

right. In China, Thoughtful Media Group hopes to nurture a portfolio of similarly powerful stars and profit by aggregating their audiences for brands and agencies.

Felix Arvid Ulf Kjellberg is a 24-year-old Swedish videogame commentator who posts videos on YouTube under the name PewDiePie. Today he has more than 15 million. subscribers-and advertisers are beating down his door to work with him. At last estimate (22 May) he has earned US\$6.1 million through YouTube's Partner Program. While top of the pile, Kjelberg is just one of hundreds of YouTube partners

Thoughtful Media Group (TMG) hopes to groom China equivalents of Kjellberg with the establishment of TMG Originals. "While YouTube's partner programme has

been established awhile, we're only just starting to see the beginnings of this revolution in China," explained Scott Pollack, who recently joined TMG Originals as EVP and managing director. He was previously senior strategy officer with Wunderman Agenda China.

The watershed moment for YouTube came in 2009 when the platform announced it would start sharing a percentage of advertising revenue with content creators that had sufficient viewership, via the Partner Program, he said. "This has only been announced in recent months by Youku Tudou and several other leading video platforms [in China], all of whom we partner with," he said. "Until now they've been keeping all the revenue-mostly because they haven't really turned a strong profit."

1

n Share

0

8+1

M EMAIL

There is also a perception in the industry that the Chinese aren't interested in creating or consuming user-generated content (UGC) and even if they were, that brands weren't interested. "This is proving to be very untrue," Pollack said. "Advertising against UGC in China has grown 130 per cent this year alone. While the gross number [about RMB1 billion] is a small number against the full pie of advertising, it clearly demonstrates that advertisers are willing. What is missing is the mass of UGC you have in markets that are outside China."

Another factor holding back UGC in China is the high level of fragmentation in the video space. "There's just no crowned king in this space," he said. "Baidu, Youku

Tudou, Tencent and Alibaba are all competing. If not for these factors you'd expect China to have one of the most vibrant video communities in the world."

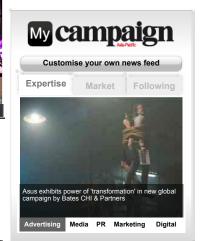
Anticipating a shift though, TMG Originals aims to build up user-generated content in China by first creating a community of video creators. The best way, they've found, is to identify thought-leaders and influencers on platforms like weibo, giving them the tools and training they need to create videos and "exponentially expand the number of channels" online. "The idea is that the community will cross-pollinate and that TMG, in turn, will benefit by aggregating target audiences for brands and agencies," he said.

That the creators are a community is important to the growth of content creation, the happiness of its creators and the level of professionalism they bring, Pollack added. "In the early days on YouTube, making videos wasn't about brands and agencies. It was about creators getting together and helping each other evolve their art."

While still early days, TMG Originals' list of 'rising stars' so far includes personalities like English teacher Bingo, relationship 'coach' Johnny, author and stylist AQiuQiu and fashion blogger and skincare expert Mr. Mao. To avoid falling foul of China's stringent censorship laws, the firm is careful to avoid political or sexually inappropriate subjects. The talent-management arm currently supports around 15 channels that have garnered more than a million views so far

"What we'd like is to have a thousand PewDiePies in our portfolio," said Pollack.

Source: Copyright © Campaign Asia-Pacific



Data & Research

DATA POINTS: Chinese value honesty more

