In 2023, podcast advertising saw a growth deceleration, posting a modest revenue increase of 5% to $1.9 billion. This was due, in large part, to a challenging advertising climate that particularly affected mid-tier companies, resulting in losses that tempered the sector’s overall growth trajectory.

Looking ahead, podcasting is projected to more than double its 2023 ad revenue growth rate (+12%) in 2024 and is on track to approach the $2.6 billion mark by 2026.

Publishers will fuel growth through various initiatives, including measurement, programmatic, live events, more aggressive show promotion, and the continued development of video podcasts.

The vitality of podcasting will also continue to be built on the unique rapport between podcasters and their diverse audiences, exhibiting extraordinary attentiveness to the content and the accompanying ads. This is evidenced by the revenue contributions from a broadening array of advertising sectors and content categories.

IAB expects podcasting to continue to grow as both a burgeoning advertising channel for brands and an engaging digital platform forging strong bonds with consumers.

Read on to see more details regarding 2023 ad revenues and projections through 2026.
KEY INSIGHTS

01 Podcast ad revenue growth slowed in 2023
- After years of double-digit increases, 2023’s overall challenging ad market slowed podcast’s growth. Revenues were up 5% to $1.9B with losses from mid-tier companies offsetting gains.

02 Revenues will grow 2x faster in 2024 and exceed $2B
- Optimism remains as podcasting is projected to grow 12% to over $2B this year and reach nearly $2.6B by 2026.
- The sell-side is working to raise awareness of the channel’s current measurement capabilities along with innovations in progress.
- The evolution of programmatic along with new revenues from video and live events will also help drive growth.

03 Diverse offerings boost podcasts’ appeal as comedy and sports outperform news
- A high volume of smaller categories continue to showcase the channel’s growth and appeal to a broad range of advertisers.
- For the second straight year, comedy and sports outrank news as production grows and listeners turn to lighter topics.
Market Size and Growth:
U.S. 2023 Advertising Revenues & 2024-2026 Growth Projections
Podcast ad revenues grew at a slower pace in 2023, +5% to $1.9B

2023’s overall challenging ad market was a key driver in slowing the industry-leading growth rates that podcasting experienced in prior years. In fact, in 2023 podcasting was outpaced by digital overall (+7.3%).

For perspective: a few of the largest podcast companies did maintain double-digit growth in 2023, but losses from mid-tier companies curtailed the channel’s growth overall.
Q4’s revenue share has flattened post pandemic

Per IAB’s last report*, it was forecast that 13% of 2023’s podcasting revenues would shift from direct response to brand campaigns, which are less tied to Q4.

*PwC | IAB FY 2022 Podcast Ad Revenue Study
Note: 1| Based on self-reported data 2| Percentage share total may not equal 100% due to rounding
Podcasting is projected to more than double its 2023 growth rate in 2024 (+12%)

U.S. Market Podcast Ad Revenues Growth Projections (2024-2026, $ millions)

- 2020: $842.3
- 2021: $1,448.7
- 2022: $1,825.3
- 2023: $1,925.2
- 2024 Est.: $2,164.7
- 2025 Est.: $2,379.0
- 2026 Est.: $2,562.1

Optimism remains for the next three years as podcasting is projected to eclipse $2B in revenues in 2024 and climb to nearly $2.6B by 2026.

Improvements in measurement and the evolution in programmatic buying, along with revenues tied to video and live events are contributing to the positive outlook.

*Note | 2024-2026 based on PwC’s Global Entertainment & Media Outlook projected growth. **Digiday, 03/01/2024; Podnews 12/26/2023
Ad Categories & Content Genres
**Niche categories** driving significant revenues showcase podcasting’s continued appeal to a broad range of advertisers

Of note is the increased share among CPG and retail brands — up 4 and 5 percentage points, respectively since 2021.

The shift reflects CPG and retail’s increased leveraging of digital platforms that enable data-driven, direct connections with consumers, which helps CPG with branding, while helping retailers personalize by geo location.

### Podcast Ad Revenue Percentage Share by Industry Category

<table>
<thead>
<tr>
<th>Industry Category</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts, Entertainment &amp; Media</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>CPG*</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Retail*</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Pharmaceuticals*</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Automotive / Automotive Services</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Travel &amp; Tourism</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Business-to-Business</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Professional Services</td>
<td>2%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Of note is the increased share among CPG and retail brands — up 4 and 5 percentage points, respectively since 2021.

