



Whitepaper

# User Generated Content: The Potential New Growth Differentiator for Branded OTT Platforms?

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## **With content creation costs rising exponentially, leveraging User Generated Content for higher engagement of digital audience may not be an outlandish idea**

### Abstract

The rapid growth of video streaming services has spurred the demand for high-quality content. The result - content costs rising to unprecedented levels. With the same technologies available to all players, quality of content has become the only way to stand out. Which is why spend on the content is currently appearing as the highest expense category on financials of media companies.

Over-the-Top (OTT) streaming companies could reap rich dividends if they manage to amplify content volumes at lesser investments, to create and augment variety on scale, while ensuring alignment with the brand, content strategy and quality benchmarks. User Generated Content (UGC) may be a good candidate, provided that this alignment can be achieved by using technology and the right execution model, without any major overheads on the company.

### Is Content Still King?

The rapid rise in video streaming services has transformed the Media & Entertainment (M&E) landscape, along with consumer expectations, content consumption patterns, industry-wide cost structures, and the array of players in the industry. The only maxim - Content is King - remains unchanged and in fact, more true than ever.

All native and 'transitioning' media companies are focusing heavily on content to save existing businesses, or building new business models, or both. Television broadcasters, wary of the growing cord-cutting, are spending large sums on premium content. In 2017, the top four media companies spent more than USD 34 billion on original and acquired non-sports programming. Pure-play OTT providers have, on the other hand, bet big on content to shore up on subscribers. Netflix alone spent more than USD 6 billion on content last year, while the spend was USD 7 billion for Amazon and Hulu combined. Transitioning media companies, such as telecom and technology companies that are moving towards being a media company, are also allocating sizable funds for content in their quest to explore supplementary businesses, by boosting customer engagement on their platforms. Apple and Facebook have started creating their own original content, and the spend is only going to expand further.

## Embracing User Generated Content

With content making all the difference, it has emerged as the highest expense category and the most lucrative asset on the financials of media companies. Heavy investments though, do not guarantee success. Ensuring high-quality content for less could help media companies mitigate this risk. But how can this be achieved?

The answer could lie in UGC. A branded OTT platform can supplement its library of original and acquired content with high-quality content created by freelancers and aspiring creators. However, two major questions need to be answered before deep-diving into the execution model:

### **1. Why should an OTT player do this?**

- To get access to new high-quality content at very low costs, for boosting variety and volumes on the platform.
- Insights into consumer behavior with different flavors of content.

### **2. What would be the deterrents for an OTT player to adopt UGC?**

- The need to maintain the platform's brand and content quality standards.
- Too much overhead for managing UGC.
- Smaller-scale production like UGC may not be suited for the OTT platform.
- "I am not YouTube" attitude.

## Defining the Three-Pronged UGC Model

Before examining the UGC model, it helps to be clear on what UGC means in the context of branded OTT platforms and the broader M&E industry. UGC here will be very different from what it usually means in marketing, where any user can generate content with limited or no curation. It will also be very distinct from the kind of content available on YouTube, where any user can upload videos of any quality, category and duration, by complying with few legal requirements. UGC for branded OTT platforms must be of high quality, created professionally, and should conform to brand guidelines and specifications. The user here will be the consumer of the OTT platform who creates and owns the professionally created content as a freelancer or as part of a small studio or agency, and wants to showcase their work on a reputed platform, to wider audience.

The UGC model should address concerns relating to potential deterrents for an OTT company in UGC adoption. Essentially, the model should be centered around three objectives – aligning UGC with the brand identity and content strategy, maintaining quality benchmarks, and minimizing overheads.

### 1. Align with brand identity and content

**strategy:** The OTT company will define the content guidelines, primarily covering the genre, such as sitcom, drama, romance, crime, thriller, kids and documentary, as well as the permissible ratings – such as G, PG and R. Other guidelines could relate to duration, audio languages, target audience and social cause. Any content creator willing to get published on the platform must adhere to these specifications.

