



boostr

Audio Industry: Guide to Growth with Smarter Proposals

2023

Introduction

The audio industry is enjoying a spectacular renaissance for advertisers to engage with consumers. Audio has long been an important part of consumers' lives—after all, radio predated TV. Recent shifts in consumer consumption to digital audio, coupled with exciting new formats and content, are creating exciting opportunities for traditional radio broadcasters and pure-play streaming audio publishers alike.

Podcast advertising is expected to continue its acceleration, growing 23.8% in 2023 to create

a total market of \$4B in 2024. Global streaming audio is similarly forecast to grow, from \$18B to \$23B by 2028. This growth will come not only from increased advertiser interest, but also from an expanding ecosystem of participants, as the audio market sees new entrants on a weekly basis.

Across the board, however, audio publishers face revenue challenges in what remains a highly fragmented market. In this eBook, we'll discuss the challenges audio publishers must address to achieve market-beating revenue growth.

Challenges

At Boostr, we have a front row seat to the challenges local and national broadcasters and pure-play audio publishers face. Drawing from our experience working with a diverse set of media companies spanning traditional radio, podcasters, rep firms, and media companies adding audio solutions, we have identified a set of common challenges across

the market. While not every media company is encountering every challenge, one or more of these challenges is likely holding back their revenue growth potential—and creating a drag on expenses. The most urgent, impactful challenges audio publishers face include:



1 HIGH COST OF SALES

The proliferation of new audio formats and ad products has resulted in a proliferation of “specialist” sales teams. It started when traditional radio companies diversified into digital, and continued as digital audio solutions spun up specialist sales teams for each audio format.

Typically, specialist sales teams are an interim solution to help companies gain traction for a specific new ad format that disappears over time as the rest of the sales team becomes proficient in selling the new offering. Unfortunately, for multiple reasons, this hasn't happened. Traditional radio sellers have had a difficult time expanding their

sales expertise into digital formats. Selling multiple products together is more complex in audio than in other media due to each format having its own inventory, planning, pricing and trafficking systems. Even digital native audio companies and non-audio media companies have created podcast or digital streaming specialist sales teams. On the buy side, national and local brands seeking to consolidate more complete buys with fewer partners similarly proves difficult, as media companies have multiple sellers calling on their account to push their specific products. In short, a heavy specialist sales structure is costly to maintain and confusing for buyers.



2 TOO MANY SILOS

One of the biggest blockers to a more effective go-to-market strategy that increases revenue is the existence of siloed systems and datasets. Often, each ad product has at least one distinct tech stack for inventory, pricing, planning, order execution, and sometimes billing. One large national audio company uses over 65 different systems and tools to sell a broad portfolio of ad products. This results in slower times to build proposals and respond to RFPs, culminating in lower win rates.

It's not uncommon for an RFP response to stretch upwards of two weeks in the audio market due to the complexity in checking avails, working across DMAs, getting pricing approvals, etc. Perhaps most troubling of all, the siloed systems supporting these processes are often inaccurate Excel spreadsheets. Imagine the frustration—internal and external—when a client finally purchases scarce, premium inventory that isn't actually available.

3 LOW DEAL SIZES

Due to the difficulty selling multiple ad products in a single campaign, it usually doesn't happen. Media companies typically only sell 2-3 products on a campaign for many of the reasons outlined in this eBook. But if they could find a way to sell a solution or bundle more frequently, they'd be handsomely rewarded. Media companies that

have solved this challenge routinely see 50% of their deals containing multiple products, 42% of deals including 2-5 products, and 39% of deals including 6-10 products. If you're a CRO or Revenue Ops leader and bundling isn't a priority for 2023, it should be. This might be the easiest way to beat your number.

