

2014

Online Video Production Survey and Industry Trends Report



This in-depth industry trends report on online video production practices is based on a 24 question survey taken by 318 video production professionals.

Topics covered in the trends report include;

- ▶ **Video Applications, Quantities, and Budgets**
- ▶ **Video Formats, Equipment and Editing Software**
- ▶ **Video Content Deployment and Optimization**
- ▶ **Video Production Challenges and Success Metrics**

Published by the Web Video Marketing Council, Flimp Media, and Interactive Media Strategies.



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Survey Highlights:

The survey of 318 video production professionals indicates that online video production and related budgets are expected to continue dramatic growth in 2014 as video becomes an ever increasing part of the online marketing, sales and communications mix for most organizations. Here are some data highlights from the Online Video Production Industry Trends Report published in May 2014:

- ▶ 71 percent of survey respondents authorize video purchases and initiatives
- ▶ 81 percent of companies are producing video content for their website(s)
- ▶ 69 percent of companies create videos for social media/social networking
- ▶ 39 percent are creating online videos for sales lead generation purposes
- ▶ 80 percent of companies are producing 2 or more online videos per month
- ▶ 68 percent of respondents say their online video budgets will increase in 2014

I. Survey Overview and Respondent Profile

Online Video Production Survey Overview Methodology

The Web Video Marketing Council and survey partner Interactive Media Strategies were commissioned by Flimp Media to conduct an in-depth market research survey of online video production professionals to examine a range of topics relating to online video production and deployment practices and industry trends. The survey examined the tools, technologies, software, platforms and distribution applications used by video production professionals working in a wide variety of companies and vertical market industries in the United States. The survey included 24 questions and responses that were submitted through a secure online survey program. Survey response data was collected in an online database for analysis.

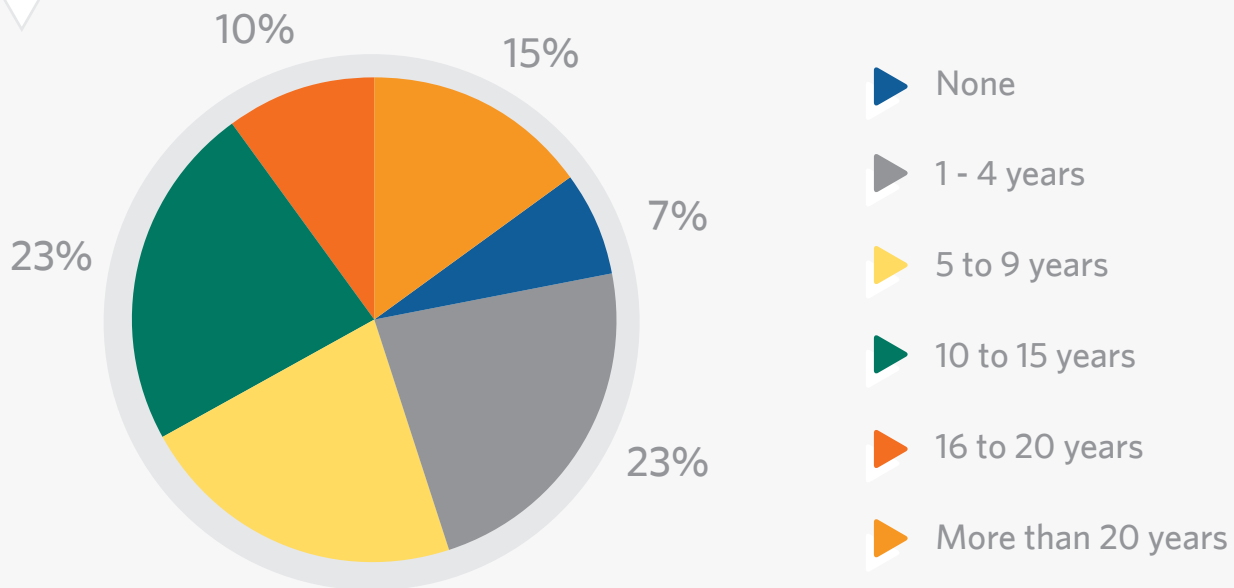
The Online Video Production Survey and Industry Trends Report was compiled from data collected from 318 survey respondents with hands-on experience in producing, editing, encoding, publishing or managing video content. The survey was digitally distributed to video production professionals through the Web Video Marketing Council, Interactive Media Strategies and partner websites, blogs, and email newsletters. The principal sponsor and co-publisher of this Trends Report is Flimp Media, a leading online video production and video marketing communications software company. Survey results include information on the expected growth in volume of videos produced, planned changes in video budgets and current applications being used for online video distribution and marketing initiatives.

Survey Respondent Roles and Responsibilities

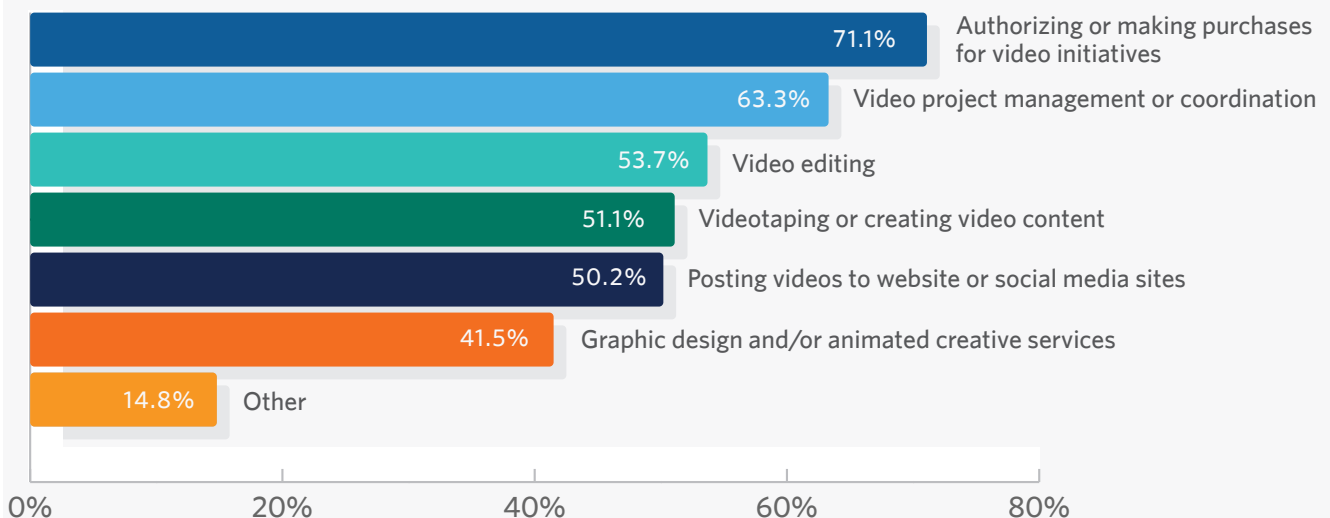
The 318 survey respondents largely consisted of video production professionals who have significant experience with shooting, editing, managing, or producing online video content. Forty eight percent of respondents indicated they have 10 or more years of video production experience. Over 70 percent of the survey respondents stated that they were involved with authorizing or making purchases for video initiatives, while over 60 percent stated that they were involved with video project management or coordination. The respondents represented a wide range of video production job descriptions, but nearly all of them are integrally involved with their company's video production initiatives.



How Many Years of Experience Do You Have With Shooting, Editing, Managing or Producing Video Content?



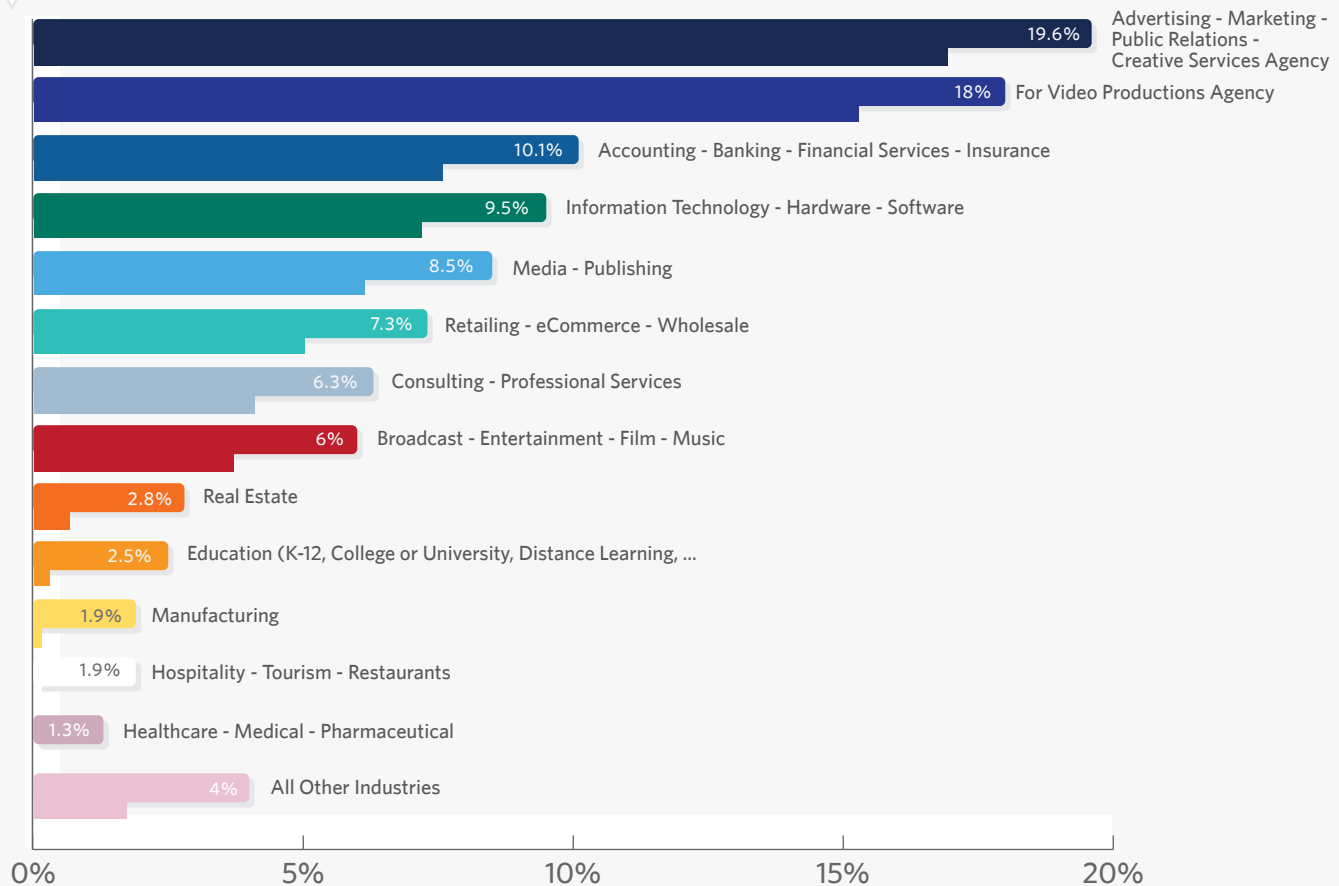
Which of the Following are Part of Your Job Responsibilities or Activities? (Check all that apply)



