

# Examining The Growth of the Global Podcast Industry

By Francis Frankopan, November 2022



Money Maze  
Podcast

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**Money Maze Podcast.** Available on:



# Introduction

The word 'podcast' was only added to the Oxford dictionary in 2005. Now however, the majority of people in the United States and the United Kingdom have listened to one. How has this growth happened at such a fast rate and what does the next decade hold in store for the podcast industry? These are the sort of questions that will be answered in this document.

## The Position of Podcasts in 2022

As of August 2022, 41% of people over the age of 12 listen to a podcast a month in both the UK and the US (this is up from 37% in the previous year). The COVID years of 2019–2021 had dramatic consequences on the levels of listeners of podcasts globally as seen by the fact that in 2016 the number of US monthly listeners was nearly half of what it is now. Similarly, China has seen significant growth of podcast downloads over the last few years, and there are now over 100 million regular podcast listeners in the country.

However, just because COVID restrictions may have been lifted doesn't mean that podcasts will become less popular. In fact, the opposite is predicted to happen as growth rates will continue to increase. It is expected that by the end of this year there will be 125 million Americans who listen to podcasts monthly, a 25 million increase from 2020. In South Korea as well, proportionately the largest consumer of podcasts (with 58% of people regularly listening to them), similar levels of growth can be found.

The fastest growing podcast market in the world however is located in China, where only 7.3% of people listen to a podcast each month. Although this percentage is small, it still places China as the second largest consumer of podcasts with 102.4 million monthly listeners (2022). However, due to the sheer size of the population and the development of both a consumer and commuter society there is significant room for growth. Indeed, this is exactly what is happening now, as podcast listeners are expected to total 122 million by 2023, and 159 million by 2025.

These large numbers can be dissected by looking at who the average and targeted consumers of podcasts are. In China, your average listener of a podcast is an urban, young, middle-class, and well-educated person. As of 2022, 88.5% of Chinese podcast listeners are under the age of 35 and 86.4% of listeners have at least a bachelor's degree



Although one would therefore think that it is quite a niche group that listen to podcasts in China, China's large population (a population which is increasingly getting access to tech and education) ensures that there is still significant room for growth in the podcast industry.

Similarly, in the U.S., podcast listeners are generally highly educated with above average incomes. In fact, over 85% of podcast listeners in the U.S. have attended college, and have an average annual household income of over \$75,000. The U.S. podcast audience skews male, with most listeners in the 18–54 demographic. Most U.S. podcast listeners also consume the majority of each episode, and relatively few skip through the ad segments. With detailed listener retention data now available via the popular podcast platforms, advertisers' can be rest assured that their messages are getting through, even for mid-roll or post-roll ad slots (ensuring that the current U.S. podcast advertising boom will continue well into the 2020s).

## U.S. Podcast Context



**41%** of Americans have listened to a podcast in the last month



**26%** of Americans listen to podcasts on a weekly basis.



**50%** of all global podcast downloads come from the United States.



**50%** of U.S. podcast listeners are between 12–34 (43% are in the 35–54 range, whilst 22% are 55+)



**66%** of U.S. podcast listeners have a college degree

**Sources:**  
<https://www.buzzsprout.com/blog/podcast-statistics>  
<https://www.edisonresearch.com/the-infinite-dial-2022>  
[https://www.statista.com/topics/7662/podcasting-worldwide/#dossierContents\\_\\_outerWrapper/](https://www.statista.com/topics/7662/podcasting-worldwide/#dossierContents__outerWrapper/)

What people listen to and how people even listen to podcasts can also be analysed. 74% of people listen to podcasts to learn new things, while others listen for entertainment, inspiration, or to simply relax.

This can be broken down further by looking at the most popular podcast genres. 52% of people listen to podcasts related to the arts, 51% listen to podcasts related to health and fitness, 37% for historical podcasts, 36% for podcasts about current affairs, and 36% for podcasts about true crime (with most listening to shows across multiple categories).

