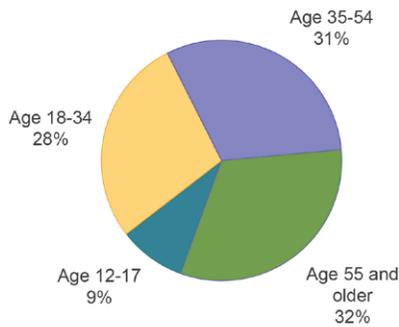


Source: 2016 Infinite Dial Study by Edison Research

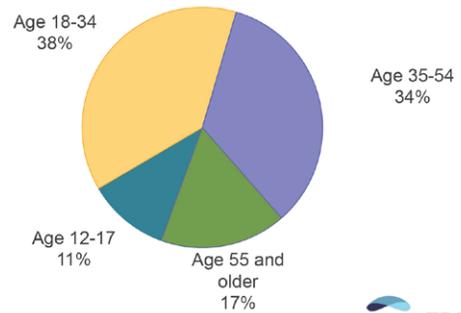
Here's a snapshot of the podcast audience based on the same survey:

Who Listens to Podcasts?

U.S. Population 12+



Podcast Consumers 12+



The Infinite Dial © 2016 Edison Research and Triton Digital



Measurable Impressions

Streamed audio impressions are highly measurable. A Nielsen survey for the CMO Council in late 2014 showed that 95 percent of marketing executives would increase their digital brand spending if there were metrics to verify results. As is the case with video and banners, streamed audio data is available for planning purposes and can be verified by third party ad tracking services. In addition, the highly measurable aspect of streamed audio also introduces demographic and behavioral targeting opportunities.

Strong Engagement

Podcasts are a “lean forward” listening experience that leads to strong responsiveness. In research conducted by Midroll among listeners to podcasts in their network, 67 percent of respondents were able to name an actual product feature or specific promotion mentioned in a podcast ad, and 61 percent of listeners indicated that they purchased a product or service they learned about from a podcast ad.

A comScore/Wondery study showed that podcast ads create favorable impressions with consumers:



For marketers looking to achieve reach, frequency, engagement, targeting, and measurability all in a single mobile-friendly package, digital audio presents a unique opportunity to impact consumers.

How is Digital Audio Consumed?

Digital audio can be streamed or downloaded. The technical distinctions between streaming and downloading are virtually invisible to the listener, but they can impact how ad campaigns are planned, bought, and measured.

Streamed audio is delivered over a continuous connection between the audio source and the listener. This connection enables real-time measurement of audience and reporting of impressions. The connection is initiated at the beginning of listening, and ends when the listener ends the listening session. Streaming services include:

- AM/FM station streams, where the same broadcast content that is broadcast is also streamed and delivered to many people at the same time.
- Streaming stations originate online and offer either programmed channels or channels which are personalized based on listener interactions. Content is delivered 1:1 to each listener, or in the case of programmed channels, may be delivered to many at the same time.
- On-Demand services allow listeners to select content and build playlists. Content is delivered 1:1 to each listener.

Listening by download means that the listener has selected a segment for listening that has a beginning and an end—often referred to as a podcast. Downloads can be measured, can take just a few seconds, and require the listener to be connected to the internet. While music services like Spotify and Pandora are delivered entirely via streaming, podcasts can be consumed either by streaming or downloading. Downloaded podcasts can be consumed immediately or saved for later listening. Edison Research's Podcast Consumer Study 2016 found that 79 percent of all podcast listeners said they "Click and Listen Immediately," suggesting that downloaded programs have tremendous immediacy for the advertiser.

Building a Digital Audio Campaign – Elements and Tools

Digital Audio Ad Unit Types

- Recorded Spots
- Native Ads
- Branded Channels/Playlists
- Branded Podcasts
- Voice Activation Ads

Recorded Spots — Typically available in standard lengths such as :15, :30, and :60, these spots can run independently or within a commercial stop-set with other units. They are pre-recorded and sometimes include a clickable on-screen element. They can be dynamically inserted into music streams and podcasts. Positioning can include pre-roll, mid-roll, and post-roll.