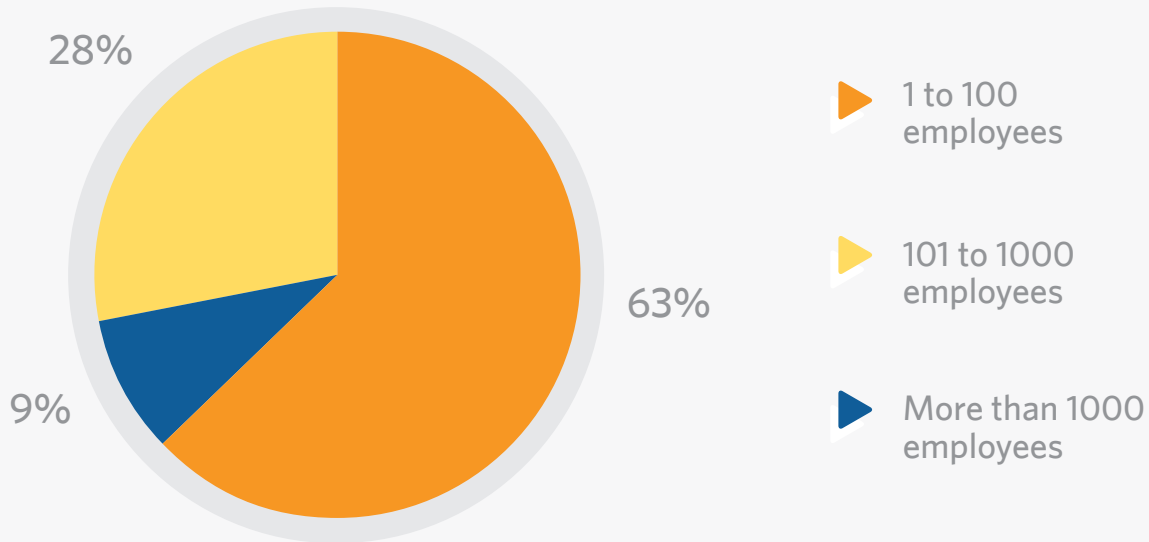
Survey Respondents by Organization Size and Type

Twenty percent of survey respondents work for marketing/advertising/creative agencies while eighteen percent work for video production agencies. The remaining sixty two percent of respondents work for companies in a wide range of industries including Financial Services (10%), Technology and Software (10%), Publishing and Media (9%), Retail and Wholesale (7%), Professional Consulting (6%), Entertainment (6%) and other markets (15%). Sixty three percent of the 318 respondents work for smaller organizations with less than 100 employees, while 9 percent work for companies with more than 1,000 employees.

Survey Respondents by Vertical Industry Category



What Size is Your Organization?



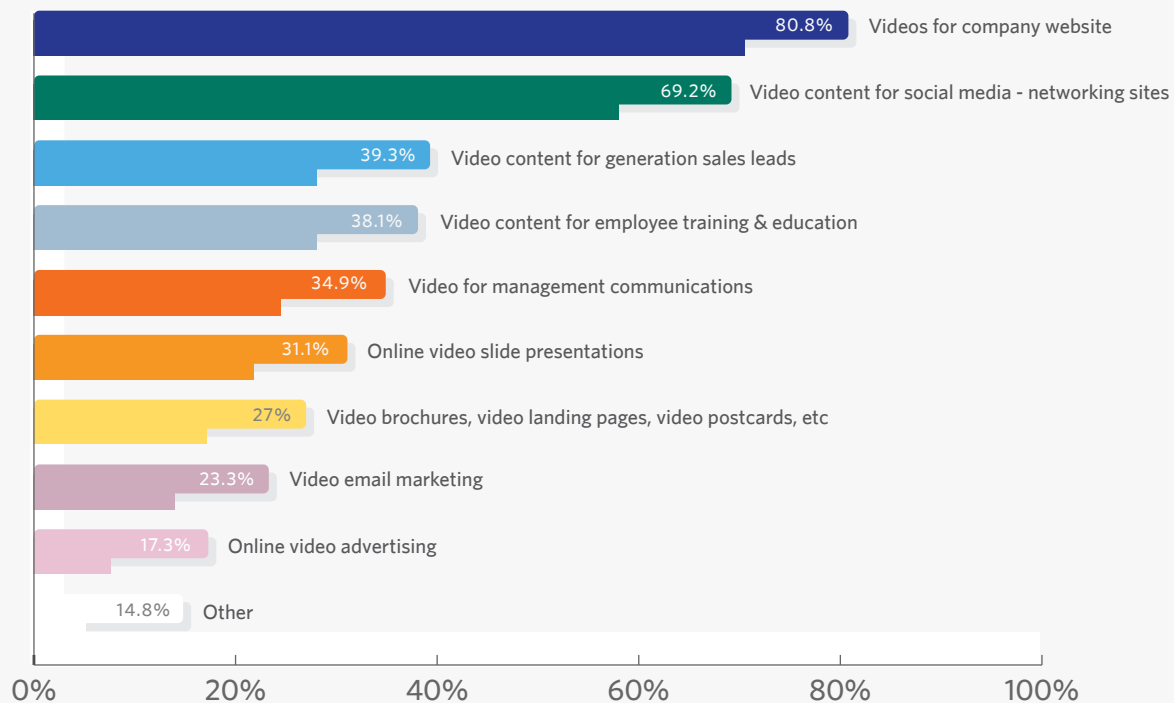
II. Video Applications, Quantities, and Budgets

Video Creative Content Uses and Applications

Over the past 12 months, businesses and organizations have been producing online video for a wide variety of uses and applications as shown in the following chart. We are now seeing mainstream deployment of online video across a number of sales, marketing and communications applications. The top three online video applications cited by respondents were Videos for Company Websites (81%) and Videos for Social Media and Networking Sites (69%), and Videos for Lead Generation (39%).

In addition to producing online video for websites and social media sites, respondents indicated they are creating online videos for, Employee Training and Education (38%), Management Communications (35%), Online Video Slide Presentations (31%), Video Landing Pages and Video Brochures (27%), Video Email Marketing (23%), and Online Video Advertising (17%).

Applications for Video Production in the Past 12 Months



Combining Video and Multimedia - Video Brochures and Video Landing Pages

An interesting trend that is emerging for online video production is combining video with interactive multimedia content to create new video communications applications and marketing tools such as video brochures, video postcards, video microsites and video landing pages. Twenty seven percent of respondents indicated they are deploying video in video brochures and landing pages, a trend that will likely continue to grow.

One of the reasons for this trend is that combining video with interactive multimedia experiences enables marketing and communications professionals to engage target audiences with branded video that then drives the viewers to specific response actions resulting in actionable results with deeper, more meaningful tracking and reporting statistics. The idea is to engage with video, then to encourage viewers to interact with calls to action for all sorts of activities like lead generation, fundraising, event marketing, employee communications and brand engagement marketing.

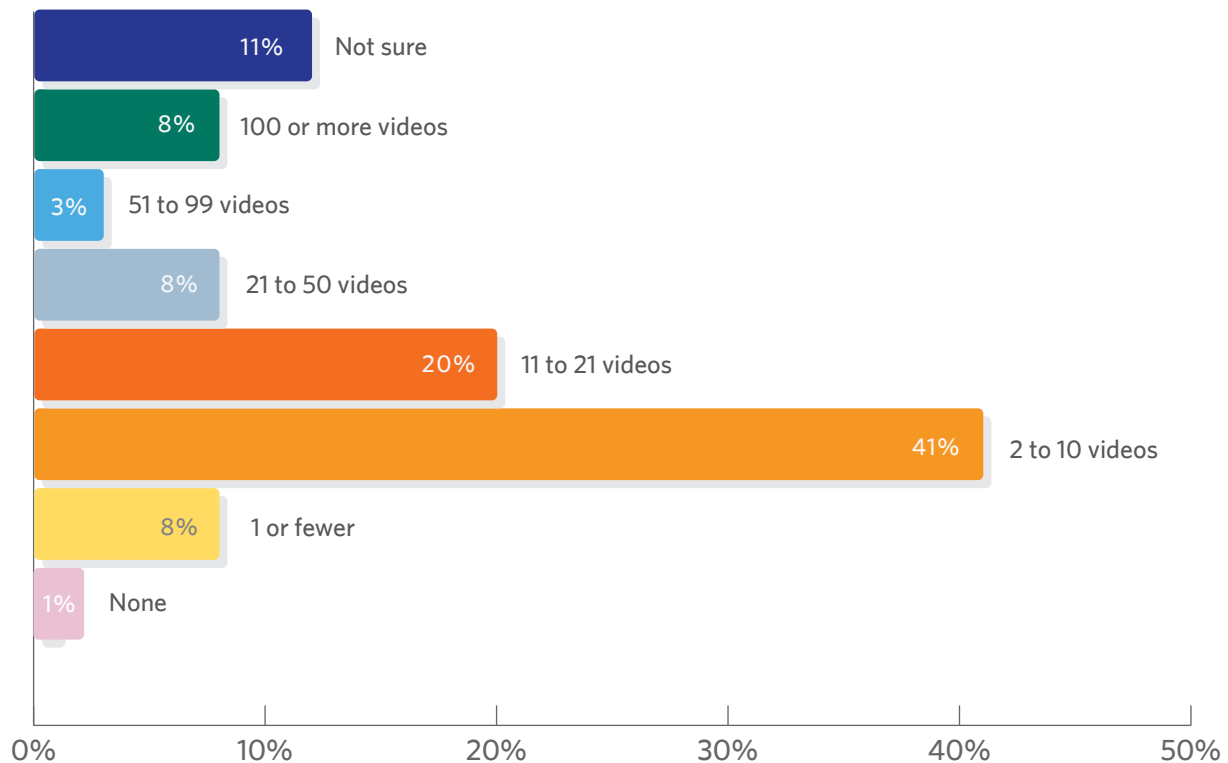
According to statistics compiled by Flimp Media from more than 2,000 video email marketing client campaigns using video postcards and video brochures, the average viewer engagement time is 1.3 minutes with average viewer response rates of 23 percent. Combining video and multimedia content into interactive experiences with deep tracking and reporting can be easily accomplished using a new Amazon cloud based online video platform called [Flimp 5 Video + Multimedia](#). Video brochures and video landing pages can contain buttons or links for calls to action such as forwarding to a friend or colleague, posting to a social media site or registering for an event. See examples of this new type of Video + Multimedia content below:



