

AdAge

**PODCASTERS
ARE THE NEW
INFLUENCERS**

Sponsor Content

 podcorn

PODCASTERS ARE THE NEW INFLUENCERS

Here's how partnering with them can move your brand



Podcast advertising is projected to top \$1 billion next year.
Austin Distel/Unsplash

Influencer marketing is a powerful tool, which is why nearly two-thirds of advertisers are projected to increase their spending on the category this year. Along with the emergence of brand influencers, podcasts have risen meteorically, with an estimated 1.2 million series currently being produced, millions of Americans listening in and podcast advertising projected to top \$1 billion next year.

Still, most of the action in influencer marketing has been confined to platforms like Instagram and YouTube, while podcasting has remained notoriously under-monetized—even though podcasting is the fastest-growing media segment. Podcasting's advertising fortunes may be about to flip, however, as podcasters are poised to become the next, much-in-demand crop of influencers and indispensable partners to marketers in search of highly engaged and relevant audiences.

After sitting on the sidelines for far too long, now is the time for advertisers to embrace podcasts and harness the power of the personalities that drive them. But that only works in the case of podcasters who have built not necessarily the largest audiences, but those who have achieved affinity and credibility

among their listeners via their programming or the brand messages they serve.

Regardless of size, podcasters who have built trust and relationships with their audiences stand the best chance of monetizing their programs—and they can drive serious business for their brand partners. “Guys like Bill Simmons can put lesser-known advertisers on the map. Ask a Simmons fan if they’ve heard about Stamps.com or ZipRecruiter—they have,” says Michael Shields, CEO of Shields Strategic Consulting. Personalities have always had the power to move product—it’s merely the medium that’s changed, Shields observes. “It’s like how Howard Stern once made a brand like Snapple simply by calling it out. His fans hung on his every word. Podcasters have the same effect.”

“We are saturated with content, so differentiation and understanding your audience are key,” says Ari Lightman, professor of digital media and marketing at Carnegie Mellon University. “If you’re a podcaster who believes in a brand, then [the brand message] comes off as much more authentic and effective. You’re providing something of value to the audience, whether it’s entertainment or

education—that’s important to the audience. And when you’re doing endorsements to monetize the brand, you’re also providing value back to that audience.”

Many podcasts are built around celebrities with enormous audiences

Why have podcasts enjoyed such massive growth in popularity? Because they are entertaining and informative; they fit with our lifestyles, interests and the technology we’re embracing; and they are built around compelling personalities talking about topics that fascinate us. It hasn’t hurt that many podcasts feature celebrities who already have enormous, built-in audiences and instant credibility with their followers. In May, comedian and former “Fear Factor” host Joe Rogan took one of the industry’s most successful podcasts, his 11-year-old “The Joe Rogan Experience,” to Spotify in a licensing deal valued at \$100 million. It was the biggest transaction to date for an individual podcast and, unsurprisingly, generated a stream of headlines. But experts expect it to be just the beginning—the first in a wave of megawatt deals following this model.

And still more celebrities are following suit, with a host of boldface names attached to some of the most popular programs—including “Oprah’s SuperSoul Conversations,” “Conan O’Brien Needs a Friend,” Dax Shepard’s “Armchair Expert,” “WTF With Marc Maron,” Dr. Phil’s “Phil in the Blanks” and “Office Ladies” with Jenna Fischer and Angela Kinsey. Still other top-rated podcasts are based on the affinity consumers have with popular media brands, like “The Daily” and “Rabbit Hole” from The New York Times and NPR’s “Fresh Air” and “The NPR Politics Podcast.”

Podcast content is as diverse as the personalities who front the programs, their topics ranging from entertainment and culture to business and finance, technology, sports, science, news and health and wellness. There is a diverse constellation of programming from which advertisers looking to hone in on a particular topic or audience can choose—listeners whom brands can connect with directly and authentically. In other words, for advertisers looking to promote everything from automobiles to streaming series, mobile games to



President Barack Obama’s appearance on ‘WTF With Marc Maron’ in 2015 was a watershed moment in podcast history.

