



4DC THE PODCAST STRATEGISTS

part of

markettiers4dc
GROUP OF COMPANIES

PODCASTING & SAUDI ARABIA

Trust in the medium of the moment

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THE RESEARCH WAS CONDUCTED BY CENSUSWIDE ON BEHALF OF 4DC, WITH A SAMPLE OF 2,011 GENERAL RESPONDENTS IN SAUDI ARABIA 17.03.2020 - 27.03.2020.

AN ONLINE QUANTITATIVE SURVEY WAS USED FOR DATA COLLECTION. CENSUSWIDE ABIDE BY AND EMPLOY MEMBERS OF THE MARKET RESEARCH SOCIETY WHICH IS BASED ON THE ESOMAR PRINCIPLES.

INTRODUCTION



CHERYL KING
MD, MARKETIERS MENA

We have long been excited to canvas the appetite for podcasts in Saudi Arabia. Our insight gathering hinted there was a vast community of avid podcasters in the Kingdom, but the hard numbers weren't there; until now. Our report into the podcast landscape of Saudi Arabia – the first of its kind - reveals a nation that is flying the flag for the medium. 15% of the population listen more than once a week, which interestingly, puts the Kingdom on a similar par to the UAE, with 16% defining themselves as regular listeners.

What's more when it comes to who is listening the most, the data swings predominately towards women. In fact women are not only leading the charge, they own it: 1 in 5 females (20%) listen more than once a week, which is double the ratio (10%) of men. The reasons women value podcasts so much is that they provide dedicated content to cater to their specific interests (69%), they can listen whilst doing other things (61%) and they value the storytelling nature (49%) of the medium.

So podcasts are giving a voice to a range of different subjects women in particular are interested in. And given the nature of the culture, with stories being passed down from generation to generation, it's not hard to see why podcasts are proving so popular.

What's perhaps most telling about this report, is the time frame from which it has been delivered. Not only does the report paint a picture of a burgeoning podcast landscape, but it canvases the landscape during COVID-19. Whilst 'in car' play is down globally (those listening to podcasts whilst commuting), people are still consuming podcasts but in a different way. So the numbers are still there, but listener habits are changing.

Listening to a podcast is traditionally thought of as a solitary experience, and one that you invest in and connect with on your own. But in Saudi Arabia, women are listening to podcasts in a group. So far from an individual experience – at least for now – podcasts are a communal experience.

And what we see also is the trust factor. In Saudi Arabia podcasting is, among regular listeners, now the most trusted form of media; despite its young age. It's easy to see why, podcasts represent very open, unregulated platforms that people can tune into, and with Saudi Arabia having some of the highest smartphone proliferation levels in the Middle East, the ease of listening represents an innovative way to stay connected.

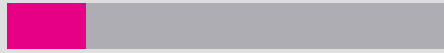
It is this powerful connection that listeners have with podcasts that spells a huge opportunity for brands who want to engage with audiences in Saudi Arabia. Brands can say a lot in 43 minutes – the average length of a podcast in the region – and as the medium creates very loyal, very engaged audiences, the opportunity is absolute.

Podcasts are local, they are created for the region, by the region and listenership remains fairly consistent across age groups. They are in Arabic and English – and localised content is winning over the big global exports. With this in mind, for a brand wanting to reach a specific audience in Saudi, the time is now to act. The audience is there, the appetite is univocal, and the metrics for measurement highlight the huge relatively untapped opportunity that's waiting to be seized.

HIGHLIGHTS

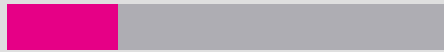
1.

Podcast listeners spend 17% more on food and drink than non podcast listeners



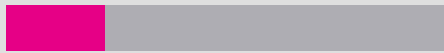
2.

Nearly a quarter (23%) of the adult population listen to podcasts



3.

20% of women are regular podcast listeners compared to 10% of men



4.

56% of people listen to podcasts socially with their family



BIG TRUST FACTOR

PODCAST listeners trust podcasts more than traditional media

| | |
|-------------------------------|-----|
| PODCASTS | 93% |
| RADIO | 90% |
| TV | 89% |
| ONLINE NEWS AND MEDIA OUTLETS | 87% |
| SOCIAL MEDIA | 74% |

PODCAST BITES: SAUDI ARABIA

5.1 MILLION

REGULAR PODCAST LISTENERS IN THE SAUDI ARABIA (15% OF THE ADULT POPULATION*)



78%

ARE FAMILIAR WITH THE TERM 'PODCASTING'



