WHAT DRIVES CONSUMPTION AND ENGAGEMENT ON ONLINE MEDIA SHARING PLATFORMS? AN INVESTIGATION OF YOUTUBE

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SUMMARY

With the rise of the Internet and substantial growth in bandwidth capacity in recent years, media-sharing platforms have become extremely popular. On such sites, companies as well as consumers freely share content that they upload to the site. This content might be visual (e.g., photos on Flickr); aural (e.g., music on MySpace); or audio-visual (e.g., videos on YouTube). Research has developed a good understanding of the success factors of other media channels (e.g., Basuroy et al. 2006), yet we know little about success on media-sharing platforms.

Success on media-sharing platforms involves two dimensions. First, consumers must watch or listen to content, which represents the consumption dimension of success. Advertising revenues usually get allocated according to the consumption that a piece of content generates. Moreover, content providers aim for a wider audience in order to sell more products (e.g., musicians hope to sell more CDs). Second, success on media-sharing platforms also requires consumer engagement (van Doorn et al. 2010). The networked character of such platforms makes it essential that consumers share their experiences with others; for example, successful viral campaigns demand that many people spread word of mouth (Hinz et al. 2011). Such engagement is crucial to attract other consumers and spread the content beyond a limited social network.

Research into the factors that drive consumption and engagement on media-sharing platforms is quite sparse to date. Existing studies focus on descriptive information, such as the length of videos and their byte sizes (Cha et al. 2007), or else they detail relationships among network participants, such as how densely users are connected and how this network structure affects the diffusion of videos (Sursala et al. 2012; Yoganarasimhan 2012). Very few academic studies address the role of content characteristics for success on media-sharing platforms (Zhang and Moe 2012), nor does any integrative framework exist that incorporates both content- and platform-specific success drivers. To fill this gap, this research draws on signaling theory, social network theory, and herd behavior theory to propose a comprehensive framework of consumption and engagement drivers on media-sharing platforms.

We propose that consumption and engagement are driven by provider- and consumer-initiated factors. Specifically, we argue that consumption is influenced by the provider's signaling of content characteristics (stars, cultural brands, provocative elements) and channel network size, as well as consumer factors of prior engagement, consumption, and valenced communication on the content. We propose that engagement is not determined by signals but by actual content and the veracity of signals (i.e., misleading signals). Engagement also will be influenced by network size, valenced communication, and consumption. While consumer-initiated factors and network size vary over time, content and signals are considered time-invariant.

To test our model, we use a random sample of 303 videos from YouTube. We recorded information on time-variant variables at three points in time: after three days (Period 1), after one full week (Period 2), and after four weeks (Period 3). Different sets of judges manually coded each video's actual content and three types of signals (titles, thumbnails, tags). We modeled two equations for each point in time (one that uses consumption as dependent variable and one using engagement) and estimated the system of equations simultaneously for each time period using seemingly unrelated regression.

We find that in the short term (Period 1), both consumption and engagement are mainly driven by the provider's network and content signals. In the mid- to long-term (Period 2 and 3, respectively), uninformed cascades (through prior consumption and engagement) and informed cascades (through valence of communication) determine consumption and engagement, and consumption continues to be influenced by content signals.

Our findings have three specific implications for content providers on online media-sharing platforms. First, they should establish networks on the platform to

kick start the dissemination of content. Second, providers must wisely configure the signals they provide about their content. The signaled content, rather than actual content, is essential for encouraging consumption and engagement. Third, providers should take into account consumer-initiated factors. Over time, prior viewing and engagement as well as valence of communication explain far more variance in consumption than the provider-controlled variables. References are available upon request.

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