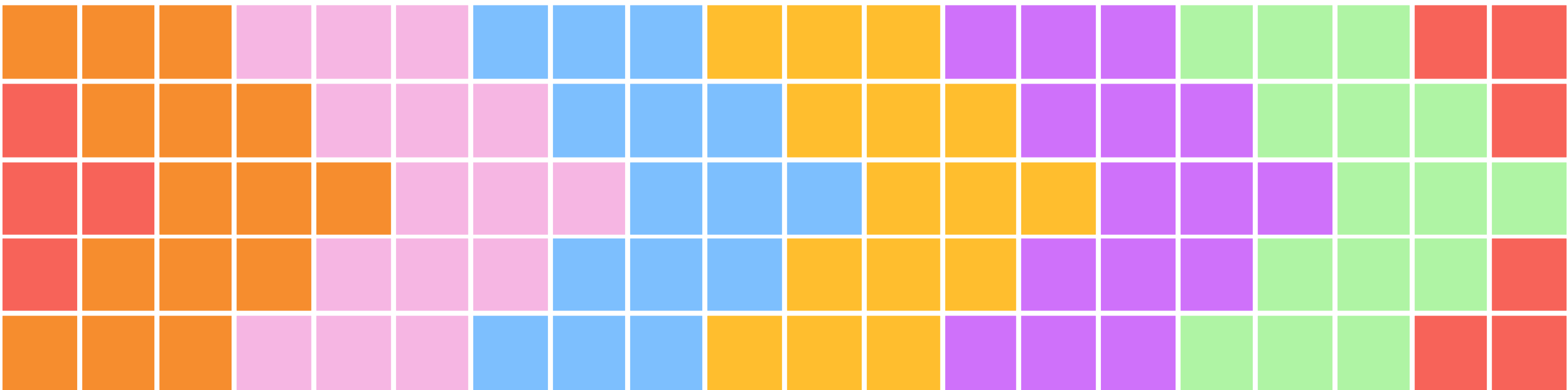




# The State of Video Marketing 2023

Insights from over 200 of the brightest digital marketing minds.



# About the report

Last year, we dove into video marketing as a world and explored how it was transforming the way brands connect with their audience.

This year, we're excited to bring you an updated version of our report, packed with new insights, data, and trends that will help you stay ahead of the curve this year.

Our research provides unbiased insights — from 200 marketing experts from different verticals within the tech and ecommerce industries — into the current and future state of video marketing to help marketers develop effective video marketing plans.

# Our method

We surveyed over 200 marketing leaders who effectively use video in tech-driven brands to gather data on their plans and the benefits of using video.

Using this data, we compared this year's trends to those from our previous report, revealing how different types of videos, channels, and goals contribute to successful video marketing strategies. We also received insightful comments from some of our clients and marketing mentors about their approaches to strategically leverage videos and making them an essential part of any modern marketer's toolkit to deliver the results that matter most.

Most respondents lead the product and content marketing strategies at mid-sized companies that generate around \$1M-\$100M per year in industries like IT, Finance, SaaS and Retail.

# About Vidico

**Vidico is a creative video production company that produces high-performing video content** for innovative startups, challenger brands, and enterprise.

**Our mission** is to produce video that's both creative and clear — helping brands turn their story into magic words and visuals.

**Curious? Learn how video can help you stand out.** You have access to a 1-on-1 video strategy session, that's 100% free.

[Book video strategy session](#)



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# How do companies use video across departments?

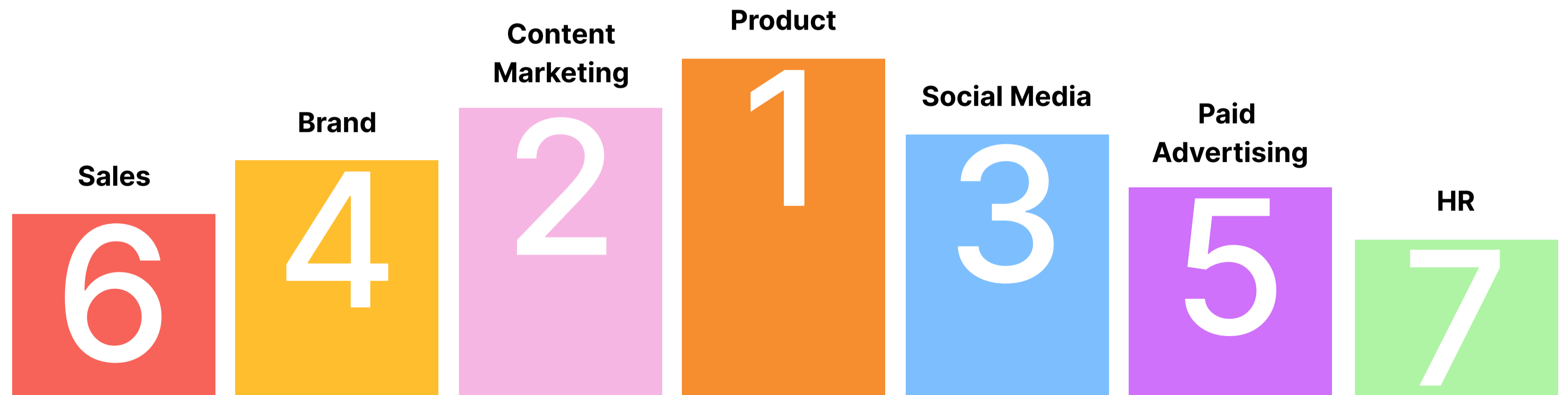
Last year, Content Marketing was the department where video was used the most. This year, the trend has changed, with the Product department being where companies use video the most.

This is unsurprising, given how Product Led Growth has gained popularity since last year. Marketing and Product are now working in synergy versus working in silo as in previous years.

Another surprising contestant for this year is the HR department. Although still at the bottom of the podium regarding video usage, HR and other non-marketing-related departments started leveraging video to amplify their work. HR, for instance, uses video for recruitment, while Sales uses it for interactive and pre-recorded demos.

## Vidico Tip

Thinking to level up your product video marketing game? Learn how to nail your next product launch with video. [Check out this issue](#) from our Video For Growth newsletter.



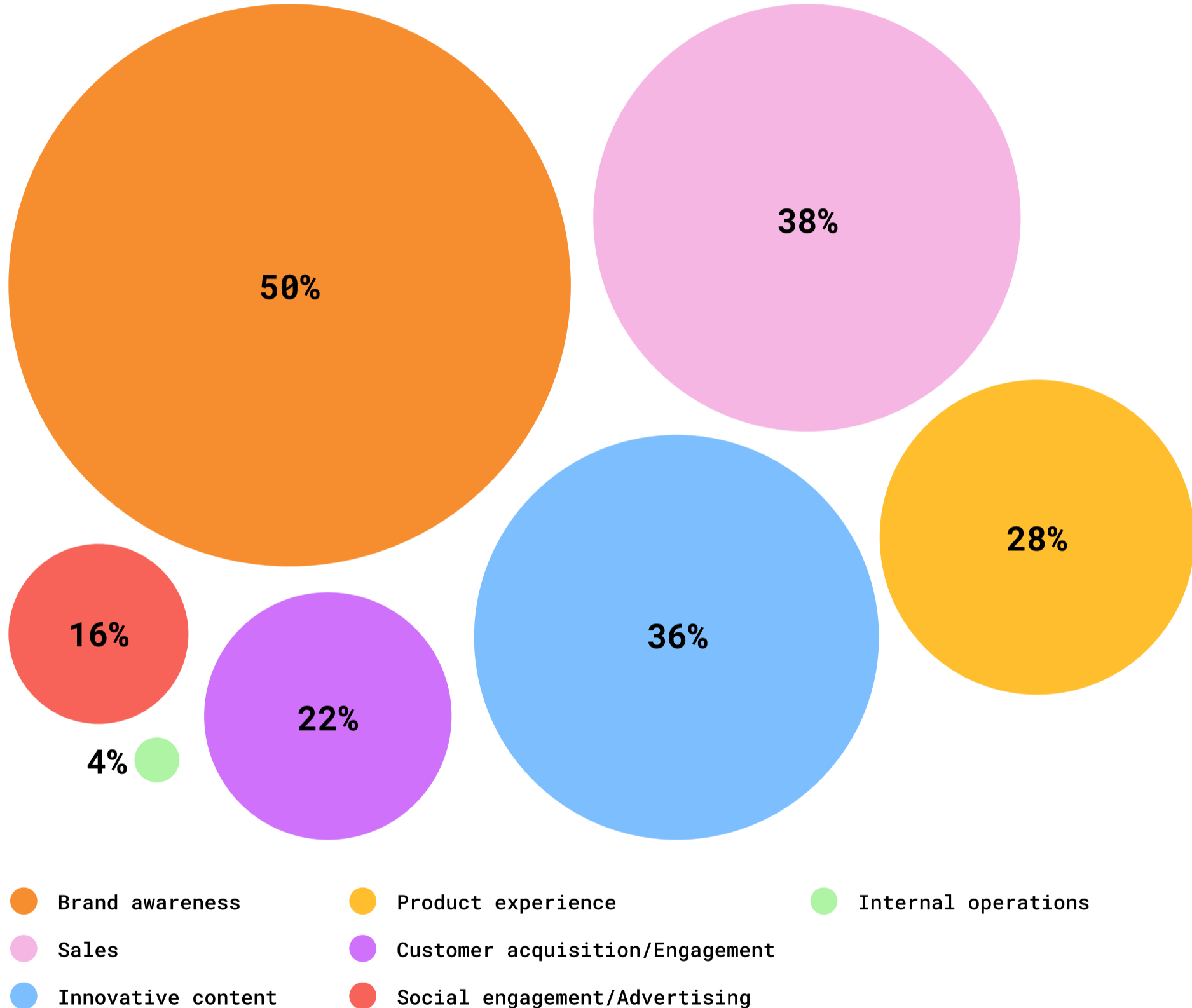
# What problems does video marketing solve?

