

YouTube's Evolution, Marketing Strategies, and Impact on Digital Media Landscape: A Comprehensive Analysis

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Abstract. YouTube, the pioneering video social media platform, boasts a staggering 2.2 billion monthly active users, ranking as the second most-used platform globally. With 81% of U.S. adults using YouTube, its potential is undeniable. This article provides a comprehensive analysis of the rise of YouTube, its marketing strategies, and its impact on the digital media landscape. YouTube's success stems from its openness, innovativeness, and cooperation with Google, especially in video advertising, making it a major channel for digital advertising. The article also explores the challenges YouTube faces, such as threats from competitors and user privacy and data protection issues. Finally, the article offers recommendations to address these challenges and further strengthen YouTube's leadership in digital media. YouTube's impact on digital marketing is undeniably cementing its status as a leading video-sharing platform and cultural phenomenon. The article aims to provide valuable insights and inspiration for digital media practitioners and researchers by delving into YouTube's success.

Keywords: YouTube, Marketing Strategies, Digital Media.

1. Introduction

Social media is widely used, but not every business can use every channel. YouTube, the original video social media platform, dominates this market. With 2.2 billion active users each month, it is currently the second-most popular platform. Considering that 81% of American adults use YouTube, the site has unrivaled potential. There is a problem with these numbers. All age groups have a sizable user base on YouTube. This includes the difficult-to-reach over-65 demographic, who utilize the network at a rate of 49%, second only to Facebook. From DIY home renovation to gaming, education, and beauty, YouTube has content for every interest. The majority of brands invest on this platform, and video is the content marketing growth channel. People's daily lives now heavily involve the Internet, and many are well-versed in specific websites or programs. One of the most widely used social networking sites is YouTube. However, why did YouTube succeed? What are the differences between YouTube and other social media like Twitter, Facebook, and TikTok? And how did YouTube overcome a dangerous financial crisis? It still has some thought-provoking questions that don't know the answer.

2. Case Description

Services like Facebook, YouTube, and many others have quickly begun to completely infiltrate our routines for communication and creative output. While most websites began as amateurish community platforms, five years later they have evolved into massive organizations that not only enable user connectivity but also grow into international information and data mining businesses that extract and profit from user connectivity [1]. YouTube, social media websites, and video sharing portals. Steve Chen, Chad Hurley, and Jawed Karim, three ex-workers of the American e-commerce firm PayPal, registered it on February 14, 2005. YouTube was founded in 2005, which is the early rise of the Internet popularity of the UGC video community. Google in 2006 for 1.6 billion dollars to acquire YouTube. The largest UGC video community and promotion channel is YouTube. One-third of the world's Internet users, or 1.5 billion MAU, watch around 40 minutes of video every day on average, and 400 hours of video are uploaded every minute. The core of this revenue, which Google

views as the key area for future growth, is advertising revenue, which is expected to have contributed \$12 billion to Google's revenue in 2017. The largest video-sharing website in the world, YouTube, was created at a time when the digital media environment was still in its infancy. However, YouTube has quickly risen to become one of the most well-liked video-sharing sites in the world thanks to its openness and innovation. YouTube's popularity keeps growing as a result of constant innovation and improvements, eventually becoming as the leader in the short video space. Advertising is YouTube's main and most widely known source of revenue. YouTube makes money by inserting ads into videos that appear before, in the middle of, or at the end of a video. When a viewer clicks on an AD or watches the entire AD, YouTube pays the uploader a fee based on the click-through rate or time spent watching the video. Many factors affect advertising revenue, such as the number of videos viewed, the audience's geographical distribution, and the viewing length. In addition, successfully joining the YouTube partner program is a prerequisite for earning advertising revenue. To apply to become a YouTube partner, you must have several subscriptions and views and meet some other criteria. Once enrolled in the partner program, uploaders can optimize revenue by setting the types of ads, viewing methods, and more. YouTube also generates revenue through paid subscriptions. YouTube has launched a paid subscription service called YouTube Premium, which allows users to pay a fee to enjoy advanced features such as ad-free viewing and offline viewing, and the fees for these features also bring a lot of revenue to YouTube. Also, fan economies and partnerships are the new options for YouTube to get rich. With the rise of the fan economy, more and more YouTubers are starting to make money by building closer connections with their fans. Fans often support a YouTuber's creation by donating money to the YouTuber, purchasing related merchandise, or participating in its paid content. This approach provides YouTubers with a more stable and reliable source of income and enhances interaction and loyalty with their fans. For example, some music companies upload their music videos to YouTube, and YouTube will provide them with a certain percentage of the revenue, which not only attracts more music companies to upload videos but also brings more revenue to YouTube.

