

# *A New Era for Online Video*

*The Changing Shape of the Online Video Market in Europe*

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**Agenda**

**The Story So Far**

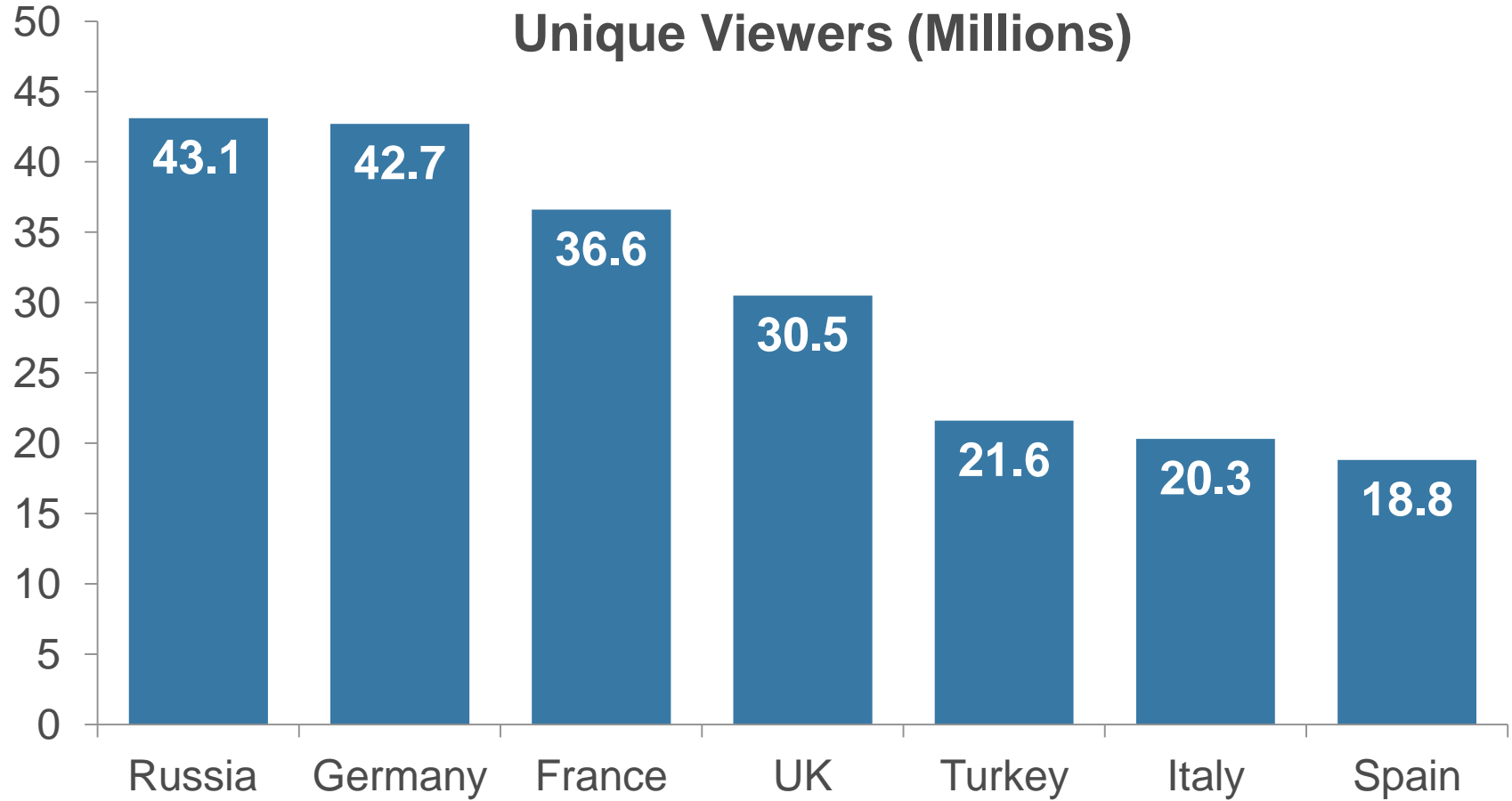
**A New Era for Online Video**

**Case Study: YouTube**

**Summary**

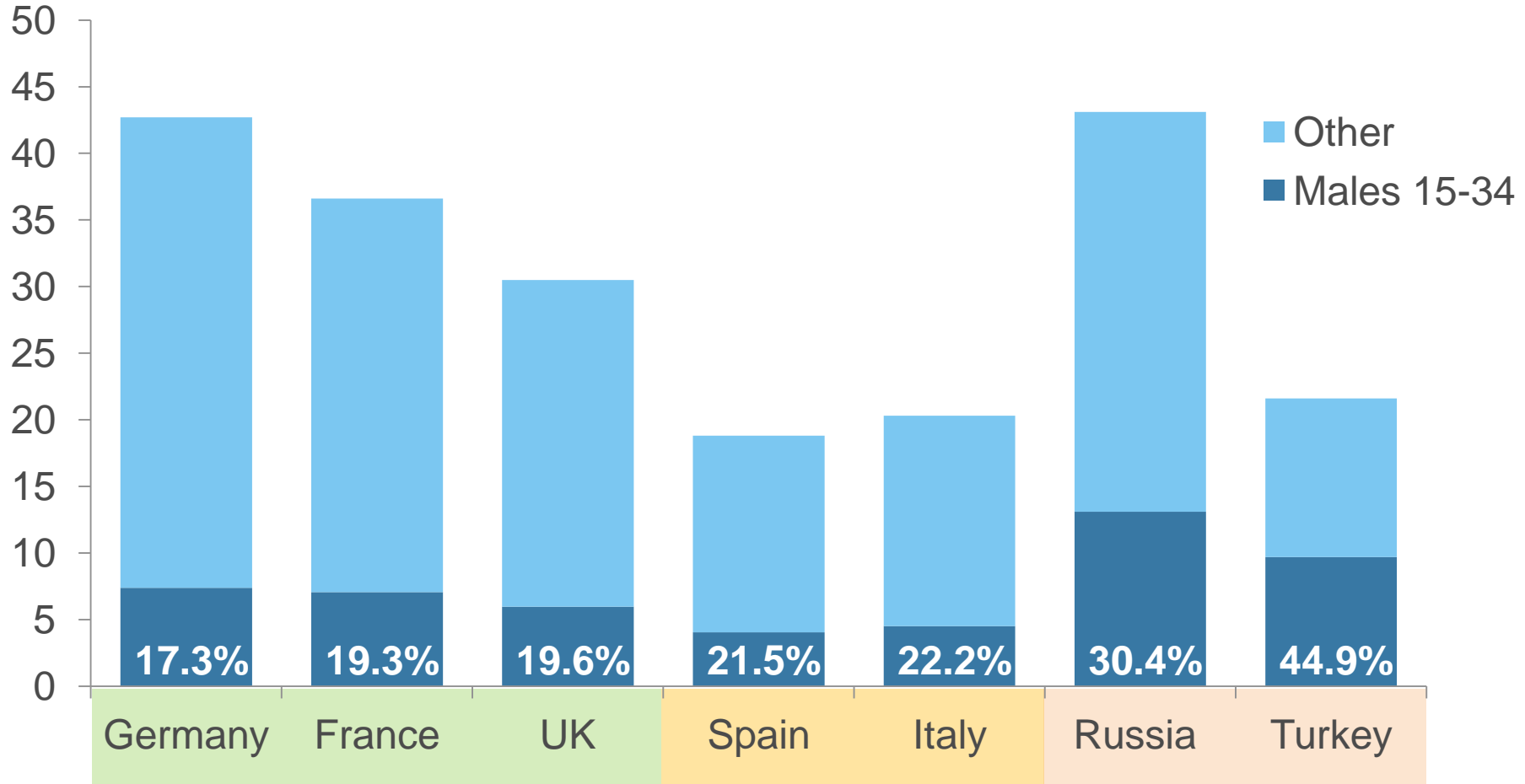
**1.2 Billion people**  
watched an average of  
**18 hours each**  
of Online Video in October  
**Worldwide**

