

# HIGH GAIN AUDIO

Using multiplatform audio  
to amplify overall media campaign ROI



**GAIN**



**AMPLIFY**

Jane Christian  
EVP Analytics, WPP Media

Mark Barber  
Planning Director, Radiocentre



High Gain Audio

# Background and objectives

Mark Barber  
Planning Director, Radiocentre

A dark, atmospheric photograph of a tunnel. The perspective is from the entrance looking down a set of tracks that recede into the distance. The tunnel walls are dark and textured, with several bright, circular lights mounted on the ceiling and walls, creating a series of glowing arches. The overall mood is mysterious and industrial.

2013

# RADIO: THE ROI MULTIPLIER



HOW RADIO CAN **UNLOCK MILLIONS** IN UNTAPPED  
REVENUE FOR ADVERTISERS



# RADIO: THE ROI MULTIPLIER

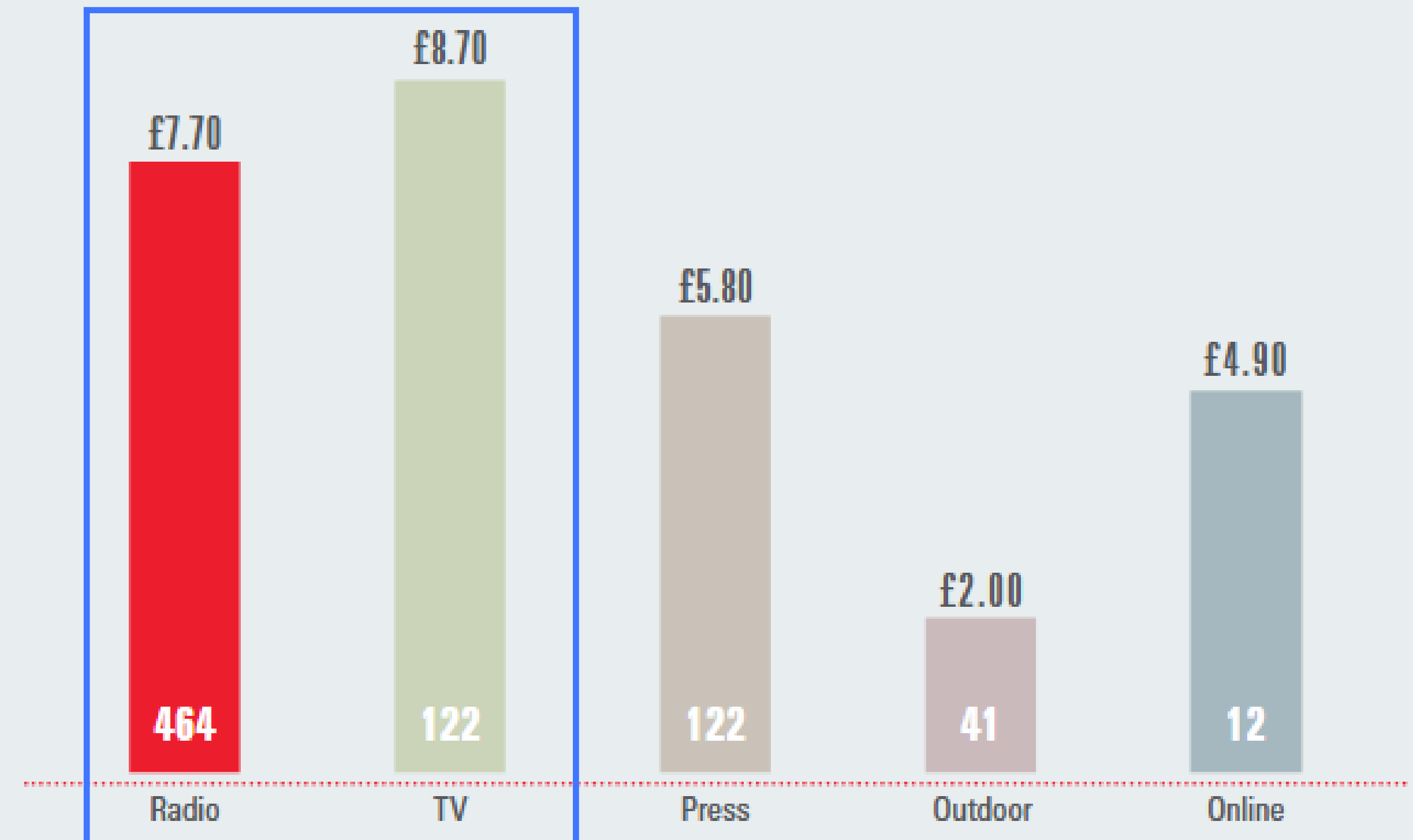


HOW RADIO CAN **UNLOCK MILLIONS** IN UNTAPPED  
REVENUE FOR ADVERTISERS

RADIO generates second-highest Revenue-ROI

Chart - A1

AVERAGE REVENUE ROI FOR BRANDS ON RADIO IS £7.70



Source: Radio ROI Dataset (no. of cases shown in white)



# RADIO: THE ROI MULTIPLIER

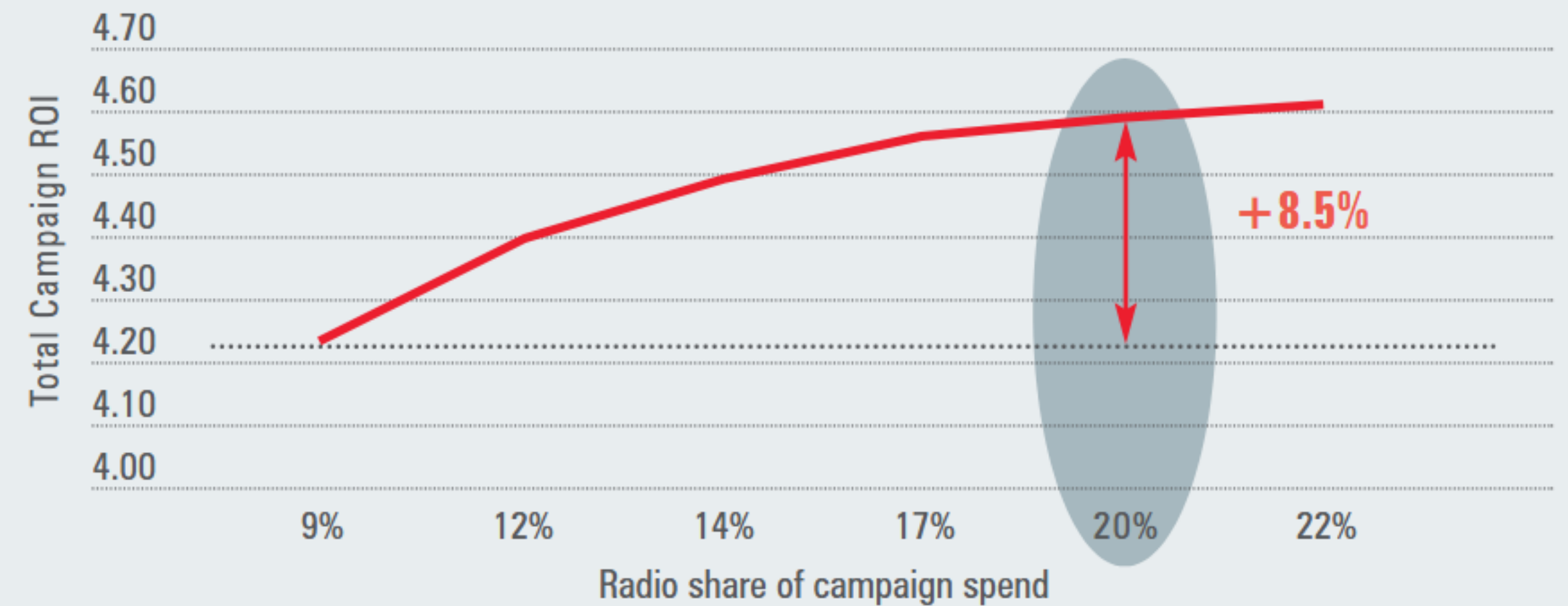


HOW RADIO CAN **UNLOCK MILLIONS** IN UNTAPPED  
REVENUE FOR ADVERTISERS

Overall campaign ROI is optimised  
when radio is allocated 20% of total budget

Chart - F5

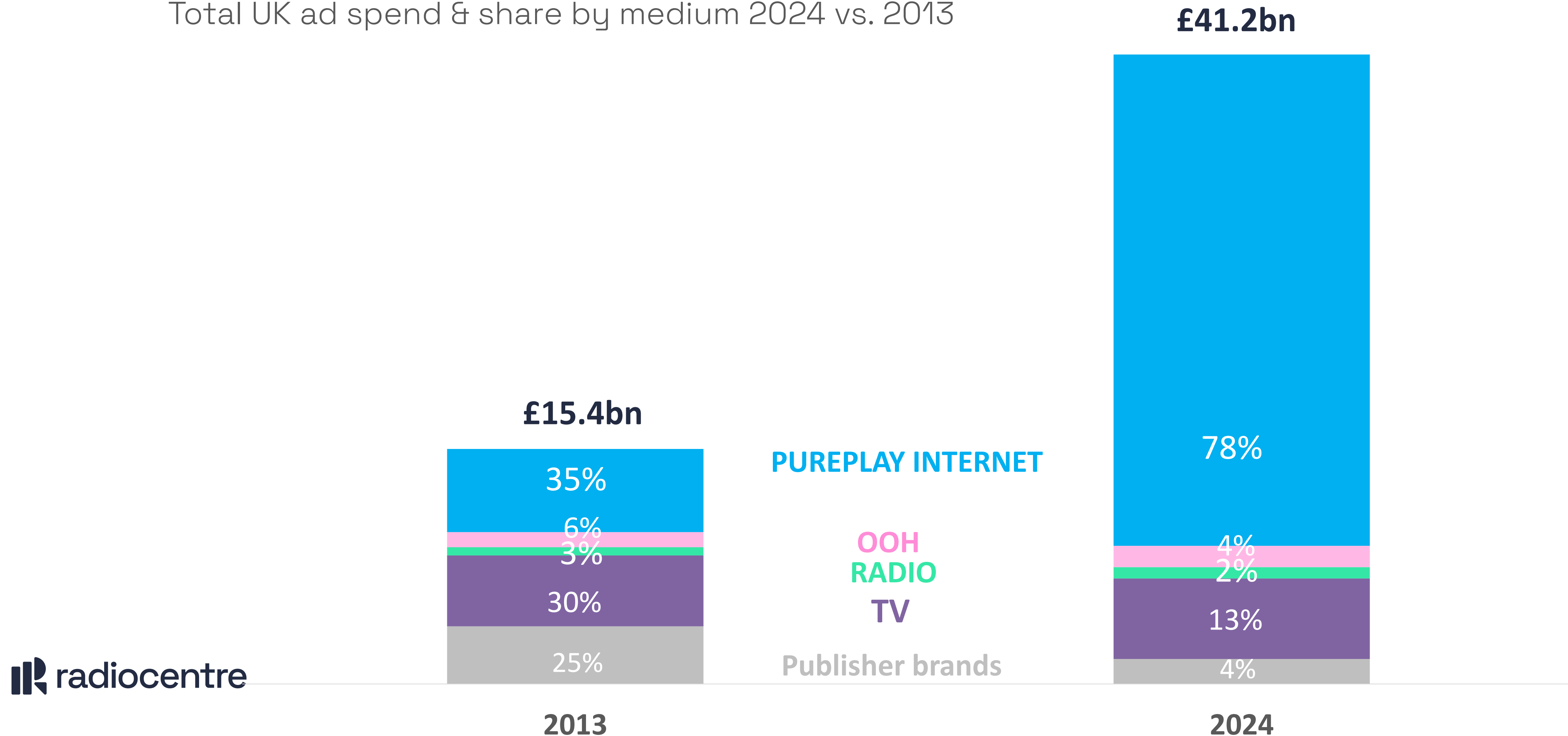
## EFFECTS ON OVERALL CAMPAIGN ROI REALLOCATING BUDGET TO RADIO FROM **ALL MEDIA**



Source: Radio ROI Dataset  
Base: Meta-regression Analysis, Overall Campaign ROI, 132 cases

# Pureplay Internet now dominates UK media spend

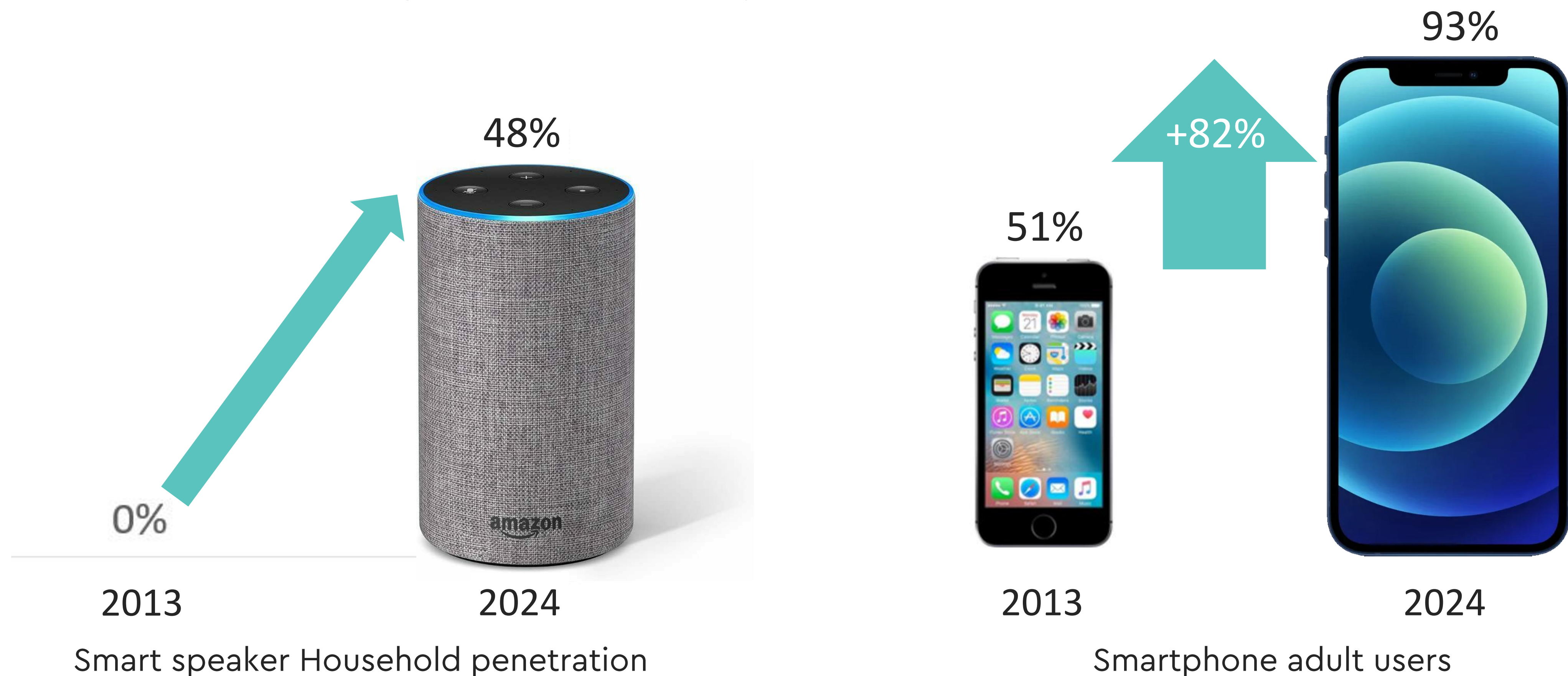
Total UK ad spend & share by medium 2024 vs. 2013





