



# HARNESS THE POWER OF DIGITAL AUDIO

**YOUR GUIDE TO BUYING PODCASTS**



## INTRODUCTION

# Why podcasting? Why now?

No other medium puts brands in the heart of the content, and therefore the heart of engagement like podcasts. Brands benefit from the intimacy of an opt-in, one-on-one environment where ads are not only expected but embraced by listeners, making real connections that lead to tangible results. More than ever, now is the time to take a serious look at what a podcast sponsorship can do for your brand.

### From niche to big business, podcasting made huge strides in 2017:

- Ad spend is expected to hit \$534 million in 2020<sup>2</sup>
- 93% of brands have increased their podcast advertising spend from 2016 to 2017<sup>3</sup>
- Huge investments are being made in the medium such as the WPP investment in Gimlet and the 60db acquisition by Google
- Break out shows have led to Hollywood adaptations and spin-offs
- Increased number of festivals and live events are building even more excitement around the industry
- Apple releases its new consumption metrics for publishers in beta to meet the growing demand for better data on all sides

Still skeptical about whether podcasting is the right investment for your brand? Not sure how to make the most of this unique environment? We'll break down where the audience is today, demystify key terms, and outline how to get your first campaign up and running. See, we're pretty keen on podcasting around here. Not only are we believers in the power of the medium, we happen to be super fans too.

# Who you're going to reach.



As attention spans become more fragmented, there is one place where brands can still reach an unduplicated audience that's increasingly unreachable by traditional media - podcasts. Half of U.S. households, as studied by Nielsen, are currently home to fans of at least one podcast. In addition to the steady growth in awareness and listening over the past few years, listeners are becoming more diverse. In just 12 months, non-white listeners have grown 20%, up to 36% in 2017.<sup>4</sup>

## A better ad experience:

- 83% agree the host is authentic and natural in delivering the ads
- 78% don't mind the ads because they know sponsors support the podcast.
- Over half (57%) of the podcast ads tested outperformed video pre-roll in driving purchase intent lift<sup>5</sup>

## They're paying attention:

- 55% pay more attention to ads on podcasts vs. ads on other mediums<sup>6</sup>
- Two-thirds of listeners 18-49 have acted on ads they heard in a podcast either by researching a product or service or by actually purchasing something they first heard about in an episode<sup>7</sup>
- 74% of our pod listeners are likely to purchase a product from their favorite host<sup>8</sup>

## So who's listening:

- Millennials heart podcasts: about 4 in 10 listeners (44%) are 18-34
- They're technologically active: 81% of podcast subscribers listen on mobile devices and 48% follow brands on social media
- They have disposable income: 75% make \$75K or more, over 30% make \$100K or more
- Pod fans are an ambitious bunch: nearly 60% have college or grad-level education, 75% are employed<sup>9</sup>
- And speaking of work: Podcast listening peaks during the work week, and prevails during work hours over music<sup>10</sup>

The audience you're going to reach simply comes down to the content you buy. Want vegan urban moms or farmers in the Midwest? There's a podcast targeting those audiences. The combination of targetability and the receptivity to advertising is what makes podcasts work.

# Terms you need to know.

**Pre-roll:** An ad at the opening of the podcast. It can be a full length host read (30-60 seconds), a pre-recorded (traditional audio) ad or a shorter “this show is brought to you by”. There can be multiple pre-rolls in 1 episode.

**Mid-roll:** These segments occur periodically throughout the episode. Typically, these range from :30-:60 seconds, but can be any length.

**Post-roll:** A brief ad at the end of the content, during which the host can urge listeners once again to check out the company or simply remind them of the sponsorship.

**Offer code:** Most podcast ads offer listeners a unique promo code and/or dedicated website to visit, which allows sponsors to track how many conversions they're getting.

**Podcatcher:** Or podcast client is a program or app used to download podcasts. Apple Podcasts reigns supreme, but others include Stitcher, Spotify, RadioPublic, and Pocket Casts.

**Download:** The current standard unit of audience measurement. Most podcasts are sold based on total average downloads per episode. A download counts each time there's a request for a file (i.e. the episode). The general formula for calculating total downloads looks at bandwidth consumption per file, session length of a download, and similar factors. Some vendors may allow buys based on impressions, which are calculated based on downloads.

**Host (the tech kind):** Referring to a content hosting platform such as Megaphone, Libsyn, Soundcloud, or PodBean where creators can upload their content feed for distribution and consumption. While irrelevant to the listener, the hosting platform can make a difference to an advertiser in regards to what technology is available for campaign execution - see “Set your campaign parameters” for more.

**Baked In:** “Baked in” reads are native host-read ads recorded into the content and live in the show in perpetuity. Good for branding campaigns and for tapping into the power of the personality.

**Dynamic insertion (DI):** Pre-recorded reads (host/announcer read OR canned audio from the advertiser) are seamlessly integrated into natural breaks within the content. Ads are inserted on-demand allowing for audience targeting, full impression tracking, and the ability to swap creative at any time.

