



The State of
Video Marketing
2016

The State of Video Marketing 2016

When it comes to video marketing, there's an accepted belief that the industry is growing incredibly quickly.

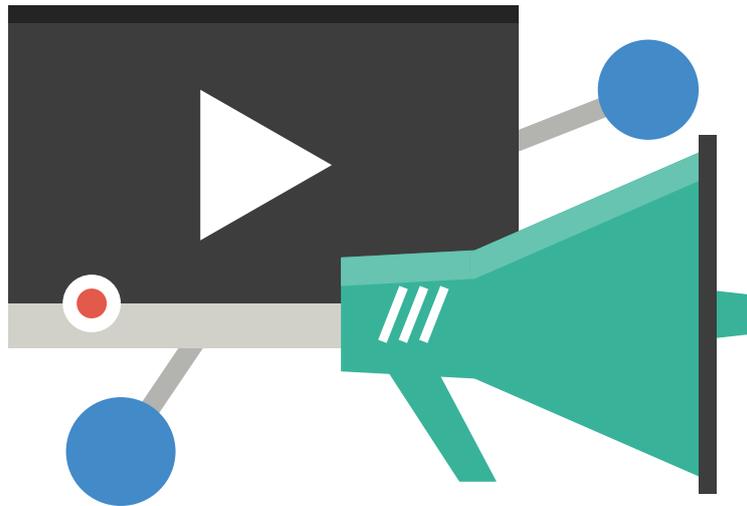
Statistics abound regarding video's effectiveness, but many of them are old and overly-recycled - new research is surprisingly thin on the ground, and that's made it difficult to build an accurate picture of what's really happening in the industry.

We ran our first 'State of Video Marketing' survey in early 2015 and were fascinated by what we found.

In our 2016 survey, we looked to build on these foundations, while dramatically increasing our scope and focus. Whereas last year's survey focused exclusively on video from a **business** point-of-view - spending, ROI and strategy - this year we wanted to drill down into the **audience's** take on branded video as well. What role does video play in their online experience?

We hope you find the survey results as interesting and informative as we did.

Matt Byrom
Wyzowl



Part 1: Video & Marketers

In the first part of our survey, we wanted to find out more about how **businesses** use video. We asked a series of questions that were designed to establish how many companies currently use video as a marketing tool, how much they spend, and how these trends are developing over time. We also wanted to understand how marketers would assess their overall ROI from video marketing.



Usage & Spending

61% of businesses told us they currently use video as a marketing tool.

Of these, **66%** were NOT using video just 12 months ago.

91% of businesses say they plan to increase or maintain their spending on video in 2016.

67% of businesses say they plan to spend more on video in 2016.

Analysis:

Video usage is accelerating at a phenomenal rate, but a number of businesses (**39%**) – for whatever reason – are yet to add it to their marketing strategy. Spending is also on a dramatic upward curve, and businesses looking to cut their video budget are in a very small minority (**8%**).



Results & ROI

88% of businesses say that video is an important part of their marketing strategy.

76% of businesses who use video believe that it provides a good ROI.

93% of businesses who use video believe that it has increased user understanding of their product or service.

72% of businesses who use video believe that it has improved the conversion rate of their website.

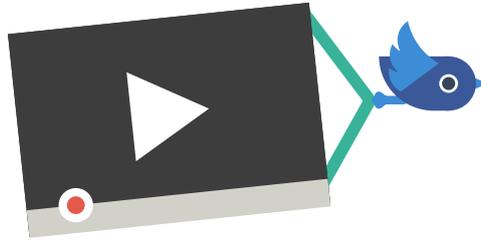
36% of businesses who use video believe that they've received fewer support queries as a result.

62% of businesses who use video believe that video has increased the amount of organic traffic they receive.

64% of businesses who use video believe that it has directly led to increased sales.

Analysis:

Video continues to perform well against a range of key metrics. Its versatility as a marketing tool is evident from the range of benefits enjoyed by businesses who invest in its use.



Distribution & Promotion

45% of businesses who use video say they have an explainer video on their home page. Of these businesses, **83%** say their home page explainer video is effective.

47% of businesses who use video use it in their email campaigns. Of these, **80%** believe it to be an effective tactic.

87% of businesses who use video say they use it on social media. Of these businesses, **78%** say they believe it to be an effective tactic.

53% of businesses who use video say they struggle to promote the video content they produce.

Analysis:

Again, the versatility of video is clear from these results, with marketers enjoying success across a variety of different channels. Home page explainer videos are surprisingly under-utilised. And, with over half of businesses still admitting that they struggle to promote their video content, the true potential of video marketing is perhaps still to be unlocked.



Businesses Not Using Video

We asked people the primary reason they don't use video, here's what they said:

42% of businesses who don't currently use video, say they plan to in the future.

15% say they don't use video because it's too expensive.

12% say it's because they're unclear on the ROI of video.

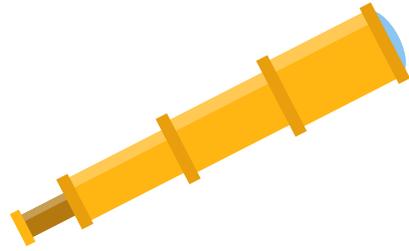
12% say they simply don't feel video is needed.

10% say they lack the time to create and promote video content.

