

What is Podcasting

In a nutshell, podcasting is a form of blogging that utilizes the spoken word and/or video as the method of delivery as compared to traditional blogging which utilizes the written text. However, it should be noted that podcasting is not used for just "blogging" per se. Podcasts have been used by professional broadcasters and lecturers to deliver their materials to a wide audience. Some companies/businesses have used podcasting as a means of communication, as well as a vehicle for their marketing activities. With its rapidly growing popularity, podcasting is seen by some as the future of radio and radio broadcasts.

From a technical perspective, podcasting is a method of delivering series of digital content (primarily audio and video) through the net for listening and viewing on digital media players/devices and computers (desktops and laptops). Podcasts differ from the traditional downloading of media files (though websites and web browsers) such that they rely on RSS feeds (just like blogs and news feeds) which automatically notifies the end-users, particularly subscribers, of new releases/episodes and automatically downloads the material to the user's preferred device without the user having to revisit the site on which the files are hosted.

Making Money from Podcasting

Some people go into podcasting as a hobby while others have turned it into a revenue generating activity.

If you're currently doing podcasting just for fun or as a hobby and you're giving away your content for free, there might come a time when you, like many others before you, will find it necessary to earn some revenue from it—perhaps to pay for domain registration and hosting services, or to cover some of your podcast producing expenses, or to make a living out of it.

So, how do you make money from podcasting?

To be able to make money out of podcasting, you've got to have two things, basically, two very important things—content and audience. Lack in either of these and you're left with no chance of monetizing your podcast. These two won't stand without the other, obviously. If you don't have content, then we have absolutely nothing to talk about here. On the other hand, if you do have content, but you have got no audience... well, allow me to use a philosophical riddle here... "If a tree falls in a forest and no one is around to hear it, does it make a sound?"

It's not just any content, by the way, you need to have good quality content. You must do your research. Find out what people want/need. If your content can be found in other podcasts which are offered for free, or if they can be found all over the web, chances are you're not going to succeed. You must establish uniqueness.

Also, you must be consistent in putting out your content. You shouldn't leave your audience hanging and waiting for your next release.

If you've got all that in check, then you're pretty much set in making money out of your podcast.

Following are the various techniques of earning from podcasting.

Join a Podcasting Ad Network

Podcasting Ad Networks, such as Limelight, Podtrac, Mevio and Wizzard Media, can hook you up with advertisers with minimal effort from you. You just sign up with them and you're basically all set.

Generally, what ad networks do is that when you sign up with them, they will look at your podcast/program and, if your program meet their standards, they will match your program up with campaigns or advertisements and insert (or "bake" as they call it) the ads into your program as pre-roll, post roll, or in-show ads before they release your program to the public.

With most ad networks, ad revenues are usually split right down the middle between the ad network and the podcaster/producer.

So, how much are people making from this?

According to Adam Curry, president and co-founder of Mevio, there are podcasters who are making only "beer money" with them (below a thousand dollars a year) while there are some who make more than \$10,000 a year. However, according to Curry, there's also a rare breed of podcasters on Mevio, there are currently three of them, who are making between half a million to a million dollars a year.

Getting Your Own Sponsors

If you want to have full control on your advertisements, This is the way to go.

There are many benefits in sourcing your own sponsors. It allows you to choose your advertisers/sponsors, it allows you to set your own ad placement pricing scheme, and you won't get locked in in a long-term agreement (like when you join an advertising network). And since you get to choose your advertisers and set your own pricing scheme, it is highly possible that you will earn more from this technique as compared to the others.

However, this also means that you are going to do everything yourself, from scouting for sponsors, to negotiating with them, to integrating your ads into your programming. And for that, you need to dedicate a significant amount of time on advertising on top of the time you'll spend in creating your programs.

If you decide to take this path, here are a few pointers to guide you along the way:

Assess yourself – Are you ready to do this? Are you prepared to take on all the tasks involved in getting your own sponsors? Do you have the passion to make it happen—that is being able to do whatever it takes to acquire a sponsor?

