



August 31, 2010

The 2010 Video Email Marketing Survey and Industry Trends Report

Conducted by the Web Video Marketing Council in conjunction with Flimp Media and ExactTarget for Online Video and Email Marketing Professionals



www.webvideomarketing.org

www.flimp.net

www.exacttarget.com



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Executive Summary

The 2010 Video Email Marketing Survey was conducted by the Web Video Marketing Council, Flimp Media and Exact Target to better understand and identify the trends and practices driving the increased use of video with email marketing. As email inboxes become more and more crowded, email marketers are challenged to find new ways to increase email open rates, engagement time and response rates. While the use of video with email is gaining in popularity, video email marketing presents marketers with a range of technical and content challenges that impact the adoption of video email as a common marketing practice. The WVMC survey gathered data from over 200 professional marketers and marketing decision makers on how and to what extent video email marketing is being practiced and the emerging trends and perceptions that are influencing the adoption of the video email marketing.

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Purpose

To date, there has been little third party marketing research conducted on how and to what extent companies and organizations are incorporating video into their email marketing programs or on the impressions that marketers have of the viability and effectiveness of “video email” marketing. The purpose of the 2010 Video + Email Marketing Survey was to gather more in depth and timely information from marketers about their perceptions and use of video with email marketing. The survey was developed in order to:

- Assess online marketing professionals level of participation and interest in video based email marketing
- Identify key industry trends and user issues related to the use of video email marketing
- Gain insight into marketers perceptions of the effectiveness of video email marketing programs

Methodology

The online survey was conducted between May 26, 2010 and June 27, 2010. The survey included 13 questions and was digitally distributed to marketing professionals through both the Web Video Marketing Council and ExactTarget websites. Surveys were taken and submitted through a secure online survey program and survey data was collected in an online database for analysis. Detailed information about each survey participant was collected at the beginning of each survey and included the following questions;

- Do you have marketing or marketing oversight responsibilities in your current professional role? Yes or No.
- Which of the following most accurately reflects your current role?
 - Part of an in-house team (client-side)
 - Part of a marketing company (e.g. agency, service provider or marketing consultant).
 - Neither
- What most accurately describes your role in marketing?
 - Head of Marketing (CMO, SVP, VP etc)
 - Director/Manager
 - Associate
 - Other (identify)



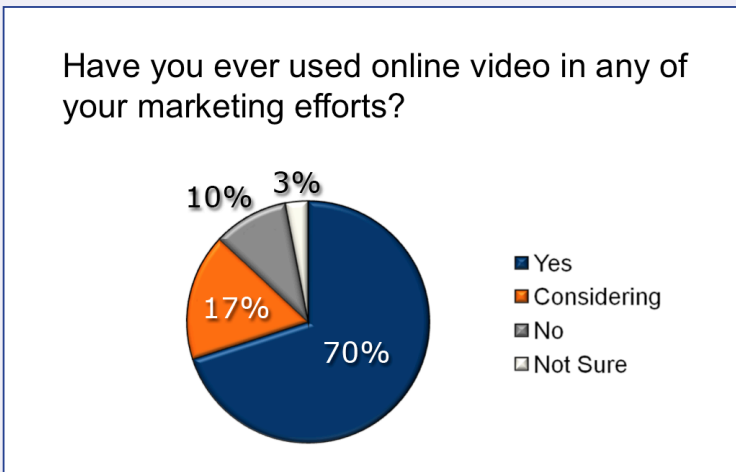
2010 Video Email Survey Participants

The Video Email Marketing Survey was taken by over 200 Interactive Marketing Professionals working for a wide range of companies, organizations and agencies. Of the survey participants;

- **87%** indicated they have marketing oversight responsibilities in their role
- **71%** indicated they are in-house marketing professionals
- **29%** indicated they work for marketing agencies or work as marketing consultants
- **30%** indicated they are key marketing decision makers within their organizations (CMO, SVP, VP, Director)

Key Survey Findings

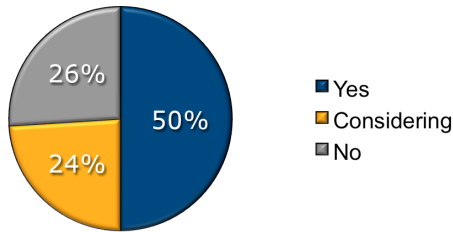
Most marketers are already using online video in their marketing programs.



Online video is being used by 70% of survey participants for marketing and an additional 17% are considering using online video in their marketing programs.

Roughly half of marketers are using video in their email marketing programs.

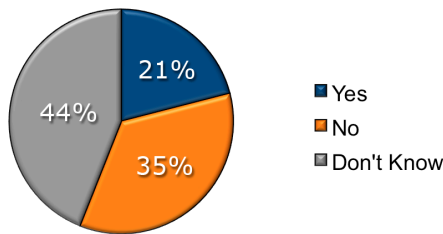
Have you ever used video in your email marketing efforts?



Video has been used with email marketing by 50% of survey participants and an additional 24% are considering the use of video in their email marketing programs.

Email service providers are not addressing the increasing demand for video email marketing solutions according to online marketers.

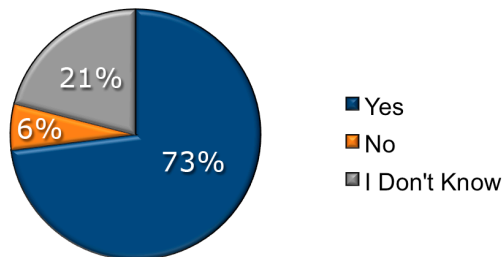
Does your Email Service Provider offer video marketing solutions to its customers?



