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THE PERFORMANCE MARKETING STANDARD



The Latest Word

Video's Big Secret

By: Jim Kukral

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It's overlooked and underutilized and it's capable of helping achieve the Big C.

Psssst. Listen up. I'm going to say this quietly so only a few of you can hear. We can't let this secret out to everyone yet; just you, dear reader, the top performers in your industry who read this magazine. Ready? This is a HUGE secret. Okay, here it is.

Video converts well.

Yeah, that's the big secret. I'm guessing that right now you're about to flip the page to the next article because you are thinking one of these things:

- I can't afford to do video
- It's too hard to do video
- My customers don't want to see video

Wrong, wrong and wrong.

Keep reading.

If you're not using video either as a merchant or even as an affiliate, you're missing out on converting beyond your "mildest" dreams. No, not "wildest dreams"; video isn't the panacea to all of your online challenges, but it's just quite possibly the most overlooked and underutilized tool in your utility belt.

Let's backtrack a bit to clarify a point. I think performance marketing needs a new tagline. Overstock.com has "the Big O," so let's just steal that phrase and change the O to a C. The Big C! CONVERSIONS!

Performance marketing is all about conversions. You merchants reading this know it and your affiliates do too. I can tell you for sure that those elusive super-affiliates out there know about the Big C, and if you want to eventually get them to put a saddle on your horse, you're going to have to prove to them you can convert – better.

So what do you do to convert better as an online merchant? Maybe you streamlined your shopping cart process, or you tried adding free shipping with a coupon, or even added some personalization tools to help conversions soar. And maybe those things worked.

But why not try video?

According to Alexis Martin, owner of MyCubanStore.com, a niche business that sells Cuban clothing and items, the recent video they ran on their home page provided a 287 percent return on investment.

"Our video outperformed Yahoo, MSN and Google PPC, plus my newsletter," Martin says. "Our average order from the video promotion was \$118, and overall it represented 9.61 percent of my

sales in that month."

Not too shabby, huh? But was it as simple as throwing a video clip on his home page? Sort of. And did it break his checking account to have it made and delivered? Not really.

MyCubanStore.com worked with a technology called inPerson, an on-screen video tool created by Rovion, Inc. The company's website says that "Rovion's patent-pending inPerson technology enables websites to come alive with highly compelling and literally out-of-the-box streaming video messages ... leading to increased response rates, recognition, retention and revenues."

Let me translate that from cyborg corporate-speak so it's easy to understand for all you non-techies out there: They help you record cool video messages to play back on your website that your visitors dig, man. Now pass the Cheetos, dude.

Remember, it's all about the Big C, right? Let's continue.

DiscoveryStore.com recently tested out the inPerson video for a Mother's Day promotion. The results were a 78 percent increase in revenue. Call it whatever you want – hokey or a novelty – but it's hard to argue with an increase like that.

Len Ostroff, CEO of Rovion, hit the nail on the head. "Whether we're working with a Fortune 50 company or a start-up, inPerson videos create recognition, revenues, retention and most importantly, ROI," he wrote in an email.

ROI, indeed.

So Why Video, Why Now?

Technology is flattening the media landscape, and that's a good thing. Blogging grew out of advanced content management solutions (CMS) that eliminated the gatekeepers and put the power of instant publishing into the hands of the masses.

Technology is doing the same thing for video and 2006 will be the first year in which we'll see that flower blossom into full bloom, from video ads through Google AdWords and even self-created video by the likes of YouTube.com, where anyone can make a movie, upload it and share it with the world.

Video works online because it's simple, people use the Internet and they watch television. Using video on your website as a sales tool adds to the user's experience, and it gets attention ... and attention helps convert.

What about affiliates? Can they use video to convert?

Gone are the days that affiliates can afford to throw up banner ads and expect to earn a living. Super-affiliates know this, and they're already beginning to incorporate video tools like Rovion into their very own websites. Remember, as a successful affiliate, you have to convert too, sometimes even better than the merchants you promote.

Affiliates who pay-per-click arbitrage know how risky it is to pay for clicks in hopes of a sale. That's why they'll do anything they can to help convert their own traffic before they pass them along to the merchant.

Jeremy Palmer of QuitYourDayJob.com understands conversions are an important piece to the successful affiliate's methodology, but doesn't think affiliates are ready for video just yet.

"I predict affiliates will be slow to adopt video ads because of time and production costs," Palmer says. "My winning formula is good writing, text links and graphics that are easy on the eyes. But video is something my team has been looking at this year."

You heard that right folks, Jeremy Palmer, who made over \$1 million dollars in commissions last

year (see article on page 90), just said that he's got his eye on video technologies to help his online affiliate businesses.

Now I ask you, is video still not something you want to look into this year as a merchant or even as an affiliate? Stop worrying about costs and stop thinking it's too hard. Sure, it's not bargain basement cheap, and no, it's not as easy as creating a banner ad, but you know what? All good things are never cheap and easy. I can guarantee you one thing: One of your competitors is looking into it as we speak.

Your online performance marketing business + video = a smart move to increase conversions.

My job is done. I leave you now with a truly geeky quote from Jedi Master Yoda that I hope will inspire you.

"Do, or do not. There is no try."

Now excuse me while I go and concentrate on using the Force to delete all my blog comment spam.

JIM KUKRAL is the publisher of *ReveNews.com*, the thought-shaping group blog, not the magazine you're reading. He is also the vice president of branding and marketing at Forge Corporation.

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