

# AN INNOVATIVE METHOD FOR REDUCING THE COST OF CREATING EFFECTIVE ADVERTISING VIDEOS FOR SMALL BUSINESSES

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**Abstract.** *Subject of the study.* In today's world, a significant number of companies and brands are competing for users' attention on social networks. The key to successful advertising lies in correctly identifying and segmenting the target audience. Advertising's primary purpose is to sell, so it is important to strike the right balance between excitement and sales. This article examines the main problems businesses face when advertising on social networks, such as increasing competition, decreasing user attention and rising click costs. This study focuses on the algorithms employed by the Meta and Instagram platforms, which utilise metrics such as interaction and positive emotions to assess content. The notion of "advertising that does not look like advertising" is examined, a concept that enables businesses to capture user attention without overtly promoting a product. This form of advertising is characterised by its ability to seamlessly integrate with the platform, website, or content, thereby avoiding any potential viewer rejection. *Methodology.* A range of theoretical research methods were employed, with a particular emphasis on abstract, logical, and comparative analysis, abstraction, generalisation, and formalisation. The objective of the present study is to analyse the potential of effective advertising videos in the context of a limited budget. *Conclusions.* The article conducts a comprehensive investigation into the method of native creativity. The following paper sets out to identify the main features of native advertising, including unobtrusiveness, the absence of a call to action, and an organic format in the context of the site. It has been established that native advertising is a form of "natural" advertising, which is perceived by users as useful content that does not oblige them to take any action. It has been established that the primary function of native advertising is to subtly influence the user's decision-making process. The primary benefits of native creatives are emphasised, including their versatility, capacity to ensure adherence to the expectations of the target audience, extensive reach, and the absence of interference in an individual's personal space. The study substantiates that native advertising demonstrates high efficiency due to its capacity for seamless integration into the context of any platform, provided that the content is relevant and interested in practical solutions to user problems. It has been demonstrated that the practical benefits of native advertising include the enhancement of opportunities to strengthen consumer trust and audience loyalty. Furthermore, the creation of interesting and engaging content, as well as the facilitation of immediate interaction with a potentially interested target audience, are additional advantages. Additionally, the publication is often retained on the platform or blog indefinitely, and the generation of "warm" leads who are interested in making a purchase and only require clarification or additional consultation is a further benefit. The article also provides practical examples and strategies for creating effective advertising campaigns using the AIDA structure. These campaigns can increase customer retention, reduce advertising costs, attract potential audiences and improve brand trust to form customer loyalty.

**Keywords:** promotional videos, marketing strategies, advertising costs, small business, efficiency.

**JEL Classification:** M37, M31, O31, L26

## 1. Introduction

Advertising is currently seen as one of the most important ways of creating a positive image of businesses,

attracting new consumers and expanding audiences, and promoting services and products. Modern advertising focuses on creating optimal conditions for potential

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clients to consciously perceive an advertising message, make a purchase and develop sustainable interest in using services or making purchases.

Creating high-quality promotional videos is the most effective way for businesses to showcase their services or products. At the same time, videos can be used to showcase appealing features, expand the brand narrative, build a positive company image and raise awareness. Platforms such as YouTube, TikTok and Instagram have in particular become popular channels for posting video content. The openness to diverse formats provides an expanded space for creativity: video reviews, commercials, storytelling, reviews, etc.

Concurrently, video marketing functions effectively in conjunction with other digital marketing solutions (organic social media promotion, content marketing, search advertising, email marketing and other technologies to create a unified and consistent customer experience, as well as personalisation, analytics and automation), thereby reinforcing the perception of a particular brand and expanding the potential audience. The utilisation of video as a medium for communication enables businesses to meticulously accentuate their competitive advantages and distinctive character, thereby fostering a sense of personalised connection with their clientele.

The most effective advertising strategies have been the subject of study by the London School of Economics and Harvard Business School. Significant contributions to the state of research on the effectiveness of advertising campaigns have been made by scientists Gupta (2020), Liu et al. (2019), Novianti & Alamsyah (2023), Zhou (2021), who analyse the functionality of various types of advertising in the overall system of business marketing communications, explore the influencing factors and key methods for determining the level of advertising effectiveness.

Meanwhile, researchers such as Boiko (2022a, 2022b), Iseli (2021), Kupriienko (2022) and Marušić (2021) consider advertising campaigns to be an integral part of effective strategic business management. Meanwhile, Allegro & Turnšek (2020), Juanna et al. (2024), Ormiston & Thompson (2021) and Sedej (2019) emphasise the importance of advertising videos within advertising strategies, setting out the fundamental principles for creating and promoting effective advertisements for services and products.

