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User Generated Content: Web 2.0 Taking the Video Sector by Storm

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Abstract: This article examines the communities involved in the distribution and sharing of videos on the internet. Firstly, we study the practices connected with user generated content and describe the appearance of new players (YouTube, Dailymotion, Google Video, Zudeo, etc.) in the audiovisual landscape. We then discuss regulation of the new community model of digital content distribution before moving on to underline the need for the film and audiovisual industries to socially construct new cultural and commercial experiences with film fans.

Key words: user generated content, information good, communities, markets, audiovisual, film, common good, regulation and intellectual property.

With the advent of Web 2.0, individuals and their social relations have moved to the centre of the internet stage (MOUNIER, 2005; GUILLAUD, 2005). A new combination of technologies (Ajax), which encourages total interaction between users and on-line services, is transforming the web from a medium supplied by millions of isolated sites into a platform for the free exchange of information and content produced, edited and distributed by internet surfers, belonging to organised communities and brought together by common interests. This exchange has been made possible by the digitisation and low-cost reproduction of content (MABILLOT, 2006a, 2006b).

In this article, we shall focus more particularly on video distribution and sharing communities. We start by examining the new practices connected with user generated content, highlighting the entry of new players from the internet into an audiovisual sector dominated by the major television networks, before moving on to question the viability of their business models. We then study the regulation of the new community-based model of digital content distribution, taking as our point of departure a double observation: the appropriation of community content (the common good) by platform operators on the one hand, and their attempts to contractualize their

relations with the content producers on the other. Finally, we stress the need for the film and audiovisual industries, and the cultural industries in general, to socially construct new cultural and commercial experiences with their audiences.

■ Video distribution and sharing communities

Generating new usages

Sites dedicated to video distribution and sharing have flourished on the web in recent months. Their growing success, particularly among the younger sectors of the population, has revealed the important role played by digital natives and internet users in general in the construction of the web. No longer satisfied with their role as simple consumers, they have seized the opportunity to create individualised pages, distributing their own productions and posting others. Thus, every user can watch videos posted by others and upload their own sequences, to which they attach keywords, known as tags. These tags, often grouped together in a "tag cloud", whereby the more important tags are emphasised (by a larger font, for example), are at the root of collaborative methods of content classification or "folksonomies." Moreover, each member has their own space for collecting and storing videos, and they can create a group – a user community uploading clips on a common theme – or a channel, by selecting videos from chosen contacts. By subscribing to information flows, members can be alerted each time a new video involving a key word, a member or a group is published. Video sharing sites encourage the uploading and circulation of content by making new software tools available to their members. It is, for example, possible to send a video from a webcam, to include videos on blogs, to create dynamic mini-views of a selection of videos (videorolls) or a jukebox of one's favourite clips. Some platforms do not limit themselves to crowdsourcing, but also enrich their databases with robot-indexed videos or works produced by traditional content suppliers (major television channels, film studios, etc.). The mass of content conveyed and the collaborative nature of these sites with their new ergonomics all help to make them extremely attractive. These players have contributed to the emergence of new practices related to the production, distribution and consumption of audiovisual content. In this world, the concepts of programme grid and regular audience have no relevance...

A plurality of players...

There are four categories of players involved in the domain of on-line video sharing: new pure-players, search engines, publishers of peer to peer solutions and traditional players in the audiovisual sector (television channels and large groups).

Founded in February 2005, YouTube, which has enjoyed fast and impressive growth in its numbers of daily visitors and downloaded videos (20 million visitors and 100 million videos by the end of 2006) epitomises these new pure-players, as does its French counterpart Dailymotion. The very community-oriented MySpace is also active in video sharing. These new players are the object of keen interest from the search engines (the first-generation pure-players).

These services find themselves at the intersection between search engines and communities, because in addition to indexing, collecting, storing and distributing videos, they also offer personal, public spaces to their users. The indexing of video files represents a new challenge for the search engines, who want to extend their field of application, notably to the blogosphere. Google launched its video indexing service in France in July 2006. This on-line video market place offers content sharing in the style of Dailymotion, but it also indexes videos with the permission of the copyright holders (Ina, Allociné, CanalPlay, etc.), so that they can be broadcast in their entirety. For its part, Yahoo! Video offers its users not only a personal space, but also a search function that takes into account the results from other sites, such as DailyMotion, Grouper, INA or Arte.