Only 21% of marketers indicated their email service provider (ESP) offered video marketing solutions while 35% said their email service provider did not offer video marketing solutions. 44% of participants did not know if their ESP offered a video solution.

Most marketers believe that video increases email click thru rates.

Do you believe integrating video with email marketing increases email click thru rates?



A large majority of marketers (73%) believe that integrating video with email marketing will increase click thru rates. 21% didn't know and only 6% did not think that video would have a positive impact on email click thru rates. This data suggests that most marketers are likely to include video with email marketing in the future.

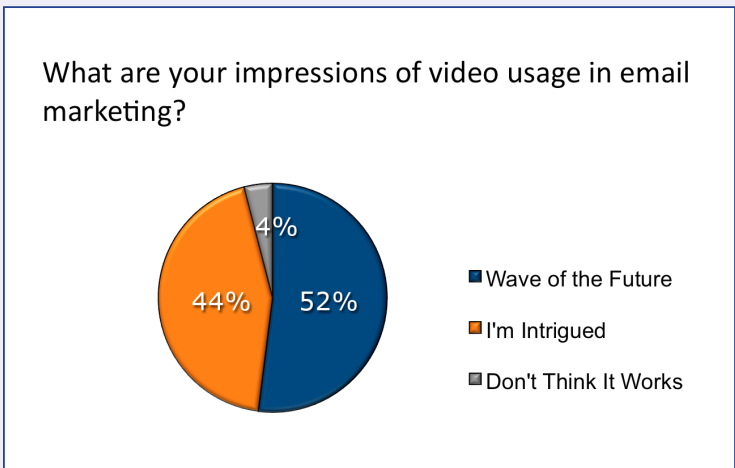
Most marketers believe that video increases email marketing conversion rates and customer purchases.

Do you believe consumers are more or less likely to purchase or convert after viewing an email campaign that incorporates video?

- **73%** More likely to purchase/convert
- **2%** Less likely to purchase/convert
- **3%** No difference
- **21%** Not sure

Most marketers surveyed (73%) indicated that video based email marketing is more likely to generate higher conversion and purchase rates than static content. Only 5% of marketers thought that video with email would make no difference or have a negative impact on conversion and purchase rates. 21% indicated they were not sure.

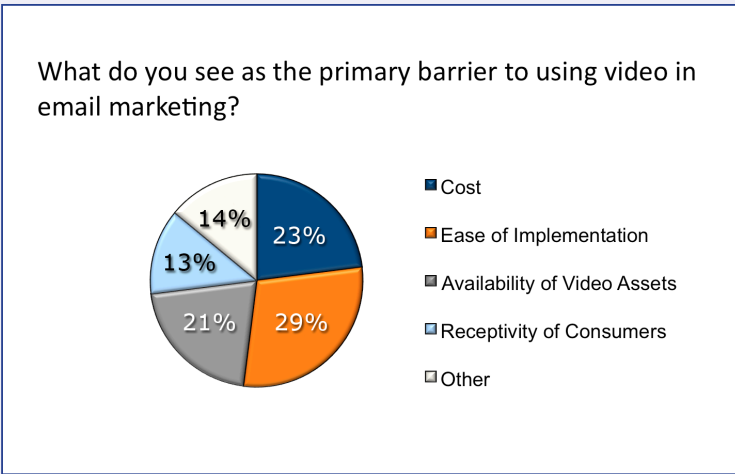
Most marketers believe that video email marketing is the wave of the future.



Nearly all of the marketers surveyed indicated that video based email marketing was the wave of the future (52%) or were intrigued by the opportunity (44%). Only 4% of marketers did not think that video email marketing works.

Ease of implementation and cost are cited by marketers as the main barriers to adoption of online video for email marketing.

Marketers felt that ease of implementation (29%), high cost (23%) and availability of video assets (21%) were the primary challenges associated with using video for email marketing. Cost and availability of video content are likely related since video production can be expensive. As the cost of online video development decreases, more marketers will likely participate in video based marketing. 13% of



marketers surveyed were concerned about the

receptivity of consumers to video email marketing.

Linking to a video landing page or embedding a video player in an email message were cited as the most effective ways to use video with email.

Linking to a video landing page from a video image or static weblink was cited by 40% of marketers as the best way to deploy video for email marketing. A large number of participants (33%) indicated that a video player embedded into the email message would be most effective. However the present technology reality is that there are no viable solutions for embedding video in email other than GoodMails's CertifiedVideo beta product that only works with AOL.

What do you believe is the most effective way to use video in email?

- **40%** Link to a video landing page
- **33%** Video player embedded in email message
- **5%** Animated or video .GIF embedded in email
- **6%** Link to a page on a video sharing network
- **16%** Not sure

Only 5% of respondents thought that video .GIF files are most effective and only 6% chose linking to

a video sharing website like YouTube as the most effective video email solution.



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 contribute non commercial white papers, reports and articles to the WVMC for publication should contact the WVMC directly through our website.

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About Flimp Media, Inc. (FMI)

Flimp Media Inc. (FMI) is a video marketing technology and video production services company with offices in Hopkinton, MA and Los Angeles, CA. Our patent pending FLIMP® technology platform enables online marketers and communicators to quickly create, distribute, track and report interactive video brochures and video landing pages called flimps® for online video marketing and communications without programming, technical skills or IT resources. For more information about FMI products and services visit www.flimp.net.

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About ExactTarget.com

ExactTarget's email marketing software, services & solutions are the most powerful and flexible in the industry. Easily create, deliver, track, optimize, and automate permission-based email marketing campaigns as well as triggered and transactional email.

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