

SEVEN MYTHS ABOUT ONLINE VIDEO

THOMSON REUTERS HELPS YOU SEPARATE ONLINE VIDEO
FACT FROM FICTION



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It's a fact—the most popular video on the Internet (attracting more than 72 million viewers) is of a six-minute dance routine that features moves from Saturday Night Fever to the Macarena. At face value, one can easily dismiss it as frivolous. But savvy communicators recognize that it's a powerful example of how original, compelling video content can resonate with a global audience via low cost distribution channels and Web 2.0 applications. Today there are virtually no barriers keeping you from integrating video into your communications strategy and increasing the cost-effectiveness and impact of your key messages. And with 75% of Internet users in the U.S. alone expected to consume online video in 2008¹, companies who haven't already integrated online video into their programs will need to decide how far behind the curve they are willing to fall.

With over a decade of experience serving the online communications needs of more than 5,000 corporations, Thomson Reuters has compiled a list of the most common myths about online video.

1. We don't have the budget.

Companies rarely blink when sending out thousands of hard copies of newsletters or placing print ads that generate minimal response rates. But mention online video and the number one "obstacle" is budget. If this describes your company, the real obstacles are old habits and perception. You may be allocating resources to static media because it's safe and it's become an expectation. As a result, you may have also come to expect less impact and insight.

The real question is not about whether or not to replace traditional communications, but about how to supplement existing activities or make alternative choices where appropriate with rich media that is measurable, cost-effective and compelling. It's also important to understand what resources you already have in-house that could be leveraged across business segments. For example, video conferencing units (VCU) already installed at your headquarters and regional hubs could be used for employee communications and corporate announcements. By adding a video webcast to the equation, you can leverage the existing connectivity to deliver messages to anyone with an Internet connection. It's also a good idea to take an inventory of what video content you already have archived.

Commercials, training videos, interviews—these can all easily be made Web-ready.

If your strategic goals this year include increasing your reach, differentiating your brand and improving the retention of your messages, online video should be an integral part of your communications program. An experienced service provider can discuss how to augment your existing capabilities and with the range of solutions in the marketplace today, there is a broadcast to fit every budget.

2. Online video isn't more effective than other media formats.

In a well-know study called "Silent Messages", Professor Albert Mehrabian found that 93% of a message's meaning is non-verbal (gestures, body language, facial expression).² Furthermore, people tend to remember 50% of what they see and hear simultaneously—a much higher rate than when only one sense is engaged. Online video has become a powerful medium for engaging your audience and maximizing the rate of message retention because it stimulates multiple senses, is interactive and has a viral component not found in other formats. In addition, it allows individuals to take action immediately to satisfy their professional curiosity and learn more. Response rates tend to be higher than other formats—a recent study found that 40% of viewers visited a Web site referenced in an online video.³ Compare that with a 1-2% response rate in a successful direct mail campaign.

To use one of our client examples, in October 2007 Pizza Hut's BOOK IT![®] Program (www.bookitprogram.com) conceived "America's Biggest Bedtime Story" to generate awareness and excitement in an initiative encouraging parents to read with their children at home. A Web-based video and Flash presentation that featured acclaimed children's author and actor John Lithgow reading his new book, "The Remarkable Farkle McBride", attracted over 100,000 visitors to BOOK IT!'s website in a single night, and more visitors to the site in one month than in the entire previous year.

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¹ ComScore, September, 2007

² Albert Mehrabian. "Silent Messages", 1981.

³ Online Publishers Association, March 2006.

3. We don't have the IT architecture/it consumes too much bandwidth.

Managing internal bandwidth for enterprise-level communications is a valid concern that companies are addressing today. Some organizations are deciding to build out systems in-house while others are choosing to leverage the experience and resources of a service provider.

For external communications, bandwidth isn't as much of an issue because each user accesses your video content through an individual Internet Service Provider (ISP). It does come into play, however, if you are broadcasting internally and employees are active on the same network—for example, a live town hall webcast. Especially in large organizations with thousands of employees, simultaneous access of a video stream can result in degradation or loss of video quality if you haven't taken measures to mitigate these risks. This is primarily an issue only during live events as companies can stagger access to on-demand video presentations within any local area network (LAN).