# Russia Leads the Way in Europe in terms of Audience Size



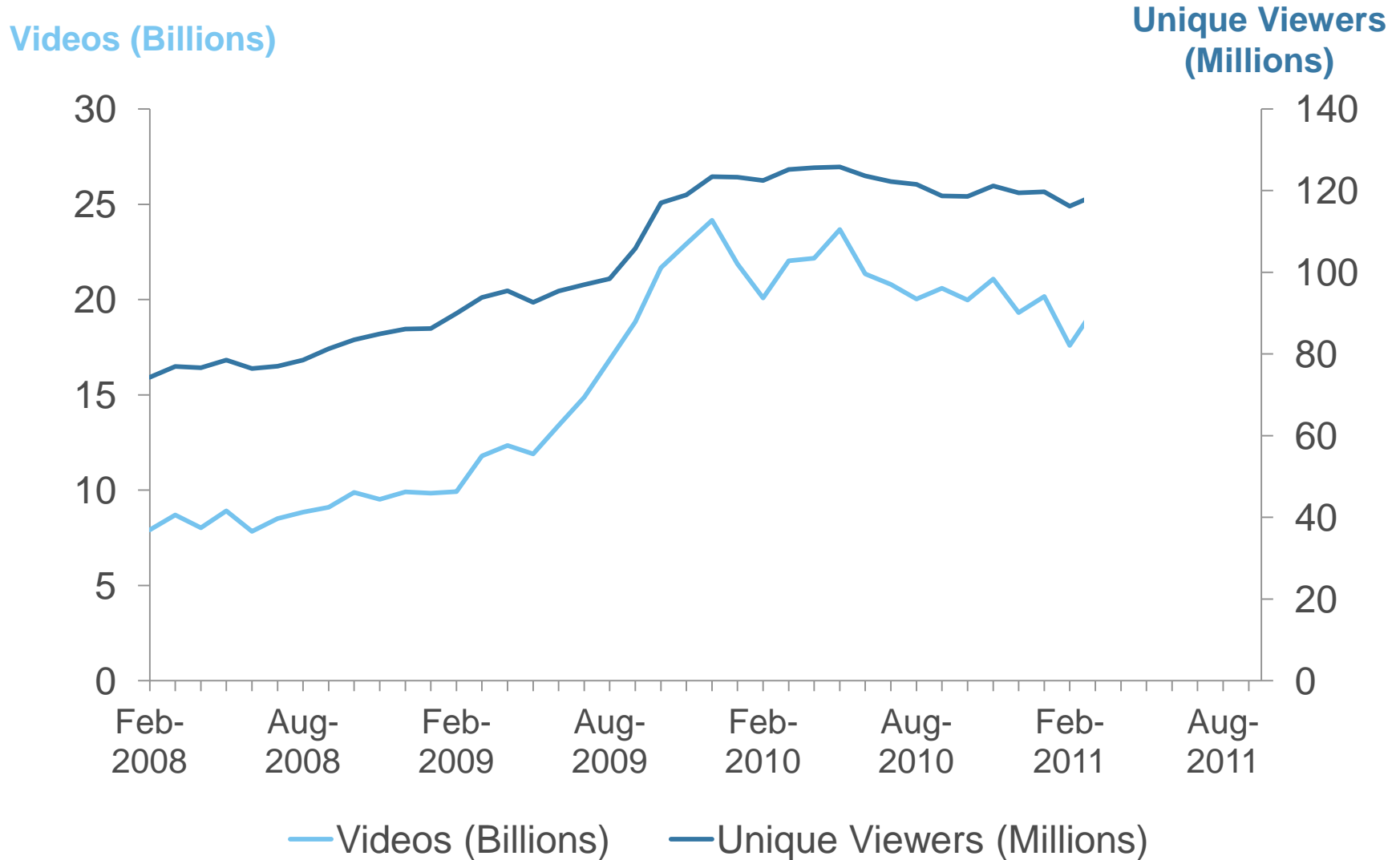
# But Higher Composition of Young Males Outside EU-3\* Indicates Room for Maturity

Unique Viewers  
(Millions)

