How to use Online Video for Investor Relations

A GUIDE TO TELLING YOUR INVESTMENT STORY WITH ONLINE VIDEO

Decision makers like, and actually prefer to gather information by watching videos - and ultimately, to make their decisions.
Online video is a very effective medium for reaching out to investors – it allows you to engage, build trust and credibility, portray your company as innovative and leading edge and ultimately, it enables you to differentiate yourself from the competition in the minds of investors.

With the recent uptake in online video use for investor relations purposes, firms are putting this medium to good use – for communicating company objectives, new opportunities, strategies and key projects, mergers, financial targets, complex or technical issues and most importantly, for communicating how a firm is creating value for its shareholders.

Online Video - The Opportunity

Firms of all sizes are faced with a variety of challenges in reaching their audiences in an increasingly noisy and ever-changing digital landscape. Now, more than ever, firms can’t ignore the statistics that prove decision makers like, and actually prefer to gather information by watching videos - and ultimately, to make their decisions.
Five ways video enhances your investor relations program

Your IR department is likely hard at work developing and implementing strategies to drive your investor relations program but have they thought about the communication and educational value that online video offers? What with its ability to reach, engage, build trust and credibility and drive innovation your IR department can’t afford not to consider it.

1 Trust & Credibility

Recent research indicates that video can impact perceptions of accountability and influence investment decisions. A recent study exemplifies this well, suggesting that when CEOs take responsibility for financial restatements and deliver negative news via online video, investors’ trust and confidence in management rises and they recommend larger investments in the firm. Martini, VP of National Sales for American Stock Transfer & Trust Company believes that using online video to communicate with investors regarding sensitive topics (e.g. announcing a restatement) is likely to become a significant component of firms’ future disclosure efforts.

2 Reach

Video enables you to reach more investors than you could ever do through a series of one-to-one meetings or even the occasional investor conference or road show. While in-person meetings will remain important, it’s critical to start thinking about how you can reach more investors at the same time, consistently. Not only can you reach more investors with video – you can also do it in a cost-effective manner that constant road shows and the like do not allow for.
Online Video for Investor Relations

3 Engagement
Video is quickly becoming the standard medium for consuming information – it engages, it inspires, it influences and most importantly, it drives viewers to take action. In fact, landing pages with professional video generate 4-7x more engagement and response rates. There is incredible potential for using online video as a way to engage with your shareholders.

4 Innovation
All companies want to make their mark as innovators and leaders to their customers, partners and of course, to their investors. Using online video as a way to communicate your corporate news and projects can position you as being an innovative market leader.

5 Differentiation
In many ways investors are customers, which is why companies must compete for their dollars the same way they would a client’s. If investors are researching your company, it’s likely they are also researching your competition. Your website will be the first place they look so it’s critical to provide them with a unique and engaging experience. Use video to tell your firms story and weave it into your overall investment story.

THE OPPORTUNITY
75% of C-Suite executives say they watch work-related online video on business-related websites at least weekly.ii

(Forbes)
Five tips for using video on your investor relations website

Now that we know why you should use video on your IR website, let’s talk about the how.

1. **Embed a player into your site** – Embed video content into your pages – this makes it easier for investors and keeps them where you want them – on the investor relations section of your corporate website.

2. **Customize the player to match your site’s look and feel** – Make sure your online IR presence provides a seamless, integrated user experience that reinforces your branding. Embed a video player that matches your look and feel.

3. **Organize content into lists** – Organize your video content according to categories, timeframe, speaker or any other logical order to ensure investors can easily find relevant information.

4. **Weave video content into multiple pages** – Strategically place video content not only on your homepage but also your news or financial reporting section, for example. Weave it in carefully so that it becomes part of the narrative.

5. **Provide sharing tools to maximize reach** – More than any other content, video is meant to be shared by email and across popular social media sites like Facebook, Twitter, YouTube, Google. Make it easy for your viewers to share your videos by ensuring your player prominently displays a sharing tool.

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**THE OPPORTUNITY**

59% of senior executives prefer to watch video instead of reading text, if both are available on the same page

*(Forbes Insight)*
Online Video for Investor Relations

Types of Video for Investor Relations

By enriching communication between a corporation and its shareholders, video can improve message clarity, facilitate learning, expand investor reach and elevate a brand or corporate image. Nothing is more important than building solid relationships, creating opportunities to pitch investors and differentiating your corporation to attract new investors. Here are a few ways to integrate online video into your investor relations program:

**Firm Profiles**
Raise your profile by offering a snapshot of the corporation in action. A short-form corporate video is a great way to introduce who you are to investors and other relevant stakeholders.

