

The institutionalization of YouTube: From user-generated content to professionally generated content

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Abstract

This article explores the institutionalization of YouTube: its transformation from user-generated content (UGC) – oriented as a virtual village – into a professionally generated content (PGC) video site, especially after being purchased by Google. YouTube has influenced the traditional media environment, but at the same time this new medium imitates the rules of the old media, including legally managed distribution of broadcasting content and smooth links between content and commercials. YouTube constitutes an evolution of the present media milieu, rather than a revolution. On the other hand, the dominance of mainstream media is, to a degree, still compromised in UGC culture. The emancipatory dimension of UGC media (e.g. as democratic, creative outlet with high accessibility and online library potential) is discussed in the conclusion, not losing sight of the technological-economic limitations placed on its continuing promise.

Keywords

advertisement, institutionalization, interactivity, professionally generated content, user-generated content, YouTube

As a convergence medium between the internet and TV, YouTube has highlighted a series of contradictions between traditional broadcasting and digital narrowcasting. YouTube cannot be thought of solely as a revolutionary medium because of its being influenced by traditional agents (i.e. network broadcasters and TV audiences), content (i.e. program genre and style) and institutions (i.e. copyright and advertisements).

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YouTube has come to represent what video on the web looks like: short, mostly humorous and easily accessible. The short video clip pattern can also be found in mainstream media websites. Major media companies have responded to YouTube either by launching their own YouTube-like site or by introducing new video services on their own sites. Responding to professional video services in mainstream media, YouTube also offers full-length episodes of television shows.

With regard to co-influence between traditional broadcasting and YouTube, one of the main issues is copyright infringement. From a broader context, however, the copyright issue is more than a financial and legal conflict: it reflects a hegemonic tension between an amateur-led, individual-driven alternative mediascape and a professional-led, institution-driven traditional mediascape (Andrejevic, 2009). Advertisers are concerned about the degree to which the YouTube environment is ad-friendly: they do not want their advertisement next to low-quality home video content.

In this study, I will analyse the institutionalization of YouTube. The major implication in the argument that YouTube evolved from an amateur user-generated content (UGC) medium to a professional broadcasting channel would be that the brief history of YouTube repeats the historical trajectory of the internet. In 1995, Al Gore popularized the term the 'information superhighway' and Bill Gates presented his vision of a networked learning community. In Europe, a year before Gore and Gates presented their optimistic visions, the European Community (forerunner of the European Union) described the future of the information society in the Bangemann report. The basic assumptions of this report are that recent information technology development is revolutionary, the coming of the information society is unavoidable, the information society will bring about major change in Europe and it must be fostered by market forces (EC, 1994).

However, these optimistic predictions were contradicted by the way in which the internet content was commercialized. Observing the rise and fall of the optimistic vision of the internet as a place embodying public values, Fabos (2004) argues that the end result of the commercialization of the internet is that users are attracted towards commercial sites, and unpopular voices are becoming more marginalized. With regard to commercialization, I believe that Fabos is correct, and YouTube has been following a similar path to the internet. While the optimistic vision of the internet still persists in the case of YouTube, it is important not to lose sight of the legal and economic forces that limit individual use of it.

YouTube and online video service have yielded new patterns of television watching. YouTube has influenced television, but at the same time this new medium imitates the rules of the old media, including legalized distribution of broadcasting content and smooth links between content and commercials. Furthermore, the conflicts between old and new media are based on more than economic interest: they are hegemonic tensions resulting from the formation of a new mediascape.

Copyright

Rather than competing with each other, narrowcasting YouTube and broadcasting television utilize each other. Media convergence comes about because people use YouTube as a stepping-stone to mainstream media, and the mainstream media use YouTube to

promote their programs, especially in ‘webisode’ format, a 3–5-minute episode of TV shows for web showing only. *Nobody’s Watching*, a failed network television program pilot gained popularity through YouTube (Steinberg, 2006). The skyrocketing popularity of *Saturday Night Live*’s short clip series (e.g. ‘Lazy Sunday’ and ‘Dick in the Box’) would not have been possible without YouTube.

