

Title:

Guide to commissioning and budgeting for a video production.

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Introduction

Typically the Client is experienced in the chosen subject matter, but perhaps commissioning a video production for the first time.

The unknown aspects can be daunting if not familiar with:

- Budgeting – How much will it cost.
- Who does what.
- How much of your time will it take
- How you monitor project progress against budget.

Each aspect is discussed below in more detail.

The concept - The task of the video media

Its shape and form will be influenced by:

1) What function is the video to perform?

- Convey information (e.g. training video)
- Entertain (e.g. music video)
- Promote a company or product (e.g. Showreel of a companies' goods and services, typically detailing unique selling points)

2) What is the profile of typical viewers?

- Age
- Countries to be viewed in and/or languages to be understood in
- Socio-economic demographic description
- Expected level of knowledge prior to viewing (more relevant for technical/instructional media)
- Other factors (e.g. profession / background) that may influence the viewers receptiveness to the content.

3) Shape, size and distribution

- Is it to be sold as an independent product or given away, free?
- How many minutes/hours long is anticipated for the edited content?
- What are the planned distribution channels? (web/streaming, DVD, TV)

How big a budget?

The answers to the above three headings, along with other marketing issues will influence decisions for style, content and budget.

Internal training / communication video

For an internal training video the emphasis may be on conveying information clearly and concisely, but with perhaps less consideration to entertainment. Typically requires a lower budget than for media to be sold or presented to third parties.

Promotional and/or entertainment media

For a promotional video, more emphasis will be placed on an entertaining attention grabbing style, perhaps using CGI (computer generated images) and/or a household 'name' for added presence and/or product endorsement. The added effort to reach an ever-demanding audience over and above the competition typically requires a larger budget.

Well thought out concepts can turn companies and brands into household names. For example Nick Park's 'Wallace and Grommet' stemmed from the 'Creature Comforts' adverts which received a very warm welcome by the viewing public.

Keeping the budget in balance

Naturally, we don't want to spend more than necessary. In these times of financial restraint and cutbacks, budget must be justified.

However, the objective is not to make a 'cheap video', but to convey a message with a planned or hoped for return or result.

The trick is to keep a balance between budget level and planned results. The planning and ideas stage can often have a powerful influence on the outcome, as attention grabbing video content doesn't have to be reliant upon high costing content. Original ideas are 'free' and can make the world of difference in viewer impact.

The outbreak of viral marketing in recent years and social media websites such as 'YouTube' embraces this.

The budget must therefore be seen as an *Investment* and not a *Cost*, with the investment having a planned return be it financial or otherwise.

The length of the media – How many minutes?

The length of the video is a balancing act:

- Too short and information is skimmed or not digested by the viewer.
- Too long and the viewer may quite literally go to sleep.

The solution for necessarily longer media may be to provide the topic in separate modules / chapters.

Longer content does not necessarily mean longer viewing time. If the viewer is to watch on his/her own, then there is the option to 'fast forward' or skip chapters not relevant to them.

Also, chapters can be revisited where aspects were not fully understood.

The DVD menu or modular approach could similarly be used to provide a 'short and sweet' presentation, with extra optional chapters, where the viewer can obtain in depth content referenced in a preceding overview.

Sector specific examples of the benefits of video media

1) Training / Safety / Information Video

For internal communications, where the emphasis is on conveying information, production costs are typically lower as there may be less emphasis on entertaining the viewer. However, for the viewer to absorb the content, it stills needs to be conveyed in an interesting style.

Again the video is an investment, where the return may include:

- Time-saving of instructors and staff who usually inform and teach fellow staff.
- Information may be digested more quickly and be more memorable than say a training manual.
- Staff take on information in a more structured and visual style enabling a more effective and safer workforce.
- Reduces/eliminates need for staff to travel to distant learning/communication centres, with consequential costs for Hotels etc.
- A multitude of other benefits

The budget therefore needs to be in proportion with the perceived return.

2) Corporate video to boost sales

A simplified demonstration of optimizing the budget for video media used to boost sales:

Company financials provide -

Current Sales Turnover	£100,000 p.a.
Profit margin	50% of sales revenue

Promotional Video media then planned for marketing campaign. The time, effort and resource put into the video media will have a proportional affect upon its outcome:

Scenario 1

Video production budget	£3,000
Expected sales increase	20%

This would mean a £20,000 increase in sales turnover, of which £10,000 is profit. Deducting the cost of video production provides a net £7,000 increase to profits.

Scenario 2

Sales Turnover	£100,000 p.a.
Profit margin	50% of sales revenue

Video budget	£8,000
Expected sales increase	50%

This would mean a £50,000 increase in sales turnover, of which £25,000 is profit. Deducting the cost of video production provides a net £17,000 increase to profits.

The above demonstrates a smaller budget is not necessarily the better.

Also, if the production appears to be 'cheap' then this may be counter-productive to the image of the product or brand it is to represent.

3) Music / Entertainment video

This is an extremely competitive field and needs to be memorable if it is to achieve its aim.

The payback is usually heightened recognition, perhaps to a national level, leading to increased record sales and revenue from gigs etc.

Whether the purpose is to give the product as part of a promotion, or sell it as a standalone product, there are 3 main ingredients that dictate its success.

- i) The talent of the performers
- ii) An original concept / a good idea.
- iii) Time, effort and commitment given to each stage of preparation, filming, post-production editing and special effects.

On occasions a low budget video can be memorable by having an original concept. More usually it requires time, effort, commitment and teamwork to capture the attention of an ever-demanding viewing audience.

