

# UNDERSTANDING THE EXPANDING BENEFITS OF MARKETING WITH VIDEO

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→ **Andrew Moravick**, Senior Research Associate,  
Marketing Effectiveness & Strategy



## Report Highlights

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**41% of all marketers have adopted video as a strategic marketing initiative.**

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**Video marketers are 55% more effective at using integrated marketing technologies to increase productivity.**

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**Video marketers average a 66% greater year-over-year increase in MQLs delivered to sales.**

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**98% of video marketers support sales as a standard component of their marketing efforts.**

Marketing with video is unlike marketing with any other tactic, tool, technology, or channel. In this report, Aberdeen Group will explore the impact of marketing with video – not only in terms of marketing performance, but with regard to the business as a whole. Readers will learn how to extend video’s value to the organization at large, optimize the technologies that integrate with or amplify video-based interactions, and stay ahead of the curve on effective video deployments.

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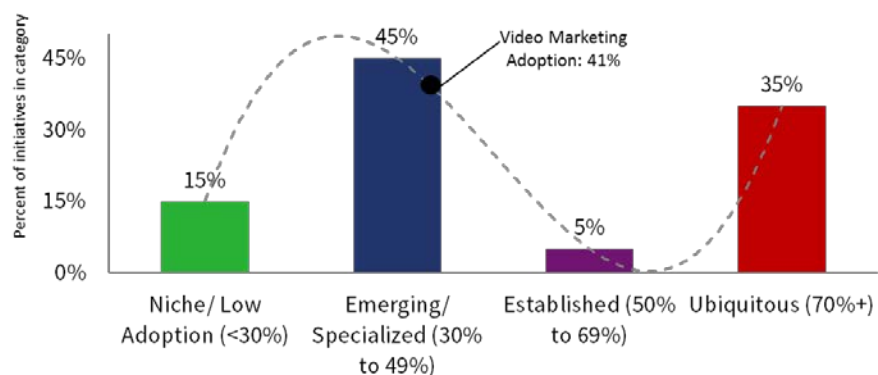
**Some use video haphazardly in marketing, others use it strategically; this report deals with the latter.**

## What is video to a business?

There are a variety of different assumptions about what “video marketing” means. For some, if there’s at least one video touchpoint across all marketing efforts, that’s video marketing. For others, video marketing constitutes at least a consistent use of the medium. In this report, however, Aberdeen Group takes into account those who not only use video, but who do so as a strategic initiative. Like email marketing, direct-mail marketing, experiential marketing – any other kind of marketing where specific tactics are used to achieve defined goals – video marketing is now steadily growing in refinement and sophistication.

As a strategic initiative, video also carries more utility to the business than only pure marketing metrics. To further understand the role of video in marketing and in business, we need to understand its place compared to other marketing initiatives. Between Q3 and Q4 of 2015, Aberdeen documented the marketing initiative adoption rates of 223 marketers across twenty initiatives. In Figure 1, we see the four general categories these adoption rates roll into – niche/ low adoption, emerging/ specialized adoption, established adoption, and ubiquitous adoption.

**Figure 1: Adoption of Video Marketing as a Strategic Initiative – Emerging/ Specialized Today, Ubiquitous Tomorrow?**



n= 223  
Source: Aberdeen Group, April 2016

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The pattern in Figure 1 tells us that marketing initiatives rarely fall in the “established” window where adoption rates are steady, yet competition with other adopters is manageable. Instead, after most marketing initiatives come into prominence, they often see rapid expansion in adoption. The initiatives that fall into the ubiquitous adoption category, of course, include email marketing, digital marketing, inbound marketing, and outbound marketing, to name a few. These are the things you would assume most marketers must do by default. In other words, when a marketing initiative takes hold, it takes hold fast, and stays there.

This is the precipice on which video marketing sits. With a 41% adoption rate among all marketers as a strategic effort, it is well within the emerging/ specialized scope of marketing initiatives. In one analysis of over 50,000 North American brand websites conducted [by Crayon](#), however, it was shown that 73% of all websites featured at least one video – an indication of basic use. In research conducted by [MarketingProfs](#), 79% of B2B marketers reported that videos were a part of their content marketing mix – a sign of growing tactical incorporation. What, though, do these external data points mean in concert with Aberdeen’s research? Essentially, this reflects that video used within marketing efforts is extremely common, but video as its own strategic marketing initiative is evolving as a need for further differentiation.