Make sure you are talking to the right people – Talk only to people who have the authority to enter in an agreement with you. Talking to the wrong people will cost you dearly.

Understand that not all people you'll be talking to is aware of what podcasting is – For that, you'll need to explain to them what it is. The best way to do this is to take away all the technicalities from it. Chances are, you'll be better off if you'd simply tell them that you're producing a series of training videos rather than say that you're a podcaster and that you'd want them to advertise on your podcasts.

Less is more – Submitting a single page-proposal is better than submitting a 5-page proposal. Most companies/advertisers would only want to know who it is they're going to reach (your audience) and how much money it will cost them.

CPM ads may not work very well in podcasting – Not only will CPM ads require you and your advertisers to track the number of ad impressions, there's just isn't enough traffic in podcasting to earn you significant revenues from them. Try using flat-rate schemes (e.g., have your sponsors pay you to put up their ad on your program for a certain number of episodes or a certain period of time).

Understand that most advertisers want exclusivity and they want more exposure than just pre-roll, post roll, or in-show ads – For that, you can offer to use their products within your programs.

If you think you can be flexible enough, you can simply ask your advertisers what their products are, what their offerings are, and what it is that they want to achieve and, from that, formulate a scheme that's tailor-fitted to their needs.

Understand that many advertisers would want to have some form of control on their ads (duration of the ad and the creative aspects of it) – For this you can have them produce their own ads. When they give you their ads, all you have to do is to integrate them into your program (pre-roll, post-roll, or in-show ads), and run it throughout your agreed running period.

Charge for Content

If you are not that big about advertising, one way to monetize your podcast is by providing paid content. However, this is easier said than done. This is indeed one path that you should tread carefully.

There are many things that you should consider before you start charging your subscribers. The most important thing of course is your content. If what you have on your podcast can be found for free on the internet or elsewhere, there's a very slim chance that anybody would pay for it.

Another thing is that if you are an unknown podcaster, or someone who has yet to establish a reputation in the world of podcasting, there's a very slim chance that people will buy what you're selling. This would work best for you if you already have established a subscriber base before you start charging for your content. It is very important that you gain people's trust first and establish a good reputation among them before asking them to pay you.

If you are one of those who had started out offering your podcasts for free, you should not start charging for all your contents in an instant. This is a sure fire way of driving away your subscribers. One thing you can do is to offer extra content (additional episodes, downloadable materials, etc.), charge for those and keep giving away the rest of your content for free. Another thing is to provide portions of your podcast for free and charging for the complete versions. Whatever you decide to do, break it to your subscribers gently. You can start off by asking your customers if they are willing to pay you if you would offer this or that. That way, you can reach a

consensus which can help you decide your next move.

If you think you really should start charging for your content for one reason or another, just tell your subscribers politely about your situation and tell them that you need to start charging them.

Once you've got your foot in, you can then start using your free podcasts to promote your paid ones. Also, you can spend some money on search advertising to promote your paid podcasts.

Ask for Donations

If you're simply looking for money to cover your web hosting expenses or to hire a babysitter, this may be for you. Of course, you do understand that, just like when charging for content, you need to have great content for this to work. That's one. Also, you need to have an established subscriber base and you should have already established a good reputation among your subscribers.

Putting all that together, what we're talking about here is basically your relationship with your audience. The more your audience feels that you're part of their lives, the more they will be willing to donate.

You can go about this in many ways. You can put a “begware” button on your site or you can set up a PayPal account just for your donations. However, with the global economic condition that we are in right now, you cannot expect much from this technique, no matter how good you and your podcasts are.

Setup Your Own Media Network

This technique may not be for everybody. But, then again, if somebody can do it, you might as well can, too.

