



The Interactive Video Wave

Abstract:

E-commerce managers are catching the next important marketing wave by applying advanced-interactive videos to uncover customer needs, tailor messages, and dramatically improve conversion rates and brand commitment. This whitepaper provides information, examples, and expert tips for using interactive video.

Summary

Video has quickly become a vital marketing tool. A video icon on a website is now three times more likely to be clicked on than any other link on the page.

Advanced-interactive media is the next generation of rich web video and media content. It advances e-commerce by uncovering and responding to each web visitor's needs and interests, outperforming conventional video in viewer engagement and conversion.

This paper provides readers the research and steps necessary to create and maintain a successful interactive media campaign.

- Learn about successful interactive video campaigns.
- Determine how to align advanced-interactive media with your website goals.
- Get expert tips on how to make sure your interactive video and rich media are successful.

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Advances in Web Video

Video has quickly become a vital marketing tool. A video icon on a website is now three times more likely to be clicked on than any other link on the page and online video streams are growing at a breath-taking 15%-25% per month.¹

Online retailers have taken note of this consistently increasing visitor attraction to video, and in 2009, spending for online video advertising was up 126% while the rest of the online ad market was down and it is expected to continue to grow more than 40% per year for the next few years.² Retailers, such as Amazon and eBay, are finding video is very effective at building brand commitment, purchase intent, and improving sales conversion rates.

Internet video is here to stay, and whether implementing video for the first time, or optimizing existing video content, organizations are finding ways to maximize the benefits of online video.

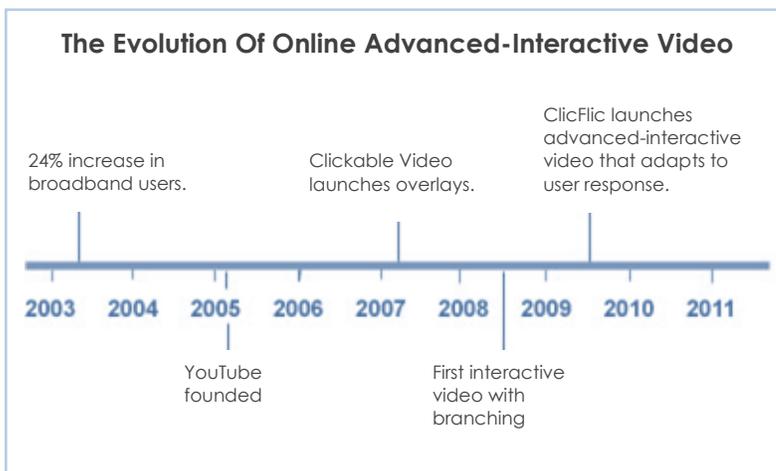
30% Websites using video on their homepage.³

75% Websites using video somewhere on their site.³

126% Growth in online video ad spending in 2009.⁴

41% Average growth in spending for online video ads over next 4 years.⁴

13% Increase in online retail sales in 2009.



Interactivity in Video

Interactive video outperforms conventional video in engagement, branding, and conversion. It is video that responds to clicks or text inputs. Early versions of interactive video launch a webpage upon a click. Advanced versions can tailor the video to the viewer: the video recognizes viewer inputs and uncovers needs before making a more targeted pitch. These advanced versions are also capable of capturing the lead within the video itself. Responses to the video are stored for analytics, providing useful information for testing and optimization.

Just as a website with a greater degree of interactivity⁴ is perceived as more effective⁵, attractive⁶, and improves the consumer's decision making task⁷, interactive video shows early signs of improving viewer engagement, brand awareness, and leading to higher conversion rates. The examples that follow demonstrate how interactive video facilitates such positive responses.

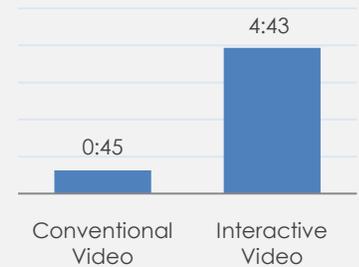
Increase Engagement to Build Brand

Adding video to a website has become a popular and proven way to improve time spent on the site. One of the big advantages of interactive video is that it can **extend the average viewing time four-fold**.

More than half of video viewers stop viewing a video within 60 seconds⁹ (see video fall-off rates chart, right). And what's worse, much like with TV commercials, it's not clear whether the viewer is paying attention to the video for those 60 seconds, or if the viewer got up and went to the fridge.

