

The Business of Business Videos

With the proper planning, producing a video can be a fascinating, complex and enjoyable experience. With the producer and the corporate client working together as a team every step of the way, everything should fall easily into place and the outcome is a powerful marketing, sales or training tool that can quickly pay for itself many times over.

Unfortunately, it doesn't always turn out this way, as many clients are unsure as to the video production process --where to begin, what steps to take to finish the project, how to get a singular message across so that the video works for you and creates the desired response from its audience. This booklet has been designed to relieve those anxieties and eliminate any confusion that you may be experiencing about creating your own corporate video.

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Planning Your Video

Step One - Determine the purpose of your video.

Any effective communication is determined by its clarity of purpose. Your video should be created to convey one single message, promote one single product or service, or express one singular idea or goal. The key to a successful video is keeping it simple and limited to a solitary goal or intent. A cluttered, disorganized video will leave the audience confused, antagonistic, or wary.

The video production process begins by choosing the purpose of your video. How do you want your target audience to respond? What are you trying to get them to do? Do you want them to buy more, do more, work faster, sell more, spend more money? Define your video's purpose and how you want your audience to react. Keep it in mind through every step of the production process --it is the most important part of creating a successful video.

Remember, if you lose track of your video's purpose, so will your audience.

Step Two - Define your target audience.

Who's going to see your video? Clients or Employees? Sales and Marketing Managers or Corporate Executives? Company Presidents or Office Assistants? Are they young? Old? Ready to act now? Or indifferent? Although videos made for each of these target audiences might convey the same idea, their style, message, content, mood, and even quality will likely vary.

Define your target audience and then do a little research as to what motivates them. Your selection of settings, music background, flashy special effects or simple straight cuts and fades will be geared towards what your target audience wants to see, what makes them pay attention and listen, and what their internal motivating factors are.

Which will, of course, affect your video's budget.

Step Three - Begin planning distribution of your video.

This step may seem a little premature, simply because distribution of your video isn't possible until the final edit master has been approved. We've included this step in the planning phase because while determining your target audience, you'll want to also consider how to reach them.

Sadly, many clients create their own DVDs, hand them out to a dozen or so employees or clients, and then forget about them as they get busy with other promotional tools. This is not only costly, but negligent. Video can be, and will be, your most powerful promotional and marketing tool.

But, to achieve its goal, it needs to be seen by its target audience. Achieving your video's goal requires both a solid distribution plan and room in the video budget to execute that plan.

Generally, your video is distributed one of two ways. Either in-house (a training or inspirational video for employees) or to outside organizations or individuals (to clients and consumers). An in-house production may simply require the inventory of some DVDs copies and a DVD player or computer, as well as a selected area to view and study.

Productions generated for an outside audience require many more considerations, such as advertising to promote the availability of your video, an efficient means of sending and tracking the videos, and of course, a larger inventory of video copies and packaging supplies.

Videos can be distributed and viewed in many ways: DVD, CD ROM, Home Viewing, Big Screen Presentation, CD-ROM Business Card, Web Site, Trade Show Displays, Notebook Computer, and iPods. Even PDAs have been used to present video marketing messages. Two of the most popular are via DVD and the Internet. For the Internet the video files will need to be encoded in the appropriate formats for the Internet Service Provider or ISP.

If you are planning to distribute DVDs, you need to advertise to promote the availability of your video, an efficient means to sending and tracking the DVDs and, of course, a sufficient supply of DVD copies and packaging.

The DVD duplication, packaging, and distribution may be handled by your producer. This can all be incorporated into the production contract.

National/Regional Distribution Case Studies

Bekins Van Lines solved the problem of getting qualified buyers to its trade show booth by sending a six-minute video with cover letter and a business reply card to 270 prospects three weeks prior to the show. According to a company spokesperson, those who received the video "came looking specifically for our booth and wanted to talk more about the message of the video." Bekins secured business from approximately 85 percent of the visitors who had seen their video and visited their booth.