In October 2006, Google Inc. announced that it had reached a deal to acquire YouTube for \$1.65 billion. After being purchased by Google in 2006, YouTube introduced ad-effective tools, including YouTube Video Identification (Video ID) for copyright holders. Responding to pressure from media companies, in October 2007 YouTube introduced a content management tool, Video ID, which helps copyright holders (mostly media companies) find copyright infringing materials and claim their rights. Infringing videos can be tracked by using Video ID. Copyright owners have choices ‘whether to block, promote, or even – if a copyright holder chooses to partner with [YouTube] – create revenue from them, with minimal friction’ (YouTube, 2007). In other words, the industry can claim the videos and remove them. Or, rather than removing the clips, the industry can put advertisement in the clips and share the revenue with YouTube (Stelter, 2008a). In 2010, with advancing filtering technologies, YouTube created a new copyright policy and management tool, Content ID, which includes Video ID and Audio ID. Once copyright holders deliver reference files of audio and video content they own, YouTube technology automatically identifies newly uploaded content, comparing it against all the data. According to YouTube, this advanced copyright management tool can even find that a posted video’s quality is worse than the original. Once YouTube identifies a match, the copyright holder can ask ‘either block it, leave it up, or even start making money from it’ (YouTube, 2010).

However, in regard to this ad revenue sharing model, the industry is divided. While NBC Universal and Walt Disney have opted for their own video sites, the Warner Music Group plays the role of strictly defending itself against copyright infringement (Stelter, 2008a). In December 2008, the Warner Music Group demanded that all their music videos be taken down from YouTube: the infringing videos included user-generated clips that used songs copyrighted by Warner. Music is important to short skit videos and music video is one of the most popular genres on YouTube. As of 7 July 2011, 72 out of the top 100 all-time popular YouTube clips are music videos, which are mostly copyrighted and provided by major music labels. Before Google’s purchase of YouTube, big record companies did not make an issue of free use of their copyrighted songs on YouTube. The main reason was that YouTube was such a small venture group that even if it was sued and had to pay, the young founders could not afford to pay much. Afterwards, the copyright issue affecting YouTube was now on the table, not only because the illegal use of songs skyrocketed but also because companies found the appropriate target, the one who can pay, Google.

The corporate chiefs want more from YouTube than payment for re-transmission of their music videos: they claim the copyrights even for amateur users’ singing of their songs or the use of portions of their songs in home videos. With regard to network and cable shows, the media industry’s pressure on YouTube to apply a strict copyright infringement policy has been increasing. In February 2007, Viacom (the owner of CBS, MTV, Comedy Central and Nickelodeon) asked YouTube to remove more than 100,000

unauthorized clips (1.2 billion streams) belonging to Viacom: from the MTV popular animation show *South Park* to Nickelodeon's *SpongeBob SquarePants* (Lee, 2007).

As of 2006, major record companies including Universal Music, Sony BMG, EMI and the Warner Music Group reached a deal with YouTube. Under this deal, the record companies receive a per-stream fee for their videos and share advertisement revenue with YouTube (Leeds, 2006; Stelter, 2008d). However, Warner Music concluded that the deal was not beneficial enough. Of Warner's \$639 million digital revenue in 2008, less than 1 percent was generated by YouTube's advertisement and fees (Stelter, 2008c).

Media companies around the world claimed their rights and asked YouTube to take down the clips that belonged to them. In the fall of 2006, the Japanese Society for Rights of Authors, Composers and Publishers asked YouTube to take down 30,000 copyrighted videos (Lee, 2007). After YouTube took down copyrighted clips, the charges were dropped. But some media companies wanted to finalize the case in court. Italian media group Mediaset sued YouTube for copyright infringement, asking for \$500 million in damages (YouTube faces Italy, Turkey, 2008). Before Google's purchase of YouTube, copyright issues had been framed as the collision between greedy media moguls and freedom fighter YouTube. After the purchase, the debate turned in a different direction. The copyright issue came to involve an economic conflict of interest between big media groups. After the PRS (Performing Right Society) for Music, a British group that collects music royalties, and Google failed to reach agreement, YouTube blocked music videos for British YouTube users (Arango, 2009).

On the one hand, broadcast networks use YouTube as a window to promote their programs. In this sense, experimental webisodes on YouTube are nothing but one type of well-made and well-financed professional advertisement. On the other hand, webisode experiments show a certain tendency wherein old media interact with new media and both evolve, rather than one displacing the other. Media 'convergence' is not one way. Big media adapt to a new media environment. Of the many ways in which the media industries adopt the practices of YouTube, this article will now focus on two: how media industries use YouTube as a new economic resource, and how they use YouTube as a new promotion tool.

