

Beyond the Buzz: Professional Uses of Video Podcasting

January 30, 2006

Executive Summary

Within weeks of the introduction of the Apple® video iPod®, more than one million video podcasts had been downloaded. The potential audience for videocasts will grow exponentially, as some 40 million high-capacity portable media players will be sold in 2006.

Corporations began using audio podcasts in 2005, and General Motors lead off 2006 with a video podcast from the Detroit auto show. At Frame Productions, Inc., our research indicates a rapid adoption of video podcasting technology by business, as well as use of this new media in the 2006 election cycle.

Video podcasts are viewable online or downloadable for later viewing on a portable device. For content publishers, they offer the benefits of low distribution costs, rapid time to delivery, cost-effective production, and viewer convenience.

Videocast publishers can develop a regular audience by creating a series of podcasts and offering a feed (RSS or XML) which viewers can subscribe to.

We project that content publishers will use video podcasts to reach customers, clients, employees, suppliers, stakeholders and voters. Applications will include product introductions, customer support, public relations and corporate affairs, trade show marketing, training, client relations, corporate meetings, political advertising and communications, and healthcare information delivery.

This leading-edge media will supplement, and in some cases supplant, other distribution options.

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Background

The New Oxford American Dictionary has named “podcast” its Word of the Year for 2005. Consumers have downloaded 500 million songs from iTunes®. Companies, news media, the White House and bloggers all became podcasters. And just as audio podcasts stormed onto the scene last year, we think video podcasts will go mainstream in 2006.

While both audio and video podcasts began as the province of bloggers and tech-heads, both media quickly migrated to the corporate and professional arena. General Motors was one of the first corporate podcasters, and has been joined by Verizon Wireless, Microsoft, IBM, Nestle, Whirlpool, The Walt Disney Co. and Johns Hopkins Medicine.

President Bush offers his weekly radio address as a podcast and the Democratic National Committee offers audio podcasts as well. National Public Radio offers feeds of its programming.

Although the avalanche of audio podcasts was intriguing, professional communicators quickly realized that we live in a visual world. As noted in our e-book, *How to Tell Your Story in Video: A 10-Step Guide to Better Corporate Productions* (available at Amazon.com), “We are the video generation. Moving images are everywhere, from our high-definition TV sets to the LCD screens at the checkout counter and gas pump and even on our cell phones. We live and breathe video.”

Thus, it was no surprise that when Apple introduced its first video iPod last year, interest in video podcasting would skyrocket. Apple added video podcasts to its iTunes

service, Yahoo! created a video podcast directory, Google has just launched a service, and numerous independent podcast directories sprung up all over the Internet.

David Carr, a reporter for The New York Times, wrote about his fascination with the new technology: "I have missed my stop on the bus because the video iPod is a completely immersive experience."

As a test, we created a five-minute travel-themed video podcast in November. With no promotion and limited directory listings, we have averaged 1,000 downloads a month in the first three months and 1,000 viewers have subscribed to our feed.

General Motors kept its leading edge in this new medium by offering a video podcast of the debut of its Camaro Concept car at the Detroit Auto Show in January. Entertainment companies, including movie studios and television networks, are offering trailers, news stories and entire shows as video podcasts. We believe that the 2006 election cycle will see a significant use of video podcasts by candidates and non-governmental organizations (NGOs) as a cost-effective way to reach Web-savvy users, younger voters, and affluent early adopters.

What is a Podcast?

A podcast, whether audio or video, is simply a streaming media file delivered from an Internet server. What makes it a podcast, rather than just something you watch or listen to on your computer, is that it can be downloaded to a portable device such as the Apple iPod. Listeners (or viewers, if they have a video-capable device), can then enjoy it at a time and place of their choosing. They can be sitting at an airport, a coffee shop, out for a run or in the gym. A video podcast can also be viewed online with common software such as QuickTime® or Windows Media® Player.

Additionally, viewers can subscribe to the content publisher's feed. The orange buttons you see on many web sites, usually marked either RSS or XML, link to the feed. When used in conjunction with a news reader (such as Yahoo! News), the subscriber will be notified each time a new episode or show becomes available from that publisher. Thus, a regular audience is created.

