



NEW MEDIA INSIGHTS FOR LOCAL ADVERTISERS

It's Time for Small Businesses to Hitch Their Star to Video

According to a February 2017 report from BIA/Kelsey, local businesses may be using online videos in multiple channels for advertising and promotions, but only a minority is using them.

It's time local businesses made video an integral – if not their primary online marketing content – as Cisco's Visual Networking Index forecasts that ***“the global consumer Internet video traffic will account for 80% of all consumer Internet traffic”*** by 2019.

Local Businesses Online Video Channels Used for Marketing & Promotions, February 2017		
CHANNEL	PERCENT	INCREASE SPEND*
Website video	25.7%	30.8%
YouTube video	16.1%	39.5%
Facebook video	12.8%	48.6%
Video display	11.4%	52.7%
Twitter video	3.0%	37.7%
Other online video	7.1%	49.7%
BIA/Kelsey, Feb 2017 *plan to increase spending during next 12 months		

Considering how much consumers' use of video content and the value it provides them and brands and retailers have advanced since 2015, local businesses are still well behind the curve.

- » 52% of marketing professionals worldwide said video content had the best ROI of all types of content (2015).
- » Marketers who use video increased their revenue 49% faster than non-video users (2015).
- » Explainer and product feature videos were the most popular videos for retailers during 2015.



- » Videos with a four- or five-star rating had more than twice the average buy rate of videos rated three stars or fewer (2016).
- » Four times as many consumers would rather watch a video about a product than read about it.

The BIA/Kelsey Local Commerce Monitor also reported that two-thirds of local businesses produce their own videos (of those who produced a video during the past year).

Local Business' Video Production Methods, February 2017	
METHOD	PERCENT
Produced themselves	67.1%
Made video on social media with ad tools	28.6%
Produced slide show	14.7%
Produced custom video	8.5%
Produced stock video	7.3%
Other	1.7%
BIA/Kelsey, February 2017	

Even as more local businesses that have been using videos for marketing and promotions plan to increase their spending on video content, just 22.2% of small businesses that haven't yet used video said they would start allocating dollars to video advertising during the next 12 months. This suggests there will still be many local businesses virtually invisible to the many consumers (and, more importantly, their target audiences) who prefer video content from brands and retailers.

Video Goes Vertical

As more and more people acquired smartphones, it's not surprising that initially they rotated their phones to view videos in a horizontal format. After all, our brains have been programmed from the first day our parents plopped us in front of a TV that a 4x3 and now a 16x9 screen ratio was the accepted format to view videos.

As smartphone usage has increased, however, people have favored the vertical format because that is the natural way people hold a phone, scroll or click through content choices and read content.

This, in turn, has resulted in a bit of a revolution in terms of how video is shot both for personal and brands and retailers' marketing and promotional uses.

It's very likely that what is driving the growing preference for shooting and viewing vertical video content is that it matches the dimensions of the human body.



Not only does this create opportunities to show products and other consumer interactions with the entire human body, but also fills more of the frame with people and their actions, thus reducing the amount of surrounding scenery and other potential distractions to the message.

Some digital marketing experts have declared that vertical video doesn't replace TV or the familiar horizontal format, but creates an entirely new medium.

Snapchat is credited with launching this vertical-video revolution and it has already discovered that ***“vertical videos are 9 times more likely to be viewed to the end than horizontal ones.”***

Facebook, Instagram and Pinterest have quickly joined the revolution, with Instagram Stories as an example, while Facebook data reveal that ***“users are more likely to watch vertical videos longer...”***

Curalate, in its Vertical Video Guide, suggests these tips for brands and retailers to maximize their use and the value of vertical videos.

- » With as many as 85% of Facebook videos viewed without sound, create videos without an audio track and use text overlays instead.
- » Because of the human framing, stories are excellent content for vertical videos.
- » Promote exclusive offers or giveaways with a succession of posts and don't display the discount code until the last post.
- » Tease a product launch or a new in-store product or collaboration.
- » Showcase trending products.
- » Allow employees to create vertical videos to connect with customers directly.
- » Showcase community events in which a store participates.