

Pardon the Disruption:

The Impact of Video Marketing



PARDON THE DISRUPTION: THE IMPACT OF VIDEO MARKETING

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Report Highlights

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Video users grow company revenue 49% faster year-over-year than organizations without video.

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Video users enjoy 27% higher click-through rates and 34% higher web conversion rates, compared to non-users.

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Video users are more than three times as likely to factor content consumption behaviors into lead scores.

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Video users enjoy 41% more web traffic from search than non-users.

Video marketing is more than recording a clip or two and incorporating that content into your marketing mix. What makes video marketing different? What advantages are video marketers enjoying over their peers? How are marketers achieving these results? Stay tuned... These questions and more will be answered in this research report.

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Today's top marketers are the ones who can deliver the best experiences — be they informative, entertaining, or both — and video is one of the most effective mediums for delivering such experiences at scale.

Between March and April of 2015, Aberdeen surveyed 168 organizations about their use of video. For the purposes of this report, Aberdeen identified two primary groups:

– **Video Users:** those who report using video in at least one marketing channel.

– **Non-users:** those who report no active usage of video in their marketing activities.

What Makes Video Marketing Special?

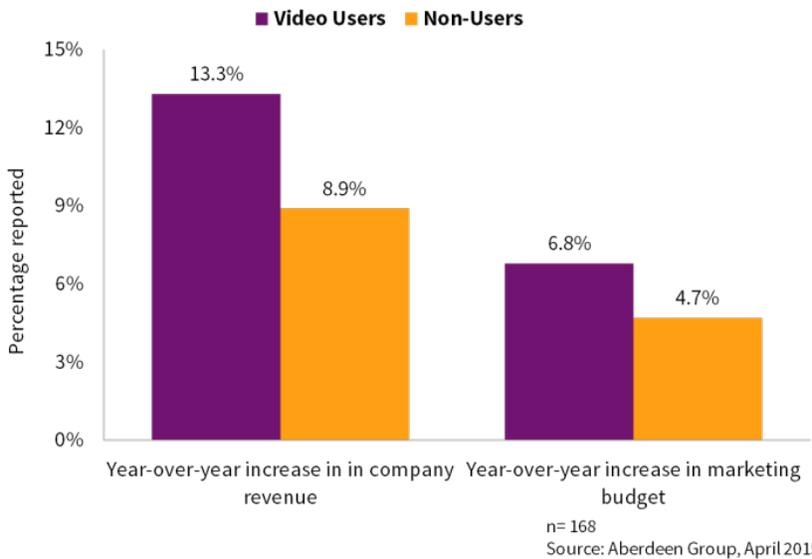
As you'll see in Figure 1 on the next page, there's a pretty desirable trend among marketers using video; namely, that they generate more revenue for their organizations and earn greater investments back into marketing through their reported budget growth. Clearly, this trend means there's something special about video marketing — which is why we've teased it out so soon — but before we dig deeper, let's first establish what video is at an elemental level.

To begin with, the need for video is nothing new. It's really a result of the basic human need to capture and share information and experiences. Ancient people painted on caves, for example, to feed this need — sure, it wasn't YouTube, but it was a start. Why is this relevant to marketing? Because today's top marketers are the ones who can deliver the best experiences — be they informative, entertaining, or both — and video is one of the most effective (if not also most evolved) mediums for delivering such experiences at scale.

In exploring the impact of video on marketing, it's important to establish this firm groundwork because, admittedly, when comparing video users to non-users, the results seem to put video users on an entirely different level of marketing performance than their peers. Of course, there's a reason for this. Video users **are** on a different level. As Figure 1 shows, organizations with video users grow their revenue 49% faster year-over-year than non-user organizations (13.3% vs. 8.9%). Organizations with video users also increase marketing's budget by 45% more annually than non-user organizations (6.8% vs. 4.7%).

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Figure 1: More Money from Video Users; More Money to Video Users



Organizations with video users grow their revenue 49% faster year-over-year than non-user organizations.

What we see in Figure 1, however, are only two points — like having the beginning and ending of a story. But what’s happening in the middle? What are video users doing differently to create this favorable “more money in, more money out” model?

