

Local Venture Watch: Mixpo

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Summary: In the age of YouTube, small-business online video ads are becoming popular upsells for Internet Yellow Pages and search engines. Mixpo is one of a handful of video vendors that provide this capability to small and medium-sized businesses directly and through

local resellers. Founded in 2005, the Seattle-based company has differentiated itself from the pack with video overlays that provide a series of calls to action, and an all-in-one platform for businesses of any size to create, distribute and track these ads.



An all too common practice among small and medium-sized businesses is to drop a few thousand dollars on the production of a video and then leave it untended on a low traffic, under-optimized Web site or landing page — or worse yet, let it sit on a DVD or VHS, never to be seen again. The goal of Seattle start-up Mixpo is to help SMBs obtain ongoing, measurable results from their online video advertising investments.

Founded in 2005, Mixpo has raised \$6.5 million from Seattle-based Madrona Venture Group, the Working Opportunity Fund (managed by GrowthWorks Capital), Yaletown Venture Partners, SpringBank TechVentures and private investors. The company is headquartered in Seattle, with offices in Victoria, British Columbia. At Mixpo's helm is Anupam Gupta, former director of product management, online services, for Microsoft.

According to Gupta, Mixpo's president and chief executive officer, the end game for small-business video isn't just distributing content. Rather, it is getting customers to convert and report those conversions. The company hopes this type of measurability will boost the

appeal of online video and take advantage of the direct response medium on which the content is delivered.

"Maybe 12 percent of video viewers are asking for more information," estimates Gupta. The low follow-through, he says, is due to the lack of calls to action. It is also the result of small businesses not having the means to measure whether any of it is effective.

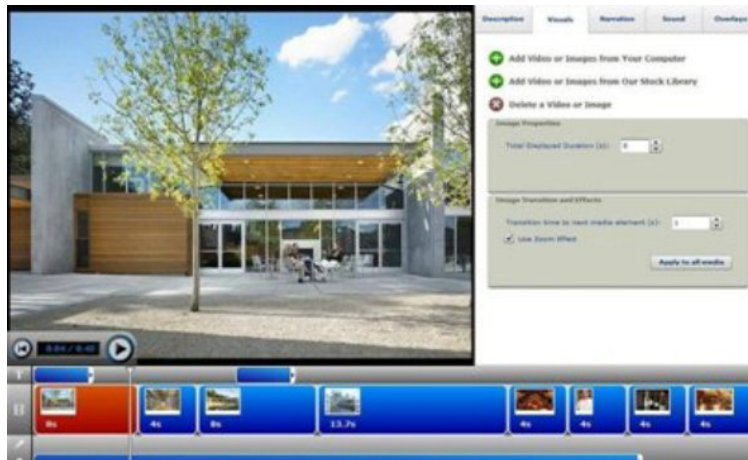
Mixpo wants to focus on both aspects for small businesses. Its goal is to facilitate leads from views of the videos with built-in triggers for the video player. For instance, companies can add e-mail contact forms, embedded URLs and clickable phone numbers. Mixpo is also concentrating on video search engine optimization, or vSEO.

"VSEO is very different than text SEO," says Gupta. "We're indexing all the video, creating landing pages and sending them to all the search engines. Every video ad is optimized for universal search. And we're mapping where all the views are coming from."

Mixpo also considers the context in which the video ad is placed. This can include placement on a Web site, in an e-mail or on a search results page. What the message is and how it plays in each of these formats is important.

One practice, for example, is setting a video to play

Mixpo's New Platform Lets SMBs Customize Video Ads ...



... and Track Their Performance



SOURCE: MIXPO (2008)

automatically when a site opens but allowing users to turn on the audio if they are interested. The thought is that this gets higher clickthrough rates without being obtrusive to the viewer.

The quality of the video is also amplified using Adobe Flex — an extension of Flash — with higher video streaming rates and a “playlist.” This allows businesses

to easily change elements of the ad without having to take down and re-embed the video.

A Valentine's Day promotion, for example, can be added to a florist's video ad Feb. 13 and taken down on the 15th. SMBs typically don't add and delete videos on their sites because they have to pay video editors and/or webmasters for every change.

Gupta adds that Mixpo is primarily focused on working with marketing agencies and lead generators to resell the services to SMBs.

“We are finding our solution is a perfect complement to the marketing an SMB is already doing online,” he says. “They want a solution that can be easily integrated into what they are doing, [to] repurpose existing content to the extent possible and be 100 percent measurable.”

Lowering the Barrier

On April 30 Mixpo took ease of use and measurability to a new level by launching an all-in-one platform for production, editing and tracking/analytics. The production dashboard has drag-and-drop functionality for ad creative, including existing still images and a library of stock footage. It also lets advertisers build and customize Mixpo’s signature call-to-action overlays.

The new platform includes an ad rotation tool for A-B testing with different variables, as well as an automatically generated landing page for each ad. It gives the video content a place to live that is optimized for video search and is valuable for companies that have a subpar (or no) Web site. Lastly, Mixpo has bundled in reporting tools to enable companies to track their video ads — whether on their own sites or distributed.

Video for Verticals

Mixpo works with a range of local and vertical customers, including real estate brokers, travel and tourism companies, resorts, condo developers, and auto dealers.

Real estate has been a particularly strong vertical because of its visually oriented products as well as its advertisers’ pressure for leads, high-margin items and aggressive personalities — all of which make them more likely to be early adopters of new marketing tactics.

In tandem with the launch of its new platform, Mixpo also announced a series of real estate partnerships. Most notably, ActiveRain will integrate Mixpo’s platform into its real estate social network. The partnership gives Mixpo access to 80,000 real estate professionals — a qualified, self-selected sample whose ActiveRain membership indicates early adopter/technically astute status.

The company’s other new partners are Miller Condominium Marketing, a Seattle-based real estate marketing firm, and Realogics/UrbanCondominiums.com, which will work with Mixpo to showcase Seattle and Bellevue’s real estate fundamentals and select properties.

While real estate has proved to be a strong vertical for Mixpo, the company maintains it will target most other verticals. The versatility of the platform suggests it will be salable as such. **ILM**