The aforementioned scientific achievements highlight the need for further research into the potential of advertising videos to boost a company's recognition and competitiveness. This is particularly relevant in the context of improving the effectiveness of small business advertising campaigns. At the same time, attracting viewers to video advertising requires an innovative approach. The study aims to develop an innovative methodology for creating advertising videos

that will make small business advertising campaigns more effective.

## 2. Results

Against the backdrop of the rapid innovative development of digital technologies and changing consumer behaviour, the relevance of advertising videos within business marketing strategies is evident. Current market trends indicate the growing importance of digital marketing, creating the prerequisites for effective interaction between companies and consumers, ensuring a proper online presence and improving customer interaction processes.

The conditions of global market development require companies to develop and implement effective marketing strategies to capture the attention of current and potential consumers (Petrushka & Petrukhina, 2020). Innovative digital marketing enables businesses to stand out from their competitors, ensuring they meet the needs of a clearly defined target audience and can respond quickly to new trends and potential opportunities (Petrushka et al., 2021).

The available marketing tools provide an expanded range of opportunities for analysing information and measuring the effectiveness of campaigns. This enables businesses to adjust their development strategies in real time and optimise costs as much as possible. The significant increase in the number of mobile device users creates a justified need for the development and integration of mobile-oriented digital marketing strategies, including video advertising.

Digital marketing encompasses a wide range of channels for placing video advertisements, ensuring effective interaction between brands and their target audiences, whether they are existing or potential customers. However, it is important to understand the pros and cons of each channel (Iseli, 2021). After all, some channels are more effective in the B2B context, while others are more effective in the B2C context. In some cases, the optimal choice may be to initiate comprehensive search engine optimisation (SEO), while in others, it may be to use contextual or targeted advertising simultaneously. In each case, it is worth taking an individual approach and using separate digital marketing channels while limiting their number to optimise costs (Ormiston & Thompson, 2021).

### Forming a Strategy

In the context of small business advertising campaigns, the creation of promotional videos is a valuable strategy to enhance their effectiveness. A comprehensive consideration of the consumer's decision-making process, particularly in regard to the purchase of products or services, is essential in ensuring the success of these campaigns. This process is characterised by distinct stages: firstly, a potential client pays attention to the promotional message,

shows some interest in additional information about the product, and wants to test it. Following this, the consumer will analyse the advantages of both the product or service and the business entity offering it, subsequently making the final decision on whether or not to purchase (Sedej, 2019).

The above stages may also include intermediate ones. Information overload for consumers can also hinder the effectiveness of the marketing strategy. Therefore, defining a clear algorithm for fostering creativity in video advertising will help minimise the time spent on the communication process and attract and retain the attention of potential clients in the long term.

Advertising is generally considered an exceptional element of the marketing system, beginning with the desire to fully understand consumer needs, requests and priorities. Due to the increased complexity of the advertising category, marketing research is implemented in a number of areas, including an in-depth analysis of the product or service, market research and the potential of communication and mass media. At the same time, a key factor in ensuring the effectiveness of advertising is studying the specific characteristics of potential consumers and identifying possible motivations for their behaviour. This allows effective measures to be developed and implemented that optimally meet consumer needs (Gupta, 2020).

Clearly, video content remains a key driver of advertising. Today, the main way to obtain information about different segments of the potential consumer audience is to watch videos on smartphones and video blogs. At the same time, social and commercial videos are becoming fundamental to brand recognition. To intensify sales of goods or services, expand the audience, increase attention to the brand and guarantee differentiation among competitors, small businesses are using targeted strategies and creative techniques.

The term 'creative' is employed to denote the conception of a product in an original manner, distinguished by a creative solution and a novel approach. The aforementioned definition is most frequently employed within the marketing industry. Concomitantly, it is imperative to acknowledge the inherent risks in the apparent simplicity of this approach, which may result in the inadvertent exclusion of pure creativity from the division of creativity. In numerous instances, enterprises encounter elevated marketing expenditures, and consequently, a systematic approach to creativity can facilitate an enhancement in the frequency of successful outcomes. The primary objective of advertising creative is to capture the sustained attention of potential consumers, with the subsequent encouragement of them to take a targeted action. In order to circumvent this effect, it is imperative that the creative not only distinguishes itself from the crowd, but is also optimally selected,

taking into account the level of audience interest and the specifics of the product or service (Purnamasari et al., 2022).

