

A New Era for Online Video

The Changing Shape of the Online Video Market in Europe

Marc Gosschalk

Senior Analyst, Video Metrix Product Management

mgosschalk@comscore.com

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The Story So Far

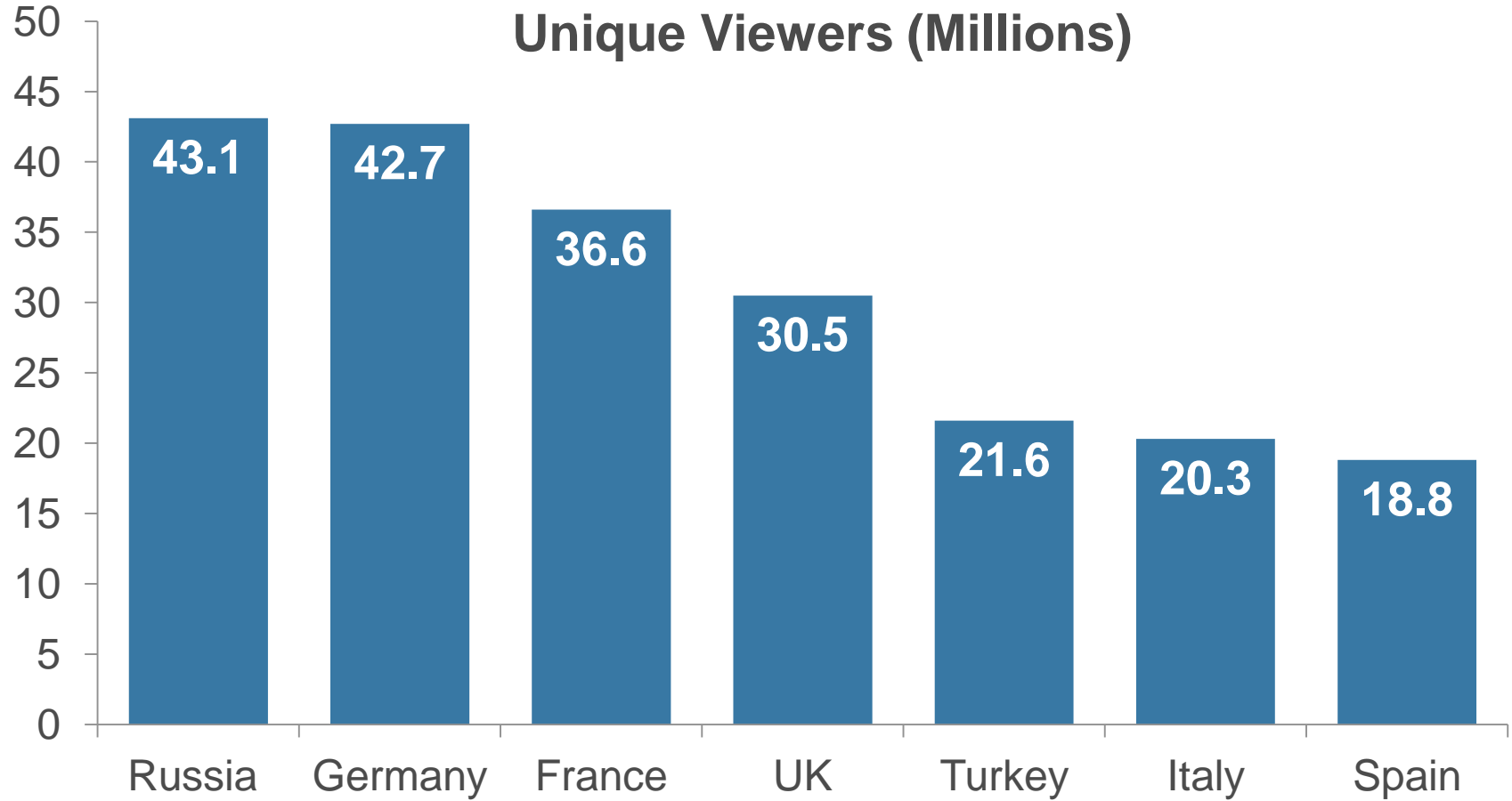
A New Era for Online Video

Case Study: YouTube

Summary

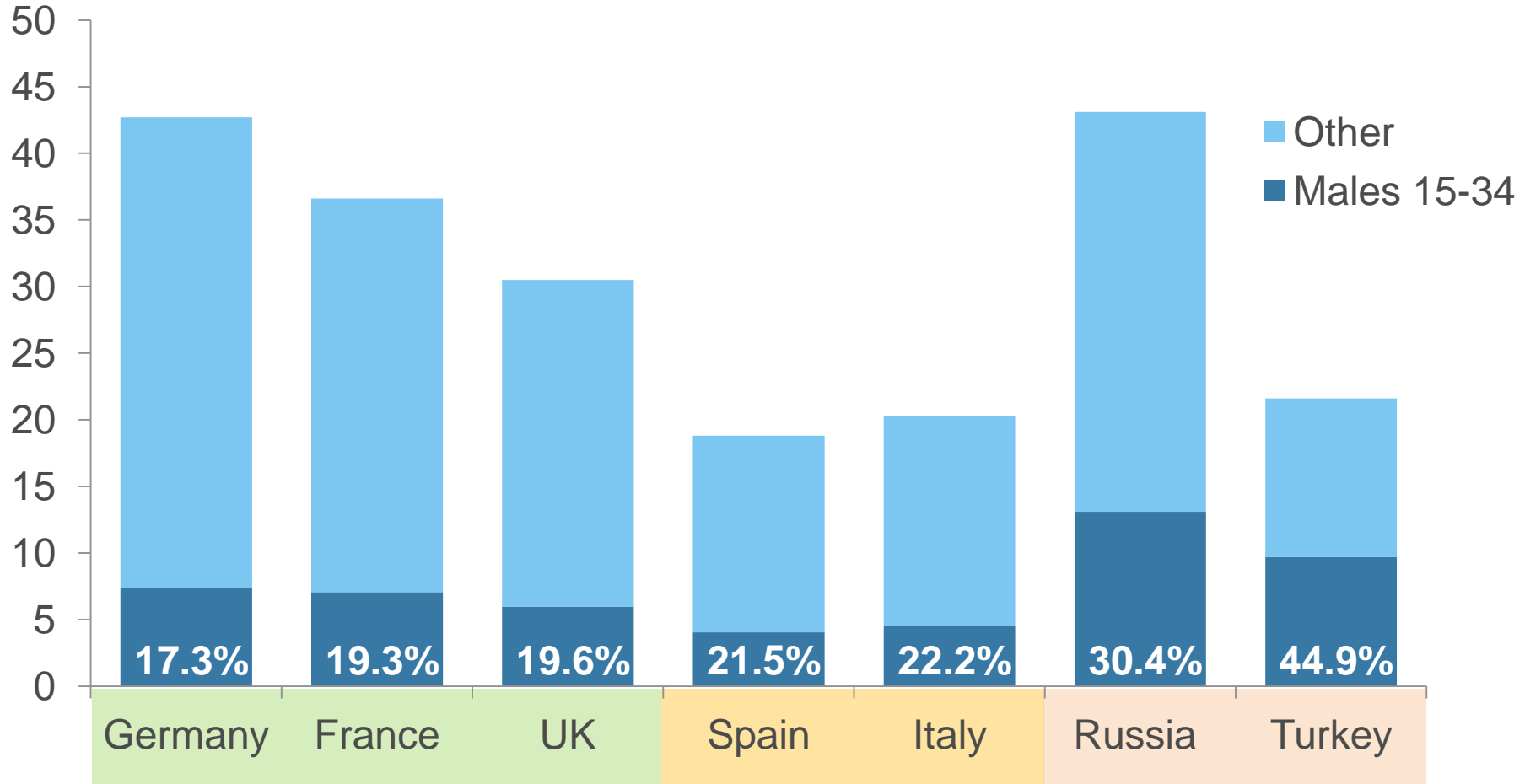
1.2 Billion people
watched an average of
18 hours each
of Online Video in October
Worldwide

