

“GENERATION C(ASH)”

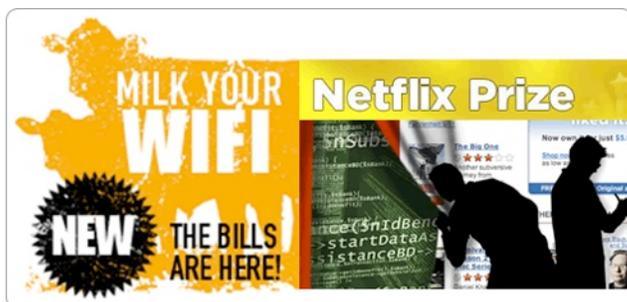


Introduction

Remember [GENERATION C\(ONTENT\)](#)? Three and a half years ago, we described this trend as "an avalanche of consumer generated content that is building on the web, adding tera-peta bytes of new text, images, audio and video on an ongoing basis." Fast forward to 2007, and it's hard to find anyone still in awe about the fact that content-creating consumers are behind some of the biggest web 2.0 success stories, from the tens of millions of blogs to the flickrs and youtubes. However, this trend still has a lots of room to grow, as younger, participation-minded consumers will eventually dominate all of the online space, meaning the stakes will continue to be raised as well. In the next 12 months, keep an eye out for:

“GENERATION C(ONTENT) is joining GENERATION C(ASH). If consumers produce the content, if they *are* the content, and that content brings in money for aggregating brands, then revenue and profit-sharing is going to be one of 2007's main themes in the online space. It's not like brands will have a choice: talented consumers are going to be too sought after to remain satisfied with thank you notes. Get ready for an avalanche of revenue sharing deals, reward schemes and sumptuous gifts aimed at luring creative consumers.”

Context



GENERATION C(ASH) isn't restricted to content creators. For this briefing, we chose to focus on compensation for video, pics, text and other creative outbursts, but the trend really embraces all consumers earning a bit of cash on the side, whether it's from trading on eBay, to exploiting their WiFi connection through [Fon](#). In 2005, we dubbed these enterprising consumers [MINIPRE-NEURS](#); they too are part of GENERATION C(ASH).

But that's not all: consumers co-creating with established brands, as highlighted in our [CUSTOMER-MADE](#) briefings, helping organizations like Nokia, Procter & Gamble, Peugeot and Lego come up with new advertising campaigns, kick-ass design, award-winning products, or industry-defining strategies and getting paid for their input, are part of this trend too. Oh, and as predicted, payments now increasingly reflect the real value of consumer-contributions: both [Intel](#) and [Netflix](#) have recently promised a USD 1 million prize to customers who come up with winning innovations.



Now, all of this is not to say that GENERATION C(ONTENT) will completely stop 'producing' for free: non-monetary rewards from exposure (think belonging or status) will retain their appeal. It's what Seth Godin has called the Hobby Economy, and we then dubbed HOBBYNOMICS, as there's a limit to how many 'economies' we can handle. Don't be fooled by any amateur connotations: HOBBYNOMICS comprises kick-ass blogs, open-source software, the [Wikipedias](#) and [Citizendiums](#) of this world (Citizendium is the self-described "new progressive fork of Wikipedia") and everything else that wasn't created to make money, but to be a vessel for individual fame, or for the greater good. Rest assured that we'll publish a HOBBYNOMICS briefing in Q1 of 2007.

And the overarching meta-trend incorporating GENERATION C(ONTENT), GENERATION C(ASH), MINIPRENEURS, CUSTOMER-MADE, and HOBBYNOMICS? How about THE GLOBAL BRAIN: all of the world's talent and experience, fully networked, incorporating not only the usual suspects like gurus, professors and scientists, but the experiences and skills of hundreds of millions of smart consumers as well. Now there's an answer to the 'shortage of talent' that every brand on every continent seems to be suffering from these days.



Examples

We're digressing. Back to GENERATION CONTENT/ CASH: most interesting to study and learn from are those brands that incorporate consumer content into an aggregated, branded, revenue sharing service, and services syndicating consumer generated content, again with revenue-sharing as part of the package.