Native Ads — These spots are often read by a podcast host, and can include an endorsement. Length of these spots tends to be irregular. Native ads are more often associated with podcasts. These units can be permanently integrated into the program or dynamically inserted. Positioning can include pre-roll, mid-roll, and post-roll.

Branded Channels/Playlists — Streaming platforms offer customized channels and playlists that can be branded for an advertiser, including audio elements as well as on screen and marketing elements.

Branded Podcasts — Podcast platforms offer branded partnerships where the content can be sponsored. The presence of the brand in the programming can vary from brand mentions to editorial integration to sponsor participation in the development of the content. Website and marketing elements can be included.

Voice Activation Ads — Some platforms offer integration with a technology that enables listeners to respond to an ad in hands-free mode by simply speaking. Specific calls-to-action might be to have information emailed or texted to the user, enabling a connection between the advertiser and the consumer.

Conversion and Attribution for Digital Audio Campaigns

Digital audio ad campaigns can be evaluated based on the type of digital audio and the way it is consumed.

- **Tracking By Impressions** — When listening is over a streamed source, delivered impressions can be tracked and verified using ad tagging. Click-through, last-click, and post-listen are the most precise KPIs for streaming audio. The placement of the ad tag within the audio unit can vary, however among some of the leading streaming platforms it has become standard to fire the ad tag at the end of the audio unit, confirming that the listener remained connected for the duration of the ad.
- **Tracking for Downloads** — In podcasts, client-side tracking is usually only possible when the client player passes ad data back to the source. The iOS Apple Podcast app—which accounts for approximately 49 percent of listening—does not enable this function. To overcome this lack of consistency, the industry has developed standards whereby server logs can be analyzed according to agreed-upon core metrics for proper attribution. For more information on this process please refer to the [IAB Podcast Ad Metric Guidelines](https://iabtechlab.com/specifications-guidelines/podcast-metrics/) (<https://iabtechlab.com/specifications-guidelines/podcast-metrics/>).
- **Tracking By Results** — Several unit types provide the opportunity to track results:
 - **Native Ads** – These ads are often read by the show host and sometimes include endorsements. Listeners are given a purchase incentive and code specific to the content platform or program and results are tracked by code use.
 - **Voice-Activated Ads** – The responses from listeners to the ad can be counted using this technology where the listener vocally responds to an ad.
 - **Companion Banner Ads** – When a banner ad appears on the screen with the audio, both the content platform and the advertiser are able to count responses and calculate click-through rate. Since listening increasingly occurs when the screen is not in use, the effectiveness of this evaluation method is diminishing over time.
- **Independent Research** — Third party research options can be integrated to track listener engagement from the top of the sales funnel (brand awareness lift, purchase intent) to the bottom (in-store traffic, purchase).

Audience Measurement for Digital Audio Advertising

Measurement and reporting methods for digital audio campaigns are determined by whether they are streamed or downloaded.

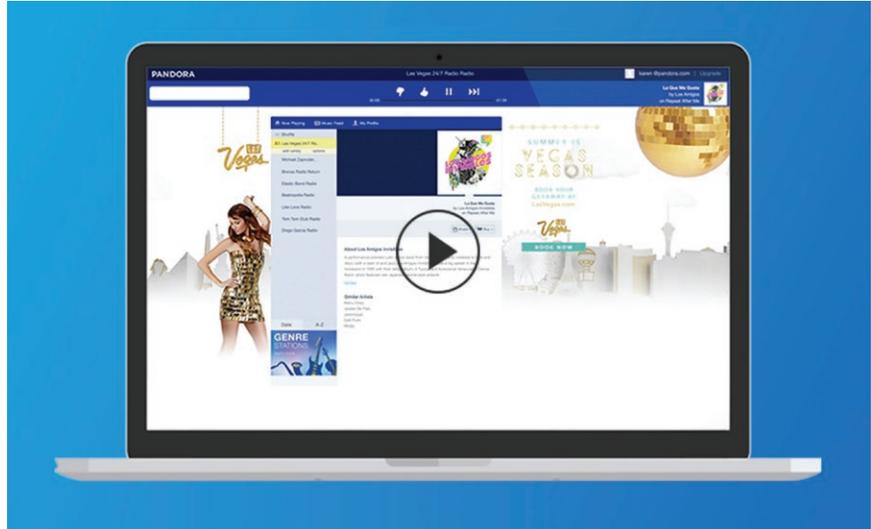
Streamed Digital Audio Metrics — Similar to other digital media, streaming audio publishers are able to support third party ad serving and tracking for audio ads. Audio playback triggers the tracking pixels that are needed to report impressions and events by both the publisher and third party ad servers based on the listener's activity and in compliance with IAB measurement guidelines.