Advertisement revenue

If the pre-Google era of YouTube is characterized by amateur-produced videos in an ad-free environment, the post-Google purchase stage is characterized by professionally generated videos in an ad-friendly environment. Because of YouTube's popularity, industries have shown a deep interest in monetizing it. Since being purchased by Google, YouTube has adopted a new e-commerce model; it puts banner ads in videos or in YouTube pages and shares the revenue with the copyright holders of the videos. The basic idea of selling banner advertisements is to play commercials during the streaming of videos (Sorkin, 2006). Based on the number of views that the video receives, the ad revenue is split between the service provider (YouTube) and the content provider (copyright owners) (Stelter, 2008c).

With new technologies enabling a severe restriction of amateurs' video use without permission from copyright owners, as of March 2009, YouTube made money by selling

banner advertisements, 'Featured Videos' and 'Promoted Videos.' Both 'Featured Videos' and 'Promoted Videos' are sponsored videos. The difference is that 'Featured Videos' work like a traditional ad page and 'Promoted Videos' are based on new methods of selling key words. Beginning in 2008, Google began to sell YouTube homepage space. Users can buy the 'Featured Videos' section, which is located on the YouTube front page. They can set their budget, and for just that amount of money, their videos are displayed on the front page of YouTube (Clifford, 2008).

Another commercial source of revenue in YouTube is from 'Promoted Videos'. YouTube sells key words, which YouTube's parent company, Google, has in its main site. This method does not employ banners, but works like Google ads, displaying text on the side. In November 2008, YouTube began letting users promote their videos by bidding on keywords. Users choose which videos they want to promote through the YouTube search tool and choose which key words they want to target. Then, YouTube uses the same technique as Google: 'users place bid for the key in an automated online auction, as well as set spending budgets' (Sandoval, 2008). Whenever people type the key words in the YouTube search function, related videos are displayed next to the search results because the words have been sold to the highest-bidding advertiser. In the 'YouTube Promoted Video Overview' clip, a product manager of YouTube says: 'YouTube democratized the broadcast experience and now we're democratizing the promotion and advertising experience as well'.

YouTube's economic potential looks so promising that the YouTube partnership has been growing. However, only 3 percent of all YouTube clips are supported by advertising, presumably due to the still problematic copyright question. Of these, profitable partners are far less than 3 percent (Stelter, 2008c).

Promotion tool

In its early development stage, YouTube looked like a threat to media companies, especially in terms of copyright. However, when this video site became a unit of Google, concern about an anarchic mediascape and copyright infringement seemed to soften. In 2008, major networks began not only posting their shows on YouTube but also providing video services on their websites. Media companies came to regard YouTube not as a rival but as a new channel to re-transmit their programs and a new source of advertising revenue.

Recognizing the potential of YouTube as a fast distribution route, media companies sought to adopt the distribution practice of YouTube. MGM began its partnership on November 2008. With advertisements on the videos, MGM posted decade-old television shows (e.g. *American Gladiators*) and full-length movies (e.g. *The Magnificent Seven* and *Legally Blonde*).¹ Lions Gate also opened shop. A deal was struck between Lions Gate and Google in July 2008 (Wallenstein, 2008). This middle size movie company already had a channel on YouTube, but their clips were mostly trailers. In their new channel, users could watch several short clips of Lions Gate movies. With regard to copyright, Lions Gate's philosophy was flexible, different from big groups in that it did not request YouTube to remove unauthorized clips. Rather, the movie company requested

that YouTube users who posted videos without permission should not be allowed to share in the ad revenue (Stelter, 2008a).

Major networks adopted online video services for the sake of program promotion and to recover lost audiences, especially those who prefer watching shows on the web. NBC, CBS and ABC began to provide web streaming video service from 2007. As of March 2008, Walt Disney's television unit made a deal with YouTube to share Disney-owned programs, especially recent ABC shows, including *Lost* and *Desperate Housewives* (Stelter, 2009b). On their main sites, audiences can watch several past episodes of the networks' popular shows. For the sake of promotion, such as in the case of *Lost*, all past season episodes were available.² Previously, major networks had provided full-length episodes, yet they were mostly old shows, such as *Star Trek*, *MacGyver* and *Beverly Hills 90125* (Rodgers, 2009b). The episodes on the networks' websites contain commercials, which users cannot skip, with interruptions occurring the same way as on TV (pre-program advertisements, post-program advertisements, and several within the shows).