Photo by Pete Souza

dental floss, there’s a podcast with a receptive audience with which they can partner.

As one of the most imaginative and engaging storytelling media, and as home to such a broad range of topics and voices, podcasts are uniquely positioned to attract a diverse swath of advertisers. Millions of consumers tune into podcasts every day not just to be entertained or pass the time but to connect with influential personalities and learn things—such as how to live a healthier and happier life, how to be a better parent, how to start a business or which books to read and movies to watch and apps to download.

Podcasts can provide not only affinity and intimacy to their audiences, especially when compared with social media outlets, but they also have the power to reach consumers on the go. A major reason the public is drawn to podcasts is their portability: People can listen while they’re working, driving, cooking dinner, taking a shower or walking the dog. The latest technology—smart speakers, connected cars, AirPods—has made it that much easier to enjoy audio content and has created still more opportunity for brands.

Not only is podcast content more relevant and engaging for many consumers than other media, but their integrated brand messages are uniquely powerful, benefiting from the personalities, experiences and storytelling and performing talents of the influencers who helm them.

The potency of podcasts and podcasters as brand influencers

The numbers tell the story of the potency of podcasts and podcasters as brand influencers. More than one-third of Americans ages 12 and over (104 million) now listen to podcasts regularly, according to Edison Research and Triton Digital’s annual report on media consumption, released in March. Fully 39 percent of men and 36 percent of women listen to podcasts every month, up from 36 percent and 29 percent, respectively, a year ago. Awareness of podcasts is on the rise, with 75 percent of the public familiar with the medium (up from 70 percent) and 37 percent listening monthly (up from 32 percent).

Again, technology has boosted that growth. The rise of podcasts has mirrored the growing popularity of smart speakers, with U.S. households now owning an average of 2.2 devices, up from 1.7 two years ago. (An estimated 62 percent of Americans have used voice-assisted technology.)

The amount of time consumers are listening to podcasts is also on the rise, at 6 hours and 39 minutes per week, 10 minutes more than last year. Consumers currently listen to an average of six podcasts each week.

“Podcasts now reach over 100 million Americans every month and are attracting

an increasingly diverse audience,” says Tom Webster, SVP of Edison Research, adding that “audio is becoming a bigger part of our everyday lives.”

Advertisers not only have found a captive audience in podcasts but also an affluent one. Edison/Triton found that 41 percent of listeners earn \$75,000 or more, versus 29 percent of the general population. Ninety percent of consumers listen to the ads, while 54 percent said they were more likely to consider buying a product they heard advertised on a podcast.

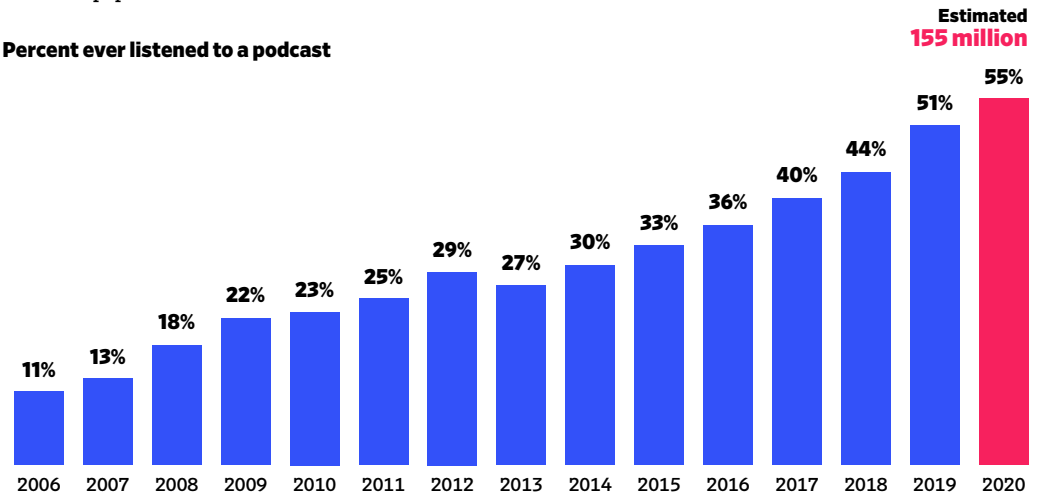
Considering their popularity and obvious selling points, why have podcasts struggled to monetize and reach consumers organically? It has been estimated, in fact, that just 15 percent of podcasts make money, and the ones that do earn just a penny per listener hour, or less than 10 times that of radio.