Podcast Audio Metrics — When it comes to reporting for downloadable audio, the ability to track podcast content and ad playback largely depends on the player requesting the file. Approximately half of podcast listening is taking place on iOS systems, and those Apple systems offer no technology for confirming that a podcast file was played. This lack of client-side response prevents podcast distributors from measuring ad plays at the level expected in other digital media. Despite these challenges, the industry has developed a set of standards that enable uniform metrics for reporting and evaluating podcast advertising campaigns. Those standards are fully explained in the [IAB Podcast Ad Metrics Guidelines](https://iabtechlab.com/specifications-guidelines/podcast-metrics/) (<https://iabtechlab.com/specifications-guidelines/podcast-metrics/>).

Digital Audio Advertising Case Studies

Recorded Spots/In-stream Audio Campaign: Pandora and Las Vegas Convention Center — The Las Vegas Convention and Visitors Authority (LVCVA) drove direct conversion by promoting the hottest events happening in Las Vegas, sending listeners to a website for more information on upcoming events and to purchase their travel itineraries. Custom-built audio messages captured listener attention

across multiple Pandora platforms such as mobile, tablet, and connected car screens, creating a powerful ubiquitous approach. LVCVA messaged more than 75 percent of listeners off-web and on mobile, tablet, connected devices, and in-car. Another element of this campaign included a branded channel on Pandora—Vegas 24/7 Radio—which



featured a customized playlist filled with EDM artists who have residency shows in Las Vegas. According to the Las Vegas Convention Center, the campaign resulted in a 6 percent lift in visitation among Pandora users, which equates to 152,462 additional visitors to the destination (measured and optimized through Pandora partnership with Placed.) The campaign generated \$110 million in incremental revenue.

Native Ad Campaigns: Midroll — In an unaided brand recall study of 11,123 listeners, Midroll asked listeners to visit a website to participate in a survey. They then asked listeners to type in the name of an advertiser in a certain podcast they had listened to. An unnamed national coffee and baked goods chain ran 429,000 impressions in a sports category podcast. 88 percent of 2,429 respondents were able to recall the advertiser. A national consumer health and beauty product campaign ran 1,125,476 impressions. In that survey, 49 percent of 6,234 respondents recalled the advertiser.

Branded Channel: iHeartRadio — In a campaign for an unnamed financial services provider, a branded digital audio channel integration drove a significant lift in brand awareness and consideration, proving the effectiveness of connecting with audiences across a combination of live and custom streaming audio environments. In-stream audio ads captured listener attention, playing alongside personality-hosted music and entertainment programming, delivered across an extensive network of broadcast radio stations that are streamed live on iHeartRadio's mobile app and website. Audience targeting—leveraging proprietary listener data in combination with data from third-party providers—was used to maximize relevancy and reach against target consumers. In addition to live audio ads, the brand ran an exclusive full-day sponsorship of ad-free listening on Artist Radio including custom brand messaging and native audio integrations across nearly one million algorithmically-curated stations. Overall, the campaign proved to be extremely effective, resulting in an 86 percent increase in brand awareness and a lift in brand consideration that was three times greater among exposed versus unexposed listeners.

Branded Playlist: Spotify — Kia sponsored “New Music Friday” playlists on Spotify to drive awareness and consideration of the 2017 Kia Sportage. The campaign generated 10.5 million impressions and resulted in a 30 percent lift in brand awareness, a 100 percent lift in brand perception, and a 700 percent increase in brand consideration, as measured by an independent source.