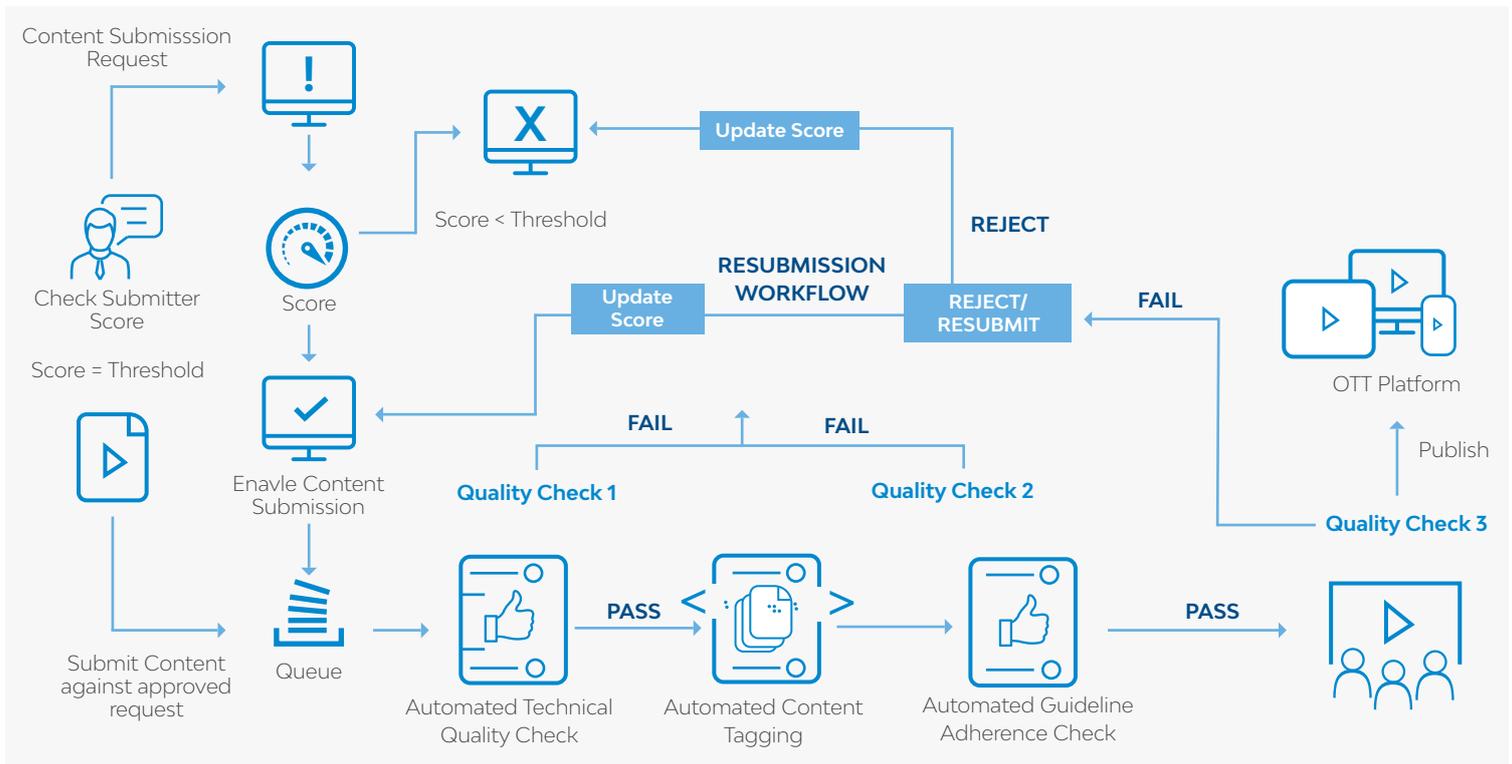
**2. Maintain quality benchmarks:** It is critical for every OTT company to deliver an enriching consumer experience. This depends on content quality and functioning of the platform. While the brand controls how the platform works, it will need to ensure that the UGC is of a minimum acceptable quality and adheres to its content specifications. The company shall list its mandatory requirements around quality-related specifications, such as video format, resolution, duration, frame rate, bit rate, frame size, aspect ratio, file size, language, audio mixing, closed captions/subs, and audio-video sync. This will be similar to the way leading OTT players like iTunes and Netflix publishes specifications to which the content providers, publishing their content to the platform, must adhere to. Most of these quality checks can be performed by adopting automated tools such as Baton and Cerify.

**3. Minimize overheads:** The overall objective of the OTT company allowing UGC on its branded platform is to get additional high-quality content at much lower costs. Hence, deploying any significant manpower or infrastructure resources for screening and publishing non-branded content is not needed. The operational mechanism for activating the UGC model should primarily be technology-driven, as depicted in the figure below, where content undergoes quality checks for given specification and guidelines in a gated manner. Only after passing this test does content move to the subsequent stages of creative review and final publishing.

## Putting the UGC Model to Work

### Content Submission

The consumer – a registered customer of the OTT platform – raises a request for content submission by clicking on the “Submit your own content” feature under the “User account” page. The request is accepted or rejected based on the user’s score, which is derived from the performance of their previous submissions. The company can determine and alter the threshold and scoring mechanism based on submission volumes, content strategy, and other parameters. Once the request is accepted, the content submission link is activated for the user. As soon as the user uploads the content file, a new job workflow is triggered with entire workflow managed automatically by a Business Process Management (BPM) tool starting with queuing of content for automated quality checks.



