CHAPTER 1

The Least a Marketer Needs to Know

In this chapter, you will learn:

- Why a marketer needs to know about online video.
- Pitfalls to avoid and ways to save yourself time and money.
- How to target customers in ways you may not have considered.
- How video can help you from awareness through loyalty.

Presumably, you would not be reading these words if you had not recognized that online video can help drive businesses. However, I feel compelled to point out why I think this is the most interesting thing happening in our time:

 Online video generally refers to viewing that occurs at a computer, and that remains the prevailing mode today. Over time, however, the convergence of the *three screens* (television, computer, and mobile devices) will further complicate the definition of *online video* and perhaps eventually make the term antiquated and obsolete.

- This medium is disrupting industries and traditional networks, and content producers have so far fumbled and lost relevancy in online video. While most video viewing is done via a television set, the audience has continued to fragment. In the early 1950s, more than 30 percent of households watched NBC, and today it's around 5 percent. As television audiences fragment and shift to online viewing, marketing dollars are following them.
- Today, online video is the only advertising medium with a growth rate estimated at 40 to 60 percent per year,² while such traditional areas of marketing mix as television and print are flat or declining.³ (See Figure 1.1.)
- YouTube remains the dominant player in online video, so this book gives it disproportionate attention. By the time you read this book, we'll likely see a reduction of the approximately 37 percent share difference between the leading video property and its distant follower. ComScore, a market research company that tracks one of the largest panels of online users, reports that Google/YouTube leads with nearly 40 percent share, followed by Hulu with only 3 percent. Still, approximately 25 percent of Google search queries are conducted on YouTube, making it the number two search engine (above Yahoo!). YouTube also has more content and active viewers than any television network.

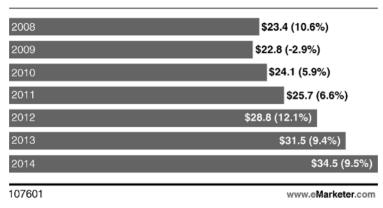


Figure 1.1 U.S. online advertising spending, 2008–2014 (billions and % change).

Source: eMarketer, October 2009.

Online video—like radio, television, and film—has created a new type of star. Individual "one-man band" amateurs are being watched more frequently than most television shows. Brands have a near-term opportunity to partner with these stars for cost-efficient ways of reaching large audiences. Many of these individuals are earning six-figure annual incomes via advertisers.

Online video is changing the way we market, and requires insights they don't teach in business school (at least they didn't a decade ago, but now I'm dating myself). On the one hand, we have marketers believing their unique selling proposition is as interesting as the "Numa Numa" kid.⁶

On the other hand, we have today's attention-deficit video viewers (which I will explain in depth later) demanding hyperpaced video entertainment, and ready to skip or close a video otherwise. So the rules of creating videos are fairly simple: Keep your clip or video short, interesting, edgy, and give us a surprise that makes us want to forward

it to our friends. It's not a viral video if people don't want to share it. The rules of marketing within online video are more complex, but you will soon be capable of distinguishing a successful program from the road kills along the viral highway.

Eight Things Marketers Should Know about Online Video

I like lists, so allow me start with an important one. There are eight things every marketer should know about online video. To fully understand these, it has taken me several years of experimenting as a marketer and video creator. You, however, will learn much more quickly. Read these closely and you will save months of frustration, reduce your costs and risks, impress your colleagues, and possibly even lose 20 pounds in two weeks.

1. They're Watching. Your customers are watching exponentially more videos online than they were even a year ago. A marketer cannot survive without some skepticism, but trust me on this one. The early adopters of online video (technical enthusiasts, teenagers, video gamers) are giving way to a broader audience that will, eventually, closely represent the population. Americans continue to spend as much as 10 times more time in front of their televisions than surfing the Internet or watching online video. But three trends are capturing the attention of advertisers: (1) Time-shifted television viewing is increasing rapidly (with the proliferation of digital video recorders), (2) there is a significant (35 percent) rise in simultaneous use of the television and Internet, and (3) online-video viewing is increasing rapidly across all demographics.⁷

2. Your Brand Isn't an Online-Video Entertainer. It

is a rare marketer or brand that can also entertain. It is the role of a marketer to identify a target market with a need, position a product or service into the minds of its customers, and grow sales. Those tasks often are at odds with the job of an entertainer, which is to engage and delight audiences. I happen to wear both hats, and it is challenging to balance these roles. Many marketers, often with help from creative agencies, have created "branded entertainment" flops like the now-defunct Bud.tv, the first attempt by a consumer product company to launch a full-scale TV network with original long-form programming online.⁸ (See Figure 1.2.)