4 LOWER THAN EXPECTED YIELD

Due to the proliferation of ad product-specific tech stacks, it's challenging to even plan campaigns, let alone forecast and optimize yield. We estimate that media companies lose 10-15% of revenue due to selling inventory at suboptimal prices. One of the blockers to improving yield is having reliable, accurate metadata about inventory. Whether it's a lack

of consistent audience definitions or inventory categorizations, the gap in unified metadata is preventing high-yield bundling and solution-selling strategies. This creates missed opportunities for sellers to raise prices on lower tiers of inventory and grow deal sizes as they can't discover this inventory easily or without tribal knowledge, which doesn't scale.

Solving these challenges are quickly becoming boardroom-level priorities, which means that CROs and Ops leaders are actively charting new paths forward.

Revenue Growth via Automation with Proposal-IQ

At Boostr, we've worked with many leading audio and media companies of all shapes and sizes, and have seen a path to success emerge. That path is a combination of data, process, and system improvements that accelerate growth. In our [Guide to Growth with Smarter Proposals eBook](#), we outline foundational

strategies for effective cross-selling and product activation. The checklist below expands on those strategies with audio market-specific tactics that can set your business up for tangible progress now.

1 Create common taxonomies

Start by looking at two dimensions—audiences and inventory. For audiences, examine your definitions, segments, and attributes across all products. Standardize them as much as possible and layer in metadata to support your cross-sell and bundling strategies. If a client wants females 18-49, make it easy for them to buy that audience across radio, podcasts, streaming audio, or any other format. For inventory, take your bundling and yield improvement opportunities and build categorizations and taxonomies to support them. Examples could be categorizing inventory by genre, host tone on podcasts or talk radio, or behavioral audience attributes such as "sports." This exercise requires discipline, but it's worthwhile: One media company is forecasting a 20% improvement on lower value inventory monetization with a bundling strategy enabled by inventory categorization.

2 Enable efficient inventory discovery

Ideally, get all inventory descriptions, availability, and reservations loaded into a single system. Then, layer on previously tribal knowledge about what should be sold for different marketing objectives and KPIs. Sellers should be able to use the buyer's campaign objectives, timeframe, and budget to quickly identify the best inventory. (Bonus points for growth go to media companies that can meet dual objectives of the buyer's need for results and the media company's needs to get the best yield.) With a single source of inventory access, you can standardize avail checks and reservation processes, as well.

3 Scale cross-selling to grow revenue and reduce costs

Successful cross-selling and bundling requires a data-driven strategy. Read our [Guide to Growth with Smarter Proposals](#) to learn how to develop that strategy. Once you have your strategies set, get a product and pricing recommendation system to codify and scale them across the organization. Sellers should be presented with recommendations of the best products for the buyer's and media owner's needs. The system should support a robust rules engine capable of force-bundling products together and recommending new products based on insights like products purchased by peers in their category, past purchase history, and so on. Media companies deploying recommendation engines and AI combined with proposal-building processes should realize increased deal sizes of 10-20%—and lower sales costs as the need for specialists decreases. Deal win rates should also increase by 3-5% as sellers can respond to RFPs faster.



Conclusion

Many Audio companies are already solving these challenges today. Doing so requires a modern product and pricing recommendation system for building proposals. This has been the single biggest blocker for sales teams to go-to-market efficiently with a broad portfolio of audio products.

Boostr invented Proposal-IQ to solve precisely these challenges. Proposal-IQ is the only solution

designed to grow deal sizes and win rates, and improve yield while incorporating inventory availability, inventory, product, and pricing management. It has the fastest time-to-value by directly connecting with all of your ad tech stacks, allowing you to preserve the investment in those systems without replacing them. To see Proposal-IQ in action and get an ROI estimate on its impact on your business, [contact us here](#).

About Boostr

Boostr is the most comprehensive and accurate digital transformation technology for managing advertising sales and delivery in the media industry. Boostr offers CRM, OMS, and automated RFP response technologies designed by media professionals to sell more plans at higher margins. Boostr clients include Macy's, Lowe's, Westwood One, Dish, BuzzFeed, and more.

[Contact us for a demo today.](#)

