#### **Most Watched**

# Citizen Media Viable business models?

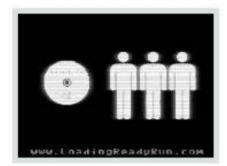
PICNIC Special, 25th september 2008

**Sander Limonard** 



alone? Leave ne!

#### **Editor's Picks**



Halo: The Future of Gaming by loadingready 201,876 views

#### **TNO** | Kennis voor zaken



# 13+

"President" - Kim McFriendly Music Video

by kimmcfriendly 392 views



Country Gal Blows up Wall with Potato Gun by WonderHowTo

580 views



Words by director2k 145 views

#### **Editor's Picks**



"President" - Kim McFriendly Music Video by kimmcfriendly 392 views

тоге »

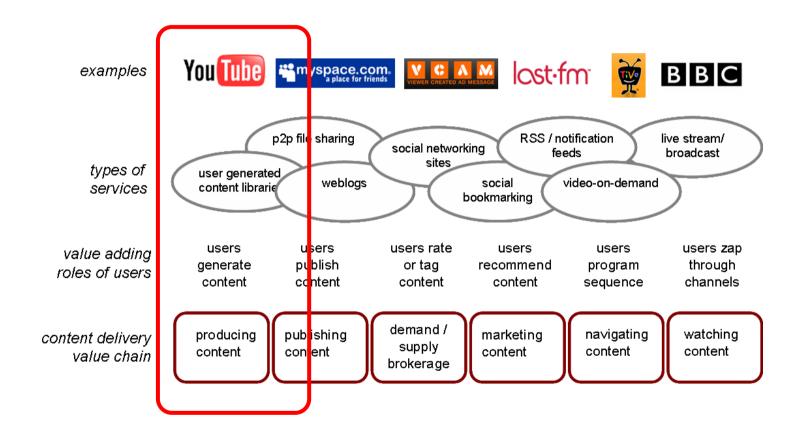
#### Most Watched

## Outline presentation

- Citizen Media: introduction
- User generated content: business considerations
- 3 strategies
- Conclusions



## What is user generated content?

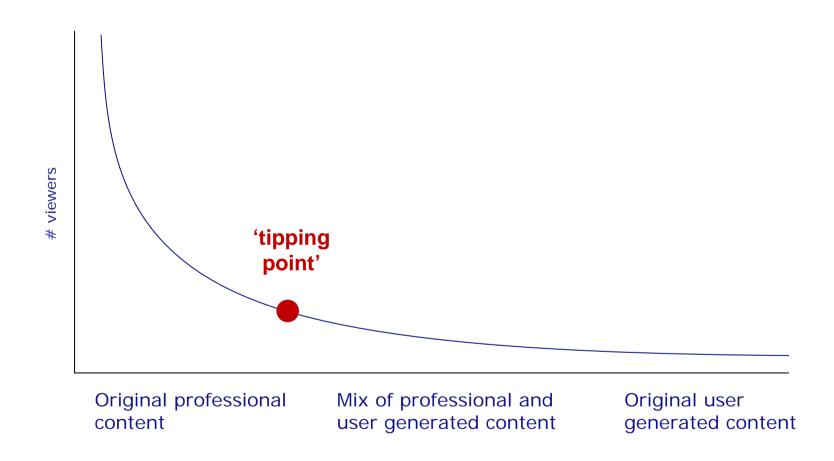




- Citizen Media: introduction
- Business considerations for Citizen Media platforms
- 3 strategies
- Conclusions



## User generated content = long tail content



5 26-9-2008

Revenue model	Description	Typical service
Micro Advertising	Non-obtrusive ads: banners, short bumper spots	Youtube LiveLeak
Affiliate marketing	"Brick and mortar' service providers (banks, recruitment agency, retailer) get access to UGC setting to create extra outlet	Zizone Tubantia-Haaksbergen
Sell 'Best of'	Identifying 'quality' content and sell to b2b and b2c	Revver, MIMOA
Premium Services	Inviting members to buy high quality content or get privileges	Habbo Hotel Hyves
Donation	Inviting members to donate or invest	Wikipedia Sellaband
Sponsoring	Advertiser sponsors platform to create brand awareness/customer loyalty	'Nationale burendag'
Talent Spotting (no direct revenue)	Communities offering enthusiastic or talented people a chance to fame	So you wanna be a popstar, Islandoo, Sloggi
Customer Loyalty (no revenue)	Getting people to interact with your brand	Viacom Kentucky FriedChicken