### Why Does Video Warrant a Strategic Focus?

Aberdeen’s report, [Getting More Than Going Viral... Sophistication in Video Marketing](#) (July 2015) showed that the top pressure cited by 65% of business-to-business (B2B) marketers using video was meeting the increasing demand for relevant content, particularly in nurture-based marketing campaigns. This reflects a basic understanding that video is a viable medium for capturing and converting leads across the buyer’s journey. This, however, is only one practical application. Video, though, carries a tremendous

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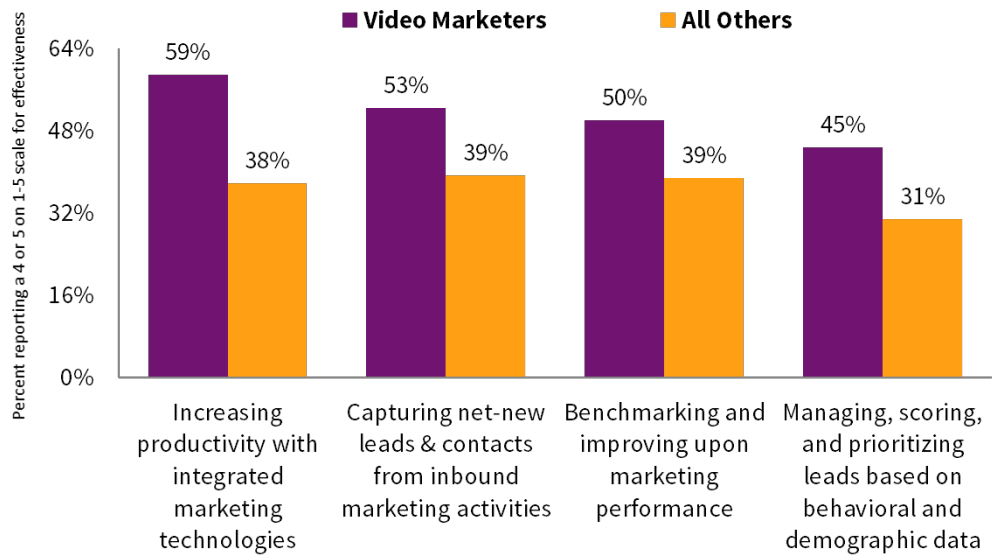
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amount of potential for diverse use and unique distribution methods. Using video in one instance, in one way, or on one channel is essentially like only using duct-tape to tape ducts. There’s so much more that can be achieved.

In Figure 2 below, we see some expected – and some unexpected – ways in which video marketing efforts lead to improvements in critical marketing competencies.

**Figure 2: Video Marketing Initiatives Come with Improved Marketing Competencies**



n= 223  
Source: Aberdeen Group, February 2016

**Video marketers average a 66% greater increase, year-over-year, in MQLs delivered to sales.**

As you would expect, marketers with a concerted focus on video (referred to as “video marketers” going forward) hold a clear advantage on inbound lead generation. Specifically, when asked to rate their effectiveness at capturing net-new leads and contacts from inbound marketing, video marketers were 36% more likely to rate themselves “effective” or “very effective.” What may come as a surprise, however, is that video marketers are 28% more effective at benchmarking and improving marketing performance, compared to All Others (50% vs.

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39%). Likewise, one might not expect video marketers to be 45% more effective at lead scoring and lead management competencies (45% vs. 31%), or 55% more effective at increasing productivity using integrated marketing technologies (59% vs. 38%), compared to All Others.

Why are the differentials in these areas so significant? They indicate that these companies use video as more than content assets for lead generation or sticky time-on-site-boosting click bait. Thanks to the tracking and analytics capabilities of video marketing platforms, for example, marketers can actually get clear intel on what interests viewers, and often more importantly, what doesn't. If there is a consistent drop-off rate at the 1:56 minute mark in a three minute video, for example, a marketer would know that somewhere along the line their messaging is failing to connect. Conversely, if a video consistently holds viewers through to the end and prompts conversions on a call to action, a marketer would know that the video's material resonated.