# Audio is now more accessible than ever

Change in penetration of key connected audio devices since 2013

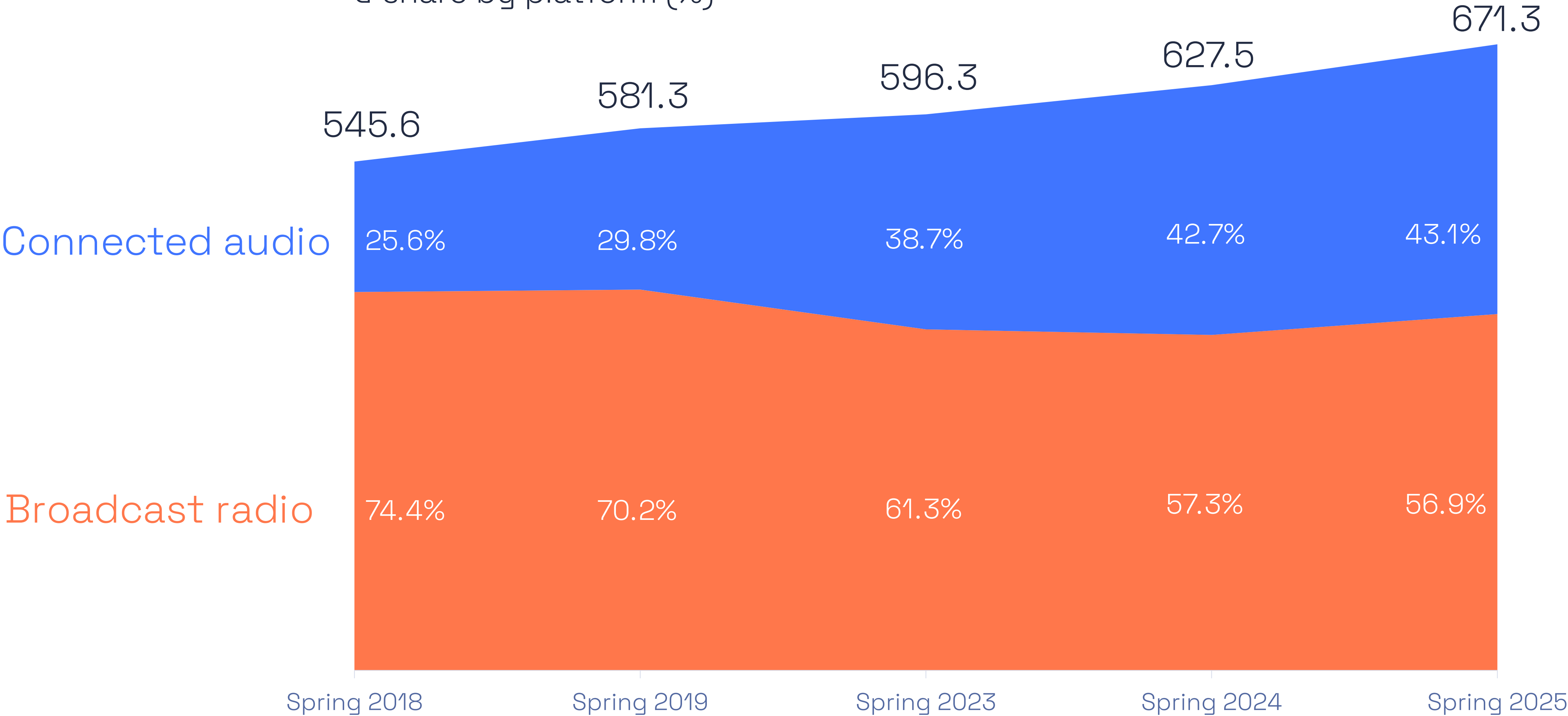




# Total commercial listening is up +23% since 2018

connected audio is the main driver of growth

Commercial Audio: Total weekly listening hours (m)  
& share by platform (%)





The evolving multiplatform commercial audio offering







**mtm**

 **radiocentre**

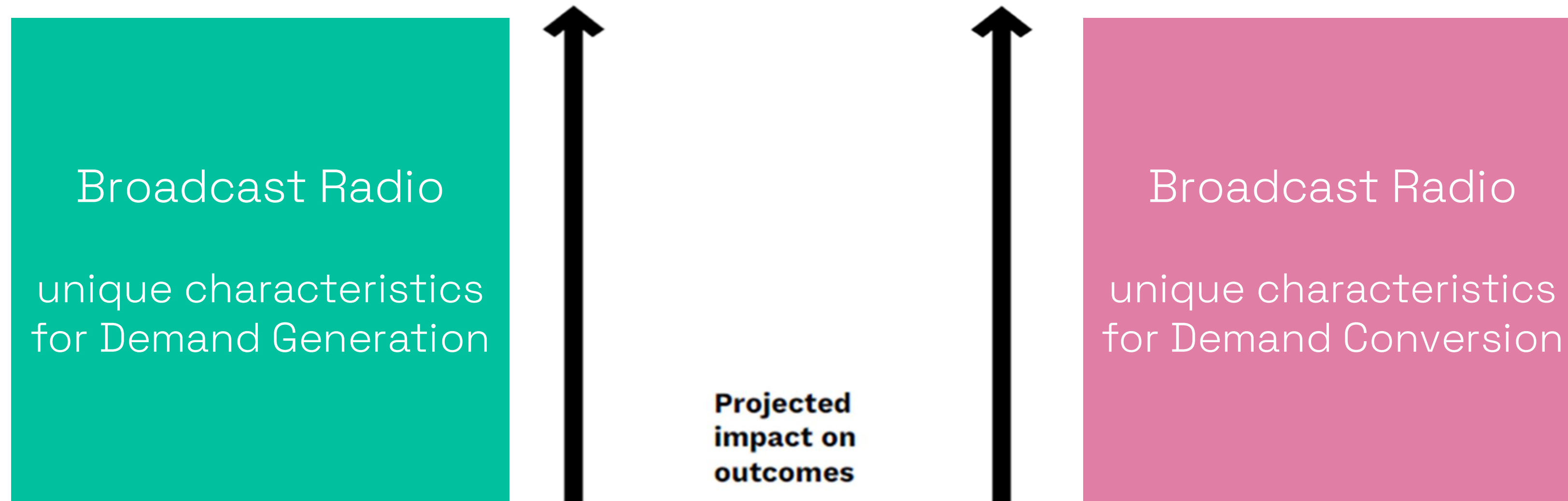
# **SPEED OF SOUND**

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**The essential guide to how digital  
innovation is accelerating the  
audio advantage for advertisers**

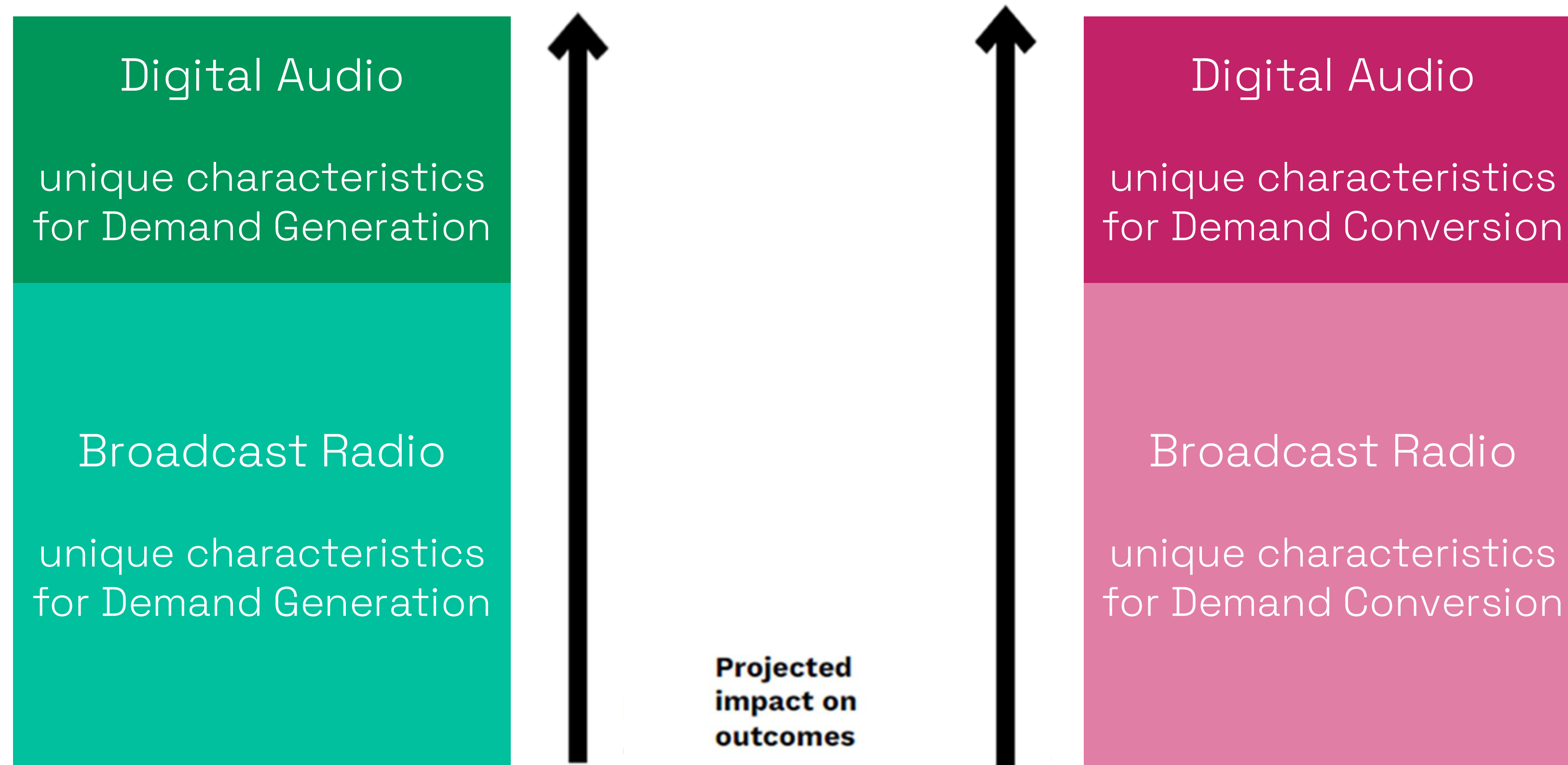


# Using Multiplatform Audio in combination boosts both Demand Generation and Demand Conversion activity



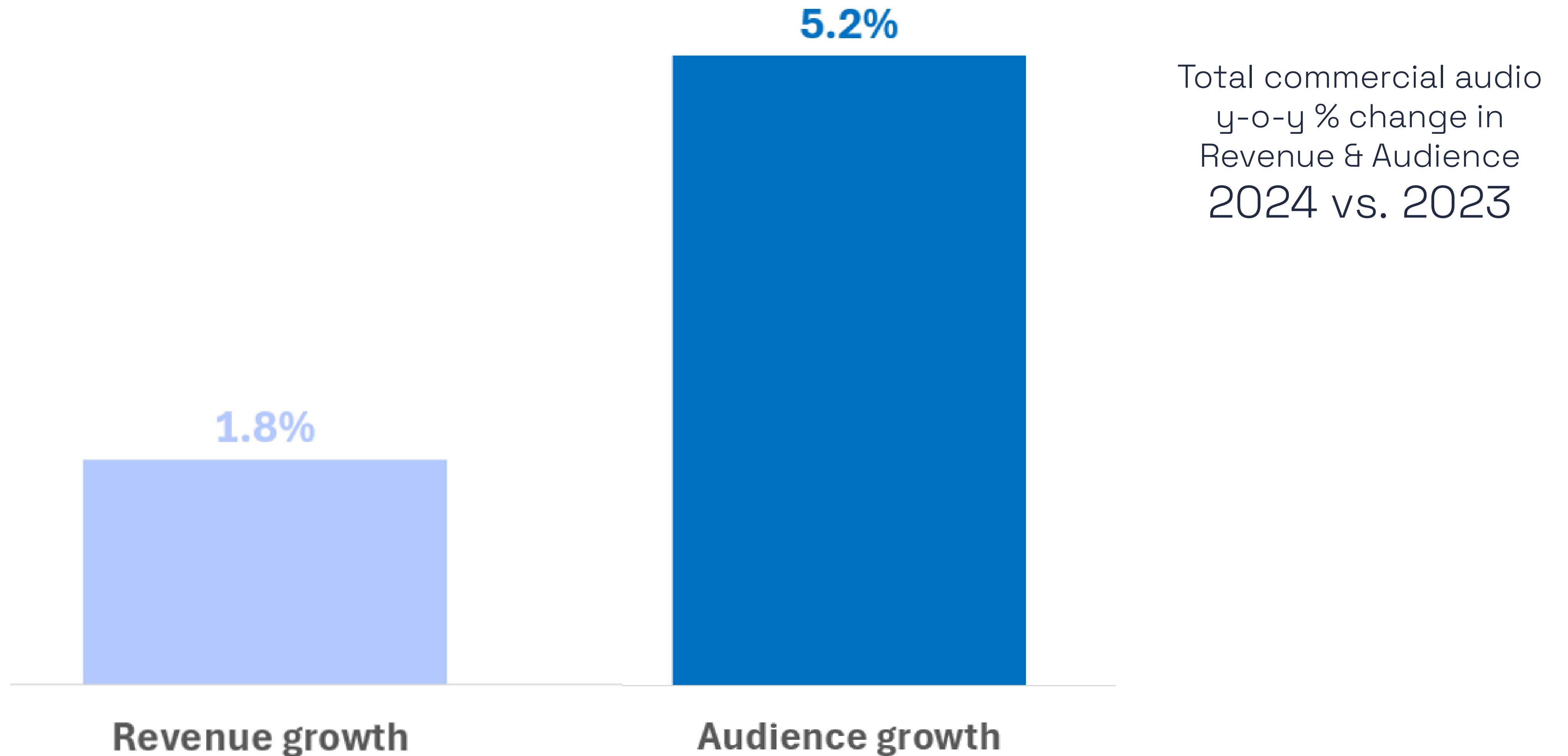


# Using Multiplatform Audio in combination boosts both Demand Generation and Demand Conversion activity



# Multiplatform Audio


## AD REVENUE lags AUDIENCE growth





# Unlocking the Multiplatform Audio ad opportunity

according to RC customer research



## New/nuanced Audio ROI evidence

More effectiveness data - e.g. the last (radio) ROI study from Radiocentre is pretty dated.

