

Case study:

Overstock.doc using SundaySky's fast and low-cost automated video for e-commerce

We interview Deborah Lewis, Director of Creative and Rich Media for Overstock.com, and one of the panelists of “Lessons Learned and Best Practices in Automating Video Production” at the 2010 Video Commerce Summit in Seattle. Deborah talks about Overstock’s online production techniques and production process, how they went about choosing an automated video technology provider, and some tips on how you can be successful with your own automated video production.

About Overstock.com's Deborah Lewis

Overstock.com is a mass merchant provider and ranked #28 on [Internet Retailer's Top 500](#) business-to-consumer retailers in North America, based on online sales, including retail chains, catalogers, web-only merchants, brand manufacturers and digital content sellers.

Deborah shared with me that she's Overstock.com's longest tenured employee at almost 12 years. She also goes by the title of Director of Product Content - which she explained encompasses still imagery, copy, and anything related to products. Just recently, Overstock.com also added rich media (including video) to that mix.

About high-quantity, low-cost automated video production

Here's the general way that low-cost production works through automated video:

- » You employ a technology that's creates a data feed from your site
- » The data feed takes the product image, the description of the product; the price, range, and reviews - and stitches it together as a template and a voiceover (usually a computer-generated voice that does text-to-audio and reads off a prepared script), and layers it to music.
- » The end compilation is a series of metadata and files that spits back out the video - sort of in a silo, as a slideshow-type of video.

So, who is this type of technology solution for? Mostly big retail companies, with an enormous amount of products on their website, which Overstock.com certainly is.

Overstock.com's big task: produce 10,000 videos in 2 months

One day, Deb's CEO at Overstock.com came into her office and said, “”Deborah, you've got a deadline. I want 10,000 videos on the website within 2 months.

With a company as large as hers and such a massive quantity of video to produce, it was just logistically impossible to just create individual videos for each product, especially when needing a quick turnaround for such massive scale. So Deb had to find a fast way of getting into the video business, and she relied on 3 sources originally at her disposal:

- » **1st source: Partner content.** “We started looking and we actually found 4 ways to source video.” She explained. “First, we reached out to our partners, many of whom had already produced videos for commercials, for some of their branding needs. We reached out to these partners for this content; and in some cases, we even offered to pay the partners to get this video content [on our website]. But was only relatively successful, in relation to the total SKU count we had on Overstock.com.”
- » **2nd source: In-house video production.** Next, Deb and her team tried to produce some of the videos internally. For this, they used [Talk Market](#) for their equipment vendor and just started producing videos in their warehouse. “These were mostly product-specific videos, and some educational videos. This was slower, more expensive, but the videos produced a higher conversion rate,” she explained.
- » **3rd source: Outsourcing custom video production.** Next, Deb went to a studio, where they negotiated pricing. However, she found that their partners were reluctant to foot the bill. So Deb and Overstock.com picked up the cost rather than sharing the billing with the vendors whose products they were promoting with the video. “This was because I had my deadline!” says Deb.

The solution: automatic generation of dynamic video clips, out of existing Web content, at unlimited quantities

But 3 sources couldn’t provide the quantity-and-quantity combination that Deb needed. It looked impossible to accomplish their goals in-house and find existing videos. They looked at other solutions, and eventually they chose SundaySky. From there, Overstock.com was able to generate a large volume of videos quickly, and propelled them right into the video business.

Deborah explained that SundaySky’s process for creating their videos is very simple:

- » Through feeds and FTP sites, site content is provided to SundaySky
- » Within a few days, the content was traded and delivered to the Overstock.com website.

Deborah explains that the video is only limited by the quality of the content you produce, and provide to them. “We can create an unlimited amount of videos in a small amount of time. (And more importantly, I hit my deadline with the CEO!) We haven’t found a maximum # of videos that SundaySky can create, and the conversion rate is significant.”

Technical and content drawbacks to high-quantity automated video production

So were there any pitfalls for Overstock.com with the process? According to Deborah, only two items: 1) Initially, they we did have a little bit of problem on our end with gathering enough relevant data to deliver to SundaySky, but it was resolved. And, 2) “We did hear from a few customers that complained that they didn’t learn anything new from the video, because it was the same content they would already have on the website; it was the same imagery and copy.”

Photos
Video

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Brief Description **Item#: 11273789**

- Update the look of your kitchen with this functional & stylish Kraus pull-out kitchen faucet
- Home improvement item features 100-percent solid stainless steel construction
- Kraus kitchen faucet blends quality & durability with elegance & style

Quantity: ▼

Watch an example [of Overstock.com's automated video production solution](#) with SundaySky's technology

Measuring success with high-quantity automated video production

Next, Deb and the Overstock.com team tested out many places with where to place the product video on the product page. “We eventually landed at a tab above the still imagery.” She says.

The tradeoff with doing most any dynamically-generated video is going to be quantity over quality, which is something Deb acknowledges. “Generally speaking, product-specific videos that give customers additional information (in their content), always perform better.” she says, referring to whatever custom video or manual tweaking they are able to do versus straight, “computer-only” generated video content.

But better in what way? According to Deborah, not in the way that her company had anticipated. “It came in the form of decreased returns (of that product to our company).” She explained. “Sometimes sales may decrease, but also the return rate of that product decreased as well. So success for a retailer can be measured in a variety of ways.”