MIDROLL UNCOVERS THE
SURPRISING SECRETS OF
SUCCESSFUL PODCASTERS
We love podcasting! And, since you’re reading this whitepaper, we suspect you do, too.

At Midroll, we’re lucky because we get to spend our time focused on podcasting, working with some of the most talented and successful podcasters around. Also, many of the top hosts, producers and entrepreneurs in the business — like Aisha Tyler, WTF producer Brendan McDonald and Neil deGrasse Tyson — have appeared on our show, The Wolf Den, (about the business of podcasting), sharing their experiences and insights.

That’s allowed us to learn and assemble some effective best practices and advice from some of the most successful podcasters in the industry to help launch your show and take it to the next level.
If there is one thing we’ve learned over the course of starting two podcast networks, it’s that the most crucial ingredient in a successful podcast is passion. The best hosts have a real love for and dedication to what they’re doing and sharing—and that comes across on the microphone and draws listeners in. That same passion also helps with keeping focus while building your audience. So, what topics are YOU passionate about?

Paul Scheer is the host of Earwolf’s How Did This Get Made and the curator of Earwolf’s sister network, Wolfpop, all about popular culture. On episode #66 of The Wolf Den Scheer said that when planning the network the most important factor was “passionate hosts.”

With few exceptions, “You’re not going to have a hit right out of the gate.” On the same episode, Midroll Media’s Podcast Developer Matt Gourley added, “you should do it for the love of the game.”

**FORMAT**
What is a format? It’s a repeatable template that you use to organize each episode. Your format should include basic elements, like the introduction and closer. The most significant aspect of your format is based on the kind of show you’re doing.
Is there primarily discussion between regular hosts? Do you have guest interviews? Perhaps you might include recurring segments where you deal with certain topics or questions.

As you can see, putting together your format is one of the first decisions you’ll make, next to picking your topic and hosts.

Before joining Midroll Media as Senior Producer, Gretta Cohn worked on shows like Freakonomics Radio. “Structure is incredibly important,” she advises. “Even with the most improvised or loose format, a listener wants to be taken care of, so let your listener know what is coming. Show them that you’re there as a guide. Let them know what to expect, and they’ll stick with you.”

Another thought to consider is that including recurring segments gives listeners something to look forward to each episode. Segments break up the overall show to keep listeners tuning in and make sure they don’t tune out.

On her Girl on Guy podcast, Aisha Tyler has a segment called “Self-Inflicted Wounds,” where she asks guests to share a story about a time when they were their own worst enemy. The segment helps expose a different side of guests and means Girl on Guy listeners hear something exclusive to the show. In fact, the segment is so popular that Tyler turned it into a book with the same title, in which she shares her own self-inflicted wounds.

Similarly, Josh Horowitz’s Happy Sad Confused is never over until he asks celebrity guests like Woody Allen or Lisa Kudrow to pick a random question out of his famous Indiana Jones hat. This brings a fun, game-like element to the interview.

On Comedy Bang Bang, guests are always confronted with unexpected characters and situations. But they also know they will have to compete in games like “Would You Rather?” and the “Freestyle Rap Battle” that help anchor the show. Actress and comedian Amy Poehler’s epic freestyle skills have made her guest turns at the mic the stuff of viral internet legend.

“We were really just trying everything,” said producer Brendan McDonald about WTF with Marc Maron when it began in 2009. As he described on episode 55 of The Wolf Den, he and Maron aimed to, “set a certain amount of time for Marc to tell some stories, and let’s set a certain amount of time for guests to come in… and let’s set a certainly amount of time for funny things we want to do.”

So they recorded a “wealth of stuff,” and then McDonald sat down to put it all together into three or four episodes, all based...
around a similar structure of, “monologue, interview, third act surprise.” But they also wanted to feel like they could “play around with the freedom of the format and of the medium. That’s kind of the birth of it.”

Don’t fret if you don’t have any segment ideas right away. Most great shows evolve over time, and many segments grow out of spontaneous moments that just “click.”

That said, Matt Gourley offers some sage advice: “You can develop a format, you can’t develop a personality and someone who engages you.”

**CRITIQUE/REVISE**

Just like it’s a good idea not to put all your eggs in one basket, it can be a good idea not to just record a first episode and then just release it into the world.