Prove the effectiveness and incrementality of digital audio/podcasts to support higher CPTs.

ROI understanding is critical. Higher CPTs (for digital audio) are often a blocker – need to validate the cost.

(Justify) cost premium of Digital Audio vs. Linear radio

# Objectives for this study

Develop ROI evidence to underpin hypotheses developed in *Speed of Sound*

1. Quantify Audio ROI relative to other media for both *generating* and *converting* demand
2. Compare ROI of Broadcast Radio and Digital Audio *individually* to other media
3. Explore how Multiplatform Audio amplifies overall media campaign ROI



# Profit Ability 2: the new business case for advertising

ebiquity

em essence  
mediacom

GAIN  
THEORY

MINDSHARE

Wavemaker

High Gain Audio

# Methodology & Findings

Jane Christian  
EVP Analytics, WPP Media

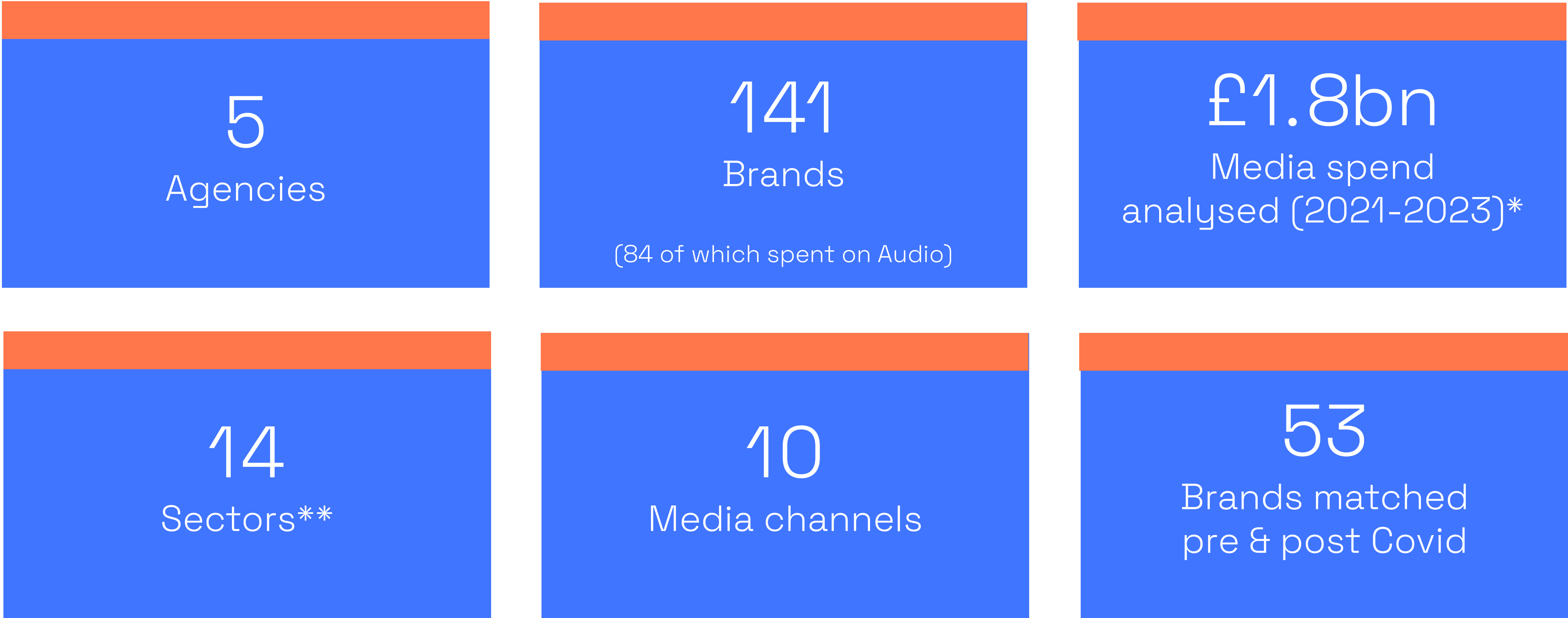


# Our approach was two-fold

1

Mine the  
Profit Ability 2 database  
for learnings about Audio  
at a headline level

# Profit Ability 2 is the biggest post-COVID MMM databank



Source: Profit Ability 2, April 2024 – Ebiquity, EssenceMediacom, Gain Theory, Mindshare, Wavemaker UK.  
\*Based on end date of analysis period. Spend by year: 21% 2021, 32% 2022, 47% 2023 All analysis based on most recent 52 weeks available.  
\*\*Total databank has 14 categories only 7 have sufficient granularity to report individually



# Our approach was two-fold

1

Mine the Profit Ability 2 database for learnings about Audio at a headline level

2

Identify advertisers where it is possible to separate Digital Audio from Broadcast Radio effects within their MMMs

# Definitions (1)

Description	Includes
Broadcast Radio	<ul style="list-style-type: none"><li>• Linear radio listened to via non-IP device (e.g. FM/AM/DAB receiver)</li></ul>
Digital Audio	<ul style="list-style-type: none"><li>• Linear radio listened to via IP-device</li><li>• Podcasts</li><li>• Streamed music services</li></ul>



# Our Multiplatform Audio Dataset

- brands whose Broadcast Radio & Digital Audio effects are separable in MMMs

7  
Brands

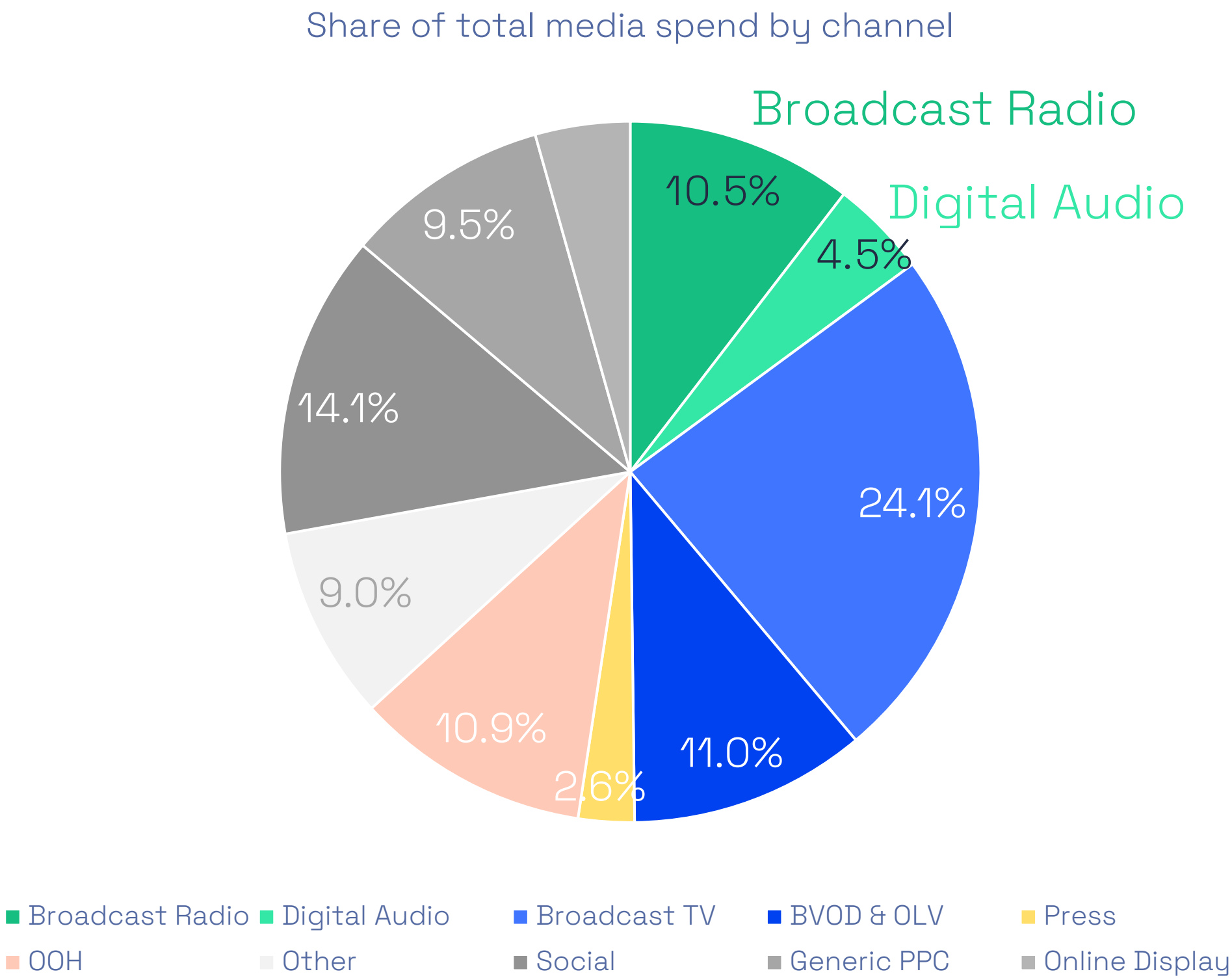
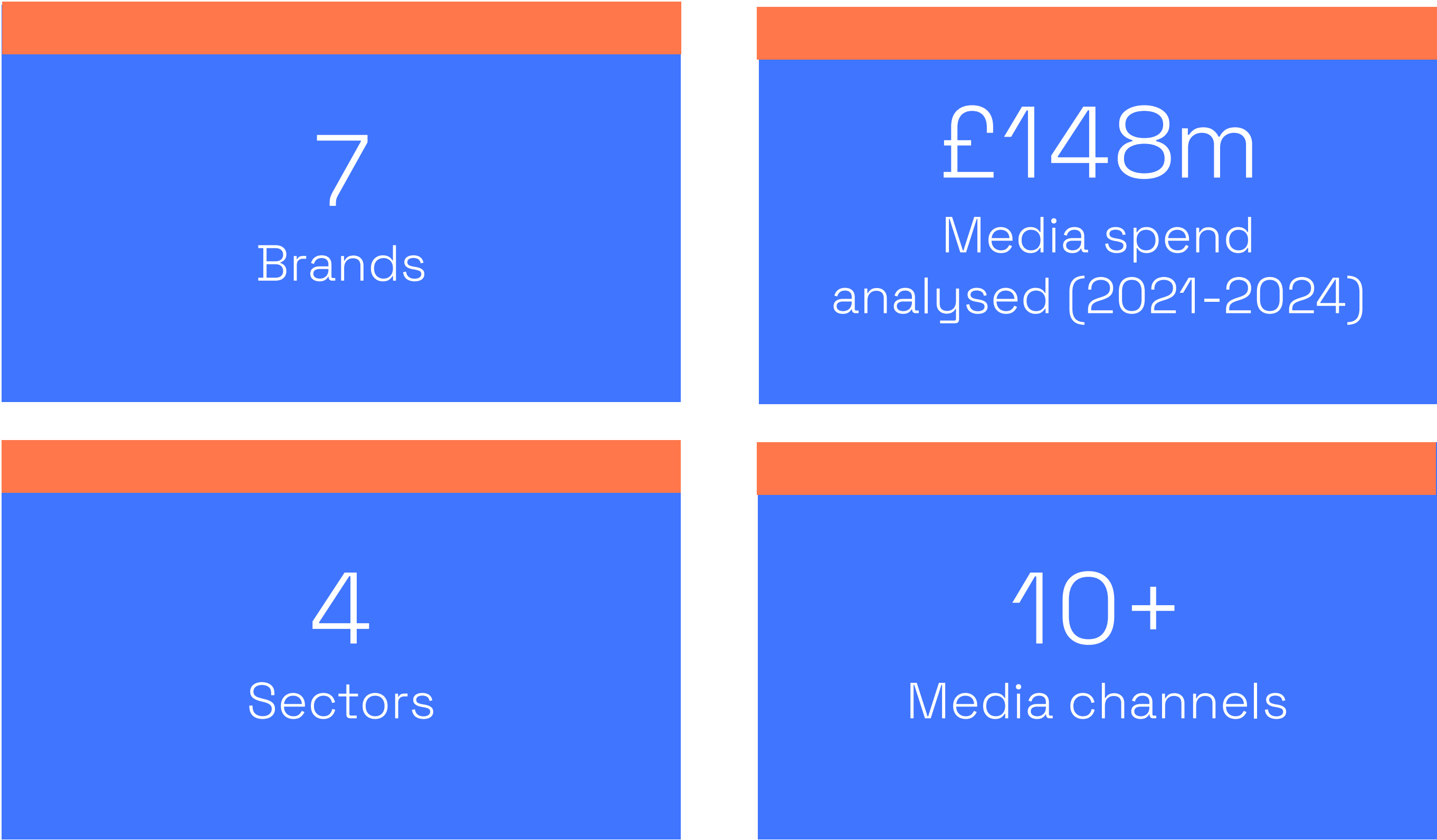
£148m  
Media spend  
analysed (2021-2024)

