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Vignette Online Video

WHITE PAPER

The Words Are Not Enough: The Rise of Online Video

What's the first thing that comes to mind when you hear the term 'online video'? Maybe you imagine a student uploading a grainy clip of his friend's birthday party to YouTube. Or perhaps you think of television networks that make replay of various shows available on demand.

The truth is that whatever you think of it, online video has become far more than a hobby for technically-inclined people and teenagers. It's now one of the most powerful communication channels available, irrespective of which organization or industry you work in.

In fact, a recent Forrester report states that online video will drive the average total viewing time up 25% between now and 2013 from four hours to five hours per day. To estimate the dollar impact of this opportunity, the report adds 25% to total television advertising revenues, cable and satellite subscriber fees, and the sales of video devices like televisions, personal video players and DVD players. This addition represents growth of \$37.5 billion.

But Forrester is not the only prophet of online video world domination. A recent Ofcom report showed that 45% of 15 to 24 year-olds now watch video clips online, and a recent comScore report shows that YouTube.com accounted for one-third of the 9.8 billion videos viewed online in the US during the month of January 2008. What's more, BBC iPlayer, which didn't even exist 12 months ago, delivered 700,000 video streams daily in May 2008 and eMarketer predicts that a staggering 190 million US viewers will consume online video by 2012.

To a large degree, this massive and growing online video audience values user-generated content as much as professional material. It is skeptical of corporate advertising, trusting only recommendations from other users, and wants to have a say on everything from the content of your website to new product development.

For most tech-savvy customers, a website built only on text and images is less engaging than an immersive video experience.

This paper provides a snapshot of the opportunities and benefits of integrating video with your existing web presence and the potential business risks of not doing so. Most importantly, it shows how you can use the medium to deliver genuine business advantage, reach a wider audience and generate a rapid return on your technology investments.

The Multi-Million Dollar Video Question

Today, there is still skepticism in the market when it comes to adopting online video. This is primarily because many board-level executives are still unsure of exactly how to make the technology pay. The key to answering this question is to take a look at the big picture and understand the power of video to deliver real commercial results across a range of organizations and sectors.

Video makes your site more sticky

Fans of iTunes might spend far more time listening to tracks or watching videos than buying downloads, but that's not really the point. Even if consumers only buy on every tenth visit to your site, the financial results will speak for themselves. Engaging or 'sticky' websites that incorporate technologies such as video increase site traffic and attract visitors for longer periods of time. If customers visit your site to view online video content, they are much more likely to purchase your products and services, develop brand loyalty and, most critically, visit again.

Just look at the success of YouNewsTV from Broadcast Interactive Media (BIM). This interactive online video service powered by Vignette Video Services enables members of the public to post news reports online. It has created a large community of citizen reporters, increased traffic to BIM's site by 20 - 30% and is a leading example of how organizations can drive new revenues from user-generated video content.

Video helps you build an online community

The success of BIM's YouNewsTV and online video giants such as YouTube shows that today's consumers often don't want to be led by corporate marketing activities. Instead, they want recommendations from people they know and trust – namely, other Internet-savvy consumers. By allowing visitors to upload, review and rate video content on your site, you can create a community of interest, involving consumers to a much greater extent in your business. Don't forget that you can also give them tools to tag content and email videos to friends, creating a powerful viral marketing effect.

Video helps you communicate with a younger audience

Younger visitors to retail, community and other websites are no longer satisfied with static images and text. The online experience of tomorrow will be video-centric, and we will see video seamlessly interacting with both text and other types of rich media as a matter of course. For the younger generation, words really aren't enough! According to Ofcom research, 87% of 15 to 24 year-olds and 83% of 25 to 44 year-olds watch user-generated video content online.

Video helps you 'monetize' products and services

Large broadcasters such as BSkyB have successfully deployed online video solutions that maximize the value of their existing video assets. But the benefits of integrating video with your existing content and technology infrastructure are not exclusively available to broadcasting houses that want to maximize ROI from existing catalogues. Organizations of all types and sizes can also generate new revenue streams from creating and selling high-value video content – permitting customers to upload and share videos and selling other revenue-generating video services at the same time.

Video delivers new revenues from mobile access

Increasingly, users are accessing video on the move, using a range of devices from 3G mobile phones and PSPs to laptops and iPods. This gives content providers and carriers the opportunity to generate significant new revenues from mobile video subscriptions, and, of course, from advertising on this new and lucrative channel.

Video helps you enhance training and collaboration

Video is a powerful, and underused, tool for improving internal communications across all industry sectors. By integrating video at the heart of your business, you can streamline training, enhance productivity and quickly disseminate critical strategic information between divisions worldwide. Critically, video can increase bonding between virtual teams, helping them visualize challenges and collaborate seamlessly across international boundaries and time zones.

Currently, training is the largest market for internal video communications and it's easy to see why. In the same way that video makes externally facing sites 'stickier' and more engaging, it also improves the quality of the learning and assessment experience and drives down the costs associated with face-to-face training.

So Why Aren't We All Doing It?