Russia Leads the Way in Europe in terms of Audience Size



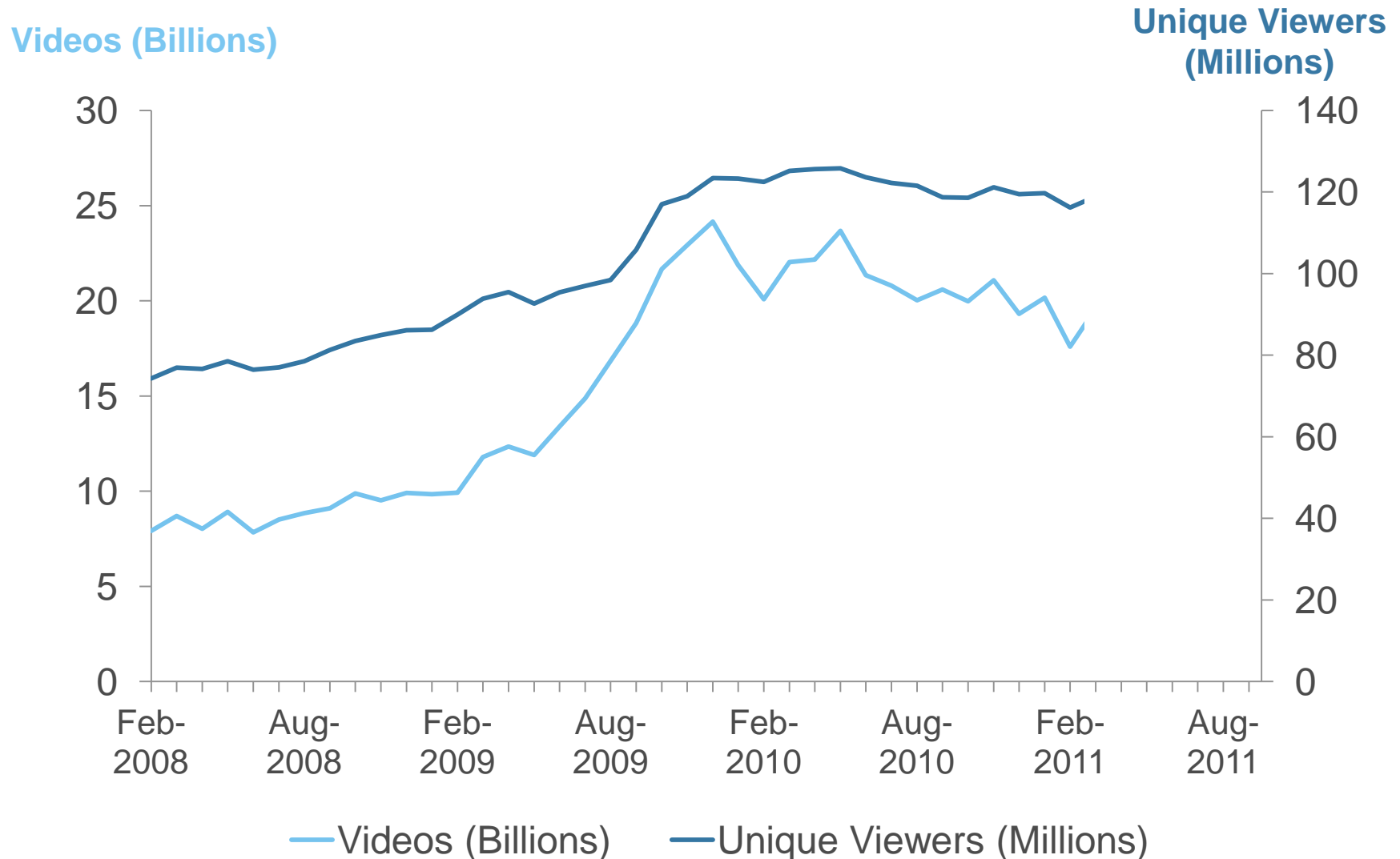
But Higher Composition of Young Males Outside EU-3* Indicates Room for Maturity

Unique Viewers
(Millions)