15%

REGULAR PODCAST LISTENERS IN WESTERN REGION



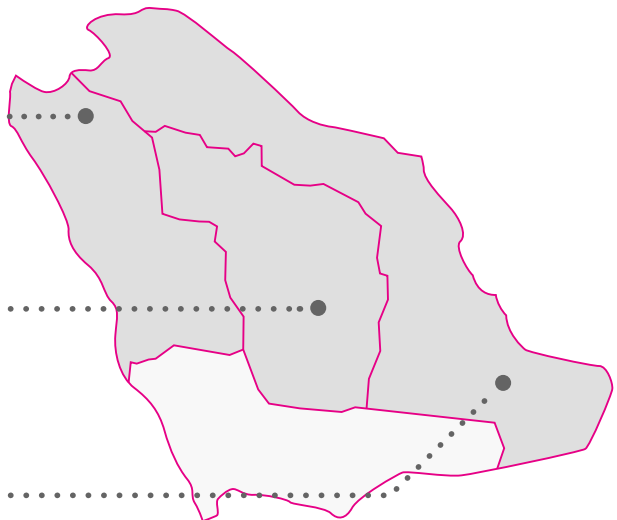
15%

REGULAR PODCAST LISTENERS IN CENTRAL REGION



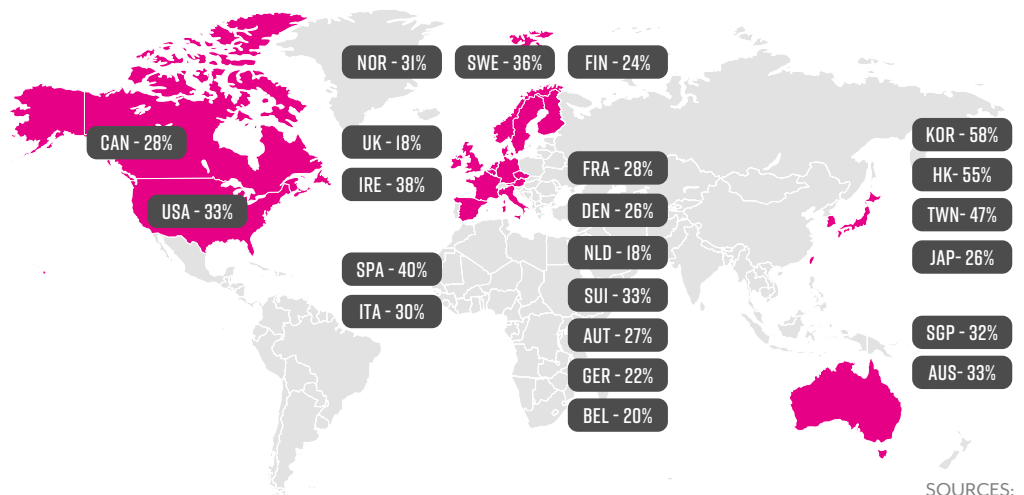
10%

REGULAR PODCAST LISTENERS IN EASTERN REGION



ROW COMPARISON: LISTENED TO A PODCAST IN THE LAST MONTH

PROPORTION OF POPULATION



SOURCES:

4DC / makettiers

Reuters Institute Digital News Report 2018



PODCAST LISTENERS' PURCHASE POWER

A long-held assumption is that the podcast audience is more educated and further advanced in their careers. With those traits come greater social mobility and more disposable income.

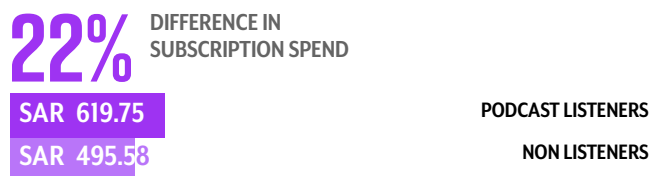
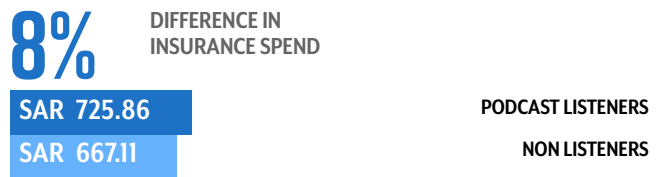
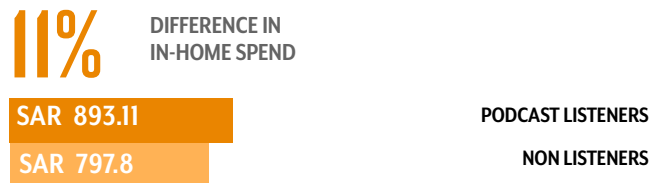
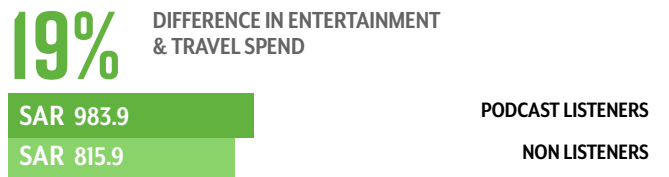
In the US, those assumptions have been more or less proved correct thanks to a swelling data pool, particularly via Edison's Infinite Dial and Nielsen's Total Audience reports.

In the UAE, the baselines for podcast listener data were laid by 4DC in 2019. The makettiers' group company probed the UAE to test assumptions around listener purchase power, and concluded that spend markedly increases in FMCG, lifestyle, premium and non-essential products and services.

Again, powered by 4DC data, makettiers sought to understand the situation in Saudi Arabia - and the results are similarly eye-opening.

PODCASTING IS A SOLID AND SUCCESSFUL WAY TO REACH PLUGGED-IN, ACTIVE AND WORLDLY CUSTOMERS - THE SPEND POWER BUBBLING AWAY WITHIN THE KSA LISTENERSHIP REPRESENTS A REMARKABLE OPPORTUNITY

AVERAGE MONTHLY SPEND BY CATEGORY REGULAR VS. NON-REGULAR PODCAST LISTENERS



Source: 4DC

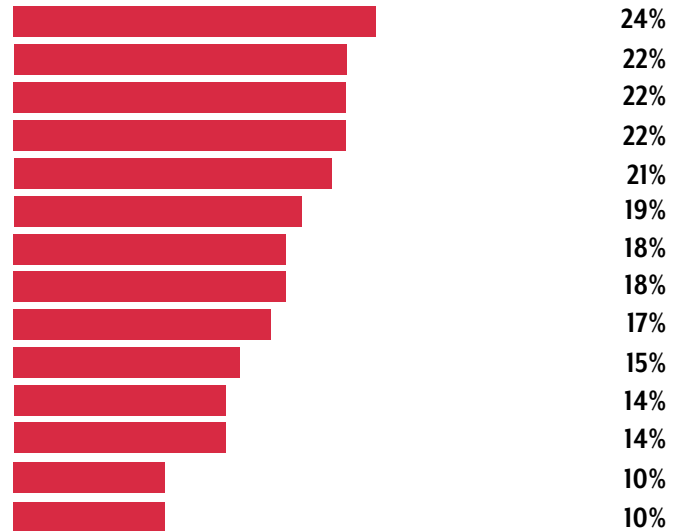
SOURCES:
4DC / makettiers
Reuters Institute Digital News Report 2018
Edison - Infinite Dial 2019
Nielsen - Total Audience Report 2018

FOOD & DRINK

AVERAGE SPEND PER MONTH

| CATEGORY | PODCAST LISTENERS | NON LISTENERS |
|------------------------|---------------------|---------------------|
| BABY FOOD | SAR 169.15 | SAR 133.29 |
| CARBONATED DRINKS | SAR 125.82 | SAR 100.89 |
| SWEETS / CONFECTIONARY | SAR 190.52 | SAR 153.3 |
| FISH | SAR 198.69 | SAR 158.64 |
| COFFEE | SAR 161.85 | SAR 131.31 |
| SNACKS | SAR 181.98 | SAR 150.75 |
| DAIRY | SAR 178.92 | SAR 149.44 |
| BOTTLED WATER | SAR 166.42 | SAR 139.41 |
| TINNED GOODS | SAR 165.61 | SAR 140.23 |
| MEAT | SAR 290.58 | SAR 249.66 |
| BREAKFAST FOOD | SAR 168.35 | SAR 147.02 |
| FROZEN GOODS | SAR 212.77 | SAR 185.38 |
| FRUIT & VEGETABLE | SAR 259.3 | SAR 234.53 |
| BAKERY | SAR 132.73 | SAR 120.29 |
| | SAR 2,602.69 | SAR 2,194.14 |

DIFFERENCE



AVERAGE DIFFERENCE IN SPEND:

17%

Source: 4DC
Based on respondents who shop for food (98% of respondents)

Sizing up shopping baskets is a good indicator of people's attitudes to life's essentials. As we see, regular podcast listeners outspend non-regular listeners by 17% at the supermarket checkout.