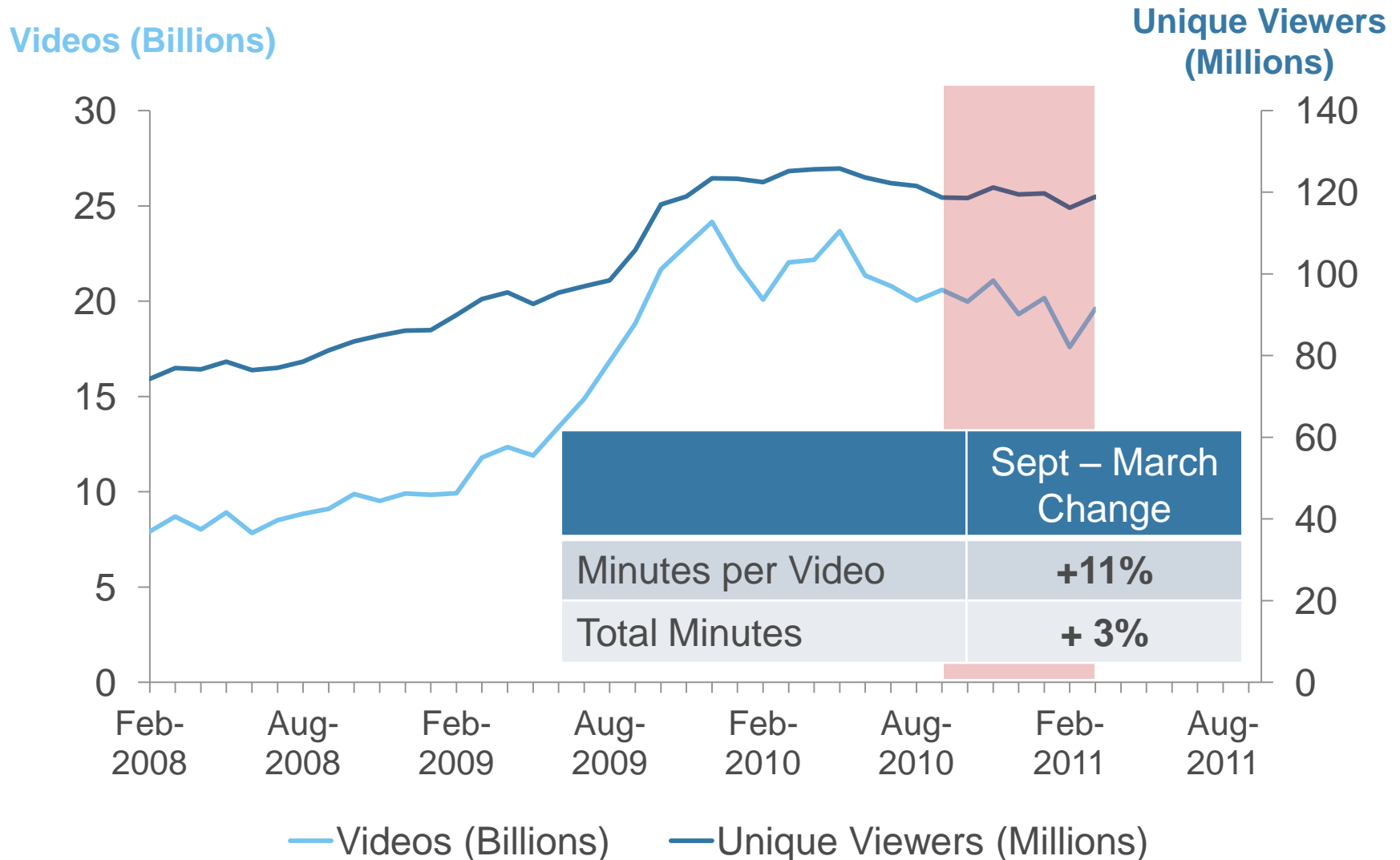


\*EU-3 includes UK, France and Germany

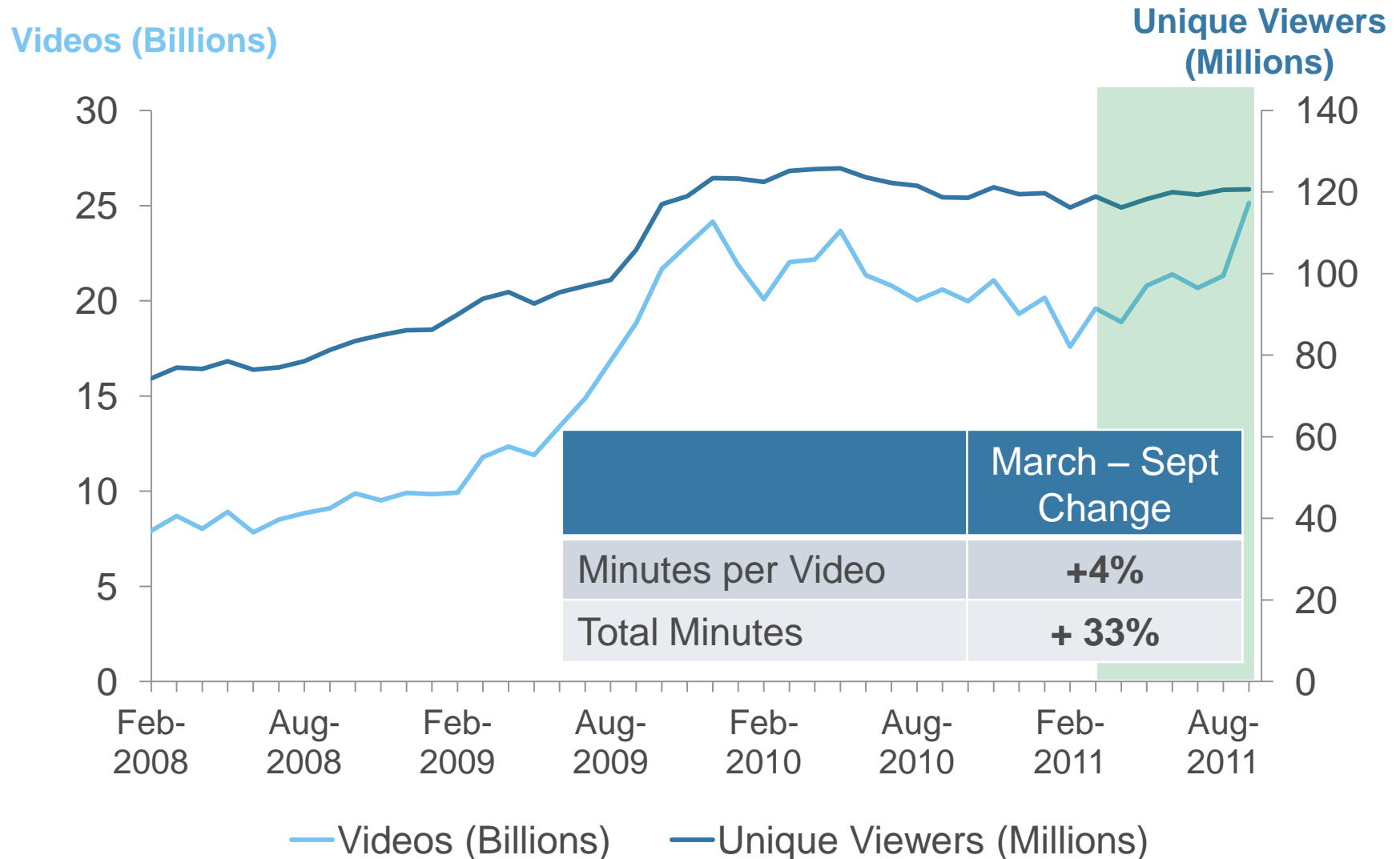
# Rapid Growth of Unique Viewers and Video Views Stopped in Q1 2010 for EU-3