For marketers, brand awareness is still the top challenge to overcome with video, closely followed by sales.

**💡 Vidico Tip**  
If you're looking for ways to generate brand awareness with video, [check these 5 strategies and examples of successful brand video campaigns.](#)

This shows that businesses are seeking more conversions, leads, and revenue, and that they rely heavily on video to reach their target audience.

When it comes to video marketing, B2B companies care more about how their audience perceives them — and the experience that comes from interacting with their brand — than revenue.



*"Video done right can be an efficient way to engage with the right audiences and stand out in channels already crowded with content"*

**Antonio Thewissen**, Marketing Director

# What are the primary goals with video?

Businesses use video for multiple marketing goals, primarily to increase brand awareness and drive sales.

49% of businesses use video to reach a broader audience and increase brand visibility. 48% use it to boost sales.

This makes sense as great videos can create a sense of urgency and need among the audience, driving more leads and ultimately sales.

Engagement and education are also essential goals. Companies create videos to grab attention, spark interest, and deliver key concepts in an easy-to-digest format.

Additionally, only 11% of business use video for customer retention. It can be hard to create valuable content that keeps customers coming back for more.



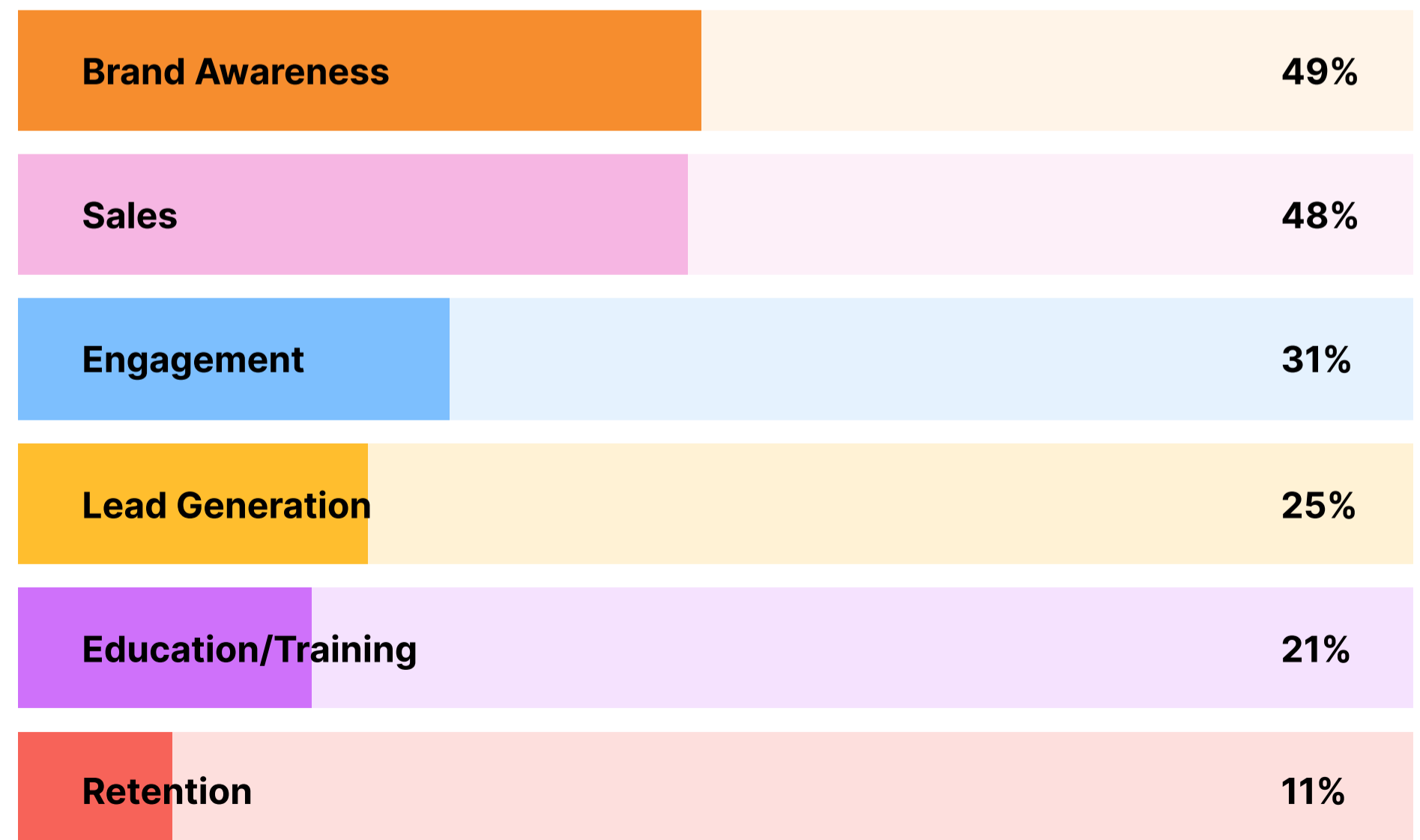
## Vidico Tip

Explore further the top 10 video marketing goals you can achieve with video and how you can develop an effective strategy to grow your business with video content [here](#).