Spending in Saudi Arabia is just as pertinent in expensive items as it is in everyday treats. In soft drinks, sweets and coffee, podcast listeners outspend non-listeners by double-digit percentages each month.



SOURCES:
4DC/ makettiers

LIFESTYLE

AVERAGE SPEND PER MONTH

| CATEGORY | PODCAST LISTENERS | NON LISTENERS |
|----------------|-------------------|------------------|
| SKIN CARE | SAR 204.77 | SAR 150.34 |
| GYM MEMBERSHIP | SAR 227.74 | SAR 188.19 |
| VITAMINS | SAR 145.05 | SAR 121.63 |
| DINING OUT | SAR 274.96 | SAR 239.05 |
| TOBACCO | SAR 131.38 | SAR 116.69 |
| | SAR 983.9 | SAR 815.9 |

Source: 4DC

DIFFERENCE



AVERAGE DIFFERENCE IN SPEND:

19%

More than food and drink, lifestyle purchases offer an insight into people's habits and priorities when it comes to leisure, self-care and more.

In a theme we see throughout the data, podcast listeners invest more in wellbeing such as skincare, vitamins and gym memberships, as well as experiences such as dining out. Tobacco is the category where the gap is least noticeable – yet listeners still outspend non-listeners by a substantial 12%.



IN-HOME

AVERAGE SPEND PER MONTH

| CATEGORY | PODCAST LISTENERS | NON LISTENERS |
|-----------------------------|-------------------|------------------|
| TAKE-AWAY | SAR 228.15 | SAR 190.91 |
| HOUSEHOLD CLEANING PRODUCTS | SAR 190.67 | SAR 164.16 |
| PET FOOD | SAR 87.34 | SAR 77.15 |
| PET CARE | SAR 88.95 | SAR 81.05 |
| CLOTHES | SAR 298 | SAR 284.53 |
| | SAR 893.11 | SAR 797.8 |

Source: 4DC

DIFFERENCE



AVERAGE DIFFERENCE IN SPEND:

11%

In-home spend again points at people's lifestyles and habits, but through purchases across both essential and non-essential categories.

Once again, podcast listeners show much more spend. First, in essentials such as pet care, pet food and clothes but also in non-essentials, such as take-away meals. The fact that listeners spend almost a fifth more in both takeaways and cleaning products offers a clear window into listeners' homes and household set-up.



INSURANCE

AVERAGE SPEND PER MONTH

| CATEGORY | PODCAST LISTENERS | NON LISTENERS |
|-----------------|-------------------|-------------------|
| HOME INSURANCE* | SAR 415.45 | SAR 356.26 |
| CAR INSURANCE* | SAR 310.40 | SAR 310.84 |
| | SAR 725.86 | SAR 667.11 |

Source: 4DC

DIFFERENCE



15%



0%

AVERAGE DIFFERENCE IN SPEND:

8%

At 15% more spend on monthly home insurance, it's easy to conclude that podcast listeners in Saudi Arabia have bigger and/or more expensive properties.

Comparing across regions, the UAE saw a hugely pronounced gap of 31% for both car and home insurance. While there is no gap for car insurance, home insurance is still pronounced, with podcast listeners spending almost a tenth more on average each month. That fact alone powers easy assumptions about listener lifestyles, statuses, jobs and tastes.



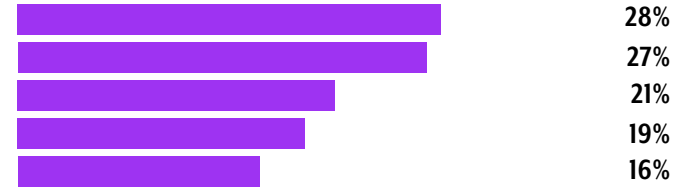
SOURCES:
4DC/ makettiers

SUBSCRIPTIONS

AVERAGE SPEND PER MONTH

| CATEGORY | PODCAST LISTENERS | NON LISTENERS |
|--------------|-------------------|-------------------|
| MUSIC/GIGS | SAR 120.84 | SAR 91.3 |
| CINEMA/FILMS | SAR 152.83 | SAR 116.01 |
| MUSIC | SAR 85.35 | SAR 68.88 |
| MAGAZINE | SAR 129.02 | SAR 106.99 |
| TV/MOVIE | SAR 131.71 | SAR 112.4 |
| | SAR 619.75 | SAR 495.58 |

DIFFERENCE



AVERAGE DIFFERENCE IN SPEND:

22%

Source: 4DC

Subscription spending falls into non-essential, and points not only at disposable income but the level on which people are willing to invest in their hobbies and interests.

A 21% differential between listeners and non-listeners in music subscriptions shows not only that one group is much more prepared to invest in the medium of audio - they also have the spend power to do it. A 16% spending difference in TV and movie subscriptions tells a similar story.



SOURCES:
4DC/ makettiers

NEW CONNECTIONS



NETWORKS AND PODCAST LISTENERS

PODCAST LISTENERS - CONNECTED



REGULARLY USE SOCIAL MEDIA



REGULARLY WATCH TV



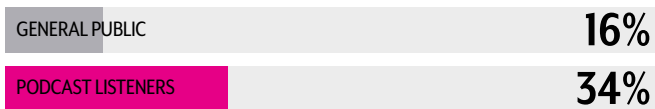
REGULARLY LISTEN TO RADIO



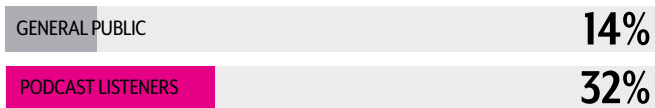
REGULARLY READ LOCAL/ REGIONAL NEWSPAPER



REGULARLY READ INTERNATIONAL NEWSPAPER



REGULARLY USE BUSINESS PLATFORMS E.G. LINKEDIN



REGULARLY USE STREAMING SERVICES



Podcast listeners in Saudi Arabia have come to show near absolute trust in the medium. It might be a newcomer to the media landscape, but listeners already trust podcasts more than radio, as well as local/regional newspapers and websites.

The related digital habits of podcast listeners in Saudi Arabia are interesting in their own right too. Male podcast listeners demonstrably like to engage with videos, blogs, vlogs and data-led features much more than non-listeners.