Quantities of Online Videos Produced in 2013

One of the objectives of the Online Video Production Survey was to get a better understanding of the number of videos produced by companies in 2013 as well as the expected change in the volume of videos that producers will create in 2014. As shown in the following chart, in 2013, many organizations were already producing significant volumes of videos, with 39 percent producing more than 10 videos each month, and 11 percent producing more than 50 videos monthly. The largest percentage of respondents (41%) said their companies produced between 2-10 videos per month and only 8 percent indicated they produced one or fewer videos per month

How Many Videos Does Your Organization Produce on a Monthly Basis?

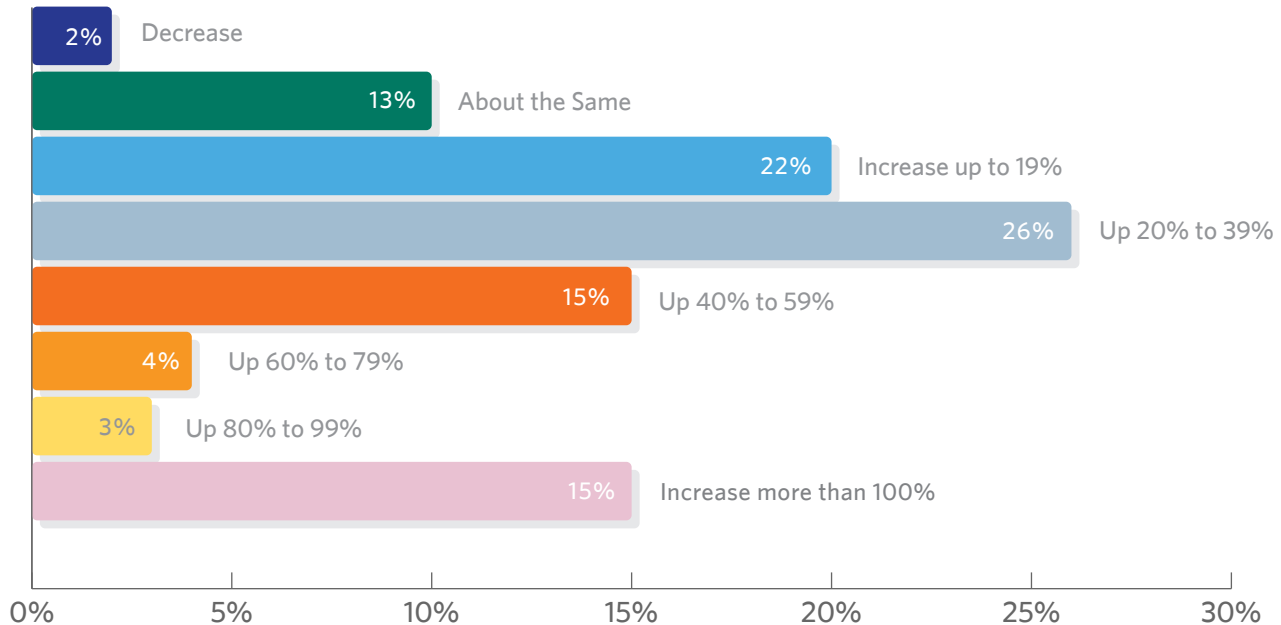


Video Production Volume Will Grow Significantly in 2014

As might have been predicted by even casual observers of the online video industry, the volume of videos produced in 2014 can be expected to grow significantly according to the survey data. Respondents were asked to check the category of growth they believed most closely matched the number of videos their companies expect to produce in 2014 compared to 2013.

For the purposes of preparing the chart shown below, response categories were grouped by anticipated growth volumes in 20% increments. As the chart reflects, 85 percent of survey respondents expect the number of videos their organization will produce in 2014 will increase as compared to 2013. Further, 15 percent of respondents believe the number of videos their organization will produce in 2014 with double compared to number produced in 2013.

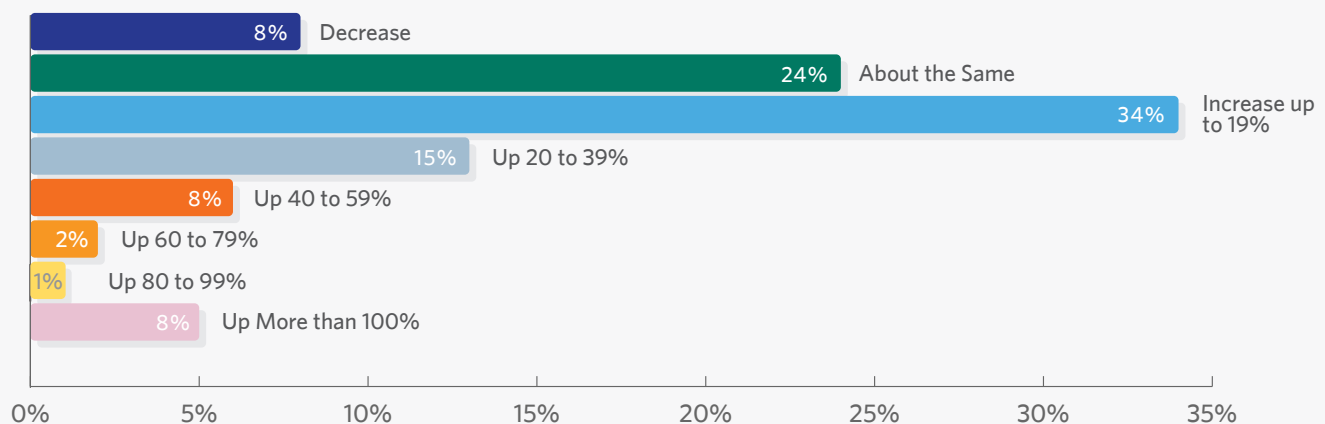
Expected Change in the Number of Videos Your Organization Will Produce in 2014



Online Video Production Budgets Expected to Grow in 2014

The chart below, shows anticipated changes in online video production budgets for 2014 according to respondents; 68 percent expect online video budgets to increase, 24 percent expect video budgets to remain the same and only 8 percent of survey respondents said they expect online video production budgets to decrease in 2014.

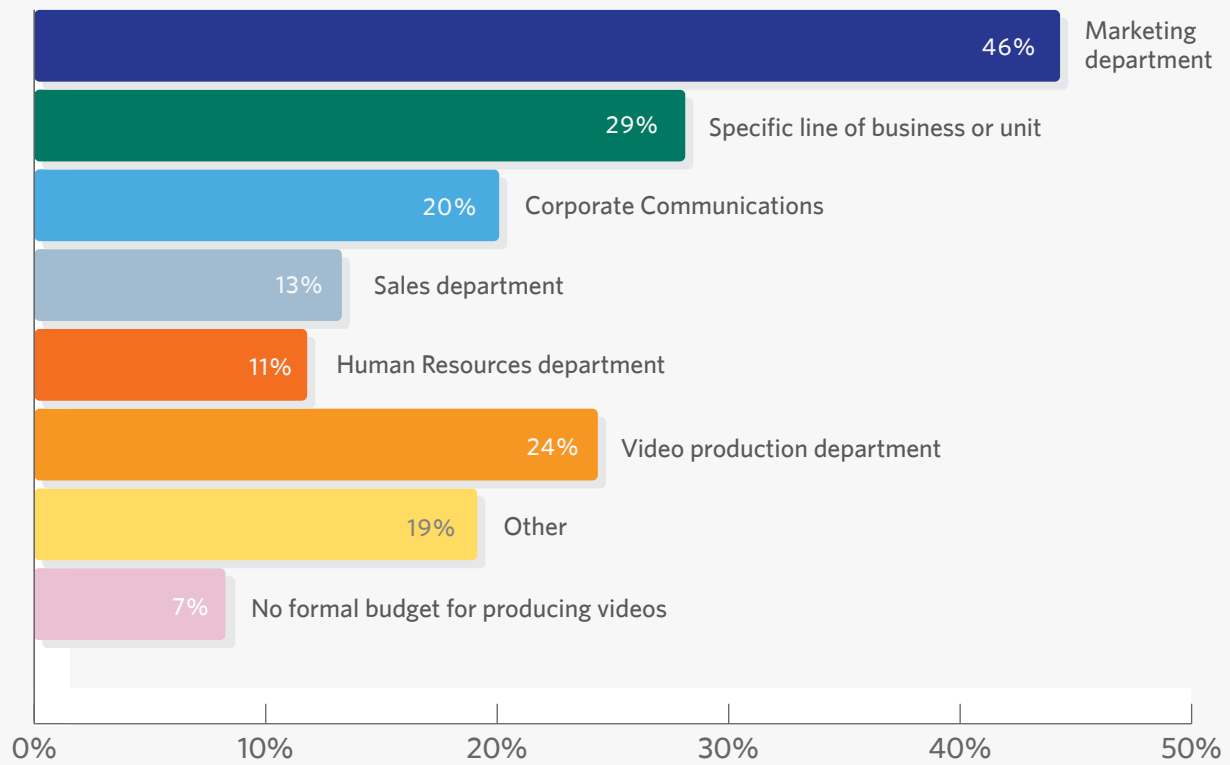
Expected Change in Online Video Production Budgets in 2014



Funding of Online Video Production Budgets Within Organizations

Only seven percent of survey respondents indicated that their organizations have no formal budget for online video production. According to survey responses, Marketing Departments (46%) are the largest funding source for online video production, followed by Specific Business Units (29%), Video Production Departments (24%), Corporate Communications (20%), Sales Departments (13%) and Human Resources (11%).