Video Marketing Forges Effectiveness

Returning to the idea of video as a more evolved medium noted earlier, it’s important to highlight that the use of video often breeds a more evolved marketer as a result. In Aberdeen Group’s report “[Getting More Than ‘Going Viral...’ Sophistication in Video Marketing](#)” (July 2015), the top pressure cited by 65% of video users was the increasing demand for relevant content to support multi-touch, nurture-based marketing campaigns. This pressure reflects a refined motivation among video users to provide their buyers with a prolonged stream of value (an extended experience, even) with their brand. In practice,

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→ [Read the full report, “Getting More Than ‘Going Viral...’ Sophistication in Video Marketing”](#)

research from the aforementioned Aberdeen report shows that these engaging experiences provided by video users yield 27% higher email click-through rates, on average (3.9% vs. 3.1%), and 34% higher website conversion rates (3.6% vs. 2.7%), compared to non-users. As you would expect, the engaging nature of video content does provide improved marketing campaign performance, but this is not where the video marketing differentiation ends.

In Figure 2 below, we also see that video users are well-diversified in their deployments of video. Outright, the majority of video users (65% and above) report fueling five different marketing initiatives with video. For reference, when non-users were asked for the general marketing initiatives they support, only three initiatives reached comparable adoption levels. Whether it’s making the most of a spare-no-expense investment in a well-produced video asset, or optimizing the impact of quick, employee- or customer-created clips, video users maximize the value of their content by connecting it to the most relevant marketing efforts.

Figure 2: Top Marketing Initiatives of Video Users



n= 147
Source: Aberdeen Group, April 2015

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Digging even deeper into the initiatives supported by video users, we see that these efforts cover the entire span of the customer lifecycle – from the awareness, consideration, and evaluation stages of the buyer’s journey, to the onboarding, support, and retention phases of the customer journey. By breaking down the initiatives below, you can see more specifically how video users are utilizing their content, and why these tactics give them a competitive edge.

- ➔ **Top-Funnel Marketing: Building Brand Awareness and Credibility** – Video is hard to beat when it comes to giving buyers a good first impression of a brand. If you want people to know what your brand is all about; show them. It doesn’t get much simpler or more direct than that, which is why 80% of video users report this initiative.
- ➔ **Top-to-Mid-Funnel Marketing: Thought Leadership** – Bridging the gap between awareness and consideration, video is also a valuable asset for differentiating a brand from its competitors through thought leadership. These marketing efforts allow buyers to see the vision of a brand and gain value from its expertise.
- ➔ **Mid-Funnel Marketing: Lead Generation / Customer Acquisition** – From fueling form submissions to direct purchases, at this stage, video users craft their assets to drive action. With some video technologies that allow marketers to embed forms, questions or other calls to action directly into the viewing experience, as well, there are compounding advantages in using video at this phase. Of course, this is also why we see 85% of video users supporting this initiative.

Video users are more than three times as likely to factor content consumption behaviors into lead scores.

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→ [Read the full report, “Once is not Enough: Why Sales Training Reinforcement is a Must-Have”](#)

→ **Bottom-Funnel Marketing: Sales Enablement** – At this phase, there are actually two ways video can be used. Directly, marketing can arm sales with evaluation-oriented video content to share with prospects. Indirectly, though, marketing can also provide continuous or on-demand sales training videos to keep sellers up to speed and on point – a top pursuit cited by 54% of Best-in-Class companies in Aberdeen’s report, [“Once is not Enough: Why Sales Training Reinforcement is a Must-Have”](#) (May 2015).

→ **The Customer Journey: Interactions and Retention** – The opportunities for video marketing don’t end with the buyer’s journey, so it should come as no surprise that 65% of video users also affirm that they extend their efforts to customer support and retention initiatives as well. From FAQs, to tutorials, to customer interviews, marketers can use video assets to stay top of mind, and ensure that customers keep coming back.