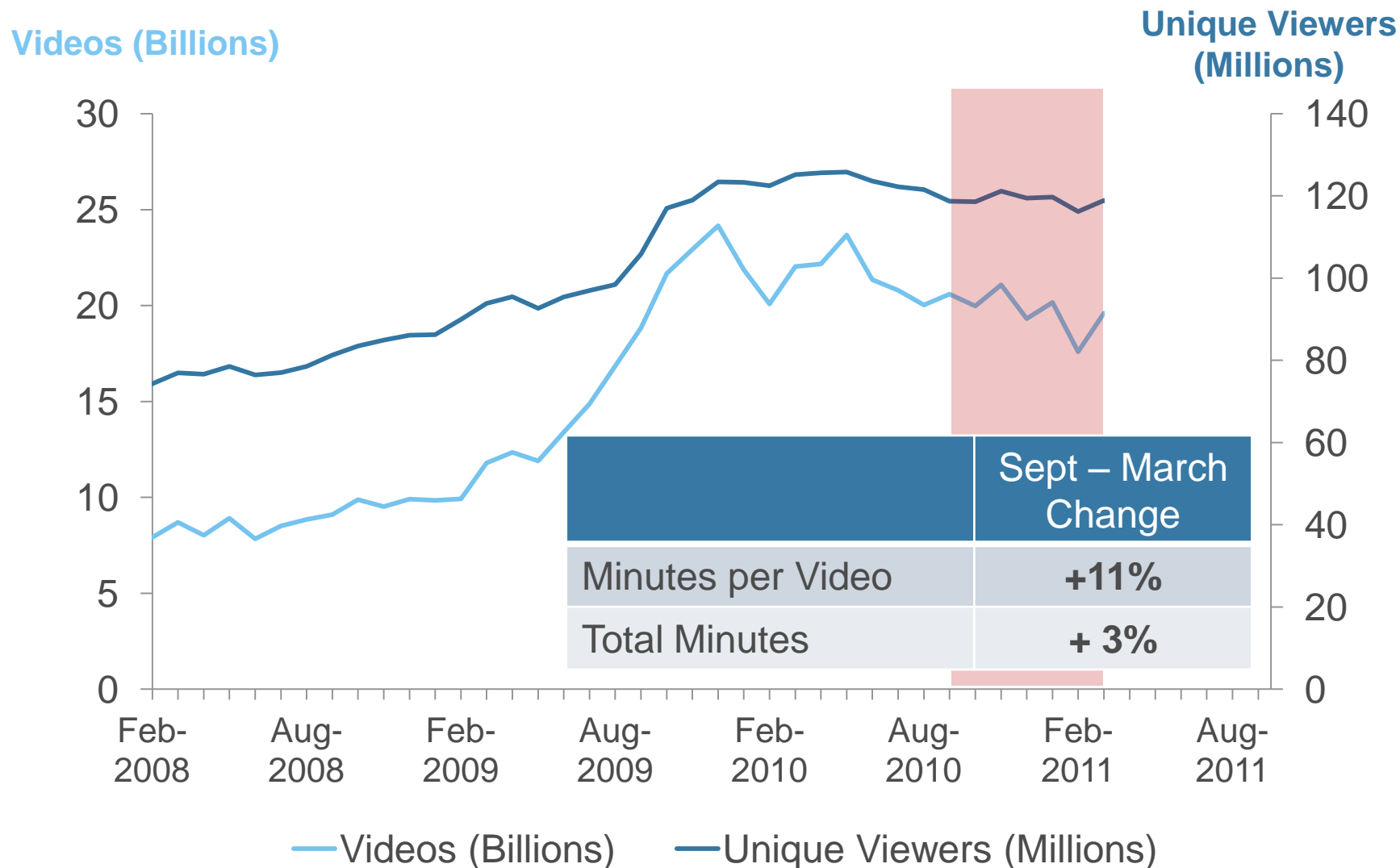


*EU-3 includes UK, France and Germany

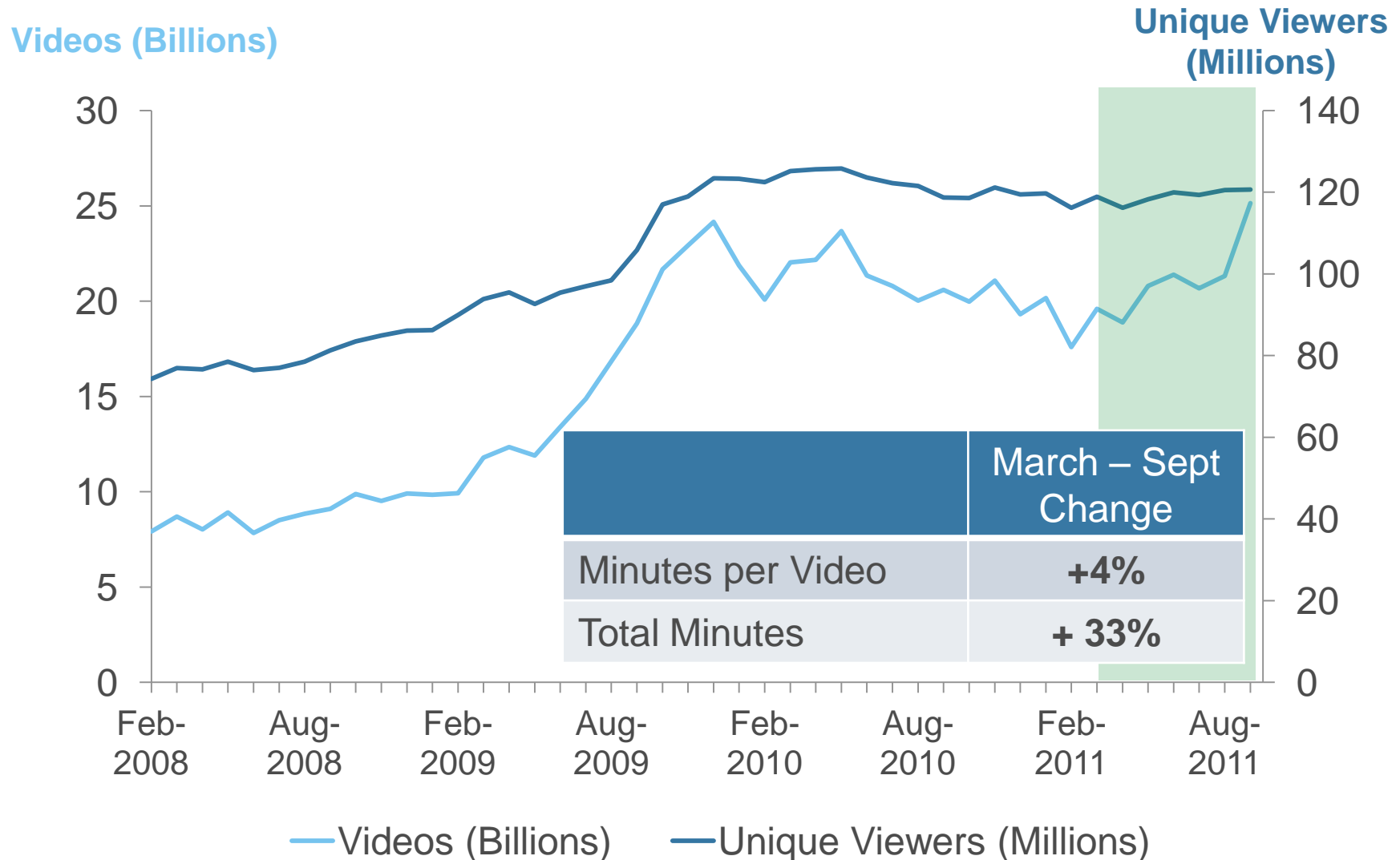
Rapid Growth of Unique Viewers and Video Views Stopped in Q1 2010 for EU-3



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



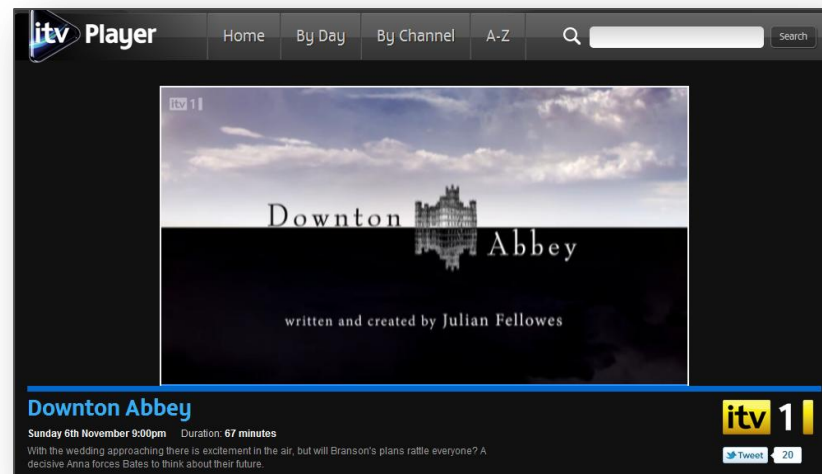
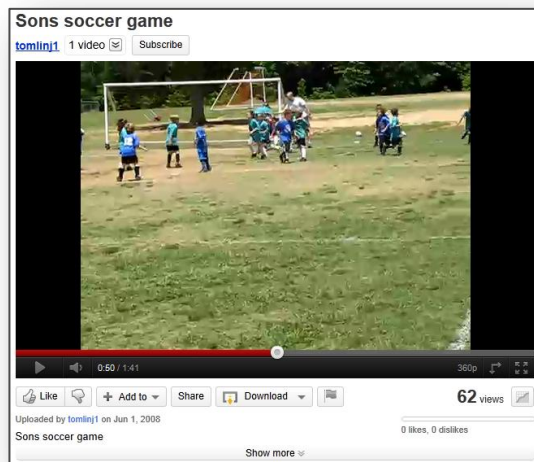
A Choice of Quality Content: The Two Ends of the Quality Spectrum are Well Established