- + Critical mass
  - 80% market share in the on-line video market
  - Still 70.000 uploads per day
- + Revenu model
  - Micro advertising, soon to be complemented with video ads
- Effort required to clear rights or remove harmful content
- Right clearance
  - Youtube pays large media players
- Not all videos can be ad supported
  - increased liability for copyright infringement
- Popular content creators go elsewhere





Videos | Favorites | Playlists | Groups | Subscribers | Subscriptions



Hi, my name is Olivia and I'm the News Manager at YouTube. The CitizenNews channel is where we'll be highlighting some of the best news content on YouTube.

If you see examples of great journalism and reporting being done by your fellow YouTubers, let me know!

Email me at CitizenNews@youtube.com and share your thoughts, suggestions, and feedback for how you envision news on YouTube.

Name: Olivia

City: San Francisco

Country: United States

Website: http://www.youtube.com/citizennews

Report profile image violation



#### Project: Report - YouTube's First Journalism Contest

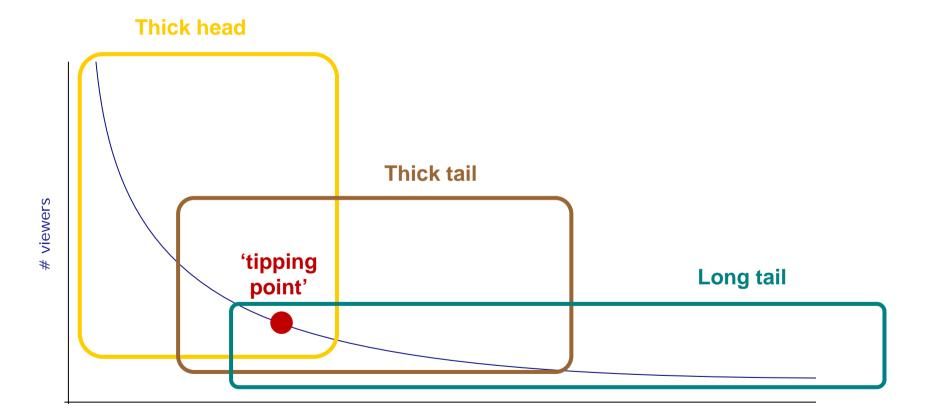
From: <u>citizennews</u> Views: 2,537 Comments: <u>3</u>

Playlists





## Long tail strategies

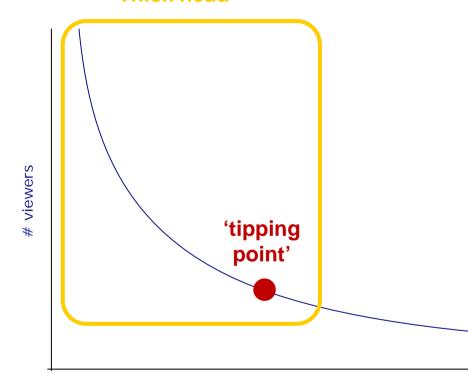




- Citizen Media: introduction
- Business considerations for Citizen Media platforms
- 3 strategies (2 actually)
- Conclusions



## Thick head





Reset password // Not a member? Register »

#### il Report Unedited, Unfiltered, News, El Feedback



#### **Explore**

#### - Tags

2008 election bailout biden bush comment debate economy election election08 entertainment georgia ireport\_for\_cnn mccain mccain\_palin obama obama\_biden opinion palin politics russia

more»

#### + People

#### Appeared on CN

iReports used in CNN's news coverage

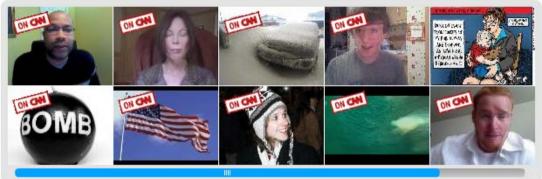


#### Lukoil gas station on fire. »



Posted by: unclaimed Sep 25, 2008

#### Newsiest Now (WHAT'S)



#### Fresh iReports // more »



Latest Highest Rated Most Viewed Most Commented Most Shared On CNN Newslest (WHAT'S THISE

Last 24 Hours // Last Week // All Time



1-11

#### Invasion of the Jelly Crab Aliens »

35 comments // \*\*\*\* (11 ratings) // viewed 102,748 times

Ft. Myers, Florida

About 30 mi. SW of Sannibel Island in the Gulf of Mexico lurks an alien species of large jellyfish with crabs who ride shotgun. Should we be ...