Marvin Windows sells the majority of its products to professional contractors. The company wanted to appeal to the growing do-it-yourself market with a new product -- the E-Z Tilt PAC Window. They produced a 15-minute video along with a merchandising kit which their distributors could send to local customers. The video package included a voucher that customers could redeem at a local distributor for the remodeling book "Before and After." The response rate boasted a 250 percent increase over previous direct mail efforts.

Firefox by Mozilla is a web browser that competes with Microsoft's Internet Explorer. Their challenge was to entice people to try this web browser. They could not afford a big television campaign so they created a humorous online video campaign and launched it in Europe. The President of Mozilla Europe posted it on his personal blog and in less than a week, the videos had racked up over half a million hits.

Crathen & Smith manufactures corrugated machines and packaging equipment. The company produces four to five sales videos each year. Their four-man sales force now conducts their sales calls after the prospect has seen a video and requested preliminary price quotes. "In most cases, we avoid having to make a trip because the customer comes to us, or visits one of our installations," says James R. Cuzzo, Marketing Manager. Sales cycles have decreased from nine months to about 90 days, and the company has witnessed a \$30,000 per year savings in sales travel expenses.

Specialty Bindery, Inc. produced a plant tour video entitled "The Competitive Edge" to educate buyers on mechanical binding services. This way, buyers can compare "apples to apples," informs company President Ronald Ridgeway. "We had used brochures, but they simply weren't as interesting as video."

SBI offered the videos in a series of trade ads from which they received over 2,300 requests for copies, which ultimately resulted in roughly \$1 million in increased sales.

The Pre-Production Phase of Video Producing

Step One - Developing an Outline

Prior to this point, your dollar investment has been zero. Now, you'll begin to spend part of your video budget. Most producers require a fee to provide the research necessary to develop an outline. This fee will vary depending on the amount of research or preliminary gathering of background information that is involved. This gathering of information is necessary because the producer knows nothing about you or your company.

During this phase, the producer will likely ask for statistical information on your company. They will also ask to talk to different corporate executives, as well as visit your location or locations. By doing so, they will obtain a first-hand opinion of what your company or organization does, how it does it, what makes it special, what is its point of view in the business.

The research and development period will require your cooperation in order to assure a successful video production.

At the completion of this crucial phase, you will receive a complete outline from the producer. This outline requires your concentrated attention. Now is the time to make revisions and offer suggestions. Changes at this point in the production are made easily. Later on, when the production is under way, revisions can be both costly and laborious. Your producer should work closely with you during this time to ensure that your outline is a good one and that it fully demonstrates your company or organization's policies and views.

An outline should remain flexible. It is simply a good starting point for the ideas and message that the video will communicate. Ultimately, the outline should guide the video, rather than limit it.

Your approval or rejection of the outline ends this step of the video production process. Hopefully, you will be pleased with the results and your approval will move the production to its next step, which is setting budgets and the signing of contracts. However, should you find the outline unacceptable, your contractual obligation with the producer will end. The producer retains their fee, and the outline becomes yours to use as you wish.

Step Two - Budgets and Contracts

In this step, the producer should present you with a budget based on your approval of the outline. Be sure the budget includes all aspects of the remainder of the production, such as music licenses, talent, location fees, etc. The budget should be all-inclusive.

Most of your budget will be spent on services. The only tangible item you are purchasing is a Video Master and the right to reproduce it as often as you'd like.

With the approval of the budget, you will be asked to sign a Production Contract. Production Contracts vary, but the general language is normally the same. Most contracts will specify payment terms. Video productions are typically paid for in thirds -- one-third due upon the signing of the contract, one-third due upon completion of the principal videography, and the final third due upon delivery of the finished video master.

Production Begins!

Step One - Scheduling

The completion date of your video should be specified in your contract. However, this time frame is usually negotiable. It is to the producer's advantage to deliver the video to you as soon as possible, but they should resist sacrificing quality or effort in order to deliver the video prematurely. If you have a specific deadline for the completion of your video, you should allow two to three months for the total production. In other words, plan ahead.