For female podcast listeners, the same media-consumption story repeats. Female podcast listeners are also almost twice as likely to enjoy a data-led news feature than female non-listeners..

PODCAST LISTENERS LIKE TO ENGAGE WITH ONLINE VIDEOS, BLOGS, SOCIAL MEDIA AND DATA-LED FEATURES MUCH MORE THAN NON-LISTENERS

Social media trends also paint an interesting picture. In the younger age categories, podcast listeners are more likely to use social media regularly than non-podcast listeners, and the difference is high. For example, for 16-24-year-olds there's a 21% increase for listeners compared to non-listeners. Meanwhile for 25-34-year-olds almost three quarters (74%) of listeners use social media regularly, compared to less than two thirds (65%) of non-regular listeners.

Podcast listeners are almost four times as likely than non-listeners to be active on business platforms such as LinkedIn more than once a week, possibly pointing at the professional nous of the audience in question. To cement that premise, listeners are substantially more likely to read newspapers (both local and international) and engage with high-brow web content regularly.

Source: 4DC / makettiers

SOURCES:
4DC/ makettiers

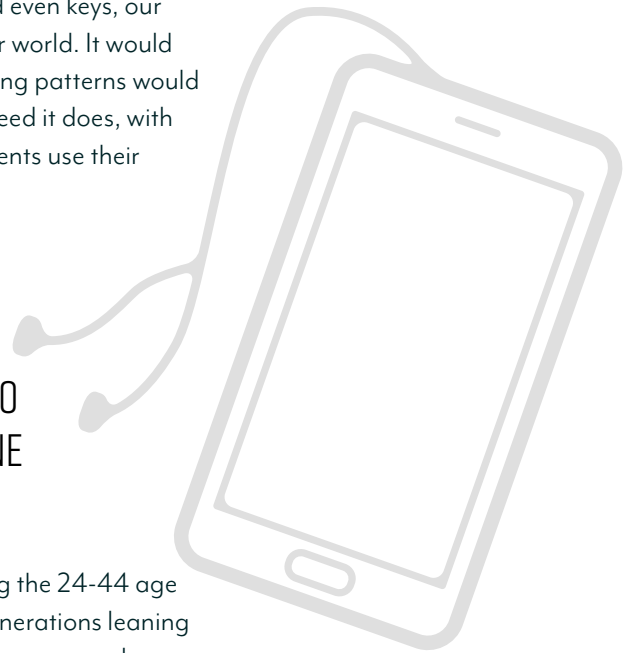
SMARTPHONES – THE KEY TO THE KINGDOM

Most people, if asked, would be more attached to their smartphone than about any other inanimate object they own. Surpassing the tablet, wallet and even keys, our smartphones are the pivotal link to our world. It would then be safe to assume podcast listening patterns would reflect this strong connection, and indeed it does, with our research showing 75% of respondents use their smartphones to listen to podcasts.

75%
OF PODCAST LISTENERS DO SO
THROUGH THEIR SMARTPHONE

Smartphone listening is highest among the 24-44 age category, with those in the younger generations leaning slightly towards using their computers or personal devices. And what's more, a quarter of those 45+ listen on their portable devices.

While consumption of podcast listening is slowly increasing on smart home devices, the rise of Alexa and its counterparts is paving the way to a new revolution where 'voice activated search' will mean that podcasts can be listened to easily from home as part of the routine. Podcasts by their nature enable people to listen 'on the go', with 60% of us saying that we listen to podcasts whilst 'doing other things'. As a medium, smart home devices and podcasts are complementary, allowing the audience to still continue with daily life.



PODCAST LISTENING – WHAT SHAPES A LISTENER?

As the emerging hub of digital innovation and entrepreneurship in the MENA region, KSA continues to lead the world in technology. With a large economy, boasting high purchasing consumers and a young tech-savvy population, it is somewhat unsurprising to see technology-driven content leading in popularity with 63% listening to this genre.

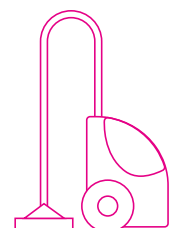
Music is a close second, comedy, news and sports genres not far behind. This trend is interesting compared to other countries. In the US comedy continues to top the board, while the UK is split between comedy and sports, depending on the demographic. It is worth noting a world-wide spike in consumption of news related podcasts, understandably to do with the current pandemic.

More than two-thirds like listening to podcasts for content they are specifically interested in, as well as over three fifths (61%) enjoying the freedom to listen while they do other things, as podcasts are favoured by many because of their versatility. It is certainly nice to see 82% surveyed listen with their families or partner. As a striking difference to other countries who mostly listen to podcasts alone, while just over a fifth; 21% in KSA follow this trend.

One reason perhaps podcasts are so attractive to busy people, is the ability to stop and start the content at will, picking up the main crux of the content. This seems to ring true, as 50% listen to ‘most’ of the episode, while 39% listen to all of it.



66%
OF WOMEN LISTEN
WHILE DOING
HOUSEWORK

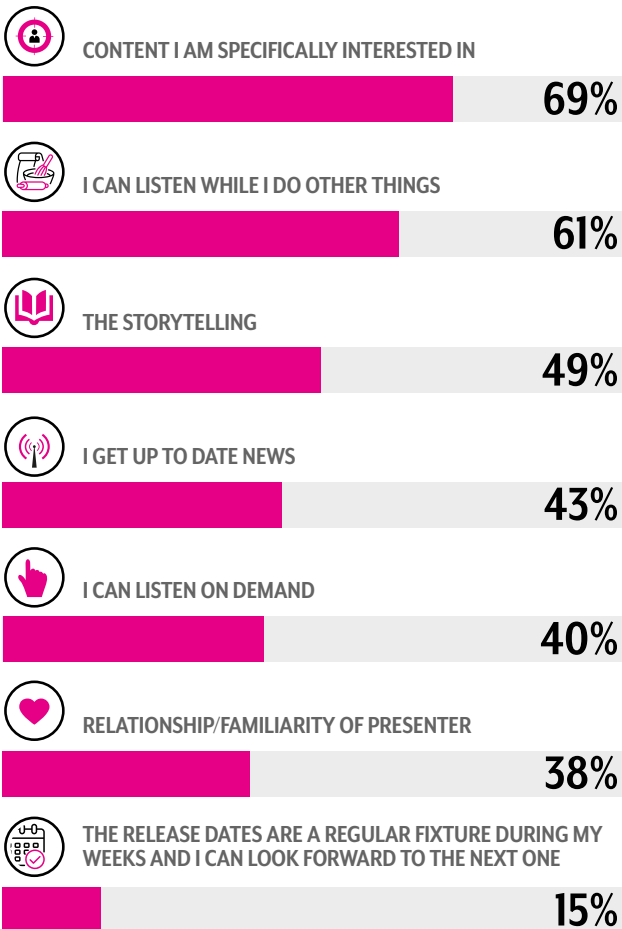


THE POWER OF THINKING DIFFERENTLY

83%

OF PODCAST LISTENERS ARE HAPPY WITH THE TRADE-OFF OF ADVERTISING / SPONSORSHIP WITHIN PODCASTS, FOR THE FREE CONTENT THEY RECEIVE.

