

On-Air Endorsements

The radio pitch makes a comeback.

By [Nitasha Tiku](#) | Jun 1, 2010



Deborah Feingold/Corbis

Randi Rhodes endorses LegalZoom (online document preparation) and ITM Trading (rare coin brokerage).

 [Enlarge](#)



Courtesy Company

Steve Harvey has endorsed Glory Foods (Southern-style food) and BlackPeopleMeet.com.

One morning in January, shortly after calling the head of the Department of Homeland Security "insane," Glenn Beck shifted gears. He took the microphone and began touting the benefits of a data-storage service from a small company called Carbonite. "We took so many pictures and videos of our kids over the holidays, it's almost like we were making a documentary of our lives," he said. "And you know what?" Beck paused for a moment as his millions of listeners stood by. "We are -- you are, too. You don't want to lose all of those memories. Carbonite online backup assures those memories stay safe."

The Carbonite mention was no coincidence. In fact, the Boston-based company invests millions of dollars a year to have popular radio hosts such as Beck, Randi Rhodes, and Rush Limbaugh recommend its product to their rapt and loyal audiences.

On-air endorsements may seem hopelessly retro -- more Bob Hope and Jack Benny than iPads and Foursquare. But for a small company priced out of television and most forms of celebrity endorsements, radio offers a good opportunity to build trust, boost brand awareness -- and drive sales. Carbonite, for example, found that visitors who came to its website via radio pitches were 40 percent more likely to make a purchase.

Radio programmers are almost as enthusiastic. That's because on-air advertising slumped during the recession -- according to the Radio Advertising Bureau, radio revenue was down 18 percent in 2009. As a result, many stations and production companies are more open to deploying their hosts as pitchmen. That credibility and recognition come at a premium,



Topics > Sales and Marketing > Advertising > Media
Buying >

<http://www.inc.com/magazine/20100601/on-air-endorsements.html>

especially if you want a nationally syndicated host. Fortunately, both local radio programs and syndicated hosts are receptive to endorsement deals that target smaller markets. Packages often include mentions on a host's website and, in some cases, the chance to do product demonstrations at live events.

Marketers trying the tactic for the first time often opt for a test run in a local market, in which deals can be done for as little as \$10,000 to \$30,000 a month, usually with a three-month commitment - compared with at least \$1 million and a six-month to 12-month commitment for syndicated hosts. This spring, ReputationDefender, a start-up that helps customers manage their reputations online, decided to test a local radio endorsement. The Redwood City, California -- based company partnered with Bill Handel, host of the nationally syndicated *Handel on the Law*, but bought time only on KFI-AM in Los Angeles.

To track the results, ReputationDefender created a unique-offer code, Web address, and phone number, and measured Internet traffic and search terms in the Los Angeles region. "Right now, endorsement radio is killing our other radio ads," says chief marketing officer Terrence Sweeney. In fact, its cost per customer acquisition via endorsements is 30 percent to 50 percent less

than the cost of acquiring customers through traditional radio advertising.

But it is not a sure thing. ReputationDefender tried a similar partnership with the deejay of a local music program last fall, with much poorer results. "Different radio personalities have differing abilities to sell," says Swami Kumaresan, Carbonite's vice president of marketing. "You put in as little money as possible with each program. If it works, you turn up the crank."

Be aware that a radio endorsement requires relinquishing a certain amount of control over your message. Some hosts want carefully scripted copy; others prefer to ad-lib. "You'd rather have them sound authentic than constrain them," says David Friend, a co-founder of Carbonite.

To keep the copy from getting stale, Friend meets several times a year with the 20 or so personalities he works with to provide updates. That's a good idea, says Chris Balfe, president and COO of Mercury Radio Arts, which produces Glenn Beck's radio, television, and book projects. "Glenn's a real storyteller," Balfe says of his boss. "He wants to know what customers are saying about your product."

If you do land a celebrity endorser, prepare for a response. "When Glenn talks about something," Balfe says, "the phones really light up." A live call-in from a happy customer can boost sales up to sevenfold, gushes Kumaresan: "It turns into this awesome free ad."