UGC

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

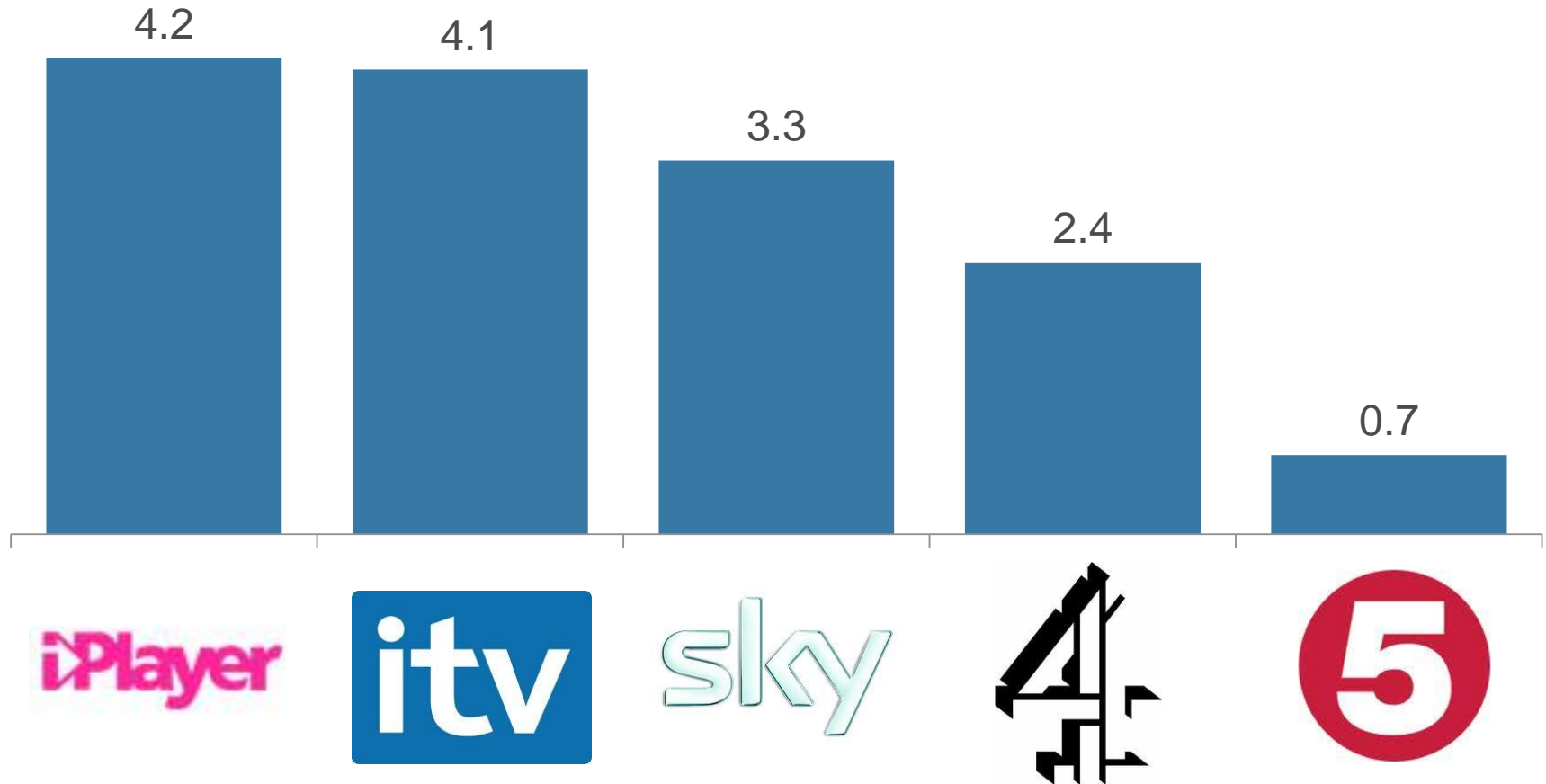
PREMIUM

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)



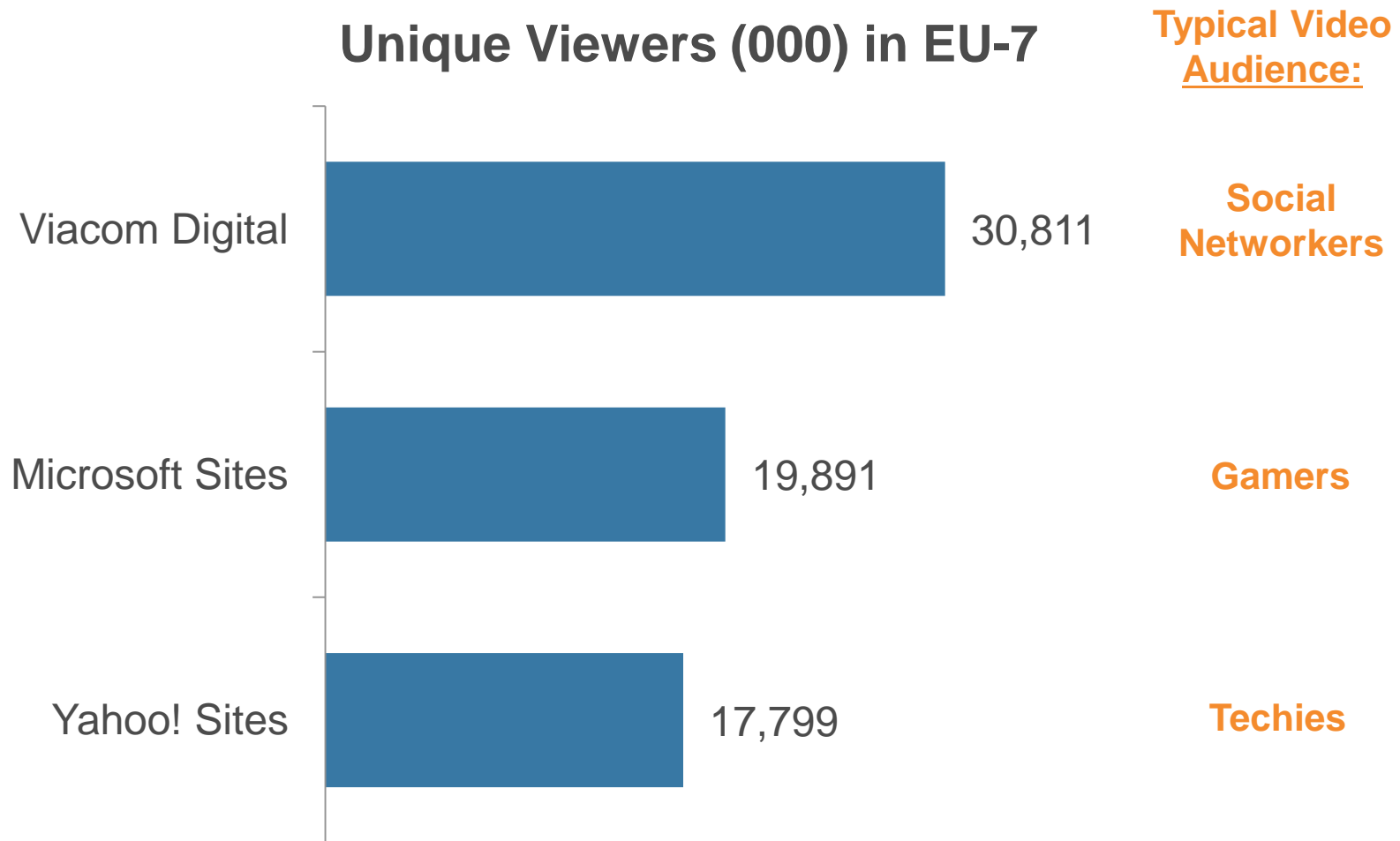
A Choice of Quality Content: Online Video Specialists Cultivate Niche, Attractive Audiences