REASONS FOR LISTENING TO PODCASTS



SOURCES:
4DC / makettiers
IAB



PETER MITCHELL
GROUP MD MARKETTIERS &
CO-FOUNDER 4DC

There has never been a more powerful opportunity to do things differently in Saudi. What we've seen are brands innovating, being bold and willing to take more risks to try something different. The old ways of doing things do not exist anymore, so brands have had to decide how they want to play in this new world where there is no rule book on 'how to do things' post a global pandemic.

You'd be forgiven for thinking the numbers for KSA aren't 'mass market', but the figures are anything but. This is not about reaching mass generic audiences, but it is everything about niche targeting with zero wastage.

We have seen this realised through remote internal comms podcasting. Audiences are disparate, organisations in KSA are huge, and the one thing that unites everyone is the device they carry around in their pockets every day: their smartphone. So brands have started to embrace podcasting as a hugely effective means to engage audiences through a mobile-first strategy.

And with the IAB and PwC recently reporting that podcast advertising revenue will increase by almost 15% to "nearly \$1 billion in 2020" (rising from \$708 billion in 2019), it's clear that the future looks bright for the medium.

86%

OF PODCAST LISTENERS LISTEN TO BRAND FUNDED PODCASTS

POTENTIAL AND PULLOUTS

PODCASTING METRICS

In 2018, an international WIRED editorial crunched US data and concluded that “Podcast listeners really are the holy grail advertisers hoped they'd be”. This is a medium that excels in engagement, and – as 4DC found out – positive brand recall and brand sentiment both.

In the US, multinational podcast network Acast states that over three in four (76%) podcast listeners have followed up on at least one ad or sponsored message. Over one third (37%) said an advert prompted them to seek additional product information. And a quarter (24%) visited a brand's website following a podcast advert.

For a more independent view, the 2019 Edison Research

Infinite Dial report found that 54% of the US podcast audience said they were either 'somewhat' or 'much' more likely to consider brands that advertise on podcasts.

In the UK, again, 4DC was keen to establish similar baselines in a market where data is lacking. Alongside Audioboom, 4DC wished to determine podcast advertising's effectiveness on a sample UK audience.

The 4DC/ Audioboom research was based on a representative panel of listeners being played two 20 minute podcasts: leading Formula One show, 'Beyond The Grid', and 'No Such Thing As A Fish', a fact-based show.

Each podcast included host-read adverts and, on completion, the sample audience was tested across a number of components, including brand recall and brand perception. The audience was also asked to rank the effectiveness of podcast advertising versus more traditional forms, such as TV, radio, billboard, online and print.

The numbers are resounding.

HOST-READ ADVERT EFFECTIVENESS

BOSE (TOTAL) ■ ACURATE ■ INACURATE ■ NOT SURE



THE ECONOMIST (TOTAL)



Source: 4DC/ Audioboom

PODCASTING MORE EFFECTIVE THAN ...

AGE GROUP 25-34 ■ YES ■ NO ■ NEUTRAL



TOTAL



SOURCES:
4DC/ Audioboom
WIRED
Edison - Infinite Dial 2019
Pacific Content

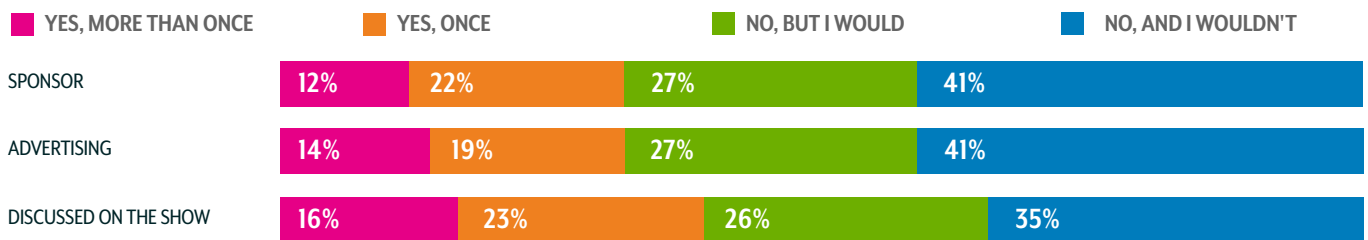
In brand recall, following the 20 minute Formula One podcast, over two thirds of listeners (67%) correctly recalled the advertising brand was Bose, despite the spot appearing at the very beginning of the broadcast. Recall for The Economist in 'No Such Thing As A Fish' was slightly less (60%) but still three in five; and still a majority.

Following the controlled survey, 4DC undertook another research project to determine podcasting advertising's effectiveness out in the real world. The results showed similarly bankable promise.

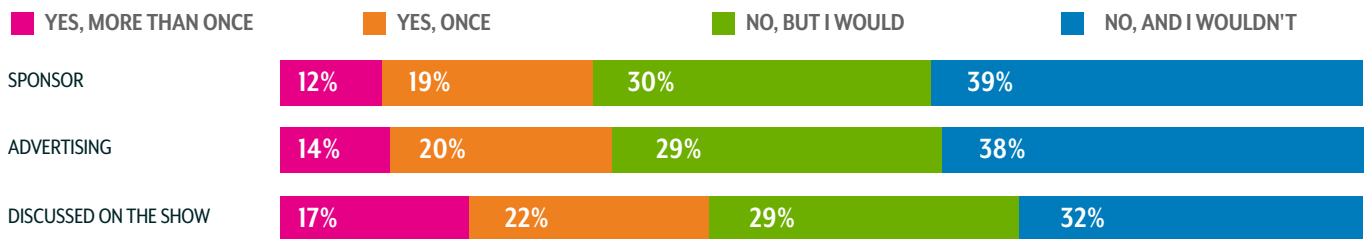
In terms of brand-follow-up, podcast listeners respond much more favourably than not. Only a minority in each and every case are opposed to following up with a brand. In addition, most even follow up during or immediately after hearing the message.

