

The Business of Business Videos

Contents

Forward

I Planning your corporate video

Determine the purpose of your video

Define your target audience

Begin planning distribution of your video

II Pre-Production

Selecting a production company

Developing an outline

Budgets and contracts

FYI - National/Regional distribution case studies

III Production

Scheduling

Revisions and Approvals

Your completed video

FYI - Four sample video productions and their budgets

SUMMARY

Sample Production Contract

Master Budget

FOREWORD

With the proper planning and organization, producing a video can be a fascinating, complex and enjoyable experience. With the production company and the corporate client working together as a team every step of the way, everything should fall easily into place and the outcome is a powerful marketing, sales or training tool that can quickly pay for itself many times over.

Unfortunately, it doesn't always turn out this way, as many clients are unsure as to the video production process --where to begin, what steps to take to finish the project, how to get a singular message across so that the video works for you and creates the desired response from its audience. This booklet has been designed to relieve those anxieties and eliminate any confusion that you may be experiencing about creating your own corporate video.

By requesting this manual, you've already taken the first --and most important --step to learning the video production process.

Planning Your Corporate Video

Step One - Determine the purpose of your video.

Any effective communication is determined by its clarity of purpose. Your corporate video should be created to convey one single message, promote one single product or service, or express one singular idea or goal. The key to a successful video is keeping it simple and limited to a solitary goal or intent. A cluttered, disorganized video will leave the audience confused, antagonistic, or wary.

The video production process begins by choosing the purpose of your video. How do you want your target audience to respond? What are you trying to get them to do? Do you want them to buy more, do more, work faster, sell more, spend more money? Define your video's purpose and how you want your audience to react. Then, write it down in big block letters and tack it up all over your office, desk, creating a successful video.

Remember, if you lose track of your video's purpose, so will your audience.

Step Two - Define your target audience.

Who's going to see your video? Clients or Employees? Sales and Marketing Managers or Corporate Executives? Company Presidents or Office Assistants? Are they young? Old? Ready to act now? Or in different? Although videos made for each of these target audiences might convey the same idea, their style, message, content, mood, and even quality will likely vary.

Define your target audience and then do a little research as to what motivates them. Your selection of settings, music background, flashy special effects or simple straight cuts and fades will be geared towards what your target audience wants to see, what makes them pay attention and listen, and what their internal motivating factors are.

Which will, of course, affect your video's budget.

Step Three - Begin planning distribution of your video.

This step may seem a little premature, simply because distribution of your video isn't possible until the final version has been approved. We've included this step in the planning phase because while determining your target audience, you'll want to also consider how to reach them.

Sadly, many corporate clients create their own videos, post them on YouTube, and then forget about them as they get busy with other promotional tools. This is not only costly but negligent. Video can be, and will be, your most powerful promotional and marketing tool.

But, to achieve its goal, it needs to be seen by its target audience. Achieving your video's goal requires both a solid distribution plan and room in the video budget to get it in front of eyeballs.

Your corporate video can be distributed several ways. Either online, thumb drive or dvd (as a training or inspirational video for employees) or to outside organizations or individuals (to corporate clients and consumers).

Productions generated for an outside audience require many more considerations, such as advertising to promote the availability of your video, an efficient means of sending and tracking the videos, and if you are mailing dvds, a larger inventory of dvd copies and packaging supplies.

Keep in mind that if you will be mailing the dvd to prospective clients, you'll need to also allow approximately \$3 - \$4 per piece to cover priority postage and a mailer.

Often, the dvd duplication, packaging, labels, and distribution may be handled by your production company. This can all be incorporated into the production contract.

National/Regional Distribution Case Studies

Bekins Van Lines solved the problem of getting qualified buyers to its trade show booth by sending a six-minute video with cover letter and a business reply card to 270 prospects three weeks prior to the show. According to a company spokesperson, those who received the video "came looking specifically for our booth and wanted to talk more about the message of the video." Bekins secured business from approximately 85 percent of the visitors who had seen their video and visited their booth.

Marvin Windows sells the majority of its products to professional contractors. The company wanted to appeal to the growing do-it-yourself market with a new product --the E-Z Tilt PACWindow. They produced a 15-minute video along with a merchandising kit, which their distributors could send to local customers. The video package included a voucher that customers could redeem at a local distributor for the remodeling book "Before and After." The response rate boasted a 250 percent increase over previous direct mail efforts.

Crathen & Smith manufactures corrugated machines and packaging equipment. The company produces four to five sales videos each year. Their four-man sales force now conducts their sales calls after the prospect has seen a video and requested preliminary price quotes. "In most cases, we avoid having to make a trip because the customer comes to us, or visits one of our installations," says James R. Cuzzo, Marketing Manager. Sales cycles have decreased from nine months to about 90 days, and the company has witnessed a \$30,000 per year savings in sales travel expenses.

Specialty Bindery, Inc. produced a plant tour video entitled "The Competitive Edge" to educate buyers on mechanical binding services. This way, buyers can compare "apples to apples," informs company President Ronald Ridgeway. "We had used brochures, but they simply weren't as interesting as video. "SBI offered the videos in a series of trade ads from which they received over 2,300 requests for copies, which ultimately resulted in roughly \$1 million in increased sales.