Equally, 49% of podcast listening happens at home, 22% happens whilst people are driving, 11% while doing work, and 8% while exercising. Indeed, a BBC report found that 93% of people listen to podcasts while completing other tasks.

However, the apps people use to listen to podcasts has become increasingly insular, as all competition has been brought by larger companies. Spotify, Apple, Amazon, and Google are all resultingly the largest podcast companies, having made several acquisitions of smaller podcast firms.



49% of Podcast Listening Happens at Home

## Reasons for Industry Growth

An obvious source of this increase in the consumers of podcasts can be pinpointed on the pandemic. This is when the adoption to podcasts over other forms of entertainment became most prominent. With more and more people being confined to their homes during the COVID era, new audiences were gained and as a result of large amounts of new content they have stuck around.

Indeed, in February 2021 there were 43 million podcast episodes available in the US while there were only a mere 18.5 million available in 2018. This is because during the pandemic there was a massive spike in the number of podcast series being launched due to how easy and accessible it is to create one. To make a podcast series, all that one needs is a laptop, a microphone, some editing software, enough free time and perhaps some help from a friend.

This rapidly growing sum of content has resulted in audiences never being bored by a lack of things to listen to. It has even meant that habits have been created out of listening to podcasts, with 49% of teenagers & young adults in the US listening to at least one podcast a month.

Another reason why there has been a growth in the number of podcasts being created and listened to is because of increased investment into the industry. This has come particularly from the large technology and music companies like Spotify, Amazon, Google, and Sony, but even other media companies like the New York Times have invested significant sums money to purchase podcast companies and develop their in-house capabilities.

As of September 2022, Spotify has invested more than \$500 million into podcasts, purchasing podcast companies like Gimlet Media and Anchor for under \$340 million. The company also famously signed Joe Rogan to a three-year deal for \$100 million. Partly on account of these investments, Spotify now has 2.2 million podcasts on its platform, three times more than it had in 2019.

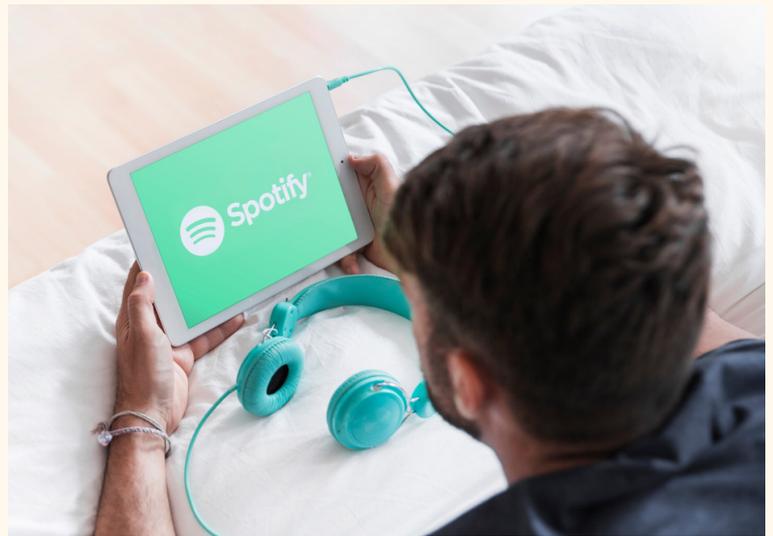
The final reason explaining why there has been such dramatic growth in the podcast industry is on account of their very nature. Not only is there a very low barrier to entry – ensuring that there are podcasts encompassing anything and everything – but podcasts are also very consumer friendly.

Furthermore, podcasts often encourage multi-tasking, build intimacy between the speaker and the host, and provide an instant community feel.

They also allow listeners to educate themselves without needing to spend lots of money. Clearly the very nature of podcasts ensured that when the COVID pandemic hit the perfect environment for them to grow was created, an environment that has been maintained by continued investment into the industry.

