

# Impacts of Short Video to Long Video and the Corresponding Countermeasures: Taking Tencent Video as an Example

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**Abstract.** The video industry is a comprehensive field that integrates multiple attributes such as culture, technology, and economy. It uses artificial intelligence and high-tech means as a communication medium, with film and television entertainment content as its core, and has become an important part of the tertiary industry. At the same time, the video industry has a profound impact on people's living conditions and spiritual world. With the rapid rise and prosperity of short videos in recent years, the traditional video industry has been greatly impacted. Taking Tencent Video as an example, this article deeply analyzes the impact of short videos on long videos in terms of copyright and profit and proposes feasible measures to promote Tencent Video to adjust its profit structure and development layout, and further promote the new development of the long video field.

**Keywords:** Long video, short video, profit model, Tencent, copyright.

## 1. Introduction

At present, China's video industry presents a steady development of long videos, while short videos are catching up rapidly. The complementary and competitive development of long and short videos provides users with a more high-quality content generation and diversified content acquisition platform. However, it also has a huge impact on the inherent operating mode and profit model of long video platforms. From the perspective of video users, Chinese users have weak copyright awareness and are not aware of or willing to pay for knowledge. The use of pirated content is frequent. From the perspective of long video platform operators, short video platforms have attracted a large number of loyal users of long video platforms by editing and re-creating content in long videos, while distracting advertisers' investment that focuses on long video platforms. This is not only detrimental to traditional revenue growth, but also short video platforms frequently infringe copyright. Taking Tencent Video as an example, this article analyzes the negative impact of short videos on long video platforms from two aspects: profit model and copyright disputes and proposes reference solutions.

## 2. Impacts

### 2.1. Profit

In recent years, the rise of short-video apps in the Chinese market has had a profound impact on long-video platforms. Currently, short-video apps are in a completely competitive market state with low barriers to entry, resulting in the emergence of numerous short-video apps. These apps are characterized by features such as fragmentation and rapid browsing, and are able to build algorithms based on user psychology and behavior patterns to achieve accurate video recommendation and increase user stickiness [1]. At the same time, accurate video recommendation can effectively increase the conversion rate of post-advertising transactions, leading many brands to invest in short-video platforms for promotion. Therefore, the growth in the attractiveness of short videos has led to a shift in advertising resources and had a negative impact on long-video platforms' advertising revenue.

According to statistics, in 2020, the share of short-video advertising in internet media increased by 1.6 percentage points compared to 2019, while the share of long-video advertising decreased by 1.4 percentage points compared to 2019 [2]. The long-video platform advertising revenue has shown

a significant downward trend. Taking iQiyi as an example, its advertising revenue in 2020 was 6.8 billion yuan, a decrease of 18% compared to 2019. These data indicate that short-video apps are gradually replacing long-video platforms as the preferred advertising placement platform for advertisers [3].

Taking Tencent Video as an example, the three most important components of its profit model are advertising fees, membership fees, and advance viewing. However, the rise of short-video apps has had an impact on all three components. Firstly, in terms of advertising revenue, due to the high user stickiness and traffic volume on short-video platforms, advertisers prefer to advertise on short-video platforms rather than long-video platforms. Secondly, in terms of membership fees, due to the more accurate recommendation and services provided by short-video platforms, users prefer to consume and entertainment on short-video platforms rather than long-video platforms. Finally, in terms of advance viewing, due to the large active user base and high user stickiness on short-video platforms, film producers prefer to release advance viewing activities on short-video platforms rather than long-video platforms.

Due to the higher user traffic and user stickiness as well as more accurate recommendation and service capabilities of short video apps, advertisers prefer to place ads on short video platforms rather than long video platforms. At the same time, due to the large user base and high activity level of short video platforms, movie producers also prefer to choose to conduct advance screenings on short video platforms rather than long video platforms [4]. In addition, both Tencent Video itself and all long video platforms, advertising revenue and membership fees are important sources of profit, but there are often contradictions between playing advertisements and maintaining member rights. Therefore, how to balance the needs of paying users and advertising revenue to maintain profitability is one of the important issues for long video platforms. In recent years, traffic has frequently turned over. To truly break the chaos of the industry competition of the entertainment industry that is dominated by traffic, platforms, users, and even the whole society need to form a basic consensus that traffic is only a temporary gain or loss. Tencent Video must make great efforts to respect and protect the basic rights and interests of users, continuously optimize its corporate image, make it consistent with its brand slogan, and truly achieve "live a good time: realize a virtuous cycle from content production to content payment. For long video platforms, their main sources of profit are advertising and user payments. However, long video platforms should actively think about problems and propose reasonable solutions instead of choosing to leave contradictions to consumers, making them feel discouraged or bored and switch to short video platforms [5]. It can be seen that the rise of short video apps has had a profound negative impact on the existing profit model of long video platforms.

## 2.2. Copyright

With the advent of the wave of digital transformation, the cost structure of product distribution and services in the copyright market has been changed, and copyright resources have begun to release tremendous digital derivative value, gradually becoming a key resource and core competitive advantage of digital content platforms. In the era of "content is king", digital content platforms compete for high-quality copyright licenses in various ways, with exclusive licensing models being the most common and controversial [6-8]. In the field of long video, exclusive licensing of copyright has become increasingly fierce: Tencent Video invested 1.8 billion yuan in February 2022 to obtain exclusive copyrights for more than 6,000 film and television works for at least 6 years from Jebsen, the largest content copyright supplier in China, and its copyright coverage rate has reached 82% in the online copyright of domestic films with box office revenue exceeding 100 million yuan.