**Video News Releases**
A short, professionally scripted and produced video news story is a quick and compelling way to announce corporate information. It is suitable for accompanying a traditional press release and can be posted on an IR sites News section. Having professionally shot, high definition video to accompany your news increases the chance that the media will pick up your story. By providing them with easy, online access to the video story and your b-roll you are making it easy for the media to cover you.

**Operation Updates**
Operation updates or facility tours are a great way to show investors where their money is going. Videos like these are great for showing company transparency and for keeping updates to investors fresh and engaging.

**Financial & Earning Updates**
Communicate to investors about share results or financial updates through video reporting. Videos like these are great for showing company transparency. Financial updates can be prominently positioned on an IR sites Financial Reporting section.
CEO's Rocking YouTube

CEO's are increasingly turning to the popular video sharing site, YouTube to tell their firm's investment stories. While their videos are unlikely to go viral any time soon, these firms are using a variety of techniques to make their often dull corporate reporting information more approachable for investors and a larger viewing audience. These forward-thinking firms all face the same challenge in their investor relations video strategies – how do you deliver the numbers and talk strategy without being dull and putting people to sleep?

THE OPPORTUNITY

80% of executives are watching more online video today than they were a year ago

(Forbes Insight)

Peter Voser, CEO of Shell

Shell’s CEO, Peter Voser does a great job of using video to explain financial results, company strategy, project initiatives and overall, how the company is constantly creating shareholder value. Where they can improve is by grabbing their viewers’ attention or communicating the company’s key messages from the get-go – the videos have a lot of facts and figures crammed into the front-end.

Visit Shell’s YouTube Channel
http://www.youtube.com/user/Shell

John Dielwart, CEO of ARC Resources

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**Xerox, Ursula Burns**

Xerox uses YouTube to effectively communicate their acquisition of Affiliated Computer Systems. In one video in particular, Burns explains how she envisions the merger adding shareholder value. A video published to the company’s YouTube channel 364 days later effectively details the progress made in an engaging way.

**Visit the Xerox YouTube Channel**
http://www.youtube.com/user/XeroxCorp?feature=watch

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**Investor Relations Meets Social Media**

Every public company should have the power to create and manage an engaged audience of online stakeholders. Creating an engaging experience for existing and potential investors will foster closer collaboration and exchange of ideas. Social media also provides the unique ability for your company to be visible, aware, accessible and the first to react to changes in the online world. Regular communication with shareholders and online influencers in the investment community can create loyal company advocates and enhance the firm’s reputation. According to a Brandfog’s 2012 survey of over 10,000 Fortune 500 employees, 66.3% believe that CEO’s who participate in social media can build better connections with investors.

Your firm should be doing its best to engage stakeholders through social channels. Here we offer a few suggestions for getting started.
Craft relevant cover images – Most social channels now embrace the cover photo – try to provide value to the visitor by showcasing stock information, giving the page context with a tagline and overlaying branding assets for recognition.

Add location information – The headquarters of your company is a vital piece of information that stakeholders will seek out. Adding location information to your social listings also gives your profiles significantly higher chances of appearing in location-based search results.

Focus on engagement – Rather than focusing on how many followers you have, focus on engagement. When you find interesting content, locate the original creator, follow their page and be sure to re-post their valuable content. It’s well worth taking the time to generate a new, relevant connection. Also try to vary your post content by adding videos, images that click through to targeted landing pages, interesting articles and even infographics.

Do you think that CEOs who participate in social media can build better connections with:

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<thead>
<tr>
<th>CUSTOMERS</th>
<th>EMPLOYEES</th>
<th>INVESTORS</th>
<th>OTHER</th>
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<td>89.3%</td>
<td>84.7%</td>
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Video Marketing for Investor Relations

If you’re not already telling your investment story via online video, you are missing out on an opportunity to increase shareholder confidence, keep stakeholders updated on corporate news, communicate shareholder value and ultimately to position your corporation as a leading edge innovator.

Appendix

http://www.slideshare.net/Dpriolo/video-in-thescuite
http://irwebreport.com/20100816/ceos-online-video-mea-culpa-boosts-investment-study/
http://www.fuseiq.com/video-statistics

SoMedia Networks – Video Solutions for Web Service Providers

SoMedia Networks has been pioneering scalable, cloud-based online video production services since 2006. Our proprietary video ordering, production and delivery platform combined with a North American network of over 2,500 videographers allows us to deliver high quality video products at extremely low costs.

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Profiles
Engaging and unscripted videos that provide clients with the opportunity to deliver a personal message to potential customers in their own style and tone.

Ads
Either scripted with a professional voiceover or interview-driven to deliver a positive first impression and drive higher conversion.

Testimonials
Captures customer experiences through authentic, unscripted interviews that build trust and credibility.

News
Compliments traditional PR methods with videos that are journalistic in tone in order to establish credibility and drive media interest.