Budweiser makes beer, and would have been better served by introducing its products in the context of popular existing shows and audiences. Assume, even if you believe otherwise, that nobody cares about your brand but you. Find content that already attracts crowds, and develop creative ways of working with the creators and distributors. Instead

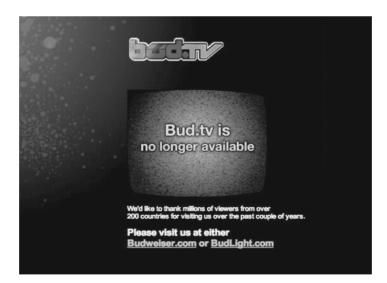


Figure 1.2 All that remains of Bud.tv.

of trying to launch a Broadway show about your product, slip down the street into a standing-room-only theater. You would be surprised how receptive the creators can be.

- 3. It's a Buyer's Market. The ROI (return on investment) of reaching customers via online video is surprisingly high; like most new mediums, it is a buyer's market. There are plenty of eyeballs with wallets, and an abundance of made-for-Web video content. Yet advertising dollars have not yet adjusted. In many ways, online video is like what search engine marketing was in 2000. Too many companies are stuck in a repetitive "ready, aim" mode, and only a few industries (entertainment, travel, and consumer packaged goods) are beginning to harness the power of online video. If you spend the next six months making the first step, you may lose opportunities, and also likely discover that the medium has changed again.
- **4. You'll Need a Sherpa.** A calculated investment in online video means: (1) being prudent about spending, (2) respecting the rules of social media, (3) engaging audiences in interesting ways, and (4) analyzing results carefully. Many brands awkwardly apply the interruption-advertising model from television and online marketing.

The best way to be prudent and stay within social media is to find a sherpa who has learned the trails of the mountain. Most of them, myself included, will be annoying. Just as social-media gurus are sprouting like dandelions, everyone claims to be an online-video expert. But there are individuals who have achieved success, have made mistakes along the way, and know where the land mines are hiding. The best way to know how someone will approach online video is to understand what he or she did previously. You'll get different perspectives, depending on if someone came from marketing, advertising, creative, online, production, television, or

film (or last year happened to be a guru of SecondLife.com, a once popular virtual world).

5. ROI Soup. Every list has a "measure-and-improve" step, but let's get specific. Very few brands can truly measure the direct impact on sales of online video, and that makes it surprisingly consistent with the rest of the marketing mix. Still, it is not hard to cook up an ROI soup made of behavioral data, test-control research, and educated assumptions. Even better, the targeting and metrics—provided marketers and advertisers demand it—are getting almost as good as paid search, and certainly much better than print or television. As a product director I doubled my paid-search budgets nearly every year, despite not having a precise indicator of resulting sales. I used a solid assumption-based ROI model, and it impressed me more than television, radio, print GRPs (gross rating points), and studies on consumer awareness and attitudes. If you can't track sales directly to online video, you can at least ensure you are not budget bleeding by doing a simple test-control or pre-post study using the proxy measures or drivers of sales (enrollment, site visit, intent, awareness).