In parallel, peer to peer companies are also proposing new video sharing services. Indeed, peer to peer networks constitute the most efficient technology for the distribution of digital products (MABILLOT & PROUST, 2004) and remain a resource of great potential (CHAMPEAU, 2006). The efficiency of the BitTorrent network derives from the fact that each user also plays the role of server, each member sharing their bandwidth for uploading and downloading files that are broken down into several small portions. The speed of loading is then proportional to a file's popularity. BitTorrent, the company behind the eponymous peer to peer software, is launching a beta version with a video sharing service and has recently bought μ Torrent (a user application renowned for its lightness) to compete with the commercial service, Zudeo launched by Azureus. One of the advantages of a peer to peer service like Zudeo lies in the quality of the videos available. Moreover, the efficiency of peer to peer solutions has not escaped the notice of the

traditional audiovisual companies, like the M6 television channel, which uses them to regulate its bandwidth consumption.

Faced with this new competition from the internet, the television companies have developed their own video sharing platforms, broadcasting a selection of the best creations on television. Thus, the channels TF1 and M6 have launched Wat (We Are Talented) and Wideo respectively. A subsidiary of TF1, WAT offers budding artists (musicians, filmmakers, photographers) a personal space where they can share their talents with internet surfers and community members, who provide a critical view through their comments.

Recent takeovers by the media giants (News Corp / MySpace, Viacom / Atom and Sony / Grouper) and by the internet giant Google, which has just bought YouTube for 1.65 billion dollars, confirm the interest of these powerful groups in user generated content. According to the Wall Street Journal, CBS, Fox, NBC Universal and Viacom are preparing the emergence of a competitor to YouTube, which will make use of video clips from their television networks to cash in on the advertising market of video sharing sites.

... whose business models have not yet proved their worth

Video sharing sites offer advertisers the prospect of a wide audience and an easy way to promote artists or films by means of clips or trailers. Due to the viral marketing potential of the social networks involved in video sharing, it is assumed that companies will show great interest in them for the diffusion of sponsored content. So the business model of these sites relies on a combination of sponsored links and more innovative forms of video advertising. Google, for example, may be prompted to insert advertising into the beginning of each YouTube video sequence.

In fact, advertising has yet to make more than a hesitant appearance. However, various schemes for monetizing these services are currently being tried out. Break and Metacafe, for example, pay internet users who upload videos according to certain qualitative criteria, with the aim of attracting greater numbers with a service of quality and so differentiating themselves from the other players in the market, who index a vast amount of content of little interest. Vpod.tv, a new on-line video sharing service, aims to offer not only the up/downloading of content, but also the possibility of broadcasting it on television sets, by means of boxes connected to the internet. Here, the

business model is founded on the sharing, between Vpod.tv and the video producers, of revenue from advertisements inserted into the video sequences. The platform Kewego offers businesses the possibility not only of broadcasting their advertising on partner channels (Nantes 7, Télé Lyon Métropole, etc.), but also of distributing their videos through the web (M6, Sports Fr). Some players are also aiming for mobile phone access. Wat and Dailymotion have signed a strategic agreement with CellCast Interactif to bring their platform onto mobile phones, and so to compete with Eyeka, Vpod, Moblr and Scroon.

Some players are positioning themselves as veritable competitors to video-on-demand platforms. Pioneer in this field, "Automne" (Autumn), the French-language thriller by documentary maker Ra'up McGee, starring Laurent Lucas, Irène Jacob, Jean-Claude Dreyfus and Michel Aumont and produced by Next Weel Filmworks, is available in its entirety on Google Videos. Shown in a small number of cinemas in the United States, it was immediately distributed on the internet in free streaming and paid downloading. Absent from French cinema screens (and consequently not subject to media chronology), this film is only available in free streaming in France, and by February 11th 2007 it had received 802,269 clicks on Google Videos France, although this brilliant score does not mean that it was watched from beginning to end at each click. On the viewing page, Google have added a link to autumnmovie.com, where viewers can buy the DVD. This experiment is a first for Google, providing independent films with the opportunity to increase their reputation while accommodating the diktat of traditional distributors.

We can draw two conclusions. Firstly, a community model for the sharing and distribution of video content has emerged in a universe that opposed video on demand and peer to peer. This mutation of the community model represents fresh disruption for the audiovisual sector, already faced with the failure of negotiations over video on demand, the growing unpopularity of proprietary models confronted with their own paradoxes (the declaration of Steve Jobs that he is abandoning DRM) and the war on piracy. Some analyses of user generated content suggest, independently of whether or not this content is created by the consumers, that the real originality lies in the distribution and structuring of the content via the users, so that we should prefer the term "user distributed content" to underline the real novelty. Secondly, the business model of video sharing sites is largely based on the monetization of the audience. Yet there is still great uncertainty over the reaction of community members faced with the intrusion of advertising into videos. Postulating a contradictory association between the monetization of

advertising and user generated content, some observers predict, with regard to the interest of investment funds in Web 2.0, that the financial bubble will burst and the sector will become more concentrated, to the benefit of the major players.