Network video service and YouTube collide, but they coexist. Major broadcast companies not only adopt YouTube's main idea, the streaming video service, but also use YouTube as another content distribution channel. What broadcasting networks mainly borrow from YouTube is the idea of convenience and ease of accessibility, rather than technical advancement. Old media adopt new media's format but, at the same time, the former apply traditional frameworks into the latter. Copyright laws have been strictly applied and advertising has become a part of YouTube's mediascape. Complications as well as solutions between new media and old media come from their mutual interdependence.

The old and the new imitate each other, rather than the new replacing the old or the old suffocating the new with institutional powers. YouTube opened up the opportunity for UGC videos and basically welcomed any type of video. As major media groups came to engage in YouTube, PGC videos became the dominant format. Changes in the online video realm occurred in two ways: YouTube became ad-friendly, and networks began to emphasize online video streaming. Although YouTube creators resisted the idea of commercialization, as YouTube matured, the pressure to provide stable revenue led to diverse e-commerce practices, including banner advertisements, and the selling of key words and web space. YouTube inspired online video services such as hulu.com, and traditional broadcasting channels (e.g. NBC, CBS, ABC) adopted online video streaming. However, media companies changed the atmosphere of online video streaming to fit their interests by pressuring YouTube to become an ad-friendly space and by providing PGC exclusive video streaming services on their web sites.

The transition from UGC to PGC

Big media have adopted YouTube strategies, and solved technical issues that YouTube had, such as the length of files, revenue and video quality. As online video services were becoming more popular, the media industry came to recognize two potentially advantageous characteristics of streaming video services: re-transmission channels and interactivity-based advertisements.

Industry has a keen interest in shaping the interactive media environment because user participation helps create the stability of loyal audiences. Problems occur, however,

when user participation and interactive media do not work to create predictable markets. Media companies caught on to YouTube's potential as a new distribution window and source of advertisement revenue. However, the unpredictable program schedule and UGC, which is not commercial-friendly, inhibited industry investment on YouTube.

Emphasizing PGC, a network video service does not follow UGC's core philosophies, which are amateurism and populism. What the media industry wants is for YouTube to provide an ad-friendly media environment that links content and advertisements smoothly. Initially, the industry was concerned with the copyright issues arising because of YouTube, but once Google had purchased YouTube and enforced copyright law more strictly, media companies began to think about profitable uses of online video services. Networks 'formalized' online video services into providing the same commercially interrupted viewing culture as TV.

Hulu and other professional video websites

Despite its dominance in online streaming video services, YouTube is neither the first nor the only web video service. Founded in August 2007, Hulu (hulu.com) began as a joint venture of the News Corporation, NBC Universal, the Walt Disney Company and the private equity firm Providence Equity Partners, becoming a strong rival to YouTube. As of October 2008, this online video hub was the sixth most popular online video site in the United States. Hulu's ratings were higher than those of the CNN, MTV and ESPN websites (Stelter, 2008b). In 2008, the estimated advertising revenue of YouTube was \$100 million, while that of Hulu was \$70 million, and, in 2009, it was predicted that Hulu would catch up with YouTube (Hefflinger, 2008). Nevertheless, in terms of popularity Hulu still could not rival YouTube. According to comScore, an internet marketing research company, YouTube ranked as the top online video site in June 2011 within the United States, with 149 million viewers, compared to Hulu's 26 million (comScore.com, 2011).

Although Hulu cannot compete with YouTube in terms of popularity, its PGC programming differentiates it from YouTube, where UGC coexists with PGC (Graham, 2008). With agreement from mainstream channels (including NBC, Fox, Comedy Central and Bravo), Hulu posts full-length episodes of popular shows. As of July 2011, popular network shows, including Fox's *The Simpsons* (six rotating episodes) and NBC's *The Office* (five rotating episodes) were available at Hulu, and such past shows as Fox's *Arrested Development* (one full season) were available.