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

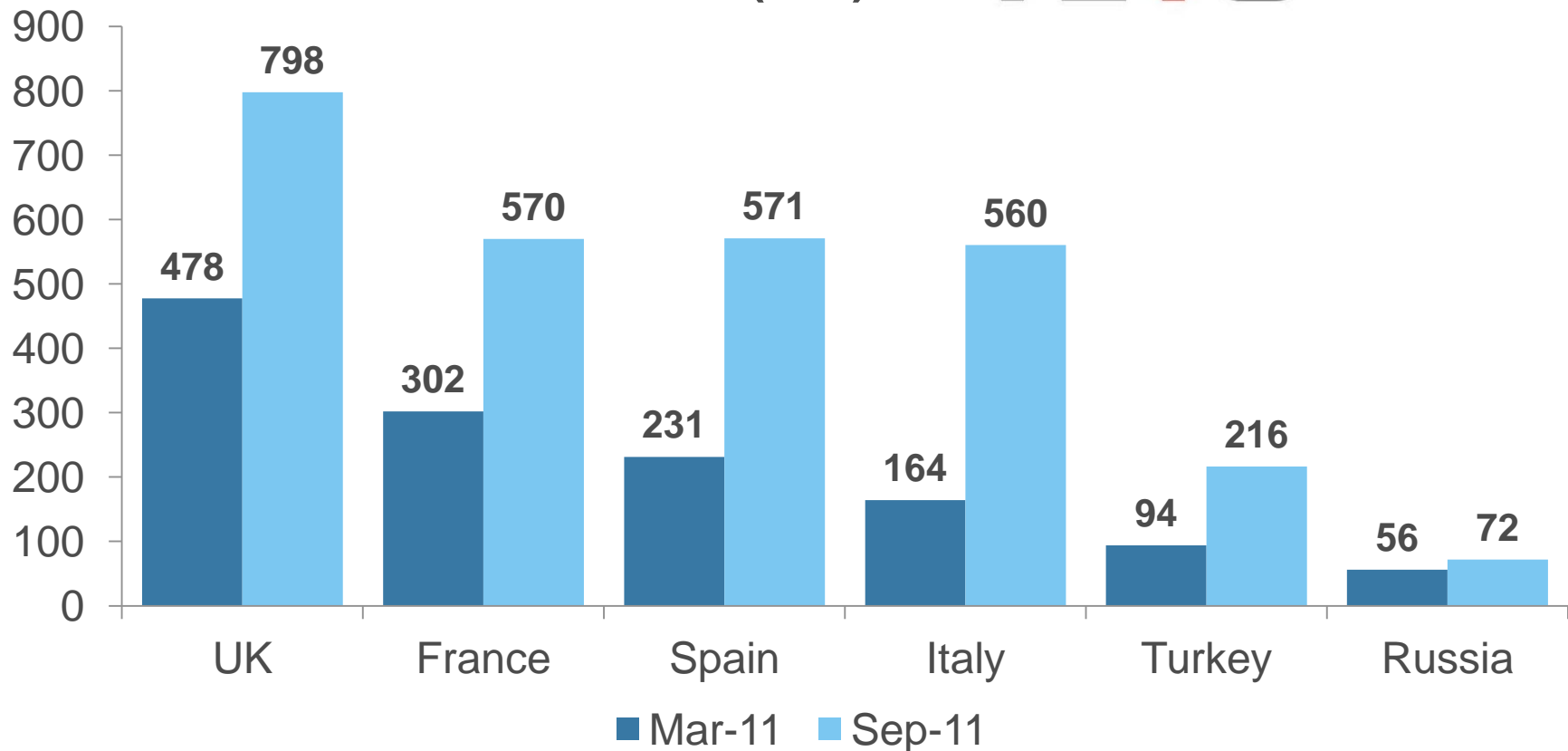
190% more likely
than the Average Video
Viewer **to watch**
Videos from
Technology Sites

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

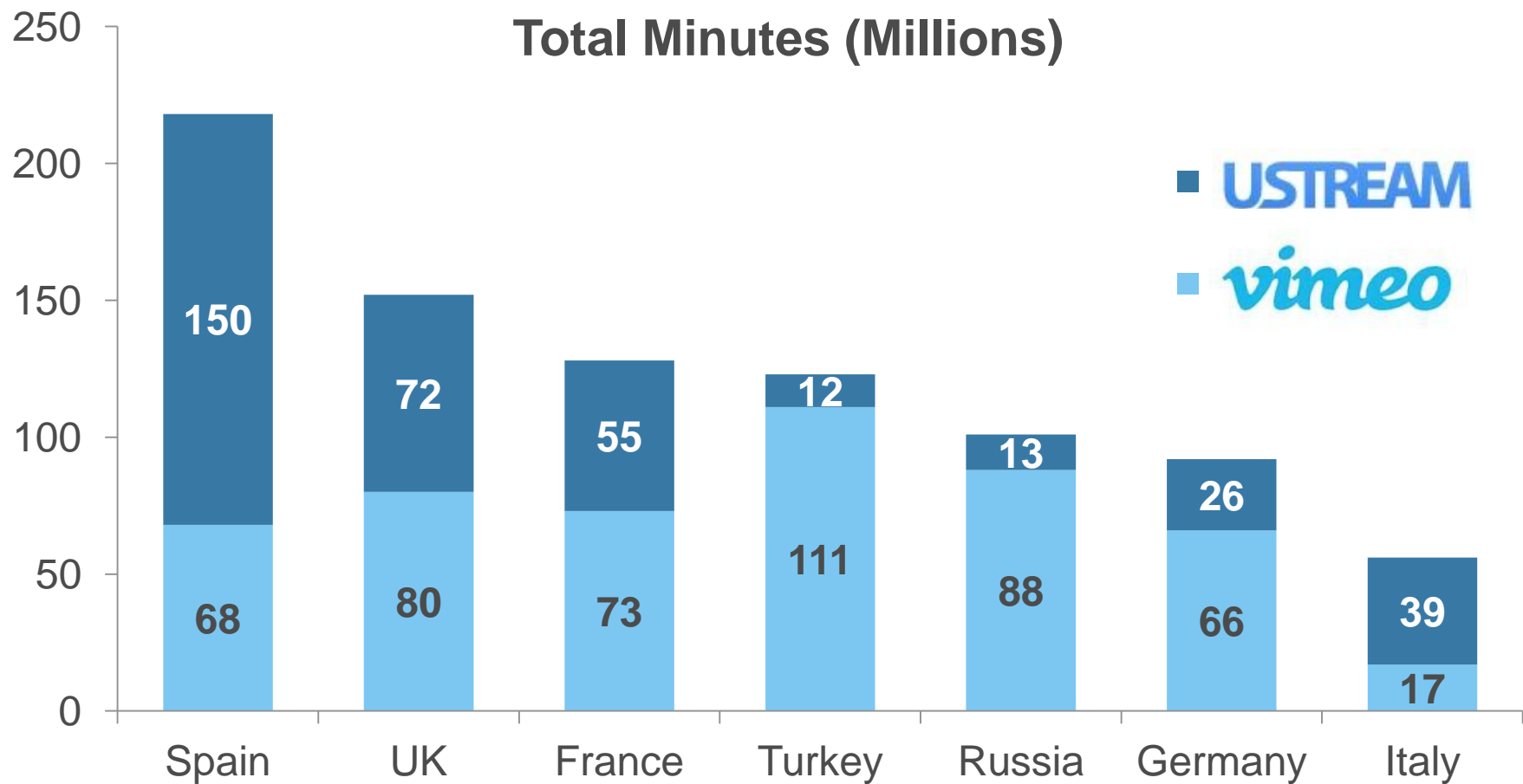


A Choice of Quality Content: Online Video Suits a Variety of Content Types, Allowing New Market Players to Emerge