In the absence of supporting technology – such as eye- or cursor-tracking solutions – no other marketing medium can offer the kind of analytical insight that video can provide. Marketers may know if whitepapers were downloaded, or if infographics were opened, but, on their own, these assets can't tell marketers what's being read, skipped over, or focused on repeatedly. Video's ability to create trackable, scalable experiences with viewers opens the door to a kind of subtle two-way communication. Just as a savvy live presenter reads and responds to the body language of people in the crowd and adapts accordingly, video allows marketers to similarly (though not as rapidly) present and adapt to their audiences' viewing behaviors.

By integrating video platforms and solutions with other marketing technologies, this kind of two-way, “present, observe, adapt” dynamic can be scaled. When paired with marketing automation, video can be used to provide rich, contextual data on buyers, fuel behavior-based nurture campaigns, and identify high-interest repeat viewers, for example.

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### **Related Research:**

***The State of Marketing Technology 2016: Controlling the Chaos, (December 2015)***

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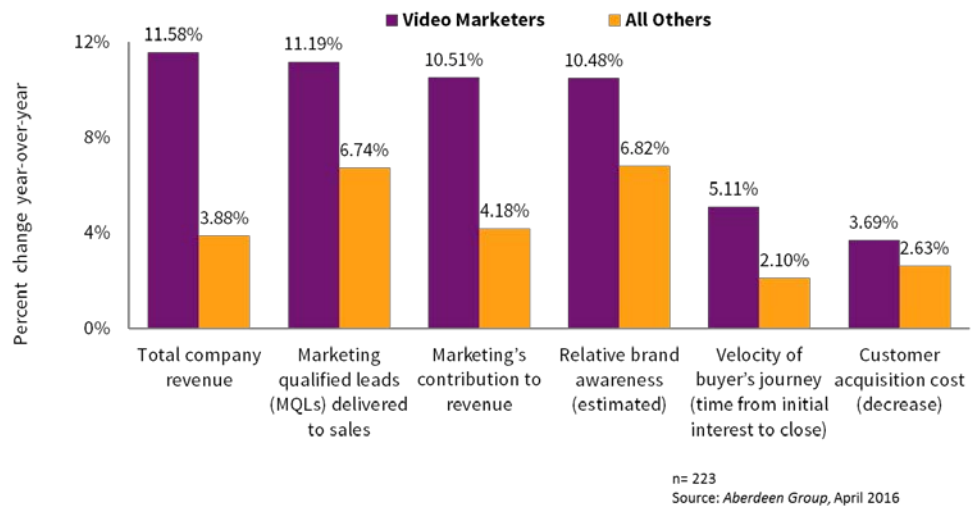
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**Video marketers average three times the growth in company revenue year-over-year, compared to All Others (11.58% vs. 3.88%).**

While this kind of enhanced, strategic utilization of video may still be a reach for marketers outside of the “video marketing” contingent, for those who do value video as a strategic initiative, the benefits are already rolling in. In Figure 3, Aberdeen’s findings show how video marketers are growing both marketing performance metrics and business metrics year-over-year.

**Figure 3: Video Marketing Moves the Business in the Right Direction Year-over-Year**



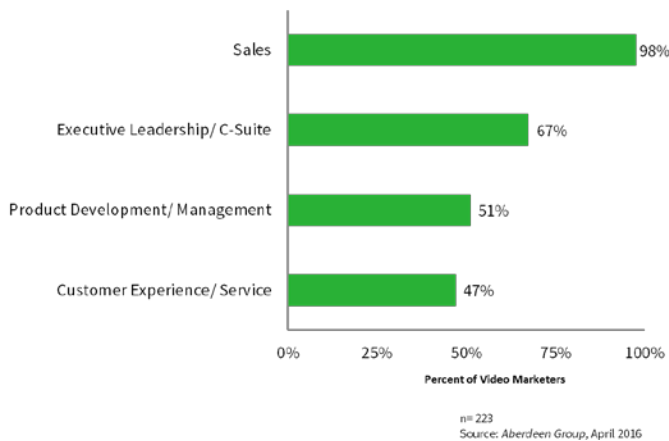
Indeed, with a 66% greater increase in MQLs delivered to sales, (11.19% vs. 6.74%), 2.5 times the growth in marketing’s contribution to revenue, and 54% more growth in brand awareness year-over-year (10.48% vs. 6.82%), video marketers distinctly set themselves apart in marketing performance. However, with three times the growth in company revenue among video marketers (11.58% vs. 3.88%), and 40% greater decreases in customer acquisition costs year-over-year (3.69% vs. 2.63%) we also see video marketing’s impact on the business at large. In other words, video marketing’s business value goes far beyond simply marketing with video.

