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THE INSIDE LINE ON BROADBAND & VIDEO

57% Of Consumers Rely On Product Videos

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If your brand doesn't produce product videos, start now.

Consumers are watching them, viewing them, and making purchase decisions on e-commerce sites because of product videos.

About 57% of consumers said that product videos make them more confident in a purchase and less likely to return an item, up from 52% a year ago, according to a white paper from e-commerce services company Invodo, surveying more than 1,000 consumers in the fourth quarter on their online shopping habits. One in three consumers watch video on a product page all or most of the time when they encounter it, up from 27% a year ago, the report said.

Invodo also found that more retailers are offering product videos -- about 70% at the end of 2012, compared to 59% in 2011. That increase is likely due in part to the spread of product videos from more retailers, but also to growing consumer usage and comfort in viewing videos for many reasons, from entertainment to information.

Another takeaway is this: 41% of consumers are more likely to share product videos than other product content. Brands should take special note of that stat, because we are operating in an era when marketers are increasingly dependent on consumers to do the heavy lifting via recommendations and word of mouth. Brands want their users to talk them up, share links on Facebook and say nice things on Twitter. This research indicates that it can be helpful to have product videos because that's the type of content consumers are eager to share.

Product videos are often most effective for larger-ticket purchase. About 69% of consumers watch videos two or more times for "information-intensive products, such as appliances or consumer electronics, before purchasing." But even so, 12% of consumers have watched videos about pet supplies and 24% about clothing and accessories. So while you might not need a product video for soda or toothpaste, product videos are becoming a critical component of the digital purchase funnel, and an element of marketing that moves many consumers closer to that all-important buy.

"The confidence that consumers gain from watching product videos is powerful and has several important ramifications that favor the retailer's bottom line, including fewer returns," Invodo says. "Video also secures the stickiness factor that retailers seek with greater engagement times. Retailers with video are also able to better retain shoppers."

If you do make product videos, be sure to include them on both the product page, where 55% of consumers say they have watched them, and on YouTube, where 60% have watched them.

Consumers still watch most product videos on the computer but mobile usage is growing, and one in two consumers said they watched on a smartphone, while 57% said they did so in-store while researching a product.