If you have the resources, why not put up your own Media Network and sell advertising on it and on your programs? By having your own Media Network, you'll have full control over your programming, branding, and ad distribution on your network. And by controlling your overall programming, you will be able to create a consistent experience for both your audience and your advertisers. And advertisers love that because it enables them to focus in on your audience better.

Use Your Podcast To Build Your Brand

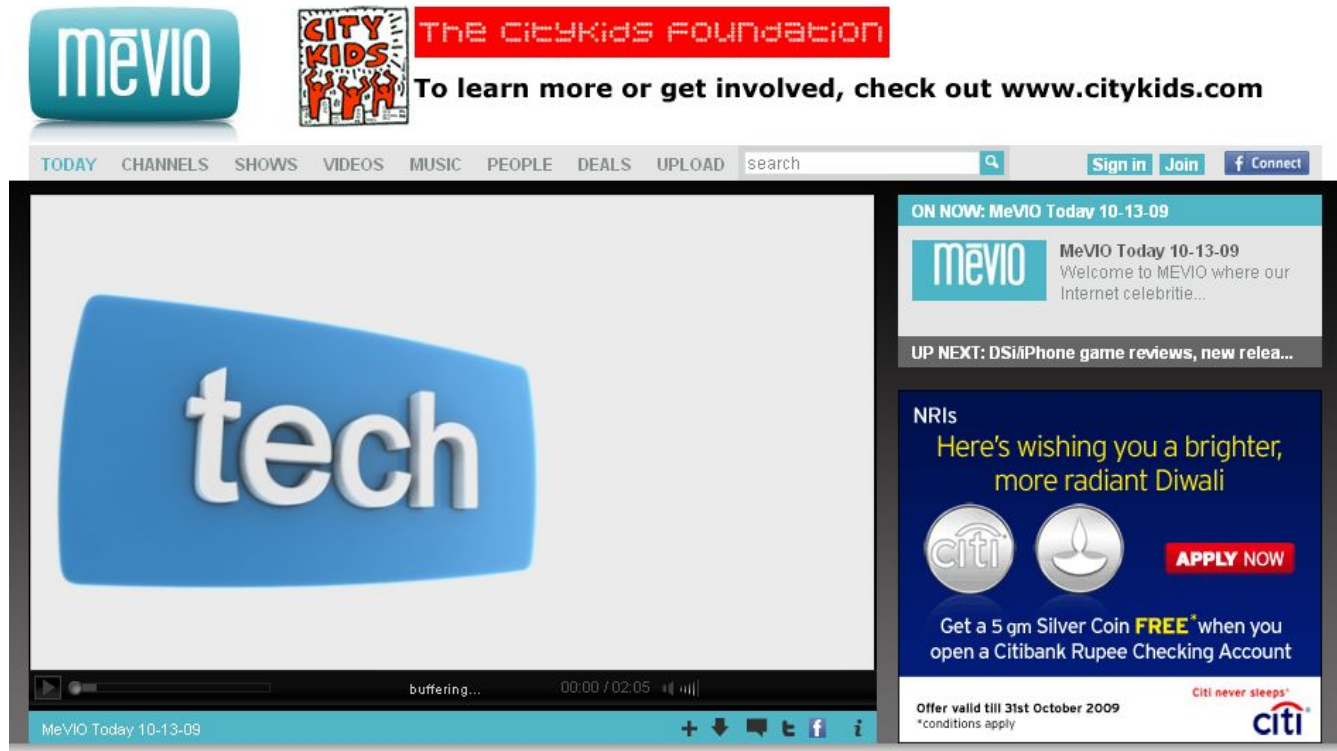
This can be viewed as self-promotion of sorts. If you've got products or services to offer, what you can do is you can use your podcast to build up your brand. You can do this by providing people with valuable content/information, for free. Go all out and do your best to earn the trust of your subscribers. And while you're at it, briefly talk about your brand, talk about your products or services once in a while. Just don't rub it in, don't smother your audience with it.