# A Closer Look Uncovers the Story of a Shift from Quantity to Quality



# The Last Six Months have seen the Birth of a New Era of Online Video





## **A New Era of Online Video**

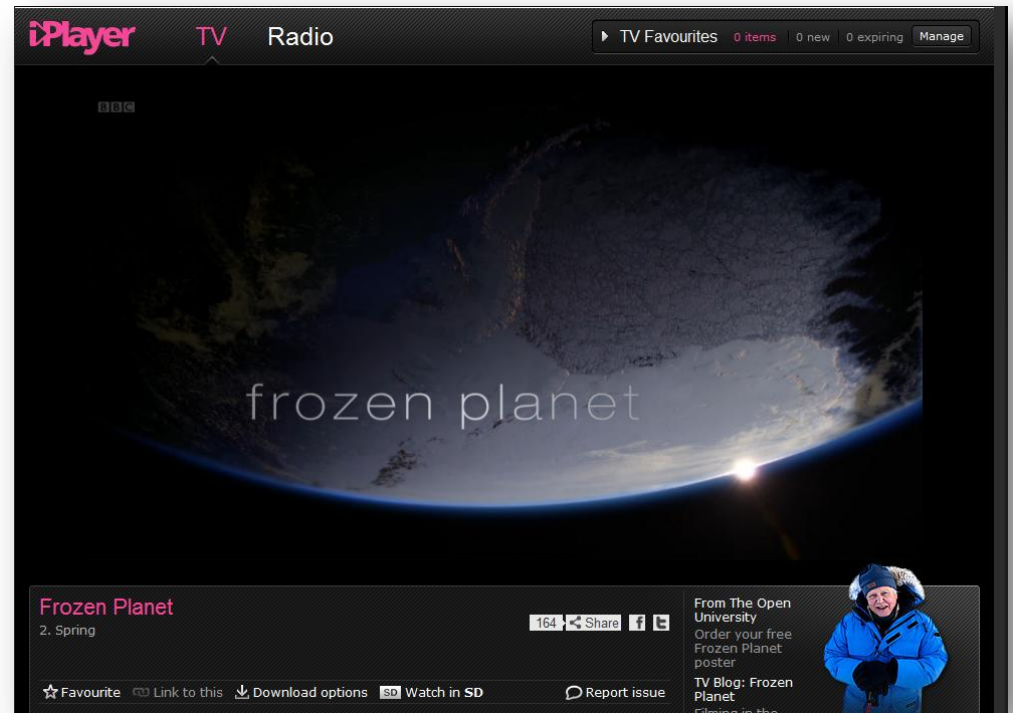
A Quality Viewing Experience

A Choice of Quality Content

Convenient and Accessible

A Price Worth Paying

# A Quality Viewing Experience: Online Video has Come a Long Way



# A Choice of Quality Content: The Two Ends of the Quality Spectrum are Well Established

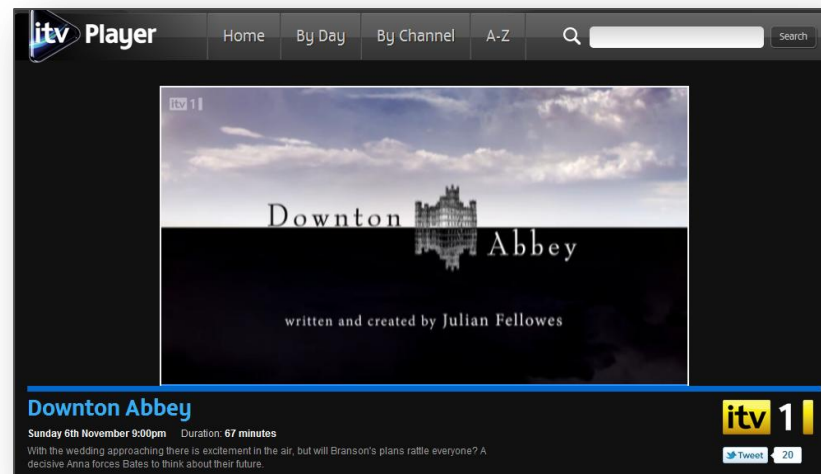
**UGC**

**PREMIUM**



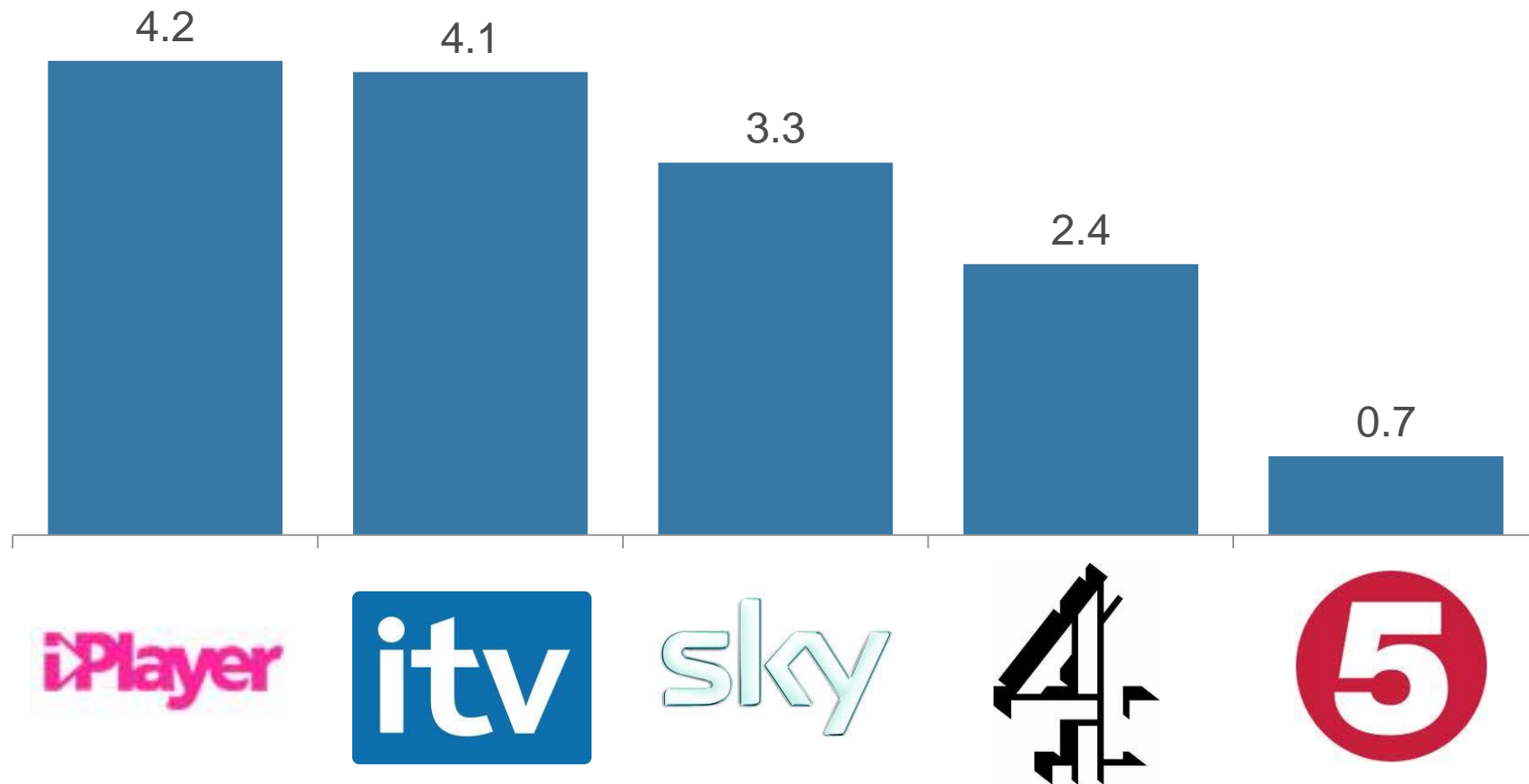
**Shorter format**  
**Low budget**  
**Low quality**  
**Low talent/interest**  
**Unknown content**  
**Minimally monetised**

**Longer format**  
**High budget**  
**High quality**  
**High talent/interest**  
**Known content**  
**Well monetised**



# A Choice of Quality Content: At the Premium End, TV Broadcasters have Large Online Video Presence

Unique Viewers (millions)



## **A Choice of Quality Content:** Online Video Specialists Cultivate Niche, Attractive Audiences



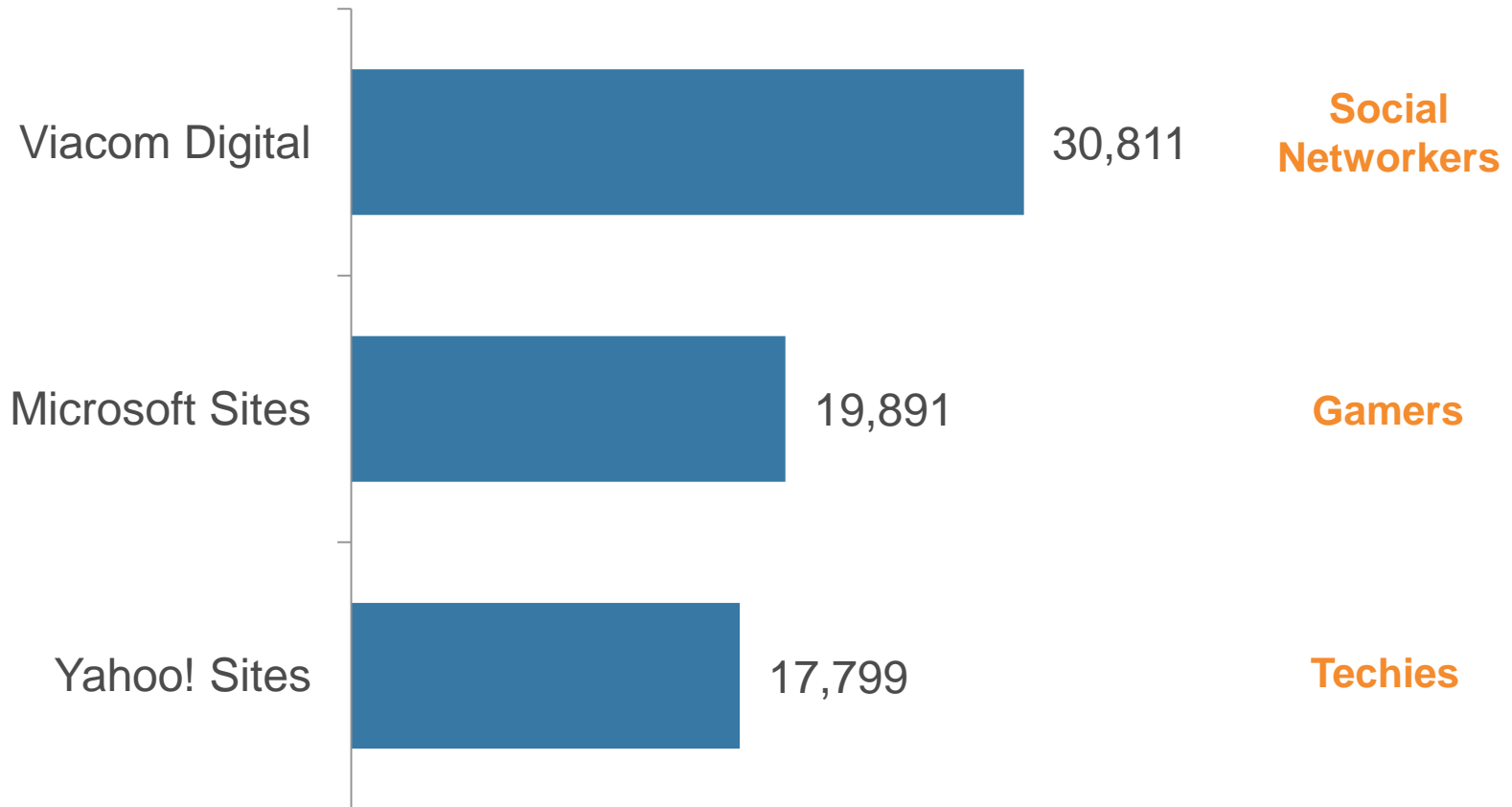
**134% more likely**  
than the Average Video  
Viewer to have  
**Household Income**  
**Over £50K**