Tags: offbeat, alien, invasion, jellyfish, crab, gulf, of, mexico



Posted by: pjolyne 17 hours ago

Posted by:

20 hours ago



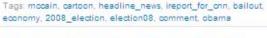
#### McCain: Childish Antics »

30 comments // ★★★★ (19 ratings) // viewed 14,201 times

New York, New York

John McCain's campaign manager, Tricky Rick Davis got 2 million cookies protecting the mortgage giants that are at the heart of the trillion...

economy, 2008\_election, election08, comment, obama

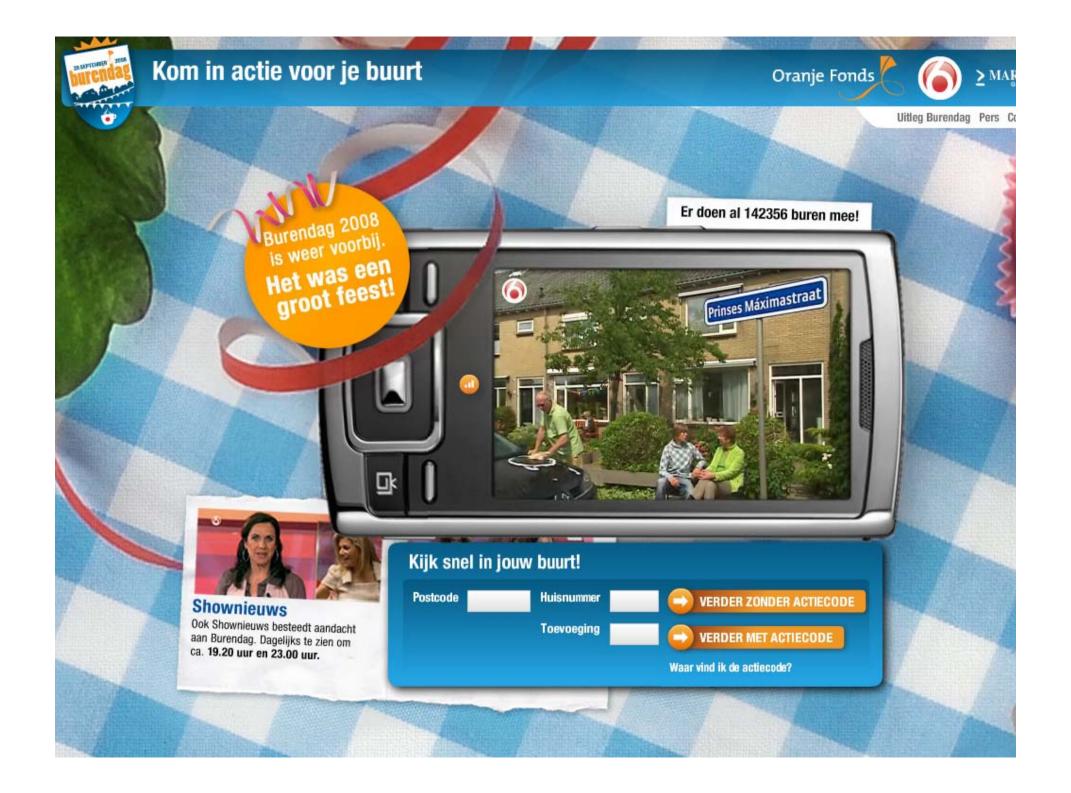




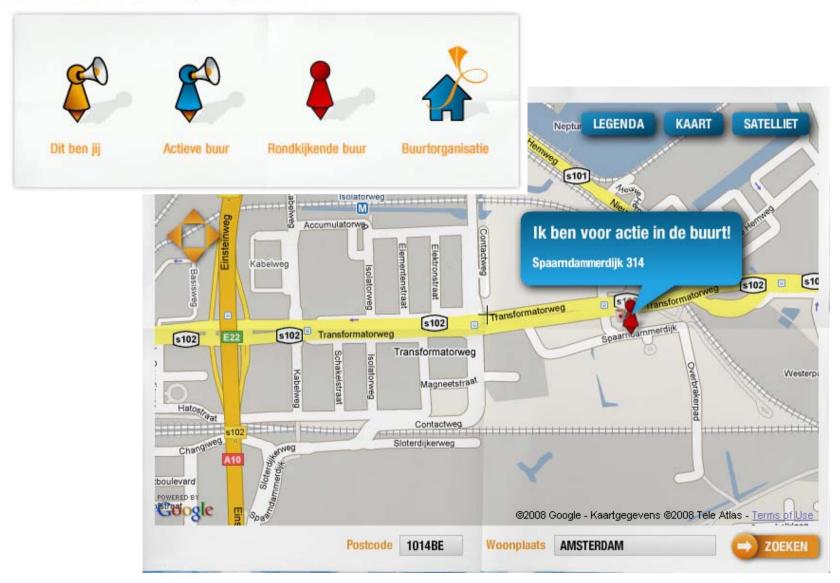
#### Nor'easter at Sandbridge Beach »





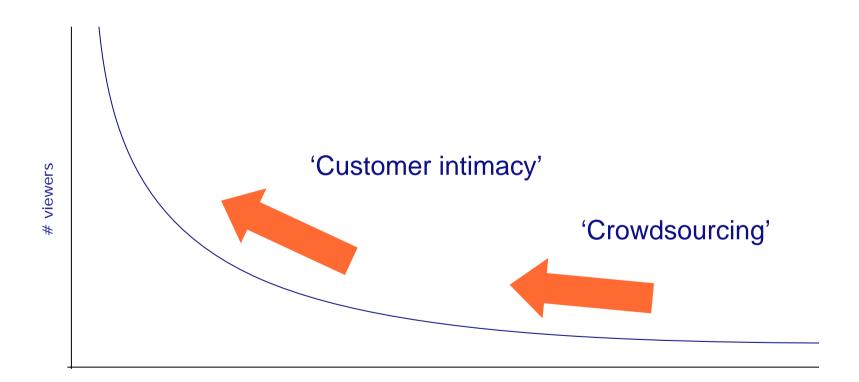


#### Wat betekenen de icoontjes op de kaart?





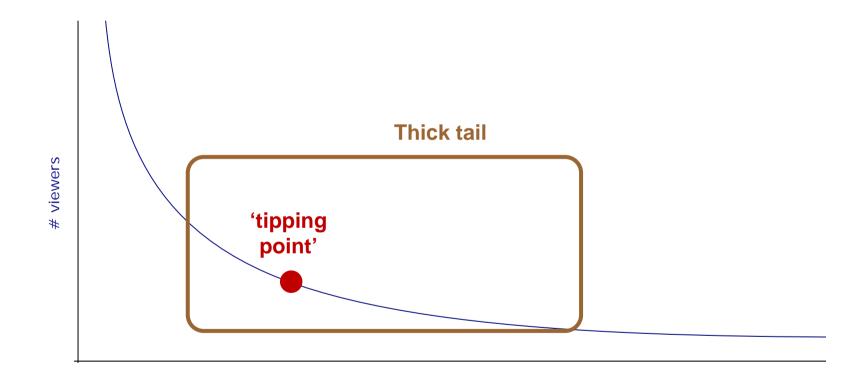
## 'Thick head' strategy





Revenue model	Description	Typical service
Micro Advertising	Non-obtrusive ads: banners, short bumper spots	Youtube LiveLeak
Affiliate marketing	"Brick and mortar' service providers (banks, recruitment agency, retailer) get access to UGC setting to create extra outlet	Zizone Tubantia-Haaksbergen
Sell 'Best of'	Identifying 'quality' content and sell to b2b and b2c	Revver, MIMOA
Premium Services	Inviting members to buy high quality content or get privileges	Habbo Hotel Hyves
Donation	Inviting members to donate or invest	Wikipedia Sellaband
Sponsoring	Advertiser sponsors platform to create brand awareness/customer loyalty	'Nationale burendag'
Talent Spotting (no direct revenue)	Communities offering enthusiastic or talented people a chance to fame	So you wanna be a popstar, Islandoo, Sloggi
Customer Loyalty (no revenue)	Getting people to interact with your brand	Viacom Kentucky FriedChicken