Let's start with user generated videos, and associated emerging revenue sharing models: 800 pound gorillas like Google Video and YouTube haven't exactly embraced GENERATION C(ASH) yet. [Google Video](#) is experimenting with 'sponsored' videos, like the highly popular [Domino Effect](#), handing over a non-disclosed percentage of revenues from ads running alongside the video. However, Google currently only seems to be targeting producers who have more than 1,000 hours of video available. As TechCrunch recently pointed out: "It's fascinating to see Google, the creator of possibly the best long tail monetization engine in history, launching a video program focused on elite producers only. Whether Google can split large advertising revenues with elite amateur video producers and build and sustain a vibrant, creative and authentic video community out of that is doubtful."

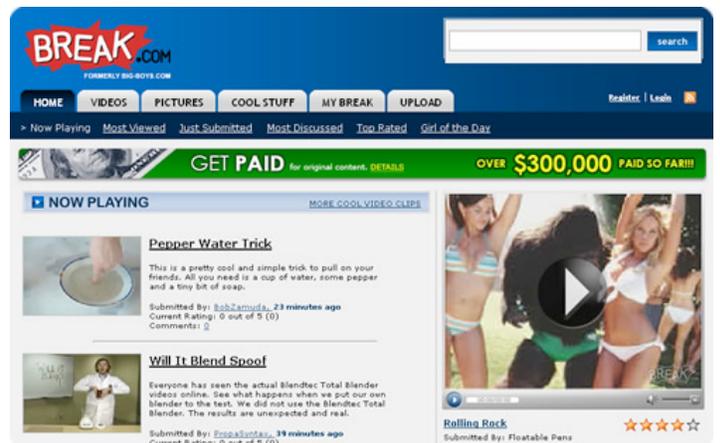
[YouTube](#) (recently acquired by Google) seems to restrict its revenue sharing to *really* big producers. It recently closed a deal with CBS 'to offer the YouTube community a wide variety of short-form video programming from its news, sports and entertainment divisions on a daily basis beginning this month. YouTube and CBS will share revenue from advertising sponsorships of CBS Videos.' No such plan of attack exists for YouTube's thousands and thousands of mini producers.

So who's going to properly reward GENERATION C(ASH) in the video arena? In come:

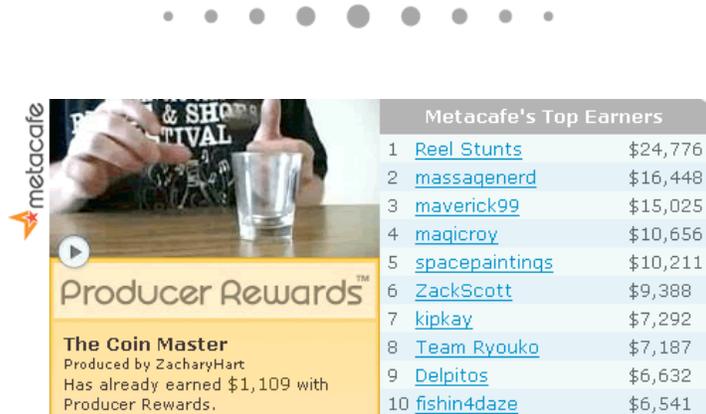


REVERV | Viral video network [Revver](#) states: "We believe in your talent and your right to share it with the world on your terms. We connect makers, sharers and sponsors of internet video in a free and open marketplace that rewards them for doing what they do best. Revver is a completely free service. We want everyone to post his or her video. We make our money by partnering with video makers and sharing in the advertising revenue."

How it works: members upload their video to Revver, who then attach a brief ad to the video, as well as tracking software. Every time an ad gets clicked, Revver shares the ad revenue on a 50/50 basis. The video's performance can be tracked through a Revver account - showing how many times a video is watched, and how much money has been earned. Since ads are attached to the video itself, there's no restriction on how videos are distributed.