Branded Podcast: The Message — “The Message” is an eight-episode branded podcast produced by Panoply and sponsored by GE. It launched in fall 2015 and has been downloaded more than 440 million times, making it the most listened-to branded content podcast in history. GE’s participation was driven by a desire to be associated with an innovative concept. In terms of quantifying the success of the series, GE CMO Andy Goldberg said:

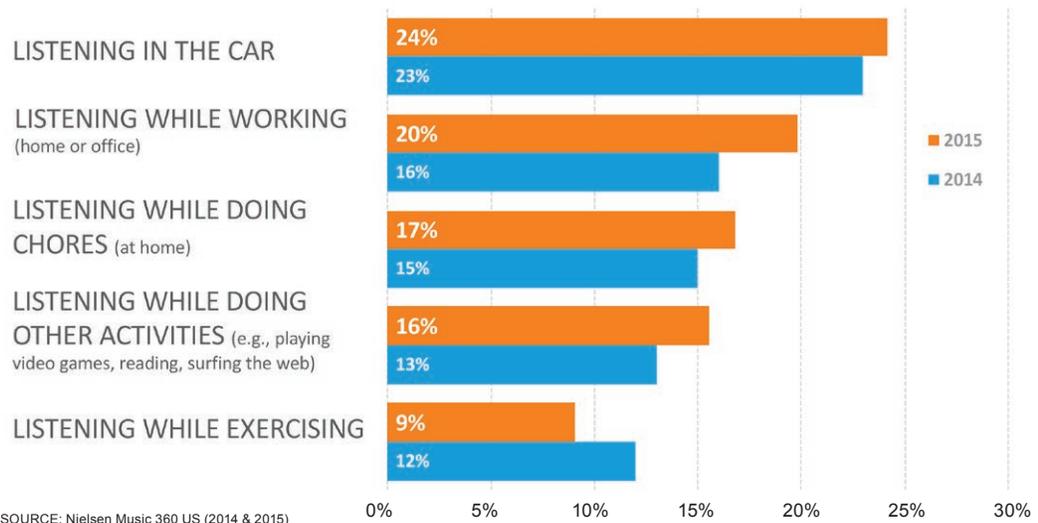
“It’s one of those things, you hope for it sometimes, and you can plan the best you can to make it work and to make it good, but that doesn’t guarantee the audience will show,” he says. “But we hit on all marks. I’d like to say the reception didn’t surprise me, but it really did. I thought to get into the Top 20 would be incredible. There wasn’t a specific number in my mind going in, but I didn’t think we’d hit a million downloads.” (Fast Company)

Voice Activation Technology: Entercom and Automotive Brand — This case study uses XAPPmedia’s interactive audio, a technology that enables listeners to respond to advertised offers by voice. Users speak a short, prompted phrase such as “send coupon” or “download app” and the digital action occurs. In this case study, a major car manufacturer ran three campaigns on online stations owned by Entercom Broadcasting. The first two campaigns performed many multiples better than standard mobile ads, with conversion rates ranging from 2.76 to 3.04 percent. The third was a campaign for a year-end sales event and drove listeners to a mobile web page at a conversion rate of 2.7 percent.

Listening Locations for Digital Audio

People consume audio in many places, often at times when their ability to consume visual media is restricted, such as while working, driving, or exercising.

