

ADVERTISING

How to advertise on podcasts

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Podcasts are new terrain for advertisers looking for brand or direct marketing exposure. Image credit: Oxford Road

By [Dan Granger](#)

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If you have been under a rock or waiting on the sidelines as the Podcast Revolution helps catapult scores of startups into Unicorn-dom, this is for you. Perhaps you do not know where to start to make podcasts your secret weapon. Or worse, perhaps you tested podcasts but failed.

Whatever the reason, now is your last chance to act.

As the hype-machine behind podcasts rocket valuations into the stratosphere, CPMs are likely to follow, slowly closing the window for performance marketers to easily jump into low-cost advertising tests that immediately show tremendous returns.

It is a quarter til three at the Podcast Saloon, so here is some advice to get in on the action before last call.

Who should advertise?

This question could be an article on its own, so let us keep it general.

Direct-to-consumer (DTC) brands have been the bread-and-butter of the podcast advertising space since inception, and if that is your company, the path is set.

However, success in podcast comes to a variety of different business models, and DTC is not the only way.

Provide enough budget to test wide. There is no one-size-fits-all budget, but a minimum viable test spend is generally \$50,000. If that number sounds ridiculously low, it is. Many podcasts charge that much for just one episode, but for the first test, steer clear of those.

Test as many different types of shows as possible, giving each podcast enough time to prove its potential.

While there are success stories where advertisers test podcasts with \$20,000 and quickly scale to 50 times that amount, that was more indicative of the good ol' days.

Today, the fail rate for advertisers going in on the cheap is far higher than those who set aside a more significant test budget. It is a numbers game. Half of the shows tested will often not perform to expectations and testing wider will increase the likelihood of finding the true winners.

Brands should have a national footprint or as close to it as possible.

While dynamically inserted ads have made geo-targeting on podcasts a reality, it will never truly be able to scale the channel until the business is close to national.

Which podcasts to buy

There are more than a half-million podcasts available for consumption, and while most do not offer ads, choosing which podcasts to test the first campaign is daunting.

Listeners and brands love Serial, The Daily and This American Life everyone does. However, the shows that everyone is talking about rarely pay off from a performance perspective. There are exceptions, but they are few.

Launching a podcast test on the most popular shows will undoubtedly get a marketing message heard by millions of ears, but chances are it will not see an immediate return on investment.

The strange secret is that the podcasts that drive efficient performance are seldom those that show up on the iTunes Top 10 list.

The same holds true for podcasts that may seem like a no-brainer for your business category.

It is logical to think a widget company would see success only on podcasts that talk about widgets, but it is not necessarily the case.

Maybe the widget podcasts are overpriced, or perhaps the reads are not engaging. Maybe their download numbers are over-reported. Most likely, there just are not many people who want a whole podcast about widgets, so downloads never reach critical mass in a way that can help a business.

You could spend all day managing a channel that gives two acquisitions per month. Whatever the reason, a podcast's subject is only part of the equation.

It really comes down to the audience engagement, which is impossible to predict with CPMs and show descriptions alone. You need data.

We have tested thousands of different podcasts from hundreds of network partners. You need to know which podcasts will drive conversion and those that will not.

When evaluating which podcasts to test in the initial phase, first consider your demographic and preferably work with a partner who can dig through an extensive cache of cross-client performance data to find the podcasts that will give you the best opportunity for success.

Testing a wide variety of genres on proven shows will identify pockets of success that work for your business and set the stage to scale up in the next phase.

Fighting strategy

After determining your business is ripe to advertise on podcasts, now let us get to the nuts and bolts. How many episodes per podcast do you buy, and how often should they run?

The best practice during a test is three episodes per podcast, with a "one week on, two weeks" off cadence.

Why? Performance fluctuates wildly.

While performance varies on each podcast in the test, performance teeters on the same podcast, episode to episode.

A show may come out of the gate and crush performance goals on the first read and fail to drive a single conversion on the second. Often, the reverse is true.

A show's performance will get better each time an ad airs. Running three drops will give you the clearest picture of the show's capabilities once the average response over the three episodes is identified.

Three episodes allows for course correction on hosts who may have had a weaker read in the first spot.

Between onboarding hosts, setting up landing pages and sending product, a lot of time and effort was invested getting this thing off the ground.

Running three or more episodes will give hosts a chance to optimize their reads and get comfortable selling the message to their listeners and better results will follow.

Start with a "one week on, two weeks off" flighting strategy. Waiting two weeks between drops is helpful for a couple

of reasons.

By the time the second drop happens, the tail from the first drop will have mostly subsided. You will typically get 40 percent to 60 percent of your response in week one, and 30 percent to 40 percent in the next two weeks.

Waiting two weeks between drops allows your response from the previous drop to come down close to leveling off before the next drop.

Second, having two weeks between drops gives you time to evaluate the host read and performance so you can chat with the host to optimize it, if need be.

THAT IS IT: the simple ABC's of podcast advertising.

Many shows behave differently for different advertisers, but these are best-practice tips for a first test, as proven by millions of dollars of other people's money.

Dan Granger is CEO of [Oxford Road](#), Sherman Oaks, CA.

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