Audio Branding Barometer 2010
Audio Branding Barometer 2010 - Overview

This survey was carried out by the Audio Branding Academy in September 2010. The aim of the survey is to gain valid market data about the audio branding industry.

The results shall provide transparency and be a basis for decision making for both suppliers and demanders of audio branding services.

Agencies from 13 countries had participated in this year’s study. Participation was limited only to audio branding suppliers and controlled by randomly generated passwords.

A documentation of the survey will be included in the Audio Branding Academy Yearbook 2010/2011 to be published beginning 2011.
## Survey Profile

<table>
<thead>
<tr>
<th>Population:</th>
<th>All professional suppliers of audio branding worldwide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sampling Method:</td>
<td>Multilevel online research of all suppliers of audio</td>
</tr>
<tr>
<td></td>
<td>branding. The invitation to the survey was sent to 126</td>
</tr>
<tr>
<td></td>
<td>agencies</td>
</tr>
<tr>
<td>Sample:</td>
<td>32 decision makers and authorized representatives of</td>
</tr>
<tr>
<td></td>
<td>audio branding suppliers took part in the survey (n = 32)</td>
</tr>
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<td>Data Collection:</td>
<td>Online questionnaire with controlled access</td>
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<td>Survey Period:</td>
<td>September 2010</td>
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<tr>
<td>Research Institute:</td>
<td>Audio Branding Academy, Hamburg, Germany</td>
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</tbody>
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Kind of Agencies
Question: What profile does your company match?

- Audio Branding Agency: 71.9%
- Music Production: 6.3%
- Brand Consultancy: 6.3%
- Music Services: 6.3%
- Audio Video Branding: 3.1%
- Music Publisher: 3.1%
- Advertising Agency: 3.1%
Locations of Agencies - Part 1/2
Question: Where is the company located?

- Germany: 35%
- USA: 16%
- UK: 13%
- Brazil: 6%
- Switzerland: 6%
- Sweden: 3%
- Colombia: 3%
- Denmark: 3%
- Argentina: 3%
- India: 3%
- Austria: 3%
- Netherlands: 3%
- Australia: 3%
Locations of Agencies - Part 2/2
Question: Where is the company located?
Audio Branding Barometer 2010

Number of Employees
Question: Current number of employees in permanent position?

Audio Branding seems to be a business run by smaller specialized agencies. The big players are not greatly involved yet: 78% of the agencies have less than 11 employees, 13% between 11 and 20 employees.
Year of Foundation
Question: When was the company founded?

69% of the agencies were founded in the last 10 years, after a „gap“ in the late 90´s. It´s a quite young business.
Services Offered

Question: What services does your company offer?

(100 percent means all agencies offer this service)

- development of concepts: 100%
- strategy consulting: 96%
- musical composition: 94%
- music production: 91%
- supervision of implementation: 81%
- market research: 69%
- monitoring of sound applications: 66%
- rights clearing and licensing: 59%
- technical support: 47%
- quality management: 44%
- supply of technical and audio hardware: 22%
- misc.: 3%
Strategic Planning
Question: Does your company offer comprehensive strategic planning?

- Yes: 97%
- No: 3%
Independent or Part of an Agency Network
Question: Is your company part of an agency network?

Yes 6%
No 94%
Share of Delivered Audio Branding Elements

Question: How many of the following audio branding elements did you deliver in 2009?

- Music on hold: 24.3%
- Audio logo/jingle: 20.7%
- Music for commercials according to CI: 20.4%
- Soundscape: 9.2%
- Earcons/sound icons: 7.1%
- Music for industry films according to CI: 6.1%
- Brand song/corporate song: 4.7%
- Brand voice: 4.0%
- Other: 3.5%

Sounds for phone waiting loops, audio logos/jingles, and CI-compliant music for advertisement spots are most frequently requested.
Budgets of Projects
Question: How many client projects according to budget did your company accomplish in 2008 respectively in 2009?

- ≤ 5.000 US$: 34,0% (2008), 38,2% (2009)
- 5.001 – 20.000 US$: 18,4% (2008), 20,7% (2009)
- 20.001 – 50.000 US$: 19,7% (2008), 16,0% (2009)
- 50.001 – 100.000 US$: 8,1% (2008), 9,9% (2009)
- 100.001 – 250.000 US$: 13,5% (2008), 8,2% (2009)
- 250.001 – 500.000 US$: 4,7% (2008), 5,1% (2009)
- > 500.000 US$: 1,5% (2008), 1,8% (2009)

1 US$ ~ 0,76 € ~ 0,64 £
Comparison 2008 to 2009: Total Revenue and Audio Branding Revenue

- Total revenue of companies in 2008: $45,552
- Total revenue of companies in 2009: $51,019
- Revenue of audio branding in 2008: $10,828
- Revenue of audio branding in 2009: $12,669

+12% increase in total revenue
+17% increase in audio branding revenue

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Change of Revenue of Audio Branding from 2008 to 2009

