

Podcasters bought millions of fraudulent listeners via mobile game ads

Article



The news: An investigation from Bloomberg found that podcasts have been pumping listener figures by purchasing in-game advertisements.

- When users click on those in-game ads, which are primarily delivered by a company named Jun Group, podcast episodes begin downloading to their phones immediately, which are then counted as unique listeners by sales teams.
- Major publications and podcasting services like The New York Post and iHeartRadio were implicated by Bloomberg as having in-game ads that prompted podcast downloads, which netted them millions of additional listeners.

Why this matters: Up until now, podcasting had become a somewhat reliable bastion for ad spending while other digital platforms flounder. But the news reveals that a lack of standardized metrics in podcasting make it harder to determine value.

- Reliability is part of why **Spotify** sees the podcasting space as a "<u>\$20 billion opportunity</u>."
 Tracking issues that have plagued the rest of the internet are less of an issue when advertisers can identify podcasts and their listeners by specific niches or topics.
- But now, the core metric behind podcast advertising buys—downloads—is coming under question. While Jun Group CEO Corey Weiner defended the practice in a Time magazine interview, saying the in-game ads increase brand awareness, Jun Group isn't tracking how long users keep listening after clicking an ad.

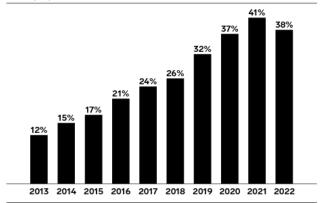
One rotten apple spoils the bunch: The potential miscounting shows how inconsistent usage metrics and issues with automation can harm the overall advertising power of a content format.

- A similar issue has been plaguing connected TVs: A June report from iSpot found that CTVs were <u>running ads when devices were turned off</u>, costing advertisers \$1 billion in fraudulent impressions.
- That degree of fraud has, in part, caused skeptical advertisers to <u>slash CTV budgets</u> in the ad downturn. If podcast providers don't create unified metrics and address the issue, a similar fate could befall them.

The big takeaway: Podcasting's effectiveness as an advertising medium is thrown into question by the questionable "downloads" metric. Without unified standards, issues with fraud and miscounting are more likely to pop up and harm spending on the format.

US Monthly Podcast Listener Penetration, 2013-2022

% of population



Note: ages 12+; via any device; estimated monthly US podcast listeners in 2022=109 million Source: Edison Research and Triton Digital, "The Infinite Dial 2022," March 23, 2022 274392 eMarketer | Insiderintelligence.com