The Pre-Production Phase of Video Producing

Step One - Selecting the Video Production Company

The initial consideration of a production company is often determined through one of three ways:

- 1) By Recommendation. Chances are, someone you know has worked with a specific video company and experienced great results. Ask your business associates, clients, or friends for their personal recommendations.
- 2) By Reputation. Large production companies advertise regularly in business publications, online directories, trade journals, and the Yellow pages. Their reputation may be known in your area.
- 3) By Trial and Error. A search online abound with companies listed under "Video Production Services" and "Motion Picture Studios."

Pay close attention to whether the video producer is friendly, eager to answer your questions, and possesses a good knowledge of technical information regarding the filming and editing process.

A reputable firm will take the time to answer your questions and ease any anxieties you may have. Once you've obtained references, rate guides, and preliminary information, you should have a list of some very favorable companies.

Now, you'll want to consider the creative ability of the video production company. Do they seem able to translate your ideas into a comprehensive, smoothly flowing outline and script? Do they possess the ability to produce a quality video that will get your message across? Do they understand the purpose of your video?

Lastly, consider the personal rapport between you and your potential video production team. Remember, you'll be working very closely with these individuals for some time. Do you have confidence in them and feel comfortable putting your video production in their hands? Likely, they will also be sizing you up. Good rapport and mutual confidence is as important to them as it should be to you.

Step Two - Developing an Outline

Prior to this point, your dollar investment has been zero. Now, you'll begin to spend part of your video budget. Most production companies require a fee to provide the research necessary to develop an outline. This fee will vary depending on the amount of research or preliminary gathering of background information that is involved. This gathering of information is necessary because the production team knows nothing about you or your company.

During this phase, the production team will likely ask for statistical information on your company. They will also ask to talk to different corporate executives, as well as visit your location or locations. By doing so, they will obtain a first-hand opinion of what your company does, how it does it, what makes it special, what is its point of view in the business.

The research and development period will require your cooperation in order to assure a successful video production.

The typical fee for this service is about \$60 an hour, plus reimbursement of client approved expenses such as travel, mileage reimbursement, or lodging.

At the completion of this crucial phase, you will receive a complete outline from the production company. This outline requires your concentrated attention. Now is the time to make revisions and offer suggestions. Changes at this point in the production are made easily. Later on, when the production is under way, revisions can be both costly and laborious. Your production company should work closely with you during this time to insure that your outline is a good one -- and that it fully demonstrates your company's policies and views.

An outline should remain flexible. It is simply a good starting point for the ideas and message that the video will communicate. Ultimately, the outline should guide the video, rather than limit it.

Your approval or rejection of the outline ends this step of the video production process. Hopefully, you will be pleased with the results and your approval will move the production to its next step, which is setting budgets and the signing of contracts. However, should you find the outline unacceptable, your contractual obligation with the production company will end. The video company retains their fee, and the outline becomes yours to use as you wish.

Step Three - Budgets and Contracts

In this step, the production company should present you with a budget based on your approval of the outline. Be sure the budget includes all aspects of the remainder of the production, such as music licenses, talent, location fees, etc. The budget should be all-inclusive. Refer to our Master Budget Form in the Forms Appendix to see what should be included in the total, and how the total is reached.

Most of your budget will be spent on services. The only tangible item you are purchasing is a Video Master and the right to reproduce it as often as you'd like.

With the approval of the budget, you will be asked to sign a Production Contract (see the Forms Appendix for a sample). Production Contracts vary but the general language is normally the same. Most contracts will specify payment terms. Video productions are typically paid for in thirds -- one-third due upon the signing of the contract, one-third due upon completion of the principal videography, and the final third due upon delivery of the finished video master.

Production Begins!

Step One - Scheduling

The completion date of your video should be specified in your contract. However, this time frame is usually negotiable. It is to the video production company's advantage to deliver the video you as soon as possible, but they should resist sacrificing quality or effort in order to deliver the video prematurely. If you have a specific deadline for the completion of your video, you should allow two to three months for the total production. In other words, plan ahead.

Step Two - Approvals and Revisions

Please note that in our sample production contract you have built-in approvals of the video at various stages in its development. These are typically the approval of the script; the approval of the off-line edit; and the approval of the on-line edit. Remember though that revisions made too late in the game can be costly. We recommend that you consider changes or revisions while the video is still in paper form as an outline or script. These revisions cost you nothing and are easily accomplished.

You will be asked to approve the off-line edit of your video production. The off-line edit is the first video assembly of the production in continuous form. Revisions and suggestions are still fairly welcome at this point, because the on-line edit is still to come. Changes to the offline edit are still relatively easy to make.

Once the on-line editing has begun, however, revisions to the video will be time-consuming and costly. That is why it is crucial to have your full attention to carefully evaluating the video at each stage of the approval process. It is most important to evaluate the flow of the video, and how easily it gets your message across. Also, verify that the statements and ideas presented in the video are factual and best represent your company.