Once you've earned your subscribers' trust, it's highly probable that when your subscribers would need the products or services you are offering, they will go to you rather than go look for them some place else. And that's where you'll get your revenue.

What's great about this technique is that you can use this in combination with other techniques such as paid (extra) contents and advertising, thus maximizing your podcast's earning potential.

Podcasting Ad Networks

Mevio



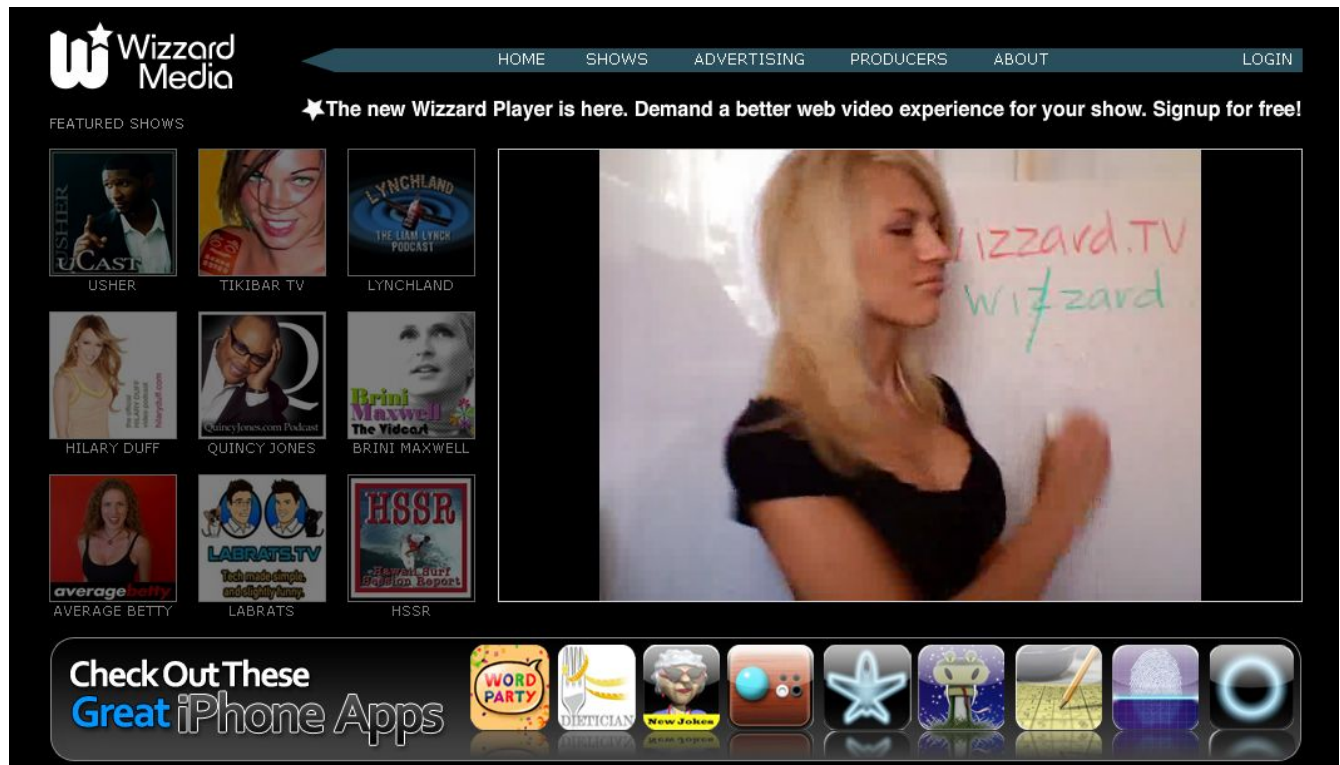
Much of Mevio's revenue are generated from producers motivating their audience to use their sponsor's product. Only thirty percent of it comes from CPM ads, which according to Mevio's President and co-founder, Adam Curry, don't work very well with podcasting because there isn't enough traffic to generate enough impressions. Mevio shares its revenue with podcasters 50/50.