Organizational Sources of Funding for Online Video Production Budgets in 2013 (Check all the apply)

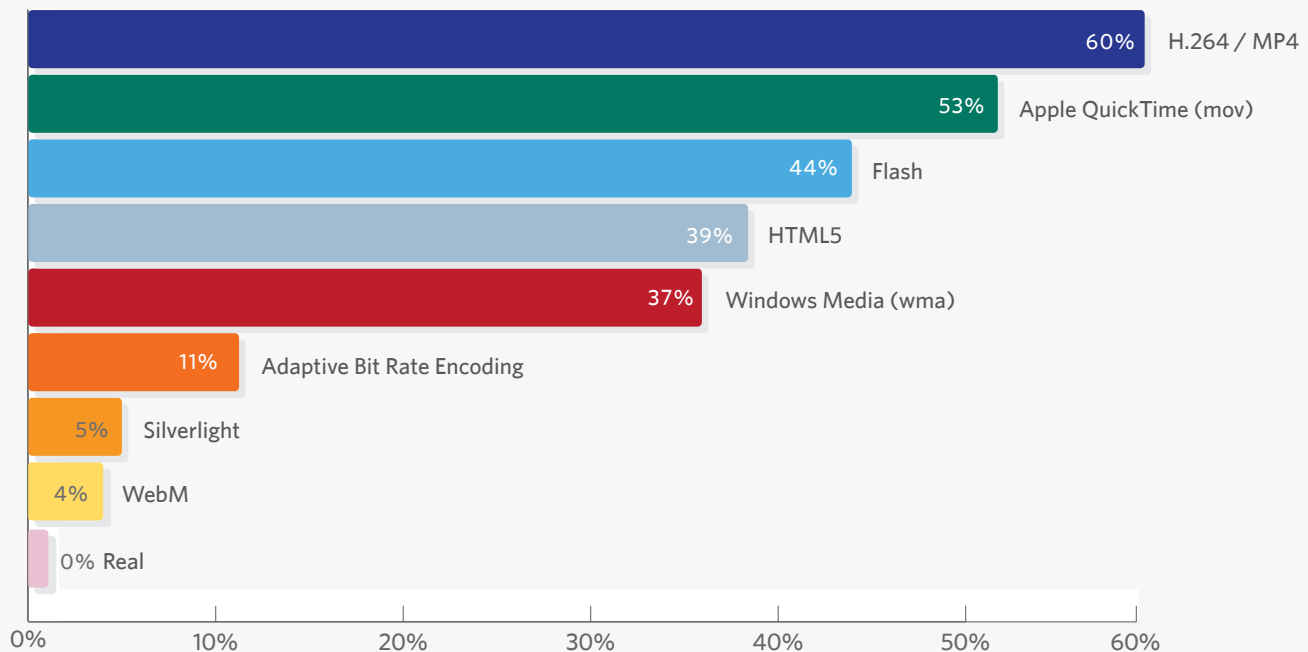


III. Video Formats, Equipment and Editing Software

Most Popular Video File Formats Used

Keeping up with the ever-changing video format and codec trends is a challenge for most online video producers. There are a wide variety of video file formats that are available, numbering over 40, with the most popular being H.264/MP4, Apple Quicktime (.MOV), Adobe Flash and Windows Media. The types of video viewing devices are also on the rise, as larger, touch screen hand held devices proliferate. The wide variety of tablets, laptops, Kindles and Smartphones may vary in terms of compatibility with the different video formats shown in the graph below. The most widely used video file types according to survey respondents are H.264/MP4 (60%), followed by Apple's .MOV (53%), Adobe Flash (44 %) and Windows Media .WMV (37%).

What Specific Video Formats, Codecs, or File Types Do You Currently Use? (Check all that apply)



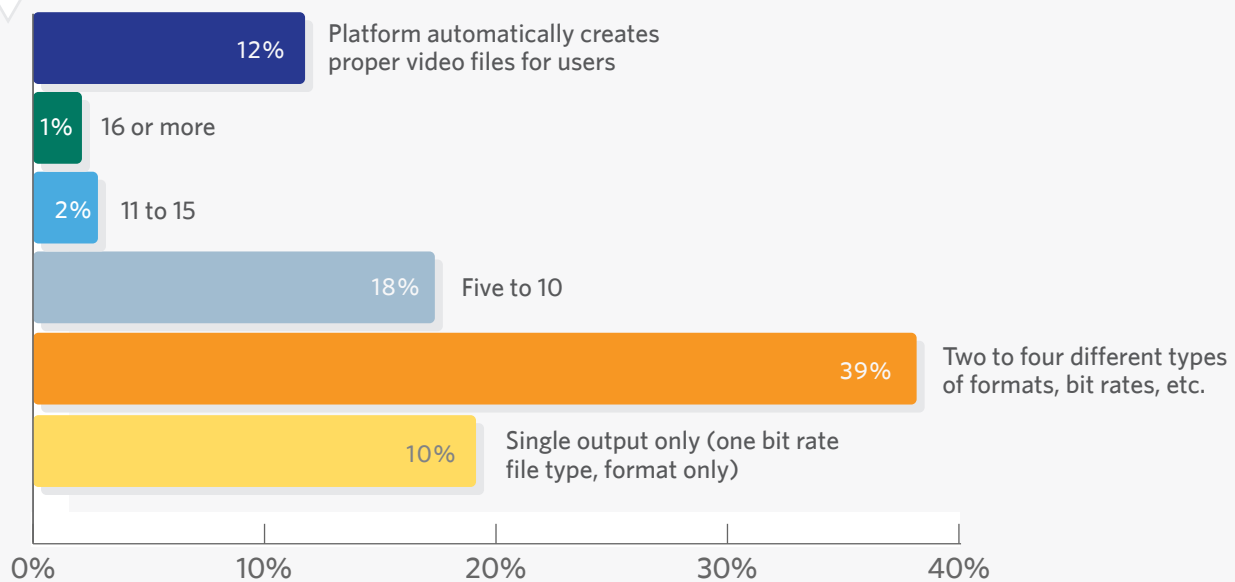
Internet users aren't just using multiple devices and operating platforms; they're also using various Web browsers and multiple versions of Web browsers, all of which can create video codec compatibility issues and complexities. The goal for video marketing professionals, videographers and the like is to make the consumption of their video content as seamless as possible, providing quality viewing experiences for broad audiences using many types of devices, and other operating systems and web browsers. Trend among video hosting and streaming vendors is to enable video producers and video marketers to upload their videos one time and to automatically generate multiple delivery rates and file types that will accommodate a wide range of variables.

Number of Video File Formats and Codecs Used for Each Video

The survey statistics show that 39 percent of video professionals encode their video content into two to four video formats, bit rates, or file types. This compares to three percent who encode video content into 11 or more video formats and delivery rates. Clearly, video hosting vendors are striving to keep video uploading and delivery simple for their customers.

Twelve percent of respondents indicated that they use an online video hosting platform that creates the required video file formats for them. The survey data shown in the chart below indicates that video professionals are using fewer video file formats as the trend toward standardization and automation is occurring in the online video industry.

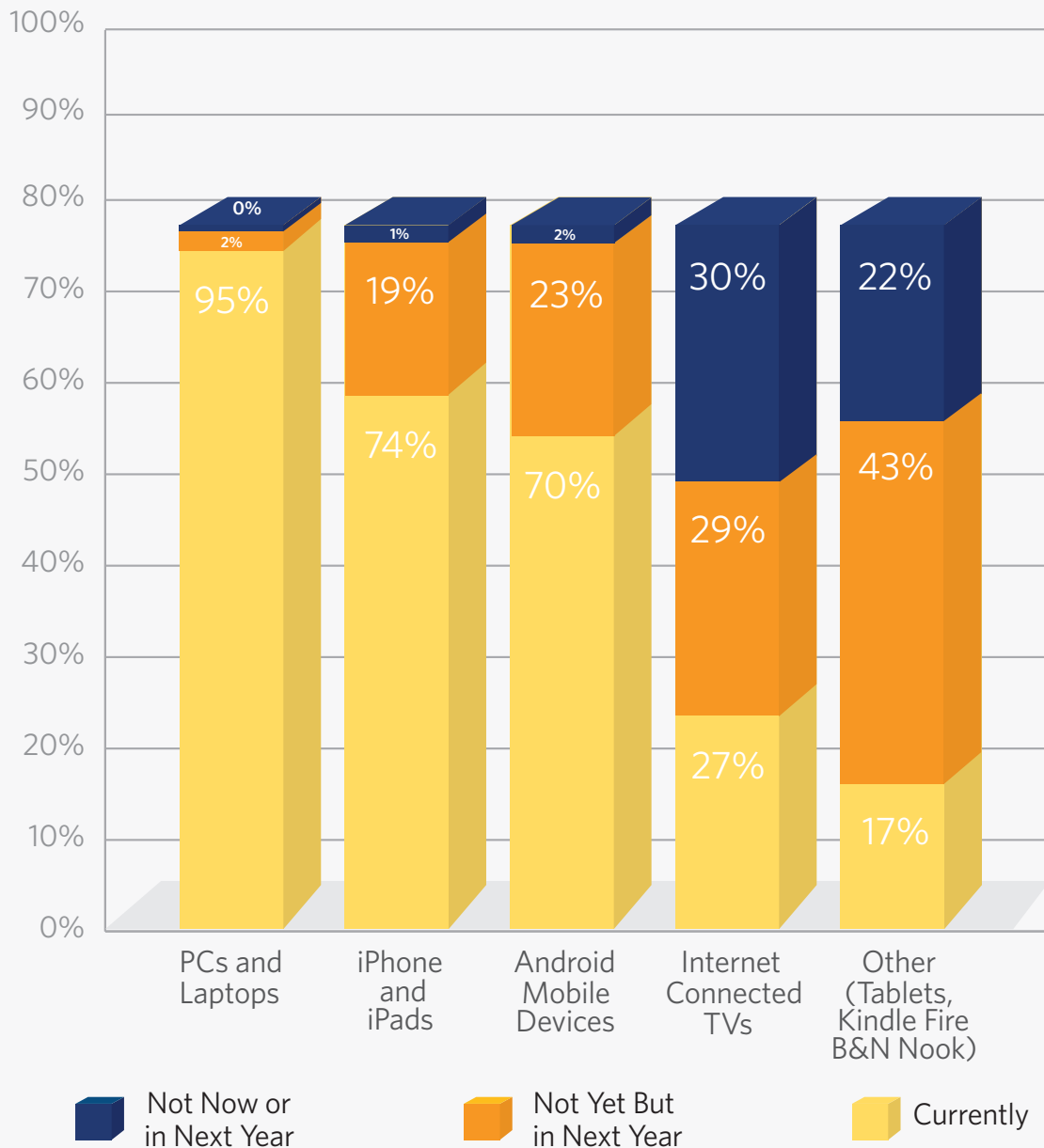
How Many Different Video Formats, File Types or Codecs, Do You Typically Utilize?



