

How the pandemic affected our UK digital audio listener forecast

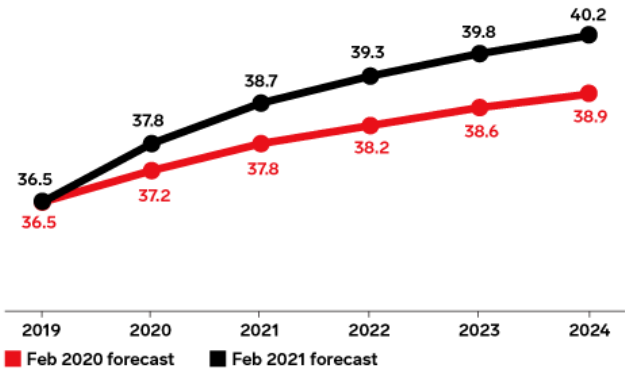
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Digital audio has undoubtedly benefited from the UK lockdowns. Even with reduced commuting likely eating into their time spent with mobile audio, UK listeners still tuned in to digital audio elsewhere and will continue doing so.

UK digital audio listener numbers will grow beyond our pre-pandemic forecast. Through 2024, each year will see a shade larger increase on the prior year. However, while the 2021

total of 38.7 million will represent a 2.4% uptick on our pre-pandemic forecast, the 2022 figure will only mark a 0.5-percentage-point increase on that rise—39.3 million, up 2.9%.

How Has Our Forecast for UK Digital Audio Listeners Changed?
millions, 2019-2024



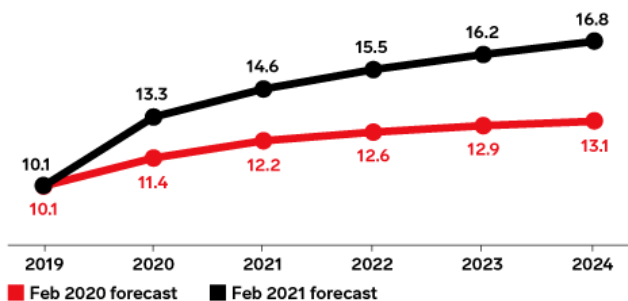
Note: internet users of any age who listen to music or other audio content (i.e., podcasts) via livestreaming on any device or via direct download on mobile devices at least once per month
Source: eMarketer, Feb 2021
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Podcast listener numbers will experience the largest percentage increases compared with our pre-pandemic forecast, in part because of the relatively small user base.

This year, there will be 14.6 million podcast listeners in the UK, up 2.4 million on our previous estimate, equaling a substantial 19.7% rise. In 2022, there will be 15.5 million listeners, up 2.9 million, or 23.0%, on our pre-pandemic forecast. In 2023 and 2024, these growth rates will increase by more than 1 percentage point on the previous year.

How Has Our Forecast for UK Podcast Listeners Changed?

millions, 2019-2024



Note: internet users of any age who listen to a podcast via direct download or livestream on any device at least once per month
Source: eMarketer, Feb 2021

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Podcasts' success has come from several angles—supply has been fluid and the demand for on-demand audio has grown, particularly for news or informational content.

“When it comes to accessibility, podcasts are generally free to listen to, which understandably attracts a wider audience,” said Niki Stoker, COO of personalization platform A Million Ads. “Additionally, podcast production is quicker and cheaper than that of TV and video, which has enabled listeners to get a constant flow of fresh content, something that became a stumbling block for the TV and film industries throughout 2020.”

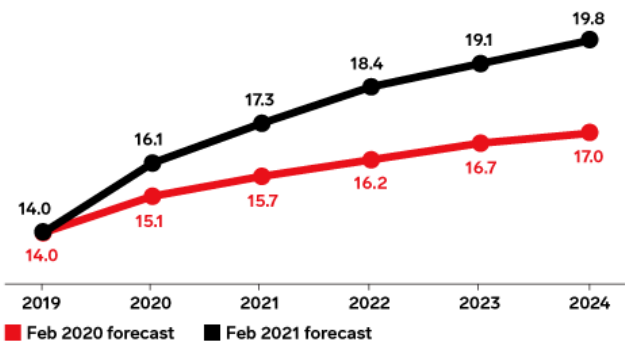
According to a study from the Reuters Institute for the Study of Journalism at the University of Oxford published in November 2020, the number of daily news podcasts in the UK more than doubled between 2019 and 2020—from 8 to 18. The study noted that news podcasts only account for 1% of total podcasts produced worldwide, so these figures are merely a leading indicator of far greater growth within podcasting.

“Radio networks began implementing their digitalization strategies long before 2020, which meant that many were primed for online listener acquisition when the pandemic hit,” said Michal Marcinik, founder and CEO of digital audio advertising platform AdTonos. “Podcasts followed suit, offering a wealth of information in addition to the entertainment value listeners get from music streaming. There’s been a direct correlation between podcasts increasing their content output, in response to popular demand, and improved subscriber loyalty. As a result, brands like Spotify are investing heavily.”

Unsurprisingly, Spotify has seen similar growth. It is one of the major platforms driving growth in UK digital audio listeners. This year, there will be 17.3 million Spotify listeners in the country, up from 15.7 million in our February 2020 forecast. From 2022 onward, an extra 2 million listeners more than our original forecast will come on board each year, and by the end of 2024, the 19.8 million listeners that we predict will be 2.8 million higher than our previous estimate.

How Has Our Forecast for UK Spotify Listeners Changed?

millions, 2019-2024



Note: internet users of any age who listen to Spotify on any device at least once per month
 Source: eMarketer, Feb 2021

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Subscriptions have likely played a major role in Spotify’s recent growth. While we don’t forecast a UK number for Spotify subscribers, in its Q4 2020 earnings report, the company said it had 155 million premium subscribers and 345 million monthly active users worldwide. That translates to 45% of Spotify users being subscribers. In the UK, where subscription services have taken off, that proportion is likely to be even larger.

Spotify’s foray into podcasting is also a key component of its strategy, and the company has indicated it could be a successful one. A quarter of its users listen to podcasts, per Spotify’s earnings release. Again, this was a global number, but the UK figure likely isn’t much lower than that. According to Populus data cited by the Office of Communications (Ofcom) in its August 2020 “Media Nations” report, the number of UK podcast listeners using Spotify’s service increased from 24% in 2019 to 37% in 2020, putting it on a par with the most popular podcast platforms in the country—BBC Sounds and Apple Podcasts.

To learn more about which of our digital user forecasts changed, which changes will stick, and which won't, Insider Intelligence subscribers can read our recent report:

Report by Bill Fisher Feb 26, 2021

UK Digital Users 2021