According to Curry, there are three categories of podcasters on Mevio based on how much money they are making from the site--those that make "beer money" or less than \$1,000 a year, those who make between \$1,000 to \$10,000 a year, and those who make more than \$10,000 a year which are known as Mevio's super producers. There are currently about 400 member podcasters on Mevio in the "super producers" category which Curry projects will grow to about 700 by the end of 2009. In addition to that, there are three podcasters right now on Mevio who are projected to make between half a million to a million dollars by the end of 2009.

How the site works, basically, is that when a podcaster signs up on Mevio, Mevio will look at his/her programs and match them up with campaigns that are relevant to them. Mevio, then, issues a unique code to the podcaster for each advertiser. The code will earn the podcaster between \$25 to \$75 for every person that uses his/her

code to sign up with an advertiser.

Wizzard Media



Wizzard Media, just like Mevio, is a podcasting ad network that sells advertising for the podcasts in their system. When podcasters sign up with them, Wizzard Media categorizes their programs and sells them to sponsors in packages with other programs that fall under the same category.

What differentiates Wizzard Media from Mevio is that, Wizzard Media provides podcasters the option to bring in their own advertisements with their podcasts. Podcasters who choose this option need only to pay Wizzard Media a flat rate "ad insertion fee" and Wizzard Media will insert their (the podcasters') ad into their podcasts for them. On the other hand, if the ads are provided by Wizzard Media, the advertising revenue is split between Wizzard Media and the podcaster.

This, by the way, is not an either/or option. Wizzard Media allows podcasters to use both options, such as when a podcaster has any unsold inventory, he/she can have Wizzard Media to fill it up for him/her.

What's more, Wizzard Media's ad insertion technology enables them to replace the advertisement in old podcast episodes. This is highly beneficial for podcasts that have a long shelf life.

In addition, Wizzard Media provides podcasters the option to sell an iPhone application along with their podcast. The revenue generated from this is split between Wizzard Media and the podcaster. With the iPhone application, podcasters are enabled to provide their subscribers with value-added content such as PDF show notes, additional audio or video content, and links to their website, and their Twitter and Facebook accounts, among others. The best thing about this is that the iPhone app is made available through the iTunes App Store, thus, having the potential to reach a huge population of untapped audience.

Podtrac

The image shows a banner for the Podtrac website. At the top left is the Podtrac logo, which consists of a blue circle with three white dots inside, followed by the text "PODTRAC™" and "CONNECTING PODCASTERS & ADVERTISERS™" below it. To the right of the logo are three navigation links: "PODCASTERS", "ADVERTISERS", and "ESSENTIALS". The main part of the banner features a photograph of a woman with long, dark, curly hair wearing large headphones, smiling. In the background, a man in a light purple shirt is sitting at a desk with his hand on a computer mouse. A blue, stylized graphic of a DNA helix or a network structure is overlaid on the image. Below the photograph, the text "WELCOME TO PODTRAC, THE PODCASTER-ADVERTISER CONNECTION" is displayed in a large, blue, sans-serif font. At the bottom of the banner, there are three columns of text: "PODCASTERS" with the tagline "MAXIMIZE YOUR GROWTH" below it, "ADVERTISERS" with the tagline "REACH YOUR TARGETS" below it, and "ESSENTIALS" with the tagline "ADVERTISING WITH CONFIDENCE" below it.

Podtrac is a podcasting ad network that prides itself of being able to provide podcasters with the chance of monetizing their podcasts with highly targeted ads.

Podtrac offers embedded 15-second and 3-second host-read audio and video ads and embedded 10-second and 15-second produced video ads.

In addition, Podtrac also offers several tools that podcasters can use for free. These include the Podtrac Audience Survey which helps podcasters to get an expert profile of their audience and Podcast Measurement which provides podcasters, as well as advertisers with third-party measurement data.