Whether you are exploring short- or long-term solutions, a service provider can work with you and your IT team on ways to overcome internal bandwidth limitations and share best practices that address concerns specific to your capabilities, including offering multi-bandwidth options to your audience and using video platforms that auto-detect bandwidth availability. During a live webcast, you may also decide to ask managers to gather teams into conference rooms to share in the user experience and to collaborate in the post-event conversation. One size doesn't fit all, so to gain maximum reach it's important to deliver your message through multiple mediums, including Web audio and video.

4. Online video only appeals to young people.

While a higher percentage of users may surf the Web from dorm rooms rather than board rooms, it's a mistake to define young people as the overwhelming consumers of online video. In fact, 57% of Internet users ages 30-49 download or watch online video, with news being the most viewed content. And 1 in 2 viewers ages 30 and over will share video links with friends and colleagues.⁴ Lately, there has been a surge in what we call "YouTube in the cube" as 24% of all online video viewers log on from work.⁵

Recently, we've seen a number of corporations use multimedia to increase transparency and communicate directly to consumers, especially in crisis situations. In 2007 for example, just days after an ice storm canceled flights and stranded passengers, Jet Blue created its own YouTube channel where the company posted a video message from its CEO.⁶ The strategy was to deliver communications through a channel commonly used by its customers rather than strictly posting a message on the corporate website. The video attracted over 300,000 viewers.

⁴ Pew Internet & American Life Project Tracking Survey, February 15 – March 7, 2007.

⁵ Pew Internet & American Life Project Tracking Survey, February 15 – March 7, 2007.

⁶ <http://youtube.com/user/JetBlueCorpComm>

5. It's not measurable.

More than ever, it has become a requirement for communications professionals to justify activities with metrics that tie back clearly to business goals. From brand awareness and lead generation to employee engagement, offline activities such as print and television advertising don't answer the specific questions: Whose attention am I getting and which messages are resonating? With registration data and reporting tools, online video provides you with measurable insight into your audience and its level of engagement. Most reports allow you to track user activity, identify how long users watched your presentation, and determine if they downloaded any supporting materials. For live webcasts with Q&A sessions and polling, you can access archived questions submitted by attendees and survey results which are valuable for post-event follow-up. Given the suite of reporting and tracking tools now available at little or no cost, online video provides you with more detail than traditional forms of outreach which rely solely on responses to generate actionable metrics.

6. Video webcasting is not reliable.

After investing resources into producing video content, the last thing you want to deal with is a choppy stream—or worse, a total loss of signal. There are three components to any successful webcast: professional-quality audio and video capture; signal transmission; and the end-user viewing environment. Note that two-thirds of your success is determined onsite at your event and directly affects how your content is displayed to viewers. You will gain all-important peace of mind by choosing a service provider that not only brings a high level of technical experience and expertise to your project, but also the ability to work directly with your executive team to put the "talent" at ease and bring out the sincerity and personality in the presentation.

Delivering your video content to an individual's desktop in one piece (and not in a pixilated cloud) has been a concern since the advent of webcasting. Fortunately, over the past several years, the competitive nature of ISPs has led to incredible growth in bandwidth availability and options to consumers as broadband penetration has surpassed 80% in the U.S. (90% in the workplace).⁷ The advancement of internet infrastructure and increased adoption have made the last mile an increasingly smooth road to travel.

7. My peers aren't using it yet.

It can be difficult to justify resources for a new initiative as a first mover without the benefit of documented benchmarks. The fact is, however, 63% of communications professionals reported that online video was part of their 2007 strategic plans.⁸ From product launches and press conferences to recruiting videos and employee recognition, the applications of online video in the enterprise are expanding rapidly in companies of all sizes, in all industries. Even in the b-to-b world, a third of marketers are now using video in their communication strategies.⁹

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⁷ <http://www.websiteoptimization.com/bw/0608/>

⁸ Melcum, as cited in press release, April 27, 2007.

⁹ Forrester Research's Q4 2006 Marketing Benchmark Online Survey.

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