Instead, take a cue from the television development process, and create a pilot episode to see how things go. For instance, pilot episodes were created for the nine new shows that debuted with the Wolipop network, which ensured that listeners were introduced to the network with polished podcasts with many rough edges sanded off.

Recording a pilot is as simple as creating your first episode. Then, instead of releasing it, listen to it critically and take notes about what works and what needs work. Share it with friends, family, and especially with people you trust to give honest and critical feedback. Ask questions like: How well does the show keep your attention? Does this give you a reason to listen to another episode? Would you listen to this if you didn’t know me?

Next, take that feedback and use it to create another episode. Perhaps you only need to re-edit the first pilot, or add some fresh content. Maybe it makes sense to do it over. Then get some more feedback.

**FILL THE PIPELINE**

One of the biggest first-time podcaster mistakes is to launch with one great episode, and then go AWOL. This often happens because so much effort and planning goes into that first show, but without a plan for how to do it every time.

This is so important because there is simply no easier way to lose an audience than failing to deliver them new podcasts.

Breaking the sophomore slump is also simple: get a few episodes in the can before you even release the first one. Then there’s no
doubt about when episodes number two and three are going to drop.

When writer and entrepreneur Tim Ferriss launched his podcast it was a success out of the gate. On Episode 64 of The Wolf Den he explained that, “I recorded a bunch in advance, and I launched with two.”

**TIME IS RELATIVE**

As you produce these first episodes, keep in mind this advice from Gretta Cohn: “Always be active, and in the now. A listener will experience your podcast right now. You may be recording your episode a week in advance or a month in advance. But consider everything you do in the moment as an experience that someone is having with you, right now.”

In the same vein, having a consistent release day and time helps listeners feel like you’re reliable and that they are a priority. Pick a release schedule based upon what you can realistically plan to do, whether it’s daily, weekly, biweekly or monthly. Then release at the same time, each time.

John Lee Dumas produces the daily *Entrepreneur on Fire*, which was awarded best business podcast by iTunes in its first year. He agrees that consistency is key. “This is where 99% of podcasters fail,” he says.

You want to have listeners who are excitedly anticipating your next show. Don’t disappoint them.
Although you will put a lot of work and effort into your podcast, that aspect shouldn’t be obvious to your listeners. Go easy on using lots of flashy audio tricks like bumpers, liners and stingers if they don’t integrate smoothly with your show’s topic and tone. The audience should just hear a really great show.

According to WTF producer Brendan McDonald, “The basic tenet is that you want someone to listen to the show, not the production behind the show.” He elaborated, “If you don’t notice the production behind that show, I feel like I’ve done my job.”

**ADDNG GUESTS**

One simple way to keep a podcast fresh and lively is to have guests. It’s also a great way to grow your audience, as well as learn a thing or two along the way.

Celebrity guests certainly grab attention, but aren’t necessarily appropriate for every ‘cast. What is more important is picking guests who you want to talk to and who your audience wants to hear from.

James Altucher said on The Wolf Den #63 that, “I only have guests on who I want to learn from, and — to be fair — who I think will increase my audience and appeal to my listeners. Fortunately,
there has been a great amount of guests who (offer) the combination of both things.”

It’s critical to know why you want to talk with your guests. Because, if you can’t explain why you’re having them on, then how do you expect someone to know why she should listen?

Also, the notion of “celebrity,” is relative. If you’re producing a college basketball podcast the celebrities in that world are different than in the business advice world. Getting a big name actor as a guest for a business show might not make sense unless that same actor has useful business experience to share.

With StarTalk Radio, astrophysicist Neil deGrasse Tyson said that one of his goals is to reach people who might not know if they’re interested in science. As he explained on The Wolf Den #69, he considered, “What if I invert the model: I’m the host, a scientist, and my guest is a pop culture personality?”

Then, “we would talk about all the ways that science has informed their life.”

Another good tip is to pick guests who have their own fan base or following. If guests let their followers know about their appearance, there’s a good chance they’ll check out your show, and maybe become subscribers.

When John Lee Dumas launched a daily show he was faced with trying to find 365 guests a year. His very clever strategy was to look at business conferences and trade shows and see who were the people speaking on panels and keynotes. He reasoned that not only would these folks be experts in their field, but they would also be comfortable speaking to an audience.