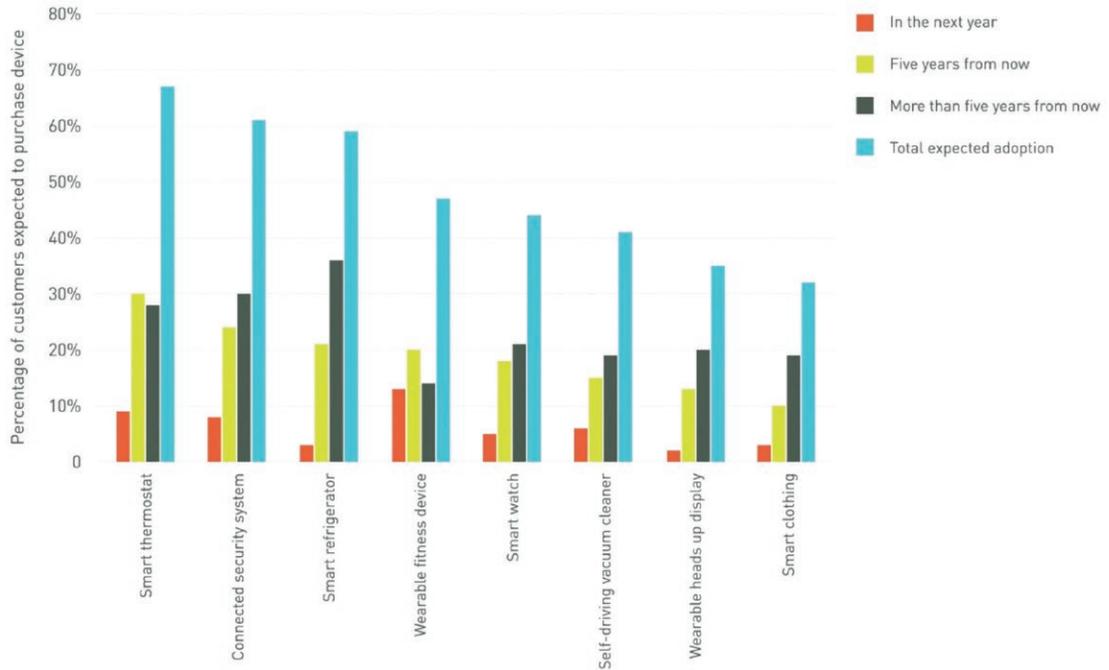
PROPORTION OF TIME SPENT WITH MUSIC EACH WEEK



Digital Audio Consumption in the Car – One of audio’s key consumption locations has always been the car. That listening used to be exclusive to broadcast radio stations, but now the connected car has enabled access to digital audio. Integrated dashboards like Apple’s CarPlay and Google’s Android Auto promise to accelerate adoption of connected listening in cars. According to the J.D. Power 2016 U.S. Automotive Media and Marketing Report, 64 percent of new car drivers “have used a streaming music service such as Pandora or Spotify in the past 30 days.”

Digital Audio and the Internet of Things – Connected devices in homes will more than double by 2020, with consumers planning purchases for their home as well as wearables. At the same time, by Q1 2017, 40 percent of U.S. internet homes will have a streaming media player, bringing the total number of homes with these devices to 39 million, according to the October 2016 NPD Connected Intelligence Connected Home Forecast. These devices offer nearly ubiquitous connectivity, often with voice activation, and seldom with a browser or even a screen. As the use of these devices expands, use of a screen proportionally diminishes, and audio messaging will become even more relevant and important than it is today.

PROJECTED NEW ADOPTION OF CONNECTED TECHNOLOGY BY CONSUMERS



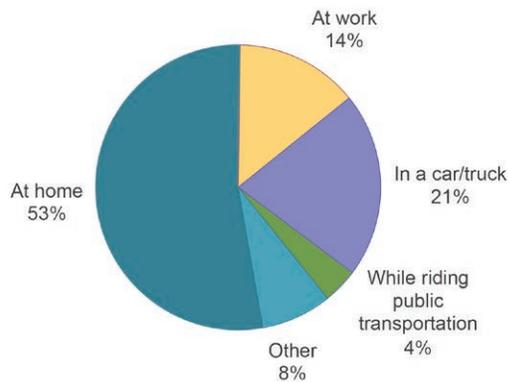
Source: Accenture Interactive - Point of View Series, The Internet of Things: The Future of Consumer Adoption, June 2015

Audio is Everywhere — Digital Audio moves with consumers throughout their day, as exemplified by this chart of podcast listening locations:

Where are Podcasts Most Often Listened to?

"Where do you listen most often to podcasts?"

Podcast Consumers 12+



The Infinite Dial © 2016 Edison Research and Triton Digital



Planning and Buying Digital Audio Campaigns

There are many resources that offer support for planning and buying digital audio campaigns. From buying channels to measurement and targeting technologies to creative expertise, the digital audio marketplace has the tools to support advertisers' strategic campaign objectives.