Hulu began as an ad-friendly outlet, and it allows users to watch shows only with commercial interruptions. Major industry was willing to invest in Hulu due to its emphatic advertising model. During 2008, YouTube garnered \$200 million, which is more than the \$90 million generated by Hulu. However, while UGC is still dominant on YouTube, and only 3 percent of all clips provide advertisement profit, 70 percent of all the videos on Hulu created profits (Wie and Chang, 2009). While this online video hub earned advertising dollars, it labored to make more profits by introducing Hulu Plus. Launching on June 2010, this subscription service (\$7.99 per month) supplements its free, advertising-based content. Customers can watch more episodes by paying fees, but with Hulu Plus, free videos turned into commodities.³

This online video hub might provide convenience and accessibility, but compared with YouTube, what is missing in Hulu is an international service and interactivity functions: Hulu is not available outside America and its users cannot give comments or post videos. YouTube's influence on mainstream media can be found on Hulu, but of all YouTube's characteristics, the broadcasting networks adopted only a few.

Online video service

While YouTube opened up the chance of watching TV shows on the web, the reality is far from being that YouTube seriously threatens broadcasting networks. It was ABC that launched the first major network video service in 2006. According to ABC's research in January 2008, a free online video service is effective in that 'the one-ad-per-segment format resulted in a 54 percent ad recall rate' (Stelter, 2009b). As of fall 2008, NBC and CBS also began web streaming services: for new shows, 4~6 recent episodes are available, and for selected classic shows, more than one full season is available.

For the major networks, video streaming provides a great opportunity for promoting their programs. NBC's online launching of the second season of *30 Rock* is a good case of a web video service being used as a promotion tool. In fall 2007, one week before the first episode was broadcast on the network, online users could watch it at NBC.com and Hulu. Fox and CBS seemed hesitant to adopt the web video service at first, but entering 2008 they began to provide their old shows (such as the entire episodes of *Arrested Development* on Fox and the first two seasons of *Dynasty* on CBS), as well as new ones, including Fox's *House* and *Fringe*, and CBS's *CSI* series and *Survivor*.

With regard to video services on the web, major networks pursue two different goals: making online video libraries and finding multi-distribution routes. Compared with Hulu, network streaming services provide better quality video and more choices. Compared with YouTube, however, PGC-oriented services share similar weaknesses: geographical limitation and lack of user-participation. Network video service and Hulu place more emphasis on distribution and consumption, rather than creation, and many PGC-oriented video services profess the function of video archives. However, considering the selectivity of their focus on popular shows, the instability and short history of the video archive, the promise of an online video library requires close questioning.

Media convergence

Online video services raised issues not only about the convenience and accessibility of visual content but also about the futuristic optimism regarding UGC culture, alternative distribution channels and online video libraries. UGC culture persists, despite the media industry's efforts to tame it with PGC. Traditional broadcast companies welcome streaming service as a tool for re-transmitting videos only if they are PGC and harmonize with the institutionalized mediascape. Despite their potential, the future of online video libraries does not look promising, considering the relatively weak business model, fast technological innovations, copyright complications and cultural gaps.

PGC-driven video services can be characterized as professionalization, commercialization and an ad-friendly environment. Increasing the number of PGC videos does not

automatically kill amateurism, in that users still can post UGC clips. Yet, dominance of PGC marginalizes UGC. On YouTube, PGC and UGC videos coexist, but old customers of YouTube since its beginning would recognize the increasing dominance of sponsored and copyright protected videos.

The evolution of YouTube from an amateur-driven medium to a professional-dominated channel coexists with the market expansion of the TV industry into the web. Networks and cable were challenged by the new mediascape and entered this new realm in order to protect their materials and to tame new territory by reinforcing traditional 'rules of the game'. There are several reasons that induced TV networks and distributors to begin online video services: new advertising revenue, protection of copyrighted materials, the challenge presented by YouTube and control of the mediascape (Andrejevic, 2009).

From a media convergence perspective, the development of YouTube makes for a particularly interesting case of bridging traditional broadcasting and customized narrowcasting. The internet's innovation, YouTube, provided a benchmark for traditional mass communication (broadcasting) which then adapted to the new media environment (the internet). While the television industry embraces video streaming technology for the purpose of distributing its content, technological innovations bridging broadcasting and the internet threaten the broadcast industry. Such gadgets as the Apple TV set-top box, Boxee and Roku, make it possible to move web videos from the computer to the television. The basic idea is to connect online streaming video content to TV sets with a cable, set-top box or computer program (Ensha, 2009). Exploring the changes of television, Lotz (2007) makes the point, also made by other commentators, that we live in a post-network era, which is characterized by digital innovation, niche audiences and narrowcasting media such as YouTube. In a post-network era, with new digital gadgets and changed TV watching practices, audiences can opt out of the inflexible, network-regulated time schedules of broadcasting and into the highly flexible time frames of narrowcasting.