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Promotion and Growing Your Audience

There are three things that must be stressed, when it comes to growing your audience.

First, and most importantly, you need to have some idea who your listeners are. For instance, if your show is about comic books, are you focusing on a particular title or genre, and who are those fans? For a show about entrepreneurship it can be useful to refine your focus. Are you targeting new entrepreneurs who might be launching their first business, or those who are more experienced?

Second, and more practically, listeners stay with shows that are well produced. This pertains both to production value and to content. Content will always rule — a high fidelity but boring show isn’t likely to do well — but your show must not be difficult to listen to.

Keep in mind that whoever you envision to be your ideal listener will end up being complicated by reality. That often is a good thing, as your show may find a bigger audience than you anticipate. However, having a sense of who you want listening early on helps you to make strategic decisions when it comes to growing and promoting your podcast.

Unfortunately it is never as simple as only producing a great show. That said, producing the best
show you can is pretty much a prerequisite for building an audience.

Third, the process takes time. While there are occasional break-out hits, more often audience building is a gradual process for new podcasters who aren’t bringing in audiences from another outlet or platform.

Once you’re making a great show there are things you can do to help listeners know about your show.

**GUESTS AND PROMOTION**

“It appears the major way you build a podcast audience is by being deeply connected in the podcast ecosystem.” That is what Slate Political Gabfest host and former Slate editor David Plotz revealed on The Wolf Den episode 54. “It’s getting podcasts that might have complementary but not fully overlapping audiences to connect with each other.”

If bringing on good guests who are interesting to your audience is a good move, then it’s even better if those guests also have developed a following of their own. This doesn’t necessarily need to be an enormous following, but it should be a loyal and dedicated following.

Here’s where having a solid niche topic can come in. Fans who share a more narrow interest are often more dedicated, because there is less media dedicated to their passion. If yours is one of the few — or only — podcasts that covers a particular niche, those fans are likely to be loyal.

Having a guest with a strong audience often means they will follow him or her to your show, too. Of course, it helps if your guest is willing to promote that appearance on your show. Then, it’s up to you to keep those listeners by making sure that episode goes well and offers something new and different. So, don’t ask the same six tired questions your guest answered in her last interview. Take a new tact, or go deep.

**BEING SOCIAL**

Many successful shows don’t just build a listening audience, but a following that engages on multiple platforms. Make no mistake, this takes additional time and energy. But the reward is developing a connection with listeners who are more likely to support your show and become interested in your success.

Gimlet Media co-founder and former This American Life producer Alex Blumberg discussed the advantages of social media on episode 57 of The Wolf Den. His company is creating innovative approaches to journalism in podcasting. He observed that, like it or not, “with social media… everybody really is sort of their own brand. It’s exciting in a certain way, because if you do have a cool idea for engaging your audience and talking with your audience, now you can do it. There’s no one to stop you, and it’s awesome.”

To make social media work effectively for your show it’s important to know who your potential audience is, because that helps you know where to find them.

With so many different platforms to choose from, from Twitter to Pinterest, Instagram to Snapchat, it can be overwhelming and nearly impossible to use them all well. The most important principle is that **community is more important than platform.**

If you are already an active member of an online community then that is the very best place to start. If not, don’t worry. Do some research and find out the platforms most used by your target audience. But do so with some decorum and thoughtfulness about the venue. Twitter is a big, worldwide conversation, while groups on Facebook, communities on Google+ and subreddits are a little more secluded. People in these places might not take kindly to a new person dropping in just to promote their new podcast. If you’re a newbie, take a little time to get the lay of the land before screaming “check out my podcast!”

The same principle goes for more open platforms like Twitter.
and Tumblr. These can be great venues for potential listeners to find you and for you to reach out to them. Just keep in mind that nobody likes getting spammed, whether on email or on Twitter. Don’t just start @-ing away without having something substantial to offer or add.

On the other hand, hashtags on Twitter and tags on Tumblr and Google+ can be your friend. People really use these to search for content they want. Again, it’s advisable not to go overboard, but using keywords that are very appropriate for your content and topic will make you more findable.

