

Okay, so things are looking pretty bleak. A lot of people myself included kind of diversify. Stop making just audio start making other things. Multimedia producer becomes a title that you find in a lot of media companies not having their own podcast department and then something happens, 2014. There's a huge breakthrough and it's not just one thing. It's a couple of different things. Obviously, if you're looking at the phone on the right, you'll see that Serial launches. This is a huge huge huge hit more than anything else and it came from the team at This American Life. But more than anything else it was the first podcast a lot of people listen to and that is why understanding how it got to be the first podcast a lot of people listen to is actually more important than how good the show was. The show was very good. It was more importantly easy to find because in the build of the iTunes podcast app it came native with the phone. I'll back up. Whenever you bought a phone from Apple starting in 2014, the purple Apple iTunes store was an app that came pre-installed on your phone. So, a lot of people were clicking that app for the first time. It sounds really minor but this was actually huge because all of a sudden people realize that they could get Podcast with one push of a button.

That had never before been the case. You'll remember those pictures of Apple's iTunes store that I just showed you. They are embarrassing compared to the ease of this and all the sort of tech that went along with it. Choices for creators where to put their files to upload them to iTunes for the first time giving a lot of people listening through its own app and the content sort of being an example of how storytelling could really capture an on-demand phone centric audience meant that advertisers were really taking notice and they realized that when MailChimp advertised against Serial all of a sudden MailChimp saw a huge uptick in users. That's not an accident because people love podcast advertising because more than usual it's a very intimately read intimate sort of message that is directed to their ears in a way that is uninterrupted the way that you would ignore a commercial on the radio or television. It's very hard to ignore that in a podcast landscape. So advertisers were taking notice and really actually seeing their products take off because of podcast advertising. So storytelling meets distribution and visibility meets money. Great!

However, some of the shortcomings persisted. Money is going to be a frequent topic not because I'm a capitalist. I'm not, but just because I saw podcasting die out once already and I don't want to see it again. So in my mind, understanding the way that this stuff gets funded is very very crucial for anybody who wants to be in this world. Because there was not very good metrics that came with this.

It was still some of the problems that we saw before where nobody could really understand how podcast listeners were behaving. Most of these people were baking in their ads, which meant when you were recording a file you would record directly into that file an ad for MailChimp, if you were Serial, for example. The way that video or the internet is supported by ads means every time you go to a page or click on a video you're getting served a new ad and it's targeted to you.

In audio, they're still working on how to optimize this and many many many shows, especially back in 2014, were still putting ads baked in. Which is essentially, again, part of the original audio file not separate. The way that ads are increasingly serve today is through Dynamic Ad Insertion where you make a file and you say "hey the ad will come here in the pre-roll, the mid-roll, and the post-roll". This is a much more modern way to do it. I'm not saying it's better or worse. Some people say it's much worse. Some people say it's much better. Whatever it is, it's progress and it looks like the rest of the world of content that advertisers can put their messaging against. Until podcasting becomes totally totally similar to other forms of medium where advertisers can buy podcast ads the way that they can buy video ads there is still going to be a bit of a gap there limited distribution persisted we talked about Apple. It was great, but it was still very very much their game and they controlled about 80% of all listening and discoverability was still very difficult.

It's got little bit better and it's still difficult today. This is in 2018 four years later. Because one player controlled 80% of all listens, that's Apple, the discoverability was difficult and the data that when you downloaded a file you still didn't know who listened to it. So this brings us to today.

What's the current landscape? I showed you earlier a slide where we talk through all the different companies. That persists. There are host and CMS Publishers. There are production companies that make Boutique content. This is a few examples I can think of. Like Gimlet is the best one and there are a few ad sales companies, but some indie shows and networks have broken through those huge huge sort of barriers between listeners and creators. And I'm going to focus on sort of the content that the current landscape can help optimize so that we can best do that. Before I do, it's really important that you guys understand the difference between a network and a platform because if you're going to make shows, you have the opportunity to join either. Some of them have certain characteristics that are shared with the other and some have certain characteristics that are independent.

So let's quickly look at those so that you can understand best how to proceed. Okay! Networks, these are groups of shows that can grow and monetize your show by having a similar batch of content that will set aside one. The best example of a network is RadioTopia. RadioTopia is a network of a handful of shows all kind of similar in tone.

This is Criminal, it's The Heart, it's Song Exploder and it's got a public radio sensibility which means certain advertisers are very comfortable with one show so they're going to be very comfortable with all the shows. The con to this sort of thing is that it's a closed garden. It's not open to everyone to join RadioTopia.

They have a very sort of high standard and they don't have room for more shows because they can't necessarily afford to pay them. So networks by nature are usually closed. But the pros of them is that you can sort of build cross-pollination. You can have one host on another person's show talking about how great that show is. You can share advertisers and the bigger shows tend to pay for the smaller shows. So if you have a big hit in a network, a lot of times the network will spread that money around and sort of help incubate and get off the ground a new show that really deserves to be heard but might not have the reach. So networks can help amplify and monetize smaller shows as they as they get bigger.

But again, they're closed. Platforms if your content creator, you're more probably encountering platforms. This is your SoundCloud, your ART19, ACAST, Megaphone. These are more tech-oriented. A network isn't necessarily going to give you tech but a platform always well. This is a way to get your show out there, published, and put in front of listeners either through iTunes or other pod catchers.

Usually, the deal is you can post your content for free or for cheap, but you have to let them sell it for you. If they're not selling on your behalf ads against your content, then what they're doing is charging you to host. So SoundCloud charges you to host, ART19 charges you to host, megaphone does not but you also have to sort of pass their sort of quality filter and their size filter so that when they're selling against your content, it makes sense for them financially. This can mimic a network in terms of creating cross promotional campaigns and it tends to help you reach a non-traditional podcast listener. This is somebody who has never listened to a podcast before that's a good thing. It makes the whole ecosystem of podcasting grow because it's built for scale.

But as a result, you don't get as much hand holding. So platforms tend to be open, whereas networks tend to be closed. Platforms can help amplify, not as much as networks or monetize but not as much as networks. But platforms also are sort of built for scale and are sort of pointed towards new listeners that are going to help grow the entire podcast ecosystem.