Despite the significant benefits of deploying video technology, adoption is slow in some large organizations. But why should this be the case when consumers clearly want to engage with online video content, both through their PCs and their mobile devices?

One answer is that there are a number of challenges when it comes to video integration. Some organizations are unclear of the financial benefits and have been unwilling to invest, while others are simply risk averse, preferring to wait until others invest and learn from their mistakes.

There are also challenges when it comes to communicating the benefits of video to individual employees, who may well be resistant to change and unwilling to learn about new technologies. In such cases, managers at all levels must provide the necessary guidance and encouragement to allay fears and speed adoption.

As well as these cultural inhibitors, some organizations are working with legacy content management systems which are simply unable to support the technical demands of video. In some cases, these require extensive, costly, custom integration with video assets and in other cases, they need to be replaced altogether. If it's the latter, the prospect of online video integration can be very costly, both in terms of software and potential disruption to key business operations and processes.

Another technical challenge centers on the availability of bandwidth for streaming video content worldwide. While access speeds are typically more than adequate in the UK, USA and Europe, certain countries in the Middle East, Africa and Latin America still face technical limitations when it comes to effective video distribution.

Finally, the creation of high-value video content is currently expensive. In-house production studios are still extremely rare, and high agency costs can be a challenge when it comes to building video archives. As the importance of video continues to increase, organizations are looking for more cost-efficient ways to generate video content – both through in-house units and by inviting video uploads from customers.

While these key cultural and technical challenges may delay take-up of online video, nothing can hold back the tide. With this in mind, it's worth focusing on how you can achieve early mover advantage and minimize the cost, complexity and stress of deploying online video alongside your existing website and content management architecture.

The Right Tools for the Job

Before you start out on the road to online video integration, you need to deploy the best possible content management architecture. This should be capable of efficiently managing vast volumes of video assets and publishing video to multiple channels – including your intranet and extranet as well as the Internet.

For many years, the best providers of content management systems have empowered line-of-business users to manage, preview and publish content, increasing agility and reducing the strain for internal technical teams. The same principle must now apply to the management of your online video resources.

What's more, your video functions should be fully integrated with your existing content management architecture, providing a single, intuitive interface for management and publication to the Web. Dealing with all your content within a single workflow and under one roof will provide clear productivity and cost benefits. Specifically, fully-integrated video content management systems enable users to upload video content and transpose it into a suitable format (such as Flash). This means it can be published and played back online rapidly, cost-effectively and with the least possible hassle.

Leading content management providers offer options for outsourcing video or keeping everything in house. If you don't want the burden of hosting vast volumes of content yourself, or constantly upgrading software versions, you might be better off outsourcing. Either way, you should be free to integrate video on your own terms.

Meeting the Challenges with Vignette

Vignette solutions manage video content and traditional web content seamlessly through a single intuitive interface and with a fully integrated workflow process. As a result, you no longer need separate systems to manage and publish rich media assets online, which means you can approve and publish time-critical online content much faster and more cost effectively.

The Vignette approach to integrating online images, text and video uses the same base metadata, the same permissions and the same taxonomy. As a result, it enables you to crop images and transcode and publish video clips, all as part of a unified, standardized web content management process.

Features of the Vignette solution include:

- Ingest and transcode – which supports conversion of almost any digital format into any other digital format including Flash, mobile and IPTV
- Video Player – which is an out-of-the-box Flash player that provides seamless integration with your existing site
- Video Tagging and Sharing – which uses VTags to allow viewers to editorialize and share video content segments via email, increasing the video inventory and time spent on the site by visitors
- User Behavior Collection – which creates ‘heat maps’ that show you when users play, pause and create Vtags across your video content, helping you target advertising to specific user groups
- Reporting – which helps you see how users are consuming video content through a number of out-of-the-box reports
- Fully integrated content management – with Vignette Video managed from within Vignette Rich Media services

Unique Industry Experience

Vignette launched Europe’s first satellite internet video on demand (VOD) platform with leading broadcaster Sky in 2005. The Middle-East Broadcasting Company (MBC) has also partnered with Vignette to revamp its online media platform and grow online advertising revenue. The Media Office of His Highness Sheikh Mohammed engaged with Vignette to deliver a video-centric website and expose a vast video archive.

If you want to know more about what online video can offer your organization, or for advice on how to integrate video with your existing web content in the fastest and most cost-effective way possible, visit www.vignette.com/video or call Vignette on 1.888.608.9900.

About Vignette

Many of the world's best brands depend on Vignette to power online experiences that are rich and engaging. Vignette Media is a specialist digital publishing platform for telecommunications, media and entertainment companies that empowers businesses to:

- Unify workflow and publishing across web content and digital assets
- Manage web, marketing, rich media and video content from a single unified interface
- Deliver a rich, engaging multimedia content experience to generate additional advertising revenue
- Market and sell digital assets such as video, ringtones, wallpaper and games, or create online catwalks for fashion shows
- Create an entertainment experience for users across multiple channels such as web, mobile, set-top box and in-game
- Create a strategic, online rich media platform to deliver multiple consumer initiatives rapidly and cost effectively