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## Video Marketing Beyond Marketing...

As we've discussed, the adoption of video by marketers spans the spectrum from very basic to highly advanced. But as we've also suggested, past a certain point, adoption will become ubiquitous. At that point, marketers and the organizations they work for will need to explore more differentiating uses of video. "

**Figure 4: Video Marketers Support More Than Just Marketing:**



As we see in Figure 4, what's to come is an expansion of video marketing beyond marketing. Already, with 98% of video marketers supporting sales as a standard part of their marketing efforts, the expansion of video into other business units is already well underway. In the case of sales supported by video, what may start simply as equipping sales people with marketing-produced video assets for specific buyer interactions, can quickly evolve into sales-led video production and video communications. In Aberdeen's report, [Making the Connection: How Top Sellers Leverage Web Conferencing to Win](#) (December 2015) findings showed that video-enabled sellers outperform sales people without video in critical success metrics like customer retention rates (72% vs. 66%), lead acceptance rates (56% vs. 47%), and percent of reps reaching quota (54% vs. 50%). Here, marketing

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**Related Research:**

***Making the Connection: How Top Sellers Leverage Web Conferencing to Win, (December 2015)***

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can still play a role as a guide for effective video use, but with such clear sales benefits, sales teams now have their own interests in harnessing video.

Beyond sales and marketing, this pattern is likely to expand further throughout the organization. From executives using video for internal and external communications (and hopefully tracking to see if those communications resonated or not), to marketing-captured customer testimonials being used to inform product development/ management decisions, to simple FAQ videos for customer service, the potential for video clearly goes beyond the purview of marketing alone. Thus, outside of marketing's own role in harnessing video for improved marketing performance, marketing also has the opportunity to take the lead in managing organizational adoption of video as well.

#### Key Takeaways:

Video is more than a content type, a channel, or a marketing asset. Video is a powerful medium that can be used to address a wide range of business challenges. While video's use in business may start with simple marketing videos, it has the potential to do so much more. Remember:

- **There's no longer novelty in simply having videos.** 73% of all North American brands have at least one video on their web properties, and 79% of all B2B marketers use video in their content marketing efforts. The majority of marketers have videos in use in some capacity.
- **Be strategic in marketing's use of video.** 41% of all marketers have focused video marketing initiatives in place. This is where marketers still have opportunity to differentiate themselves by leveraging video in unique and relevant ways. Define clear objectives that video can be



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used to achieve, set manageable benchmarks, and test and tweak how to use videos over time.

→ **Connect video marketing success to business success.**

Organizations relying on video marketers average three times the growth in company revenue year-over-year, compared to All Others (11.58% vs. 3.88%). As marketers show the value of video in their efforts, its value for the business as a whole will become more apparent.

→ **Help manage the spread of video across the**

**organization.** As the title of this report suggests, the power of video goes beyond the purview of marketing alone. Marketing, however, has a unique role to play as early adopters of video, and will have, most likely already completed the progression from its simple/tactical use, to its strategic deployment. This gives marketing the potential to identify other opportunities for video, such as submitting client feedback videos to a product team, recording executive presentations, or helping sales to create and use compelling video outreach assets.

Video is already expanding beyond the scope of marketing, but marketing has the unique opportunity to ensure that its expansion results in success for the business. Marketing is in the director's chair, and the camera is rolling.

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For more information on this or other research topics, please visit [www.aberdeen.com](http://www.aberdeen.com).

#### Related Research

[\*The CMO's Agenda, 2016: Facing the Facts on What's Effective and What Needs Fixing\*](#); February 2016

[\*Managing Marketing Automation Expectations: How to Win with the Right Approach\*](#); January 2016

[\*The Data on Data-Driven Marketing: Where Data & Analytics Make A Difference\*](#); January 2016

[\*The State of Marketing Technology: Controlling the Chaos\*](#); December 2015

[\*Marrying SEO & Content Marketing: The Power Couple You Can't Ignore\*](#); November 2015

[\*The Best-in-Class Content Marketing Website: Finding the Right Mix\*](#); September 2015

Author: Andrew Moravick, Senior Research Associate, Marketing Effectiveness & Strategy  
([Andrew.Moravick@Aberdeen.com](mailto:Andrew.Moravick@Aberdeen.com))

#### About Aberdeen Group

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