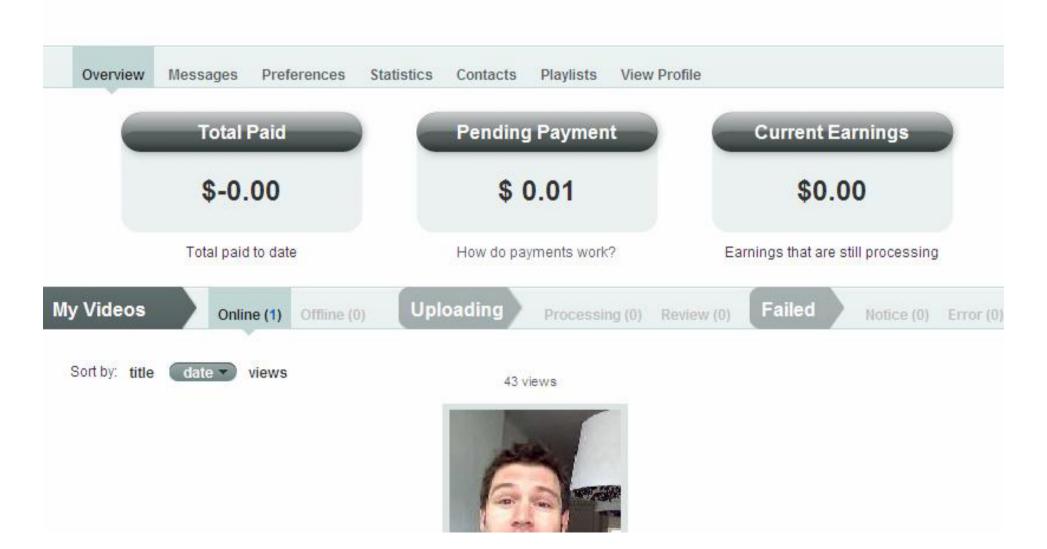




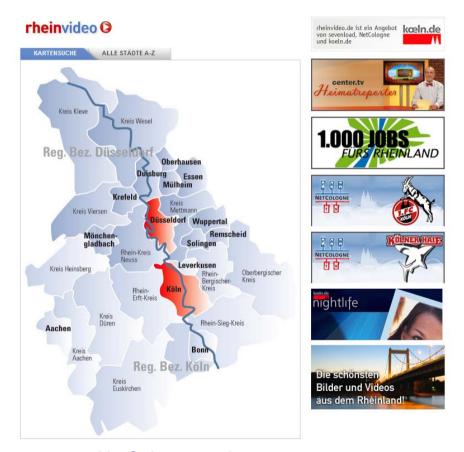




## My Dashboard



## 'Go Local'







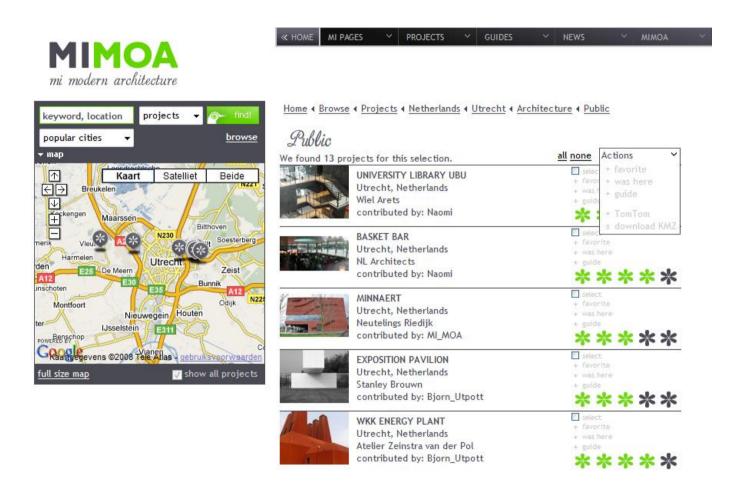
NetCologne - telecom operator

Wegener - Publisher

Based on personal, high trust relations



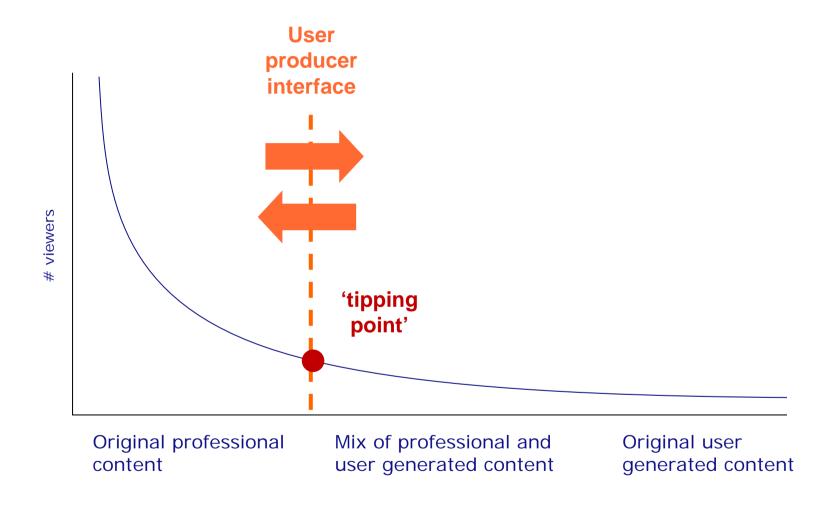
## Special interest



Based on specific interest, not necessarily personal relations



## Create a market place between amateurs and professionals



26-9-2008

Revenue model	Description	Typical service
Micro Advertising	Non-obtrusive ads: banners, short bumper spots	Youtube LiveLeak
Affiliate marketing	"Brick and mortar' service providers (banks, recruitment agency, retailer) get access to UGC setting to create extra outlet	Zizone Tubantia-Haaksbergen
Sell 'Best of'	Identifying 'quality' content and sell to b2b and b2c	Revver, MIMOA
Premium Services	Inviting members to buy high quality content or get privileges	Habbo Hotel Hyves
Donation	Inviting members to donate or invest	Wikipedia Sellaband
Sponsoring	Advertiser sponsors platform to create brand awareness/customer loyalty	'Nationale burendag'
Talent Spotting (no direct revenue)	Communities offering enthusiastic or talented people a chance to fame	So you wanna be a popstar, Islandoo, Sloggi
Customer Loyalty (no revenue)	Getting people to interact with your brand	Viacom Kentucky FriedChicken



# Considerations in setting up this interaction





## GRATIS DE BESTE SKOEPS IN JE MAILBOX ?

Logo Skoeps

#### North Sea Jazz Festival

evenementen - rotterdam



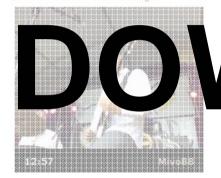
#### Rondleiding bij Greenpeace

binnenland - amsterdam



#### Plein Open festival

evenementen - den haag



