


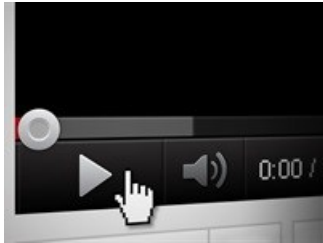
Video drives new business success

 By [Lana Hindmarch](#)

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Writers have long been using the 'show, don't tell' principle to absorb their readers and recently businesses began doing the same with video.

Explainer videos use audio and animation to describe what start-ups offer, who they are and why customers need them. Video has also morphed into a salesperson's tool, a teaching device and a technique to keep those listeners rapt during presentations. [Explainer videos](#) are putty in entrepreneurs' hands, offering the 'show don't tell' principle in any environment you choose to use them in.



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Dropbox example

Pre-millennium, online businesses were going from multimillion operations to flameouts, as quickly as small town gossip, taking less than a year to transform into liquidated botches. In this dot-com nightmare, it was easy for a solitary coder named Drew Houston to melt into the digital landscape unnoticed.

He muddled through the creation of a tech file storage service with the help of some of the world's best engineers. Steve Jobs labelled the company a 'half attempt' and consumers seemed to agree. Today, Houston sits alongside Mark Zuckerberg as one of Forbes' youngest billionaires and his rise from frat boy to magnate came from riding on the back of a two minute explainer video and a simple solution called Dropbox (which is now, incidentally, worth \$10 billion. Take that, Steve Jobs.)

Five reasons for an explainer video

1. Conversion

Dropbox is the business world's favourite explainer video success tale, having struck a 10% increase in conversion rates, but others have overtaken it. (Incidentally, Dropbox's original explainer video has well over 4 million views.) Work.com achieved a 20% hike, and CrazyEgg swooped into the lead with a 64% increase.

Inspiring conversions is a skill that fits in between science and art, but it relies on concise presentation. Clearing the clutter, presenting your most compelling offer succinctly and making it actionable pulls the rabbit out of the hat every time.

2. Search engine rank

Google's war against spam has been a gory one with thousands of casualties. Those start-ups looking to market online need not understand the meaning of 'SEO' to exploit the resulting changes that sent marketers back to the grindstone. The core way to draw search engine attention is to give web surfers something that makes their brains tick and their fingers click.

Statistics show that 30% of corporate clients contact retailers after watching a YouTube video. Consumers stay on retailer sites for two more minutes when they have explainer videos and people are 41% more likely to click on video thumbnails than text. To add sprinkles to the cake, explainer videos are 53 times more likely to rank on Google's first page than text pages. Mark Zuckerberg described Google as a search engine that offers 'elegant solutions to complex problems.' Its grand goal is make great content visible and explainer videos are leading that field. No tech-speak, no complexity, just elegance.

3. Universality

Sales people have bleak moods when they cannot spin your corporate tale competently and presentation speeches do not always weave a neat web around your potential clients either.

Videos speak a language that is universally understood, making easy travellers that jump on command to all four corners of the world 24/7, pitching your tale on multiple media from emails to speeches to websites. While your business sleeps, explainers work on telling a good-mood, pitch perfect company story every time.

4. Visibility

Twitter users share thousands of videos on YouTube every day and 340,000 years' worth of video are viewed online daily. Sixty-eight percent of those viewers share video links and half of YouTube videos receive comments. Mitch Joel highlighted one of explainer videos' greatest strengths when he said, "a consumer [...] becomes the best kind of evangelist."

With these numbers, it is difficult to argue. In the past, companies leaned heavily on their clients' reviews, which were often positive, but usually out of tune. Video gives consumers the power to share your message in the key of your choosing.

5. Return on Investment

ROI statistics reveal that everything business owners thought they knew about online publicity and communication is wrong. Explainer videos turn up between 90 to 95% return on investment while 2013's sweetheart infographics lag behind at 56%. Those using video win an average of \$8000 more revenue than those who do not.

The stars of Silicon Valley and Wall Street would need a sack full of jargon and a pitcher of buzz phrases to sell their brands in words. Their consumers, not in on the lingo, tend to gloss over reams of text with apathy and it was Drew Houston's inability to define his product persuasively that sunk Dropbox during its infancy.

By creating a bright, witty explainer video that chopped out the patois and showed consumers the Dropbox product, Houston watched his users begin to download a meteoric billion files into his application daily. What founder or executive doesn't want that power?

ABOUT LANA HINDMARCH

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