Formatting Videos for Various Types of Internet Viewing Devices

Laptops and PCs continue to be the predominant viewing devices targeted by video professionals and marketers, with 95 percent formatting videos to be viewed on those devices. Seventy-four percent of video professionals format their videos for iPhones and iPads and 70 percent currently format their video content for Android mobile devices. Only seventeen percent are specifically encoding online videos for other tablet-like devices, such as Kindle Fire and B&N Nook, and 27 percent are encoding video for internet connected TV's. Being able to serve online video in many different formats for a wide variety of viewing devices will continue to be a challenge for the industry.

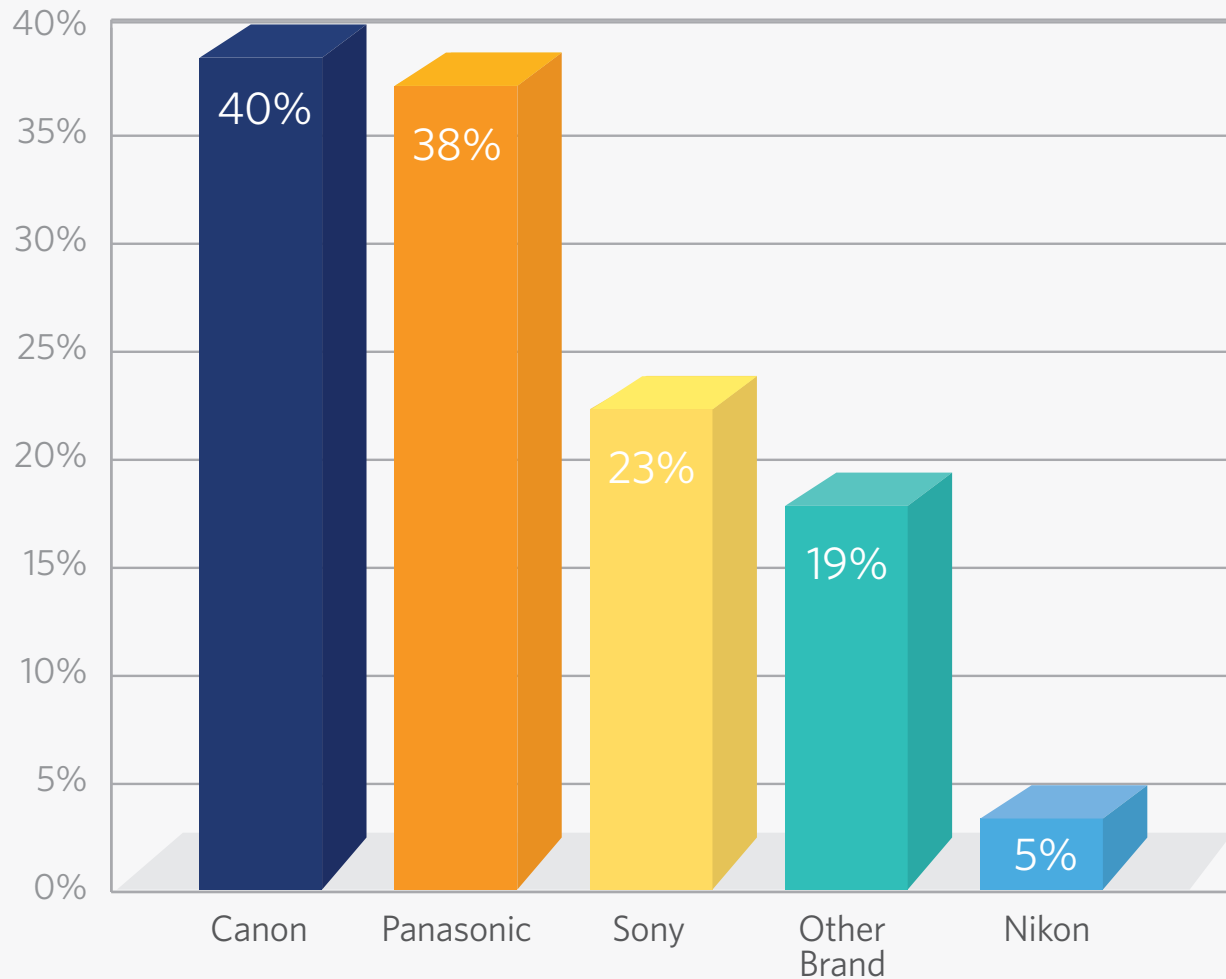
What Types of Devices Do You Encode Your Videos For?



Preferred Brands of Professional Video Camera's Used Within the Consumer and Prosumer Markets

There are a variety of preferred brands of professional video cameras being used for online video production. According to the survey, 40 percent of the respondents use Canon video camera products, followed closely by Panasonic (38%) and Sony (23%). Nikon was the least video camera brand, used by 5 percent of survey respondents.

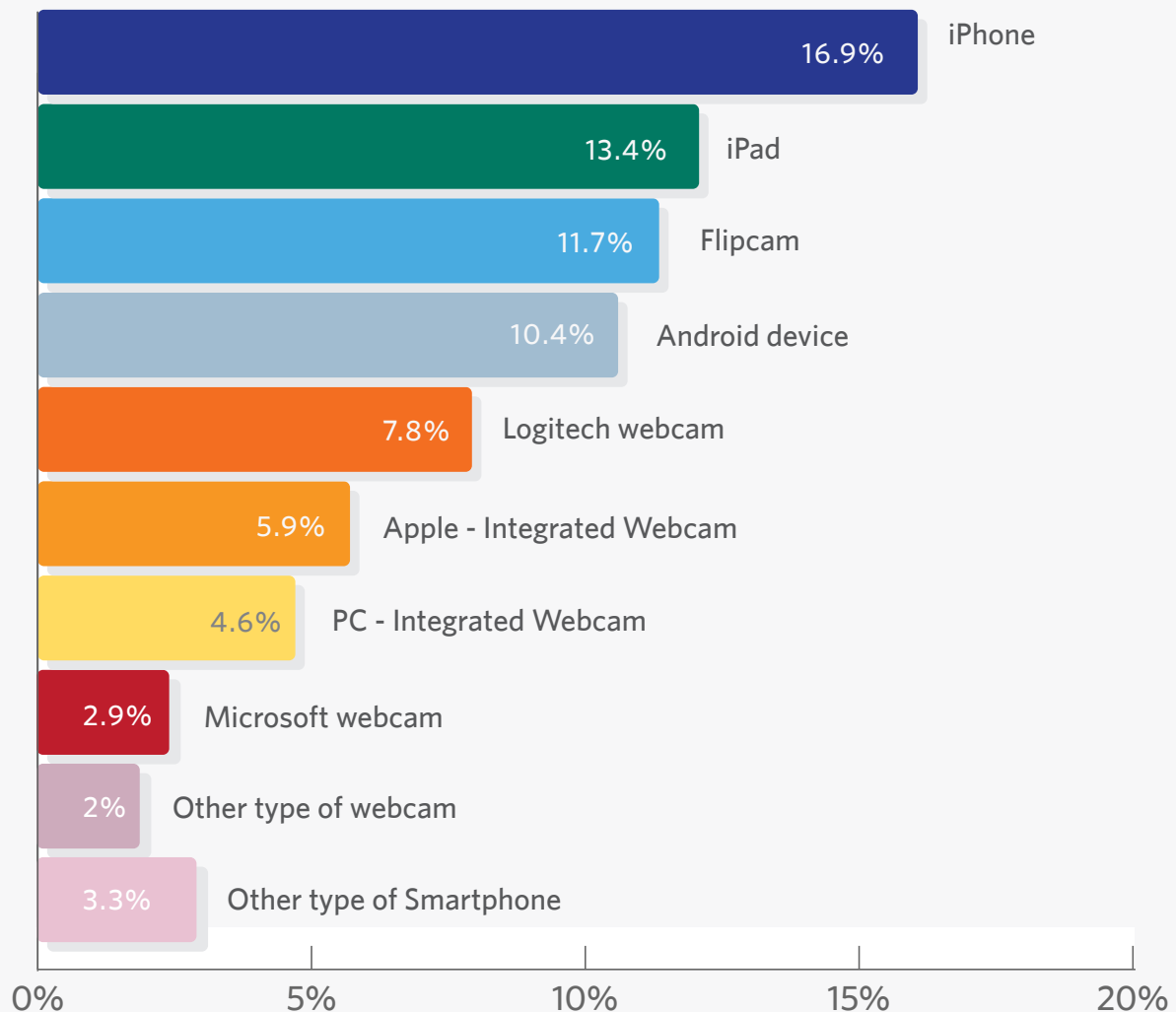
Which of the Following Video Camera Brands Do You Use to Create Video Content? (Check all that apply)



Preferred Mobile Video Cameras and Webcam Products

Mobile devices are gaining in popularity for certain types of online video production, especially for spontaneous videos produced for social media and YouTube sharing. Almost 17 percent of those surveyed said that they use iPhone, while 14 percent use iPads for capturing video. Flipcams and Android devices were third and fourth at 12 percent and 11 percent respectively. In the future, we expect to see a significant rise in Android device use as these smartphones and tablet devices gain in popularity. Webcams are not widely used by survey respondents for creating video content, as shown in the chart below.