When it comes to the actual content of social media posts there are dozens, if not hundreds of strategies. Your approach will have as much to do with your audience as it does your own personality and comfort level. Here is where it can be instructive to look for examples. Who do you follow? More important, whose posts do you most often like, favorite and share? Track that account for a week or two and see what pattern emerges.

In the end your listeners should be interested in you and what you have to say. It follows that your social media presence should reflect this.

Don’t forget that social media is a platform for engaging with your audience, not just talking at them. “When you have fans and they’re tweeting at you,” Plotz advised, “you have to be respectful and respond to them, so that they stay in love with you and they stay attentive to you.”

YOUR WEBSITE
Your podcast — or your network, if you’re building one — needs its own website, with its own domain. It can be tempting to save a few bucks by using a free host like Blogspot or Wordpress.com. Some podcast hosting accounts also come with free web hosting, usually using the host’s domain.

Resist this temptation. The maybe $10 a month you save will not be worth the control you give up over your brand and the ability to control your site. The most important thing is that the host or service you choose lets you have your own domain name. Many free services offer this for just a few dollars, making for a very worthwhile upgrade. Tim Ferriss emphasized this point on The Wolf Den. “If you don’t have a home base for your content that you control 100%,” he said, “then your discoverability is dependent on Apple or another platform, and you have a single point of failure, like musicians who relied on MySpace. You need to have a domain and home base you control.”

SEO AND DISCOVERABILITY
Search Engine Optimization, or SEO, can seem difficult or baffling. Unfortunately, its reputation has suffered due to unscrupulous techniques used by some shady practitioners in the past, like creating bogus sites full of links or barraging other blogs with comment spam. Google and Bing have both pretty well eliminated any advantage these tricks once had, and now even
penalize sites that are linked to in this manner.

The best traffic you can get is organic traffic. That is, viewers who come to your site either by finding it on Google or by linking from another reputable site.

When it comes to being found on Google it mostly comes down to having your best keywords on your website. The easiest and most natural way to do this is to make sure that your site has plenty of information about your podcast. Be sure there’s an about page that tells your show’s story.

For every single episode have a good, easy to read description. Shows that lean towards information and discussion often include show notes, summarizing key points and including links to topics, items or products mentioned in each episode. The great thing is that all this good, useful information is also data that Google will use to index your site for future searches.

The most important takeaway is to make sure that someone looking for content similar to your podcast can find it. Then, you want to convert someone who stumbles onto your site from a visitor into a listener. The more they can learn about your show quickly and easily, the better. Since search engines are only one way that people find podcasts it probably isn’t worth it to worry too much about SEO beyond that.

MAKING THE ROUNDS

One of podcasting’s most tried and true promotion methods is guesting on other podcasts. This technique makes sense because that’s where the podcast listeners are. Of course, the critical step is finding shows to be on.

Aisha Tyler, host of Girl on Guy

One temptation is to aim high, to try to get booked on an iTunes topping show. Getting that booking would be great, but unless you’re coming to the table already equipped with fame or a strong platform it’s probably not the best use of your time.

Instead, focus on established shows in your same category or niche that are bigger than yours, but not orders of magnitude bigger. If you already have an established presence in a community or with another platform, like a website or YouTube channel, you will have an easier time getting booked with a new podcast. If your podcast is really your first big venture, then you may need to wait a while before getting that guest spot.

However, as your podcast grows and gains an audience you may find that invitations come your way. In this case it’s advisable to be as generous with your time as you wish other guests would be with you. Even a podcast that appears to be smaller than yours likely will have a dedicated following that will be introduced to you for the first time.

John Lee Dumas of Entrepreneur on Fire sets aside four half-hour slots every Thursday to guest on other shows. He’s generous with his time because he wants to spread his message of
entrepreneurship, and because when he started out his first guests took that chance on him.

A key fact is that podcasters are in this together, and the medium grows better through cooperation and collaboration than with hard-knuckled competition.

**ITUNES**

In podcasting there’s no getting around iTunes. For better or worse Apple’s store and apps are where anywhere from 50% - 75% of podcast subscriptions come from. At the same time, Apple has been a strong supporter of the medium since adding it to iTunes. What this adds up to is that having your podcast listed with iTunes is not optional if you want to build a strong audience.