At the same time, in the context of the digital era, with the rapid development of mobile communication technology, the popularity of short video creation is increasing, and the number of non-professional authors is also increasing, which promotes the rapid rise and explosive growth of the short video industry. According to the "2021 China Network Audio-visual Development Research Report", the market size of the short video industry reached 205.1 billion yuan in 2020, with a year-on-year increase of 57.5%, and the number of short video users reached 873 million. The "secondary

creation" of existing film and television resources is an important component of all short video platforms. However, due to the short video's demand for closely following hotspots and rapidly updating iterations to retain users, content creators need to edit "secondary creation" works that attract users in a short period of time. Currently, in the field of long and short video copyright trading, the one-to-one licensing model and the traditional collective licensing management continue to be used, which can maximize the protection of the property rights of video creators. However, with the rapid development of digital technology, the shortcomings of this model are increasingly prominent. In short, the one-to-one licensing model requires rights holders to negotiate and trade with each potential user. However, due to the nature of long video copyright, which is essentially a collection of multiple exclusive rights, it is highly likely that various exclusive rights will be owned by different rights holders. Therefore, if short video users want to legally obtain authorization, they sometimes need to carry out double authorization or triple authorization, resulting in high transaction costs for long video copyright owners and short video users. In the context of high transaction costs and low transaction efficiency, short video platforms and content creators often engage in unauthorized direct creation due to profit-seeking, resulting in widespread infringement of copyright. That is, the current long and short video copyright trading methods cannot efficiently and conveniently meet the large and diverse long video usage needs of potential short video users in the digital era, resulting in a wide range of illegal and chaotic phenomena such as fragmented, commentary, and mixed clips that infringe on the copyrights of others throughout the network. In order to compete for users and traffic, copyright has become a new focus of the long and short video game.

### 3. Solutions

#### 3.1. Profit Model

(1) Adjust the strategic layout: The algorithm recommendation mechanism of domestic mainstream short video apps is different from foreign similar apps. Foreign video users have relatively low stickiness to short videos. Therefore, it is possible to consider continuously expanding overseas market users by providing international content and services, increasing the number of users in Southeast Asian countries, and continuing to expand into the European and American markets.

(2) Insist on high-quality content, enhance sustainable attraction: Long video platforms need to create and release high-quality content with attractiveness to attract more users. This content can be movies, TV series, variety shows, documentaries, etc., or self-produced dramas or original content. By improving the quality and attractiveness of content, long video platforms can increase user stickiness, improve user willingness to pay and advertising revenue [9].

(3) Diversified profit channels: In addition to two main ways of profit-making, advertising and membership subscription, long video platforms can explore more ways to profit. For example, they can develop games, live broadcasts, e-commerce and other businesses, or launch value-added services such as virtual gifts, tips, etc., to meet the diversified needs of users and increase the income sources of the platform.

(4) Increase user stickiness: Long video platforms should develop precise recommendation algorithms and recommend appropriate content to users based on their interests and behavior. By improving recommendation accuracy and user satisfaction, user stickiness and online time can be increased, thereby improving platform revenue.

#### 3.2. Copyright

(1) Establishing a good cooperation relationship with copyright owners: Tencent Video should actively establish a good cooperation relationship with copyright owners, obtain legal authorization, and introduce high-quality long-video content. At the same time, it should also cooperate with short-video platforms to jointly combat infringement. (2) Building its own short-video platform and granting copyrights, developing AI algorithms, and efficiently producing short videos [10]: On the one hand, participate in the layout of the short-video industry, increase revenue through short-video

platforms, and on the other hand, use short videos to attract long-video platforms. For example, Tencent Group began to extract commissions from WeChat videos in 2023. (3) Promoting the improvement of the copyright trading system, improving trading efficiency and reducing trading costs in the field of long and short video copyright trading. (4) Currently, the main way to solve copyright disputes is through legal litigation. It is possible to consider absorbing excellent legal talents, expanding talent pools for future needs, and maximizing maintenance of long-video copyrights in infringement suits while striving for maximum compensation amounts.

#### 4. Conclusion

The video industry is a comprehensive field covering multiple attributes such as culture, technology, and economy. It integrates artificial intelligence and high-tech means, with film and television entertainment content as its core, and has become an important component of the tertiary industry. The video industry plays an important role in people's lives and has a profound impact on people's living conditions and spiritual world. In recent years, with the rapid rise and prosperity of short videos, the traditional video industry has been greatly impacted. This article takes Tencent Video as an example to deeply analyze the impact of short videos on long videos in terms of copyright and profits. In response to these impacts, this article proposes some feasible measures, in order to promote Tencent Video to adjust its profit structure and development layout, and further promote the new development of the long video field. In short, with the rise and prosperity of short videos, the traditional long video industry is facing huge challenges. Long video platforms such as Tencent Video should adjust their profit structure and development layout in a timely manner to promote the innovative development of the long video field. This article still has research limitations, such as only analyzing from the perspectives of profit and copyright, without considering the impact of short videos on long videos in other aspects. Secondly, the data acquisition is not comprehensive enough, and the financial report information of Tencent Video for 2023 cannot be obtained for further analysis. In terms of research methods, quantitative analysis of data is not used, which is worth further research in the future.

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