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



FORA.tv
THE WORLD IS THINKING

facebook

272.7m Unique Viewers

Worldwide



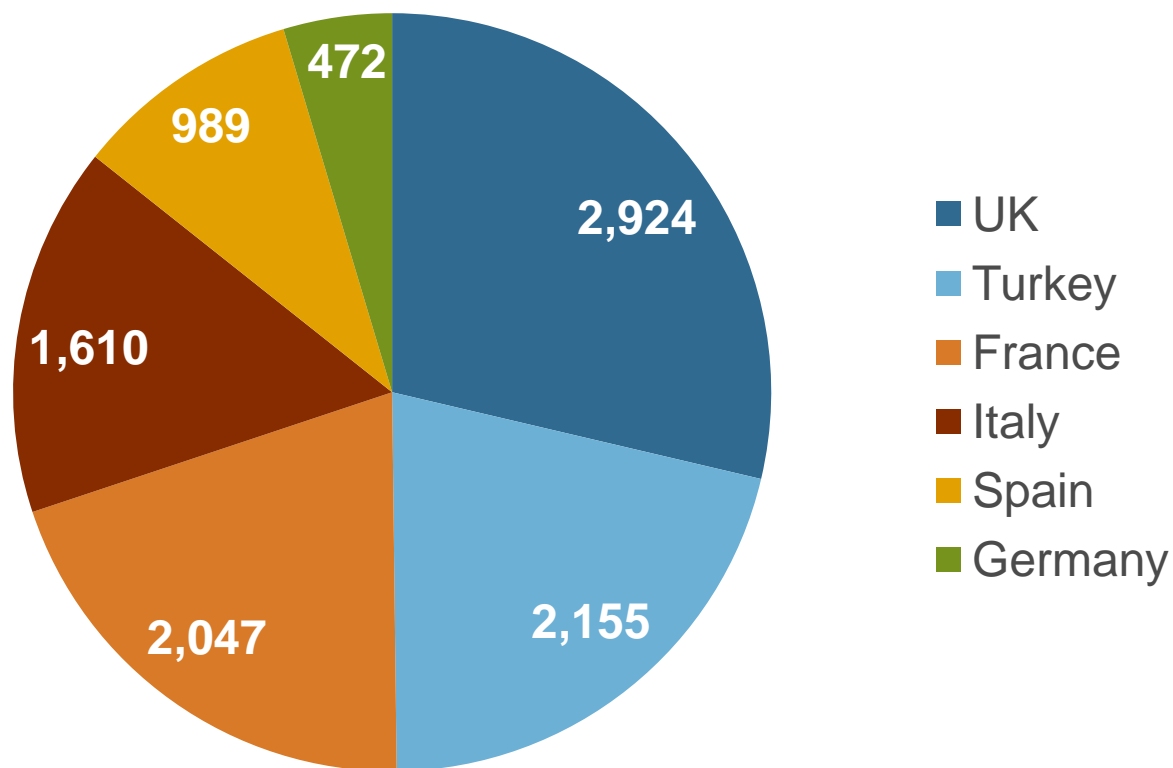
hulu

MyVideo

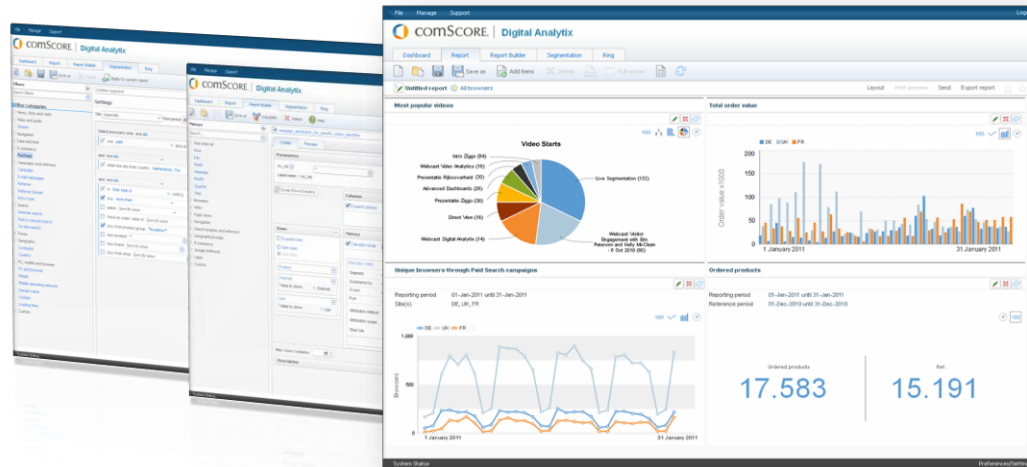
izlesene.com

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

Unique Viewers (000) for Perform Sports —ePlayer



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

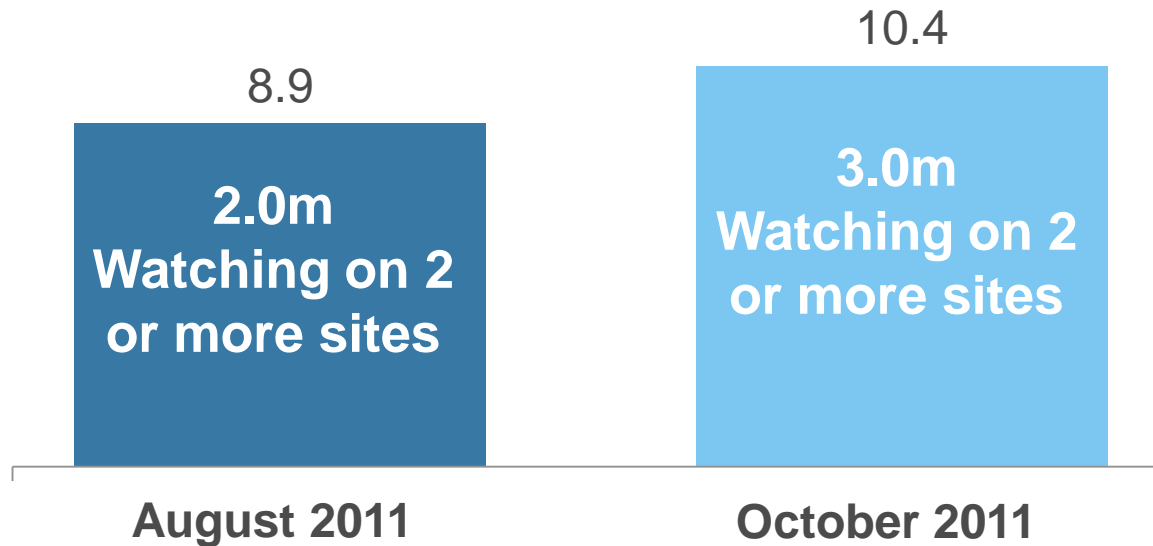


Average Videos per Session on Client Site



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

Unduplicated Viewers (millions)