The models of distribution of video content

<i>Classic model</i>	<i>Proprietary model</i>	<i>First generation community model</i>	<i>Second generation community model (user generated content)</i>
From the publisher/producer → video-on-demand portal	From the publisher/producer → platform → MP3 players	peer → peer	Content creators → site
Canalplay, Vodeo, etc.	Apple, Sony, etc.	eMule, BitTorrent, etc.	Dailymotion, YouTube, Google Video, Zudeo, etc.

■ Regulation of the community model, or property rights *versus* the commons

Platform managers and communities: the appearance of the common good

Video sharing sites all enable the diffusion of content, but few of them provide users with the possibility of downloading their favourite videos onto hard disk as easily as Vpod.tv, which offers different video formats (flash, mp4, 3gp, etc.). Indeed, certain platforms are fiercely opposed to the multiple software (DownTube, iTube, etc.), widely available on the web, which make up very effectively for the lack of downloading options. YouTube, for instance, was recently involved in a dispute with the famous American blog TechCrunch over the availability of such a tool. TechCrunch gave in, not wishing to provoke the displeasure of the new owner of YouTube (in the form of lawsuits or exclusion from Google index). According to the managers of YouTube, private copying does not apply to the site's videos, so that their downloading is unauthorised, even if it has been made technically possible by certain software. According to French law, individuals remain free to exercise their right to private copying, as long as this does not infringe on normal exploitation of the work. In addition to the legal quarrel,

this issue testifies clearly to the platform managers' desire to appropriate the contents made available by community members.

Content producers and platform managers: confrontation or contract

The main problem faced by video sharing sites is connected with the large audience for content put on line by internet surfers without the consent of the rights holders. The use of content without this authorisation is considered equivalent to piracy, hence the growing number of complaints against video sharing communities. The professional football leagues have accused Google and YouTube of infringing the broadcasting rights sold for such a high price to television channels. In addition, and despite a first encouraging experience for independent films with the diffusion of "Automne", the professionals remain perplexed in the face of video platforms being used to facilitate the illegal distribution of works. Google, for instance, was sued for copyright infringements in the French court of commerce by Jean-François Lepetit (Flach Film), the producer of William Karel's documentary "The World According to Bush". The whole film was made available free on Google Video France, although its producer had organised its legal diffusion by DVD and through video-on-demand, entrusting this task to the platform Editions Montparnasse. Until now, video sites have sheltered behind the provisions of the American Digital Millennium Copyright Act (DMCA) or the French law for confidence in the digital economy (LCEN), which do not hold hosts liable for the contents uploaded by their users.

Faced with the discontent of content producers, video sharing sites have to choose between confrontation and contractualization. In fact, Web 2.0 offers a new window for diffusion and yet another market. The question is of particular importance for independent producers, often locked into a logic of formatting by the distributors. Thanks to an agreement with the French Association of Phonogram Producers (SPPF), representing the interests of independent producers like Naïve and Harmonia Mundi, Dailymotion will not only broadcast their clips perfectly legally, sharing the associated advertising revenue with them, but also withdraw from its site any content pirated from SPPF members. However, this sort of solution is not always appreciated, especially when the groups concerned are competitors. The chances of an agreement between Google-YouTube and certain rights holders seem pretty slim, notably with Fox, the subsidiary of News Corp, which is itself owner of the rival platform MySpace. Universal Music, subsidiary of the French group Vivendi has brought a lawsuit against Gouper, recently bought by Sony. As a

final example, YouTube has agreed to withdraw 100,000 videos following a request by the media conglomerate Viacom. It is also highly likely that some content providers will not be capable of opposing the free circulation of works, not only because of problems in identifying sequences, but also because of questions concerning the territoriality of rights. The issue of agreements between content producers and video sharing sites is of crucial importance, because the massive withdrawal of videos would greatly diminish the interest of these communities.