If podcasters have a complaint with iTunes, it’s opacity — how shows are ranked, and which ones are featured are decisions based upon a secret formula that isn’t shared with producers. Also, podcasters frequently wish iTunes shared metrics, especially subscriber numbers.

However, we can assume that Apple’s objectives are benevolent, intended to promote podcasts and podcasting as a whole. There are also things that are known about Apple’s methodologies.

The most important thing to understand is that iTunes features and rankings are based upon interaction, as well as downloads. That means ratings and reviews matter — more, and more frequent are better. It’s best for those to be positive ratings, if possible.

Many new subscriptions and new ratings in a short period of time will also help push a show up in the rankings and bring it to the attention of iTunes Podcast editors.

The iTunes Podcasts home page dedicates a significant amount of real estate to the “New and Noteworthy” section, which is a good feature to shoot for. This goes back to planning for a strong launch. A rush of subscriptions, comments and reviews will increase your show’s chance of being featured here. So don’t be afraid to ask listeners, friends and supporters to spread the word and rate away.

Don’t fret if you don’t make it into this section right away. Note that it’s both “new” and “noteworthy.” So if you get surges of activity later on you have additional chances to make it in.

iTunes editors are also interested in featuring shows with interesting, unique or standout guests or topics. It’s impossible for us to say exactly what this includes for certain. The best advice is to pay some attention to the shows that are featured each week, both on the home page and on the category page most appropriate for your podcast. Then, when you have an episode you think may be of interest send the editors an email (podcasts@apple.com).

The features are typically published once a week, so it’s a good idea to give the editors advance notice of about ten business days. You’ll also notice that featured shows have custom graphic banners that are larger than the square podcast icon format. Be ready to provide such a graphic quickly if asked to help.

**STITCHER**

Stitcher is probably the second largest podcast discovery platform after iTunes. Generally speaking, being on Stitcher is a good thing for most shows. However, there are a few differences to consider.

First, while Stitcher is free for users it is monetized with ads that are inserted between shows as well as small banner ads. Your show will...
not be interrupted by these ads, and any ads that you have in your show will remain. One positive is that Stitcher does revenue sharing with producers, though you’ll need a pretty big listenership to realize significant money.

Second, because Stitcher is a mobile-first platform that streams shows over the network, the platform re-encodes podcasts to a lower bitrate in order to make them more efficient and less data intensive. Since Stitcher is focused on talk programming this is usually a reasonable compromise, but some sonic degradation might be apparent in shows with a lot of music.

Also, due to Stitcher serving its own version of your show, Stitcher listens won’t show up in the metrics for your podcast host. However, Stitcher offers a partner portal that provides its own platform metrics.

Stitcher has been a leader in smart dashboard integration, which is one of the platform’s greatest advantages. Stitcher is available in cars from automakers like Ford and GM, giving your show a chance to reach drivers more easily.

To be available on Stitcher you have to submit your podcast at their website, which will also entail agreeing to Stitcher’s terms.

**TUNEIN**

Although TuneIn is primarily associated with live, streaming radio, it is also a portal for on demand content and podcasts. The advantage to being listed in TuneIn is that your show potentially can be found by listeners who may not know about podcasts. Additionally, TuneIn is widely available on set-top devices like Roku and Chromecast, and video game consoles, bringing even more potential listeners to the mix.

Like Stitcher, TuneIn generates revenue through advertising, both with display ads and pre-roll audio and video ads. Again, your show remains intact.

You will need to submit your show to TuneIn. As of publication this needs to happen via email, which is explained on the TuneIn site:- [http://help.tunein.com/customer/portal/articles/1215148-how-do-i-add-my-podcast-to-tunein](http://help.tunein.com/customer/portal/articles/1215148-how-do-i-add-my-podcast-to-tunein)
Monetizing Your Show

There has never been a better time than now to monetize a podcast. Advertising is the leading method for monetization, and, as should be obvious, the thing which Midroll specializes in.

However, advertising is not the only method. Crowdfunding and paid subscriptions are two other popular approaches. We won’t dive in depth to these two methods, but many of the principles discussed here can be applied to them.

One thing to understand is that in terms of total listenership, all the top podcasts are available for free, which is why advertising is so effective. Putting your podcast behind a paywall will greatly reduce your potential listenership.