6. An Impression Isn't an Impression unless It Makes One. Television is still bought based on gross rating points, and online advertising is purchased by cost per impression (CPM). In another life, I must have been a direct-response junkie because that makes me very sad. Views or impressions can be horribly deceptive. They can give a brand the false pride of going viral with no sales consequence. A well-targeted video could be inadvertently scorned because it was seen only 100,000 times—but these viewers could be the target buyers. The question is not "how many views?" but whether a target saw it and changed his or her behavior. Most online marketers know that the vast

majority of banner ads are not even seen (based on eyetracker studies). Videos, by contrast, tend to engage a person actively—even if it is just for a minute or less. What we marketers really want is behavior change, and that happens when prospects give us time, attention, and engagement. But the CPM ad model tells us little about those vital signs. We want reach, but we need engagement to lift intent to purchase or generate sales. Just as a piece of junk mail can't do the job of a good salesperson, a cheap display advertisement can't perform like online video (and even those adjacent ads, to a lesser degree). I believe online video is the most visceral, engaging, and persuasive form of mass entertainment and marketing. This is amplified when there's already a bond between the person in the video and her audience.

- 7. Please Don't Just Advertise. Every marketer will eventually use online video to advertise. But I hope you will think beyond traditional ad buys—online video is a vehicle with potential to go much farther. It has implications on social media, public relations, communication, and education. Display advertising has merits, but a brand can often have greater impact with content sponsorships, product placement, and relationships with video creators and distributors. Even individual video stars are like mini-networks or publications of their own. They have loyal audiences, and you want your marketing to do more than interrupt the relationship between them and their audience. This industry is still young enough for you to be the onlinevideo equivalent of a marketer who had E.T. holding Reese's Pieces, provided Oprah with her first free audience giveaways, or placed the Coke cup in the hands of the judges on American Idol.
- **8. Understand the Ecosystem.** Online video has turned amateurs into stars, web sites into networks, and

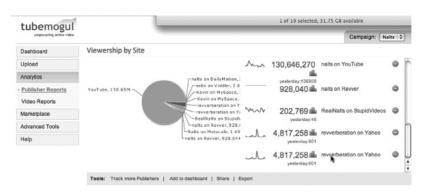


Figure 1.3 TubeMogul, founded in 2006 by graduate students at UC Berkeley, helps producers distribute video to dozens of video-sharing sites and track performance.

interactive agencies into entertainers. It has also created a number of successful new entrants and far more defunct intermediaries. As the marketplace matures, it will sort itself out. Eventually, people and companies will return to their core competencies, but prepare for at least a decade of rapid-fire evolution. Right now, the least you need to know is that there are creators, distributors, destination sites, Web studios, creative agencies, individual video stars, and some specialty intermediaries that help link stars to brands (Hitviews, PlaceVine, and Poptent), or help video creators upload to multiple video-sharing sites and measure results (TubeMogul.com). (See Figure 1.3.)

Evolution of Online-Video Marketing

You may already have made up your mind about online video if you are familiar with the viral clichés: sneezing pandas, hissing cat, a fat guy smashing a computer, and the 1970s news story about exploding the beached whale. But you'll gain some additional perspective if we can take a quick journey back to the ancient days of online video.

- 1. Viral. Following YouTube's 2005 launch, in the years between 2006 and 2008, *viral video* was the Holy Grail. Brands invested in expensive and often deliberately amateur-looking commercials, and many had great success. In the case of the Dove Evolution campaign, which attempted to lift the self-esteem of females everywhere by showing them that they are beautiful no matter what, as well as a relatively recent Evian ad featuring skateboarding babies, the ads themselves were so remarkable that they indeed took on a life of their own. People forwarded them on to friends, so on and so forth, and they became most-viewed videos, where they found a secondary audience. Unfortunately, this is roulette marketing, as exponentially more viral commercials fail than succeed. To abuse my least-favorite marketing metaphor: *There are lower-banging fruit*.
- 2. Seeding. Many videos gain appeal when they're seeded by agencies to social networks like Digg, Twitter, and Facebook. Seeding is the act of promoting your video to bloggers and via social-network sites. The most targeted views are those that occur on the web sites and blogs where your customers live. For example, a video promotion of a hotel or airline may get fewer views on travel-related web sites, but those are more valuable to the brand than views of my videos on YouTube.
- **3. Pay-per-View.** In the delightful early days of online video, a small "under-the-table" media budget could, indeed, prime a video via covert home-page love on some secondtier sites. Even a home-page advertisement on YouTube would generate millions of views, although many of these views were simply "curiosity clicks" from people not realizing it was an ad. Today's YouTube home-page advertisements draw fewer views than in years prior, as the audience has become more savvy. So, YouTube has identified other