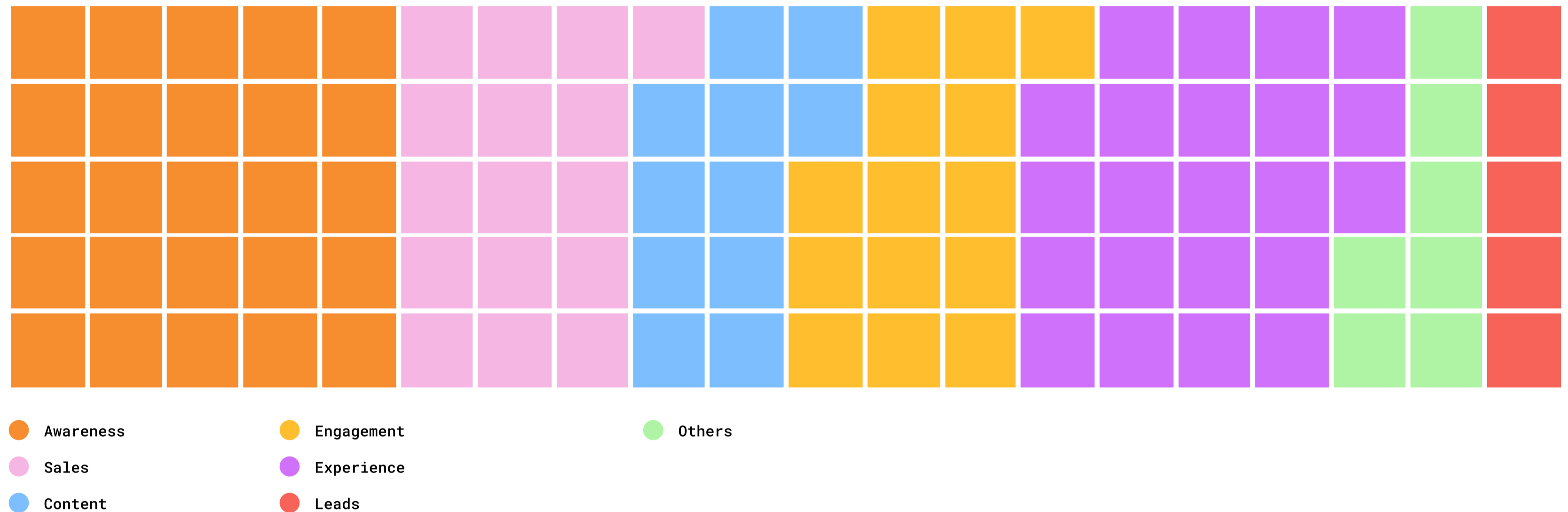


*“Video is the best medium for simplifying complex ideas into clear messages. Bold Penguin is an insurtech leader because we simplify the commercial insurance buying process. So, video was a natural fit for telling our story in a compelling way. By leveraging video, we are able to show the many ways our solutions help customers while also strengthening our brand.”*

**Lauren Williams**, Interim Chief Marketing Officer



# What are the main benefits companies get from videos?



Brand lift and recall (more awareness and propaganda effect) are the first aspect of marketing where people have the most success with video, with 24.74% of marketers backing this.

Then comes a lift in user experience. 21.71% of marketers say video helps offer their audience a way better experience than when they didn't use video.

That means video dominates assets like FAQs, Help Centers, Social Media, and other educational assets.

One trend we've seen from last year is that fewer companies (15.65%) use video for sales purposes. Not that video doesn't convert, but it's more effective for top and middle-of-the-funnel activities than converting leads at the bottom of the funnel.

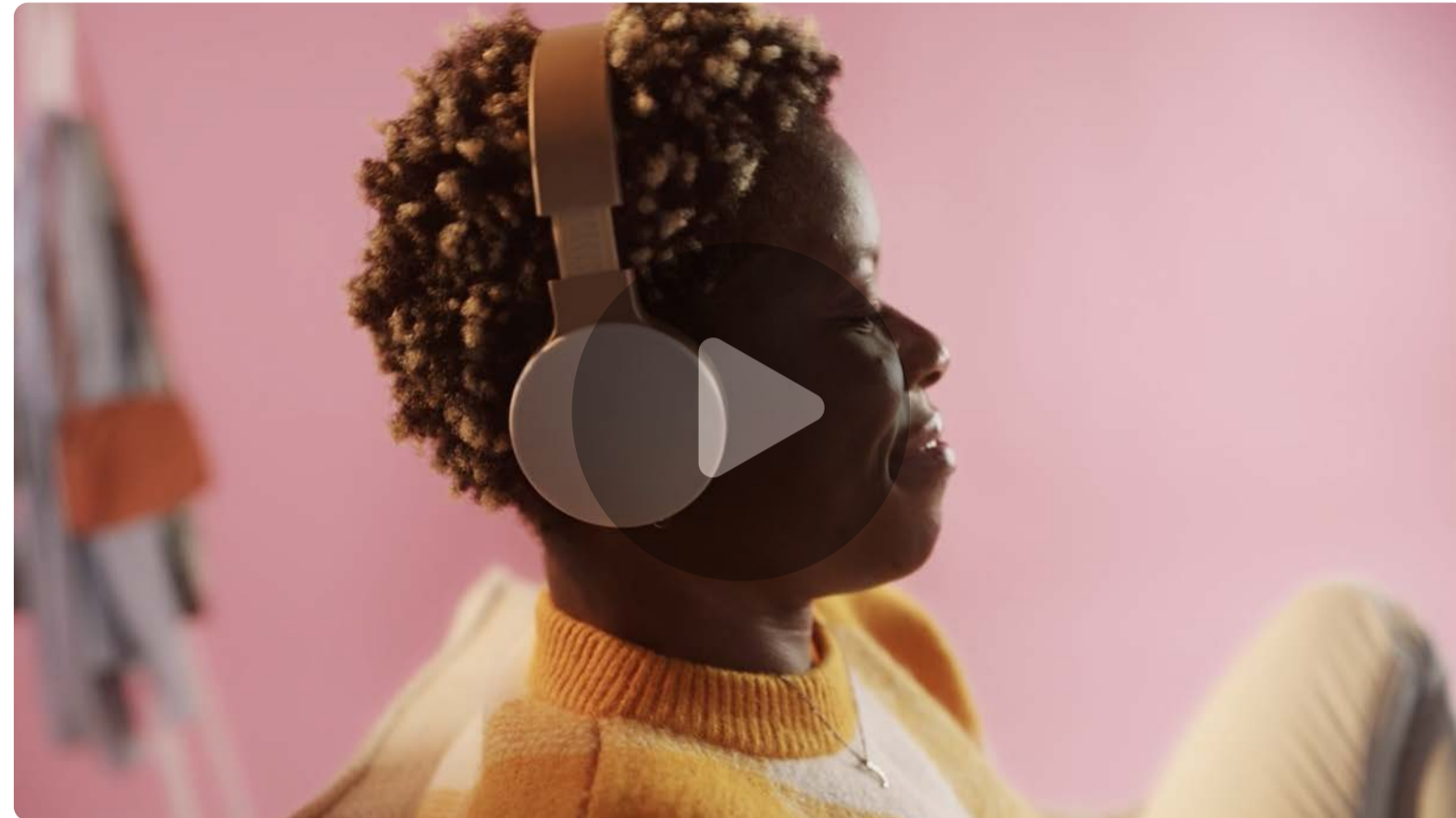


*"Video has helped us acquire new members, scale activity across paid social channels and hit our efficiency targets. We're now helping more than 300,000 Aussies save and make money in the Finder app."*