Although YouTube was a pioneer in the history of the web video library, it also adopted various characteristics of its followers. In 2009, YouTube redesigned itself, listing four big categories: 'Movies', 'Music', 'Show' and 'Video'. Of these, the 'Video' option is the only UGC clip category (Rodgers, 2009a). In 2011, YouTube began content commercialization by launching a paid video-on-demand service. The meanings of the newly designed YouTube are multiple: separation of brand-safe clips from UGC, traditional genre making, stricter application of copyright protection and the facilitation of an ad-friendly environment.

The story of YouTube amounts to a short history of media and their influence. First, the internet imitates broadcasting (YouTube), next, old media fight back (Hulu and network websites), then new media strike back again (Apple TV set-top box and Boxee), and in this way the imitation of old and new media continues.

Discussions and conclusions

Digital technologies brought not only the proliferation of media content outlets, they also aided the further concentration of media ownership. With his notion of 'mass

self-communication', Castells (2009) explains this combination of decentralized delivery and centralized control. According to him, YouTube is a form of 'mass' communication because it has potentiality to reach universal audiences, and also a form of 'self' communication because its content is self-generated, 'the definition of the potential receivers(s) is self-directed', and message retrieval is self-selected (Castells, 2009: 55). However, whether or not Castells' celebratory vision of YouTube as a new form of mass communication will become a reality remains very much an open question.

Amateur audiences will continue posting and watching UGC clips as long as the idea of an online video portal exists. UGC culture will not fade away, just as past UGC cultures, such as the counterculture and alternative media movement, have persisted. However, the dominant picture of the UGC culture does not seem to go along with what the YouTube slogan says, 'Broadcast Yourself' for multiple reasons. First, YouTube has too many clips to permit any one individual contributor's voice to be 'broadcast' in any meaningful sense of that term. 'Accessibility' and 'chance to broadcast' do not necessarily lead to significant delivery (Peters, 2010). Second, the commercialization of YouTube intensifies YouTube's identity as an ad-friendly mediascape (Andrejevic, 2009). Advertisements function as stamps for quality videos, and consequently UGC without advertisements may face the question from viewers of whether it is worth watching. Third, though UGC will survive, the chances are that ubiquitous PGC will overshadow UGC, marginalizing individuals' own creations.

From the perspective of mainstream broadcasting, YouTube has multiple meanings: rival, novelty or supplement. From the business perspective, especially in terms of copyright infringement, YouTube challenges old media. Although legal and business issues bring about tensions between new media and old media, the new aesthetics and technical aspects of YouTube have influenced traditional broadcasting. Also, YouTube embraces the rules of the market, including advertisements, which lie at the core of commercial broadcasting. Here, YouTube imitates broadcasting not only with its method of televising content, but also broadcasting as an institution that is monetized through advertisements. In this sense, networks do not die; instead, the old broadcasting institutions transform themselves by adopting web-friendly technologies.

The institutionalization of YouTube is accompanied by complications following from YouTube's distinctive earlier culture and meanings. Just as YouTube did not revolutionize the media milieu but constituted an evolution of that milieu, so institutional influence is compromised and partially blocked. The following section looks at some other, significant, institutional issues that are likely to shape the future development of YouTube.

Creative outlet in a post-network era

Although the future appears to be framed by such dynamics as commercialization and severe copyright protection, YouTube still has potential as the media space of the non-profit community, amateurs and independent artists. While networks treat YouTube as a guinea pig for distribution routes, YouTube also has room for alternative content distributors. Ideally speaking, anyone can produce video clips, but it does not mean anyone should. Within the sea of what has been negatively dubbed 'loser-generated content' (Petersen, 2008), some talented and experienced directors jump in with their own

experiments. Also, struggling with their ratings in mainstream media, certain professional directors and producers turn their eyes to online video services.