Furthermore, many YouTubers make more money by sponsoring or partnering with brands. They can partner with the right brand based on their audience characteristics, promote, endorse or create related videos for the brand. Brands pay YouTubers based on their content and impact, sometimes even sending dedicated teams to work with them. Sponsorship with brands helps YouTubers earn income and provides them with more creative opportunities and exposure.

3. Case Analysis

Why is YouTube the second-biggest search engine behind Google and the largest platform for hosting videos? What marketing strategies do they use to earn money? At first, YouTube was an Internet platform that allowed users to upload and share videos. Then, YouTube changed its publishing approach to provide a platform for sharing videos, broaden users' content exposure through pertinent video recommendations, foster user interaction, include a video comment feature, offer a code for video reposting, and enable one-click sharing. The extensive and actively involved user population of YouTube plays a pivotal role in the digital marketing endeavors of companies. Despite the existence of current studies that examine the post-view engagement behaviour of viewers, the investigation into the factors that drive viewers to click on and watch YouTube videos is still in the process of being established.[2]. YouTube facilitates the uploading and viewing of several video formats using technological means, enabling users to freely disseminate their content over the platform. Furthermore, videos have the capability to be effortlessly integrated with any webpage. In the contemporary day, there exists a heightened preference among individuals for audiovisual content as opposed to traditional printed materials. During the transition into the current period, there was a notable rise in the popularity of videos among students, as they began allocating a greater portion of their time to engaging with audiovisual content [3]. There are some who hold the viewpoint that YouTube's "open reference" feature is potentially detrimental, as it allows users to access its content

without requiring authentication on the platform. However, YouTube holds a different perspective on this matter, contending that enabling consumers to bypass video streaming is indicative of their commitment to accommodating users' requirements. Most videos on YouTube are educational, like art purposes. For instance, there is a prevailing agreement throughout the academic community regarding the advantages associated with utilising YouTube as an instructional tool in the realm of performing arts education. This consensus is based on the recognition of YouTube's potential to effectively engage students, foster their interest, and enhance their overall learning outcomes. Additionally, this collective agreement aims to evaluate the appropriateness of including YouTube as a pedagogical tool for teaching performing arts in forthcoming educational endeavors. [4]. Moreover, this advertisement is effective in generating viral transmission, so serving as a successful means of free promotion. Furthermore, during that period, YouTube lacked an interactive social network, necessitating its entire openness in order to leverage other social platforms.

YouTube has also developed embedded players, which have reduced the barrier for users to access video content. Additionally, other platforms utilise YouTube as their video hosting service, resulting in a significant influx of viewers to the platform. The utilisation of the UGC (User-Generated Content) model and the subsequent viral dissemination have significantly contributed to the exponential expansion of YouTube. The social network service system encompasses many social service features, including tagging, commenting, subscription, and grouping of YouTube videos. These capabilities facilitate the connection between individuals by means of video content. Subsequently, the characteristics of YouTube as a social media platform have grown more evident. The concept of YouTube serving as a complimentary digital archive for individuals to store their memories and showcase their artistic endeavours is an innovative idea. However, as users began to post content, concerns around copyright infringement emerged. The formidable obstacle posed to conventional media has rendered the operational landscape of YouTube very arduous, with a persistent influx of copyright infringement grievances. Furthermore, the escalating number of YouTube users is accompanied by substantial financial strain due to the substantial expenditure on high-speed broadband. Due to the presence of user-generated material, marketers perceived no inherent worth in its dissemination, hence necessitating the rectification of the company's financial inflow. Fortunately, Google purchased YouTube during that period. As an illustration, within the jurisdiction of the United States, the Sixth Circuit Court of Appeals affirmed the defendant's conviction under 18 U.S.C.875(c) for the act of communicating a threat over interstate commerce. This conviction was based on the defendant's action of uploading a music video onto the YouTube platform. The video posed a danger to a judge who was overseeing the child custody hearings of the defendant [5].

YouTube has achieved a prominent position in the field of streaming video technology research worldwide, thanks to the assistance provided by Google. However, when these elements are combined, the resulting explosive power is significantly greater. In addition to financial concerns, YouTube has a significant challenge in the form of numerous copyright infringement litigation. With the assistance of Google, YouTube has successfully negotiated content licensing deals with Universal Music, Warner Music, and CBS, so alleviating the copyright predicament. With regards to technological advancements, YouTube possesses robust platform analysis, search, and personalized recommendation functionalities by leveraging the capabilities of "Google Brain". In light of the widespread adoption of the Internet and the increasing utilization of online social media platforms, alcohol advertisers have begun employing social media sites like YouTube, Facebook, and Twitter as channels for promoting their products. Consequently, the Federal Trade Commission has issued novel guidelines pertaining to the self-regulation of digital marketing tactics, encompassing the administration of information on social and digital platforms [6].

