

2018 Live Video Streaming Benchmark Report



Executive Summary

Video is projected to make up as much as 82% of all Internet traffic by 2020¹, a growing share of which will be live video content. From high profile live events – like the launch of the Tesla Model 3 and the GoPro Hero 6 – to internal events such as sales team trainings and employee town halls, 2017 has made it clear that more and more brands and retailers are taking advantage of the benefits of live streaming.

In the fall of 2017, IBM and Brandlive partnered together to conduct a survey evaluating the state of live video streaming in today's marketplace and make projections for 2018. 200 participants took the survey, a third of which are employed by retail companies and brands that sell physical products. The data also showed that more companies will be live streaming in 2018 than ever before, with those already leveraging live video increasing their use.

The latest research findings highlighted in this report confirm that the future is bright for live video. Budgets are increasing, activity is exploding, use cases are proliferating, and investments in technology and services are paying off. To top it off, advancements in technology have made it simpler than ever to broadcast video content, even from a device that fits in your pocket. Companies that leverage live video today are seizing the opportunity to enhance the experience for employees, partners, and customers alike.

More business leaders are also realizing that live video creates an emotional connection with audiences which simply isn't achievable through other types of digital marketing or communications. Additionally, live streaming advancements from social media providers have mainstreamed and awareness of live video, leading brands and retailers to go beyond social media for their live video strategies by including their owned and operated channels.

This research report sought to answer questions such as:

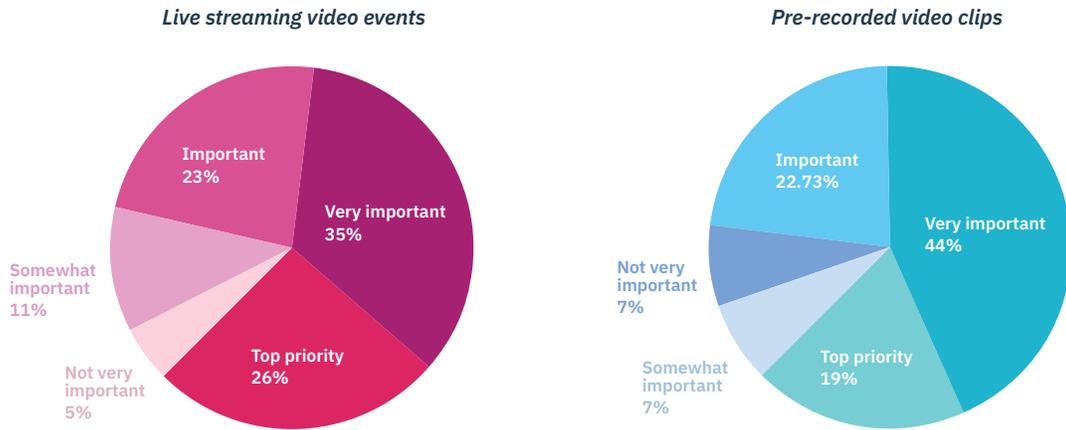
- Are budgets for live streaming increasing or decreasing?
- How important is live video for marketing in 2018?
- What ROI or business results are expected from using live video?
- What are the desired benefits for live streaming in 2018?
- What were the most common use cases for live video in 2017?
- How are use cases for video going to change in 2018?

Top Live Video Benchmark Report Takeaways

1 *Live video is increasingly becoming a top priority*

Live video is more than just a powerful tool - it's an engaging medium that allows users to deliver messages that resonate. With viewers watching live video eight times longer than on-demand video², it's clear that live content is succeeding in capturing the attention of end users.