The shift reflects CPG and retail’s increased leveraging of digital platforms that enable data-driven, direct connections with consumers, which helps CPG with branding, while helping retailers personalize by geo location.

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*Note: 1| Data in bars are rounded. 2| Based on self-reported data. 3| Retail DTC (Direct-to-Consumer) has been reintegrated into this year’s chart, altering percentage comparisons from last year’s report. 2023 Other (“niche categories”) includes Other; please specify: (23.4%): Energy, Government, Non-Profit, Advocacy, Tech, Law, Pets, Sports, Religion & Spirituality as well as other, smaller categories. Home Improvement / Furnishings (0.4%), Education (0.4%), Gambling / Sports Betting (0.4%); 2023 Pharmaceuticals includes Pharmaceuticals (3.4%), Health / Wellness (3.5%); 2023 CPG includes Consumer Packaged Goods (11.7%), Baby / Child / Parenting (0.1%), Beauty / Cosmetics (0.1%); 2023 Retail includes Brick & Mortar / eCommerce (8.7%), Apparel / Fashion / Accessories (1.3%), Retail Direct-to-Consumer (1.3%); 2023 Beverages & Restaurants includes Restaurants / Bars (1.6%), Beverage (0.2%)
For the second straight year, comedy and sports outrank news as production grows and listeners turn to lighter topics

**Podcast Ad Revenue Percentage Share by Content Genre**

For the second straight year, comedy and sports outrank news as production grows and listeners turn to lighter topics. Likely driven by shows from notable comedic personalities, comedy’s revenue share grew by 4 points in the past two years, overtaking news and sports. It’s the most-listened-to podcast genre and gained 268 new advertisers in Q4’23.**

Note: 1| Data in bars are rounded  2| Based on self-reported data  3| Excludes Other (24%) which is largely driven by one respondent’s heavy investment

Additional genres not shown: Arts (0.8%), Music (0.8%), Technology (0.8%), Education (0.4%), Leisure (0.3%), Fiction (0.1%), Parenting (0.1%), Kids & Family (0.04%)

*2023 News includes News (11.5%), Political Opinion Center / Bipartisan (0.3%); 2023 Health & Fitness includes Physical Health & Fitness (1.8%), Mental / Emotional Health & Wellbeing (0.9%)  **Edison Podcast Metrics, January 2024, Magellan AI Podcast advertising benchmarks: Q4'23
Recap
Following back-to-back years as one of the fastest growing channels in digital media, podcast revenues slowed in 2023 in response to a challenging ad market. Despite this, the industry remains positive about the future.

Publishers are set to drive growth in the coming years by implementing a range of strategies, such as refining audience measurement, harnessing programmatic, hosting live events, boosting content marketing, and advancing the production of video podcasts.

As listenership continues to grow and measurement becomes even more aligned with other digital channels, podcasting should remain top of mind for marketers seeking scale and authentic connections with consumers.
Appendix
## Definitions and Survey Options

<table>
<thead>
<tr>
<th>Terminology</th>
<th>Definition</th>
<th>Survey Options</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industry Category</strong></td>
<td>Business categories into which Podcast advertisers may be grouped</td>
<td>• Apparel/Fashion Accessories (Men/Women) • Automotive / Automotive Services • Arts, Entertainment &amp; Media (Streaming Services, Movies, Dance, Theater, Concerts, Opera, Amusement Parks, Games, Books - Audio and Bound, Music, Magazines, Newspapers, Websites, Apps, DVDs, Radio and Television Networks/Stations/Programming) • Baby/Child/Parenting • Beauty/Cosmetics • Beverage (Alcohol / Beer / Wine) • Business-to-Business (Business conducted between one business and another such as a wholesaler and retailer) • Consumer Packaged Goods (CPG) • Education • Gambling/Sports Betting • Health/Wellness (including Fitness, Diet, Yoga, Meditation, etc.) • Financial Services (Banks, Insurance, Securities, Mortgages, Financial Services Software) • Home Improvement/Furnishings • Pharmaceuticals (OTC and DTC) • Professional Services for non-Business Entities • Restaurants/bars • Retail (Brick &amp; Mortar / eCommerce) • Retail Direct-to-Consumer • Telecommunications (Telephony, Mobile Service Providers, Cable/Satellite TV services, ISPs, Wireless) • Travel and Tourism (Resorts/Hotels/Airlines) • Other</td>
</tr>
<tr>
<td><strong>Content Genre</strong></td>
<td>Categories of thematic subject matter into which Podcast programming may be assigned</td>
<td>• Arts • Business • Comedy • Eco-conscious / Green Living • Education • Fiction • History • Kids &amp; Family • Personal Growth, Mental / Emotional Health &amp; Wellbeing • Leisure • Music • News • Religion &amp; Spirituality • Parenting • Political Opinion: Left-Leaning • Political Opinion: Right-Leaning • Political Opinion: Center / Bipartisan • Physical Health &amp; Fitness • Science • Society &amp; Culture • Sports • Technology • True Crime • TV &amp; Film • Other</td>
</tr>
</tbody>
</table>
Study Scope and Methodology