ways to drive promotional views: It mixes popular online video as promotional content in what it calls spotlight videos. It has also invited advertisers to create explosive takeovers on its home page, which I always find odd coming from the folks who brought you Google. Many smaller online-video sites offer "paid view" guarantees ranging from 5 cents to a dollar per view (\$5 to \$1,000 CPM). Unfortunately, the viewers do not stay long when they realize the video is merely overt promotion, unless, of course, it is entertaining, engaging, or extremely relevant. Furthermore, many brands and agencies sink \$100,000 to \$500,000 into the production of authentic-looking viral videos, making the ROI nearly impossible unless it goes viral. If your agency refers to a video idea as viral, remind them it's actually a misnomer to call an online video viral unless it actually goes viral.

4. Ads Surrounding Videos. Because viewers of online video are engaged in the content (or they would disengage before an advertisement is shown), the online ads appearing before, during, or adjacent to videos tend to be more productive than banners on static content (see Figure 1.4 for various YouTube advertising format specifications). Most online-video advertising estimates refer only to this type of promotion (and not sponsored content or branded entertainment, as that spending is harder to capture). Those

Ad Type	Unit	File Types	Max Fi Flash	le Size: JPG/GIF	Max Animation	Audio
Skyscraper	160 x 600	SWF/JPG/GIF	50KB	30KB	15 seconds	No
Large Rec	300 x 250	SWF/JPG/GIF	50KB	30KB	15 seconds	No
Titlecard	300 x 225	JPG	N/A	20KB	N/A	No
Small Rec	300 x 35	SWF/JPG/GIF	30KB	20KB	15 seconds	No
InVideo Overlay*	480 x 70	SWF AND FLA	100KB	N/A	10 seconds	No

Figure 1.4 YouTube advertisement formats: Just one part of a comprehensive online video strategy.

pop-up advertisements that appear in the bottom portion of a YouTube video are called InVideo ads, and they are more expensive because they are harder to ignore. Since these premium ads command more attention, they should drive more awareness, intent, and purchase than the "bargainbasement" banner buys across ad networks.

Have you ever noticed that every ad network insists on calling itself a *premium* ad network? Ads surrounding video work well for brands that do not have video content, or those that need broad and immediate reach. As viewers become savvier or more sensitized, the interaction rates will only decline. While my income depends on these pop-up ads, I've noticed that even my children instinctively close them. They are annoying. YouTube and other online-video sites, of course, will develop more creative and effective ways to engage prospects while they are enjoying videos.

Recent research by Nielsen IAG and Microsoft compared online-video ads and television commercials. Online performed better on a variety of measures, most likely because of increased engagement, inability to skip the ad, and less clutter. Recall was 65 percent for online and 46 percent for TV, while likability was 26 percent online and 14 percent on TV.9 Additional research by *Advertising Age* showed that some video ads can increase awareness by 37.8 percent, ¹⁰ but that obviously depends highly on the creativity and the context. My simple litmus test: The ad succeeds if it would be difficult for someone to describe the advertisement without mentioning the brand.

5. Webstars. The most frequently viewed online-video stars are talented individuals with a collective audience that surpasses many television shows in daily viewership. We call them "webstars," "YouTube Stars," and "weblebrities." Like the first stars of television and radio, they have loyal

audiences among both early adopters and the increasing mainstream audience watching exponentially more videos online than even a year ago. Unlike film and television stars, however, they have personal relationships with their audiences, and their audiences follow them across dozens of online-video sites, their own web sites, blogs, and socialmedia services (from Twitter to Facebook). To illustrate the impact of these stars, consider that the top 100 YouTube Partner channels represent the vast majority of revenue for YouTube, which monetizes the videos in a variety of ways (see Figure 1.5 for an example of most-subscribed YouTube Partners). Perhaps 95 percent of YouTube views are of content that is consumer-generated. They are not easily monetized. YouTube's primary income, aside from its bome-page takeover, is driven by a relatively small number of individuals and corporations within YouTube Partner accounts.