For instance, the long-running Never Not Funny podcast was available by subscription only from 2008 to 2014, after being available for free for its first one hundred episodes, during which time it developed a strong following. Yet, producer Matt Belknap says, “the only downside was that we couldn’t grow our audience significantly with this model, because we were in a space where almost everybody else was free.” That is one reason the show decided to become free and ad-supported in 2014. After the change, Belknap says,
“we tripled or quadrupled the audience just by being free.”

Some free shows generate additional revenue by offering subscription access to archives. WTF with Marc Maron is one example, offering both five-plus years of episodes along with bonus content exclusively through a smartphone app.

**DOWNLOADS, DEMOGRAPHICS & ADVERTISERS**

When sponsors support a podcast they are looking for a return on their investment. Simply put, they want the money they pay a podcaster for an ad to return to them in the form of sales or other goals. Two of the things that help advertisers pick the shows that are most likely to provide a return are downloads and demographics.

Downloads is a simple metric — it’s how many times your show has been downloaded. This is roughly equivalent to listenership, although not every podcast that is downloaded gets listened to, and some downloads get listened to more than once, or are listened to by multiple people.

In turn, download numbers are one important determinant for how much a podcast costs. In most cases sponsorships are priced on a cost-per-thousand basis, or CPM. We’ll get more into pricing later. For now it’s important to understand that since downloads determine how much an advertiser pays based upon how many listeners are reached, advertisers want the most accurate download metrics. They want to be assured they’re getting what they pay for.

While most web hosts offer some kind of statistics on visitors and downloads, for a number of reasons these numbers aren’t necessarily reliable when it comes to podcasts. If you plan to monetize your podcast it is best to use a host that specializes in podcasts, like Libsyn and Soundcloud. Metrics from both of these hosts are widely accepted by most podcast advertisers.

Demographics can be a little more subjective by comparison. At the most basic, demographics are comprised of information about who your listeners are. This includes things like gender and age, but may also include income, location and spending habits.

To some extent certain demographics are associated with certain categories or genres. Tech shows tend to skew heavily male with higher incomes, while a comedy show is likely to have a little more gender balance but possibly with lower average incomes.

Podcast host metrics can give you a little bit of insight on demographics, mostly based upon locations. But, the only reliable way to get listener demographics is through surveys.

That’s why Midroll conducts surveys for every podcast we sell ads for. Along with some of the already mentioned information, we also ask listeners about their education, what they spend their money on, and how much, as well as if they’ve ever bought a product they heard about on a podcast. This information then helps us connect advertisers with shows that match their campaigns in order to maximize their ROI. You can learn more
about Midroll’s listener survey in our illustrated whitepaper: http://awesome.midroll.com

AGENCIES OR DIY
Monetization can easily become one of the most significant demands of time and energy. While there are independent producers who sell all of their own ads, monetization is one of the strongest arguments for joining a network.

Some networks provide a suite of production, promotion and monetization services. These include networks like Maximum Fun and Earwolf. Some will provide ad sales a la carte, while others, like Midroll, only provide monetization services.

The kind of network you choose will depend on what kind of help you need. If your show is already doing well, with a strong audience, then you may only need help with ad sales.

The chief advantage of outsourcing your ad sales is that you immediately benefit from that agency’s existing relationship with advertisers. A good ad sales company will also have sales representatives who know how podcasting is different from other media, like radio or print, and are experts at helping advertisers understand the distinct benefits of podcast ads.

Many of the producers on Midroll’s roster joined after selling their own ads and deciding they wanted to spend more time and effort creating and marketing their podcasts instead.

Brendan McDonald recalled, “why we partnered with Midroll was because the amount of time I was managing inventory (for WTF with Marc Maron) had grown to be too much for me to handle.”

The challenges of scaling ad sales is even true for bigger, well known networks like Nerdist and Smodcast, which are both exclusively represented by Midroll.

GOING EXCLUSIVE
Some podcasters are reluctant to sign exclusive contracts with an ad agency because they don’t want to accidentally miss out on advertisers that might work with other networks or agencies. At first glance this may seem sensible, but in actuality it can be the source of problems and misunderstandings.