## E. 63167378 \*\*\*\*\*\*\* Login &

#### EBIRWINGERWELABING

Bokito in nieuwe situatie



BN'ers kwellen publiek



## 



Vertraging en omleidingen bij Gouda



## 

Brand in kalverschuur



Essent repareert winkelcentrum



#### 

15:01 Vijftien jaar cel voor moord op echtgenote

14:51 Aantal echtscheidingen stabiliseert

14:32 SP eist meer vervolgingen voor Schipholbrand

Weer wateroverlast in West-

Vuist tegen kankervenwekkende Chinese kruiden

#### Win: weekend Istanbul!

valkantieadres en



REGISTRIEREN

Videos | Mitglieder | Blog | Termine | Links | Konta

OLAF S

## kabadada.de das Kabarett-Video-Portal

für professionelle Künstler und kabarettinteressierte. Video, Blogs, Kritiken, Termine und mehr.

jetzt aber los !!!

kabadu.de dein Video-Portal für den Kabarett-Nachwuchs

Comedy, Poetry Slam, Kleinkunst, Videos, Blogs, Kritiken, Termine und mehr.

jetzt aber los !!!

00:00

TILLIBAN SKANDALLa videos von Tilliban

TO





THE WORD IS NOT ENOU

212 VIEWS

THE WORD IS NOT ENOU JAN STRUEBIG 26/05/2008

334 VIEWS 0 KOMMENTARE

BUALT MELDEN

URL HTTP://WWW.KABADU.DE/NODE/1158

MEHR FILME

## Conclusions

- Apart from a few global platforms, Business models solely based on original UGC do not exist.
- The combination of professional content/services and UGC and the associated synergy are the way forward for most players, especially European ones. Moderation is key.
- Business models for UGC are cost driven. Most platforms implement a mix of revenu models to cover the costs
- The challenge is to find the right niche and create a specific two way dialogue between professionals and amateurs



## Thank you

sander.limonard@tno.nl

www.tno.nl www.ist-citizenmedia.org www.digitalepioniers.nl