**190% more likely**  
than the Average Video  
Viewer **to watch**  
**Videos from**  
**Technology Sites**

# A Choice of Quality Content: US Powerhouses Leverage their Existing Expansive Audiences

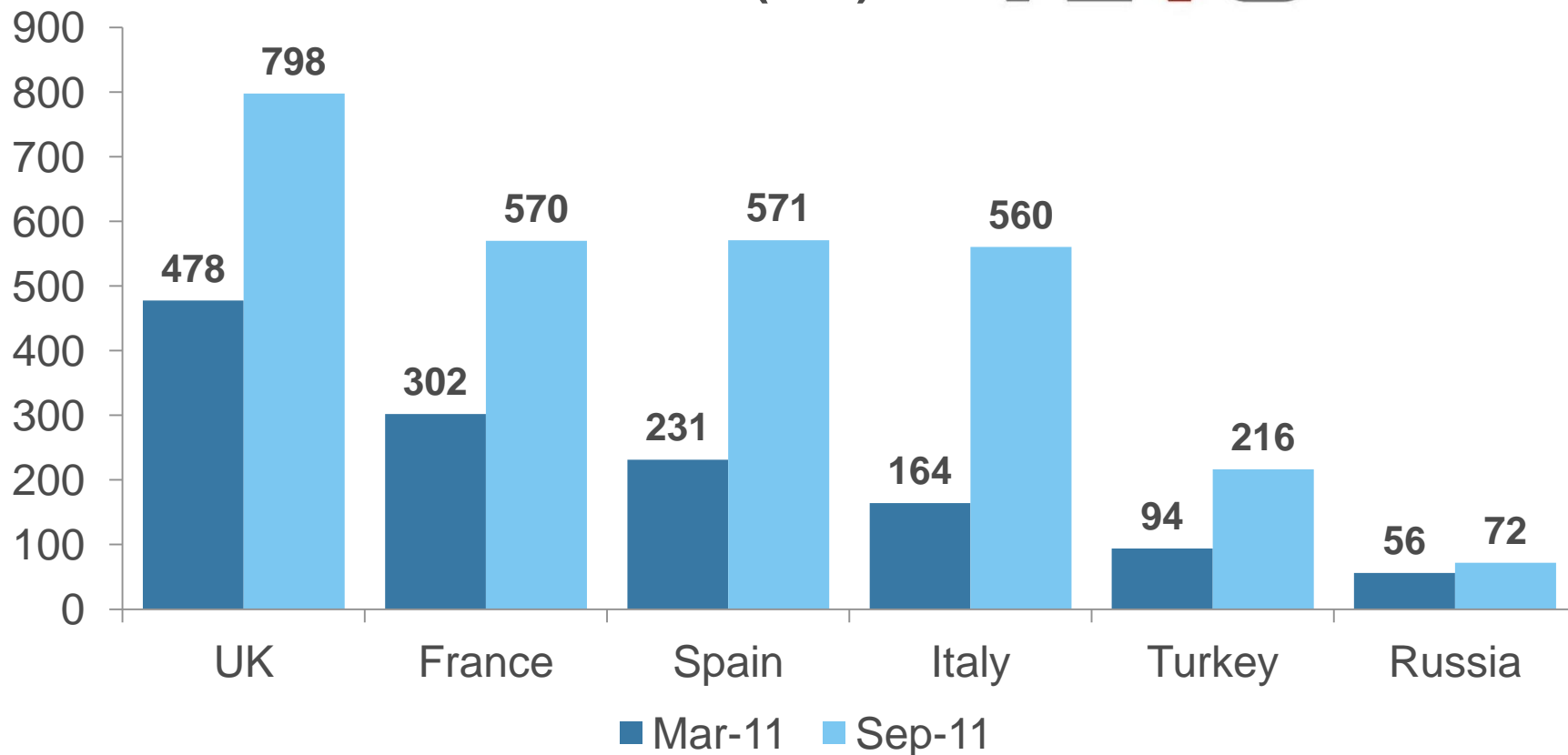
## Unique Viewers (000) in EU-7

**Typical Video Audience:**

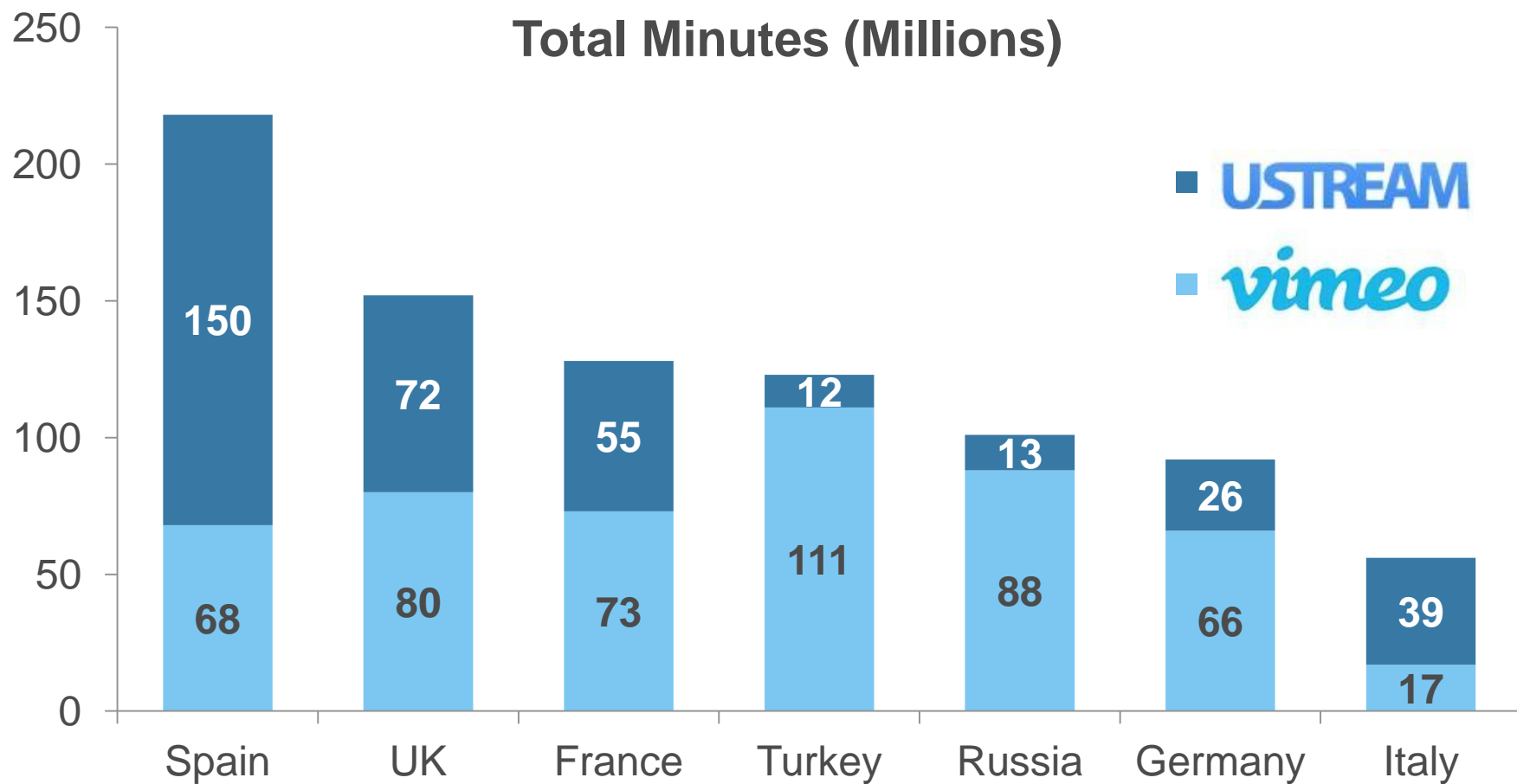


# A Choice of Quality Content: Online Video Suits a Variety of Content Types, Allowing New Market Players to Emerge

## Total Minutes (MM) for VEVO™



# A Choice of Quality Content: Low Barriers to Entry Permit New Content Producers, Including the User



# A Choice of Quality Content: Partnerships are Taking Place to Supplement UGC and Bring Quality to the International Mass Market