53% of all agencies could increase their audio branding revenue.
Revenue from Audio Branding Compared to Total Revenue

The share in 2009 ranges from 5% to 100% per agency (in 2008 from 1% to 100%)
Revenue from Audio Branding Compared to Total Revenue

The share in 2009 ranges from 5% to 100% per agency (in 2008 from 1% to 100%)
Audio Branding Services
Share of audio branding services of total audio branding revenue

2008
- Royalties: 16%
- Music production: 28%
- Consulting, implementation, research, client support, commissions: 45%
- Misc.: 11%

2009
- Royalties: 18%
- Music production: 30%
- Consulting, implementation, research, client support, commissions: 46%
- Misc.: 6%
Client Industries - Part 1/2
Question: From which industries are the clients from?

(100 percent means every agency has clients from this industry)

Media 100%
Telecommunications 87%
Health Care/Pharmaceuticals 87%
Hotel & Lodging 69%
Energy 69%
Travel 63%
Transportation 63%
Computer Software 63%
Banking, Financial Services 56%
Food, Beverage, Tobacco 53%
Retail /Wholesale 47%

Media enterprises, telecommunication and pharmaceutical companies are the most frequent customers.
**Client Industries - Part 2/2**

Question: From which industries are the clients from?

(100 percent means every agency has clients from this industry)

- Consumer Products: 44%
- Automotive: 44%
- Technology: 41%
- Entertainment & Leisure: 38%
- Electronics: 31%
- Education: 31%
- Cosmetics: 31%
- Broadcasting: 29%
- Sports: 25%
- Internet: 25%
- Other: less than 25% each

Media enterprises, telecommunication and pharmaceutical companies are the most frequent customers.
Share of Industries to Audio Branding Revenue in 2009

Question: Which industries contributed how much to the revenue of your company?

The highest revenues are achieved in retail business, food industry and financial services.

- Retail/Wholesale: 9.7%
- Food, Beverage, Tobacco: 9.2%
- Banking, Financial Services: 7.3%
- Automotive: 6.9%
- Entertainment & Leisure: 6.8%
- Broadcasting: 6.1%
- Consumer Products: 5.4%
- Technology: 5.3%
- Health Care/Pharma: 5.1%
- Media: 5.0%
- Energy: 4.9%
- Computer Software: 4.0%
- Transportation: 3.1%
- Telecommunications: 2.9%
- Travel: 2.6%
- Hotel & Lodging: 2.1%
- Other: less than 2% each: < 2.0%
Projects in Countries

Question: In which countries has your company carried out projects so far?

- United States of America: 8.7%
- Germany: 7.2%
- United Kingdom: 5.4%
- Switzerland: 4.3%
- France: 4.0%
- Austria: 3.6%
- Spain: 3.3%
- Japan: 2.9%
- Sweden: 2.9%
- Brazil: 2.5%
- Norway: 2.5%
- China: 2.2%
- Italy: 2.2%
- Others less than 2% each: < 2%
Projects in Countries
**Daily Rates of Employees**

Question: What are your company’s current daily rates for…?

<table>
<thead>
<tr>
<th>position</th>
<th>average in US$</th>
<th>min. in US$</th>
<th>max. in US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>managing director</td>
<td>2178</td>
<td>1000</td>
<td>5000</td>
</tr>
<tr>
<td>creative director</td>
<td>1769</td>
<td>750</td>
<td>3000</td>
</tr>
<tr>
<td>senior manager</td>
<td>1323</td>
<td>500</td>
<td>2500</td>
</tr>
<tr>
<td>junior manager</td>
<td>955</td>
<td>350</td>
<td>1600</td>
</tr>
<tr>
<td>assistant</td>
<td>700</td>
<td>300</td>
<td>1250</td>
</tr>
</tbody>
</table>

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New Business Projects and Pitches

Question: How many of the new business projects of your company in 2009 were competitive pitches?

Only 51% of all pitches were paid ones.
Pitch Fees

Question: How much was the average competitive pitch fee in 2009?

There is a wide range of fees that allows no clear answer for this question. The average is 5200 $.
Trends: Development from 2009 to 2010
Question: How has the interest and demand of clients for audio branding evolved from 2009 to 2010?
Trends: Outlook 2011

Question: What do you think, how will the interest and demand of clients for audio branding evolve in 2011?

92.3% of the respondents think the business will increase in 2011.
Terminology

Question: Please name – in your terminology – the acoustic equivalent for visual branding
Terminology
Question: Please name – in your terminology – the acoustic equivalent for **visual logo**
• A documentation of the survey will be included in the *Audio Branding Academy Yearbook 2010/2011* to be published beginning 2011

• Feel free to discuss the survey and its results on ICAB (International Community for Audio Branding)

• Contact: email: [barometer@audio-branding-academy.org](mailto:barometer@audio-branding-academy.org)
Thank you for your attention!