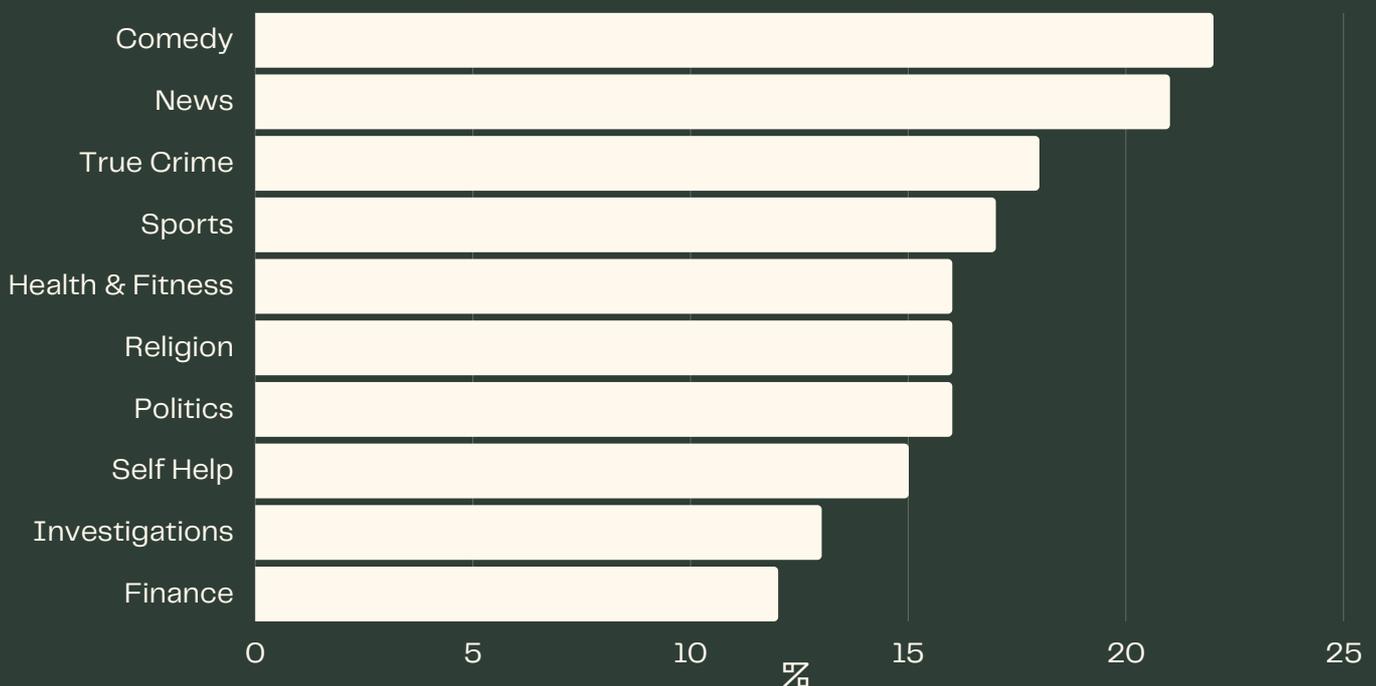


*'The Daily', from the New York Times, consistently ranks in the US Top 10.*



*Spotify credited an annual 24% increase in paid subscribers to their podcast investments (Q4 2020)*

## Most Popular Podcast Categories (U.S.)



Source: <https://www.statista.com/statistics/786938/top-podcast-genres/>

# The Future of Podcasts

Tom Standen-Jewell of Media Analysis Enders suggested that the UK is on the 'culsp of a golden age for podcasts' and it is clear why he would think such a thing. Although the US dominates the market in terms of listeners, other countries are undergoing vast rates of growth. For example, in the UK there are expected to be 19 million more listeners by 2024. Equally, in China, although there are high barriers to entry as podcast companies have to compete directly with state propaganda companies as well as comply with strict restrictions on the freedom of speech and expression, the market is still growing. Indeed, podcasts are set to expand to reach a market value of \$689 million by 2024. Even China's tech giants of Tencent and Xiamoi have capitalised on this potential growth and have invested heavily into the Shanghai based podcast medium Xiamalaya.