In recent years social media platforms have changed their algorithms to emphasize the posts of friends and family over those of publishers and pages, leading to a steady decline in organic reach, or how many people see posts without paid distribution. Advertisers have found ways around that—for example, by partnering with influencers who boast large and devoted followings. Following the lead of social media, audio programs via media like satellite radio and podcasts are increasingly looking to

Podcast listening

Total U.S. population 12+

Percent ever listened to a podcast



Source: The Infinite Dial/Edison Research

influencers as marketing partners.

And yet, growing organic reach has also been difficult to achieve in the podcast space. Why? Because brands working with podcasters have in many cases been limited to dynamic ad insertions—traditional formats that lack authenticity threaten to go off-topic from the podcast content and fail to leverage the close relationship between podcasters and their listeners. The fragmentation of the podcast realm has also served to hold back the medium, with no centralized hub enabling advertisers to find the right podcasts to disseminate their branded content at scale. That has meant that advertisers either have to go through the tedious process of contacting podcasters individually or go through an agency, which can be expensive as well as lacking in familiarity with, and connections to, all areas of the massive podcast universe. For their part, podcasters, too, have missed out on monetization opportunities because of the lack of an organized marketplace.

A free, open marketplace

One company has sought to fill the void. Launched last year, Podcorn sought to make it easier for brands to find and sponsor on-demand audio programming, making it less fraught for advertisers to partner with the

right podcasters to create authentic messages and to resonate with and engage listeners. During its first four months, Podcorn, an open marketplace that is free to both brands and podcasters, onboarded more than 11,000 podcasts spanning every conceivable vertical, covering topics including entrepreneurship, comedy, pop culture, fashion and beauty, true crime, health and wellness, parenting, gaming and self-help as well as highly niche categories such as dental health, fishing, hunting and home improvement.

On the advertiser side, it made its platform available to brands of all sizes and budgets, from start-ups to well-established brands across verticals that include men’s and women’s health, fashion and beauty, gaming and B2B. The podcasts it works with range from 1,000 to 1 million downloads per episode.

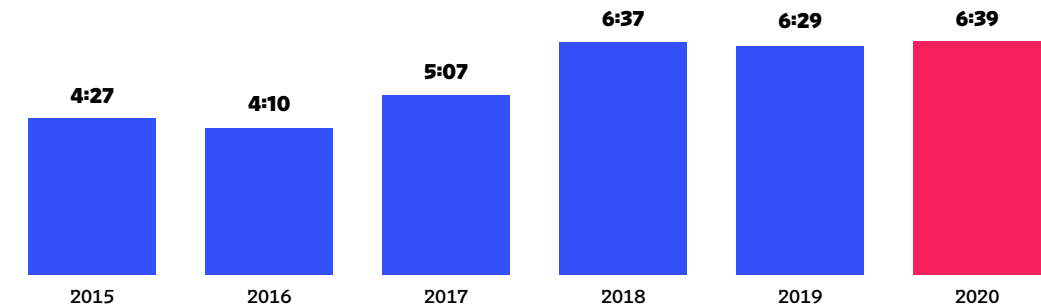
Podcorn’s aim is not to match brands to podcasts based on who has the most downloads but, rather, to bring together brands with the most relevant and influential voices regardless of reach. The thinking is, it is more effective to work with many podcasters across a topic area versus one or two hosts with extremely large audiences but whose content and listeners may not necessarily be the best fit for the brand.