And **9%** say they're unable to convince the decision maker in their business that video is a worthwhile investment.

Analysis:

A clear majority of these businesses have plans to use video in the future. The other potential obstacles are all represented in loosely equal measure, suggesting that rather than one major objection, businesses are competing with a mix of them all.



Looking Ahead

85% of businesses say that it's likely they'll begin or continue using video in the future.

Analysis:

In the next year, we expect to see video become even more widely adopted.



Part 2: Video & Consumers

In the second part of our survey, we wanted to explore how **consumers** actually interact with branded video content. The focus of our questions was intended to gauge how consumers felt about watching videos to help them learn, understand, and reach purchasing decisions regarding products and services.



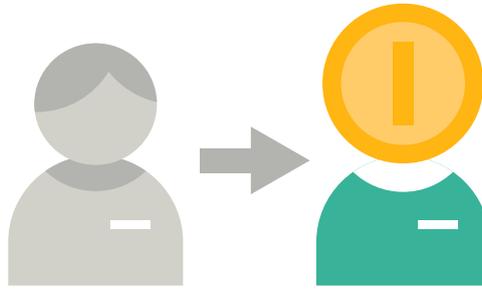
Learning

Where both text and video are available on the same web page, **69%** of users would prefer to watch video to learn about a product or service.

A staggering **98%** of users say they've watched an explainer video to learn more about a product or service.

Analysis:

Video remains a potent learning tool and is incredibly popular among consumers. The increasing ubiquity of video content has clearly played a key part in changing consumer expectations and an overwhelming majority are now consuming video content as part of the buyer journey.



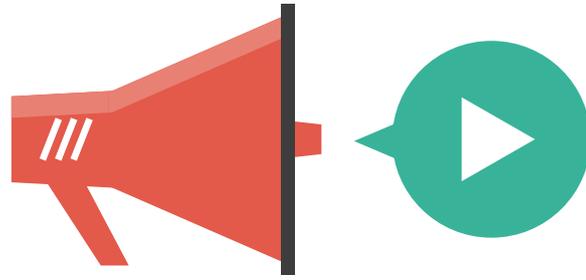
Conversion

74% of users who watched an explainer video to learn more about a product or service subsequently bought it.

77% of consumers say they've been convinced to buy a product or service by watching a video.

Analysis:

The results show that video is clearly a persuasive conversion tool, which plays a key role in educating customers and pushing them over the line into becoming leads or customers.



Sharing

70% of users say they have shared a brand's video with a friend, or on their social media channels.

76% of users say they would share a branded video with their friends if it was entertaining.

69% of users say they would share a branded video if it contained information that might be of interest to their friends.

65% of users say they'd share a video if it was informative.

55% of users say they'd share a video if it was inspirational.

31% of users say they would share a branded video with their friends purely because they like the brand.

Only **3%** of consumers say they would never share a branded video under any circumstances. In other words, make a great video and **97%** of consumers would happily share it with their friends and social networks.

Analysis:

Clearly, an overwhelming majority of consumers are happy to share branded video content – but it needs to be amazing.

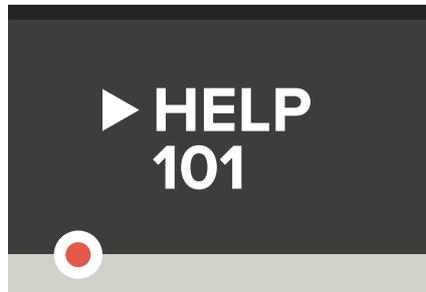


App Videos

33% of users say they've watched a video in the iOS App Store or Google Play Store before downloading – and over half of them say it helped them to decide whether to download or buy.

Analysis:

We were surprised at how few consumers had actually watched video content before downloading an app – but, with many apps still opting for screenshots instead of video content, this could be a reflection on industry trends rather than consumer preference. Clearly, where video is used by consumers, it can play a key role in helping drive purchasing decisions.

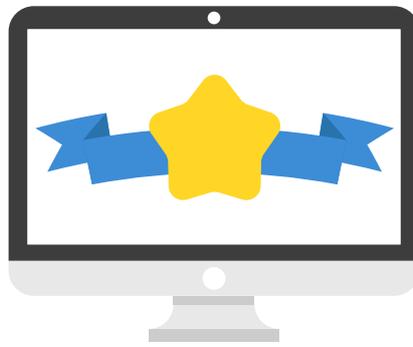


Video As A Support Tool

When having difficulty with an app or product, **68%** of users would prefer to watch a video that explains how to solve the problem, as opposed to calling the business and speaking to a support team member.

Analysis:

It's commonly accepted that most consumers prefer to solve their own problems rather than relying on support teams, and video is a great tool to facilitate this. Providing short, simple screen capture videos that demonstrate how to use a particular section of your app or website is a great way to let your customers help themselves without having to contact you. It also saves you valuable time and resource!



Video Quality

61% of users say they have been put off buying a product after watching a bad explainer video.

The majority of users (**37%**) said they were put off by the fact that the video didn't explain the product or service clearly enough.

25% said the video's low quality was discouraging.

21% found that the video was too long.

12% said the video was poorly designed.

and **5%** cited bad animation as the reason they were put off.

Analysis:

Not all videos are created equal. As a direct reflection of your brand, it's important to create a video that's up to scratch – or you could risk alienating more than **60%** of your potential customers.