Property rights versus new digital cultural practices

The works of L. LESSIG (2002, 2004) have highlighted the restrictions on the use of cultural content imposed by intellectual property rights. The author warns against the emergence of a "read only" internet, where it will henceforth be forbidden to appropriate, remix or parody cultural content. Indeed, the DADVSI law legalises technological measures of protection (digital rights management) and criminalises their circumvention. In addition, it organises access to culture by restricting, de facto, the distribution of digital content exclusively to operating systems that contain usage control systems, thus excluding free software. User generated content is directly concerned by this new trend, for users become guilty of mixing and distributing content that is being protected over ever-longer periods of time. The merchants (the managers of rights over versionable assets) are turning the "institutions of creation" (intellectual property rights) against the common good – so heightening inequalities in the access to culture – with the sole aim of perpetuating an economy of rent. This extension of control over the domain of usages under the effect of technologies and institutions is in violent opposition to the usages of communities in the age of Web 2.0.

■ How long before we see 2.0 cultural industries?

The developments of very high-speed internet and Web 2.0 underline the need for content producers (and managers of versionable assets) to integrate the cultural consumer more actively in the production of content and not to leave this essential link at the end of the chain of value, if they wish to avoid swelling the ranks of "delinquent" users. The failure of the first encounter between the record industry and internet (MABILLOT & PROUST, 2004) confirms the need for content distributors to construct a new

commercial relation between the artists, the works and the fans, failing which they will be supplanted at each step in the life cycle of the work by underground communities opting for the most efficient techniques.

Cultural and media industrialists lagging behind...

At a time when new usages are emerging every day on the internet, there appears to be little or no change in the practices of cultural industrialists, who content themselves with selling music or films on the web in the same way that CDs or DVDs are sold in high street stores. They would be well-advised to choose a new means of differentiation, without exciting the wrath of the mass retailers. Up until now, the "innovation" has come from a computing company: Apple had the intelligence to sell content to make profits from its Ipods (cross-subsidy model) with no regard for the locked-in consumers. Internet surfers' hopes for a legal license have been dashed by the institutionalisation of technical protection measures and the criminalisation of their circumvention. However, the culture industries appear to be backing down, for the rumbling discontent of consumers in the face of the usage control imposed by these protection measures has reached such a point that many are finally deciding to abandon digital rights management of the distribution of this content, choosing to seek revenue from advertising instead.

The construction of new cultural and commercial experiences

The revolution in practices provides content producers with an opportunity to bring individuals together into cultural communities and to integrate film- or music-lovers into the process of value creation. In the case of movies, the social construction of the new commercial relation between artists, works and fans (the fundamental role of which is well illustrated by the examples of *Star Wars* (McDANIEL, 2004) or the *Lord of the Rings*) consists in making the film into a new experience, before, during and after the film. Some consumers of cultural goods play an active role in the discovery of new talent (e.g. www.wat.fr), the creation of new works (user generated content), their financing (www.demainlaveille-lefilm.com), their production (thanks to new film cameras), their promotion (via blogs, comments, etc.), their distribution (via BitTorrent, for example) and their sale. The co-creation of value makes it possible to enhance the product (new experiences and spin-off revenues) and to cut costs (in marketing, or

through a reduction in industrial risk). Alban Martin (2006) presents the new paths of change in a very educational manner. Film fans should be encouraged to download the trailer, information about the scenario, the casting, the shooting, the press kit, the music of the film, the spin-off game or the book on which the film is based free-of-charge. They should also be able to discuss the actors and directors and their past works on dedicated platforms. The idea is to accompany film fans while facilitating their purchase of different versions of the film and its spin-offs. They should be able to buy their tickets by SMS and have free access to the teaser. New services should be available inside the cinema, to differentiate the cinema version as much as possible. On arriving back home, they could find an e-mail thanking them for their visit and encouraging them to talk about their experience. They could subsequently be kept informed about new films by the same director. Other films could be suggested to them on the basis of comments by other spectators (long tail). There is also an idea of making the spectator a VIP guest next time round.

■ Conclusion

With an average daily viewing time of three and a half hours, the big players in the audiovisual sector appear to be, as yet, relatively unconcerned by the user generated content-related practices emerging from internet communities. As for the producers, they do not consider this phenomenon to represent the emergence of a community model of content distribution so much as the appearance of yet another drift towards piracy, something to be curbed. But how can this new model be ignored, when it has become so easy for people to create and broadcast their creations and construct their own programme grids? Younger viewers are steadily abandoning television in favour of the internet, because of the enjoyment they derive from appropriating, in their own way, the content whose usage the industrialists are seeking to regulate through intellectual property law.

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