**Kiki Tolentino**, App Growth Marketer

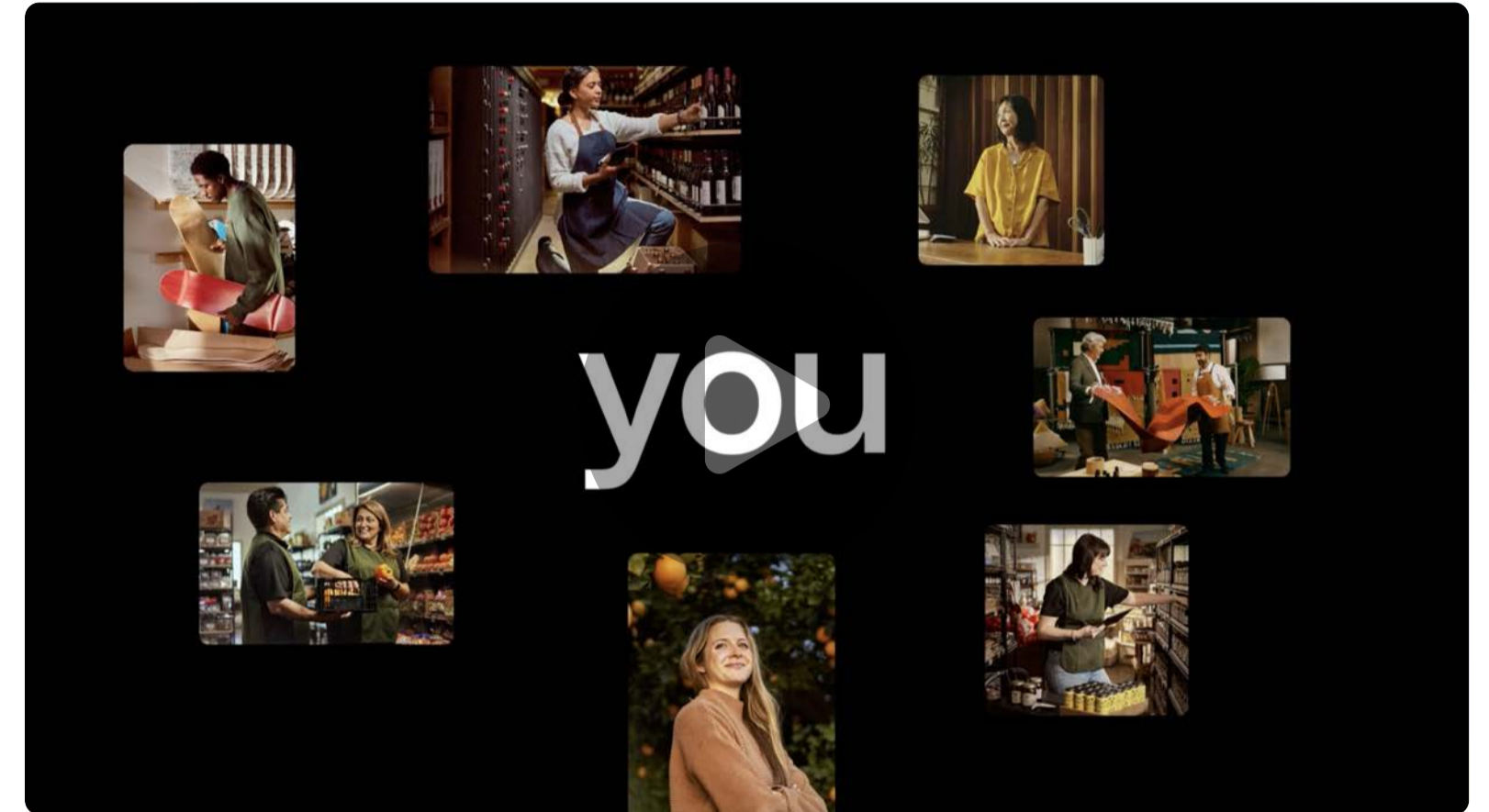


# Spotify Brand video



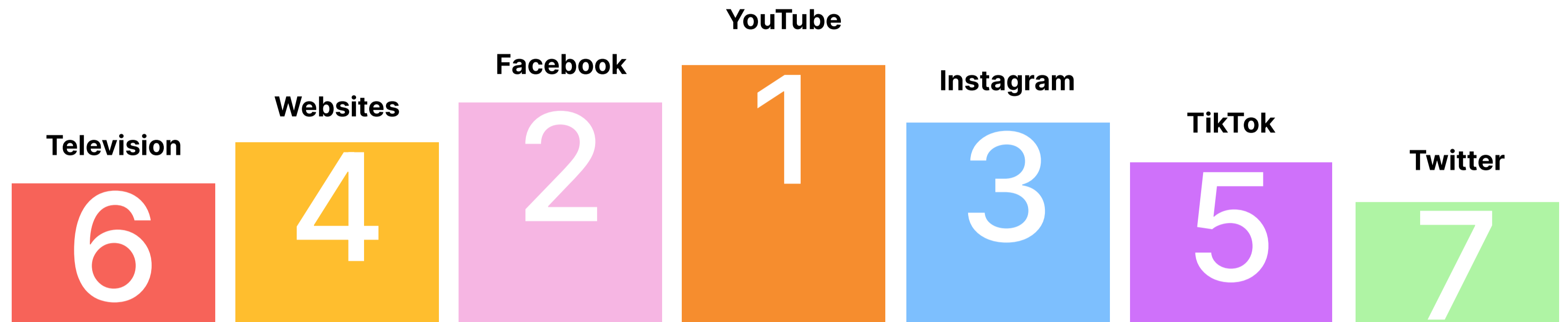
**We launched Spotify's Podcast Advertising** and its shift to a two-sided creation platform. This video showcases the product potential through use cases, key features and value props, to communicate Spotify's overall positioning.

# Square Product video



**Square wanted to educate sellers and increase awareness** about Square's new channel integrations communicating the benefits and ease of selling across multiple platforms. The video was localised in 10 different languages including Japanese.

# What channels deliver the best video marketing results?



**For two years, the top 3 runners** have been: YouTube, Facebook, and Instagram. That's despite all reports touting short-form video as the future and TikTok being the disruptor.

One big surprise in the trends this year is Twitter's entrance into the race. Twitter and TV are at a stalemate, with 23% of marketers stating both platforms yield the same result.

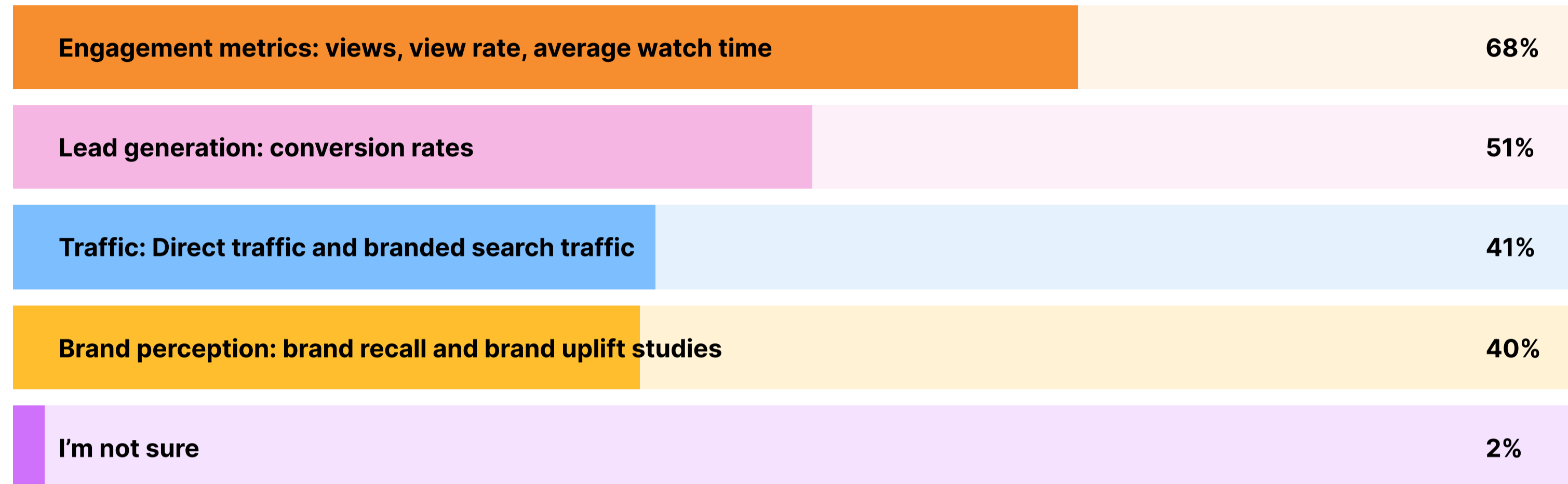
LinkedIn (21%) came after Twitter this year, which confirms our initial hypothesis that in a perfect B2B world, video does a way better job of filling the funnel and taking leads down the funnel but doesn't do a great job of converting.

GlobalCallForwarding  
Smart Phone Numbers for Smart Businesses

*"We've successfully used video marketing for the past few years with impressive results on YouTube. By producing relevant, targeted videos, we have increased brand visibility and awareness, resulting in higher rankings on search engine results pages. Our organic views increased by over 1023%, and our subscribers grew by almost 18,800%. These videos have helped us with sales enablement, customer trust, and increased authority in the industry. I highly recommend video marketing to any business looking to grow their brand and connect with their audience in new and engaging ways."*

**Kim Sayers**, Content Marketing Specialist

# How do companies measure video success?



As we witnessed last year, most brands still measure the performance of their video campaigns using engagement metrics such as the number of views, view rate, average watch time, etc. This is backed by 68% of marketers.

But interestingly, more marketers (51%) now also measure lead generation and conversion rates to gauge the performance of their video campaigns.

Direct and referral traffic comes third (41%) as metrics companies measure after a video campaign, while 40% use brand perception (brand recall and brand uplift studies).



## Vidico Tip

Aligning your video's performance with marketing goals to prove ROI can be a tough nut to crack. Learn what video metrics are, and how they can inform and measure your strategy success [here](#).