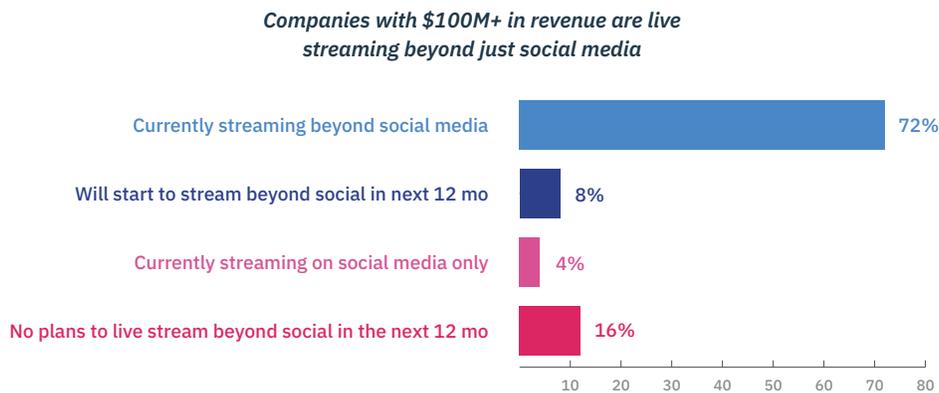
When it came to overall video marketing, respondents were particularly confident about projecting future live video use, with 94.8% sharing that live video will be an important part of their 2018 marketing mix. 25% even stated that live content will be a top priority, edging out pre-recorded video.



2 *64% of companies are using live video beyond social*

While social sites like Facebook, Twitter, and YouTube have made live video a mainstream media format for consumers, companies are fast discovering significant value beyond social audience engagement. Almost 44% of respondents moved beyond just social in 2017 and nearly 20% more will join them in 2018. For companies with over \$100M in revenue, the results are even more pronounced. Among these, 72% have moved beyond social media with live video.

In fact, it is a small minority of companies who are not using live video beyond social in 2018.



3 Budget increases are reducing barriers

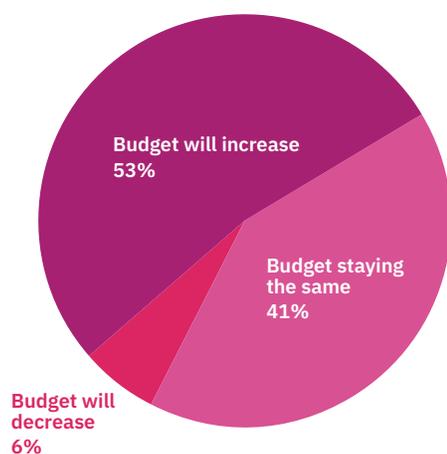
Respondents indicated that companies are looking for ways to increase their production of live content. When asked about barriers that might exist today, the top three issues were resource related: not having available budgets, available production resources, or enough time to coordinate.

To this end, respondents indicated that their companies will overcome these issues by increasing their live video budgets. In fact, 53% said their budgets will increase in 2018, with 23% saying they will increase significantly. Compare this to the same question about pre-recorded content: only 51% said their budgets there will increase, while 19% said they will increase significantly.

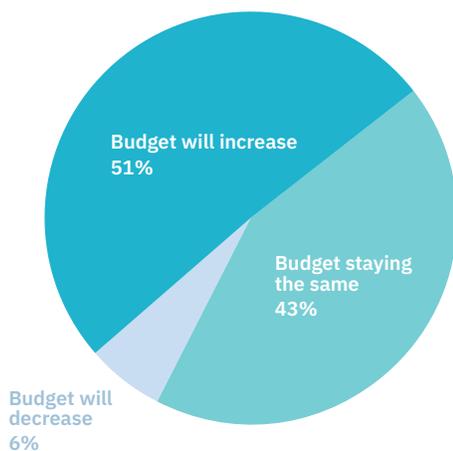
Top 3 barriers:

- ✓ Cost/budget
- ✓ Production resources
- ✓ Lack of time to plan

Live video budgets



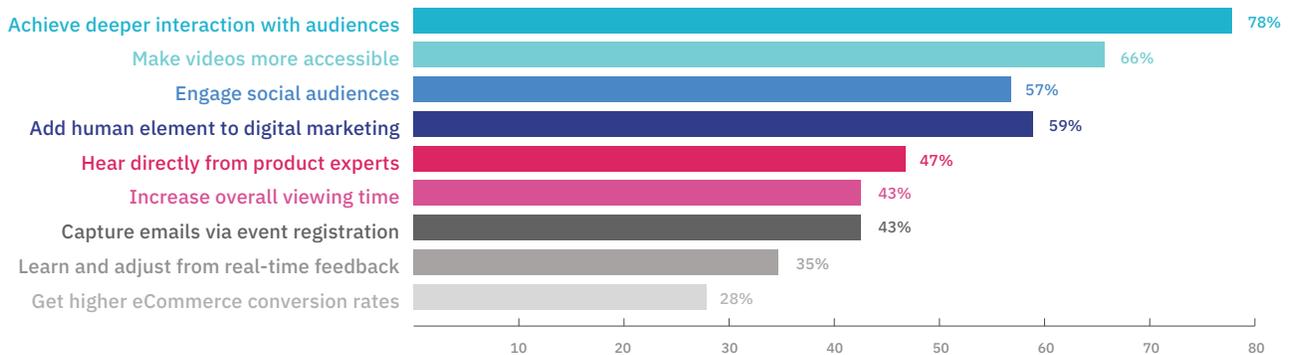
Pre-recorded video budgets



4 Benefits are broad and ROI is real

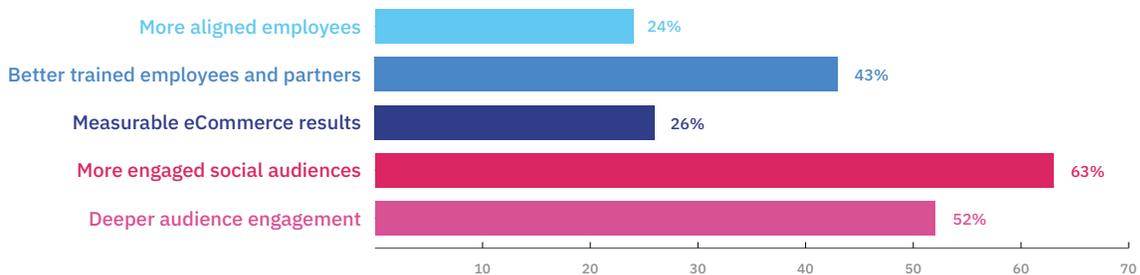
Respondents were clear about the top benefits they're seeking from utilizing live video, with 77.59% indicating a preference for increased engagement with viewers.

Top Benefits of Live Video Events



The second highest response was selected by 65.52% of respondents, who found value in archiving and therefore extending the life of live video assets. Yet overall, respondents found the engagement metrics to be most beneficial: from bringing a human element to digital marketing (59.48%), to engaging users over social media (56.90%), to simply benefiting from increased viewing time through on-demand video (43.10%).

When asked more in-depth questions around ROI as it relates to streaming, respondents continued to find the most value in increased engagement.



In fact, 62.96% saw a more engaged social media audience as a huge ROI factor. Runner ups included being able to produce more innovative product launches through live video (51.85%) and being able to better train employees, partners and associates (42.59%).

5 *Live video use cases are exploding for internal & external audiences*

Whether used as a storytelling vehicle to better engage customers with a brand, or as a means of connecting employees with their executives, the use cases for live video are quite varied. While some survey takers shared that deciding on new content can be considered a barrier, respondents also indicated that their uses for live video over the past twelve months were wide ranging, and many are committed to trying out new use cases in 2018. Eleven different use cases all received strong interest in either being piloted or used again in 2018.

Across all uses of live video, the top three were training, media/influencer briefing, and broadcasting in-person events.

Top uses for video:

- Training
- Media/influencer briefing
- Live streaming in-person events
- Product launches
- Executive town halls

6 *Internal corporate communication use cases are growing*

For internal live video, the top use case was centered around training. In the last 12 months, 55.56% of respondents used live video to train retail associates, 50% used it to train sales representatives, and 47.17% used it to train customer service representatives. Even more projected that they would be using live video for training in 2018, with retail associate training seeing the largest growth from 50% to 58.62%.

Another major use case for internal live video was around executive town halls. Nearly half of respondents (48.39%) noted that their companies were already doing town halls in 2017, and that there would be marginal growth to 50% for 2018.