4  
Sectors

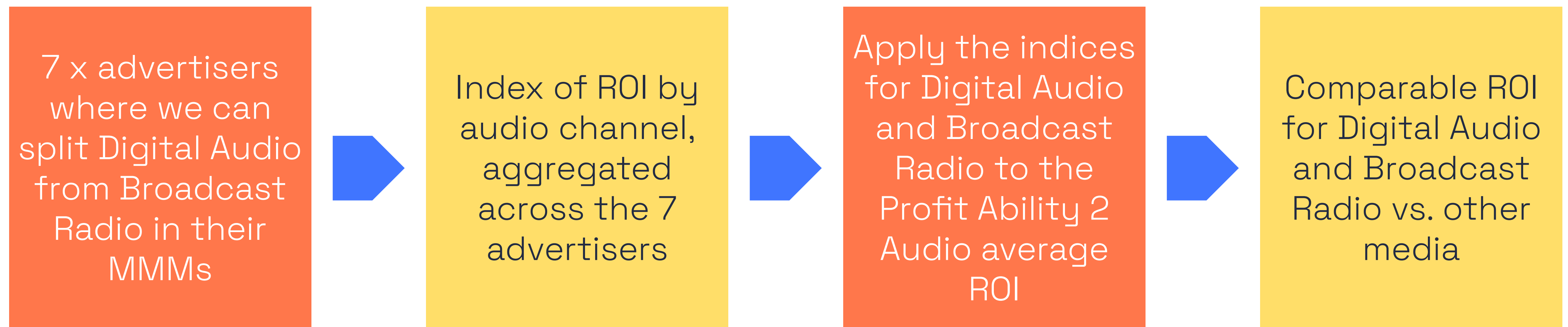
10+  
Media channels

# Our Multiplatform Audio Dataset

– brands whose Broadcast Radio & Digital Audio effects are separable in MMMs



# The outputs of these 7 models were then linked to Profit Ability 2 dataset to provide a comparison to other channels

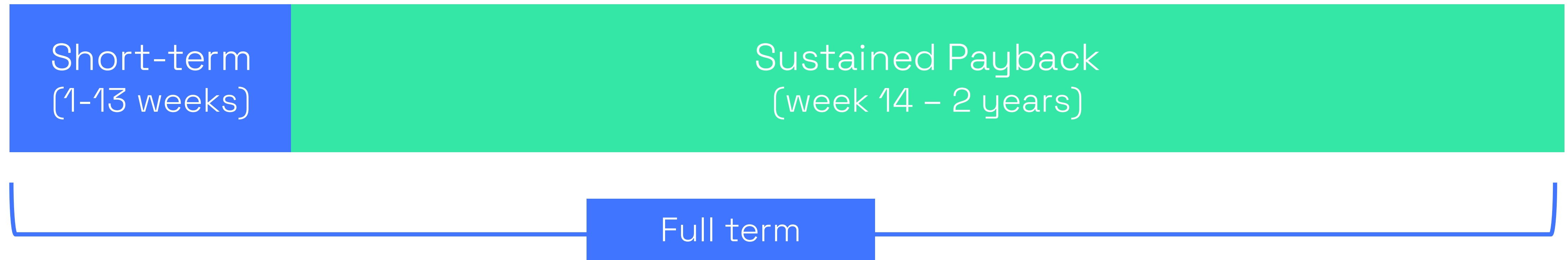




# 1. Total Audio ROI relative to other media

- Generating demand (full-term)
- Converting demand (short-term)

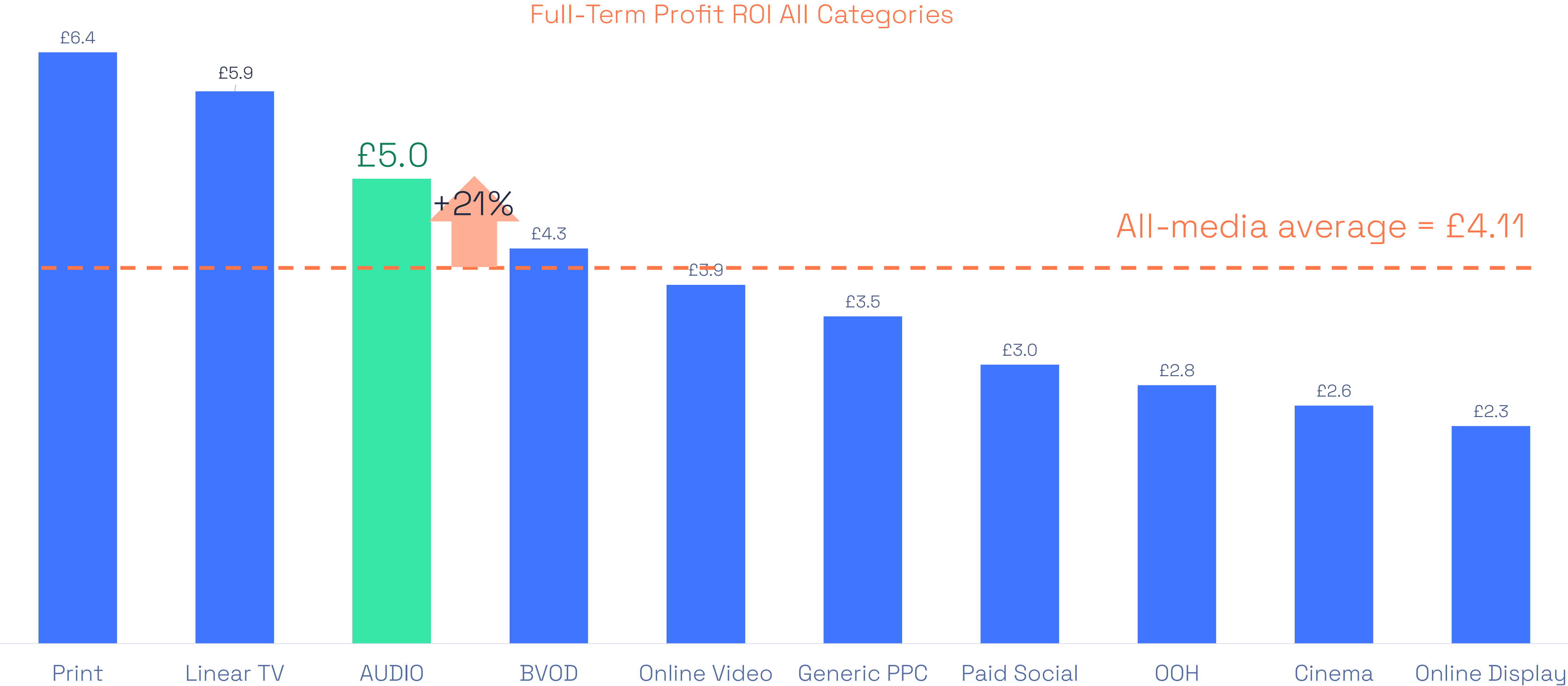
# Definitions (2)



Profit Volume - The incremental contribution of advertising to business profit based on unit sales, revenue contribution, profit margin and/or lifetime value

Profit ROI - The ratio between profit volume and advertising spend ( $\text{ROI} = \text{profit volume} / \text{media spend}$  where 1 = breakeven)

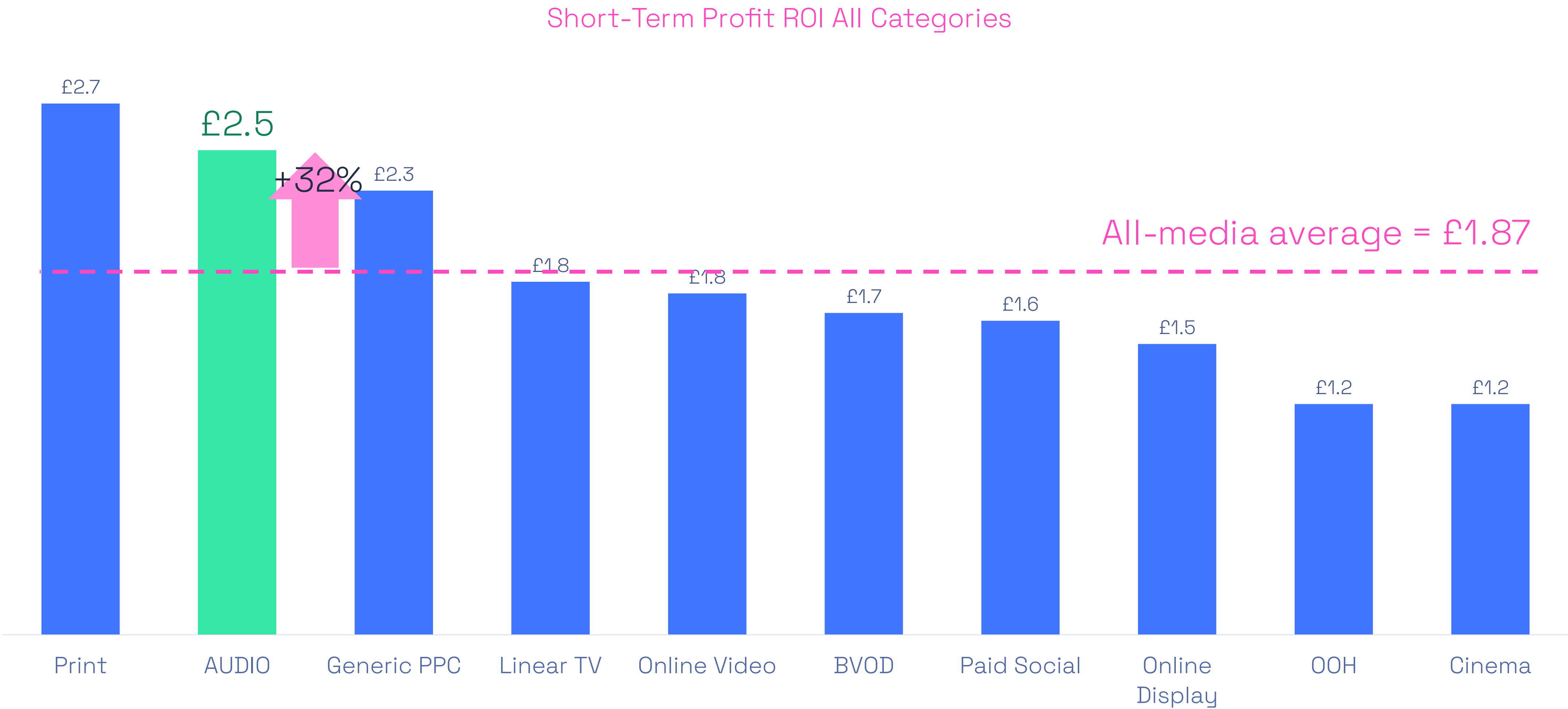
# Audio Full-term profit ROI is 21% higher than the all-media average



Source: Profit Ability 2, April 2024 – Ebiquity, EssenceMediacom, Gain Theory, Mindshare, Wavemaker UK.



# Audio Short-term profit ROI is 32% higher than the all-media average

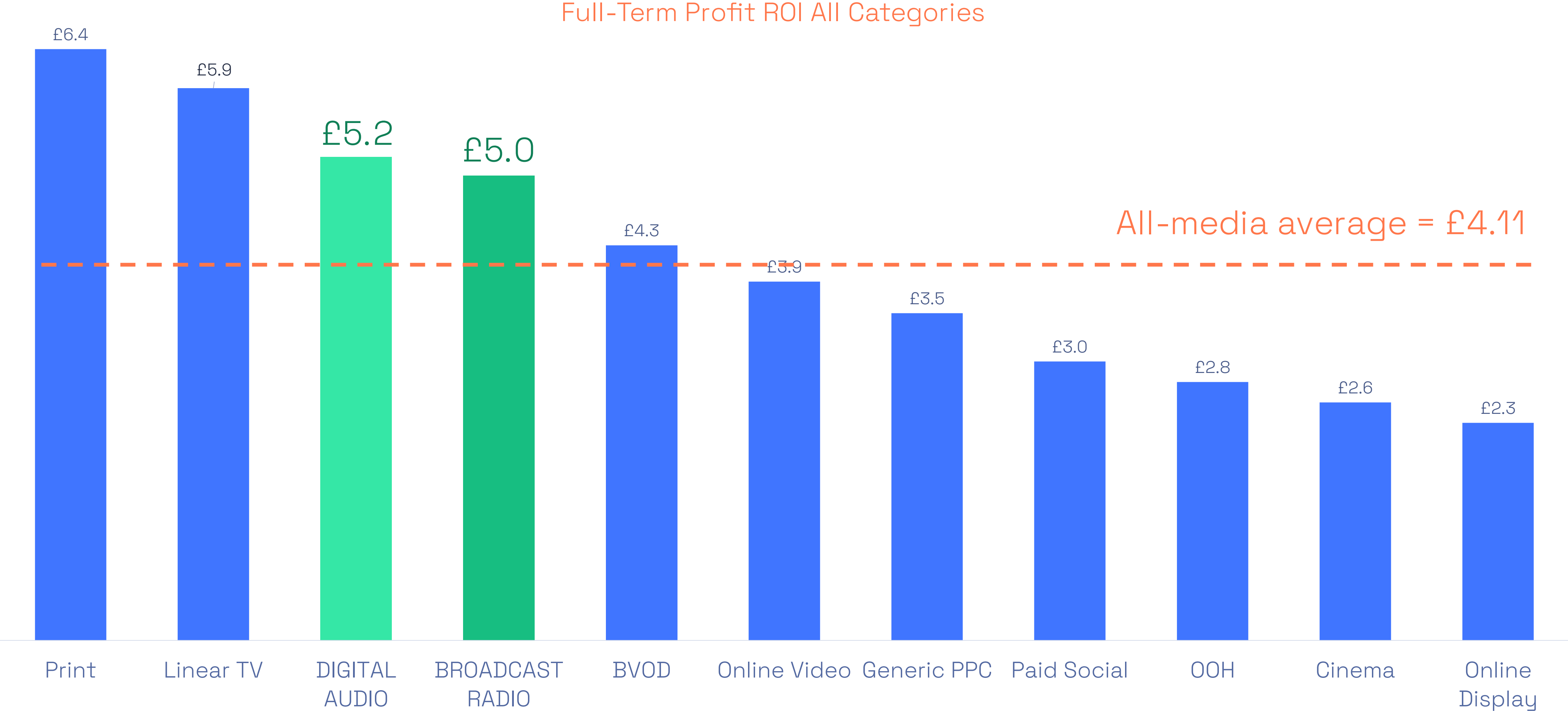


Source: Profit Ability 2, April 2024 – Ebiquity, EssenceMediacom, Gain Theory, Mindshare, Wavemaker UK.