 <p><b>Technical Specifications</b> (such as video format, resolution, duration, frame rate, bit rate, frame size, aspect ratio, file-size, language, audio mixing etc.) provided by the company that the submitted content file need to comply to.</p>	 <p><b>Temporal Metadata Model</b> All friven multi-dimensional metadata addition (along the timeline of the content, including both video and audio context).</p>	 <p><b>Brand Identity &amp; Content Strategy</b> (such as guidelines around content genre, allowed content ratings, duration, audio languages, target audience community, social cause etc.).</p>	 <p><b>Content Team Review</b> Content team of the OTT company watches the content and finally approves or approves with changes of rejects the content.</p>
<p><b>Tools Example-Baton, Cerify</b></p>	<p><b>Tools Example-LTIMindtree ACT</b></p>	<p><b>Tools Example-Custom</b></p>	

### Content Quality Checks

All UGC submissions are queued and picked up only when the underlying infrastructure is not executing other regular workflows. For an on-premise infrastructure management setup, the queued requests will get approved during off-peak hours. If the OTT company is using a cloud-based setup, requests will be processed when the reserved instances are not being fully utilized, or during off-peak hours, to reduce costs. But the company will have the option of prioritizing and executing any requests as needed. Once the content comes up for quality check, the following workflow is triggered:

### **I. First-level quality check**

Here, the OTT company uses automated tools such as Baton, Aurora and Cerify, to test whether the submitted content adheres to its technical specifications. If it does not, the request can be rejected and closed, or reassigned to the user for making the recommended changes and resubmitting. In either case, the user score is updated based on a pre-determined formula. On the other hand, if the content passes the check, it proceeds to the next phase for AI-driven, automated generation of temporal metadata.

Optionally, the OTT company can offer transcoding and packaging services to selective users who maintain a healthy score, and have previously published high-quality content on the platform. These services will ensure that a potential good-quality content does not get rejected or delayed due to non-adherence to technical specifications. After all, most of these specifications can be complied with later, provided the content passes the minimum quality benchmark for resolution and audio.

### **II. Temporal Metadata Generation**

Temporal metadata is a prerequisite for the second level of quality check, which involves evaluating compliance with brand strategy and content guidelines. Temporal metadata can be generated using AI-driven auto tagging tools. These tools can add multidimensional metadata along the timeline of the content, including both video and audio context such as actors, emotions, objects, activities, scene settings and locations, compliance tags etc.

### **III. Second-level quality check**

This is performed by a custom application, which analyzes and maps the auto-generated tags to content guidelines around genre, permissible ratings, audio languages, target audience and social causes. Content deviating considerably from the guidelines can be rejected. If relatively lesser deviations are detected, the request can be reassigned to the user for clarification on specific items, or for resubmission after carrying out the recommended changes. In either scenario, the user score is updated based on the assessment and a pre-determined formula.

If this quality check is passed, the content proceeds to the next step for final quality check, which is performed manually by the creative team of the OTT company, for providing the final approval.

### **IV. Third-level quality check**

In this phase of final review, the OTT company's creative team assesses the content for platform fit. The content team watches the entire content and assesses its fitment to the platform before giving the final go-ahead or rejection. The previous quality checks should ensure that only quality content reaches this stage. Ideally, at least 70% of content reaching this stage should get approved. If required, an additional round of executive review can be included before content gets published to the platform.

Another important aspect of the UGC model would be factoring in the “what’s-in-it-for-me” angle from the user’s perspective. While the OTT company can design its incentive model around actual content performance, users will see this as a platform to showcase their talent and get acknowledged and accepted as a reputed talent that media companies will eventually contract for creating content for them.

## Conclusion

UGC has the potential to unlock high-quality, low cost content. Since this content will come from target communities, it could also generate fresh insights around consumer preferences. The ability to diversify offerings without making significant investments may well become a differentiator, as OTT companies unlearn and learn more about the evolving consumer behavior. Users publishing their content on branded platform will also act as marketing channels by trying to bring in more audiences to the platform to watch their UGC, thus increasing viewership.

There are deterrents – maintaining content quality standards, overheads for managing UGC, the mindset that smaller-scale productions may not be suited for the branded OTT platform, as well as an “I am not a YouTube” attitude. The UGC execution model outlined above addresses the first three deterrents. Technology can take care of curation, ensure adherence to quality standards and brand guidelines, and treat small- and large-scale productions equally, while also helping the OTT company maintain and enhance its quality standards and brand reputation.

## About the Author



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Manish is the Head of Business Development for Media, Entertainment and Information Services for Americas at LTIMindtree. He also leads industry solutions for Media & Entertainment vertical. He brings in a strong Strategy and Operations Consulting background with deep industry knowledge. Manish focuses on enabling business transformation for global customers by bringing-in the right set of industry insights and the latest technology solutions and platforms for helping them achieve desired business outcomes.

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