Some independent film-makers have found expanded opportunities to reach audiences on YouTube. Independent movie distributor Magnolia is one of the companies that take advantage of this potential. Magnolia's 100 minute-long, Academy-Award nominated movie *No End in Sight*, a political documentary about the US occupation of Iraq, has been posted on YouTube (Bloom, 2008). Director Wayne Wang's 2007 movie, *The Princess of Nebraska*, first premiered on YouTube. The movie's topic (abortion) and independent style resulted in the movie's limited opening both in the US and worldwide. For the movie distributor Magnolia, this premiere meant a pioneering experiment with a new creative outlet, a new distribution route for their films and a promotion tool for the same director's companion film (*A Thousand Years of Good Prayers*) prior to its theatrical premiere in 2008. Although the full-length clips were only available temporarily,⁴ it is worth noticing how YouTube's potential has been actually verified by independent film-makers.

For activist documentary directors like Robert Greenwald, YouTube shortens the time gap between production and distribution, increasing impact and introducing new possibilities for strategic design. Using one of the many technical characteristics of YouTube, short clip prevalence, Greenwald split the whole project into parts and released these parts as soon as they were completed (Stelter, 2009a). Dealing with such political issues as the 2008 US presidential election, the Afghanistan war and biases in the Fox News Channel, Greenwald's YouTube channel has been capitalizing on this new medium as an efficient creative window.

Not only independent film-makers, but also mainstream producers experimented with YouTube as a new outlet. Marshall Herskovitz, a director and producer of critically acclaimed but low-rating shows, had difficulty in pursuing his new show, *Quarterlife*. Without enough sponsorship from major broadcasting and cable networks, Herskovitz found a way to proceed with his project on the web. Premiering on 11 November 2007, webisodes (5–10-minute original web series) of *Quarterlife* were posted every Sunday and Thursday on Quarterlife.com, MySpace, and later on YouTube. Right after professionals like Herskovitz found alternative outlets for creation and distribution on the web, mainstream media channels acquired narrowcasting content. In spring 2008, networks suffered from a lack of content because of the writers' strike, and thanks to this, Herskovitz could find a spot for his show on NBC. Herskovitz described the *Quarterlife* case as a victory in that the internet experiment worked as a television platform and, more importantly, creators earned 100 percent creative control over a network (Herskovitz, 2008). *Quarterlife*'s launching on the web constitutes a rare and significant case of bridging broadcasting and narrowcasting.

Continuing tensions between UGC and PGC

Media conglomerates' strategies for taming YouTube involve more than a strict application of copyright law: they care about media milieu where content and advertisement flow smoothly. Wasko and Erickson argue that 'user-generated content is not as desirable or valuable as professional media content from major companies, unless it can somehow

be manipulated to make a profit for media companies and Google, but certainly not for the individual user' (2009: 383). Network and cable companies want every viewing to be sold, and advertisers want every viewing to be counted. From a profitability perspective, media companies prefer PGC videos, yet dominant portions of YouTube clips have been created, re-interpreted and mashed-up by amateur users who do not care about creating an ad-friendly milieu in YouTube. Advertisers prefer a smooth transition between the content and advertisement, and they have found 'that user-created videos of pet pratfalls and oddball skits are largely incompatible with commercials for cars and other products' (Stone and Barnes, 2008).

The tension between UGC and PGC is also found in the geographical availability of clips. Originally UGC-driven YouTube was accessible globally. As of February 2009, 59 percent of YouTube users are from the United States, Europe and Japan (Stone and Helft, 2009). Most PGC-only video sites, including Hulu, major US network sites (e.g. nbc.com, abc.com and cbs.com), Veoh and IMDb, restrict the availability of their clips to residents in the United States. The 'US-residents only' policy is firmly based on profitability. The cost of providing bandwidth in Asia, the Middle East and Latin America is expensive and the advertising rates in these places are low. In this scenario, audiences get benefits from globally transmitted programs, but the market produces relatively meager ad revenue (Stone and Helft, 2009).

The PGC-oriented portal's limited video accessibility led to another information gap with regard to net neutrality on the global level: for instance, limited accessibility to online video services in underdeveloped countries. After providing high-quality video options, YouTube had to endure the cost of delivering billions of videos. YouTube suggested a middle ground between global access and US-only availability by restricting bandwidth in developing countries, and thus it provides slower access to lower-quality videos in order to manage costs (Stone and Helft, 2009). In the case of severe restrictions on video services, it is one thing for audiences to lose the chance to watch PGC entertainment, but it is another for global citizens to have difficulty in using YouTube as an alternative channel to deliver marginalized voices, or for amateur movie-makers to miss out on a creative window.