## 2. Broadcast Radio & Digital Audio ROI vs. other media

- Generating demand (full-term)
- Converting demand (short-term)

# Broadcast Radio AND Digital Audio Full-term profit ROI are both significantly higher than the all-media average

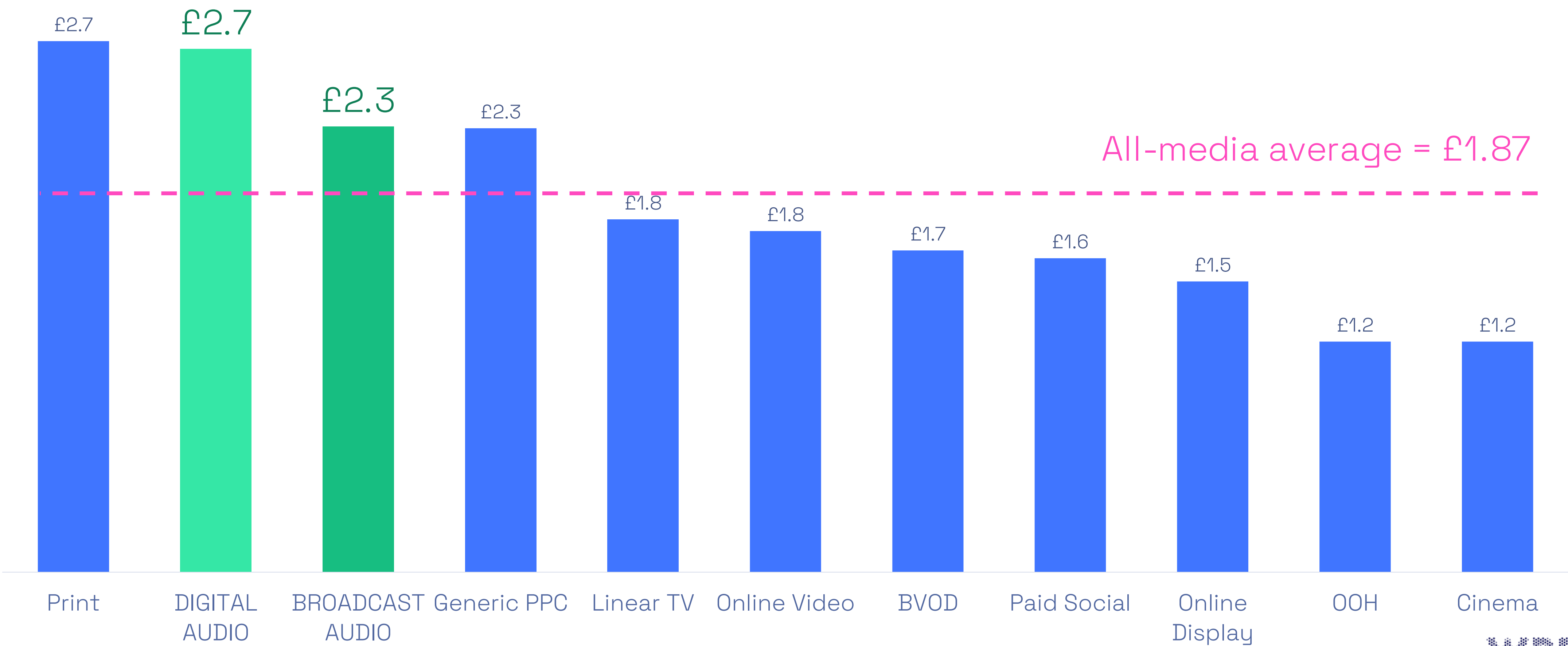


Source: Profit Ability 2, April 2024 – Ebiquity, EssenceMediacom, Gain Theory, Mindshare, Wavemaker UK; Digital and Broadcast Audio split, WPP Media, 7 brands



# Broadcast Radio AND Digital Audio Short-term profit ROI are both significantly higher than the all-media average

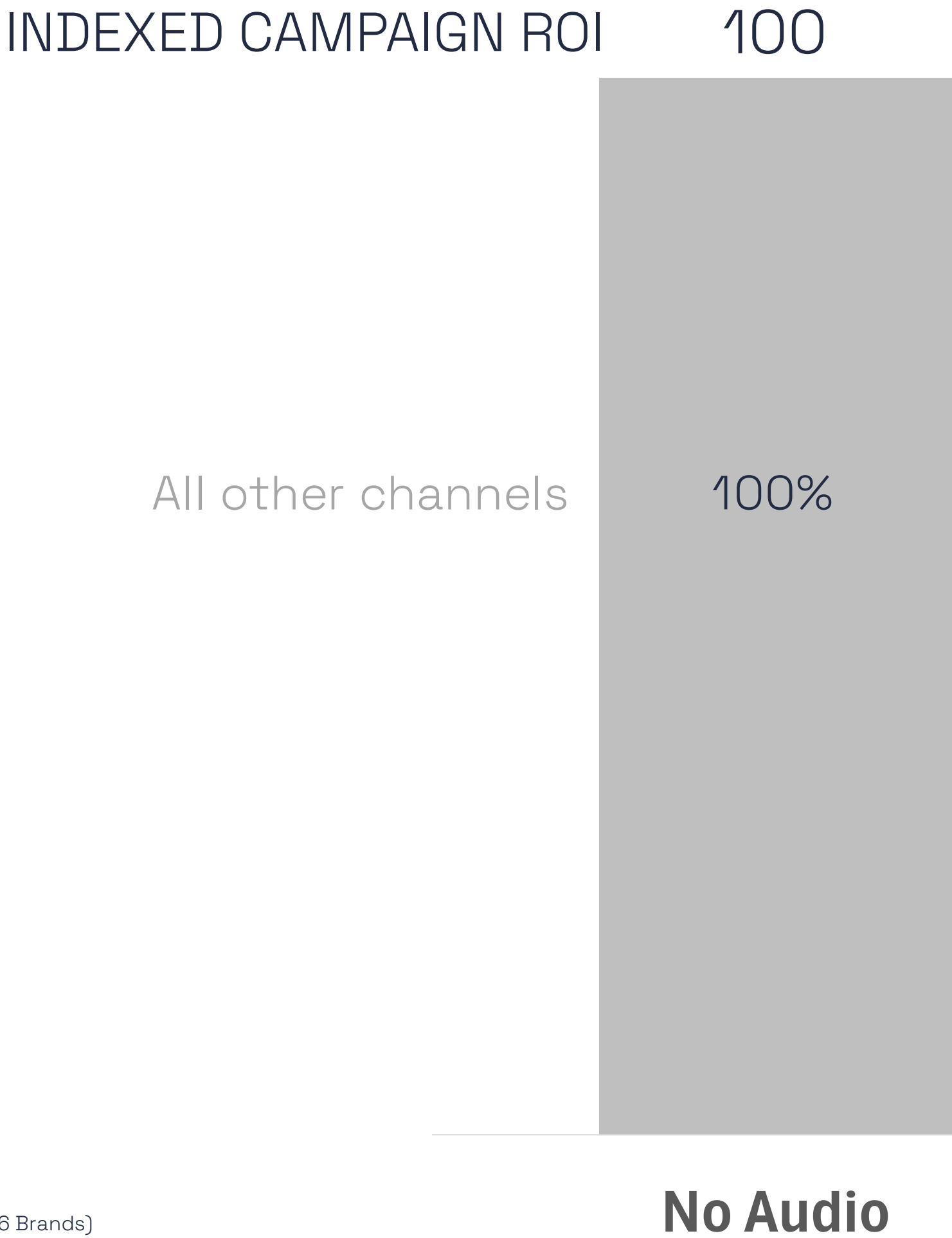
Short-Term Profit ROI All Categories



### 3. Effect of Multiplatform Audio on overall campaign ROI

# Excluding Audio: SHORT-TERM CAMPAIGN ROI base

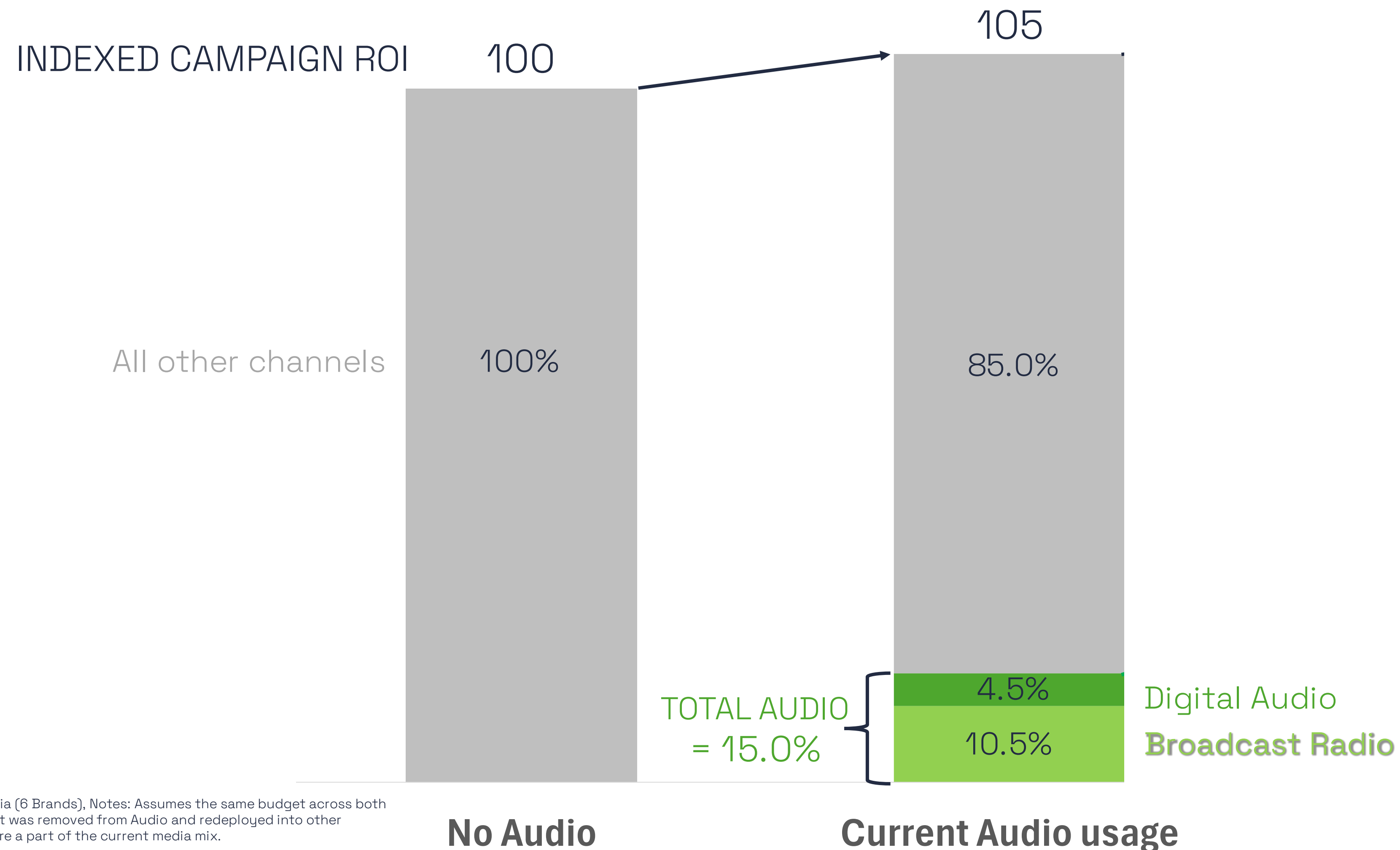
No Audio: overall campaign ROI (SHORT-TERM)





# Including Multiplatform Audio within the mix boosts **SHORT-TERM** TOTAL CAMPAIGN ROI

Effect of including Audio on overall campaign ROI (SHORT-TERM)



Source: WPP Media (6 Brands), Notes: Assumes the same budget across both scenarios. Budget was removed from Audio and redeployed into other channels that were a part of the current media mix.