Sales Channels — Access to digital audio inventory is available from several types of companies who offer support and resources for campaign execution:

- **Publishers** — Some streaming publishers, particularly some of the larger ones, sell their inventory directly through sales representatives that work exclusively for one brand.
- **Content Aggregators/Portals** — Some companies provide access to a catalog of digital audio content under one consumer brand.
- **Digital Audio Networks** — Similar to display, video, and mobile, a digital audio platform is one that aggregates ad space supply from publishers and matches it with advertiser demand using a central ad server to deliver advertisements to consumers using dynamic ad insertion.
- **Advertising Rep Firms** — Like traditional rep firms, these companies provide access to inventory for a certain group of publishers.

Programmatic Platforms — Like other digital media, programmatic access to digital audio is readily available. IAB defines “programmatic” as the automated buying and selling of inventory. However, Agency Trading Desks (ATD) and Demand-Side Platforms (DSP) often expect additional targeting capabilities, such as data targeting and retargeting using first or third party data through a Data Management Platform (DMP). They might also expect to purchase and optimize inventory via an auction-based, real-time buying (RTB) environment or through a private marketplace structure (PMP). No matter how narrow your definition, digital audio is equipped to transact programmatically. Digital audio is available through a number of Supply Side Platforms (SSP), and accessed through a number of ATDs and DSPs. Campaigns can be data-targeted and purchased either as guaranteed or within an RTB marketplace.

Another major recent advancement is the new [OpenRTB 2.4 Protocol](http://www.iab.com/openrtb) (www.iab.com/openrtb), which for the first time, includes digital audio.

Digital Audio Measurement Tools — There are two ways to consume digital audio—by streaming or downloading. Audience measurement and impression tracking methods vary according to the way the content is consumed.¹

Streaming Audio — Two companies provide measurement for streamed digital audio.

- **Triton Digital’s Webcast Metrics™** is MRC accredited. It provides credible third-party data that is translated into traditional and digital metrics to facilitate both kinds of media buying. No samples, surveys, or panels are utilized in the data collection, transformation, or display processes and procedures. Triton Digital collects data through raw log files of streaming activity collected daily from the Content Delivery Network (CDN) hosting the radio station players, or through client-side measurement by collecting the data directly from the web-based player or mobile device. Triton Digital obtains data on each stream including the station, individual stream specifics, and listener identifier. Triton Digital also publishes an Internet Top 20 Ranker report on a monthly basis listing the top-performing internet audio stations and networks measured by Webcast Metrics. It provides high-level metrics such as “Session Starts,” “Average Active Sessions” and “Average Time Spent Listening” to the general public.
 - **Local Market Reporting** – Triton Digital’s Webcast Metrics also offers market-level listening data for the top 278 U.S. markets, which include AQH, Cume, and other audience metrics. Data on certain publishers is fed to common agency workflow systems platforms in order to streamline the buying process.
- **Nielsen** provides measurement of streamed AM/FM services using a proprietary software development kit (SDK), which is integrated into mobile apps and web players. This method uses big data, a census-style measurement approach and demographic information from third-party data providers, which is calibrated with Nielsen’s Portable People Meter (PPM) panel. The data is aligned with the existing radio geographies (metros), radio currency metrics (AQH, Cume, TLH and TSL), and PPM survey periods. The service—currently in preview and limited to 48 PPM markets—enables subscribing broadcast stations to combine or separately represent their over-the-air and online listening.

Podcast Audience Measurement – Podcasts are downloaded for immediate or later offline listening, or they are streamed. Downloads account for the majority of listening. Downloads, which can be tracked, are the standard audience measurement unit for podcasts. The “IAB Podcast Ad Metrics Guidelines” provides valuable insights into the development of reliable industry standards for podcast audience tracking and representation. Most podcast hosting platforms offer audience tracking resources that process data according to industry standards which can then be provided for planning and purchasing purposes. In addition, there are two companies that offer “rankers” publicly:

- **Podtrac** has been measuring podcast audiences for more than ten years. It recently began publicly releasing monthly rankers reflecting the audience size of publishers and platforms it measures by counting “Monthly Unique Audience,” which is available both for U.S. and global listening.
- **iTunes** — The iTunes Podcast Top Charts is sometimes taken to be a measurement resource. Methodology is unstated and therefore it is sometimes unclear what the charts represent. Therefore it should be used in combination with other data sources for accuracy.