The Tech-Enabled Video User: Better, Faster, Stronger

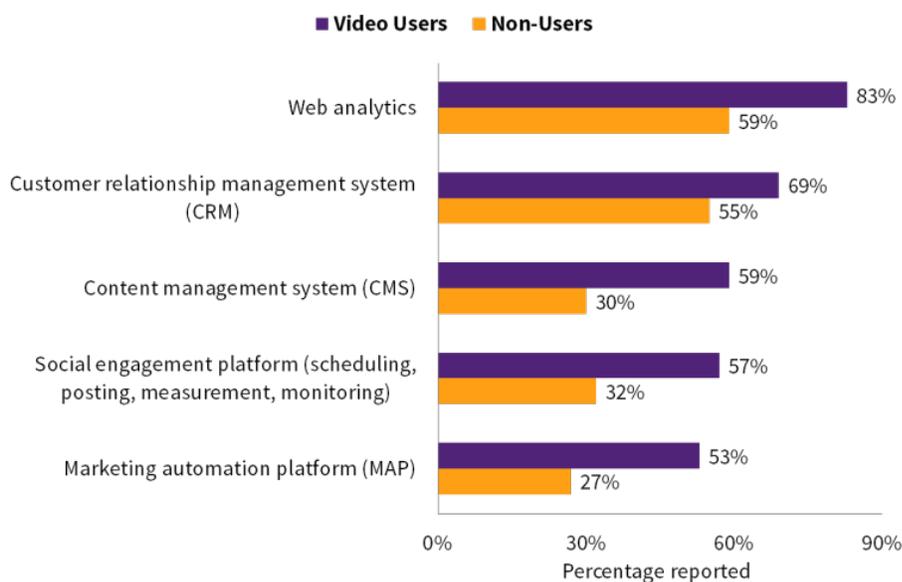
To support all of the initiatives noted in Figure 2, and more, video users are also inclined to be more systematic in their activities. When it comes to lead generation / customer acquisition, for example, Aberdeen’s findings show that video users are 86% more likely to utilize the emerging trend of progressively building profiles on buyers based on content consumption data, compared to marketers without video (28% vs. 15%). Video users are also more than three times as likely to factor content consumption behaviors into lead scores — a best practice established in Aberdeen’s [“Lead Scoring: The Factors & Fundamentals in Best-in-Class Programs”](#) (December 2014) — compared to non-users (40% vs. 12%). This reflects a pattern among video users whereby they’re not only doing more, in

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terms of their marketing activities; they're getting more actionable information and insights out of their activities as well. From optimizing where calls to action should appear before viewers drop off, to when to rout leads to sales based on the video content viewed — or even the viewing frequency — video users can clearly discern what works for their buyers, and do what needs to be done to maximize their results.

These systematic and analytical approaches, however, don't come out of the blue. As you'll see in Figure 3, video users are also much more inclined to adopt and integrate a variety of marketing technologies to support their efforts. What's more, while the majority of video users (53% and above) report using a total of five marketing technologies, the majority of their peers (55% and above) only cite having two marketing technologies in place. The general gist is that video users harness more tools and technologies to gain more value than non-users, but there's even more at work behind the scenes...

Figure 3: Video Users Are on Top of Marketing Tech



n=168
Source: Aberdeen Group, April 2015

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Video users are 168% more likely to track lead sources down to specific content assets.

→ [Related Research](#)
“Video & Marketing Automation: The Advantages of Active Alignment”

In Figure 3, we can see the most common technology stack which forms the foundation of video marketing. The ability to measure and report on performance, shown in the 83% adoption rate of web analytics, for example, tells us that this is a critical element in video marketing. In customer relationship management (CRM) adoption, we see the need to integrate video viewing behavior with sales intelligence, sales enablement, and even customer communications efforts. As shown in Aberdeen’s Knowledge Brief, “[Video & Marketing Automation: The Advantages of Active Alignment](#)” (July 2015), video users who utilize marketing automation platforms enjoy increased efficiency in lead generation and marketing-sourced revenue, as well as more programmatic distribution capabilities.

What’s most notable about this combination of technologies, however, is that they’re not disparate, unlinked tools or systems. They all integrate, overlap, and share data together. When video is supported by a content management system, or even a video-specific management system, distributed across social channels, and rolled into a marketing automation campaign, for example, all the independent competitive advantages of these systems are shared and optimized together. Additionally, the stronger the integrations between these systems, the easier and more seamless it is for marketers to use them to deploy and optimize their video efforts. For an idea of how granular video users can get, Aberdeen’s findings show that they are 168% more likely to track lead sources down to specific content assets, compared to non-users (52% vs. 19%) — an insight that often requires data from multiple systems to discern.