The rapid rise of YouTube can be attributed to the utilization of Google's robust search recommendations, the inclusion of Google family bucket pre-installed items, and the implementation of various drainage mechanisms. Due to the inherent inability to exercise complete control over user-generated content, YouTube faced significant challenges pertaining to copyright infringement and the dissemination of explicit material in the past. In 2007, YouTube implemented a copyright filtering

mechanism with the purpose of automatically removing copyrighted video clips. This initiative aimed to enhance the safeguarding and autonomy of both the site and its users. YouTube has furthermore included online editing tools, enabling users to edit videos directly on the platform and conveniently distribute their material with a single click. The functionality of YouTube, including login, subscription, search, and sharing features, is contingent upon the utilization of recommendation algorithms. The utilization of machine learning and artificial intelligence technologies has the potential to facilitate the precise acquisition of new consumers. The products developed by Google had already achieved worldwide reach. Upon its integration with Google, YouTube promptly embarked on the task of implementing multilingual functionality, thereby enabling its platform to be accessible in other languages. Additionally, YouTube actively engaged in extensive promotional efforts to enhance its global reach and appeal. In addition to ascertaining the geographical locations of the servers, it is imperative for them to conduct a comprehensive examination of the legal frameworks in each respective country to mitigate potential challenges arising from cultural disparities. The utilization of Google as a comprehensive resource was important in facilitating the success of YouTube.

In recent times, YouTube has undergone a significant transformation, emerging as a potent platform for facilitating social engagement. The utilisation of YouTube as a means to augment marketing efforts is a widely adopted method employed by marketing experts in various industries [7]. With the expansion of its user base, YouTube underwent a significant evolution from its initial function as a platform for sharing personal videos to becoming a prominent provider of mainstream entertainment. The organisation-initiated collaborations with pertinent institutions, encompassing both individual and institutional routes for content creation. In May 2007, YouTube implemented a revenue-sharing programme, wherein users have the potential to generate substantial earnings if their videos surpass the threshold of 1 million views. Numerous content providers get substantial money, amounting to millions of dollars. YouTube's primary income model is based on advertising revenue sharing, which has incentivized an increased participation of professional video creators in sharing their work with users. YouTube is a multifaceted content ecosystem wherein professional creators consistently provide material to the platform and are remunerated accordingly. In order to obtain the films and their corresponding labels, this study employed a YouTube video annotation system that assigns labels to videos based on their primary topics. The labels utilised in this context are generated by machines, although they exhibit a notable level of precision. These labels are obtained from a range of human-based indicators, such as metadata and signals derived from user queries and clicks [8]. These producers are categorised inside different Multi-Channel Network (MCN) organisations. These Multi-Channel Networks (MCNs) are established by seasoned Hollywood producers and serve as integrated entities that encompass content management, star management, advertising agency services, and more. Additionally, they distribute the generated revenue across content creators and platforms. In the context of tourism organisations, an examination of the theoretical underpinnings pertaining to tourists' perception of visual representations was conducted. A comprehensive analysis of 320 European tourism videos available on the YouTube platform revealed a prevalent lack of comprehension among these organisations regarding the incompatibility of media content originally designed for conventional marketing channels such as television and cinema, with the requirements and dynamics of the YouTube platform [9].

By implementing this approach, YouTube is able to obtain a portion of the revenue created by video creators, thereby establishing a beneficial cycle. Nevertheless, the inclusion of user-generated content (UGC) on the expansive platform of variety shows remains imperative, owing to its appeal, allure, and value to advertisers. The current situation has evolved into a bottleneck that is impeding the growth of YouTube's advertising operations. In December 2010, Google introduced the Trueview advertising approach, which proved to be a significant asset. YouTube revolutionized the advertising landscape by introducing the innovative "5-second skip AD" feature, which was made possible with the strategic implementation of performance ads to enhance the actual and impactful reach of advertisements. Advertisers are not obligated to incur costs for ads that are missed, so providing them

with a more favourable user experience in terms of calculating return on investment (ROI) and managing their budget. Advertisements that achieve high completion rates in the AD bidding ranking are likely to garner greater popularity on YouTube, since they correspond to increased income generation. Ultimately, Google has amassed a substantial number of advertisers, which has provided sufficient support for the formation of a sufficiently lengthy bidding line. Consequently, advertisers will endeavour to optimize their advertising materials and enhance the rate of completion.