Limits of online video libraries

In theory, YouTube could be an ideal video library; in practice, YouTube was tamed into a commercialized and PGC-dominated re-transmission channel. While technical innovation expanded the capacity of YouTube as an online video library, images of the internet appeared in literature before the internet came into being. Prefiguring the world of hypertext, Borges suggested the idea of online digital libraries in his short story, 'The library of Babel':

From those incontrovertible premises, the librarian deduced that the Library is 'total' – perfect, complete, and whole ... that is, all that is able to be expressed, in every language.... There was no personal problem, no world problem, whose eloquent solution did not exist. (1941: 115)

With optimistic visions of the information society and superhighway driven by entrepreneurs (e.g. Bill Gates) or government institutions (e.g. Al Gore and the European

Community), discussions of digital libraries and information infrastructures blossomed during the last decade of the 20th century (Borgman, 2000). The internet, it was argued, would become a model of a virtual, total and omnipresent library as Borges imagined in 'The library of Babel' and YouTube would become a model of an omnipresent online video library (Cohen, 2008; Sassón-Henry, 2007).

YouTube might have improved technologically, but just as doubts about the internet as a 'total library' continue, questions about YouTube as a stable video repository remain. Users sometimes take down clips, either for the convenience of managing clips or because of copyright infringement. It is not an unusual experience for users to realize that the videos they watched are gone. The reliability of YouTube as a stable online library is weakened by severe application of copyright as well as users' whims. Legal complications haunt online video services, while advertising factors limit the genre of clips on YouTube.

In online video services, too much is as problematic as too little. Redundancy of the same materials in different video services does not help the completion of the online video library. One particular strength of PGC services like Hulu, Veoh and IMDb is the convenience of watching top-rating shows from diverse sources, rather than technical improvement or genre diversity. Convenience, accessibility and mere quantity do not lead to an online video library, which remains a dream compared with the reality of the dominance of the repetitively re-transmitted PGC of online video portals. It is true that YouTube still provides room for alternative creative outlets, but amateur UGC is on the verge of being marginalized.

Except for some web exclusive content, PGC-only portals are geared toward the ubiquitous watching of the same content and similar genres, rather than towards an environment in which users create their own programs. In the network era, the fear was of content malnutrition, given limited storage capacity. In a post-network era, the fear is of information overflow and redundancy in the limitless storage capacity.

With regard to the process of institutionalization, to borrow the 19th-century German biologist Haeckel's phrase, 'Ontogeny recapitulates phylogeny' (quoted in Gould, 1997). The argument here is that a short history of YouTube repeats the history of the internet. YouTube has evolved from personal to public to commercial. When media conglomerates invest in a rising medium, institutionalization begins in the form of commercialization and legalization. The road to institutionalization is the same for digital media: for UGC media in particular, and for the internet in general.

In sum, YouTube should be understood as one of the consequences of the evolution, rather than the revolution, of the internet culture. Online video sites provided alternative ways of consuming and producing visuals, yet traditional broadcasting struck back with institutional strategies, including copyright protection and advertisements. With regard to the social influence of YouTube, Wasko and Erickson (2009) point out a fundamental trade-off between user satisfaction with the YouTube experience and the industry's prosperity. YouTube represents the coexistence of the old and new systems. The dominant portion of videos on online video sites comes from mainstream media, and users borrow not only content to consume but also specific formats in order to produce their clips. The influence, as noted earlier, is not one-way. For major content providers, including broadcasting networks, video sharing sites function as a promotion tool, and for advertising companies online video services open up valuable new ad revenue.

Notes

1. A year later, MGM seemed to pull out of its YouTube experiment of providing full-length movies. As of July 2011, its YouTube site provides only trailers and short clips.
2. As of January 2010, the past five seasons' full episodes of *Lost* were available on abc.com, hulu.com and its partnership Internet Movie Database (imdb.com). The video postings, however, were promotional and temporary. As of July 2011, none of the sites provided any full episode of the show. These web streaming services are limited to the United States. One cannot watch the shows on the web unless using the US internet service.
3. With Hulu Plus, customers have more new videos, but with a reduction in those that are freely available. For instance, before Hulu Plus, all seasons of *Arrested Development* were freely available in their entirety. After the new subscription service, only one season's episodes are freely available.,
4. In the Autumn of 2008, both *No End in Sight* and *The Princess of Nebraska* were available on YouTube. As of July 2011, they were gone.

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