You will most likely leave technical matters such as special effects or background music up to the discretion of the video producer, with your approval, of course.

Step Three - Your Completed Video Production

Off-line editing is conducted using Non-linear editing. When this version of the video is completed and approved, the edits are written in an edit decision list, and will be used to make the same edits in the on-line session. Titles, special effects, music, and narration will be added during the on-line session. This finished video is called the Edit Master, whether it is electronic or dvd. This is the master that you will receive, thereby completing the contractual obligations of the production company. If you receive a dvd Edit Master, you will use this Master to run duplicate copies, which can be made in any format or quantity.

FOUR SAMPLES OF ACTUAL VIDEO PRODUCTIONS - Or, What Your Money Buys....

We've included this portion of the manual to give you an idea of what some typical video productions might cost, and how they are used. You can consider these four examples when deciding what type of video production is right for your company and budget.

1) A 4 minute marketing video for a professional powerboat race team, which is used to market sponsors for the team. It took three weeks to produce, and was filmed in one location, out of state, using real members of the team and professional voiceover talent . TOTAL BUDGET: \$6,500.

2) A 8 minute educational video, which is shown in doctors offices throughout Maryland, DC and Virginia. It includes real nurses and doctors, a great deal of animation, and specially designed graphics. Filmed in one location, it took two months to produce. TOTAL BUDGET: \$10,000

3) An 3 minute corporate image video for an emerging high-tech company, whose audience is material design engineers. It was filmed using real people in several nearby locations. It also included scriptwriting, space footage from NASA, animation and professional voiceover talent. The video took three months to complete. TOTAL BUDGET: \$3,500

4) A fifteen minute legal video. The subject is a dramatization conducted by an attorney on social service hearings. It is being sold to attorneys and to law schools. The video took two months to produce. TOTAL BUDGET: \$4,000.

All four videos succeeded in reaching their goals. In looking at the budgets of video productions, remember the following:

* A well-produced video should serve your company for at least five years.

* Some of the most effective business video productions are surprisingly short. Shorter videos are generally clear, concise, and to the point, and don't risk boredom from its audience. While the length of the video doesn't always determine its cost, many shorter programs will be less expensive than longer ones.

* The value of your video is more often determined by the care and planning of the producer than by how much you spend. It is your producer's job to deliver a video program that accomplishes your company's goal.

SUMMARY

We have prepared this manual with two key points in mind:

- 1) To make you an informed client
- 2) To solicit your business.

Informed clients make better clients, as they already possess a knowledge of what it costs to produce a video, where the money is spent, and exactly what they receive for their investment. We also believe that the more you know about the video business, the more you will appreciate us.

If you have any questions or comments regarding any of the points made or implied in this manual, please contact us. We'll be happy to clarify any points you wish to discuss, without charge or obligation.

Respectfully submitted,

In Focus Studios

Video Production Agreement

Date:

Client:

Title:

Company:

Address:

Dear _____ :

When signed by you and us, the following will constitute our agreement:

In Focus Studios, agrees to produce video(s) based on the script dated _____. This video will have a running time of approximately minutes. We will provide the following services for this production:

We will provide _____ days of principal photography at the location(s) specified in the script. We will produce your video in the digital format and will supply all necessary equipment and personnel.

We will provide all offline editing according to the approved script. You shall have the right to screen and approve this offline edit to insure that it conforms to the script. We will give you reasonable notice of such screening. You shall apprise us within three days of such screening of any changes to conform the offline version to the script.

With your approval of the offline edit, we will perform all necessary online editing. Subject to causes beyond our control, we will deliver the dvd Edit master and 5 copies within three weeks of the completion of photography. You shall have the right to order an unlimited number of copies of the video.

MASTER BUDGET

Production Budget

Production #

Date

Client

Contact

Producer: _____

Director: _____

Staff: _____

Office Overhead: _____

Casting: _____

Talent #1: _____

Talent #2: _____

Talent #3: _____

Cast Payroll & Fringe: _____

P & W - AFTRA: _____

Music Rights: _____

Taxes, Non-Payroll: _____

Insurance: _____

Contingency: _____

Subtotal: _____

PRODUCTION

Camera Equip: _____

Sound Equip: _____

Grip Equip: _____

Booms, dollies: _____

Aerial Photography: _____

Director of Photography: _____

Audio Engineer: _____

Grip: _____

Production Assistants: _____

Materials (stock): _____

Graphics: _____

Location Fees: _____

Crew Support: _____

Props: _____

Transportation: _____

Misc-prod: _____

Production Subtotal: _____

MASTER BUDGET

(Page 2)

POST PRODUCTION

Off-Line Editing: _____
On-Line Editing: _____
Add-Ons(video effects): _____
Stock(edit master): _____
B-Rolls: _____
Protection Master: _____
Audio Sweetening: _____
Chyron - Credits: _____
Duplication: _____
Misc-post: _____

Post-Production
Subtotal: _____

Subtotal: _____

Subtotal: _____

TOTAL BUDGET: _____