Video podcasts, also known as VODcasts, videocasts or vlogs can be a few minutes in length or much longer. Some are half-hour or hour-long shows. It is even possible that full-length feature films will someday be available as podcasts.

The longer the show, the more data storage capacity is needed on the server, and the greater the bandwidth requirement for download. However, the cost of both storage and bandwidth has come down drastically. Today, a five-minute video podcast could be delivered to 20,000 viewers a month for a cost of less than a penny per view.

The Market

The commercial viability of podcasts has been made possible by the large number of individuals who access the Internet from high-speed connections at their place of business and by a growing number of homes with broadband access. "Broadband is now in 40% of online U.S. households, meaning roughly 31 million people can now stream video easily," reported Business Week in December of 2004. President Bush has called for universal broadband access by 2007.

Some 35 million households have a portable music device, and that number will grow substantially as wireless providers such as Verizon Wireless introduce music and video-capable phones coupled with nationwide broadband data networks. About 40 million high-capacity portable media players will be sold this year, according to an industry analyst quoted in Business Week.

The Baltimore Sun cites a research report by Bridge Ratings that says 4.8 million people downloaded at least one podcast in 2005. By October 31, 2005, just weeks after the introduction of its first video iPod, Apple achieved more than one million video downloads.

Applications

While professional content publishers – corporations, academic institutions, entertainment providers, government and non-government organizations – are just getting their feet wet in this field, the potential applications for video podcasts are virtually unlimited. Here's what we see:

- **New product introductions.** As noted above, General Motors videocast its concept car debut at the recent Detroit auto show. Many companies produce videos to introduce new products to the media, their sales teams and other narrow audiences. These videos can easily be made available to consumers as video podcasts.
- **Customer support.** Companies will assist customers and reduce calls to support centers by providing short how-to and troubleshooting videos for download. In many cases, it will be easier for customers to see how it's done than to try to understand complex tech support pages.
- **Company news.** Public relations departments and agencies will make corporate announcements available for download and viewing as video podcasts.
- **Trade show marketing.** Exhibitors will entice customers to their booth or provide follow-up information with videocasts.
- **Training.** Human resources will provide corporate training (professional development, management training, interpersonal relations, etc.) and training departments will provide regular updates and new-product training for sales and service personnel with videocasts that can be downloaded and viewed at a time convenient to the employee.
- **Client relations.** Professional service firms and others will use videocasts to communicate regularly with their clients on topics of interest, industry developments, and firm announcements.
- **Corporate meetings and events.** Travel planners will look to reduce travel costs and extend the audience for corporate meetings and events by providing a video record of key meetings for later download and viewing.
- **Corporate affairs.** Corporate communications, public affairs and government relations specialists will deliver key messages to their stakeholders on a regular basis with videocasts.
- **Supplier and partner communications.** Microsoft already uses podcasts to communicate regularly with

and among its network of suppliers; others will follow.

- **Political campaigns.** Candidates, their backers, and issues-oriented organizations will use video podcasting technology this election year to communicate with voters and stakeholders, delivering information well beyond the constraints of a 30-second commercial. In the quick-response world of a political campaign, video podcasts are well suited to being produced and distributed quickly and inexpensively.
- **Hospitals and healthcare industry.** Pharmaceutical companies, hospitals and other healthcare providers will use video podcasts to supplement existing methods of delivering health and lifestyle information, drug usage data, and more.

Benefits

Video podcasts offer many advantages. They **eliminate the cost** of hardcopy distribution such as video tapes, CDs and DVDs. Once edited, the **time to delivery** is fast – no wait for duplication. **Viewers have the choice** of viewing online or downloading to their portable device for later viewing.

As already noted, server capacity and bandwidth costs are declining, making video podcasts a **cost-effective video delivery solution**.

Perhaps most importantly, your audience can subscribe to the feed of your video podcasts, enabling you to **create regular viewership**. Consider videocasts in an episodic framework so you can build your audience and communicate frequently with them.