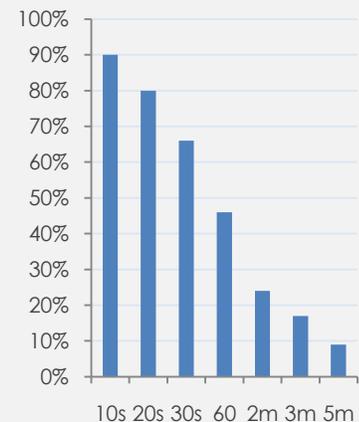
Interactive video has a distinct advantage over conventional video since it keeps the viewer's attention by keeping them clicking, and with each click – restarting the clock.

Video Engagement Time



A music association uses an interactive video to let visitors browse classic songs, participate in quizzes, contact the association, and register for membership. Viewers spend 6 times longer with the video resulting in **250% increase in conversion** to registration.⁸

% Audience Remaining



A web video cannot hold the average viewer's attention for a whole minute. But, if points of interactivity are inserted, each click within the video reset the clock, **quadrupling the engagement time**.

Improve Engagement and Increase Sales

Spending more time with a brand does more than just build awareness and commitment. It builds trust, as one business insurance company found. They provided prospects answers to questions through an interactive video, giving them control of the information flow and the pacing. The result - **over 200% increase in website sales**. Brand-commitment also increased, with those that interacted with the video spending over 10% more than those that did not.¹⁰

Educate Visitors to Create Buyers

The benefit of allowing customers to control the flow and pacing of information extends beyond e-commerce. When users have this control, they retain the information better,¹¹ making interactive video a powerful medium for creating educated customers.

An online poker school created an interactive video to teach users rules and strategies for poker to increase user confidence in playing. After implementing the interactive video, the site saw an 18% increase in membership.¹²

Invite Ad-Viewers to Participate

The online advertising industry has embraced interactive video quickly. Interactive ads are seeing 20% - 60% higher click-through rates (CTR) over conventional video ads. Even simple interactivity in video pre-roll ads create a "lean forward" experience that keeps the user's attention by asking them to click to share their opinion or preferences.

A recent Vaseline® skin-care ad campaign featured an interactive video that asked them to click on the icon within the video that represented their opinion about skin-care products. This engaging and non-intrusive approach boosted click-through rates 350%.¹³



An online poker school **boosted site membership conversion 18%** by using an interactive video to build new-player confidence.



By adding interactivity to this video and asking viewers for their opinion about what is important in a skin lotion, this Vaseline® ad had **a 350% higher click-through**.

Uncover Needs to Target the Message

With the advent of advanced-interactive video, businesses can change the outcome of the video based on user inputs. Advanced-interactive video can even be used to simulate a dialog. Companies use it to uncover needs, then acknowledge and respond to those needs with a relevant message that is much more persuasive than a boiler-plate pitch.

PRWeb uses this approach. Sophie Shiatis, Vice President of Ecommerce for PRWeb, a Vocus company said, “Our site

visitor might be a PR Professional, an SEO manager, or a small business owner. They each have different perspectives of what online news releases are all about and how they fit into their marketing plan, and we need to speak directly to each of these audiences.”

PRWeb uses advanced-interactive video on their website in the form of a video virtual rep. The rep welcomes visitors, asks questions that help PRWeb figure out the target profile, and then makes a targeted presentation and

product recommendation based on their answers. The advanced-interactive video even takes the viewer to the shopping cart - with the right product pre-selected.

If the visitor is not prepared to buy, the host tries to find out why and makes a soft-save attempt. Doing what the best sales representatives would do, the video listens before asking for a commitment.¹⁴

“It provides a bit of the realism of a live-chat where the customer can be confident their needs will be heard, but without some of the pressure of talking to a live rep,” says Shiatis.

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Sophie Shiatis, VP Ecommerce
PRWeb

Advanced-Interactive Video Example:



“Welcome to PRWeb! What’s your role?”



“Ok. How often do you release news?”



“Great. Here’s what we typically do to help PR managers that release news monthly...”



“Would you like to learn more, or can I show you the package we recommend for you?”



“Here’s the package we recommend for you, based on our discussion. Just click ‘buy now’ to proceed to checkout. Thanks!”

5 Tips for Using Interactive Video

Interactive video is the most persuasive video technology available today, and much like any other campaign, it begins with planning. These 5 tips will help your organization effectively increase site conversion and build brand commitment.

1. Evaluate Your Goals.

What are the primary goals of the site? Consider these interactive media approaches for your site:

Boost Conversion

Ask questions to profile and channel buyers based on need, role, purchase readiness or other factors. Then deliver a targeted message with a video virtual rep.

Educate Customers

Allow viewers to control the flow and pacing of product demos, tutorials, or quizzes and surveys to drive better retention and higher brand awareness.