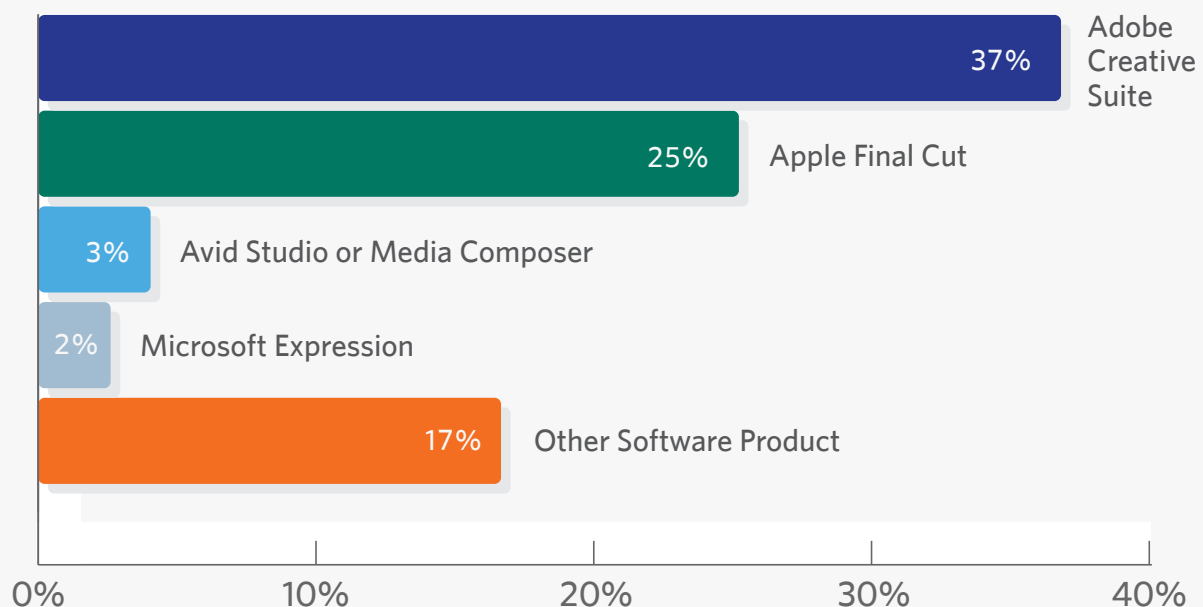
Which of the Following Mobile Camera Devices or Webcams Do You Use to Create Video Content?



Preferred Video Editing Software and Editing Tools

As shown in the chart below, among video production professionals surveyed, 37 percent prefer Adobe Creative Suite editing tools, followed by Apple Final Cut software (25%). Surprisingly, Avid software was the preferred video editing software for only 3% of respondents, mainly those working for TV Studios and large production houses.

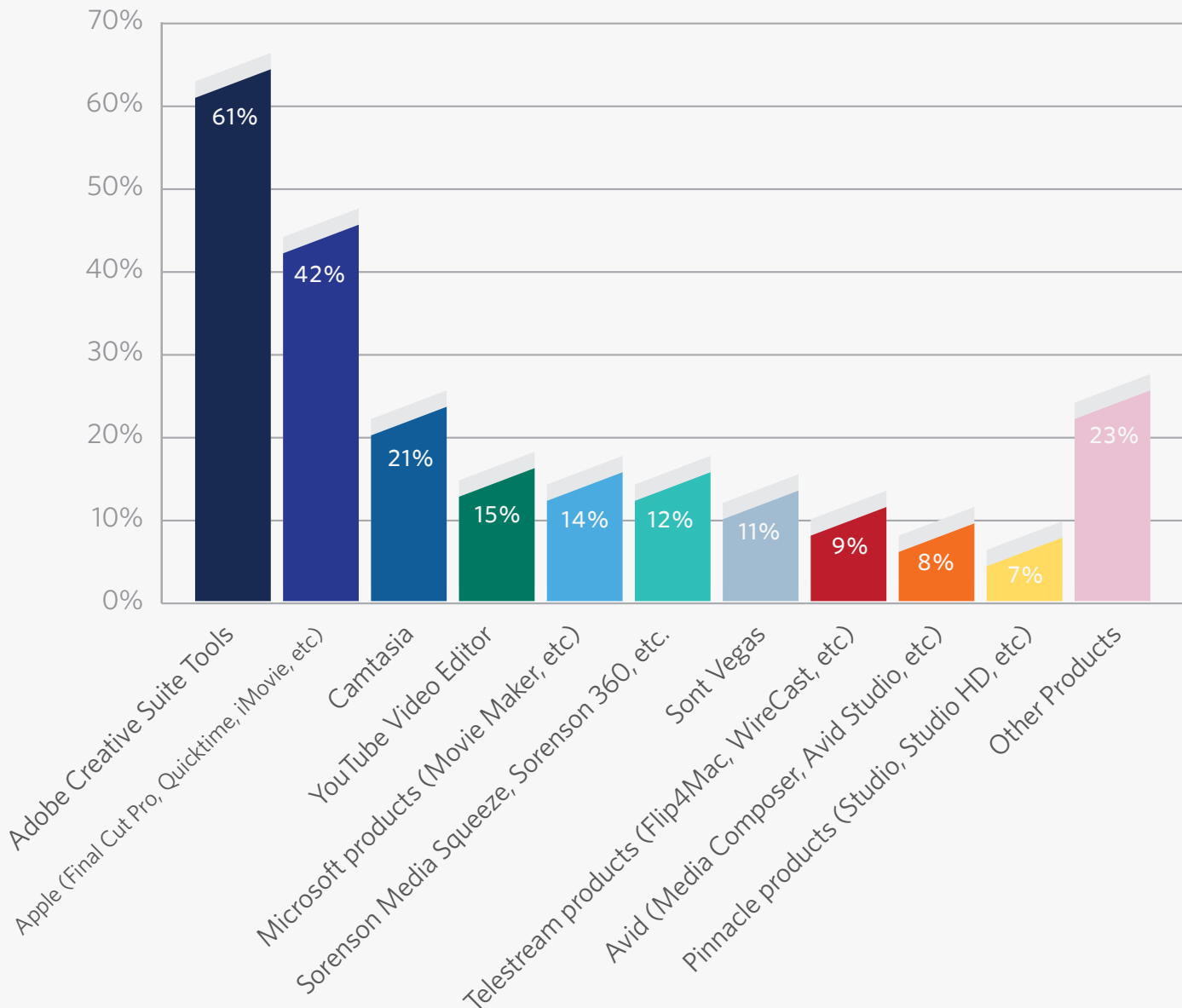
What is Your Preferred Video Editing Software? (Choose Only One)



Access to Video Editing and Encoding Software and Tools

When asked what video editing software or tools you regularly use or have access to, 61 percent of video professionals indicated Adobe Creative Suite. Forty-two percent of survey respondents indicated that they use or have access to Apple video editing software, products like Final Cut Pro, QuickTime and iMovie. Other popular video editing, encoding or transcoding products include Camtasia (21%), YouTube video editor (15%), Microsoft products (14%) and Sorenson products (12%).

What Software Do You Regularly Use or Have Access to for Editing, Encoding or Transcoding Video Content? (Choose all that apply)