# Theory reminder: diminishing returns and marginal ROI

## Average vs Marginal ROI - example

Illustration



# Both Broadcast Radio and Digital Audio have headroom to profitably increase investment

Average vs Marginal ROI - example

Illustration



Available headroom vs. current spend at different levels of Short-term MARGINAL ROI cut-off

Minimum Marginal Profit ROI	Broadcast Radio	Digital Audio
£1.50	+20%	+40%
£1.25	+40%	+80%
£1.00	+90%	+130%

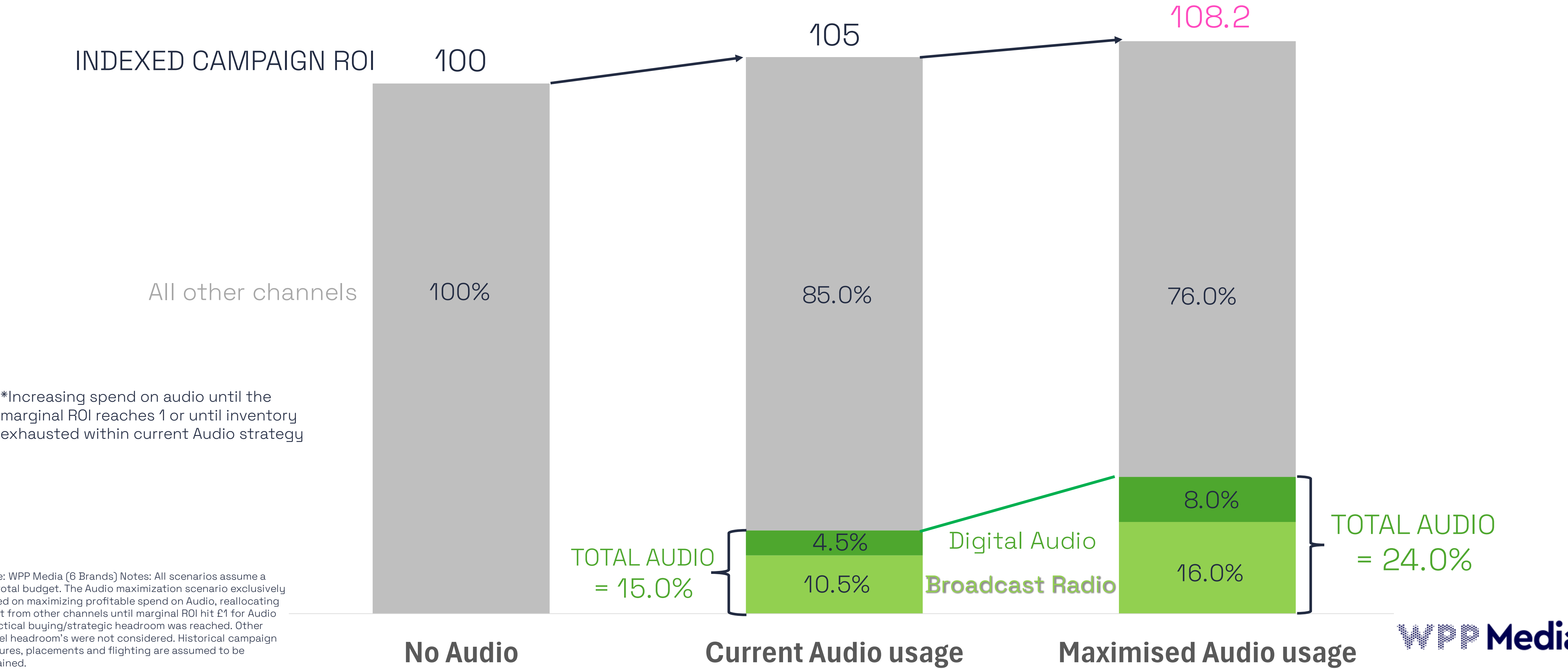
Maximised level



Source: WPP Media, Curves illustrative example only: Notes: Table results are based on 6 brands and show % spend increase vs current spend levels to different levels of marginal ROI. These are for Audio only.

# Maximising Multiplatform Audio share of media spend to 24% boosts **SHORT-TERM** TOTAL CAMPAIGN ROI by **8.2%**

Effect of including and maximising\* Audio budget share on overall campaign ROI (SHORT-TERM)





# Summary of the key findings

## Key learning 1

Audio has both a **higher short-and-full term ROI** vs the all-channel average

**+32%** in the short-term

**+21%** in the full-term

## Key learning 2

When measured separately, both **Broadcast Radio** & **Digital Audio** outperform the **all-channel average**

## Key learning 3

**Including** Multiplatform Audio within the media mix **boosts total campaign ROI**

**+5%** the short term

## Key learning 4

**Maximising** Multiplatform Audio within the media mix **boosts total campaign ROI**

**+8%** in the short-term (max spend 24%)

High Gain Audio

# Wrap up: putting the learning into practice

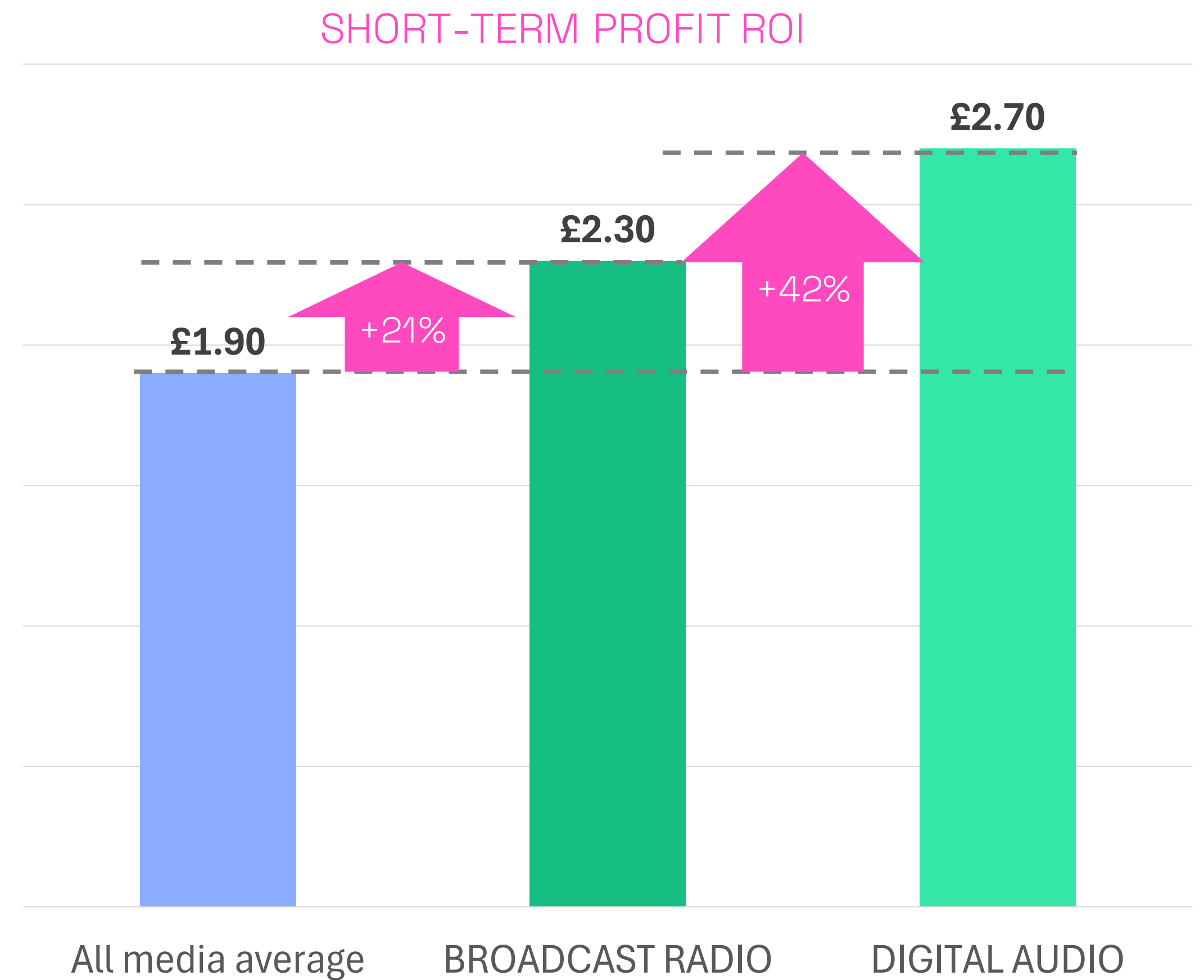
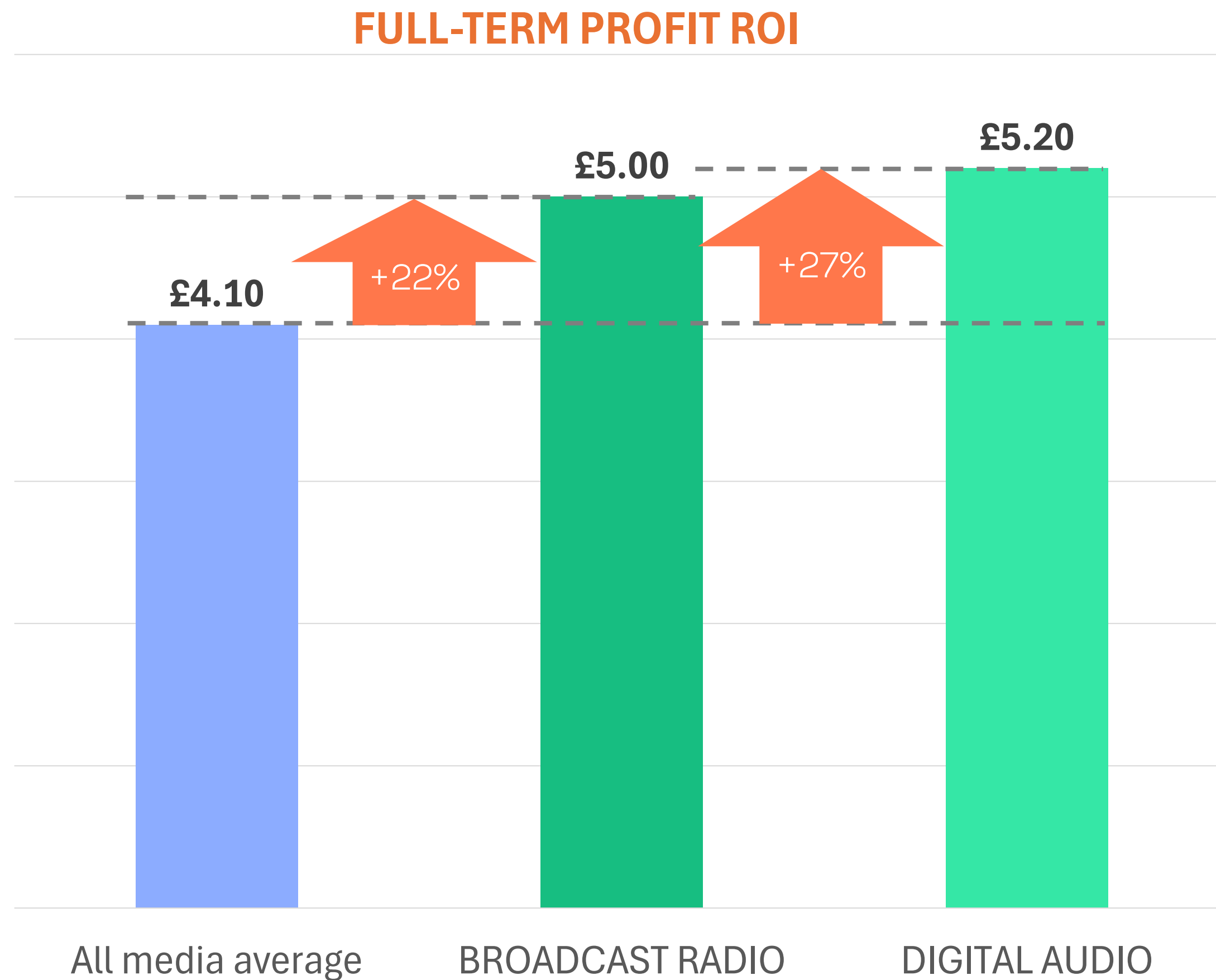
Mark Barber  
Radiocentre

# Multipatform Audio is underinvested!



# Multiplatform Audio is underinvested!

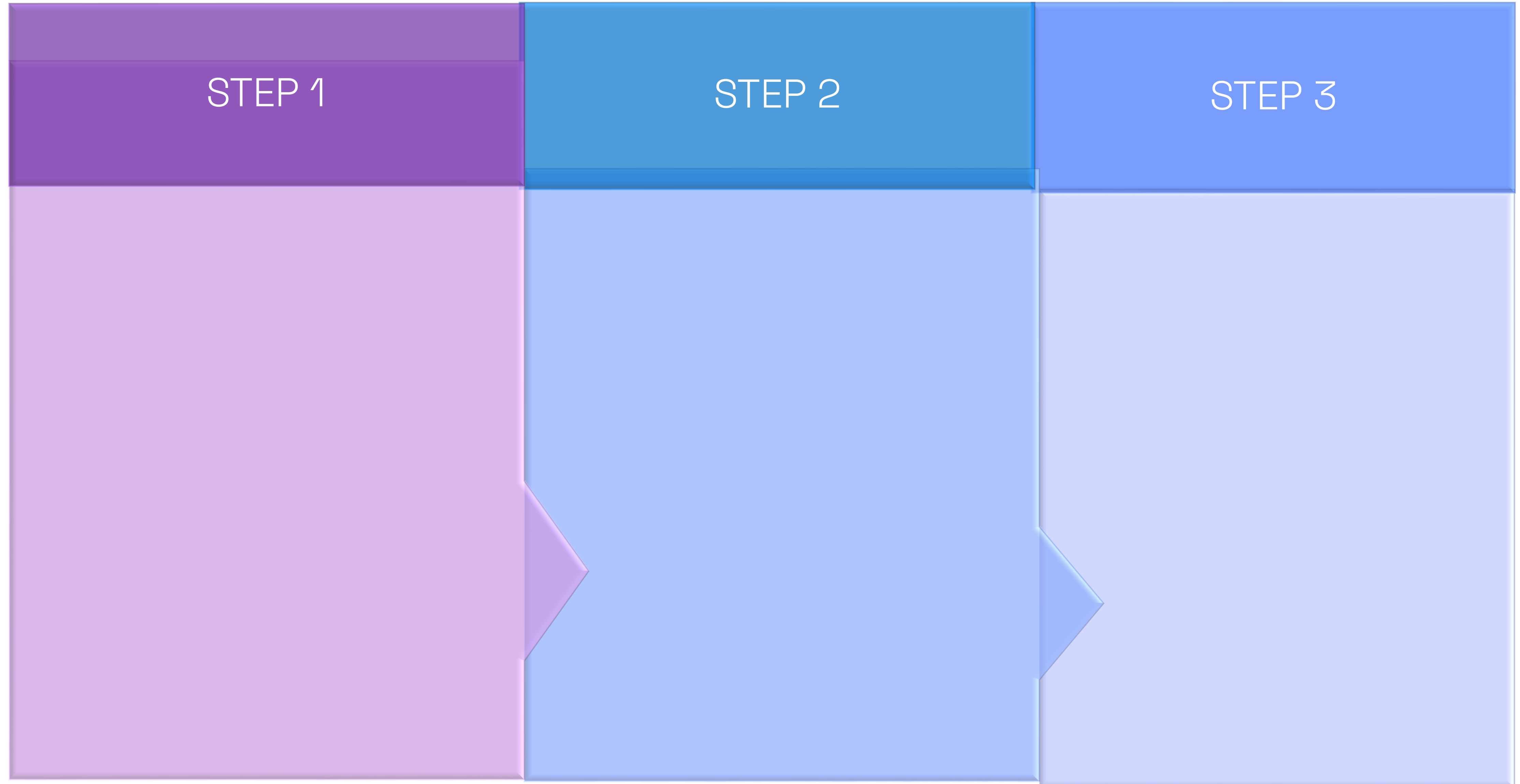
Profit ROI significantly outperforms the all-media average