In most cases podcast advertisers work with multiple agencies, and aren’t interested in limiting themselves to only one set of shows. So, if one podcast is represented by two or more agencies you can see how immediately there can be some confusion as to which one to book through. This can also lead to difficulties with inventory, risking the possibility of overselling an episode or inadvertently booking advertisers with competing products together.

A more significant issue is pricing. Lex Friedman, Midroll’s EVP of Sales and a podcaster, explains, “Once advertisers realize a show is sold by multiple networks, they wisely use that fact to their advantage.” Advertisers sometimes try to get one agency to sell at a lower rate than another as part of a bigger overall deal.

“Underbidding a competitor to score an ad campaign helps my company’s bottom line in the short term, but does so at the expense of the podcaster and the podcasting industry in general.” It’s best when a podcaster sets a show’s rates, and is the only one who decides when they may be lowered.
Exclusive contacts simplify things for the advertiser and podcaster, which helps lead to more consistent sales.

Of course, producers should examine the contracts they sign and should not lock themselves into long-term agreements that are difficult to break. For this reason all of Midroll’s contracts offer a 30-day “out” clause. We want all of our podcasters to be satisfied and have complete control over their show. If a producer isn’t happy with the situation she only needs to give 30 days’ notice to end the relationship. The reason for having the 30-day period is so that there is adequate time to address ads already booked to the satisfaction of both the advertisers and the podcaster.

******SETTING YOUR RATES******
Along with the size of your downloads, nothing will affect how much money you make more than the rate you charge. The standard rate in advertising is the cost-per-thousand, known as the CPM, which is how much you charge for each thousand downloads. So, if you have 50,000 downloads at a CPM of $30, then the cost to an advertiser is $1500 ($30 x 50).

The CPM usually varies depending on the position of the ad in your show. The most common positions are pre-roll, mid-roll and post-roll.

The pre-roll comes at the top of the show, usually before or right after your open or introduction.

The mid-roll comes somewhere in the middle of the show, in between segments or during a break. Mid-rolls are the most valuable and therefore usually cost more. This is because they’re more integrated into the show, and most hosts spend a little more time on these ads.

Therefore listeners are more apt to keep listening.

Post-rolls come at the end of the show, after most of the show’s content, and therefore are the least expensive. It’s common for post-rolls to be sold as a package with pre- or mid-rolls.

When you’re starting out it’s tempting to price your CPMs low, since many advertisers that are inexperienced with podcasts have expectations set by display ads, which generally have much lower rates. However, when you lowball your prices it means you have to sell more ads to make the same revenue. It also makes it harder to raise your prices with existing advertisers as your show gains audience.

One of the keys to podcasting’s popularity with both listeners and advertisers is that the ads are well-integrated into the show and are not as densely packed as in television and radio. Podcasts can keep ads spaced out because of those higher CPMs. That also results in better value for advertisers, who don’t have their ads stuck in the middle of “stop sets” of several in a row, meaning listeners are more likely to pay attention.

If you work with an ad network or agency to sell your ads, the staff should be able to make strong recommendations on your CPM. Their judgement will be based upon the market, the advertisers...
they work with, as well as their experience with shows similar to yours.

Keep in mind that an agency will keep a percentage of the gross revenue. That percentage varies, so when selecting your agency make sure this commission is clearly understood and fair.

If you’re selling your own ads then you’ll keep the full gross revenue. However, be sure to take into account the time you spend soliciting and selling ads, since that’s a direct cost to you. Be sure that doesn’t cut into the effort you’re able to expend on producing your show.

A final thought on pricing has to do with podcasting as an industry. When podcasters drop their CPMs too low it threatens to impact everyone. Competing on price may have immediate benefits by bringing in more advertisers, but that only encourages advertisers to use price as a key factor in choosing shows. One result is that advertisers focused on price will move quickly to a different show that has a lower CPM, forcing a downward spiral of CPMs.

This is something that happened in the commercial radio industry beginning in the late 1990s. While this provided a competitive advantage for some companies early on, over the longer term it depressed revenue and profit margins. It’s important for podcasters to understand this lesson and not repeat radio’s mistakes.

**CHOOSING ADVERTISERS**

Podcasting stands out from radio and television because ads are read by the hosts themselves. That gives podcast ads a sense of endorsement. Listeners patronize podcast advertisers because they trust their favorite hosts. Therefore, we think it’s important that podcasters choose advertisers that they are comfortable representing to their audience. You should be confident in the product, service and business practices of the sponsor. But, also, it’s good for the sponsor to be a good fit for your type of show, and for your audience.