Unlike agencies and networks that focus on

Average time spent listening to podcasts

Base U.S. age 12+ and listening to podcast in last week

Hours and minutes in last week



Source: The Infinite Dial/Edison Research

a single category or limited roster of clients, Podcorn is the only company in the world of podcasts that is truly agnostic and devoted to matching brands with precisely the right content, leading to greater consumer purchase intent and more willingness for audiences to listen to brand messages.

Here’s how it works. A brand promoting diapers can choose to broadly target women ages 30 and older across the podcast content categories that skew heavily female such as true crime, lifestyle and fashion and beauty or integrate specifically with parenting and family podcasts whose audiences are expectant or new parents and whose content is centered around pregnancy or raising young children. In either case, Podcorn, by consolidating and categorizing the broad ecosystem of podcasts with which it works, can deliver the most relevant audiences at scale. In addition to helping brands position alongside the most relevant podcasters, Podcorn also helps brands build more meaningful relationships with listeners through more relevant product integration options than standard host-read ads including topical discussions, product and service reviews, unboxings, brand interview segments and more.

Podcorn’s dashboard enables customers to manage all aspects of podcast sponsorship—from communication between podcasters and brands to campaign tracking and cross-platform distribution. Its support team provides help with issues from the creation of campaigns to advising on pricing. Podcorn also has the capability to track impressions across any distribution channel, anywhere anyone listens to a podcast—meaning it doesn’t merely track listens across RSS feeds but also via YouTube, where podcast content often gets redistributed, but not monetized, for the podcaster. Podcorn’s platform consolidates all those engagements.

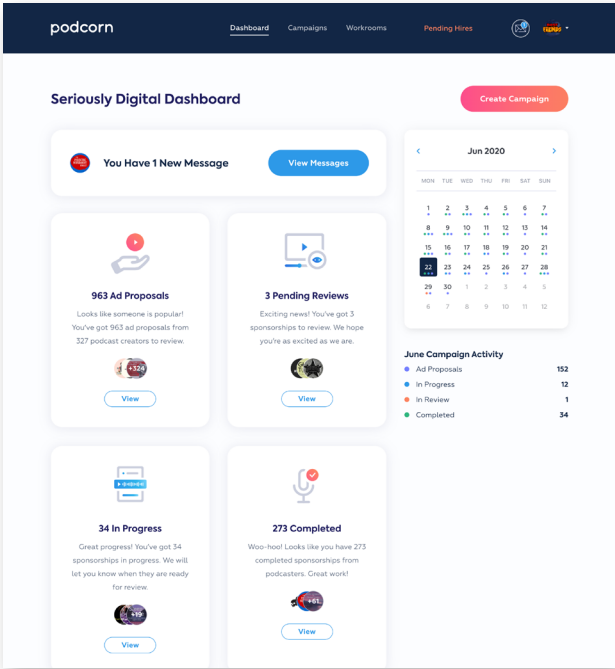
“There’s a huge opportunity for Podcorn to fulfill a need here,” says James Le, VP of marketing at

Seriously Digital Entertainment, a Podcorn client and producer of the free game Best Fiends, which advertises on 50 to 60 female-skewing podcasts per month. Podcorn’s service, he says, “allows content creators to be more in control and allows advertisers to be more directly connected to those creators. The ability of advertisers to scale native sponsorships ensures the quality of the ads. That will always be more desirable than dynamic insertion, which removes the connected magic between the creators and their listeners.”

Le says his company tends to favor podcasts with a smaller reach because they are more effective for the brand, delivering a more engaged audience and better conversions. “With large podcasts, people have heard it all before,” he says. “They tend to hit the skip button, and they become more passive.” The topics of the podcasts with which his brand has partnered range from true crime to pop culture.