Dailymotion

113.4m Unique Viewers

Worldwide



facebook

272.7m Unique Viewers

Worldwide



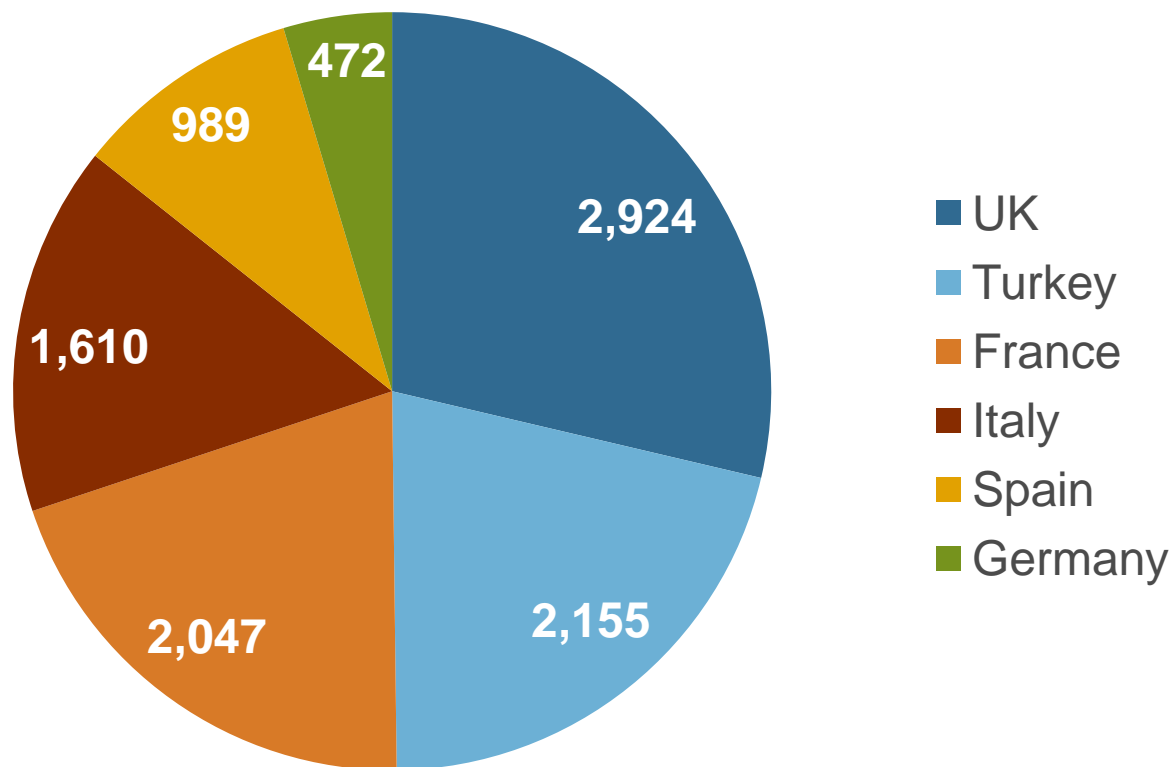
hulu

MyVideo

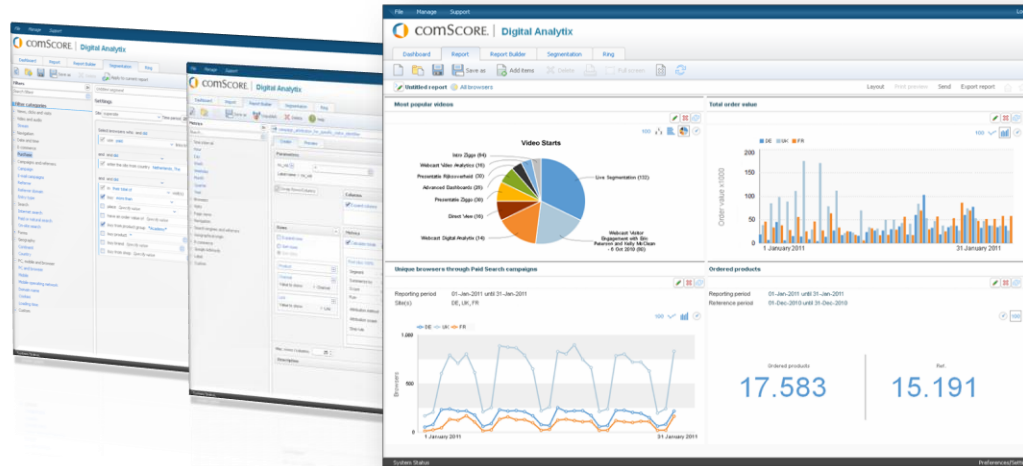


# Convenient and Accessible: Syndicated Nature of Online Video Brings Relevant Videos to the Viewer Across the Web

## Unique Viewers (000) for Perform Sports



# Convenient and Accessible: Control Over Content and Visibility on On-Site Behaviour Helps Experts Deliver Relevant Content to Visitors

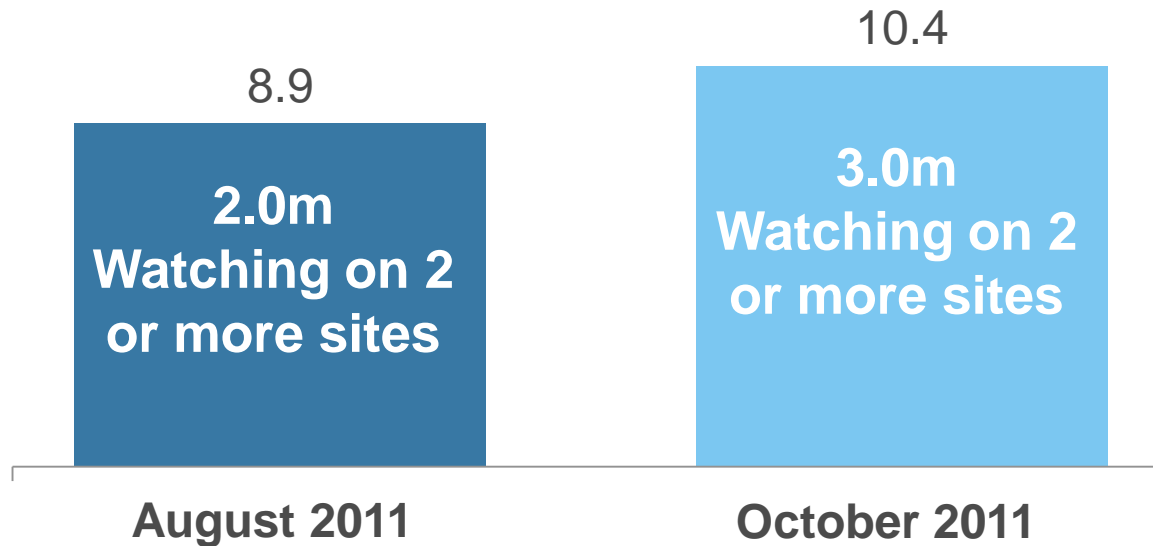


## Average Videos per Session on Client Site



# Convenient and Accessible : VOD Audiences are Loyal, but Starting to Diversify

## Unduplicated Viewers (millions)



iPlayer

itv

sky

4

5

# Convenient and Accessible: Online Video is Social, and Publishers can Leverage the Power of Social Media

- 1 in 3 video viewers comment
- 2 in 5 upload videos
- 1 in 2 regularly share videos
- More than 1 in 2 view online video with others