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Video Helps Marketers Help Their Buyers

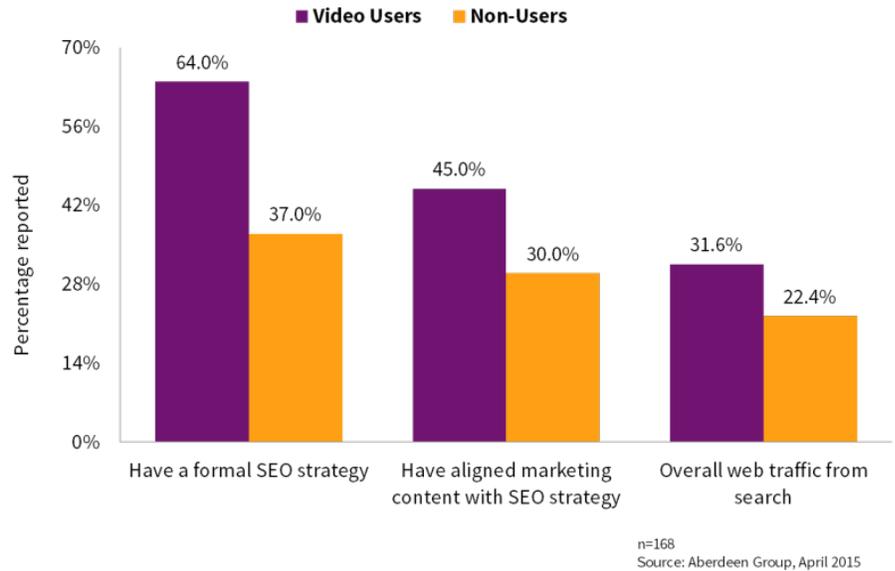
Up to this point, we've addressed what video users are doing, and where they're setting themselves apart from their peers. There's one more big question behind the success of video users, however, that needs to be addressed. Namely, how do video users get their content to their potential buyers?

In Figure 3, three of the five highlighted technologies directly address this question. Through content management systems, video users host content that can be found on websites or landing pages. Through social media platforms, video users can push their content out to their networks. Through marketing automation, video users can programmatically distribute their content through marketing campaigns and [lead nurturing programs](#). There's still one more major distribution channel missing, though: search.

Of all the marketing channels, effective search engine optimization (SEO) tends to be the most buyer-centric. Search engines are aiming to serve up the most relevant content to their users, so marketers who align their content to cater to what their buyers are looking for generally outperform those without such a focus. With video, however, there's an added advantage; most search engines assign more weight to video content than to other mediums. With such advantages, as you'd expect, in Figure 4 below, we see that video users are 73% more likely to have a formal SEO strategy, compared to non-users (64% vs. 37%), and are 50% more likely to align their content with said SEO strategy (45% vs. 30%).

Video users enjoy 41% more web traffic from search than marketers without video.

Figure 4: Video Marketing & SEO: A Virtuous Cycle



As a result of the more deliberate approach to SEO among video users, Aberdeen’s findings show that this contingent also enjoys 41% more web traffic from search than non-users (31.6% vs. 22.4%). In essence, video users are creating a kind of virtuous cycle whereby their content is aligned and optimized to answer their buyers’ critical questions. Thus, more buyers are finding and visiting the web properties of these marketers, and providing more data to further align and optimize future marketing assets.

Key Takeaways

What makes video marketing different from other spheres of marketing? It puts marketers on a path to improvement by supporting multiple initiatives and inviting tactical marketing technology integrations. What advantages are video users experiencing over their peers? They have deeper data and analytics on their buyers, generate more revenue for their companies, and earn more budgetary investment back to rinse,

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recycle and repeat what's working. How do marketers achieve all these things with video? Remember:

- ➔ Video, at its heart, is about delivering informative and/or entertaining experiences. When marketers apply this mindset to their marketing efforts at large, they align themselves for success seeing 27% higher click-through rates, and 34% higher website conversion rates than their peers.
- ➔ Video users diversify the marketing initiatives they support to cover the entire customer lifecycle. They have an eye for what needs to be done, and they find a way to measurably execute against their goals. It's no surprise that the majority of video users report using their content to support five different initiatives.
- ➔ When it comes to technology, video users are strategically assimilative — they actively adopt solutions to build an integrated foundation of marketing technologies that will enrich and optimize their marketing efforts.
- ➔ Video users help their buyers help themselves in finding solutions, with video users being 50% more likely to align their content to their SEO strategy.

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For more information on this or other research topics, please visit www.aberdeen.com.

Related Research

[Getting More Than “Going Viral...” Sophistication in Video Marketing](#); July 2015
[Video & Marketing Automation: The Advantages of Active Alignment](#); July 2015

[Once is Not Enough: Why Sales Training Reinforcement is a Must-Have](#); May 2015
[Lead Scoring: The Factors & Fundamentals Behind Best-in-Class Programs](#); December 2014

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