Given the specifics of modern digital marketing solutions, it is advisable to offer an algorithm for creating advertising video content to increase the effectiveness of small business advertising campaigns:

- Audience research. One of the key qualities of advertising videos is their relevance, i.e., the correspondence of the structure, content and specific characteristics of the creative to the demands and needs of the potential target audience. the development of advertising videos should be preceded by a comprehensive analysis of the target audience, its behaviour patterns and interests, as well as determining the stage at which the potential customer is in the purchasing process; at the same time, it should be noted that the audience for advertising videos is not static, which necessitates flexibility and adaptability in marketing strategies (in particular, the intensification of mobile device use requires ensuring the attractiveness and quality of advertising videos on screens of different sizes).

- Extended research into the specifics of the advertised product or service. The distinctive features of the subject of the promotional video have a significant impact on creativity, with particular attention being paid to the advantages and disadvantages of the product, allowing potential customers to form a lasting impression of the competitive advantages of the service or product. If the subject of the promotional video is at least in the second stage of its life cycle and has real consumer reviews, these should be used to analyse the product or service.

- Effective placement. To ensure high effectiveness of advertising videos, it is necessary to take a responsible approach to choosing the platforms on which they will be shown; the key parameter for a realistic assessment of potential resources is the availability of the desired target audience, which is determined at the initial stage of creating an advertising video (social networks, applications, Google advertising network, thematic websites, etc.). It is also necessary to take into account that there are certain restrictions for each placement in terms of technical capabilities and formats. The main goal of this stage is to ensure that video advertising is as compatible as possible with the parameters and potential of the selected platform, while taking into account the cost of the process, since different resources provide different levels of consumer audience engagement within the same budget.

- Choosing the optimal format of an advertising video. The utilisation of analytical systems and secondary information facilitates the determination of the most efficacious formats for interaction with a specific target audience, thereby enabling optimal engagement and reach. A pivotal element of this phase entails

the meticulous examination of technical requisites and the arrangement of the visual composition, facilitating the delineation of the primary parameters and characteristics of the advertising video (e.g., duration, dimensions, musical accompaniment, supplementary effects, the incorporation or absence of accompanying text, etc.). At the same time, attention to detail is important, as each component of the advertising video requires careful consideration and must be consistent with the overall concept of the marketing strategy, ensuring that the advertising video is clear and understandable to the target audience.

– Formation and implementation of a communication strategy. The integrity of advertising video creative is contingent upon the integration of an effective communication strategy, with all components being linked by a single idea. Visual design, slogan, offer, text and video must reflect the key idea of the business, forming a single image. It is necessary to communicate with clients within the appropriate stylistic boundaries and in the same language.

In general, it is important to realise that the creativity in video advertising should correspond as closely as possible to the brand's overall marketing strategy and key values, and be compatible with its key messages and image, in order to create sustainable consumer interest and confidence. An effective advertising video should be both informative and entertaining, which can be achieved by using various approaches and techniques, such as musical accompaniment, metaphors and emotional involvement. The most important aspect of creating modern advertising videos is the active involvement of innovative technologies. In particular, animation and immersive technologies are used to create exciting experiences and spectacular visuals (Kupriienko, 2022).

### **3. Author's Innovative Method of Creating Advertising Videos to Increase the Effectiveness of Small Business Advertising Campaigns, While Minimising Advertising and Content Costs**

The proposed methodology can solve problems such as a lack of financial and time resources for business owners to create advertising content, and budget constraints that prevent them from using the services of expensive creative agencies. These issues are common among small businesses and solving them can give businesses a competitive advantage and accelerate their development. Even spending four hundred US dollars on a video created by a professional may not produce the desired result. At the same time, the quantity of content often determines the number of hypotheses that can be tested, and consequently the quality of the marketing strategy.

The author's innovative methodology is based on the use of simple, inexpensive video frames. With the help of a copywriter and AI, many variations of advertising creatives are created with different texts, voices and messages. These are then used for large-scale testing of hypotheses and to find the most effective models. Rather than hiring expensive creators, the author proposes using the business's own footage or that of its employees, which provides significant financial savings. Alternatively, one can hire specialists to shoot footage of goods or services instead of an expensive creator.