# The Radiocentre 3-step guide

## Amplifying campaign effects using Multiplatform Audio



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# Ambitious Audio Budget Allocators



**Direct Line<sup>®</sup>**

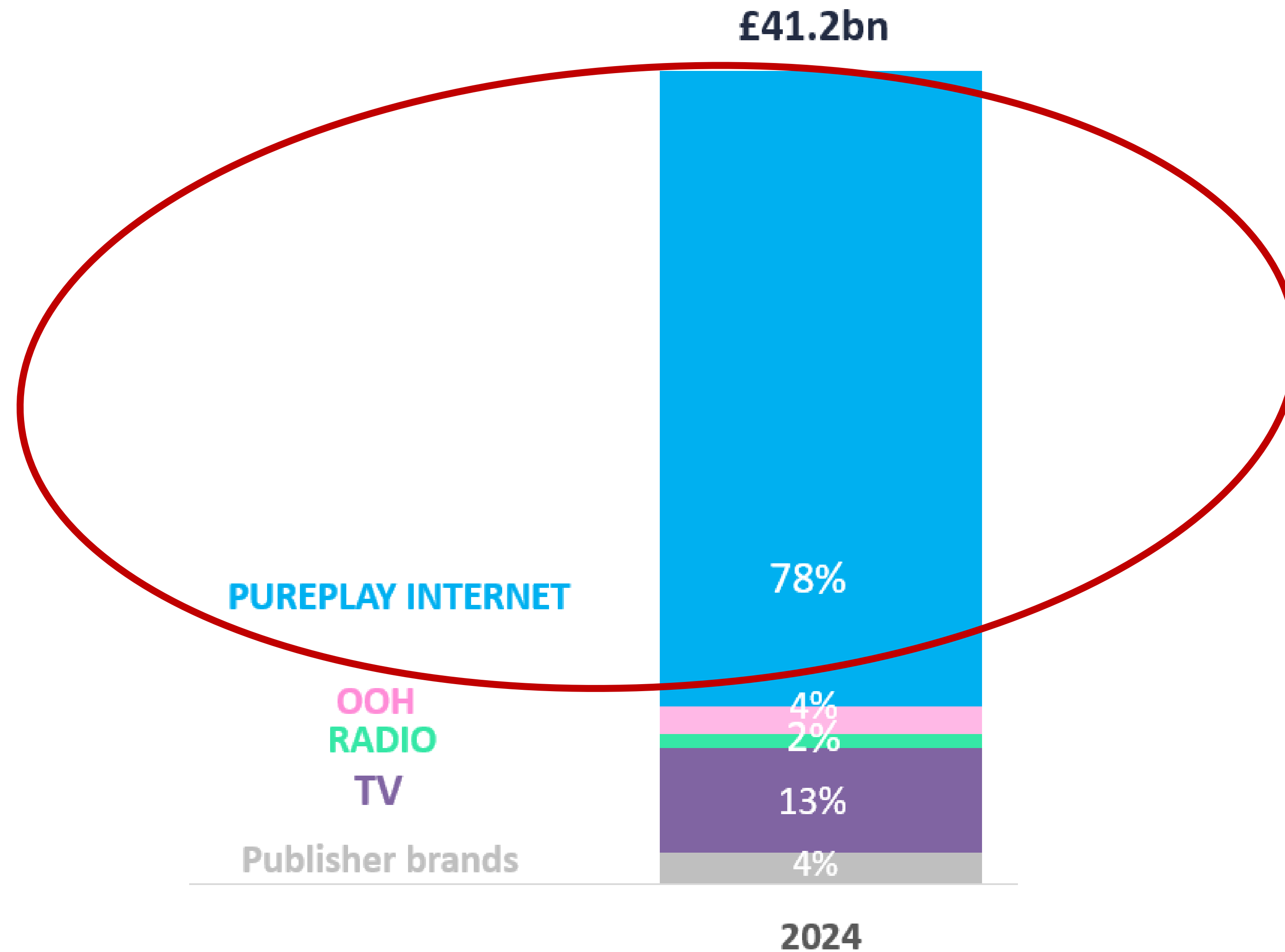


**Sainsbury's**

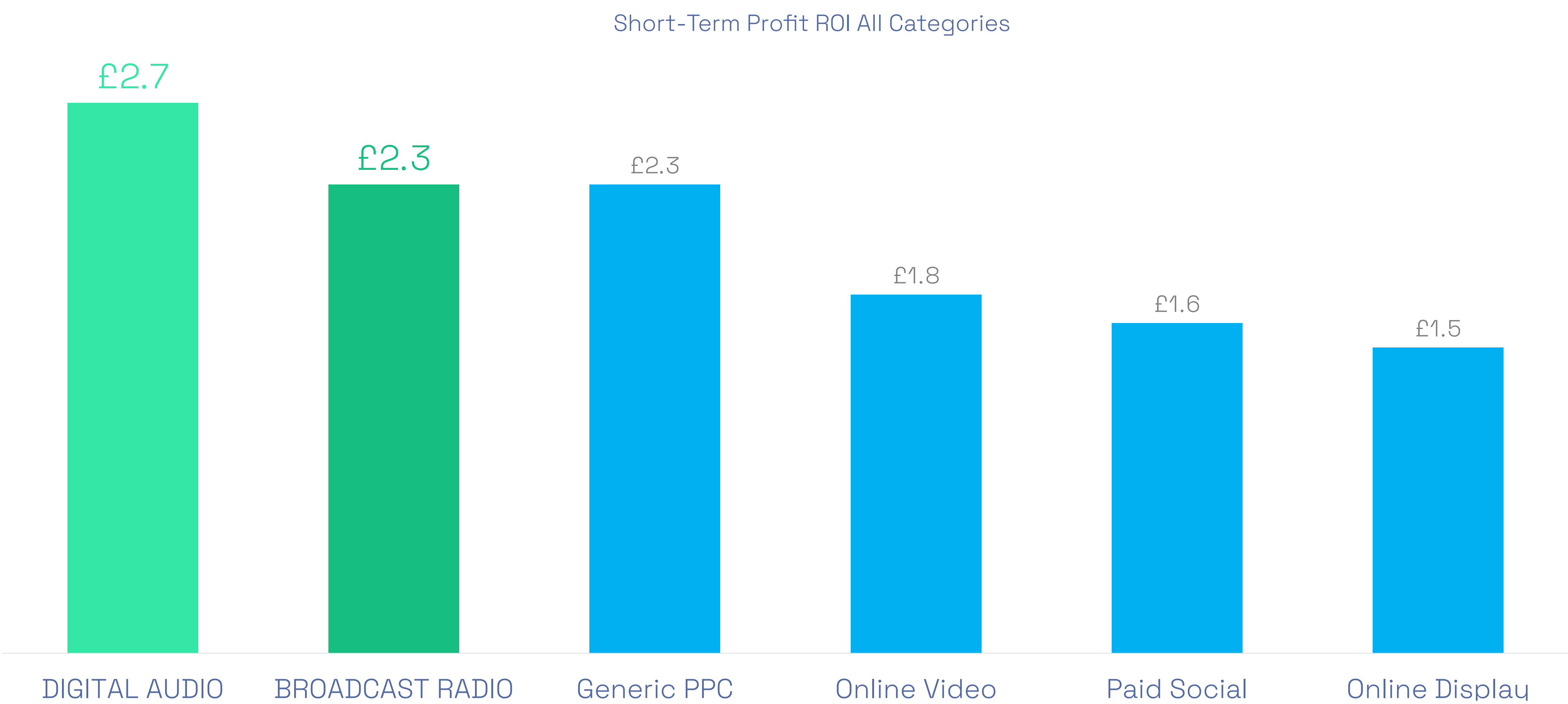


# Sourcing additional Audio budget allocation

starter-for-ten...