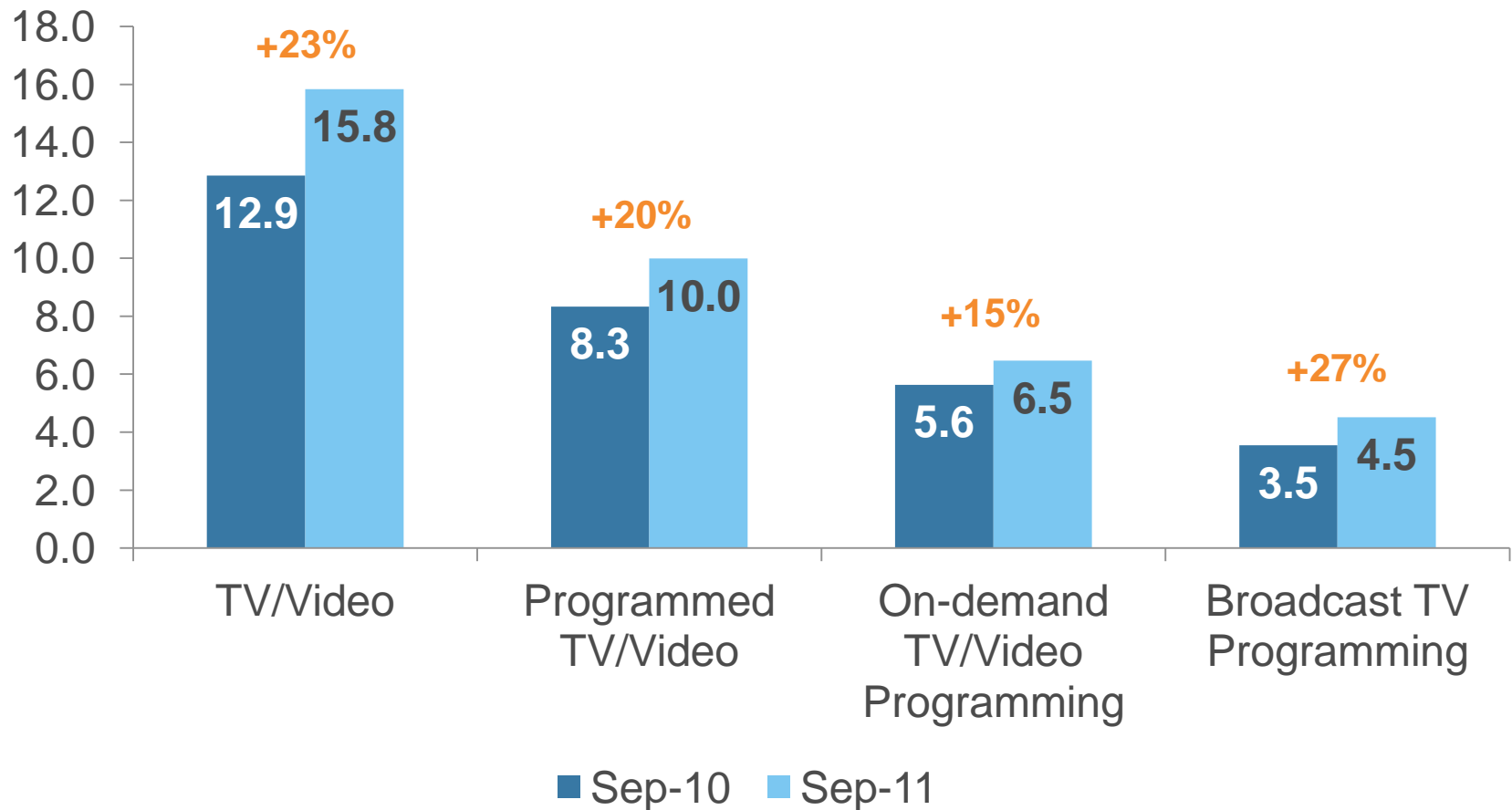


The image shows a promotional banner for Top Gear specials on the left, with the text: **'Like' this page to rent full-length Top Gear specials**. Below this, it says: "We've selected some of our favourite Top Gear specials for you to rent and watch using your Facebook credits. Just click here." The banner features three men from the show. To the right is a screenshot of a Facebook page for Top Gear, showing the headline "Join TopGear on Facebook", a large counter for "09,498,318 TopGear fans", a "Like" button, and a list of profile pictures of users who liked the page. At the bottom of the Facebook snippet are links for "Twitter", "RSS", and "The Stig".

**Users exposed** to brand messages **via their Friends** on Facebook are **219% more likely** than the average internet user **to visit Topgear.com**

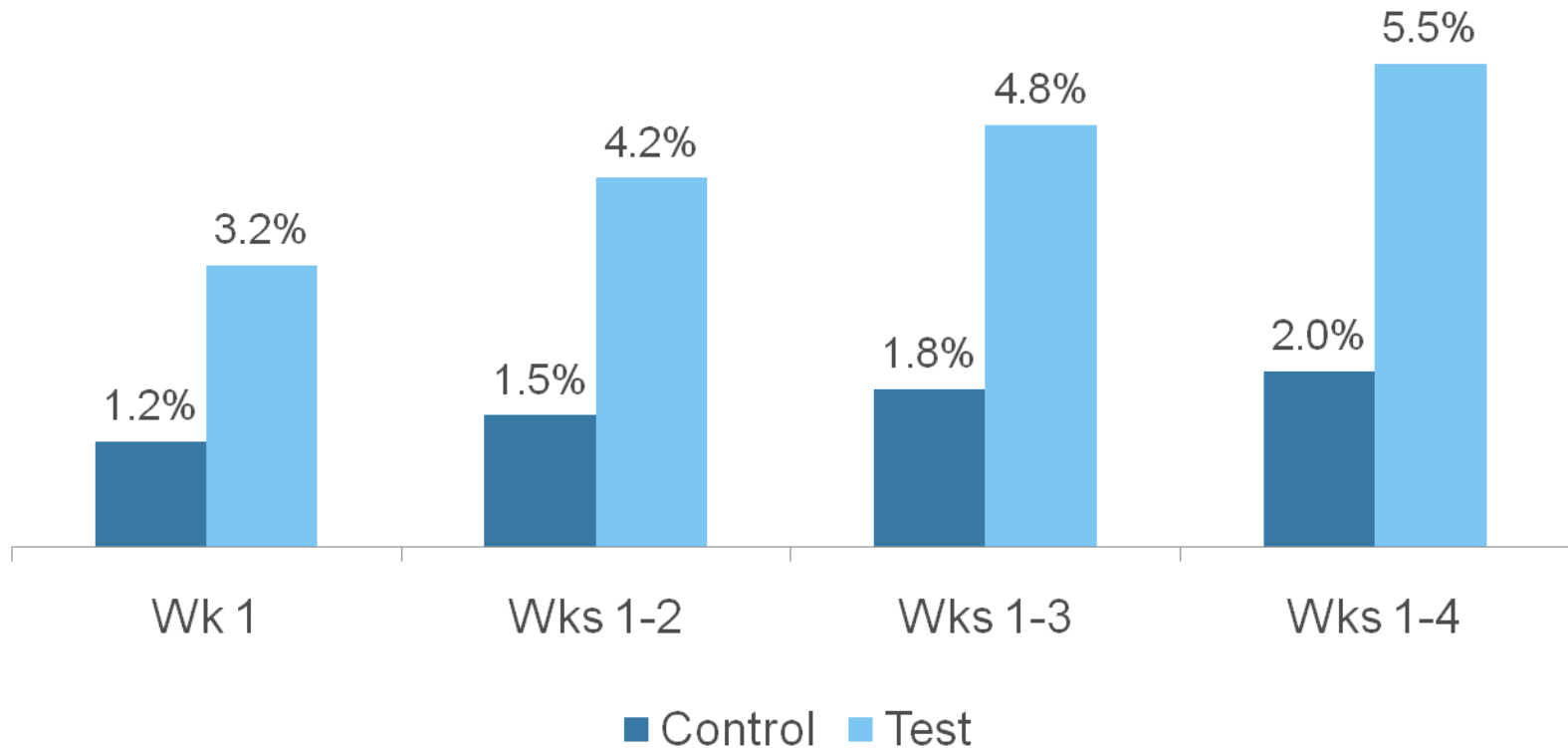
# Convenient and Accessible: Mobile and Connected Devices Help to Deliver Online Video Wherever, Whenever

## Unique Viewers (m) on Mobile Devices in Europe



# A Price Worth Paying: Video Advertising is Effective

## Site Visitation from Video Advertising Exposed Group vs. Control



# A Price Worth Paying: The Line Between Advertising and Content is Getting Thinner



## The Force: Volkswagen

- Over 46m Views
- Over 4.7m Shares
- 34% of 'Buzz' non-English

*“We want to say to our advertisers ‘Produce stuff that our viewers would really like to see’”*

*– Chris Anderson, TED*

# **A Price Worth Paying:** Every Step from Concept to Impact can be Researched, Tried, Tested and Understood

- **Message and concept**
- **Copy, format and placement testing**
- **Media planning**
- **Delivery analysis and dynamic decision making**
- **Evaluating impact and ROI**