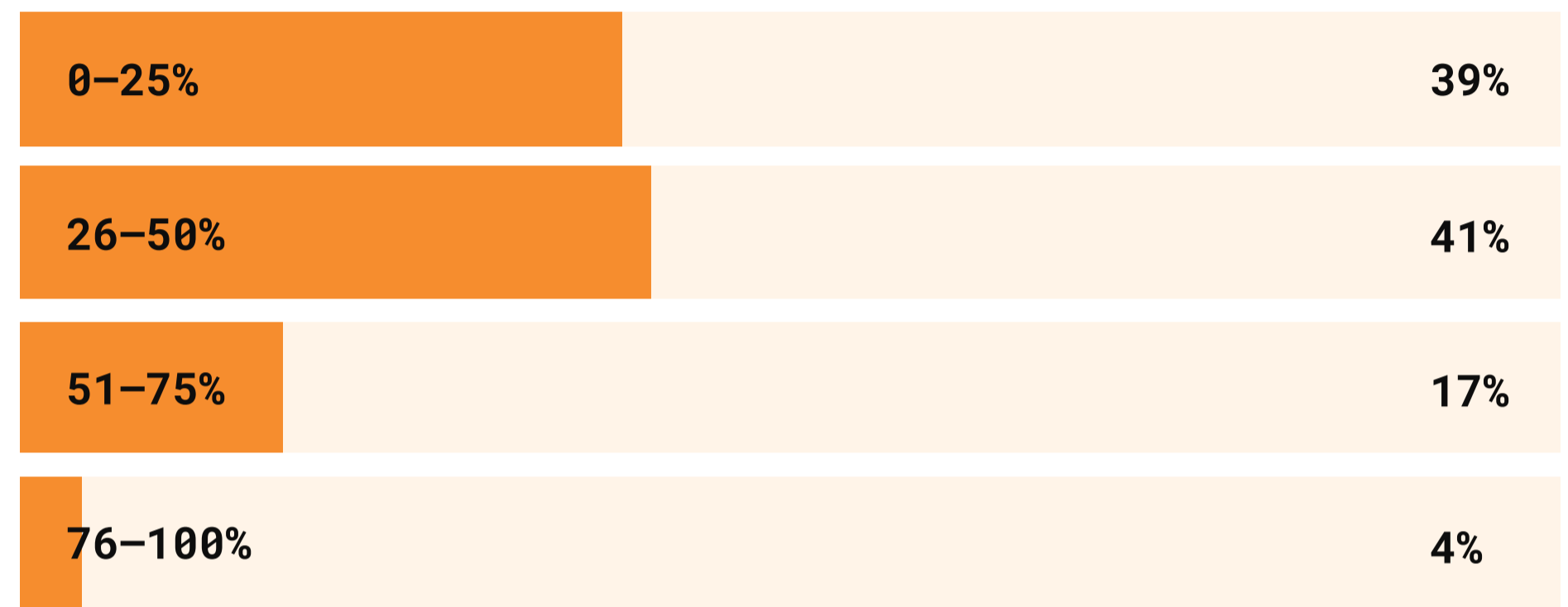
# What percentage of the marketing budget is spent on video?

The data shows that we're still a long way from a world where every company spends 100% of their ad spend on video, but there are still some improvements over last year's results.

For example, last year, the largest number of companies were in the 0-25% allocation range for the marketing budget, 41% of them. This year, we see that same number of companies (41%) are willing to spend up to 26-50% of their marketing budget on video marketing.

That number is followed by 39% of businesses allocating between 0 and 25% of the marketing budget to video. We also saw an uptick in the number of companies that allocate between 51 and 75% to video, going from 37% to 39% of companies.

The percentage of businesses that spend between 75 and 100% of the marketing budget on video also went from 2% last year, to 7% this year. There definitely is a shift towards making video take the place of honor in marketing priorities.



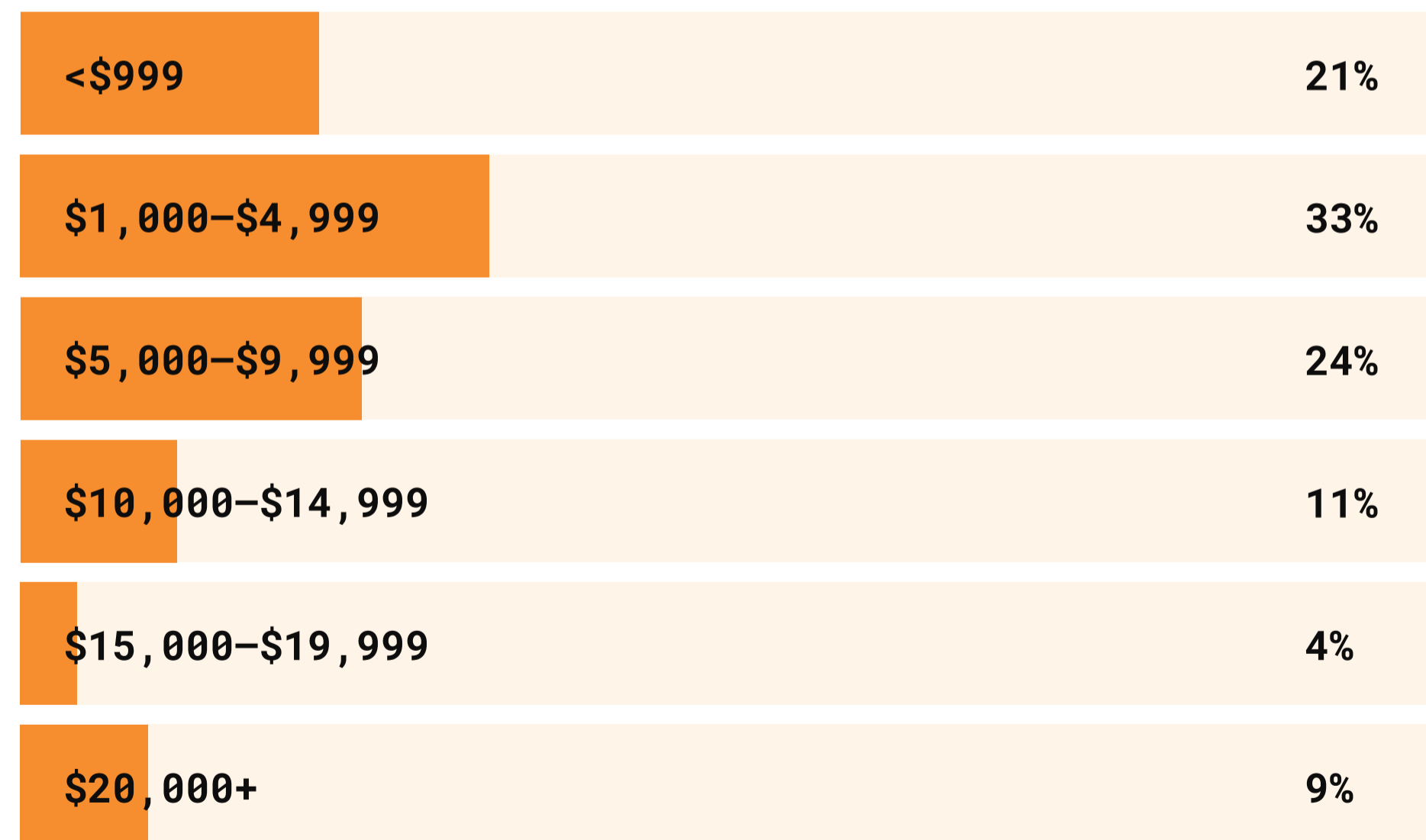
## intribe

*"The main areas we use video are: in our blog posts to highlight key examples, on product pages to quickly show the power of a product in ways words as pictures can't do justice, and for our product launches. We also use video for our co-marketing campaigns, we've seen videos for joint events be the #1 driver of traffic."*

**Sven Radavics**, Founder

# What is the average monthly spending on video production?

Monthly spending on video marketing or video ads has mostly stayed the same. As we saw last year, the study also found that most companies still spend less than \$5,000 monthly on videos.