While many of these Partner channels are those of musicians or professional content creators like Discovery Channel or BBC, the majority are made up of the aforementioned webstars.

- **6. Branded Entertainment.** In truth, branded entertainment predates the Internet, but it remains all the rage. Hollywood wants corporations to invest in production, and then to market it with advertising dollars. Just like Procter & Gamble invented the soap opera to reach stay-at-home moms, some brilliant marketer is going to partner with a Hollywood studio to create a dazzlingly rich media experience that sells product. Do I sound skeptical? I am. More on that later.
- **7. Professional Content.** For three years, I have predicted that the dominance of amateur weblebrities would soon fade behind more seasoned video creators. I've been

Beyond Viral 14 nigahiga Fred ShaneDawsonTV smosh RayWilliamJohnson universalmusicgroup sxephil machinima VenetianPrincess davedays kevjumba collegehumor WHATTHEBUCKSHOW MysteryGuitarMan TheStation the station

Figure 1.5 Most-viewed YouTube channels are often professionals, but the most-subscribed list is dominated by webstars.

prematurely predicting the demise of my species, as the amateur video star still dominates the most-viewed and most-subscribed videos. In the coming years, I would expect to see professional video content increase viewership online, but as a marketer I'm not interested in subsidizing it. A network, video site, or content providers should be aggregating an audience, and then turning to

marketers for advertising. I am perplexed by brands that feel compelled to subsidize video content and promote it using their marketing budget. While there are attractive opportunities to achieve evolved relationship between brands, distributors, and content providers, a marketer's budget is not designed to promote content alone.

8. Video for Business throughout Customer Funnel. Increasingly, businesses are recognizing that viral video to drive awareness is only one application of the medium. Businesses are using video content to drive customer acquisition, educate, and improve customer relations. This will be explored in depth in Chapter 4, "Video's Role in the Marketing Funnel."

Online-Video Growth

By Daisy Whitney

"Video ad spending growth will far outpace any other online format, running in the 34 to 45 percent range from 2009 through 2014," said David Hallerman, an eMarketer senior analyst. "These extremely high growth rates are the result of video ads moving from the sidelines to center stage, becoming the main form of brand advertising in the digital space."

Marketers like video advertising because it's more effective and it's also familiar to them. They can also easily shift budgets and creatives onto the Web.

In addition, video delivers a return on investment. Brands using online video ads have seen lifts of anywhere from 20 to 40 percent or higher in terms of incremental

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buying with online video and rich media over other ad forms, as comScore CEO Gian Fulgoni has said. ComScore tracks the impact of online video ads by measuring whether Internet users who saw an online video ad then went on to visit a site or buy a product, for instance.

In fact, for these reasons eMarketer projects video will grow to command more than \$5 billion in ad spend in 2014, up from \$1 billion last year. That number will put video as one of the top three categories online, behind online banner ads and search ads. By 2014, search ads will corral about \$16 billion in ad spend, while banner ads will generate about \$6 billion.

But in the near term, don't expect major advances in video formats online. Pre-rolls will continue to dominate on the Web. According to online video ad network YuMe, about 95 percent of the ads YuMe (and most other video networks) serve are of the pre-roll format.

That's because most advertisers prefer cutting down existing TV commercials for the Web into 15- and 30-second pre-rolls and they'll likely continue on that path in 2010.

But there is a growing body of evidence that advertisers can generate a higher return on investment when they create tailored ads, often using a pre-roll as the springboard.

Both YuMe and competitive online video ad network ScanScout have found that engagement rates with video ads are three to four times higher when a marketer uses custom spots, creative, and interactivity than they are for simple pre-roll ads.

YuMe served up more than 3 billion video ads in the first nine months of 2009 and found that when advertisers customize the creative for the online video medium they can garner as high as a 5 percent clickthrough rate, or engagement rate. (The average customized spot generates double the interaction of pre-rolls, which clock in at about 1 percent interaction, YuMe found.) Some of the clients for whom YuMe has served up tailored ads include Axe, Dove, Vitamin Water, Universal Pictures, and Land Rover.

"We see up to 5 percent click yields when people really take the time to develop creative that is online-specific and have the opportunity to engage the audience versus taking a TV ad and sticking it in front of the content," said Michael Mathieu, CEO of YuMe.