The data also shows the types on podcast advertising that resonate and motivate consumers most. This is important as brands have several options in how to advertise on podcasts, some of which show more listener-connection than others.

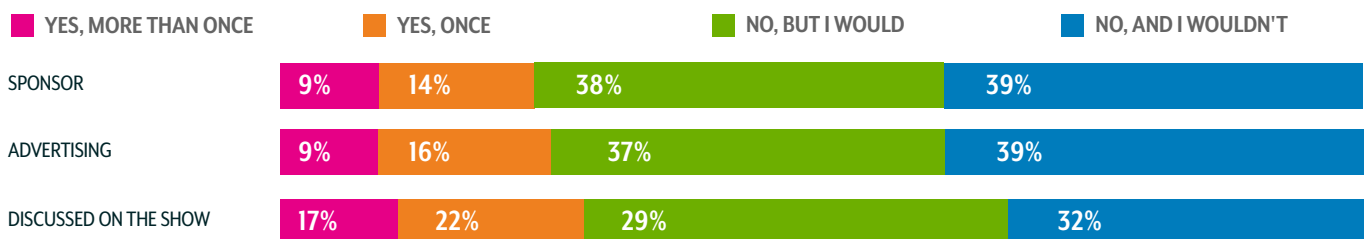
NOTED DOWN A BRAND TO LEARN MORE ABOUT IT AFTER HEARING ABOUT IT ON A PODCAST



FOLLOWED UP/RESEARCHED A BRAND AFTER HEARING ABOUT IT ON A PODCAST



PURCHASED A PRODUCT FROM A BRAND AFTER HEARING ABOUT IT ON A PODCAST



WHEN DID YOU FOLLOW UP/RESEARCH THE BRAND AFTER HEARING ABOUT IT ON THE PODCAST



Source: 4DC/ Audioboom

NOTE: some graphs may not equal 100% owing to rounding and/or respondents ticking more than one answer.

SOURCES:
4DC/ Audioboom

PODCAST PULLOUT

IN REGION

PODCASTS HAVE PROVEN TO EXCEL IN ENGAGEMENT, POSITIVE RECALL, AND POSITIVE BRAND SENTIMENT

Podcasts are booming worldwide, and no more so than in Saudi Arabia. While the region saw a huge spike in interest in 2015, there seemed still to be gaps in the market, and some of the most popular podcasts below were born from creators noticing something missing. From then, podcasts have proven to excel in engagement, positive recall, and positive brand sentiment. Spurred by the sudden increase in working from home, our research reveals there are 5.1 million regular listeners in Saudi Arabia, with one in four women listening to podcasts every week. These numbers put the region on a similar level to the UAE, with 16% of the adult population tuning into a podcast at least once a week.

With a strong tech focus, a thirst for content and robust social media consumption, Saudi Arabia is defining itself as the latest hotbed for podcasts. Those featuring strong and inspiring women are also seeing huge traction. As women continue to advance both economically and professionally, these trends are reflected in the content both being created and consumed. Indeed, our shows almost twice as many women define themselves as regular listeners compared to 11% of men. The reasons? 69% of women value podcasts because they provide dedicated content catering to specific interests and they value the storytelling nature of the medium.



69%

OF WOMEN VALUE PODCASTS BECAUSE THEY PROVIDE DEDICATED CONTENT CATERING TO SPECIFIC INTERESTS

SOURCES:
4DC / makettiers

PODCAST REVIEWS

It is clear from the top performing podcasts, that those which delve and develop into culture and life in the region, reign supreme. The last few years have seen a strong increase in podcasts which reflect the region and its people, spoken in Arabic languages and celebrating a unique cultural identity. This listener's ability to resonate with the content is incredibly important, developing an emotive interest and trust which is rarely seen in other forms of media. KSA's strength in production, content, and the savvy ways producers and media outlets are using podcasts as a vehicle for business, cannot be overlooked.

'THE MSTDFR SHOW'

is a weekly Middle Eastern podcast spoken in "Arabliish". Ammar and Rami host different regional guests on various topics: current affairs, culture, technology, media, and challenges for the new Arab generation. The 'geeky' podcast is popular for its fun and relaxed approach. A podcast 'for everyone' certainly has the tick of approval in the ratings.



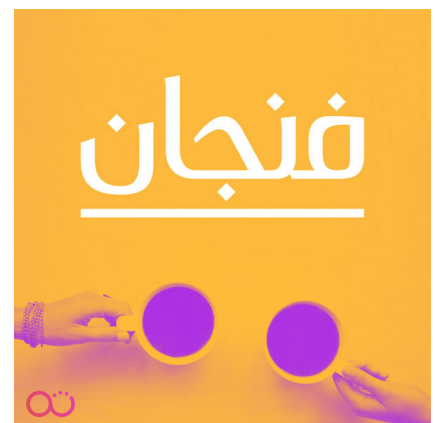
'HOUSE OF ZOFI'

The Old Podcast launched in KSA in 2016, this was the first ever House of Zofi Network's podcast. This is a Saudi Arabic-language podcast covering all things pop culture, including literature, anime, TV, comic, manga, video games, and more. It wields a large audience for its vodcasts, where they shoot videos of themselves while recording.



'FNJAN'

was founded in 2015 covering a variety of topics that explore the idea of diversity and differences in Arabic. Saudi Founder and host, Abdulrahman Abumalih, releases weekly episodes and has interviewed an impressive line-up of guests so far including CEO of KBW Ventures Prince Khaled bin Alwaleed bin Talal Al Saud and art collector, lecturer, and writer Sheikh Sultan bin Sooud Al Qassemi. It is also available on Saudi Airlines.