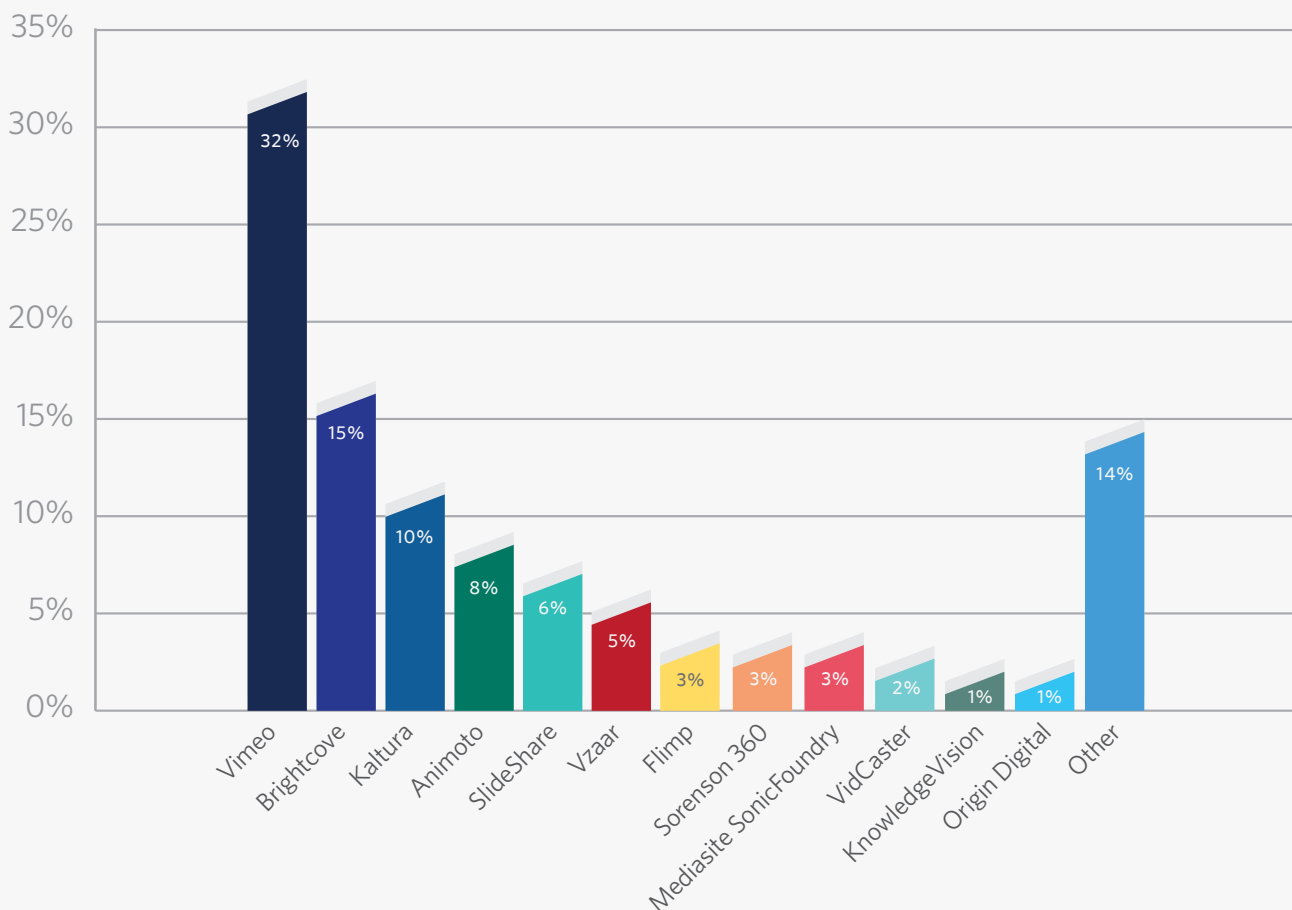


IV. Online Video Platforms, Video SEO, Optimization Challenges and Success Measurements

Online Video Hosting & Sharing Platforms

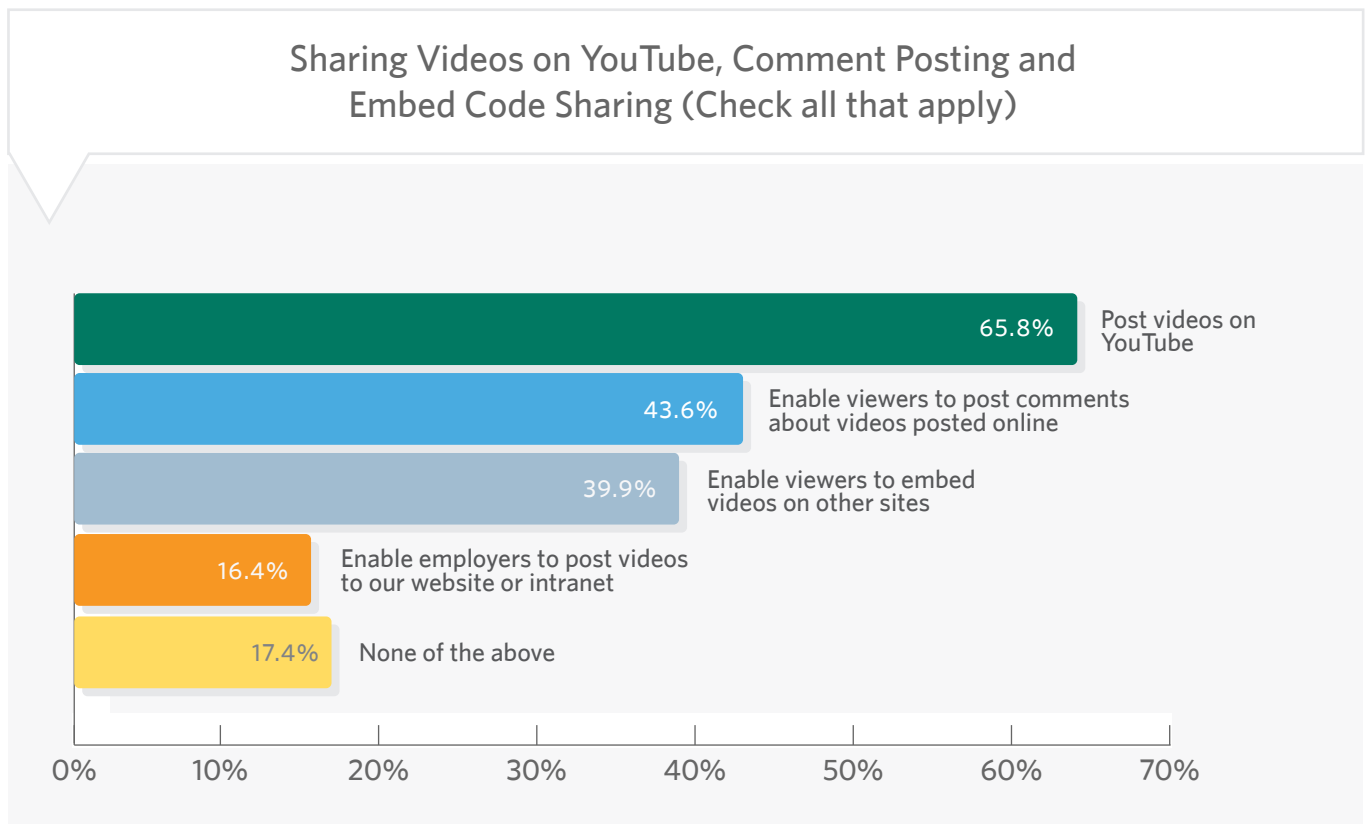
There are numerous online video platforms used for video hosting, video sharing and video marketing. In general these allow users to upload their video content one time, outputting high quality resolutions of 720p and 1080p, along with multiple video file types that can be accessed and viewed on various devices, browsers and connection speeds. Most respondents indicated that their online video platform enables them to upload a video and have it automatically converted into multiple video bit rates and formats. When video professionals were asked which online video platform or video hosting service they use for publishing and distributing videos online, 32% said Vimeo, followed by Brightcove (15%), and Kaltura (10%). A range of other OVP's were cited by less than 10% of respondents, including SlideShare (6%), Animoto (8%), Vzaar (5%) and Flimp (3%), which is used for video hosting, video email and video/multimedia marketing.

Which of the Following Online Video Platforms (OVP's) Do You Use Other Than YouTube? (Check all that apply)



YouTube Sharing, Comments, and Embed Code Sharing

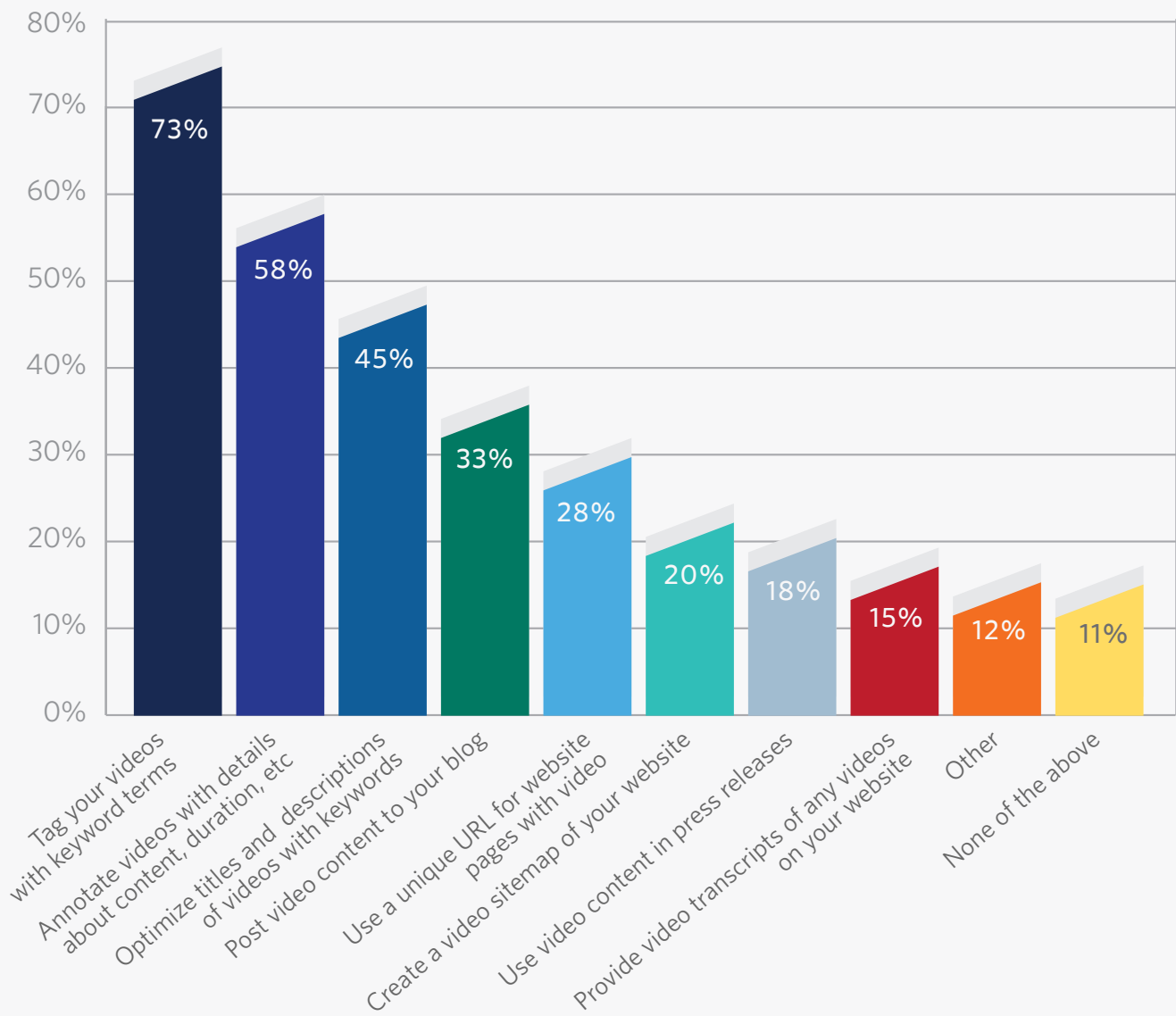
Allowing viewers to share, embed and comment on videos is an important aspect of online video marketing. When video producers were asked how they enable users to share videos, over 65 percent of respondents said they posted videos on YouTube and 44 percent said they enable viewers to post comments about videos posted online. Nearly 40 percent of video professionals allow viewers to embed their videos on other Websites using available embed code features within their video players.



Optimizing Online Videos for Video SEO Marketing

Video SEO is becoming an important aspect of organic search marketing, not only for video search on YouTube, but as a way to enhance and optimize keyword phrase rankings for web searches. There are a variety of different Video SEO marketing techniques being deployed by video producers and marketers for online video marketing. These include tagging videos with keyword terms (73%), annotating videos with information about content, duration, thumbnails, etc. (58%), optimizing video titles and descriptions with target keywords phrases (45%), and posting video content to blogs (33%). Only 20 percent of survey respondents create video sitemaps for videos on their websites.