Because of the success with tailored ads, YuMe is exploring additional types of online video ad formats such as embedding ad units in the video. That could include contextually relevant ads layered on top of the video itself, Mathieu shared.

Competitive video ad network ScanScout has also found that customized spots yield much higher engagement rates. Interactive ads that let customers participate in polls, for instance, are generating four times better clickthrough rates than standard pre-rolls, said ScanScout, citing data from a recent Vaseline campaign run across its network.

The Vaseline campaign included a pre-roll unit that allowed users to vote on their favorite features of the lotion. Interactivity can also include letting viewers opt in to receive coupons or more information on a product.

(Continued)

As advertisers shift more dollars to the Web and as more studies pointing to the effectiveness of interactivity and customization emerge, marketers are apt to experiment with those video formats as well as placing bets on tried-and-true pre-rolls, experts say.



Figure 1.6 Daisy Whitney is a producer and on-air correspondent, and covers online-video via her weekly "New Media Minute."

Online-Video Marketing Themes

TAPPING VIDEO COMMUNITY

Online-video creators and viewers are a community that is not shrinking into growing slowly. Your customers are among the online-video viewers, unless you are targeting the approximately 10 to 20 percent of people in the United States who haven't watched an online video. 11 They will watch your advertising and even sometimes spread it for you—unless you promote gratuitously, insult us, or, worse yet, bore us. Some amateurs have built significant audiences, and when they entertain or market, each video is guaranteed to get 10,000 to 200,000 views. That's not a huge number relative to television's reach, but try getting that many views with a video you upload yourself to YouTube.

And here is the best-kept secret. Some online-video stars will promote a brand for a modest fee. While some YouTubers are certifiably nuts, others could be your spokespersons and help you connect with large audiences. Some video creators will make a promotional video for less money than your agency bills you for a lunch meeting; others will do it for free product samples or just kind treatment. Although the scalability of these programs is currently limited (unless you create one of the extremely rare viral sensations), the return on investment is high thanks to cost efficiencies.

QUALITY OF THE VIDEO IS NOT AS IMPORTANT AS YOU THINK

My most popular videos are far from my best, and succeed in a way that is inversely related to the time I put into them. Most of my videos rank in the daily "highest rated" section of the comedy category, yet I am far from the funniest creator on YouTube. Though popular videos tend to be short, funny, and shocking, there are other variables that have as much influence on getting the video seen. Many second- and third-tier sites will give entertaining sponsored videos preferred placement for relatively small amounts of media spend. Got

\$10,000? Use the money to help get viewers to watch a clever sponsored video instead of spending it on a fancy, overpriced production (or pouring it into a black hole of unseen banner ads).

THE CAT ON A SKATEBOARD IS MORE INTERESTING THAN YOUR BRAND

While some clever advertisements (with surprise endings, humor, or sex) do become viral, most television ads do not translate well online, and it's a rare promotional video that gets millions of views. Meanwhile, laughing babies and skateboarding cats are all the rage (see Figure 1.7). Rather



Figure 1.7 As marketers we believe our products should be more interesting than cats on skateboard, but audiences beg to differ.

than producing your own viral commercial, it is smarter to sponsor popular video creators. Many creators are making videos with product sponsors or product placement. This does, of course, require marketers to let go of controlling the content; instead, they should trust the instincts of creators to please their audiences.

Online-Video Marketing Does Not Require a Contest

While contests are pervasive tools to engage online-video creators and audiences, they are just one tactic of many. Smarter brands are connecting directly with prominent web-series or online-video stars. These creators have large subscriber bases and fans, and are often delighted to receive sponsorship. I am perplexed why some of the most subscribed YouTube stars don't have sponsors breaking their doors down. I have seen brands pay well into the six figures for videos that get fewer views than some of these creators get each time they post a video.