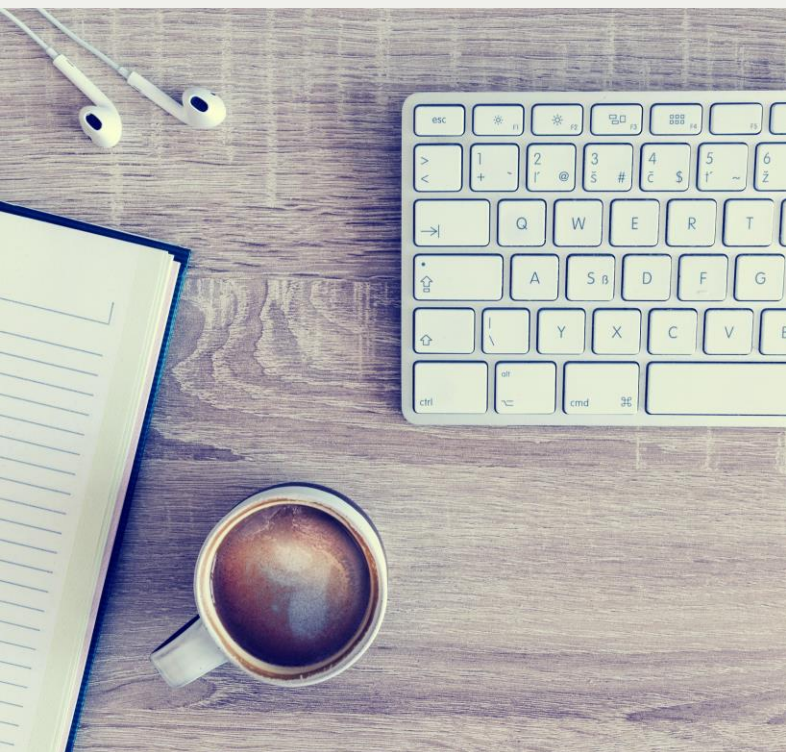
**Dynamically-served impression:** Standard unit of measurement for DI ads. Impressions can be tracked for all ad units (pre-roll, mid-roll, and post-roll).



**BUILD THE  
CAMPAIGN OF  
YOUR DREAMS**

## 1. Set your budget

- Most podcasts ads are sold on a CPM basis. Most podcast spots cost between \$18 and \$25 for every 1,000 listens.
- One spot in one show will not be enough to introduce your product.
- Other add-ons can be included to further integrate your messaging such as segment sponsorships or custom features.



## 2. Set your campaign parameters

- When is your campaign going to run? Are you running for 4 weeks straight, or running the first week of every month for a year?
- Targeting W25-54? College grads with children? Define the demos that make up your audience.
- Does your campaign require further targeting? Through our partner Megaphone, we can target campaigns by geo-location
- What's your goal? Do you want to drive sales or is your campaign just for pure branding?

## 3. Pick your programming

- Identify the shows that fit your target audience either by category, personality, or show demographics.
- Spread your message across multiple shows. Consider a network of like-minded shows to really deliver reach. cabana offers highly-targeted lifestyle environments catering to Millennial men, moms, working professionals, and more.
- Setting up a test campaign is also a great way to gauge if the hosts you picked will be a good fit for your product.



## 4. Get your creative in order

- Find your style. Using humor, or keeping it straight forward will depend on the shows where your ad will be heard.
- Keep it simple and craft concise copy that focuses on one “big idea.” Don’t forget to include a clear call to action.
- Make it easy for them to understand the product you’re selling, and why it would work for them. The general rule is to keep it at a 3rd-grade reading level.
- Let’s face it, no one likes to hear their favorite host read a canned script like a robot. Allow some wiggle room in your copy to let the host's personality shine through. They know their audience best and how to sell to them.
- Let the host try your product first. The reads will sound more authentic if they have experienced what you're selling firsthand.
- Don’t let your copy get stale! Recording two versions (or several for a longer campaign) that can rotate keeps your messaging fresh.
- Submit approved scripts, or send talking points and let the host, producer, or network craft for you.



## 5. How to measure and track results

- Offer codes are the most common method for tracking direct sales. A unique code for each show will ensure the results are attributed accurately.
- To track overall traffic your campaign generates, a custom link/URL can be used instead. These should also be unique to the individual show and lead to a dedicated landing page.

## 6. Repeat!

- Don’t stop now! Results won’t happen overnight, so switch up your copy, try a new offer, or bring in new shows or personalities into the fold.





# Why cabana? We're Your Podcast HQ

We take the guesswork out of buying digital audio. All campaigns are managed in-house with a focus on accuracy and accountability, utilizing the top technology in the industry.

- A unique provider in the digital landscape, offering integrated products to fully enhance media campaigns on multiple levels
- Departing from the linear approach to audio content, we offer complete audio solutions with a focus on all digital outlets for ease of campaign execution
- Leading the pack in stellar service, full transparency, and timely reporting – all the tools an advertiser needs to succeed in the digital space

Any questions? Don't hesitate to reach out! Our team is here to walk you through the entire process so you can confidently venture into the world of podcast advertising. Get in touch today for more info or a Megaphone demo.

**Tap into the power of digital audio!**  
**#letscabana**

Sources: 1. eMarkterer, Sep 2017; 2. Bridge Ratings forecast, Jan 2017; 3. audioBoom, 2017; 4. Nielsen, August 2017; 5. Nielsen Digital Media Lab, PODCAST SPONSORSHIP EFFECTIVENESS, 2017; 6. WNYC + Edison Research, 2017; 7. ComScore/Wonderly study, 2016; 8. AdLarge survey, 2016; 9. Edison Research, The Podcast Consumer, 2017; 10. Spotify, Oct 2017