Step Two - Approvals and Revisions

In the production contract you have built-in approvals of the video at various stages in its development. These are typically the approval of the script; the approval of the rough-cut edit; and the approval of the fine-cut edit. Remember though that revisions made too late in the game can be costly. We recommend that you consider changes or revisions while the video is still in paper form as an outline or script. These revisions cost you nothing and are easily accomplished.

You will be asked to approve the rough-cut edit of your video production. The rough-cut edit is the first video assembly of the production in continuous form. Revisions and suggestions are still fairly welcome at this point, because changes to the rough-cut edit are still relatively easy to make.

Once the fine-cut editing has begun, however, revisions to the video can be more time-consuming and costly. That is why it is crucial to give your full attention to carefully evaluating the video at each stage of the approval process. It is most important to evaluate the flow of the video, and how easily it gets your message across. Also, verify that the statements and ideas presented in the video are factual and best represent your company or organization.

You will most likely leave technical matters such as special effects or background music up to the discretion of the video producer, with your approval, of course.

Step Three - Your Completed Video Production

Rough-cut editing is often performed with temporary titles, narration and other elements to judge the structure and flow of the video. When this version of the video is completed and approved, more polished titles, special effects, music, and narration are produced and rendered in the fine-cut edit. This finished video is transferred to a Digital Edit Master. This is the tape or other media (like DVD) that you will receive, thereby completing the contractual obligations of the producer. You will use this Master to run duplicate copies, which can be made in any format or quantity.

Informed clients make better clients, as they already possess a knowledge of what it costs to produce a video, where the money is spent, and exactly what they receive for their investment. We also believe that the more you know about the video business, the more you will appreciate us.

If you have any questions or comments regarding any of the points made or implied in this manual, please contact us. We'll be happy to clarify any points you wish to discuss, without charge or obligation.

Rick Wagner Productions

VideoAVmedia.com

FOUR SAMPLES OF ACTUAL VIDEO PRODUCTIONS

Or, What Your Money Buys....

We've included this portion of the manual to give you an idea of what some typical video productions might cost, and how they are used. You can consider these four examples when deciding what type of video production is right for your company and budget.

1) A three-minute marketing video for a hospital, which is used to market and sell occupational health services to businesses in a regional market. It took three weeks to produce, and was filmed in one location, using real hospital employees.

TOTAL BUDGET: \$5,000.

2) A 14-minute morale booster for a Fortune 500 company, which will be shown to all employees. It includes name actors, a great deal of aerial photography, and specially designed and built sets. Filmed in several locations, it took nine months to produce. TOTAL BUDGET: \$375,000.

3) A 14-minute corporate image video for an emerging high-tech company, whose audience is material design engineers. It was filmed using real people in several nearby locations. It also included space footage from NASA and assembly line footage from Chrysler. The video took three months to complete. TOTAL BUDGET: \$25,000.

4) A three-part video totaling 60 minutes for a legal publisher. The subject is a lecture conducted by a famous attorney on brief writing and oral argument. It is being sold to attorneys and to law schools for \$500. The video series took two months to produce. TOTAL BUDGET: \$11,000.

All four videos succeeded in reaching their goals. All but one video included script, narration, titles, and editing. The exception was the legal series where the lecture was the script. All four productions are broadcast quality which means that they meet FCC requirements for broadcast television.

In looking at the budgets of video productions, remember the following:

* A well produced video should serve your company for at least five years.

* Some of the most effective business video productions are surprisingly short. Shorter videos are generally clear, concise, and to the point, and don't risk boredom from its audience. While the length of the video doesn't always determine its cost, many shorter programs will be less expensive than longer ones.

* The value of your video is more often determined by the care and planning of the producer than by how much you spend. It is your producer's job to deliver a video program that accomplishes your company's goal.