Keyword Junk Tagging Doesn't Work

Keywords may get your video to rank in searches, but there are far more effective ways to get your videos seen, such as the title of the video, or its thumbnail (the small picture that represents the video). A short funny video with a surprise ending will be exponentially more likely to travel. That said, well-tagged videos may help brands in search. Do a Google search for "Healies" (a misspelling of the shoe called "Heelys") and you may find my "Poor Man Healies" video on the first page of results. (See Figure 1.8.) Meanwhile, Zappos and Dick's Sporting Goods are bidding against the keyword and paying for each click.



Figure 1.8 Using less competitive terms (like misspellings) in titles and descriptions can work. But bloating tags with popular and unrelated terms is ineffective.

VIRAL DOESN'T MEAN YOU SOLD ANYTHING

Consumers might see your video, but that does not mean they will visit your web site and buy. I learned this the hard way. The conversion rate from viewing a video to visiting a web site, in my experience, is not much better than the low-single digits of direct-response marketing (e-mail or junk mail). That means you either need assumption-based metrics for the positive impact of a view or to hope your video is seen millions of times so the direct-response metrics are not embarrassing.

EXPENSIVE PRODUCTION KILLS ROI

A \$250,000 online-video production makes a return on investment difficult. Since fewer than 2 percent of people

will visit a web site after a video, a good ROI is dependent on a low production budget and the highest number of views possible.

LOCATION IS AS IMPORTANT AS CONTENT

While at Johnson & Johnson, I would often lament "bill-boards in the backyard." I used those words to refer to agency-developed micro sites and web sites that had content but no traffic or promotion. The vast majority of online-video viewing, at least for now, occurs on YouTube. Putting your videos on a bloated product.com site is the online equivalent to running television commercials on a kiosk hidden in an abandoned cemetery (or leaving them on that DVD in your file cabinet). (See Figure 1.9.) Your corporate attorneys will express concern because, after all, YouTube is often referred to as the "Wild West." But that's what we said about the Internet in 2000, isn't it?



Figure 1.9 Placing video content on your web site (instead of popular web sites) can be like placing a billboard in your backyard.

CONSERVATIVE ORGANIZATIONS CAN PLAY, TOO

Conservative legal and public-relations policies have prevented many marketers from entering into a dialogue with prominent video creators. Most marketers have seen at least a few videos that mention their own brands or those of competitors, but some brands remain squeamish about something as simple as an online-video contest. Doritos, Dove, Heinz, and Mr. Clean were just a few of the brands that invited consumers to submit to contests to win cash, prizes, fame, or a chance to be on TV. Guess what? They did attract some wacko submissions, but the world didn't end.

Some brands fear running a contest because they don't want to be ridiculed. But disgruntled consumers, via online video, will bash brands whether or not their companies dabble in cyberspace. Quietly watching from the sidelines is no insurance policy against an angry crusade, and passivity certainly won't grow revenue. Ultimately, refraining from using online video out of fear is no smarter than those companies that, more than a decade ago, let their domain names slip away to competitors or angry consumers.

MEASURABILITY IS HERE

As online video continues to mature (the infant still isn't walking yet, but it sure is noisy), it will become almost as measurable as paid searches. For the time being, the most controllable variables are the cost of production and total views. Production costs need to remain low, and the real work starts after the video is uploaded. In addition, the marketing message has to take a backseat to entertainment. I've had sponsors beg for their URL to appear pervasively through a video; however, that tends to alienate viewers and reduce the total views. The rate of viewers who visit

the web site is a difficult variable to change unless there's a provocative reason to pry them from their all-you-can-eat video buffet.

LETTING GO: LENNIE SMALL

"I will love my marketing mix, squeeze it, and name it George." Do you recall Lennie Small, the large but limited friend of George Milton in Steinbeck's *Of Mice and Men?* He loved his mouse so much that he squeezed it to death. The more we marketers care about our brand, the easier it is to become Lennie (or the abominable snowman, Hugo, from *Bugs Bunny*). We squeeze some mediums to death, as is evidenced by the omnipresence of branded Facebook pages and online-video contests for condiments. Really, does the world need an online-video contest featuring a brand of mayonnaise?

