



Voice-activated ads – making audio spots smart and interactive

In previous egtabites ([here](#) and [here](#)), we have already outlined the exciting new developments that are happening in the area of audio and voice control technology. In this week's egtabite we focus on how voice-activated advertising works and what opportunities it brings to publishers and consumers.

The concept

A US-based company called [Instreamatic](#) has developed a solution that allows voice interaction with ads on mobile and Alexa-like platforms. One of the core features is the ability to have a dialogue with the device. The technology is designed around the types of interaction smart speaker owners would normally have. When the advertising comes on, users are in control and can ask to hear more details, add an event to a calendar, skip an ad, or call a company. The AI-powered voice response technology works with audio ads across different mobile platforms. This offers a great opportunity for radios to turn their advertising spots into interactive ones, making the most of voice control technology.

Perspectives for publishers

These interactive ads offer a higher CPM, could attract new categories of clients (such as performance-focused digital advertisers, including app developers, e-commerce companies, software firms, etc.) and tap into a more natural way of communication with a device in a hands-free environment. A larger portion of interactions with devices and content consumption is carried out in hands-free mode so, it's natural that commercial communication offers a way for users to interact in a simple and intuitive way – with their voice. It's even easier than clicking on a screen. This tool allows *call to action* spots to trigger immediate reaction and for listeners to give a direct response to a campaign. It makes typical audio ads *smart* and interactive for the listener. The *wow factor* for advertisers is the measurement and engagement – they know when someone is listening, and it's easy to track the ad performance.



This type of technology is not necessarily limited to voice-first platforms or wearables; any online device, media, service or game that has a speaker and a microphone can be monetised with voice-activated ads.



Instreamatic is already rapidly building up its client base, working with publishers and media buying agencies in the US, including Live365.

In the future, the service will be able to learn about a customer's preferences and remind him or her, for example, to buy: *"How about another cappuccino just like the one you ordered yesterday? If yes, then we are waiting for you in the nearest Starbucks."*

People spend as much time with digital audio as they do with social media, but the market size is very different. The aim of companies like Instreamatic is to open vast audio ad inventory for digital CPA-focused buyers.

Why does this matter to egta members?

There is definitely a potential for this space to develop an advertising model, but striking a balance between successful pitches and happy device owners could prove challenging. Radio has a great opportunity to implement this technology, as it is the most natural environment for audio ads. While users may be reluctant to hear advertising directly from Alexa or Google Home, they are, however used to hearing ads on radio streams. As recent Radiocentre research [showed](#), radio is already the number one medium on devices like Echo, and turning the ads into interactive experiences can make them smarter and offer additional product to the clients.

Such interactive ads also provide higher CPM compared to non-interactive digital audio ads, therefore offering an additional way to increase revenue per listener, which is a challenge for all for streaming services (radio included) due to the high royalty fees.