

PAY ATTENTION!

Why Brands Should Care
About YouTube



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and submitted for consideration to:



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Introduction

Right now consumers are online talking about your brand – on Facebook, on Twitter, and increasingly on YouTube. You cannot control what they are saying, but you can be part of the conversation. More to the point, shaping the conversation to your benefit requires your active participation.

Savvy marketers already appreciate how social media influences brand perceptions. The best among them integrate social with other channels and media formats to engage their target audiences across multiple platforms. With its dominant position in online video, brands can use YouTube to start and encourage the sorts of consumer conversations that drive sales and produce lift. Pay attention, and learn how.

Over 1 Billion Served

The size of YouTube alone is reason for brands to take notice. YouTube has more than 1 billion unique users who not only watch but share and comment on over 6 billion hours of video monthly (YouTube, 2014). In the US, YouTube reaches 84% of the audience watching online videos (comScore, 2014).

With that scale, YouTube can help connect brands to almost any consumer segment, including some of the most highly sought after: Millennials¹ and mobile users. In fact, YouTube has more US viewers 18-34 than any cable network (Koch, 2013), and one quarter of global YouTube views happen on mobile devices (YouTube, 2014).



Now consider YouTube's impact on other platforms. People watch an estimated 500 years of YouTube videos each day embedded on other social media sites, and they share Facebook posts with a video included 12 times more often than posts with just a link or text (Koch, 2013). YouTube gets people talking.

Join the Conversation

Brands need to get in on the conversations already happening. Waiting to chime in only opportunistically will not suffice. Consumers perceive piecemeal efforts as insincere, and standing out against the background noise of the always-on digital world requires frequent and consistent brand messaging.

Brands that do actively participate on YouTube and really engage with their audiences get noticed. Owned and paid media are good starts, but the best YouTube strategies integrate all three available media types together – owned, paid and *earned*.

¹ Millennials are the demographic age range of approximately 18-34

Give Them Something to Talk About

Most brands approach YouTube cautiously at first, uploading owned content to a YouTube channel, such as a commercial that previously aired on TV. Others may try out paid media, buying in-stream or in-display ads. Owned and paid media allow brands to talk to their target audience on YouTube while retaining enough control to ensure brand safety.

Stopping there, however, falls short of truly engaging consumers in a two-way conversation. On YouTube, consumers “talk back” through earned media – sharing, commenting, and uploading their own content. Brands need to show they are listening.

While earned media may feel riskier, opting out of the conversation will not stop it from happening. Instead, brands can actually shape the conversation by curating what people are saying, amplifying the voices of fans while still making everyone feel heard. Even detractors can be converted to brand advocates through positive engagement.

Sidebar: Brand Integrations

Brand integrations deserve special mention as a unique and fast growing category of paid media on YouTube. These content partnerships are akin to native advertising on other platforms. Marketers work with tastemakers and influencers to integrate some mention of their brand into their content on YouTube. Arrangements can be as simple as a video sponsorship or as elaborate as a multi-channel campaign, but this form of paid media only works well when the brand and the YouTube personality naturally fit together. While brand integrations may not be right for every brand, they do offer a way to quickly reach a captive audience and speak to them with a trusted (albeit borrowed) voice (Levine, 2014).

Rhett & Ink’s “textpert” rap battle provides a great example of a collaboration that worked. The Department of Transportation's National Highway Traffic Safety Administration hired the comedy duo to make the video as part of a larger, \$8.5 million ad campaign that included television, social media, sponsored posts on BuzzFeed and a website dedicated to distracted driving, and in just one month the video racked up close to 3 million views (Peterson, 2014).



It Takes a Community

Using owned, paid and earned media cohesively fosters what YouTube Trends Manager Kevin Allocca calls, “[communities of participation](#).” Communities in general can hold significant sway over people, and the communities of participation enabled by YouTube frequently lead to strong, lasting, even emotional connections between consumers and the brands that participate alongside them.

Communities form part of one’s sense of self and identity. They also provide for the social proof that guides human behavior, and community participation can evoke a sense of stewardship that tends to grow in a virtuous cycle. Communities enabled by YouTube may even feel more authentic because video – with its use of sight, sound and motion – comes closer to real world human interactions than any other digital medium.

When community members start talking about brands on YouTube, they generate the word-of-mouth that makes them such valuable assets. Community members upload recaps of their shopping sprees, lists of their favorite products, how-to’s, and all manners of product reviews. A new taxonomy is emerging to describe all the different kinds of videos on YouTube influencing consumer choice (ZEFR, 2014), and these conversations extend further beyond YouTube with every share.



Sidebar: Communities as Fans

Think of communities of participation like the collection of football fans watching a game. Some may be watching at bars, still more from the comfort of home, but the most ardent fans will actually come out to the stadium. All of them share an interest in the game and align behind their home team.

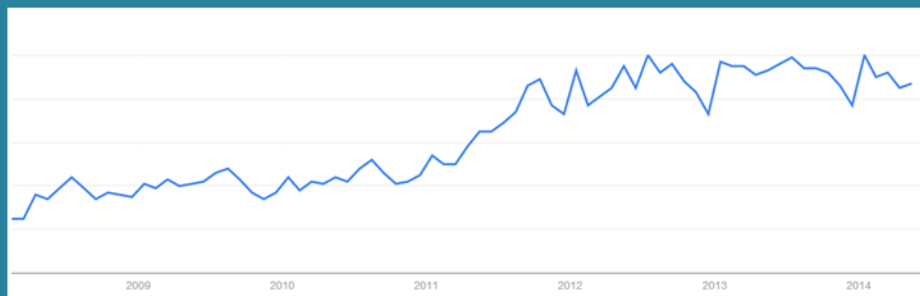
On the spectrum of participation, the people watching alone on their couch are probably the least engaged, while those who are out tailgating are the most so. They all participate to some extent by cheering and showing off their team colors.