iPlayer



sky



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

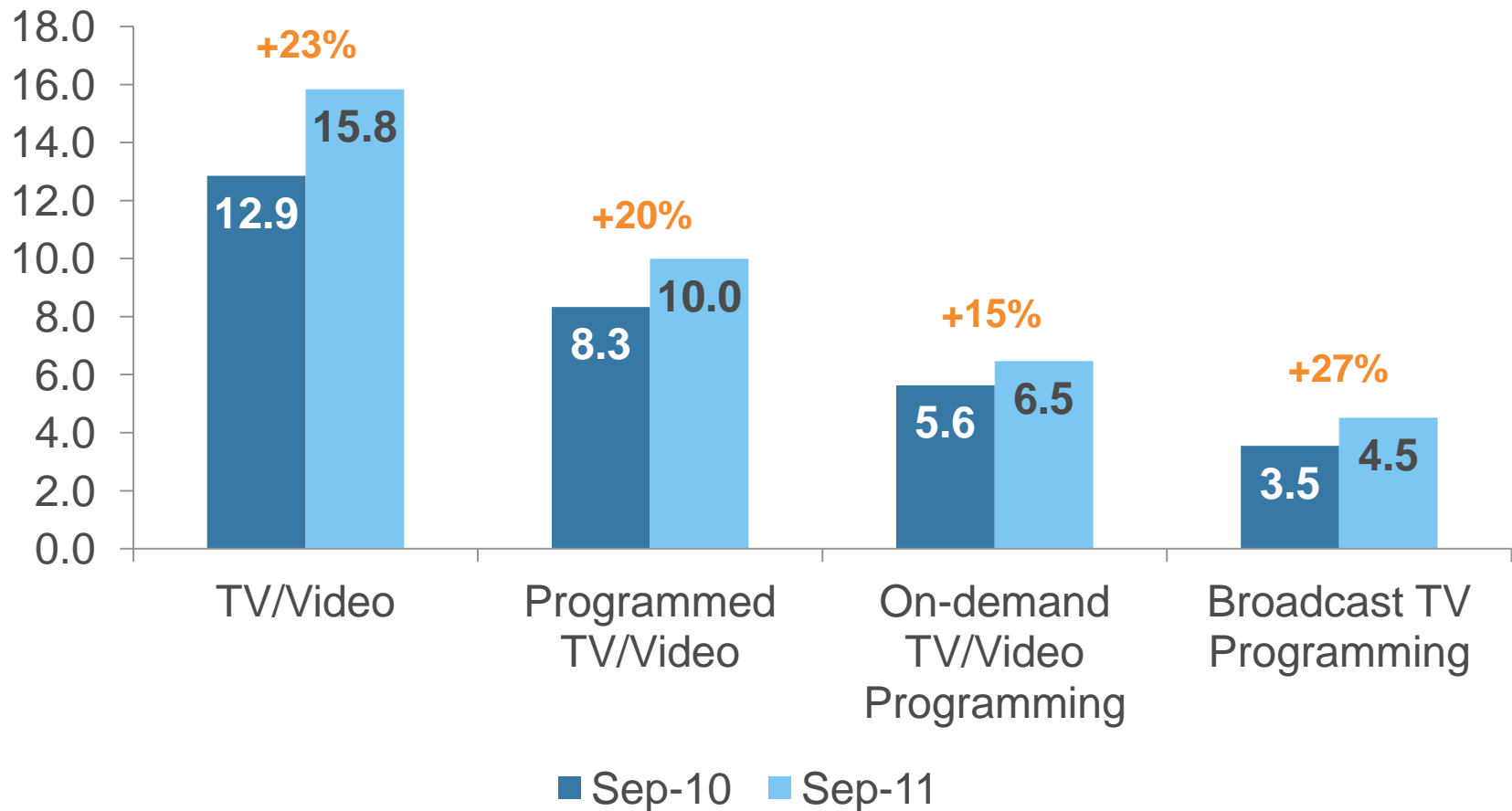
- 1 in 3 video viewers comment
- 2 in 5 upload videos
- 1 in 2 regularly share videos
- More than 1 in 2 view online video with others



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

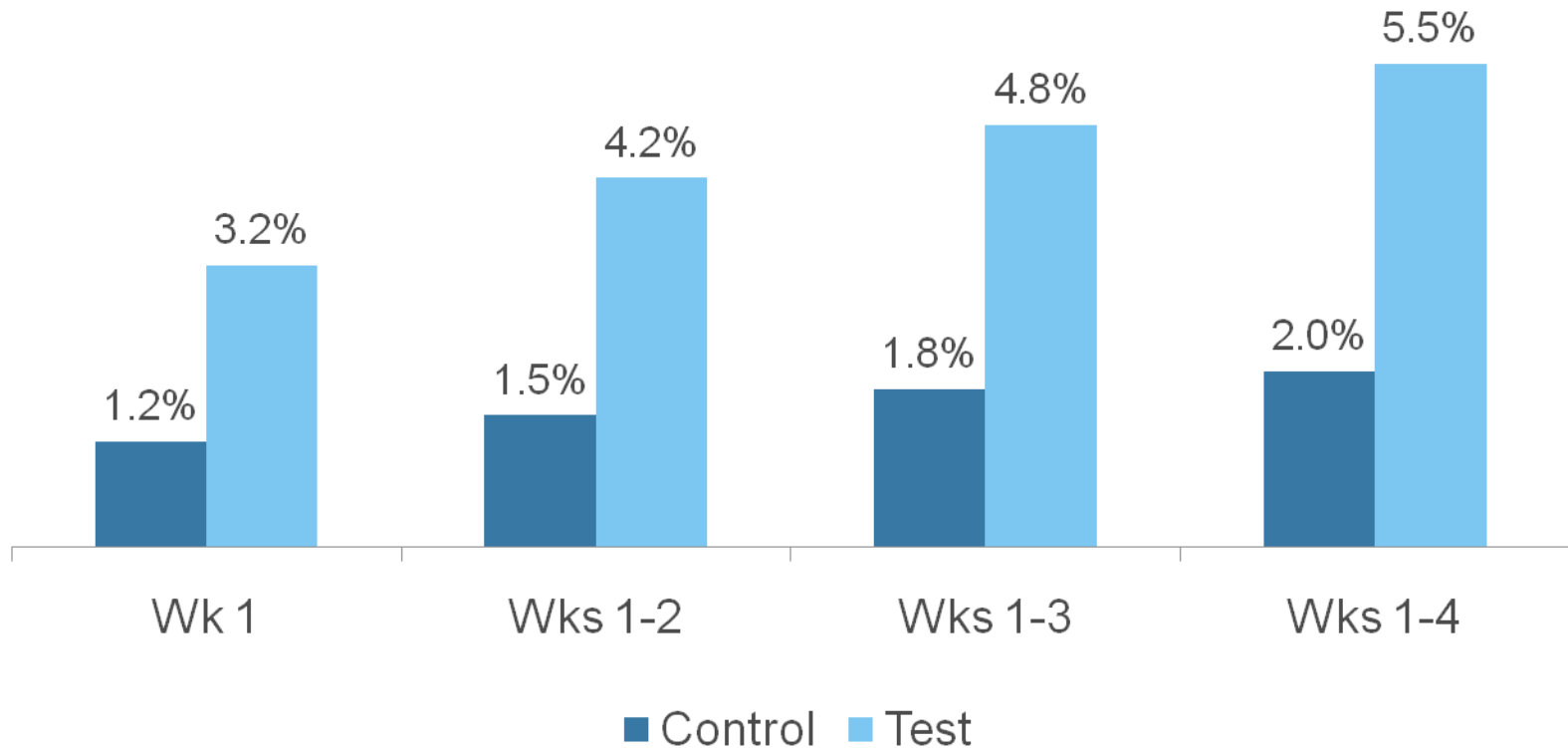
Convenient and Accessible: Mobile and Connected Devices Help to Deliver Online Video Wherever, Whenever