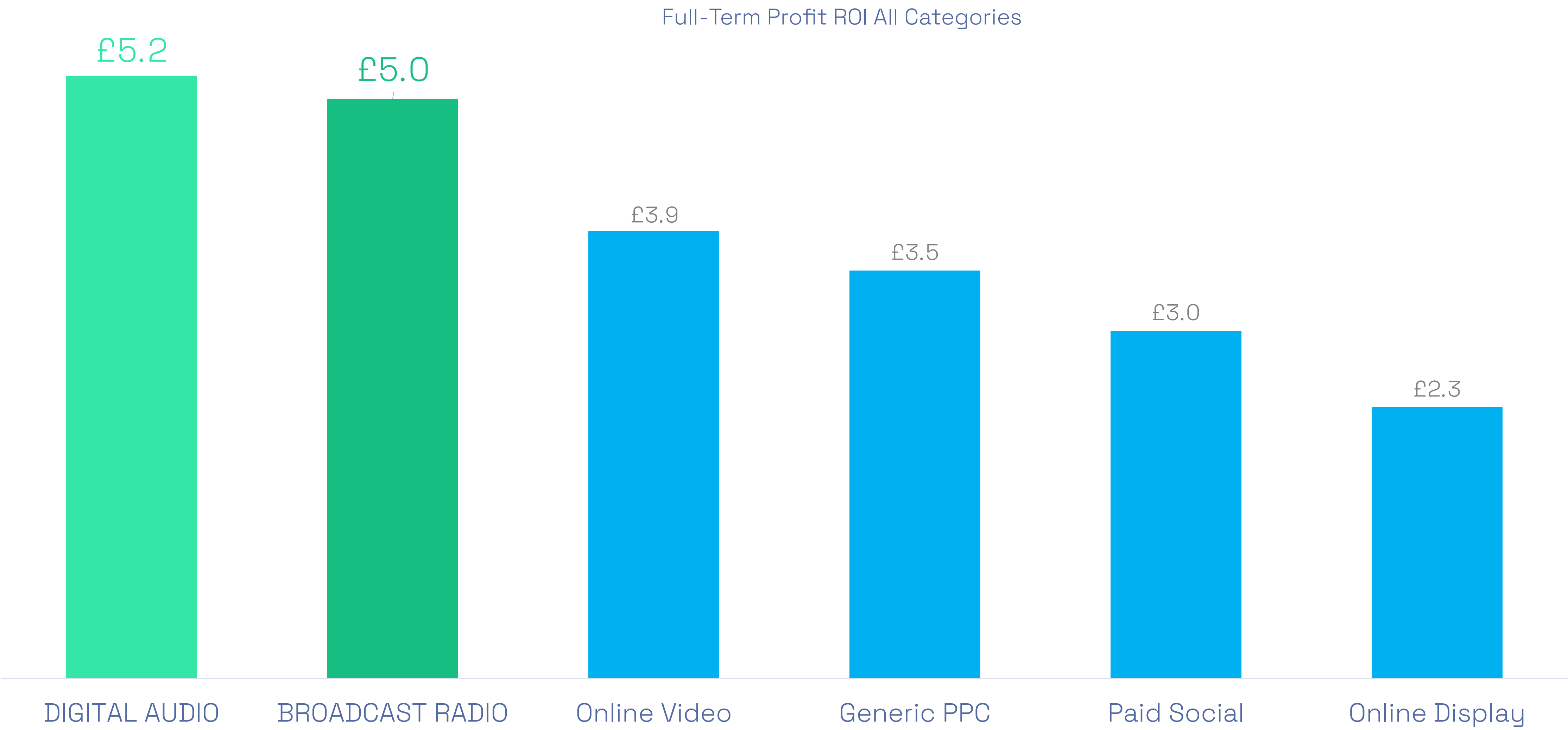


# Short-term profit ROI from Broadcast Radio & Digital Audio significantly outperforms pureplay digital channels



Base: Multiplatform Audio dataset (7 campaigns) vs. Total PA2 dataset

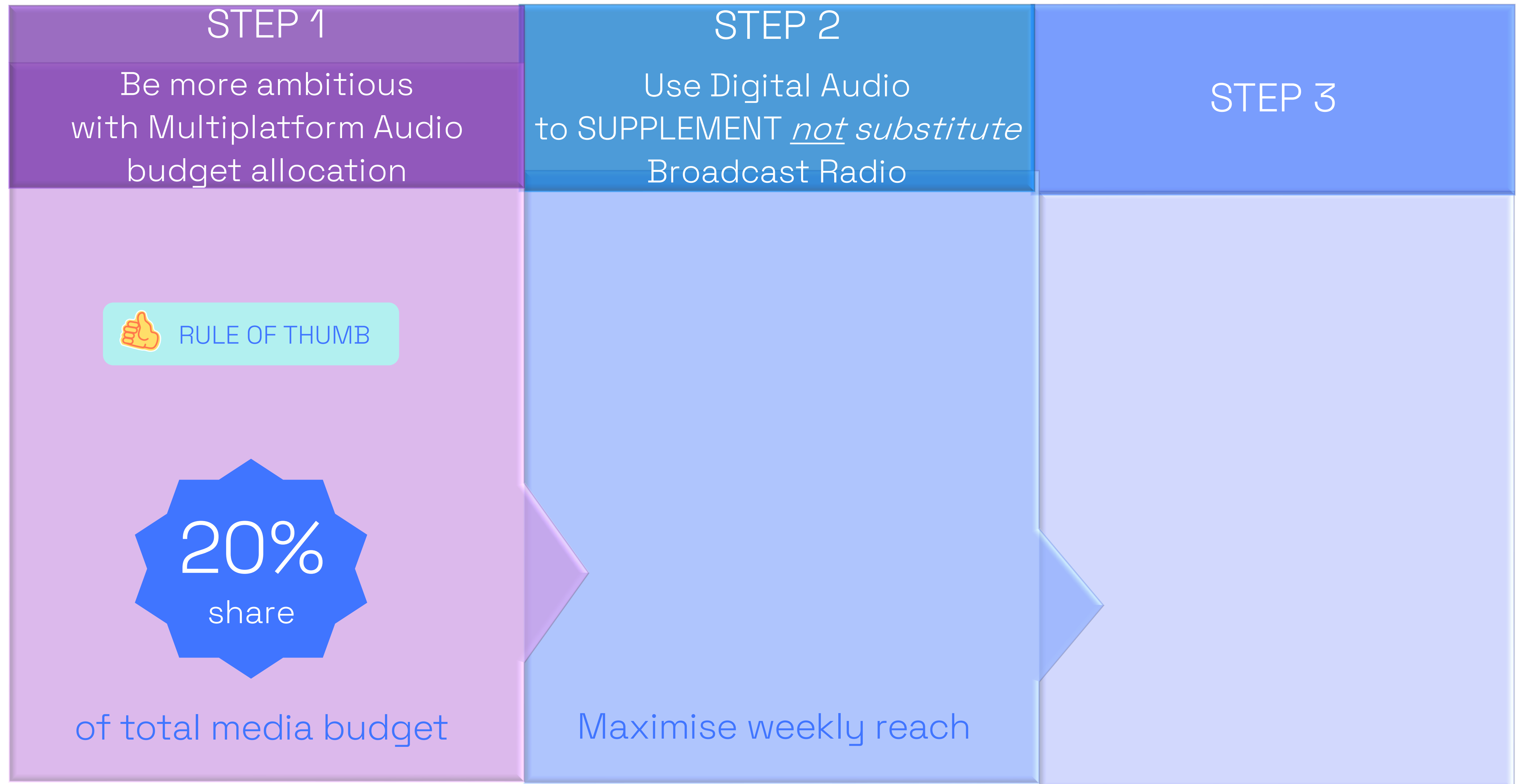
# Full-term profit ROI from Broadcast Radio & Digital Audio significantly outperforms all pureplay digital channels



Base: Multiplatform Audio dataset (7 campaigns) vs. Total PA2 dataset

# The Radiocentre 3-step guide

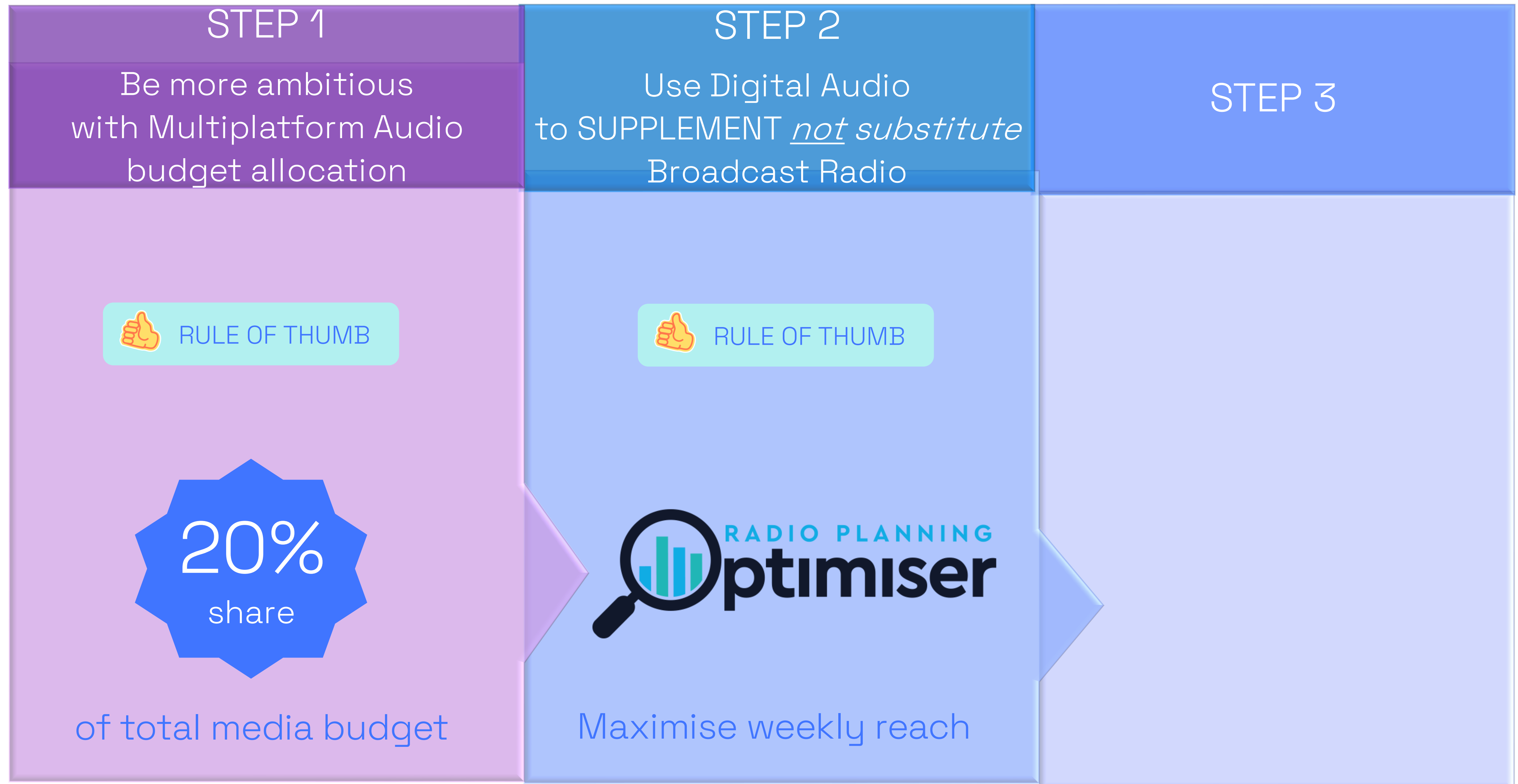
## Amplifying campaign effects using Multiplatform Audio





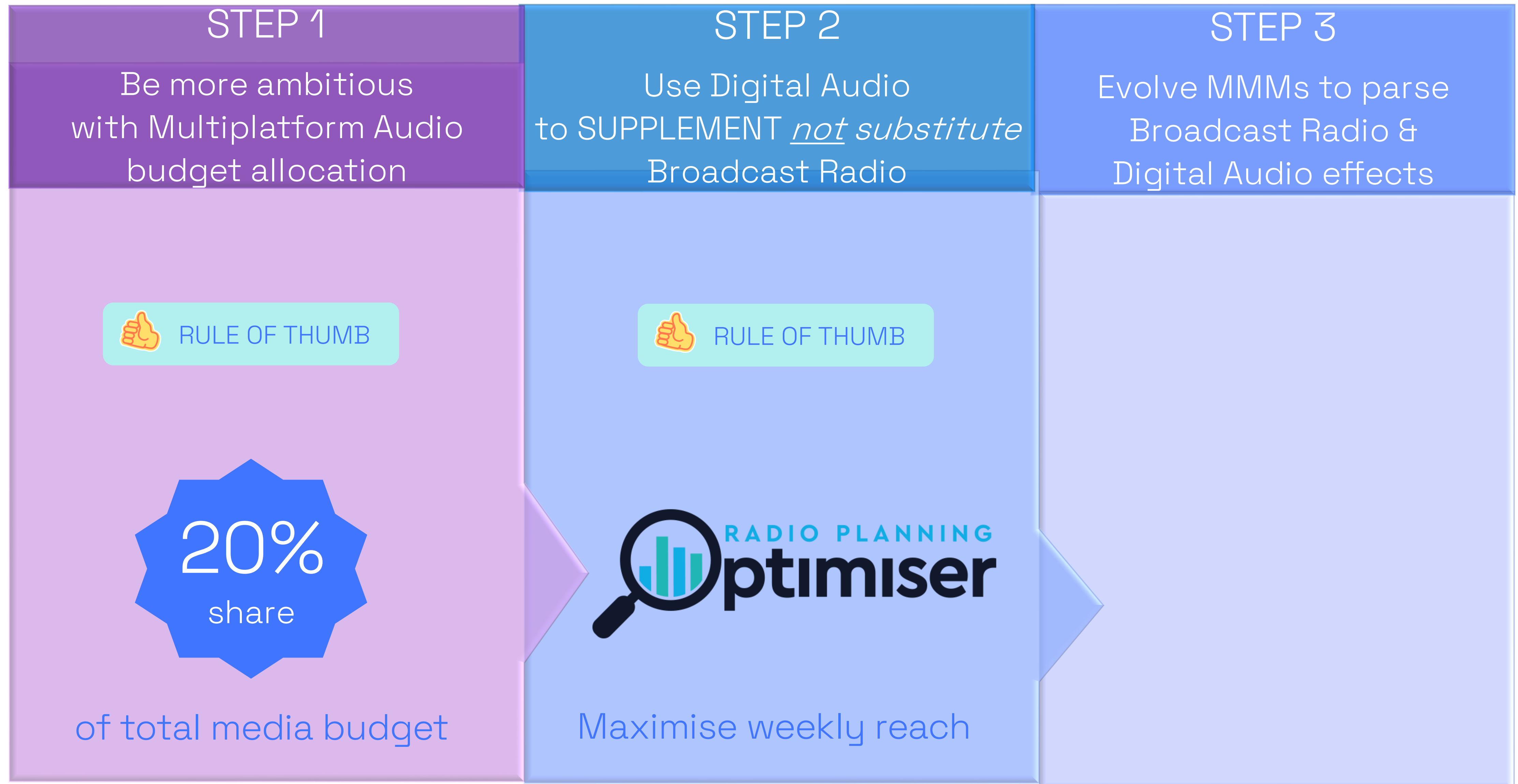
# The Radiocentre 3-step guide

## Amplifying campaign effects using Multiplatform Audio



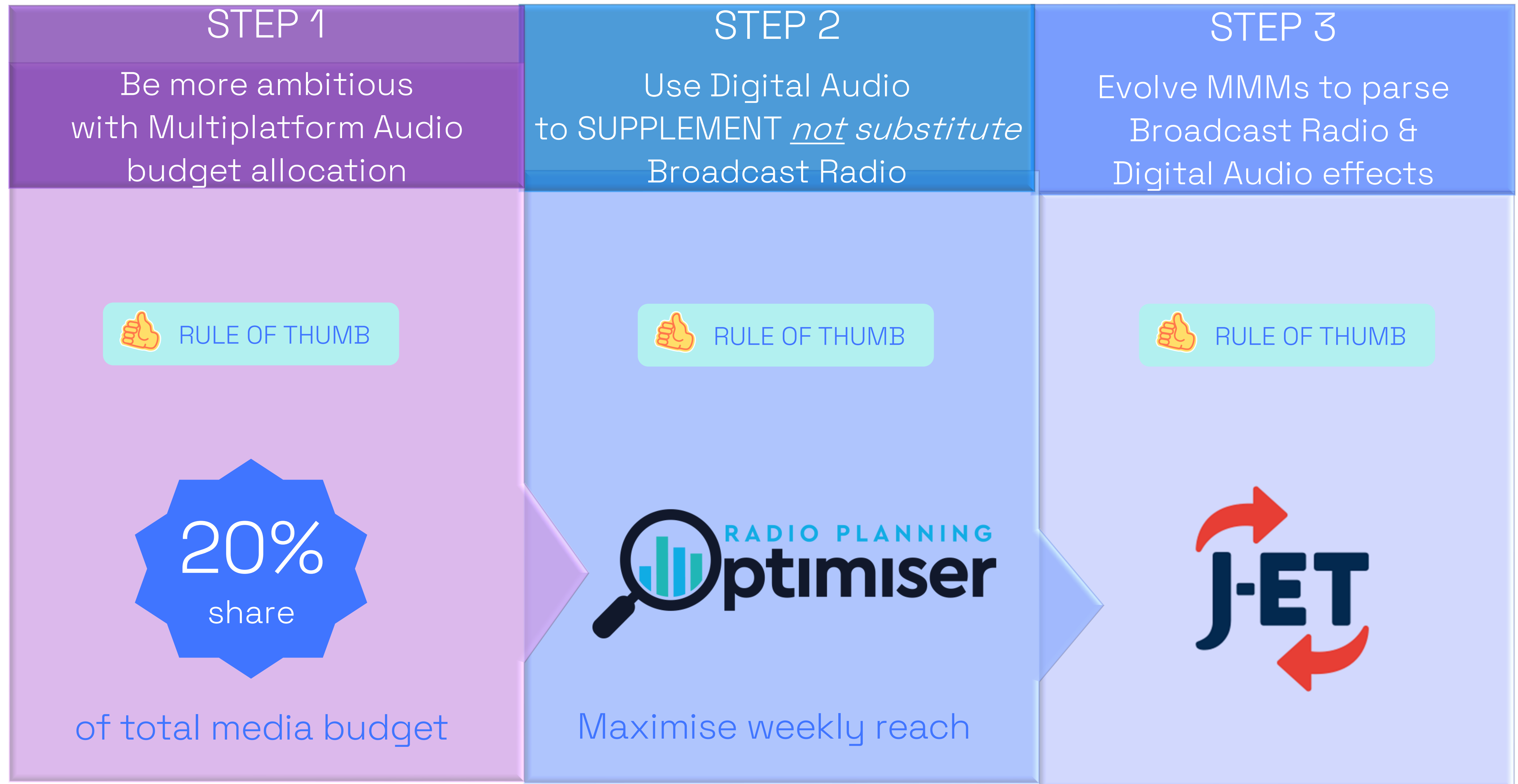
# The Radiocentre 3-step guide

## Amplifying campaign effects using Multiplatform Audio



# The Radiocentre 3-step guide

## Amplifying campaign effects using Multiplatform Audio





# HIGH GAIN AUDIO

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to amplify overall media campaign ROI



**GAIN**



**AMPLIFY**

# THANK YOU