This micro example of the estimated growth of the podcast industry in China takes part in a greater macro trend of people all over the world turning to podcasts. This can be seen by the promising predictions made by the research group Grand View. The group predicted that there will be a compound annual growth rate of 27.5% for the industry from 2020 to 2027, with the market reaching a value as high as \$6 billion. This comes as 80% of industry executives from companies such as BBC, NYT, The Guardian, and the FT told Reuters Institute that they will be putting more resources into podcasts, something that will likely facilitate this impressive growth rate.

This growth is primarily financed by advertisement spend, and this is set to increase in tandem with the growing popularity of the medium. UK podcast ad spending is predicted to double by 2025 whilst The IAB (Interactive Advertising Bureau) estimates that podcast ad spending in the US will grow to \$4.2 billion in 2024, up from \$842 million in 2020. Equally, more companies will begin to advertise their products, with 37% of marketers saying they would advertise with podcasts in 2020 (up from 10% in 2015).

## UK Podcast Context

**21 Million**

Regular podcast listeners



**41%** of Britons listen to podcasts every month

**£56 Million**

Total UK Podcast Ad Spend, 2022



**71%** of Britons are aware of the podcast format

**350,000**

UK Shows in Circulation



**67%** of Britons listen from start to end of episodes.

### Sources

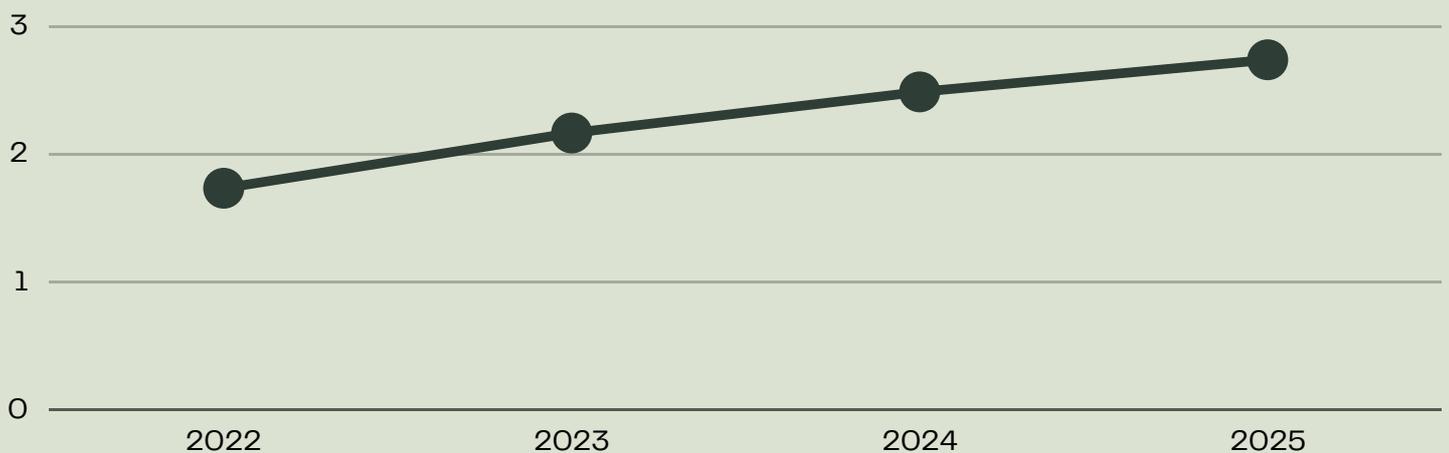
[https://www.statista.com/topics/6908/podcasts-in-the-uk/#dossierContents\\_outerWrapper](https://www.statista.com/topics/6908/podcasts-in-the-uk/#dossierContents_outerWrapper)  
<https://podknowspodcasting.co.uk/podcasting-in-the-uk-is-growing-quickly-4-in-10-brits-are-now-listening/>  
<https://www.statista.com/forecasts/1147738/podcast-ad-spend-uk>

## Conclusion

The podcast industry has grown rapidly in the last couple years as a result of several different yet interplaying factors. Now the podcast industry is huge, but it is not done yet and is predicted to keep on growing at an even faster rate.