As a result, for the same amount of money, instead of one video from a creator costing 100–400 USD, one can get three to eight sample videos demonstrating a product or service. Using a variable demonstration, one can then create 18–48 video variations with different sound effects and frame order for advertising tests. It is also advisable to use artificial intelligence tools at the same time. This significantly reduces costs: instead of paying an average of 500–2,000 USD for five videos, the business only pays for two hours of shooting (approximately 100–200 USD) or shoots the footage itself for free. It is worth noting that, in order to create successful advertising campaigns on social networks, dozens of videos need to be tested every month. Using the classic approach, the cost of this can reach thousands of dollars.

The majority of small businesses find themselves in a predicament where they are compelled to allocate a substantial proportion of their revenue to video orders, or face the prospect of ineffective advertising campaigns, resulting in the excessive allocation of budgetary resources to advertising initiatives.

The content creation process involves a certain number of stages:

- 1) Formation of technical specifications (technical requirements regarding the format and number of frames are prescribed from the creators or from the client);
- 2) the shooting process (the frames are shot in different conditions at different locations, 2-5 seconds each frame);
- 3) script creation (up to three scripts and three sets of hooks are registered for one set of frames);
- 4) creating sound accompaniment using artificial intelligence tools based on a script (different voices can be used);
- 5) video editing with frames and various sound options.

The resulting footage can be used to create several creative options. A 15–30 minute video shoot can produce up to six different creatives, significantly reducing costs compared to traditional methods. This technique is particularly effective for segments that do not belong to the premium category because, for the latter, live content from ordinary

people is often the most effective and cheapest option.

The key advantage of the proposed approach is the ability to generate up to five creative options in a single shoot. This significantly reduces the cost of creating ten videos, from 1,000–3,000 USD to 150–250 USD.

Thus, the main expected results of applying the methodology can be summarised as savings in resources and increased efficiency in small business marketing strategies. Also, creating content using this method provides a basis for constantly testing various creative elements, which is essential for successful advertising campaigns. Although this format is simple, it can increase results by 20–60% compared to traditional user-generated content (UGC).

In addition, the methodology is expected to have a positive impact on sales and reach. Thanks to the increased number of creative options and the ability to test different approaches, businesses can achieve better results. It is worth noting that this innovative methodology can be used for any campaign, whether targeting "warm" or "cold" audiences.

The advantage of the proposed approach compared to that of typical digital agencies is obvious. Typical agencies often fail to address the issue of insufficient client content, instead using existing materials, which is often insufficient to achieve the desired result. Additionally, typical agencies tend to focus on static creatives, which are ineffective for targeted campaigns. The approach proposed in this study, by contrast, facilitates the creation of a greater volume of content in a shorter timeframe and with reduced financial expenditure. Concurrently, an increase in content provides greater opportunities for testing, which consequently results in enhanced outcomes in the field of advertising.

The dissemination of the method to third parties, with a view to consolidating its status as a "benchmark", is achieved by means of its adoption by a select group of employees and former clients of the company for their own projects. The method is integrated into the business's daily operations, thereby demonstrating its effectiveness and success.

The efficacy of the method has been demonstrated through testing in the USA, Ukraine, and Kazakhstan.

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## 4. Conclusions

Creative advertising videos are currently one of the most important components of an effective advertising campaign, serving as a key tool for attracting potential consumers and expanding the client base. The process of developing these videos should be based on a preliminary analysis of the target audience and the specifics of one's own product and competitors' offerings. To create effective advertising videos, it is crucial to have a clear understanding of the brand's strategy and capabilities, as this is the key to successful promotion.

The process of creating content within the innovative methodology proposed in the study involves a number of stages, including the formation of a technical task, the shooting process, the creation of scripts, the creation of sound effects using artificial intelligence tools based on the script, and the editing of a video with frames and various sound effects.

In accordance with the proposed methodology, the utilisation of obtained footage facilitates the generation of multiple creative options. A single 15-30-minute video shoot has the capacity to yield up to six high-quality creatives, thereby markedly reducing costs in comparison with conventional methods. The methodology has been found to be particularly effective for segments that do not belong to the premium category, i.e., for small businesses.

The importance of creative advertising videos in the success of an advertising campaign cannot be overstated. Such videos allow businesses to attract the attention of potential consumers and form sustainable advantages of their own product or service within the existing target audience. Conversely, effective advertising communication necessitates the integration of an expanded strategy, encompassing the identification of the priority interests and needs of the customer audience, the determination of the optimal advertising placement strategy, and the incorporation of original approaches. It has been demonstrated that small businesses which effectively integrate creativity with a strategic approach within their own marketing strategies are better positioned to achieve success in conditions of increased competition in the market.

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