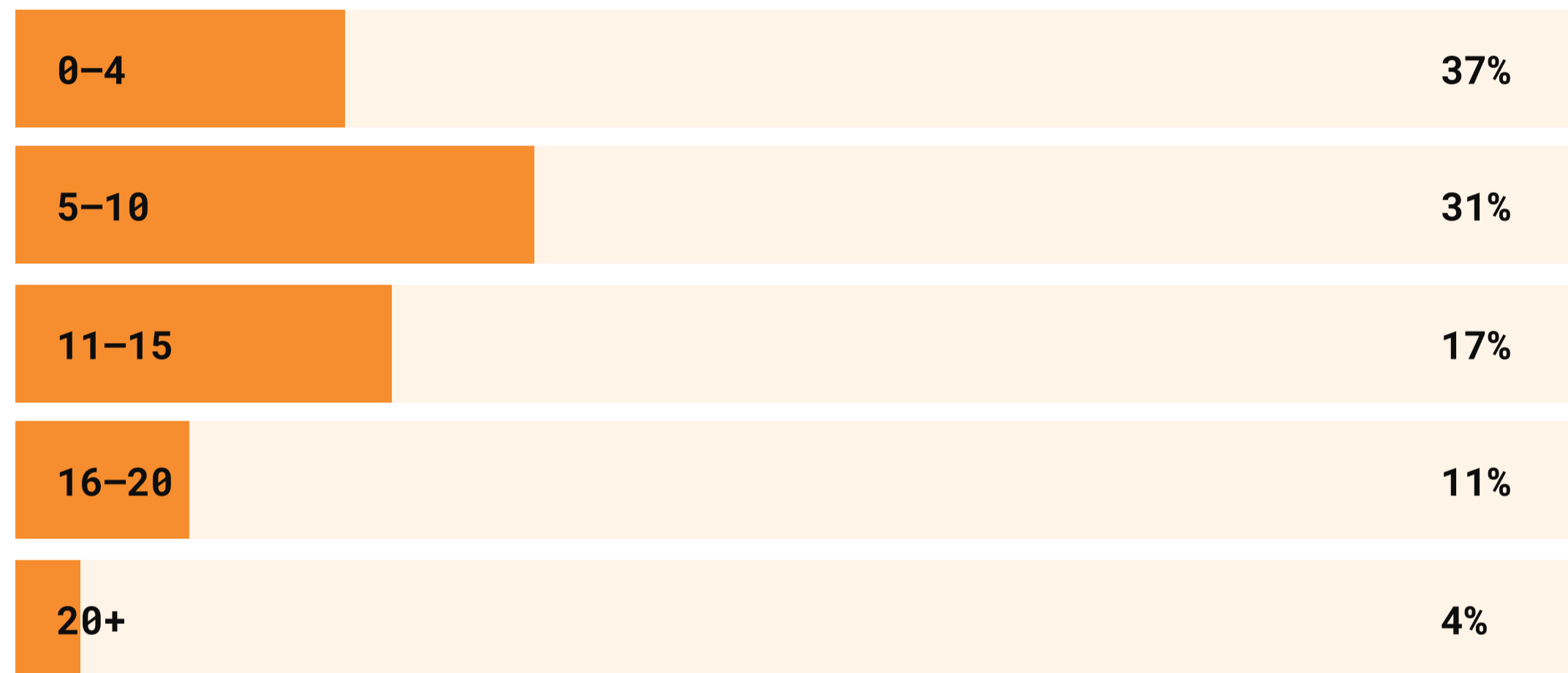
But while 33% of companies are spending less than \$5,000 per month on video this year, that number was higher last year, 43% of companies, to be more precise.

The number of companies spending between \$5,000 and \$10,000 monthly on videos has increased from 22% last year to 24% this year. Companies spending over \$20,000 on video marketing increased from 6% last year to 9% this year.

Interestingly, companies spending between \$10,000 and \$15,000 on video per month dropped from 21% last year to 11% this year.

Similarly, companies spending between \$15,000 and \$20,000 per month on video have gone from 8% last year to 4% this year. We also note that 21% of companies spend less than \$1,000 monthly on video.

# How many videos do businesses typically make per month?



Companies recognize the immense value of creating a consistent flow of video content to back their marketing objectives, with 32% of businesses creating over 10 videos per month.

While the numbers may be dependent on a company's marketing budget, it looks like companies have struck an ideal balance between providing enough engagement without overloading viewers.



*"Video among all other channels does incredibly well for engagement. We use it for explainers and in app experiential moments as well as case studies and short moments for customer validation in a sales cycle. Video as a channel bodes well for qualifying credibility and validation of a brand.*

*My recommendation is to use various forms so mixed media to get your message across, reduce the urge to over produce and use authentic engagement pieces or other medium of video content. Colour is important and the tone of voice is everything. You have to connect with your audience so remember it is about them and not you!"*

**Sarah Harkness**, CEO at Cattledog.  
(Ex APAC Sales Manager at GitLab)

# What types of videos do brands produce the most?

Although brand videos are still the most popular type of video, there has been a slight decrease in demand. The second most requested type is product overview videos, followed by training videos. As expected, explainer videos, short-form videos for social media, and product demo videos are also increasing in popularity. However, testimonial and culture video production has slightly decreased.

This shows the importance of creating a balance of videos that fit your business's marketing objectives, and experimenting with different types of videos to see what resonates best with your target audience and provides the most ROI for your business.

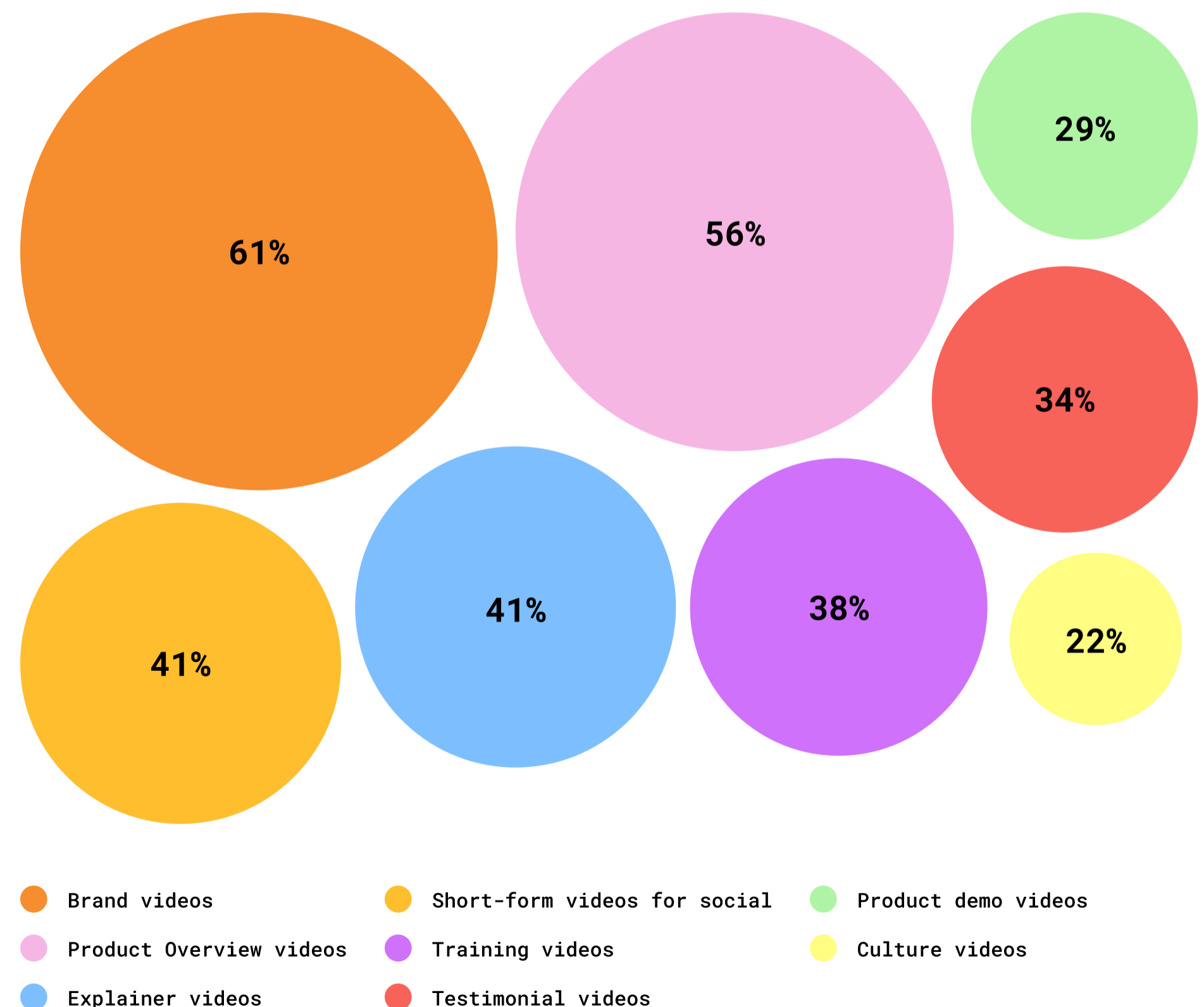
## enable us

*"Video is a great format to succinctly tell your story visually. We've found that using videos for our voice of customer program is very powerful. Instead of us highlighting our company, product and services, our customers tell our story in their own words. This drives our brand awareness while providing sales with a powerful asset during the buying process."*