Scope

The Podcast Advertising Revenue Study is part of an ongoing IAB mission to provide a barometer of Podcast advertising growth in the U.S. IAB is committed to achieve differentiation from existing estimates and accomplish industry-wide acceptance.

A short survey was distributed to Podcast companies in early 2024 with four key questions; understanding 2023 Podcast advertising revenues, forecasted revenue growth from 2024-2026 as well as revenue by industry category and content genre.

Key aspects to create this study include:

- Designing the process to maintain participant anonymity and only release aggregate data
- Designing each survey based on relevant industry topics
- Obtaining advertising revenue and other related data directly from companies generating Podcast advertising revenues (publishers and advertising networks)
- Data in this report related to forecasted growth from 2024-2026: this data is sourced from PwC’s Global Entertainment & Media Outlook forecasts. Several survey participants noted they were unable to provide forecast data for these years.
- 2023 Podcast market sizing is based on self-reported data, publicly available information and reasonable estimates for non-survey participating companies
- Podcast advertising revenues generated outside of the United States are out of scope for this study

Methodology

The methodology evolved from the methodology used to create the full-year internet advertising revenue report since 1996.

The reporting process includes:

- Compiling a database of the largest Podcast advertising revenue generators
- Conducting one quantitative online survey with leading industry players, including Podcast publishers and advertising networks
- Requesting and compiling specific data items, including quarterly net commissionable advertising revenue by Podcast content genre, and advertising industry category
- Performing a Podcast advertising market sizing in 2023 to deliver a reasonable estimate of the market in the United States, inclusive of non-survey participating companies
- Analyzing the findings, identifying and reporting key trends
IAB U.S. Podcast Advertising Study is prepared by PricewaterhouseCoopers LLP ("PwC") on an ongoing basis, with results released annually. Commissioned by the Interactive Advertising Bureau's (IAB) Audio Industry Working Group in 2017, this study uses data and information reported directly to PwC from companies that generate revenue on Podcast platforms. The results reported are considered to be a reasonable measurement of Podcast advertising revenues because much of the data is compiled directly from the revenue generating companies.

The report is conducted independently by PwC, including research by their in-house market research team, PwC Research, on behalf of the IAB. PwC does not audit the information and provides no opinion or other form of assurance with respect to the information. Only aggregate results are published, and individual company information is held in strict confidence with PwC. Further details regarding scope and methodology are provided in the appendix of this report.
About IAB and PwC

The Interactive Advertising Bureau empowers the media and marketing industries to thrive in the digital economy. Its membership comprises more than 700 leading media companies, brands, agencies, and the technology firms responsible for selling, delivering, and optimizing digital ad marketing campaigns. The trade group fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing. In affiliation with the IAB Tech Lab, IAB develops technical standards and solutions. IAB 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., the trade association 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.

As business, accounting and tax advisors to many of the world’s industry leading technology, media and telecommunications (TMT) companies, PwC (www.pwc.com/us/tmt) has an insider’s view of trends and developments driving the industry. With approximately 1,200 practitioners serving TMT clients in the United States, PwC is committed to providing clients with industry experience and resources. In recent years, our work in TMT has included developing strategies to leverage digital technology, identifying new sources of financing and marketplace positioning in industries characterized by consolidation and transformation. Our experience reaches across many geographies and segments, including broadband, wireless, film, television, music, publishing, advertising, gaming, sports, theme parks, computers and networking, software and technology services. With thousands of practitioners around the world, we’re always close at hand to provide deep industry knowledge and resources.
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