Budget too low?

If the budget is too low, the end product may not fulfill its purpose. Even worse, it may reflect badly on the artist for that once in a lifetime opportunity. Remember, you only get one chance to make a first impression.

Budget too high?

Success is not guaranteed. If it does not materialize, life goes on and the investment could become a loss. Speculation, confidence and perseverance therefore need to be kept in balance. In practice, opportunities to fulfill the dream of a lifetime are few and far between, so need to be grasped with both hands when the occasions arise.

Having said that, if the content is for the sole viewing of booking/promotional agents, then the emphasis is to purely showcase the artiste(s) talent. Therefore, budget busting exotic locations and special effects are not required, so a lower budget is practical.

Cost savings

Some costs can be reduced by calling in volunteers.

This is most relevant to Music videos. For example, by asking friends and associates to play the part of extras or provide premises for the shoot.

The downside of 'volunteers' over professionals is that they may be a 'no show' on the big day compromising hoped for success of a 'shoot'.

The production team

Video production may require input from (amongst others):

1. Presenter / Tutor / Artiste(s)
2. Marketing / Promotion Managers
3. Project manager or expert (detailing and describing the subject matter)
4. Voiceover artist.
5. Director, producer and video production team
6. Lighting engineers(s)
7. Sound engineer
8. Make-up, hairstylist, costume, props

Depending on the size of the production, one individual may take on a number of the above roles.

For a promotional video or corporate communication, items 1-4 may all fall to company employees. Use of internal resources in this way can reduce external costs of production.

Stages of production

The production will fall naturally into a number of stages:

Pre-production:

Assimilating ideas and information
Script writing. This may take form of bullet points.

Filming:

People: Staff / Presenter / Star / extras
Premises / props
Filming equipment

Post production:

Editing, adding graphics (graphs, charts), special effects etc
Sound
Narration
Music – Choice of 'Copyright free' music, M.C.P.S. licensed or composed and produced to your brief.
Preparation of DVD menus, multimedia etc

Duplication and distribution

Duplication of master copy for distribution.
Artwork for say DVD label, sleeve and printing of supporting marketing material.

Choosing the distribution format(s) for the completed video.

There is an ever-increasing choice of formats and distribution methods, such as:

- CD / DVD
- PC based (i.e. mpg, wmv, flash)
- Web (www, YouTube, IntraWeb)
- MiniDV tape (for submission to TV stations)
- Video phone 3G compatible format
- VHS video tape (now virtually redundant)

DVD's have the advantage of being playable on set-top players, many computers and lap-tops and some Playstations. Combined with the ability to quickly navigate and pause there is much in their favor.

The pros and cons of the more popular choices are detailed below.

DVD / CD. Preparation, authoring and duplication.

Advantages

Menu's and buttons

Rather than having one long video sequence, you may wish to provide menu's and sub-menus to enable the viewer to quickly navigate to the points of interest. The DVD menu buttons and background can be any graphic of your choosing. You may provide the graphics yourself (your company logo perhaps) or they can be created in a style of your choosing.

Multilingual

A multilingual soundtrack or sub-titles can also be incorporated to widen audience appeal.

Production run volume

Economies of scale greatly influence the unit cost when typically duplicating to CD and DVD.

Runs of 1,000+ makes 'glass master' runs viable. This method provides a low unit cost, but its high set up cost means it is not a cost effective option for lower volumes.

Price is also influenced by what type of sleeve or case along with respective sleeves and inserts.

Its high quality image over a large TV makes for more enjoyable content than that experienced via a pc monitor (streamed/downloaded).

Disadvantages

- If content is to be periodically updated or revised, undistributed stock may become obsolete.
- Staff (or outsourced staff) is required to pack and post the media (unlike web media).
- The viewer has to await receipt of the media following an order (unlike web media).

World Wide Web / Multimedia

If the video is short, you may want to distribute it over the web. It is most typically used where a fee is not required to download it and is for information, education, promotional or unpaid entertainment purposes.

Advantages

- Avoids the cost of media duplication, packing and postage.
- The viewer can see the video immediately – no matter what country they are in.
- If the content is changed, it doesn't mean scrapping unsold stock.

Disadvantages

- The web connection speed may make download too slow for the viewer to be interested.
- If customer is on broadband, the image size and/or quality may have to be reduced to enable quick download or streaming.
- Technical issues: Different browsers and pc/mac considerations.
- Your web-site host may make a small charge based on the size of the video file and the number of users that download it.

Summary

The above content is quite long, and much has been missed or skimmed over. It is hoped it has provided a framework for you to structure your thoughts and requirements.

The answer to 'how much' is not answered, but our 'packages' page on the website provides indicative costs:

www.aztecvideo.co.uk/video-production-package.htm

Some production companies charge a blanket fee to cover all eventualities. Our ethos at Aztec is to only charge for those services you receive. If you provide your own resource, perhaps a staff member to act as presenter, then this is reflected by a lower production cost.

We therefore take the time with you to understand your needs and produce a budget based only upon your own requirements. We typically present this in the form of a spreadsheet to help you ensure the budget is focused on the core product and not wasted on un-necessary peripherals.

By establishing good communication between the Client and Aztec, we can work towards a high quality end product, in balance with the available budget.

In addition to video production skills, we have wide experience in other business sectors to enable to quickly grasp Client needs and offer pro-active suggestions.

Finally....at Aztec we are friendly and informative, so please don't hesitate to introduce yourself.

Best wishes.

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