

CliffCentral explores the power of podcasting and how it adds value to people's lives

CliffCentral.com celebrated its fifth anniversary at a recent [event](#) where the podcasting network examined how it developed a magic formula for new media at a time when many publishers are struggling to transition to digital.



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The audio content hub not only has a growing and engaged audience downloading its podcasts and listening to its live shows, but is also attracting strong interest from brands looking for compelling new ways to tell their story to their audience.

This reflects a shift away from traditional broadcast-style marketing that shouted at the audience towards an approach that focuses more on storytelling and delivering content with genuine value to the consumer, said Gareth Cliff, founder of CliffCentral.

Reflecting on the platform's five years of growth, Cliff noted that few people knew about podcasting when CliffCentral started out. Today, it is a mainstream format, as much a part of a growing audience's daily mix as video or music streaming.

Cliff said that the brands that are most successful with this format understand that it's not about making a hard sales pitch, but about offering creative, interesting and fun content to their audience. This, in turn, allows them to create connections with their customers through their brand's association with content that has a high emotional value for the listener.

The endowment effect

Also present at the event was Timothy Maurice, a podcast host (*The Brain & Brand Show*) and expert in the links between neuroscience and brand stories, who said people's high levels of engagement with podcasts can be explained through the 'endowment effect'. Professor Richard Thaler, one of the world's leading thinkers in behavioural science and economics, coined this term to explain how people develop a sense of ownership over objects with which they come into contact.

“The content you compile inside your phone has value and worth which, in many cases, has an unlimited price tag. A podcast containing a story that moves you has an emotional value that, if lost because you are no longer connected to your phone’s cloud service, could leave a void in your heart,” said Maurice.

“Unlike a typical radio listener, when a podcast listener compiles a list of stories and shows that they have bond with, the endowment effect increases the associated worth of the content and brands aligned to the podcast. A podcast listener is not your traditional radio listener- they carry more value - we believe many magnitudes more.”

Building a tribe

Ernest North, the co-founder at AI-driven car insurance provider, Naked Insurance, spoke from the perspective of a brand using the CliffCentral platform to engage with its ‘tribe’. Naked hosts *The Naked Economy*, a podcast on CliffCentral that tells the stories of people who understand a new generation of business, and are finding innovative ways to achieve win-win outcomes.

North described how traditional insurers spend an average of R4,200 on hard sell mass media ads and billboards to acquire just one buildings/car insurance customer. And this model doesn’t scale since acquiring one new customer does not help the insurance provider to get more customers through positive word of mouth.

Naked is disrupting this paradigm through tribal marketing and word of mouth referrals, reducing costs and ultimately reducing premiums. Marketing vehicles such as podcasts that directly engage with the Naked target customer’s interests are a closer fit with this ethos, compared to repetitive traditional outdoor and television advertisements, said North.

“I have been pleasantly surprised by how the community of podcast listeners work; how this audience engages with content and each other, how much they share it and talk about it. In short, I started seeing how an engaged, sold audience outweighs size,” added North.

“When I finish a podcast that inspired me, I share it. I’m part of the tribe. Getting people to sit down, choosing to listen to your brand for four hours... that’s a quality of engagement you cannot get from mass media.”

Quantifying the value

North explained the statistical model they developed to quantify listener behaviour and audience growth, exploring how many people would listen to a podcast series in full.

Based on CliffCentral’s data, the model shows, for example, that if 5,000 people tune in for the first episode (of a new series) nearly 10,000 people would listen to the full series. The reason for this is the power of referrals. Even as some of the initial audience drops off, many of the people they referred to the podcast remain engaged and introduce further people to the show.

“This is why podcast growth is exploding. Podcasts provide a way to be inspired, entertained and learn in an environment where the listener creates, aggregates and shares as an ambassador and owner who endows their network of friends and associates,” said Maurice.

Early indication is that the value for brands - speaking to an engaged audience for such a long period of time

(e.g. 10 episodes) - represents a more cost-effective form of advertising. This represents a new generation of marketing – one where true fans of a brand spread its word and share its content because they like it. “The beauty of this approach is that customers spread the brand’s stories because they feel as if they’re investing in the other members of the tribe by sharing the content,” concluded North.

“As we customise this mathematical model for each client, with their specific objectives and strategy for building their audience, it’s exciting to show how the return on investment for producing quality content far outweighs that of many traditional media,” concluded Cliff.

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