Not every community has to be like the Oakland Raiders “Black Hole.” Indeed, most football fans are not, but those extreme few add to the experience, enrich the community, and even help build the brand.



The meteoric rise of the sport of fitness known as CrossFit has garnered a lot of attention recently and for good reason. Since 2001, CrossFit has grown from a small group in Santa Cruz posting workouts on a blog (or “WODs” as they’re called) to over 6,000 affiliated gyms (also known affectionately as “boxes”). YouTube has played an undeniable role in the success of the CrossFit brand, which can be seen in the Google Trends chart below showing the period from when CrossFit first set up its YouTube channel through today.

The CrossFit YouTube channel has almost half a million subscribers and roughly 5,400 videos which have been viewed a total of 165.8 million times. One would have to consider a few other metrics, such as minutes per view or total unique monthly viewers, before declaring CrossFit’s owned media on YouTube an unequivocal success, but for a niche sport, these numbers are strongly suggestive. What CrossFit has done with earned media impresses still more.



CrossFit acolytes post untold numbers of videos on YouTube featuring workouts, training tips, lifting instructions, parodies, commentary, and who knows what else. The content going up has grown the sport and launched entire careers. Take for example, Mobility WOD, a project that started out with Kelly Starrett posting CrossFit related videos from his garage. Now he has a best-selling book with two more on the way, and his videos have made him as influential a figure in the CrossFit community as its founder, Greg Glassman.

Today CrossFit continues to grow its brand through well-placed paid media on YouTube. The company has significant in-house production capabilities, honed over the years of creating YouTube content, but CrossFit also has an advertising partnership with Reebok. In 2010, Reebok licensed the CrossFit name to sell branded gear, and advertisements promoting the sport to new athletes appear all over YouTube.

Reebok also sponsors the annual CrossFit Games, in which the best athletes from around the world compete for a top individual prize of \$275,000. Since 2011 athletes have been able to qualify for the Games by posting workout videos online in a round of competition called “The Open,” and in 2014, CrossFit hosted live video streams on YouTube coinciding with the workout announcements.

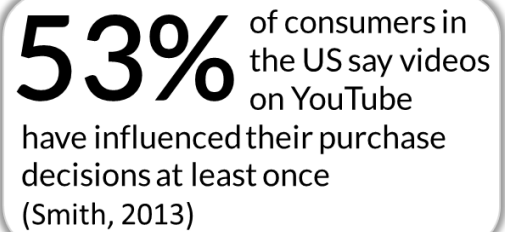
Interestingly, CrossFit does all this just to earn \$3,000 per year on each affiliate license and \$1,000 for its weekend long training seminars. The CrossFit affiliate system, on the other hand, was estimated to generate between \$1.5 and \$2 billion in 2013 (Helm, 2013). In this year’s open, over 209,000 people signed up, nine times the number in the first Open in 2011 and a 50% increase on 2013’s participation.

CrossFit is a brand that clearly understands how to put owned, paid and earned media together efficiently and effectively on YouTube to achieve outsized results.



A Little Goes a Long Way

Because of the one-to-many nature of word-of-mouth online, an active few can have an outsized impact on a brand. Most of the video content on YouTube related to a brand will actually come from a small but influential minority (which includes the brand itself). The rest of the community members are more passive consumers of media who want to be entertained, stay informed, and feel connected to others. Nonetheless, in the lean-forward viewing environment of YouTube, just choosing to watch a video constitutes some degree of participation.



53% of consumers in the US say videos on YouTube have influenced their purchase decisions at least once (Smith, 2013)

Fortunately for brands, even low level participation on YouTube also generates a lot of valuable demographic and psychographic insights. Brands can use what they learn engaging on YouTube to better understand their customers and inform other areas of their marketing strategy, and their limited marketing resources can more precisely target the influential few who will yield the highest return for every marketing dollar spent.

Conclusion: What to Watch Next

As a platform, YouTube continues to evolve. Web enabled televisions and devices such as Chromecast now bring the YouTube viewing experience to the living room, and YouTube Capture makes it possible to record, edit and upload videos to YouTube directly from a smartphone. YouTube's reach will only continue to grow with its ease of use and accessibility.

At the same time, the make-up of the communities enabled by YouTube is changing as well. Hobbyists have turned their participation on YouTube into full-fledged careers. These YouTube personalities have become brands themselves, in some cases spinning-off new ventures from their online video beginnings, and big name media and advertising companies have started to capitalize on all these trends, with major deal announcements happening almost daily.

YouTube's ever growing momentum should come as no surprise. As the largest digital platform distributing one of the most compelling media formats available to marketers, YouTube occupies an enviable position in the market. Enabled by YouTube and its video content, consumers are engaging with one another and forming new online communities. Brands can harness this power to benefit sales and campaigns, but only if they pay attention to what consumers are saying and get in on the conversations happening right now on YouTube.

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