Of course, YouTube has its problems. Since its inception in the early 2005, the online platform YouTube has gained prominence as a culturally, politically, and commercially influential media, assuming a position like to that of traditional broadcast television. Nevertheless, the sustained expansion and trajectory towards achieving profitability cannot be assured [10]. For YouTube, there are some challenges and threats from competitors. For example, with the rise of short video platforms, new platforms like TikTok are gradually emerging to challenge YouTube's market position. In addition, as people's concerns about privacy and data protection continue to increase, YouTube also needs to continuously strengthen the protection and management of user data to avoid data leakage and abuse. Despite the presence of numerous plays and subscriptions in the header material, there is a lack of efficient distribution for a significant amount of long-tail content. The copyright screening method employed by the platform has a significant adverse effect on the generation of user-generated material. One of the primary challenges faced by YouTube pertains to increasing the direct utilization of the platform among a larger user base. There is a significant prevalence of individuals engaging with embedded content on external websites or casually browsing through peculiar videos without actively pursuing further exploration. In order to address this issue, YouTube is currently endeavoring to develop a mechanism that will effectively drive traffic to the desired website, so affording Google other avenues for capitalizing on the video page.

4. Suggestion

One notable distinction lies in the comparison between YouTube and other producers of video material. Let us consider Vimeo as an illustrative case. YouTube is widely regarded as a highly accessible and convenient platform for individuals to effortlessly publish and disseminate video content to a global audience, without incurring any financial costs. This facilitates the exchange, observation, and evaluation of work among smaller filmmakers, producers, and other relevant stakeholders within certain niches. The allocation of upload capacity for non-paying users is restricted, hence contributing to the cultivation of a more concentrated content environment on the platform. Following Google, YouTube is widely regarded as one of the most frequently accessed websites on the Internet and ranks as the second-largest search engine globally. Given the considerable reach and prominence that videos may attain, it is logical that the majority of content providers opt for YouTube as their principal medium for content dissemination. Nevertheless, excessive exposure might have detrimental effects, since it facilitates the proliferation of negative or undesirable remarks. The user base of Vimeo is somewhat smaller, with approximately 17.09 billion active users. YouTube's extensive user base serves as a magnet for video creators from all corners of the globe, resulting in a vast array of content spanning many genres and subjects on the platform. A wide range of content may be found on the platform, encompassing instructional guides, personal video blogs, sports highlights, and film previews. Over the past decade, Internet personalities have garnered significant attention and exerted a profound influence on global audiences, with a majority of these individuals initially emerging from the platform of YouTube. A notable subset of individuals who have achieved significant success in popular culture initially emerged as providers of digital content on the platform, eventually garnering an unparalleled following of subscribers. The YouTube platform distinguishes itself from its competitors and establishes itself as the preeminent and prominent video-sharing service on the Internet. Vimeo exhibits notable distinctions in terms of the content it hosts on its platform. As previously mentioned, professionals predominantly utilize this platform for the purpose of disseminating and exchanging high-caliber movies within a community that is receptive to offering

candid evaluations. Considering the prevailing environmental conditions, it is quite improbable to encounter an adolescent video blogger who has amassed a subscriber base of 50,000 on the Vimeo platform.

5. Conclusion

This report presents ideas to address the disparities between YouTube and other video content providers based on a comprehensive analysis of YouTube's data and materials. Numerous distinctive marketing tactics exist, among which is the implementation of a monthly subscription model that grants users access to an ad-free iteration of YouTube, alongside a collection of unique videos that are exclusively available to paying subscribers. During the autumn of 2015, the corporation introduced YouTube Red, a subscription-based platform aimed at rivalling Netflix. This service provides uninterrupted access to ad-free movies and music for a monthly fee of \$9.99. Similar to other Google-owned platforms, YouTube generates the majority of its revenue through advertising. YouTube has the capability to integrate focused advertisements right into the video clips that consumers consume, thereby facilitating the promotion of featured content. Similar to other Google platforms, YouTube generates the majority of its revenue through advertising. YouTube has the capability to integrate focused advertisements right into the video clips that consumers consume, thereby facilitating the promotion of featured content. Therefore, it emerged as the largest user-generated content (UGC) video community and promotional platform globally due to the aforementioned factors.

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