



Case study on YouTube Entrepreneurship course

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Introduction

- Created by three former Paypal employees in Feb. 2005
- Acquired by Google since late 2006
- The dominant online video provider, 1.2 Billion/Day

<i>Service</i>	<i>Launched</i>	<i>Ads</i>	<i>Viewers per day</i>	<i>Ad Revenue Sharing</i>	<i>Video download</i>
Tudou	Apr. 2005	Yes	55,000,000	No	Yes
Dailymotion	Mar. 2005	Yes	~60,000,000	Yes	No
Youku	2006	Yes	150,000,000	No	Yes
YouTube	Feb. 2005	Yes	1,200,000,000	Yes	Officially "Selected Videos Only"



Why it is successful

1. It is obvious

- What, what, why, and how

2. User friendly

- Put and get video, skip ads
- Wonderful recommendation system

3. Easy idea but brilliant marketing concept

- Difficult to easy

4. Simplicity is beautiful

- Easy ideas are the hardest to get



Without buffering

Hey, check out this video!.... buffering....buffering....
1 sec, 2 sec, buffering...





Without buffering





Technical factors

- Decline storage cost — detecting identical clips
 $sha1(video1) == sha1(video2)$
- Bandwidth— Adobe Flash Video (FLV)
- Uploading and streaming video format
- Recommendation list

Contribute up to 75% viewing time



Growth factors

- Sharing via email or external websites
 - Better than ads
- Interaction between users
 - Comments, groups, subscription
- Instant satisfaction
 - No technical knowledge needed



Disadvantages

- Without parental control
- Copyright issue and restriction on comments
- Inaccurate video labels
- At least watching ads for 5 seconds
- Skills used for bad ends