There are two reasons for this, one philosophical and one practical.

Because podcasting is in part a labor of love, choosing advertisers you believe in helps you sustain your enthusiasm. Working with advertisers selling products you don’t necessarily like, or using business models you don’t support can erode that important relationship you have with your show.

On the practical side, if your listeners have problems or difficulties with an advertiser, then that threatens your relationship with them. It’s important to always keep in mind that listeners are important — without them you certainly lose your ability to monetize your show. If listeners believe you led them astray by endorsing a product or service that they think was sketchy or ill-suited for them, that can reduce their confidence and trust in you.
Luckily, most podcast advertisers are reputable companies selling great products. Still, it’s important to find the right fit. For instance, if your show is about bicycling, an auto parts store might not be the most appropriate advertiser. Listeners to a show about parenting may be less interested in apps for programmers. You want listeners to be OK with your sponsor choice, and you also want to advertise things that they’re likely to buy.

**EFFECTIVE AD READS**

Ad reads are where the rubber meets the road. This is what advertisers pay for. So doing a great ad read means you’re delivering for your advertiser. A good ad read also delivers value to your audience. A great podcast ad shouldn’t be something that listeners tolerate while waiting for the next segment. It should be something both informative and entertaining in itself.

Fundamentally, when you read a podcast ad you should be telling your audience about something you want them to know. Even if it’s a regular advertiser on your show, you have new listeners all the time, and there are often fresh perspectives that you can share.

Making the ad entertaining is where your skill as a podcaster comes in. Everyone has their own style. Your listeners like yours, otherwise they wouldn’t listen. So don’t feel like you have to put on a different persona to do your ad reads.

A good way to approach ads is if you are explaining the product or service to your listener as a regular part of the show. You want them to understand the product, and especially its features and benefits. If you’ve used it, share that experience, and make it clear why you like or believe in it.

In terms of format, our experience is that live reads, done by the hosts themselves, work best. We’re not selling slickly produced 30-second ads like radio, so don’t deliver them. Every ad should be
a unique and fresh read, not a pre-recorded spot that you just insert in every episode.

Lex Friedman advises that the best ads are read as part of the show, not recorded after and edited in. He explains why:

“If you’ve ever caught a bad moment of ADR in a movie or TV show, where the character’s vocal quality or volume suddenly changes, you know what we’re getting at. Changes in the audio flow are jarring, and they immediately start the ad read off on a bad (audio) foot.”

That’s also why he advises against using music beds underneath your read.

Though there are some shows that have found some success with other methods — such as StartUp and Serial — most of these shows have formats that are different from the majority of podcasts. Where your typical podcast is a linear discussion or interview, ones like Reply All have a magazine or documentary format, broken into pre-produced segments. With these kinds of shows the ads are also segments because that’s how the show is organized, which means the ads actually fit the format.

Finally, remember that it’s important for your podcast reads to be genuine and authentic. As Lex advises, “Don’t feel the need to be a carnival Barker, and certainly don’t say anything you’re not comfortable saying. But do feel empowered to have fun with the reads.

“We’re not trying to fool anyone; this isn’t subliminal messaging or product placement—an ad is an ad. But the more natural and organic the above-board sponsorship read, the more effective it will be.”
The Most Unusual, Secret Tips

Matt Gourley’s advice reinforces the value of practice and honing your skills. “Record your first episode and throw it away. Maybe even the first three. The fourth seems to be around the time you start getting in the groove.”

John Lee Dumas knows how to captivate his audience, whom he calls “Fire Nation.” He observes, “More people than ever are listening to Podcasts via their smartphone. Get those listeners engaged by giving a strong call to action to snap an Instagram photo of where they are listening, with an appropriate hashtag. This will result in the social sharing of your show.”

“Reach one person at a time,” advises Gretta Cohn. “When you think of your audience, don’t think of it as a massive crowd. Think that your podcast is reaching one person at a time, because it is. So, talk to that one person. Let that one person in on your conversation. Ask them to participate. Really let podcasting be the intimate medium that it is.”