'ASWAT - VOICES OF ARABIA'

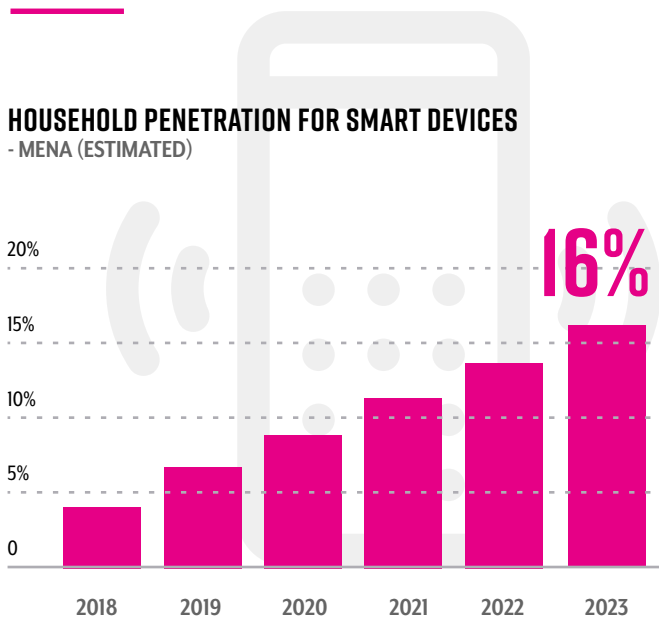
is an English language podcast from Jeddah, Saudi Arabia, which explores the lives, aspirations, and achievements of women of the region. Focusing on inspirational and empowering stories, the podcast often touches on cultural shifts in the region, or newsworthy stories.



THE FUTURE OF PODCASTING



FUELLING THE SMART SPEAKER BOOM



Source: ArabianIndustry.com

Alexa, find me a podcast on cooking; Google Assistant, show me podcasts about mindfulness.

This is the future of podcasting and voice search as we know it; it is set to transform the region when it comes to how we consume content. In the US, there are almost 90 million people using smart speakers already, and given the their trend to be positioned in communal areas such as living rooms and kitchens, the nature of podcasting may change to suit his new listener dynamic.

When it comes to Saudi Arabia, if predictions ring true, we will follow a similar trajectory. And when you think about it, the stage has already been set for the rise of smart speaker adoption. With a tech savvy, digitally mobilised population (Saudi Arabia smart phone levels crossed 20 million in 2019), smart speakers are expected to rise from 3.9% in 2018 to 16% in 2023 – and that’s across MEA.

We already see that in Saudi Arabia 6 in 10 people (61%) listen to podcasts because they can do other things at the same time. Most commonly, people listen whilst doing housework (54%) – this is particularly common for women with 66% saying this is when they listen compared to 43% of men.

This lends itself very well to smart speaker adoption. Coupled with this, we also see how Saudi Arabia is defying the curb in many respects. When it comes to listening to podcasts, we typically see this as a solitary experience, with people listening on their own, creating quite an intimate experience between host and listener (hence the trust levels).

But in Saudi Arabia, people prefer to listen to podcasts as a family (56%), with their partner (54%) and with friends (47%). Only 21% say they only listen to podcasts by themselves.

Of course the fact that the research took place during a time of social isolation may have played a part in this, but what’s clear is that in Saudi Arabia, podcasts actually bring people together. And when it comes to smart speaker adoption this is very good news. With people buying smart devices and placing them in communal areas, Saudi Arabia could soon lead the way in the region when it comes to podcasting and smart speaker adoption.

SOURCES:
4DC / makettiers
Forbes
Statista

CONSOLIDATION

IN PODCASTS WE TRUST

In a world where consumers have become wary of traditional advertising, and sceptical of sponsorship, podcasts have emerged somewhat victorious. Brand funded podcasts, advertising and sponsorship is readily accepted and even expected by the educated podcast listener. There has quite simply never been a better time to create a podcast; this is the future of brand funded content. In fact, the Interactive Advertising Bureau released a report estimating that the podcast industry generated \$479 million in 2018 and is projected to make \$1 billion in 2021. In the UK, 4DC's research shows 59% of people would consider buying from an advertised brand or sponsor in a podcast. In all cases, and across all forms of advertising, those who say they wouldn't follow-up after hearing a brand message are always in the minority versus those who already have or would in future.

It is positive to see that over a third of KSA respondents believe advertising in a podcast improves the listening experience. This is a new and enticing way of reaching a wider audience, what better way to appeal to an already engaged audience? However, integrity with such things is always important, throughout this report, great emphasis has been placed on ensuring brands treat the unique environment of the podcast - including the material and the audience - with respect.

Like non-branded shows, branded podcasts needs to be more than great content. It needs strategy, marketing nous, budget and a real understanding of why listeners tune in. It also needs patience - shows rarely pop immediately. Furthermore, it requires shrewd analysis of engagement metrics to understand listener drop-off points, and to build on the pieces of show that resonate.

With our numbers stating 29% 'always' listen to brand funded podcasts, and over half in Saudi Arabia sometimes listening, we can certainly see how brand's relationships with podcasts will continue to evolve in the future. With a receptive and open audience, podcasters are able to continue to offer their content to those willing to consume. Looking forward, as listeners expect, the best podcasts are not viewed by their brands as content add-ons but as major campaigns in their own right, with substantial creative, social and financial investment underneath.



39%

OF PODCAST LISTENERS WHO LISTEN TO BRAND FUNDED PODCASTS PREFER TO LISTEN TO MEDIA-BRANDED OWNED PODCASTS

PLATFORM EVOLUTION

RECENT SPOTIFY ACQUISITIONS

| | |
|------------|--------|
| THE RINGER | \$196M |
| GIMLET | \$200M |
| ANCHOR | \$140M |

“
 BASED ON RADIO INDUSTRY DATA, IT IS A SAFE ASSUMPTION THAT, OVER TIME, MORE THAN 20% OF ALL SPOTIFY LISTENING WILL BE NON-MUSIC CONTENT.
 ”

DANIEL EK - SPOTIFY CEO

The major podcast platforms in Saudi Arabia follow the international trends: Apple Podcasts, Spotify, Castbox, Deezer and SoundCloud win big.

Spotify however has been the most aggressive global player since last year, paying more than \$500 million to gobble up three specialist competitor brands: Gimlet, Parcast and the Ringer. And with 61% of Saudi’s on Android smartphones, there’s a huge opportunity for device agnostic platforms here.

This year, Spotify's podcast creation platform Anchor even introduced a feature that lets people turn their video chats into podcast-ready audio.