¹ The descriptions of companies providing measurement services for streaming digital audio and podcasts is based upon publicly available information and/or information provided by those companies. IAB does not in any way endorse any provider of measurement services. Additionally, IAB makes no representations or warranties, express or implied, including, but not limited to, any implied warranty of merchantability and/or fitness for a particular purpose, with respect to such information, and specifically disclaims all such warranties and representations. IAB recommends that companies considering the purchase of measurement services conduct their own diligence about these and other potential providers in the marketplace.

Delivery and Targeting Capabilities of Digital Audio

Various techniques and technologies enable targeting of digital audio advertising based on geography, demographics, and behavior. Most, but not all, rely on dynamic ad insertion for execution:

- **Geotargeting** — Geotargeting is accomplished using one of the following techniques:
 - **IP-based Targeting** — Using the Internet Protocol address of the listener to identify their location and serves ads.
 - **Registration Data** — Platforms that collect user registration information use that information to target listeners in certain areas, markets, or zip codes.
 - **Device GPS Data** — When enabled by the listener and media player, location data can be tracked and targeted.
 - **AM/FM Broadcast Stations** — One can assume with some degree of accuracy that listeners to the stream of an AM/FM broadcast station are within that station's broadcast market location.
- **Demographic** – Targeting users based on demographics can be accomplished in several ways:
 - **Content Targeting** – Using data that shows that certain types of formats or programs deliver a particular age and gender set.
 - **Registration Data** – This information identifies the age and gender of a listener who is registered with a certain publisher.
 - **Behavioral Targeting** – Technology exists that can extract the user's birthdate and other information from a user's web browsing history, based on the user having supplied that information during a transaction.
- **Contextual** – Ads can be served that are relevant to the genre of certain station, channel or program.
- **Behavioral or Psychographic Segmentation** – Cookies and mobile ad ID based technologies enable information to be gathered on consumer behavior, popular products and services, and trends, which informs the types of ads served to a certain user.

Creatively Speaking

The most successful digital audio campaigns are executions that are unique to the medium, and often to the specific program. Many publishers and platforms offer resources to enable development of creative digital audio solutions that are unique and appropriate for specific types of programming.

Considerations for digital audio advertising campaigns should include:

- Create an “audio first” environment with your message—connect with the listener through audio messaging.
- Use creative that is specific to digital audio.
- Recognize the fact that the screen may in fact be turned off or not exist at all. Calls to action should not rely on a screen activation or companion banner interaction.
- Use creative that is memorable and entertaining.
- Create enticing offers that enable easy purchase decisions.
- Make sure host reads and native ads follow truth-in-advertising guidelines.

Keep in Mind

As with all forms of targeted advertising, buyers and sellers should pay close attention to the implications for consumer privacy and be aware of industry best practices and self-regulatory codes, such as those put forth by the Digital Advertising Alliance program.

<http://digitaladvertisingalliance.org/principles>

DAAST and VAST

IAB has developed standards for delivery of ads that accommodates client- and server-side ad tracking for better visibility into campaign performance. For more information on this technology, please examine the following information available on the IAB website.

Digital Audio Ad Serving Template (DAAST):

www.iab.com/daast

Video Ad Serving Template (VAST):

www.iab.com/vast

Conclusion

The number of digital devices owned by a typical U.S. consumer has exploded in recent years. Today, 68 percent of U.S. adults own a smartphone (Pew Research Center) and the average household owns more than four connected devices. From connected personal devices to connected cars to connected home appliances, digital technology offers today's consumer constant connectivity that can be a challenge for advertisers and brands looking to maximize campaign impressions efficiently.

Digital audio overcomes several challenges facing advertisers in today's overloaded media landscape by offering impressions that break through viewability obstacles inherent to situations where the screen is minimized, dark or non-existent. Digital audio impressions are the only impressions that can impact a consumer while the device is in use but not in view.

Today's digital audio marketplace is a tremendously effective messaging environment that offers digital delivering and targeting capabilities, innovative creative options, sophisticated buying and reporting tools, and relevant, effective reach with today's connected consumer.

