

Why Small – Mid Sized Businesses should Utilize Online Video Ads

As an owner of small – mid sized business (SMB) would you like to be noticed by potential customers on the Internet? Ample statistics are available showing the vast and ever expanding reach of online video ads. Would you also want to take advantage?

The answer to above questions is invariably affirmative. Yet only moderate to big businesses are utilizing the existing potential of online video ads. The main reason for this is that most people are in the dark about some important facts.

- ▶ While television spots are exorbitantly priced, for SMBs online video spots are quite affordable. They can also be planned to target specific segments.
- ▶ Online ad networks work on the principle of optimization. They are able to sell advertising on cost-per-acquisition or pay-per-performance basis with the risk being borne by the network and not the marketer.
- ▶ People are increasingly having broadband connectivity at home or in their offices thus making Flash and other rich media streaming very easy and effective. Video is the most engrossing form of content on the net.
- ▶ The Kelsey Group and ConStat Inc showed in a study that more and more SMBs are using Internet Yellow Pages for advertising. By embedding your advertising with video you connect with an active, engaged and interactive viewer.
- ▶ Online video ads can be presented in contextual in-streams which are more appealing and not annoying.
- ▶ Most of the online video ad watchers fall in the age brackets of 35 – 54 years. People aged 45 or more indulge most in online shopping. They incidentally control the major chunk of spending also. So the general perception that mid-lifers are resistant to marketing messages is nothing but a very costly myth. They are also more inclined to indulge in word of mouth or viral marketing.
- ▶ News is the most watched content on the net. 39% of Internet visiting population visits newspaper sites. 41% of these are also on senior managerial positions and are inclined to watch streaming videos.
- ▶ Last year the online newspapers sold local videos with \$81 million in revenue as compared to television stations at \$32 million.
- ▶ Users indulge more in interacting with online video ads than they do with banner ads. They are also more focused when watching online video ads than television ads.
- ▶ With giants like Google and Overture and paid searches moving into the local and SMB segments there will be significant balancing of advertising interests of national level companies and local businesses. In a study The Kelsey Group

reported that 25% of Internet searches are local in nature, which means local people are looking for local suppliers.

- ▶ SMBs are the fastest growing segments in online marketing so many ad agencies are targeting their accounts.
- ▶ Many self-serve networks are also available which create, manage and sell inventories for SMBs.

New tools to serve this ever expanding advertiser base will continue to be developed and advanced.

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