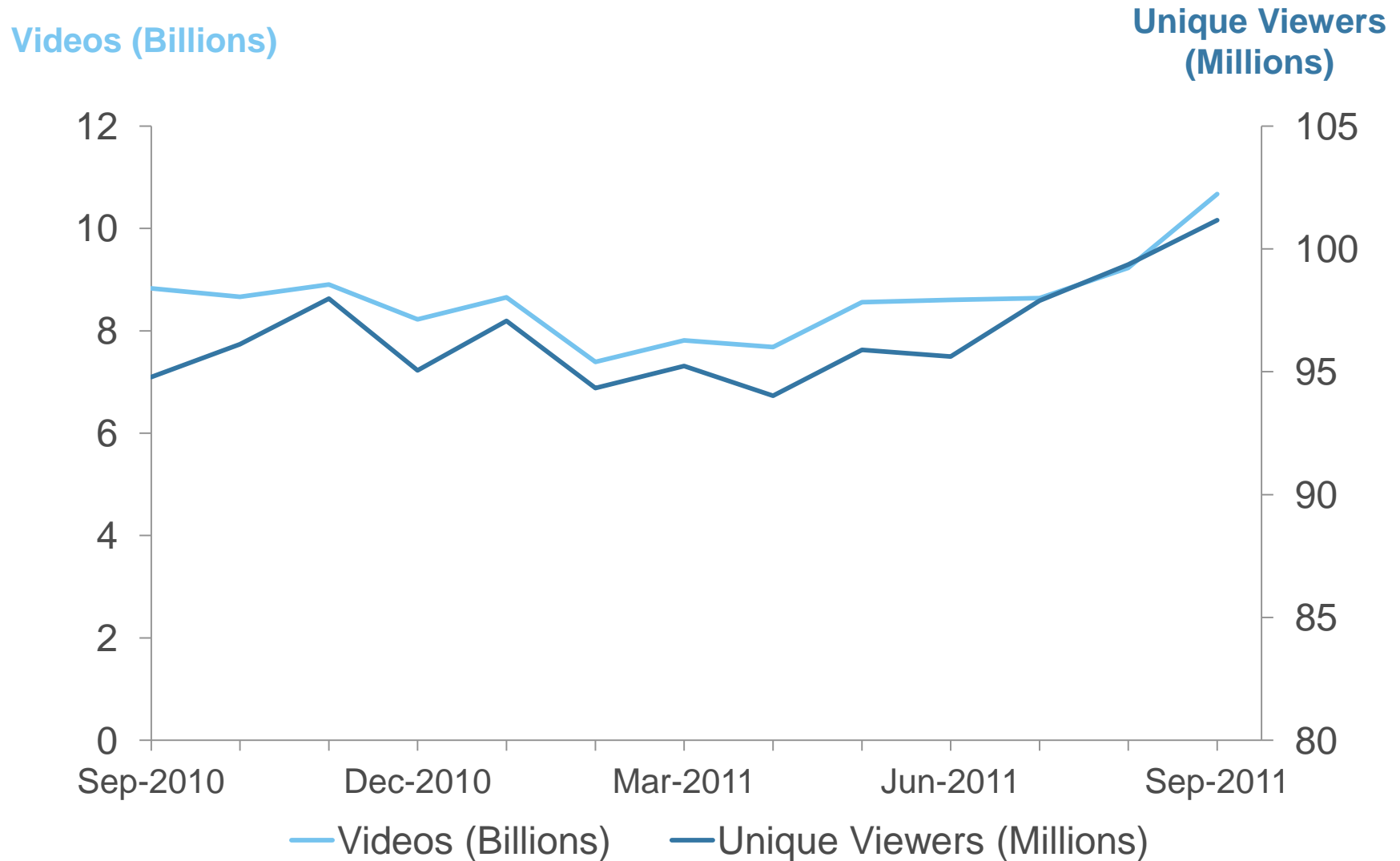


# Case Study: YouTube

## YouTube is a Huge Global Marketplace

**795m People** watched  
an average of  
**over 6 hours each**  
of **YouTUBE** videos in  
October **Worldwide**

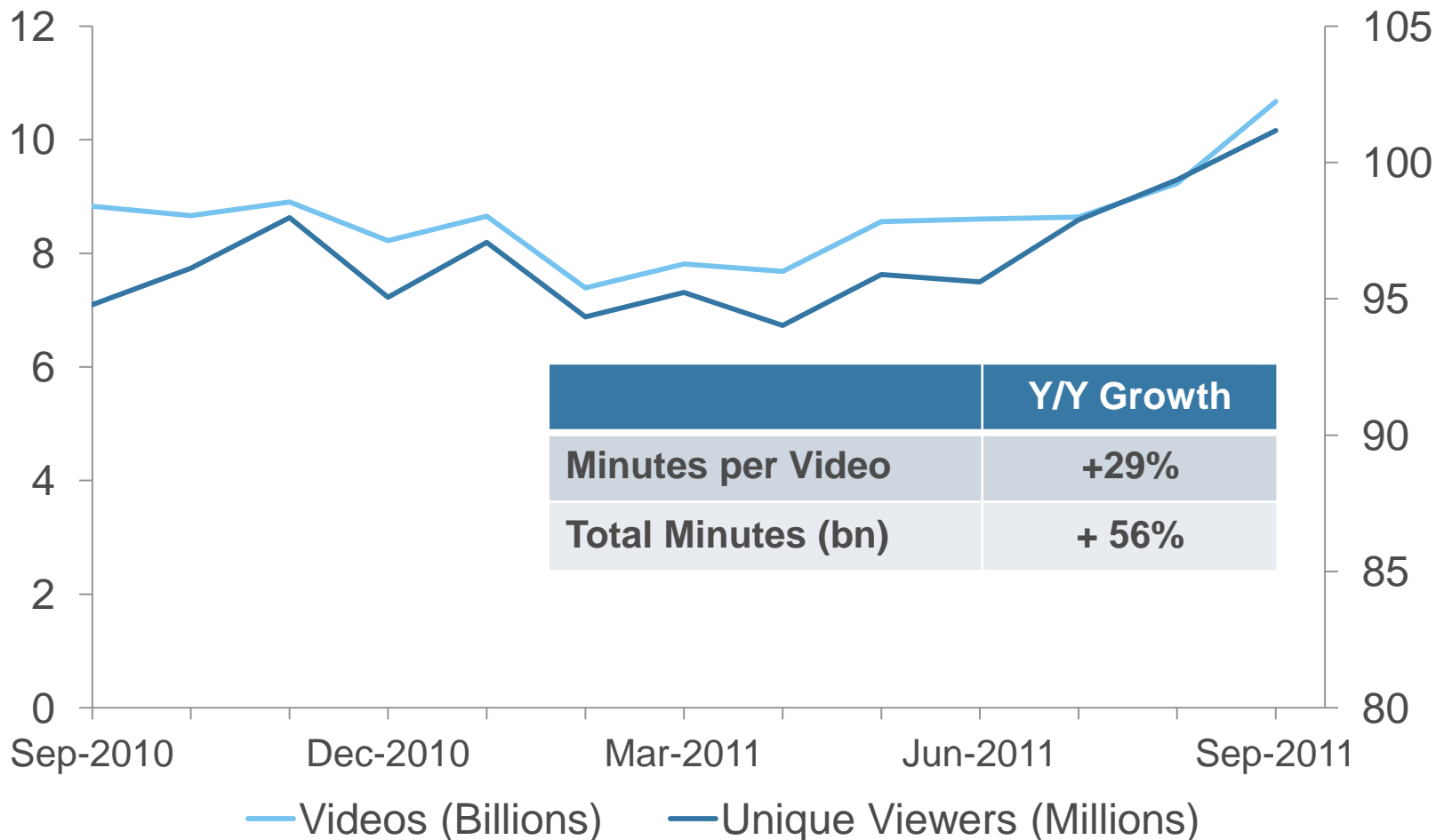
# Evolution of YouTube Viewing has Matched Market Trends in EU-3



# YouTube's Growth has been Driven by Meeting the Demand for Quality Content

Videos (Billions)

Unique Viewers (Millions)



## A Quality Viewing Experience: YouTube is Moving to HD

10% of YouTube's videos are available in **HD**



# A Choice of Quality Content: YouTube is Driving Content Creation and Availability Along the Quality Spectrum


UGC → "WEB TV" → PREMIUM




Low budget  
High quality  
Niche talent/interest



- **254,000** Unique Viewers in the UK
- **72% Aged 6-24**



- **62.4m** Unique Viewers Worldwide
- **40 Minutes** per person



- **3.3m** Unique Viewers Worldwide
- **68.6% Male** Unique Viewers in the UK

# Convenient and Accessible: YouTube Effectively Leverages the Internet's Strengths to Bring the Right Content to the User Everywhere

- **Syndicated**
  - Distributed viewing extends Reach by 16%
- **Searchable**
  - YouTube accounts for 15% of searches in Europe
- **Moreish**
  - Recommendations account for about 60% of all video clicks from the home page
- **Social**
  - 100 million people take a social action on YouTube every week
- **Cross Platform**
  - 3.5m Unique Viewers in UK on Mobile in October

# A Price Worth Paying: TrueView and Transparency Encourage Unobtrusive, Relevant Advertising



**50%** of all  
YouTube in-stream  
ads are now  
**skippable**

*“YouTube is now being tracked by comScore, giving media buyers real data to factor in to purchasing decisions. They’ve now got the tools to convince brands that they need to be transitioning TV dollars online”*

# Summary

# Summary

- A New Age for online video is emerging around quality, not quantity
- Video advertising can be engaging and effective, without being intrusive
- The market is huge, and there to be understood





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*Thank you*

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**<http://www.comscore.com/A-New-Era-of-Online-Video>**