Seriously Digital also uses a traditional

Below: The Podcorn dashboard of Seriously Digital Entertainment, producer of the free mobile game Best Fiends.
Courtesy Podcorn



agency. Le explains the difference between its services and what Podcorn provides: “An agency has network connections, but with Podcorn, rather than individual shows or podcasts being tied to a network, they have free rein. Podcorn provides them the freedom to do what they want to do. If you’re in a network and somebody is selling your inventory, there’s much more pressure on the podcaster to accept those integrations, whereas with Podcorn, the host can accept or decline. They can be flexible, so if they don’t believe in the product, they don’t have to accept it.”

Connecting brands and customers

Because Podcorn understands the influencer marketing space better than most, the company is able to build true connections between brands and customers. Its founders, Agnes Kozera and David Kierzkowski, were the creators of FameBit, the first marketplace for video influencer marketing, which connected YouTube stars to brands for creating branded content. FameBit was acquired by Google in 2016 and became its branded content arm.

“The reason we pursued this idea and took this approach with Podcorn is because we saw how engaging and influential podcast personalities are becoming and saw many similarities in the podcasting space, but there is an even bigger problem to solve for brands due to fragmented distribution and no central hub where brands can find and work with podcasters directly,” Kozera says. “Given our expertise, we understand the power of an effective long tail strategy and how important creator-driven content is for conversions. As fans of podcasts ourselves, we witnessed firsthand how disruptive and uninspiring some advertising can feel. We believe there is a missed opportunity for brands to build a true connection with their customer base through the personalities that command attention for an even longer duration than via social media platforms.”

Like the YouTube stars that came before them, podcasters have highly engaged audiences that consume their content because they like, trust and respect the viewpoints of the hosts. Brands can tap into that tremendous power by joining the conversation as opposed to disrupting it with a traditional ad.

Meanwhile, creators from other platforms, including YouTube and Instagram, are increasingly embracing podcasting to create longer, more conversational programs, leading the podcast universe to become even richer with content and diverse voices. Advertisers now have the opportunity to be a part of those conversations, to share their brand stories and reach consumers wherever they are.

As Kozera points out, branded messages in podcasts bring many benefits—among them, the production is simplified and more cost-efficient than video ads, and the spoken word can be especially powerful for delivering brand messages, particularly in cases where an advertiser’s product might not be as visual.

Podcorn advises and makes connections between podcasters and marketers, but it leaves ad creation to the experts. “We are giving the power to the creators,” says Kozera. “We don’t produce ads. The podcasters know how to integrate a brand in a way that’s organic and in line with what listeners want to hear.” Brands have the ability to test different types of branded content, she adds—interviews with company founders, for example. Or, as is the case with Seriously Digital’s Best Fiends, podcaster influencers play the game or talk about it during the program.

“The value of podcasters is that they have their own individual voices,” says Todd Gallet, head of partnerships at Podcorn. “The problem until now has been that people have not been looking at podcasting as a market for influencers but, rather, as a media buy, a straight CPM buy where you consolidate as much audience as you can in a network, then sell the audience. Where the industry has missed the boat is in not seeing podcasting as an influencer ecosystem, because no one has effectively been able to scale the influencer part of podcasting.”

With highly engaged audiences across every niche imaginable, podcasters have become highly desirable partners for brands seeking to connect as never before with consumers. Advertisers connecting with people who understand their brand, their products and their values, via a medium and personalities they trust, is what influencer marketing is all about, and why it is a goldmine ripe for the taking for podcasters and brands.

Ad Age Studio 30

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About Podcorn

The easiest way for brands to collaborate with podcasters on branded content. Podcorn is the first and leading podcast influencer marketing platform using tech and data to connect brands to the right podcasters to influence listeners natively. From organic host-read integrations and brand interviews, to topical segments and product and service reviews, Podcorn specializes in branded content that is more episodically relevant and effective for brands.

Learn more

www.podcorn.com

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