Marketing, social media, and video entertainment can coexist peacefully. Mass media and push marketing (companies pushing products toward consumers) worked for a while, and it is difficult for us marketers to let it go. When we are passionate about our brand, we like to control the message. Eventually, however, the consumer tunes us out. So, we marketers chase them into the temples of social media using ear-piercing screams of a 30-second pre-roll. We are handing out 25-cent-off coupons at a rave. (I haven't attended a rave yet, but I'm pretty sure nobody's looking for coupons.)

Marketing to Generation ADHD

Many marketers and video creators are accustomed to the relatively higher level of patience of an audience who views film or television. When a viewer is controlling his experience with a mobile device or computer, he rarely tolerates long-form content or advertising. The online-video viewer is leaning forward (versus leaning back while watching television), and is hovering his curser over the "close" or "back" button.

This may change as online video blends with television. But today's online-video viewers have a short attention span, and tend to prefer watching other *people* to watching long-form scripted video or film. I call this "Generation ADHD," and they simply won't sit through pre-rolls unless killer content is behind them. And they won't watch ads unless they're more entertaining and engaging than a stereotypical promotional spot.

We early adopters of online-video watchers are quite unique. A research group queried nearly 2,000 people (representing the U.S. census data) about online-video habits and preferences. The full report, created by Frank N. Magid Associates and sponsored by Metacafe, is called "Opportunities in Online Video." The basic information is consistent with other research in the field, but here are four important factors:

- 1. Nearly half of us (45 percent) said online-video ads are as acceptable as television ads.
- 2. Males, age 18 to 34, preferred online video and the Web nearly two to three times more often than television (keep that in mind if you're punishing your teenager).
- 3. Thirty percent of 55- to 65-year-olds watch online video weekly, which dispels a lot of skepticism of marketers that this audience is not consuming online

video. While 70 percent of males ages 18 to 24 watch online video weekly, the peak range for females was 12 to 17 (56 percent watch weekly).

- 4. Those of us who view video online at least weekly (approximately 43 percent) are significantly different from non-online-video watchers (around 30 percent). We're twice as a likely to own an iPhone, purchase virtual goods, and carry a music player. And we're significantly more likely to be an online gamer and rent DVDs.
- 5. Just as it occurred with the Internet, the audience for online video will continue to resemble the general population. In the coming years, however, marketers should consider not whether their audience is watching online video, but what vehicles are most efficient and scalable to reach them.

Until online video is more easily consumed via mobile devices and television, it is important to adapt video content to this ADHD generation. Compel them early, focus on entertainment and not just on promotion, and ensure that the marketing message isn't at the end of the video.

So You Still Want to Go Viral?

As I have mentioned, marketers and advertisers have a range of more productive applications for online video than the clichéd and increasingly difficult viral video. While early "stealth marketing" campaigns were able to increase brand awareness through viral videos, the increasing proliferation of online videos means that few individual ones are penetrating our collective consciousness as "Numa Numa" did in 2006.

Still, one of the most predictable questions I face when speaking or appearing in media is, "What makes video go viral?"

The honest answer is one that satisfies few: It's largely unpredictable, and I view with skepticism anyone who promises to know the "secret sauce." There are, of course, common attributes among videos that have been



Lady Gaga - Bad Romance 189,429,591 views LadyGagaVEVO



Charlie bit my finger again! 182,655,664 views HDCYT



142,035,737 views judsonlaipply

Evolution of Dance



Pitbull - I Know You Want Me (Ca... 116,811,375 views UltraRecords



Miley Cyrus - 7 Things - Officia... 116,578,832 views hollywoodrecords



116,360,788 views BlackOleg



Lady Gaga - Just Dance ft. Colby... 107,824,012 views LadyGagaVEVO



Lo que tú Quieras Oír 100,514,580 views

kaejane



Justin Bieber - Baby ft. Ludacris 98,648,572 views JustinBieberVEVO

Figure 1.10 While commercial videos have gone "viral," the most-viewed videos have a few common traits: music, dancing, attractive women, pranks, and children.

popularized, and I outline them in Chapter 3. The common traits (see Figure 1.10 for some of the most-viewed YouTube videos in history) are: music, dancing, attractive women, candid-camera-style pranks, children, and topical and political references.

Chapter = c01 Date:

Date: July 26, 2010

Time: 5:21 pm