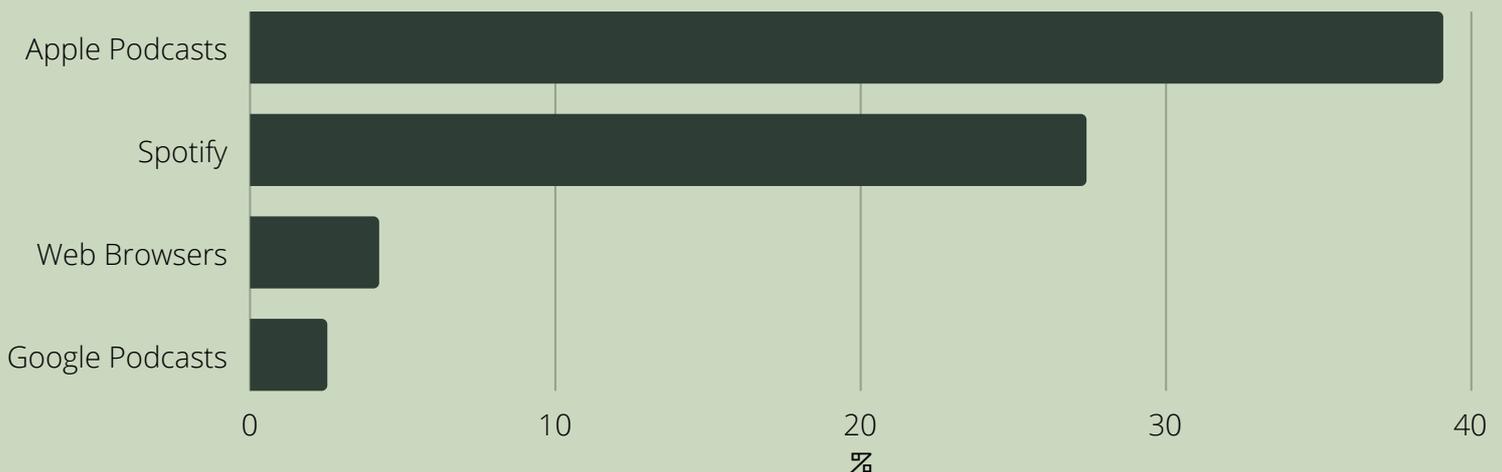
This is financed by advertisements and investment from the large music/tech companies with deep pockets (who have allocated significantly into podcasts over the past couple of years, in part to gain long term market share in the sector). This growth in content creation, consumption, and investment will characterise the podcast industry for the coming years.

### U.S. Podcast Ad Spend Forecast 2022–2025 (USD, billions)



Source: <https://www.marketingcharts.com/advertising-trends/spending-and-spenders-117162>

### Most Popular Podcast Apps, By Listeners (Global)



Source: [https://www.buzzsprout.com/global\\_stats](https://www.buzzsprout.com/global_stats)



Report sponsored by the **Money Maze Podcast**, a leading UK-based finance & business show. Established in 2020 by two finance veterans, the show reaches over half a million listeners per year and has been nominated for numerous podcast industry awards.

Report written by **Francis Frankopan**, a second year student at Durham University, and supported by the wider Money Maze Podcast team. Please get in touch with us via [info@moneymazepodcast.com](mailto:info@moneymazepodcast.com) if any questions.

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