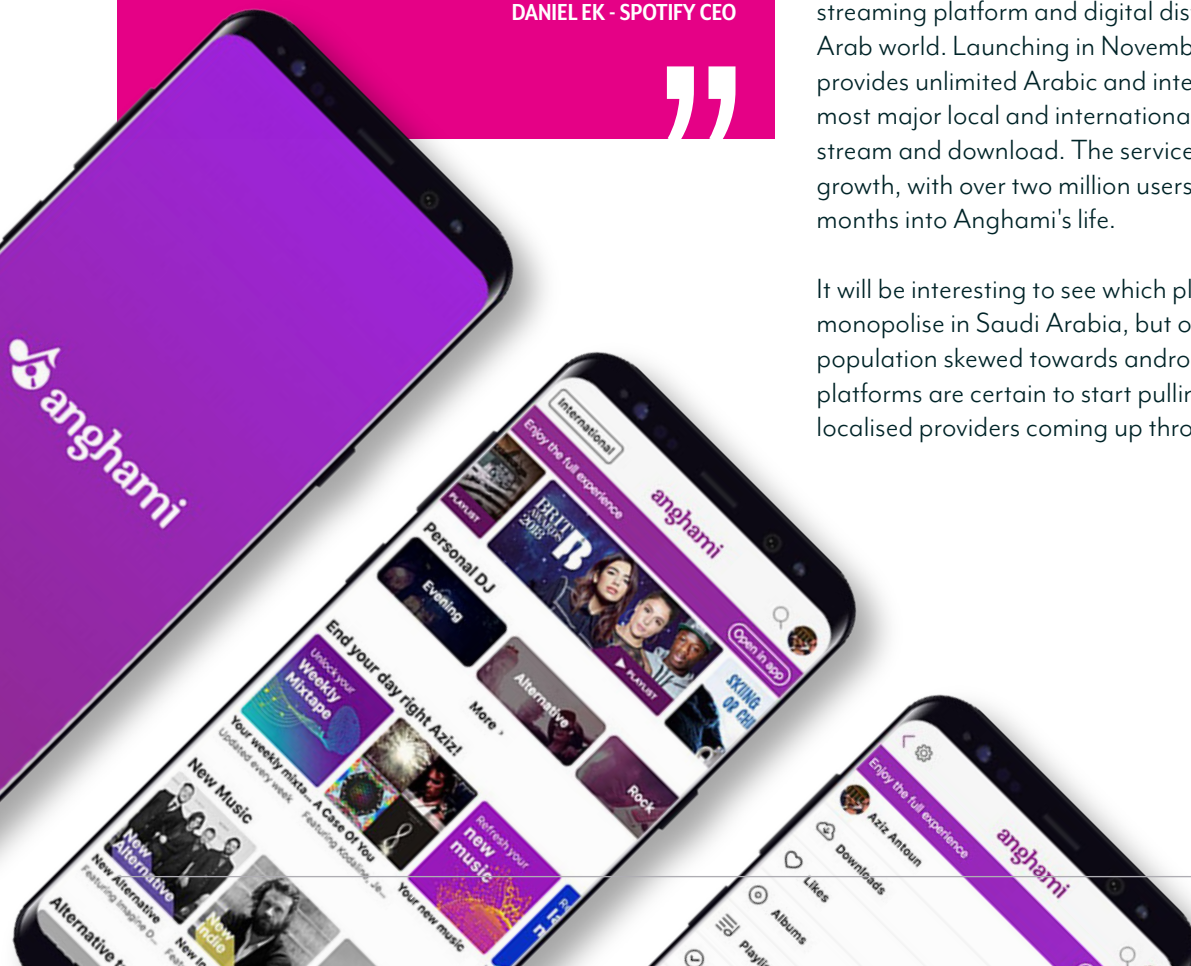
But there are other notable players. Deezer attracted a 1 billion riyals (\$267 million) investment from Saudi billionaire Prince Alwaleed Bin Talal. And this year, Deezer launched its podcast offering in English and Arabic in the MENA region, including locally produced shows, specialist subjects and international hits.

Other platforms such as Google Podcast has also grown, but more slowly. Google Podcasts lets you search for new podcasts, download them, and play them at your convenience.

Another notable mention is Anghami, the first legal music streaming platform and digital distribution company in the Arab world. Launching in November 2012, Anghami provides unlimited Arabic and international music – via most major local and international record labels – to stream and download. The service experienced rapid growth, with over two million users signed up just seven months into Anghami's life.

It will be interesting to see which platforms start to monopolise in Saudi Arabia, but one thing for sure, with a population skewed towards android, platform agnostic platforms are certain to start pulling in the numbers, with localised providers coming up through the ranks.

SOURCES:
 Techcrunch
 Pitchbook
 Emirates Business



STANDARDISING METRICS

We earlier established that podcasting's strongest and most important suit is engagement, but different publishers have different definitions on what constitutes a 'listen' or a 'subscriber', and the inconsistency of metrics and terminology is muddying measurement.

Currently, podcast subscribers are hard to measure because the listening app landscape is fragmented and podcast hosting is scattered.

There is no single source of truth for "subscribers". Different platforms use different methodologies to define what a subscriber is and how, if at all, they should be counted or alerted to new content.

For example, Anghami calls them followers. But the terminology and the measurements will ultimately have to standardise so advertising brands can make more informed decisions on their level of investment; when, why and how.

When a person subscribes to (or follows) a podcast, they're making it clear they want to hear more – and they're prepared to invest in a show over the long haul.

It seems so simple, but breaking down – and consolidating – the industry's inconsistencies would be hugely helpful for brands who want to understand a podcast and its future potential. With more iron-clad information – and less ambiguity – brands can feel empowered and informed as they calculate the investment, and crucially the timing, of any media or sponsorship buys.



37.4K

589

1.3M

2.3M

192.7K

98K

20.9K

136.7K

11.3K

892.1K

998

OUTRO

THANK YOU FOR READING OUR REPORT, A FIRST OF ITS KIND IN THE KINGDOM.

IT WAS OUR INVOLVEMENT AT THE MIDDLE EAST PODCAST FORUM LAST OCTOBER THAT SPURRED US TO DELIVER THIS REPORT (AND FOR THAT WE ARE THANKFUL).

IN SAUDI THE TIME IS VERY MUCH NOW FOR PODCASTS. THE POPULATION ATTRIBUTES SOME OF THE HIGHEST LEVELS OF TRUST TO PODCASTS THAT WE'VE EVER SEEN.

WHILST THEY'RE NOTHING NEW, THEY ARE A NEW MARKET ENTRY. IN A CULTURE THAT VALUES THE POWER OF AUDIO, AND TRADES OFF TRUST, PODCASTS ARE REPRESENTING A WAY TO REACH A LOYAL AND ENGAGED AUDIENCE IN A WAY LIKE NEVER BEFORE.

AND IN A MARKET CLIMATE THAT IS FORCING BRANDS TO DITCH THE TRIED AND TESTED WAYS OF DOING, FORWARD-THINKING BRANDS HAVE THE OPPORTUNITY TO GET AHEAD OF THE CURVE. AND WHEN IT COMES TO THINKING DIFFERENTLY, IN A POST COVID WORLD, PODCASTS ARE INNOVATING THE MARKET.

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