

# IDEAS

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THE TECH BEAT | BY JAMES HARDING

## MAKING MONEY WITH YOUTUBE

Forbes Magazine values YouTube somewhere between \$75 and \$90 billion. Google claims its annual revenue from YouTube is around \$4 billion. Top YouTubers make anywhere from \$5 to \$15 million per year. With these figures in mind, it's easy to see why so many small business owners are interested in getting their piece of the YouTube pie. But if your company's strategy is to make money from ad revenue associated with video uploads, you may want to reconsider.

Despite the figures above, YouTube content creators have to work very hard for their paychecks. On average, Google pays about \$7 to \$10 per 1,000 views. To make any real profit from YouTube, your videos would have to attract hundreds of thousands of views regularly.

Up to 20 percent of viewers stop watching YouTube videos in the first 10 seconds. If those 10 seconds are used up by ads, will people still see the message you've worked so hard to send?

The lesson here is that we should stick to what we know. We're not professional YouTube stars. We're independent music retailers looking to grow our



### Follow three easy steps and generate profit from YouTube

corporate brands, improve client communication and reach out to new potential customers using this powerful, free tool.

But this doesn't mean we *can't* make money using YouTube. In fact, here are three easy ways you can generate profit from YouTube:

#### ADVERTISE YOUR BUSINESS.

Unlike television commercials, which are typically limited to 30- or 60-second "spots," the most successful YouTube videos run

anywhere between one and six minutes. The trick is to keep your viewers interested throughout. But, if you keep your focus on "edutainment," this format gives you more time to outline your company's history, explain your vision, and differentiate yourself from your competitors. There's no reason you can't tell your story with a series of short videos or even get local teachers or business partners to understand it for you from their perspective. Why not ask your best clients to give your store(s) an enthusiastic video review?

**CREATE PRODUCT DEMAND.** I sell pianos for a living. It's hard to make a 300-plus-year-old instrument seem fresh in the eyes of today's consumers. However, when I started demonstrating my instruments online, our sales shot up! YouTube made it possible for me to demonstrate how fun it is to sing karaoke or play along with the band. It gave me a platform to prove that piano teachers today are more fun and supportive than the ruler-wielding sticklers of the old times. This helps me attract potential clients — people who may have never even considered one of my products before — and get them into my store!

#### REDUCE 'AFTER-THE-SALE' EXPENSES.

Indie retailers are always happy to help our clients learn how to use the products they purchased. However, we lack the size and workforce to make these services available in the evenings or on weekends — often when our clients need them most. I recently created a playlist comprised of six videos that explain how to get the most from Roland's digital pianos. This list has over 3,000 views, and a number of my clients have expressed their appreciation for a free, 24-hour training option. The best part? I don't have to leave my store. Now, I can spend more time selling and less time reselling, and our clients get even better customer service.

Studies show that consumers are more likely to purchase from companies they're familiar with. Whether your goal is to grow your brand, attract new clients, demonstrate high-profit products and generate demand, or to just reduce your "after-the-sale" expenses, YouTube is a powerful platform that your business could profit greatly from it. **MI**

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