Appendix

Common Digital Audio Advertising Terms

A glossary of basic and commonly used terms in digital audio, with everything you need to know:

ACTION — Metric that indicates how many times listeners completed an action after being exposed to an audio ad.

ACTIVE SESSIONS (AS) — Number of sessions (with duration of at least one minute) that were active within a given time period.

AGGREGATOR — Firms that collect multiple digital audio channels into larger entities, increasing reach and making them of greater interest to advertisers.

AUDIO IMPRESSION — Metric that indicates the number of fully delivered ads.

AVAIL — The commercial position within or between programs on a given station or network available for purchase by an advertiser.

AVERAGE ACTIVE SESSIONS (AAS) — The average number of listeners (with duration of at least one minute) during the daypart/time period.

AVERAGE QUARTER HOUR (AQH) — The average number of persons listening to a particular station for at least five minutes during a 15-minute period.

AVERAGE QUARTER HOUR (AQH) RATING — A rating calculated by dividing the AQH listening in the relevant daypart and demographic by the base population in that demographic.

AVERAGE TIME SPENT LISTENING (ATSL) — The average length of each session (with duration of at least one minute) within the daypart/time period.

BANNER IMPRESSION — Metric that indicates how many display companions were delivered along with the audio ad.

CLICK-THROUGH — Metric that indicates how many times listeners followed the link associated with a banner ad.

CLICK-THROUGH ATTRIBUTION — KPI measuring the effectiveness of an audio ad based on the ratio of Audio Impressions and Click-throughs.

CONTENT DISTRIBUTION NETWORKS (CDN) — Vendors that provide the technical heavy lifting of moving streamed digital audio content around the internet and ensuring scalability and performance for listeners.

CONVERSION ATTRIBUTION — KPI measuring the effectiveness of an audio ad based on the ratio of Audio Impressions and Actions.

CUME — The count of unique listeners during the specified time period (with sessions lasting at least one minute).

CUME RATING — A rating calculated by dividing the weekly average Cume in the relevant daypart and demographic by the base population in that demographic.

DIGITAL AUDIO — Audio programming available to consumers on a streaming basis, delivered via the wired and mobile internet.

EFFECTIVE REACH — The average number of people that will hear a commercial at least three times during a campaign.

FREQUENCY — The average number of times an individual has an opportunity to hear an advertising message during a period of time.

LISTENER TRACKING METHOD — A method of collecting data through client-side measurement directly from the web based player or mobile device.

PODCASTS — An audio program that listeners can access on portable devices or their computers in an offline mode.

POST-LISTEN ATTRIBUTION — KPI measuring the effectiveness of an audio ad based on the ratio of Audio Impressions and Visits.

PUREPLAY STREAM — Personalized and on-demand streamed audio services that create playlists based on user preferences of artists, tracks, or genres.

REACH — The number of different persons in the audience of a specified advertising campaign, station, network, or syndicated program.

SATELLITE — This system transmits audio with orbiting communication satellites rather than ground-based transmission.

SESSIONS STARTED — The number of streams (with duration of at least one minute) within the daypart/time period.

SHARE OF VOICE — The percentage of total advertising weight per brand in a competitive set.

TERRESTRIAL STREAM — Live digital audio streams of terrestrial (a.k.a. broadcast AM/FM) radio stations.

TIME SPENT LISTENING (TSL) — The average amount of weekly time spent listening by an individual user within the daypart/time period. An individual user's discreet sessions are added together to calculate total weekly TSL.

TOTAL LISTENING HOURS (TLH) — Total number of hours streamed (during sessions of at least one minute) within the daypart/time period.

UNIQUE LISTENERS — The number of unduplicated users listening to a given online audio program, piece of content, or advertising message. Typically 'listeners' and 'streamers' are interchangeable.

VISIT — Metric that indicates how many times listeners visited the marketer's website after being exposed to an audio ad.

VOICE CLICK-THROUGH — Metric that indicates how many times listeners respond to interactive audio ads via voice in order to connect with advertiser offers (by automatically initiating call, a video view, request an email, webpage open, content selection) on a mobile device.