	<i>Did this in the last 12 months</i>	<i>Will do in the next 12 months</i>
CEO Town Halls	48%	50%
Train Sales Reps	50%	59%
Train Customer Service	47%	49%
Train Retail Associates	56%	58%

7 External video use cases - particularly related to eCommerce - are expanding

While live video is reshaping corporate communications, it's also having a tremendous impact outside the organization as well.

	<i>Did this in the last 12 months</i>	<i>Plan to pilot in the next 12 months</i>
Media/Influencer Briefing	40%	53%
Consumer Marketing	41%	45%
Product Launches	47%	49%
eCommerce Sales	61%	32%
Expand In-Person Events	48%	50%
Virtual Tours	54%	33%
Consumer Panels	39%	51%

The top external streaming use case in 2017 was eCommerce sales, followed by virtual tours and live video for media/influencer briefings. Consumers are very comfortable with online shopping now, so it is a natural extension to hold live commerce events to expand this medium directly into sales. The briefings allow companies to reach large, global bases of media outlets and influencers, and 53% of respondents are planning to pilot them in the coming year. Other top external use cases for 2017 included in-person events such as trade show discussions and product launches, each at just under 50%.

Another use case that emerged from the survey was the use of live streaming for consumer panels, which are studies of how consumers interact with or feel about brands and products. 39.02% noted that they did this in 2017, but 51.22% stated they intended to live stream their first consumer panels in 2018. This is a big move for this category. Consumer panels are a quick and relatively cost effective way to gauge reactions. They can range anywhere from generic panels to those focused on current brand lovers in order to get valuable information. Live streaming them allows members of an organization to watch the panels in real-time, while also making it easy to archive them for later use.

Key Findings and Takeaways

- Live video plays a central role in both customer and employee engagement. It has become a key method of launching products online to consumers across social networks and websites, and is highly effective in keeping employees connected across regional locations and varied time zones.
- Training salespeople and retail associates are among the top-rated use cases for live video ROI. Companies who have adopted live video in this way plan to increase these efforts moving forward.
- Live video for eCommerce sales is on the rise. Companies are looking to merge the buy-now experience with live video, which will offer higher levels of engagement than pre-recorded video.
- Executive teams can go a long way in achieving a connected corporate culture via live video. With its authenticity and ability to elicit emotion, live video has the potential of boosting employee loyalty.
- Companies must prioritize live video as a key part of their digital marketing to more fully engage brand ambassadors, and plan ahead to ensure budget and resources are in place.

About the Data

Data gathered from this survey targeted brand and retail executives and their current use of live video streaming. Over 200 employees from different companies were represented in the data. Of those respondents, 30.70% worked for a company in retail, with 16.34% working for agencies. 58.42% of respondents worked for a company with fewer than 100 employees, with 16.83% working for companies with 5,000+ employees. Likewise, there was a similar connection between overall revenue from these represented companies, with 49.01% making under \$5 million and 15.84% making over \$1 billion in revenue.

About IBM Cloud Video

IBM Cloud Video enables leading brands to increase the value of their video with advanced products and solutions that simplify workflow management and streaming logistics. With cognitive and AI infused technologies, IBM Cloud Video empowers its customers to enhance monetization opportunities and maximize viewer engagement through unprecedented access to advanced data and analytics.

About Brandlive

Brandlive provides an omni-channel live video platform for brands and retailers who use it for training, marketing and eCommerce events. The end-to-end live video platform enables brands to connect their best product experts and influencers directly to global digital audiences, who can then interact with those experts. Customers such as GoPro, The North Face, REI, eBay, Walmart and Cabela's use Brandlive to launch products, increase eCommerce sales, create innovative live marketing programs and conduct more cost-effective internal events and training. Brandlive is headquartered in Portland, OR and found at <http://www.yourbrandlive.com>

Endnotes

1 Cisco; "Cisco Visual Networking Index: Forecast and Methodology, 2016–2021"; Cisco, September, 2017; <https://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/complete-white-paper-c11-481360.html>

2 Rick, C.; "Live Video Beats VOD Hands Down in Per Playing Time"; Tubular Insights, April, 2014; <http://tubularinsights.com/live-video-vod-per-play/>

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