**Cece Lee, CMO**

## Vidico Tip

Most companies struggle to get ROI from their video marketing efforts because they see video merely as a single tactic among many. [Learn 3 ways to win big with a full-funnel video marketing strategy.](#)



# How do businesses create videos?

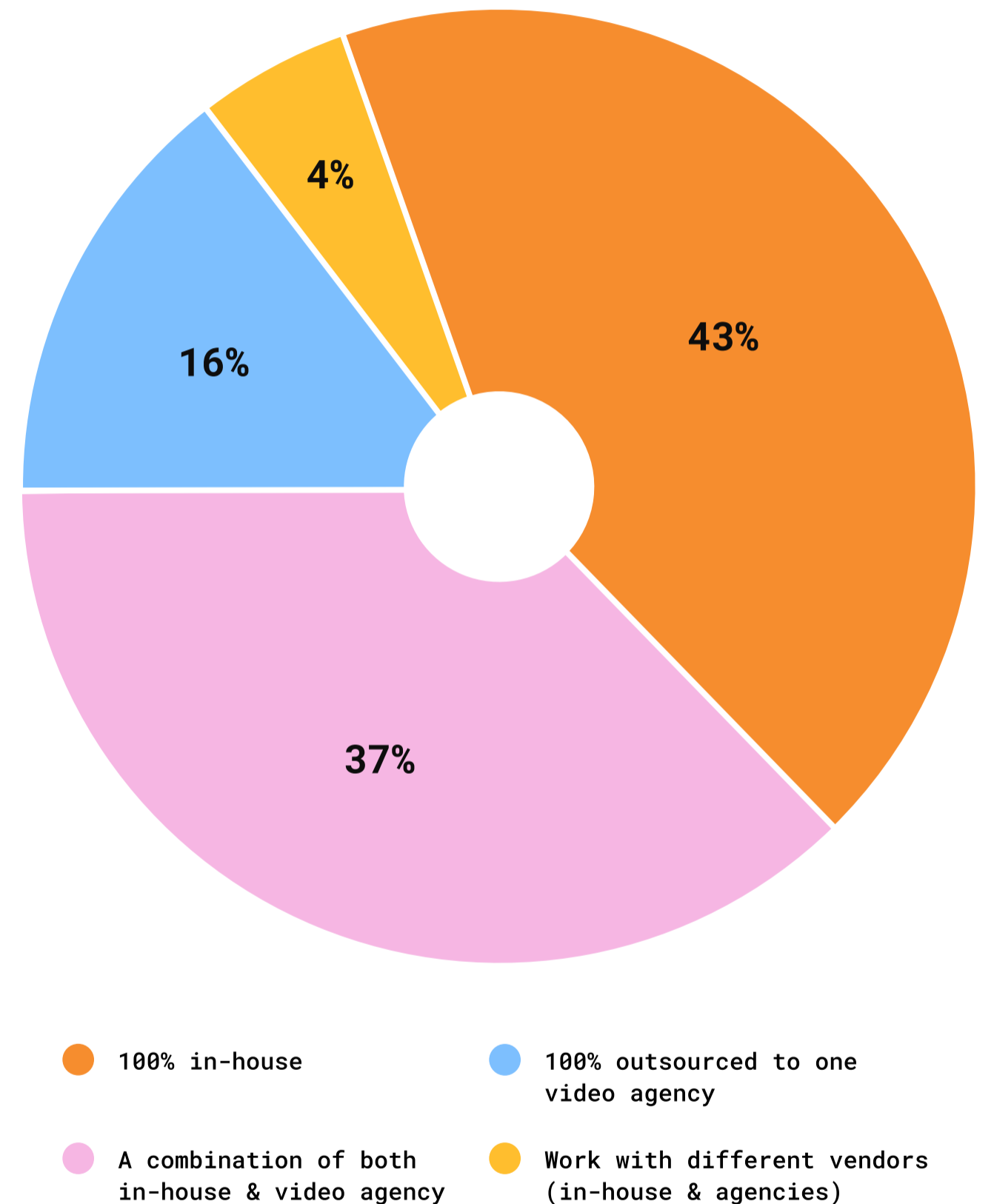
What businesses prefer the most is to have a 100% in-house team of video professionals to create videos for them, with 43% of companies relying on this option.

This might be because this option gives them more control over the production process, and they can ensure that the videos align with their brand identity and message. Also, having an in-house team can be more cost-effective in the long run.

Only 37% of businesses rely on both in-house and a video agency to create videos for them. And only 16% of companies choose to outsource 100% of the production workflow to a specialized video marketing production team.

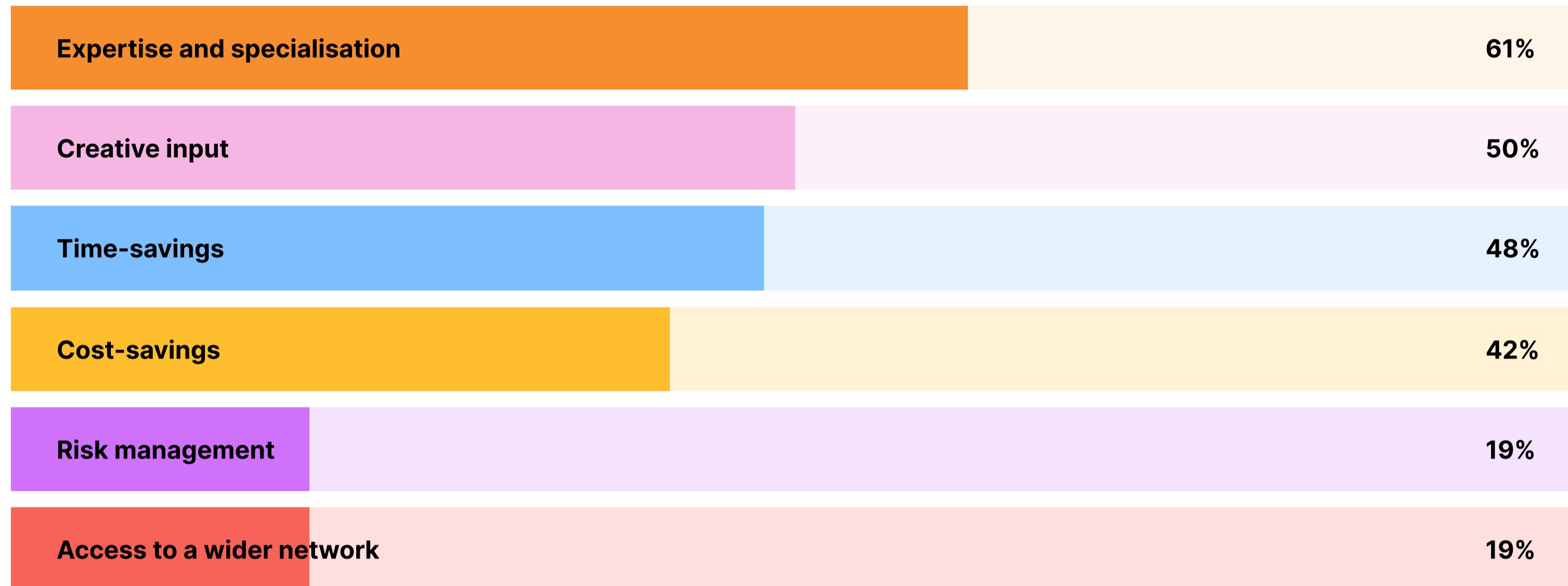
This approach can provide businesses with the benefits of both options - the control and cost-effectiveness of an in-house team, as well as the expertise and creativity of a video agency.

And 5% of companies choose to work with different vendors, be it that they are in-house or an agency that works alongside their team to create videos for them.





# What motivates businesses to outsource video?



We found that expertise and specialization are the most common reasons companies want to work with outside video production teams, for 61% of companies.