What Video SEO Techniques Do You Use? (Check all that apply)

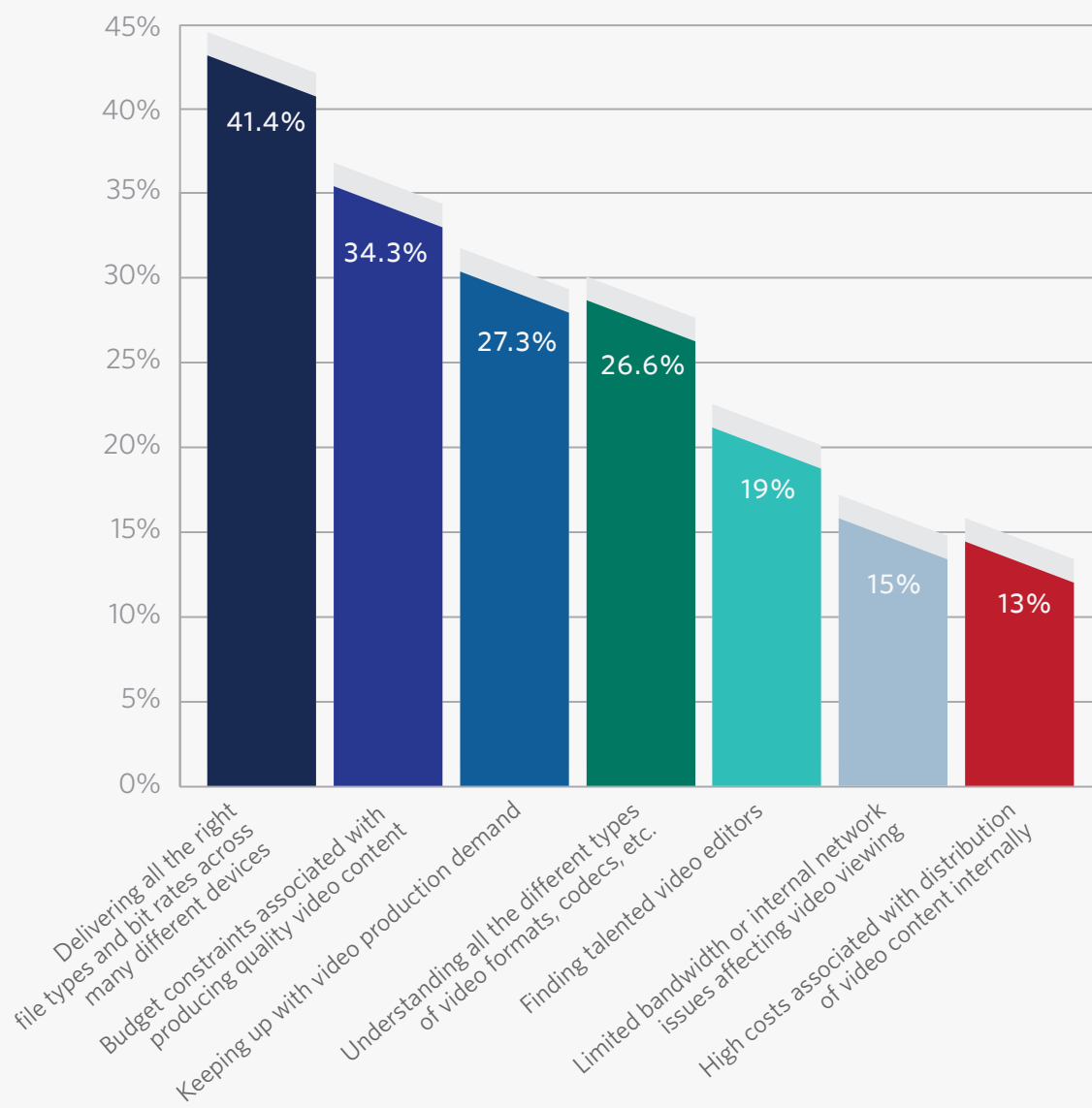


Biggest Challenges Related to Online Video Production and Deployment

Video professionals run into various challenges and obstacles when creating, editing and publishing online videos. When asked which were the biggest challenges they faced, 41 percent of respondents indicated that delivering videos in multiple file types and bit rates for various devices was the biggest challenge. Thirty-four percent of respondents cited budget restraints associated with producing quality video content. Other challenges cited by survey takers include keeping pace with video production demand (27%); Understanding all the different video formats and codecs (26%); Finding talented video editors (19%); Limited bandwidth or internal network issues negatively affecting video viewing (15%) and High cost associated with distribution of video content internally (13%).

Which of the Following Represent Your Biggest Challenges Related to Video Production and Deployment?

(Percentage of Respondents Rating Item 7 to 10 on a 1-10 Rating Scale)

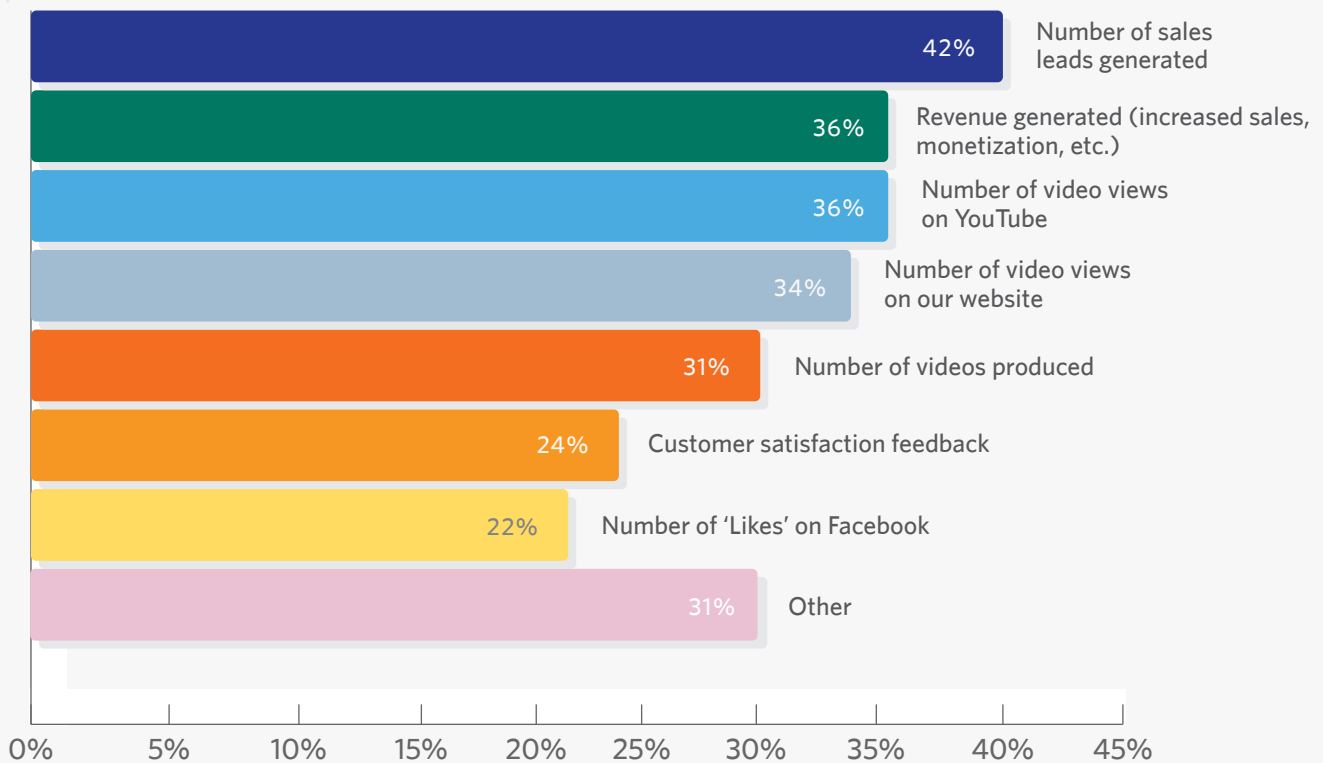


Measuring The Success of Online Video Initiatives

Survey respondents cited a range of success measurements used to determine the performance of their online video initiatives. The chart below shows the various performance measurements used measure success.

Forty two percent of survey respondents indicated that the number of sales leads generated is an important success measurement for online video campaigns. Other performance metrics cited were; Revenue generated (36%); The number of video views on YouTube (36%); The number of video views on our website (34%); The number of videos produced (31%); Customer Satisfaction feedback (24%) and Facebook likes (22%).

How Are You Measuring the Success of Your Online Video Initiatives? (Check all that apply)





Conclusion

This is the first survey and industry trends report published by the Web Video Marketing Council on the topic of online video production. As one would predict, the survey results underscore increasing demand for online video content and hence continued growth for the online video production industry. The increased demand for online video production is being driven by a variety of factors including;

- ▶ Broader use of online video by companies in both B2B and B2C vertical markets
 - ▶ Increased online video usage for sales lead generation initiatives
 - ▶ More use of online video by companies internally for employee communications, and training in addition to traditional video marketing applications
 - ▶ Lower costs of video production, video deployment and video equipment
 - ▶ More videos being produced for social media and YouTube sharing purposes
 - ▶ Online video becoming a more influential factor in organic web search optimization
- A proliferation of video viewing on mobile devices like smartphones and tablets

The 2014 Online Video Production Survey and Industry Trends Report was published to provide video producers, digital marketers and video production managers with valuable insights into the budgets, strategies, applications, tools and production practices of online video professionals. If you have specific questions or comments concerning this latest WVMC Trends Report, email wwall@webvideomarketing.org.



About the Web Video Marketing Council

The Web Video Marketing Council (WVMC) is a professional association established to provide timely, relevant information about video marketing topics and technologies to professional marketers and communicators through its website, newsletter, reports and webinars. Companies and organizations that want to become sponsors of the WVMC or contribute non commercial white papers, reports and articles to the WVMC for publication should contact the WVMC directly through our website www.webvideomarketing.org or email wwall@webvideomarketing.org



About Flimp Media, Inc. (FMI)

Flimp Media Inc. (FMI) is a leading online video production and video marketing firm with offices in Boston, MA, New York, NY, Los Angeles, CA, and Manchester UK. The creative division specializes in producing motion graphics and animated explainer videos for large and mid-sized business clients. The Flimp Online Video + Multimedia Platform (OVMP) enables users to quickly create and distribute interactive video and multimedia content with detailed tracking and reporting. For more information about FMI video solutions visit www.flimp.net or call 1.508.686.2802.



About Interactive Media Strategies

Interactive Media Strategies is a research analyst and strategic consulting firm founded in 2002. We conduct research on technologies for mobile and online video solutions, digital content monetization strategies, enterprise video communications, online video platforms and video content management systems. We have clients in the US, Europe and South America who rely on our research and industry insights to help them guide their businesses and seek out new growth opportunities. For more information go to www.interactivemediastrategies.net