Improve Self-Service

Put a face on your FAQs and self-service site with a video virtual service rep that can capture, acknowledge and empathize with customer issues before steering them to the answers. Not only will this help your brand, this can help with audiences that are less web-savvy.

Then decide how you will measure success. Evaluate how you have addressed those goals in the past so you have a comparison point for the return on investment. If you are not sure where to start, look for easy-wins by focusing on revenue or lead generation.

2. Consider Your Needs.

Whether you are considering video for the first time, or already have a library of video, establish a video strategy. This industry is moving fast so if you are just getting started with video, you may do well to partner with an organization that can help you catch-up. Avoid the temptation of creating video yourself if you want a professional-looking video. While the consumer video-



The first step to getting started with interactive video is to evaluate your goals and needs.

market has made it easy to create video at home, you'll never achieve TV quality without using professionals.

Think about how much video you have or want, who your audience is, and how much bandwidth your site can handle. Some organizations have trouble handling the additional data load video requires. It's relatively easy to partner with a company that can host video for you so that the technical considerations are minimized.

Also, consider your timing. Creating a video from scratch can take anywhere from a couple days to several weeks.

3. Optimize Existing Video.

Look at your video drop-off rates, and think about how you can extend their engagement time by adding interactivity to the right places such as feedback or vote buttons. Add a permanent call-to-action button, and call attention to it early and often. Add download links so they appear when referenced in the video. Think of ways to enable your customer to stay engaged by providing the information they are likely to want and making it easy to get it at that point in time.

The fastest way to optimize video is to get a free consultation. Because ClicFlic specializes in advanced interactivity, they can quickly identify where and when to add points of interactivity to keep viewers engaged. They also have the ability to make a primary call-to-action trigger visible throughout the entire video which increases the likelihood of conversion.



Add a permanent call-to-action button to your video and draw attention to it early and often.

4. Choose the Right Partner.

Interactive video can be an incredibly effective marketing tool, and experts in interactivity provide guidance around increasing product sales, improving customer service, and building brand loyalty.

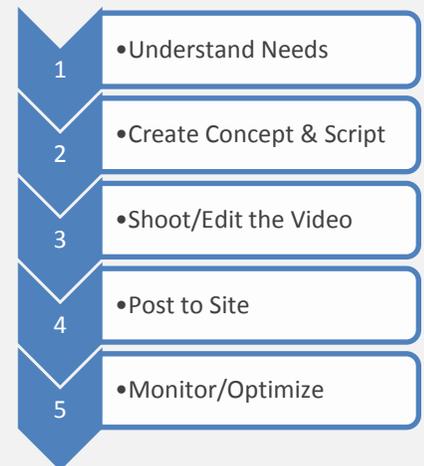
Different partners have different offerings. The service offering chart below for interactive video resources will help demonstrate features and functionalities available across different providers.

Features	ClicFlic	Veepie	VisibleGains	EyeView
Hosting/Platform	✓	✓	✓	✓
Creative Consultation	✓	✓	✓	✓
Production Resources	✓		✓	✓
Clickable Overlays	✓	✓	✓	✓
Change Control	✓	✓		
Real Time Analytics	✓	✓		✓
Intelligent Branching	✓			
In-platform Testing	✓			✓
Salesforce Integration	✓			
508 Compliance (ADA)	✓			

5. Continue To Test And Optimize.

Continue to test effective videos and responses. Platforms like ClicFlic that can randomize videos for A/B testing, provide real time analytics, and make it easy to swap video in and out, without any programming or url changes, will help maintain an effective interactive video and let you maintain control, rather than being dependent on an IT team or contractors for maintenance,

Video Production 101:



Just Test It!

Struggling with the decision to auto-play your video? Videos that auto-play have shown higher conversion rates than those that do not, but some audiences get annoyed and don't return to the site. How do you know which is right for you? Just test it! Some interactive video platforms support live a/b testing.

Conclusion

Viewers are attracted to online video, and interactive video has proven its effectiveness in increasing engagement and compelling viewers to act. Advanced-interactive video combines the interactivity of the web with a common sense approach of uncovering needs and preferences of each viewer before responding with a more targeted and more persuasive call to action.

By planning your video strategy and working with the right partners, your organization can quickly implement interactive video(s) that achieve your business goals.

To learn more, contact ClicFlic at info@clicflic.com.

* * *



See a Demo

ClicFlic's Virtual Rep uses advanced interactive video to uncover needs and tailor a message to your specific interests.



About ClicFlic

ClicFlic's interactive media platform capabilities and experience in interactive video provides most marketing leaders the expertise and resources necessary to create successful video campaigns that deliver measurable results. To learn more, contact ClicFlic at info@clicflic.com.

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