Driving brand awareness (56%) is the primary reason most marketers leverage video content.

Next comes driving sales (51%) and boosting engagement (32%) as further reasons for using video content.

There is also a new trend where 9% of marketers use video content to retain their existing customers.

# What do brands prioritize when working with video production agencies?

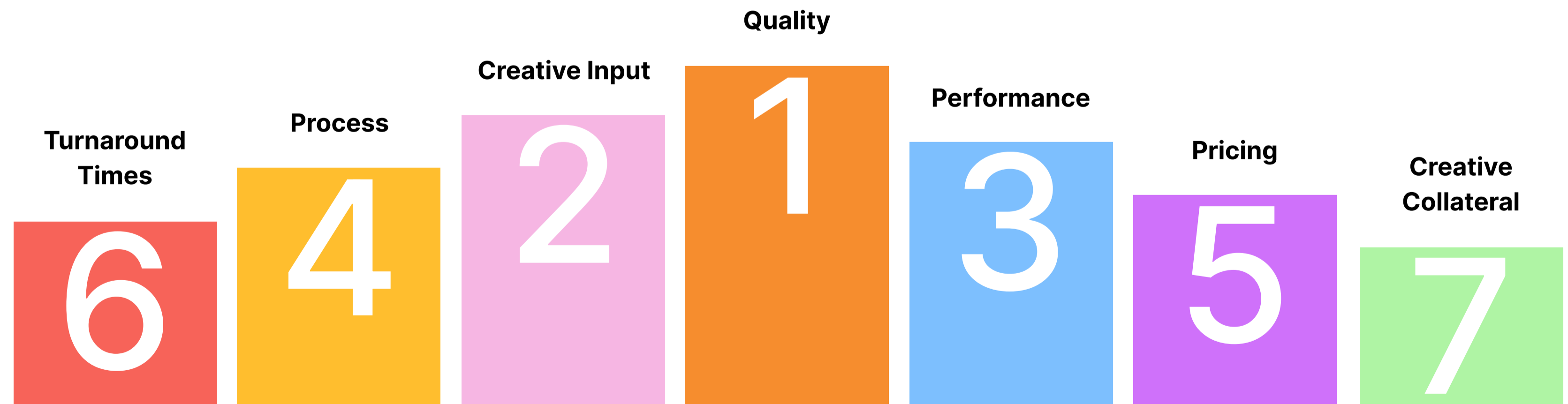
By order of ranking, here are the most important factors that keep businesses working with outsourced video production companies.

1. **Quality:** being satisfied with how the videos turn out.
2. **Creative input:** their ability to come up with new, fresh ideas.
3. **Performance:** achieving the results expected from the videos.
4. **Process:** enjoying the experience and communicating throughout the entire process.
5. **Pricing:** flexibility to work with different budgets.
6. **Turnaround times:** being able to produce quality videos at a high frequency.
7. **Creative collateral:** being able to access design assets, cutdowns, ratio changes, and localizations.

chatdesk

*"We used our testimonial video to help potential customers get a sneak peek into our 24/7 on-demand support solution. Vidico's quality and storytelling made it easy for someone to quickly understand our impact from a customer's perspective. We're always happy to hear companies reference our video when we asked how they found us!"*

**Andrew Olaleye**, CoFounder



# What's stopping brands from creating videos?

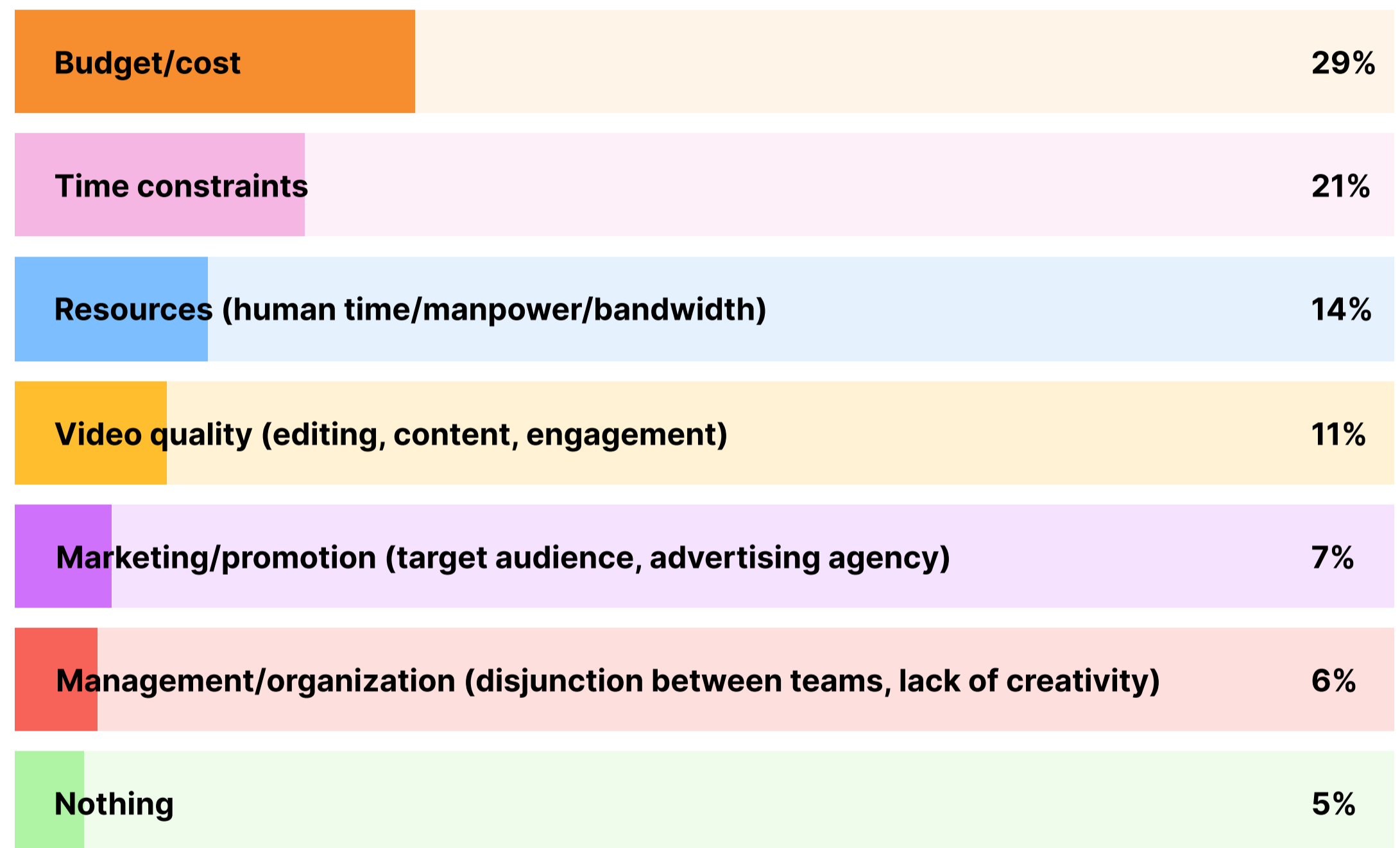
Just like last year, budget and time are still the biggest challenges for marketers when creating video content.

This shows how important it is for companies to focus on budgeting and time management skills to overcome these hurdles and make impactful videos.

Additionally, it is important for marketers to always think about their target audience and make sure the video content is both engaging and entertaining to capture their attention.

Good video editing and consistency are also key to producing high-quality videos.

Finally, finding the right people and resources to create and promote video content is crucial for success.





## It's time to leverage the power of video marketing.

Video marketing has continued to be a vital component of businesses' marketing strategies, and its importance is set to grow further in the coming years.

As seen in the survey results, businesses have various options for video production, from creating videos in-house to outsourcing the production process to an external agency.

The survey also highlights that businesses face common challenges regarding video production, including budget constraints, time limitations, lack of resources, and creative strategy issues.

We recommend that you carefully consider your options and resources and work to overcome these challenges to create high-quality, compelling videos that resonate with your target audience.

Learning how much a video will cost you can be a crucial first step in this process. By understanding the costs involved, you can better plan and budget for your video production needs and make informed decisions about selecting an external agency to work with.

### **VidiFit Quiz**

Take the quiz and learn how much video production will cost you.

[Estimate video](#)