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

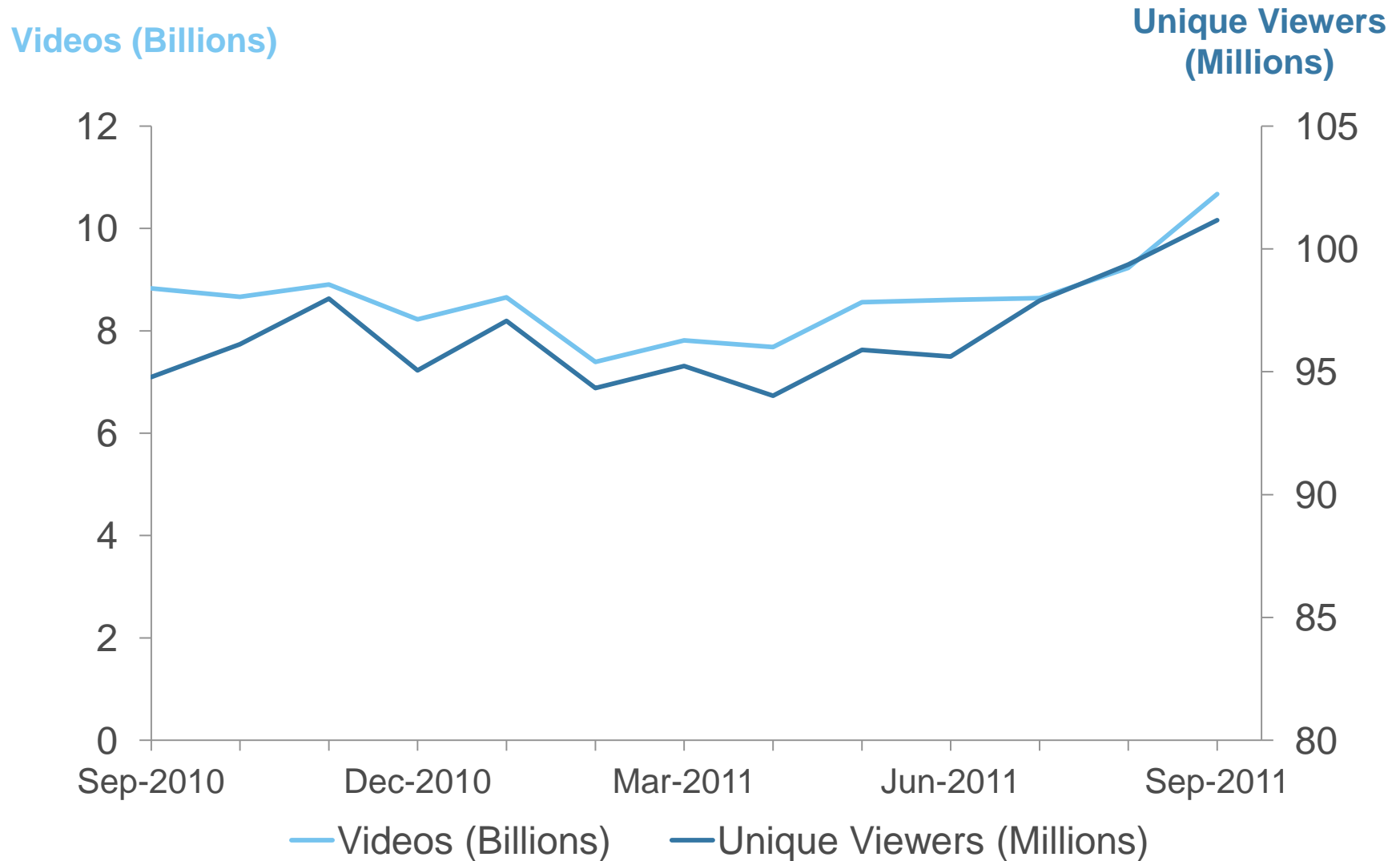
- **Message and concept**
- **Copy, format and placement testing**
- **Media planning**
- **Delivery analysis and dynamic decision making**
- **Evaluating impact and ROI**

Case Study: YouTube

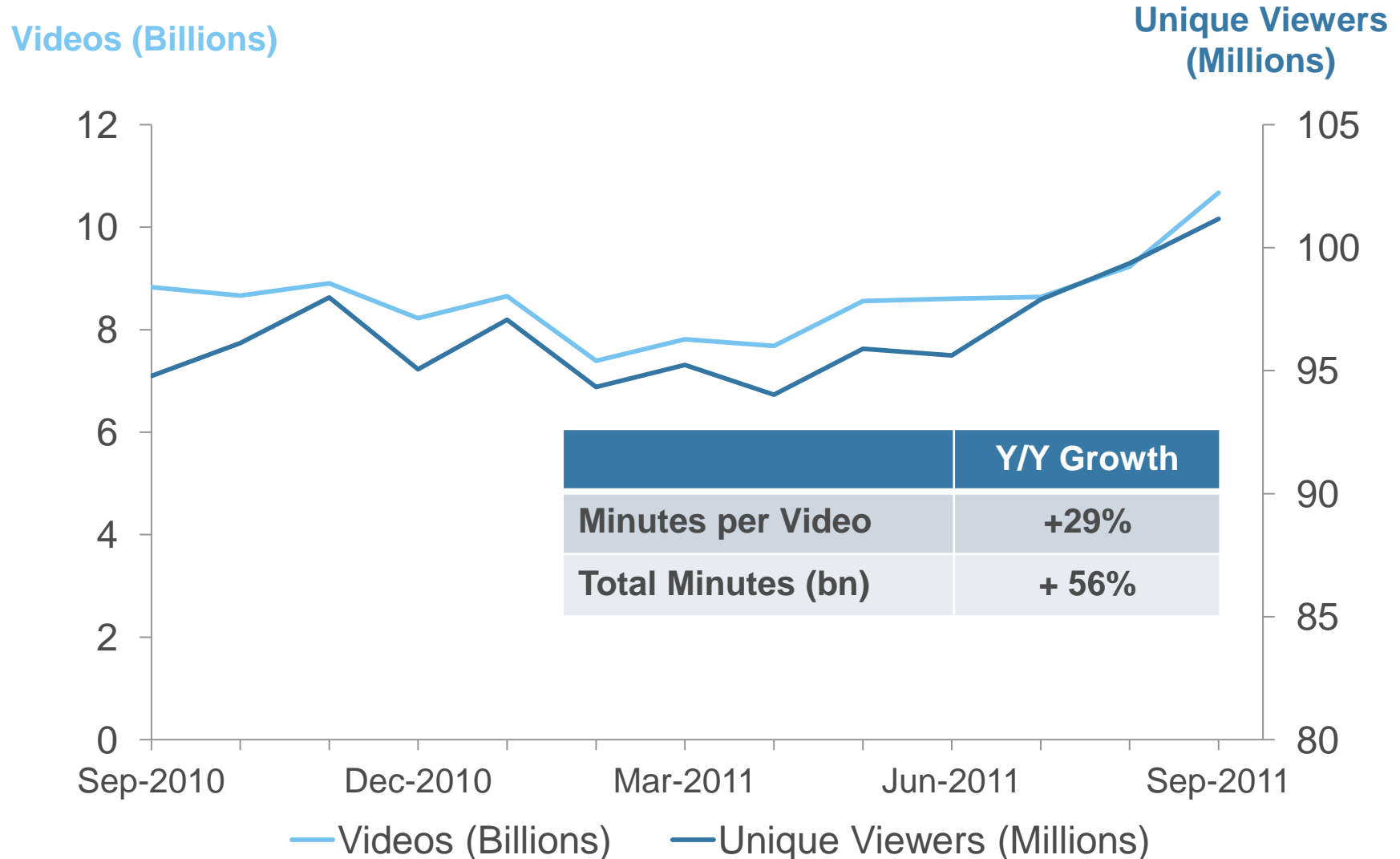
YouTube is a Huge Global Marketplace

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



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



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

Marc Gosschalk

Senior Analyst, Video Metrix Product Management

mgosschalk@comscore.com

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