Of course, videocasting is not right for every situation. You may need to deliver your video in a live setting. You may want more control over distribution. Your audience may not be ready for podcasting. However, this rapidly growing media should be considered as a viable, leading-edge, cost-effective distribution option to supplement, and in some cases, to substitute for more traditional media.

How FRAME PRODUCTIONS Can Help

As a content developer and full-service production company, Frame Productions, Inc. is uniquely positioned to guide our clients in this rapidly emerging technology. We were among the first to develop live webcasts for our clients. We have the in-house capability to develop, produce, edit and prepare your content for videocasting.

Our principals come from entertainment and marketing backgrounds, and are ready to assist you in navigating this new media. We are happy to provide consultation, work with your existing video assets, produce new material, and help with the technical aspects of video podcasting. We can also provide you with marketing and promotional assistance and information.

We invite you to call us today at (949) 650-6462 to learn more about how videocasting can serve your communications goals.

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ABOUT FRAME PRODUCTIONS

Frame Productions is a content development and production company, specializing in corporate productions and non-fiction television. Our clients include Verizon Wireless, Honda, Carlson Marketing Group, Kia, Kawasaki, Littler Mendelson, Mitsubishi, Hyundai, the U.S. Department of Health and Human Services and many others.

We write, develop and produce national training videos for the nation's leading wireless service provider, Verizon Wireless. Our client has ranked in the Top 20 "of organizations that excel at human capital development" by Training magazine the last three years and is the highest ranked wireless service provider this year.

Our company is frequently called upon to create content for trade shows, new vehicle launches, press events and auto shows. Our productions helped launch the current generation Honda Civic, Honda Element, Mitsubishi Lancer and 2005 Chrysler Town & Country minivan. Frame Productions is also experienced in public affairs and government relations productions, and is registered with the White House press office.

Our projects include video productions and DVDs for corporate events and for distribution to consumers, employees, dealers and sales teams.

With a background in television, feature films, corporate communications and marketing, Frame is a full-service production company with in-house location management, scripting, production, post-production, graphic design and DVD authoring capabilities.

Frame Productions, Inc. is a privately-held California corporation whose principals are Meredith Cruse and Dan Zukowski. Our mission is to frame our client's message with creativity and quality.

ABOUT THE AUTHORS

DAN ZUKOWSKI

Dan Zukowski is a 20-year veteran of the media and communications field, with experience in advertising, journalism, public relations and video/multimedia production. He co-founded Frame Productions and has written and produced numerous projects for Honda, Hyundai, Mitsubishi, Coors, Verizon Wireless and Kawasaki.

Mr. Zukowski is the author of the best-selling e-book, "Why America Needs Amtrak." His byline has appeared in the *San Francisco Chronicle*, *Newsday*, the *San Jose Mercury News* and *Changing Times* magazine, and he contributes book reviews to *Martini Republic*. He has been quoted in the *Washington Post* and appeared on national cable networks and public radio.

Mr. Zukowski created the award-winning "Get Together for Good Times" consumer events for Kawasaki, conducted worldwide press introductions and developed an industry-leading motorsports marketing program. He was also responsible for the highly acclaimed Hyundai cross-country "Dave or Bust!" consumer event tour.

MEREDITH CRUSE

Meredith Cruse is the co-founder and president of Frame Productions, Inc., and is responsible for all of the company's productions. She and Mr. Zukowski are co-creative directors on every project. Ms. Cruse has produced and directed corporate videos for Honda, Mitsubishi, Coors and Verizon Wireless, and produced commercials for Ralphs, Food4Less, Vibram USA, ditech.com and the San Diego Zoo.

Before her current business venture, Ms. Cruse was an independent producer and development executive who worked in feature film and television development for a number of well-known Hollywood production companies, including Todman-Simon Productions and Morgan Creek.

Ms. Cruse was also Director of Development at Platinum Studios and ran this independent production company's development department with a first look deal with Dimension Films, a division of Miramax.

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