BREAK.COM | Like Revver, [Break.com](#) is trying to get a piece of the YouTube action, and it's upping the ante. Two weeks ago, the company announced that it is nearly doubling the amount of money paid for original user-generated content. Prices are up to USD 400 for regular videos and up to USD 2,000 for short film productions, animated films and games. Users can upload as many original videos as they want. If the material is published on Break.com's homepage, they can rake in the cash.

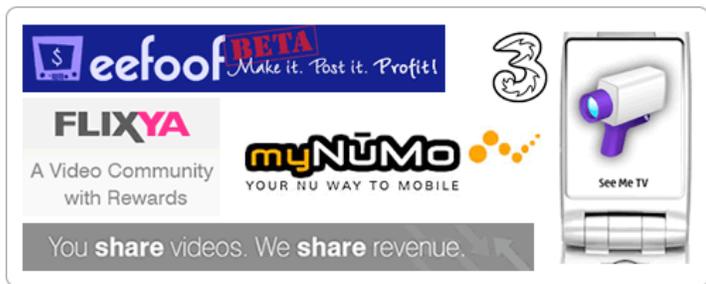


Metacafe's Top Earners		
1	Reel Stunts	\$24,776
2	massagenerd	\$16,448
3	maverick99	\$15,025
4	magicroy	\$10,656
5	spacepaintings	\$10,211
6	ZackScott	\$9,388
7	kipkay	\$7,292
8	Team Ryouko	\$7,187
9	Delpitos	\$6,632
10	fishin4daze	\$6,541

Producer Rewards™
The Coin Master
 Produced by ZacharyHart
 Has already earned \$1,109 with
 Producer Rewards.

METACAFE | Members of GENERATION C(ASH) are paid 5 USD for every thousand views their video gets on [Metacafe](#). Payment starts when a video reaches 20,000 views and has a rating of 3.00 or higher. Licensing is non-exclusive: makers retain ownership of their video.

And then there's:



eefoof BETA Make it. Post it. Profit!

FLIXYA
A Video Community with Rewards

myNUMO
YOUR NU WAY TO MOBILE

See Me TV

You share videos. We share revenue.

EEFOOF | Video/pics sharing site [Eefoof](#) shares a percentage of ad revenue with its members, based on traffic to the content they've uploaded.

FLIXYA | Video site [Flixya](#) shares 50% of advertising revenue generated by a member's video, but requires that members have a Google AdSense account.

SEEMETV | [SeeMeTV](#), a service by 3G telco operator [3](#), lets users submit a 12 second video clip and get paid every time somebody watches their clip. Submitters are asked to upload anything that is 'dumb, freaky, or just plain rude'. Some of the most popular downloads so far include pretzel girl -- a real-life office contortionist, and the "world's first" wedding proposal over video mobile. Over 100,000 videos have been posted, leading to more than 12 million downloads since the service launched a year ago.

MYNUMO | In the US, [MyNuMo](#) lets members create, show and sell *all kinds* of mobile content: videos, ringtones and wallpaper are sold for USD 2 a piece, 20% of which goes to the content's maker. To promote their own creations, members can use a Nu-MoMatic tool to sell content to mobile users straight from their MySpace or blog pages.



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CITIZEN JOURNALISM | Oh, and let's not forget about some of the earliest players in this field: citizen journalism sites, who sell pictures and articles to media companies on behalf of amateur photographers or writers, or have started entire publications of their own. At [Scoop](#), photographers receive 50% of the selling price of their pictures, while ScoopWords shares 50% of the first sale and 75% of all subsequent sales with its writers/bloggers. [ScoopLive](#) shares 85% of revenues each time they license a contributor's photo. [SpyMedia](#) pays an average of 100 USD per picture.

South African online newscaster [Reporter](#) has a more elaborate scheme: contributions are graded as Gold for homepage material, Silver for top placement on section pages, and Bronze for all other contributions, which carry a payment fee of R35, R20 and R15 per published contribution. South Korean [OhMyNews](#) pays 20,000 Korean won for a story published on its main page. A story published in a section (at the top) yields 10,000 Korean won.

We obviously would have liked to include some of the big media companies dipping their toes into co-creation—CNN's [Exchange](#) and Yahoo/Reuter's [You Witness News](#) come to mind—but as long as their reward schemes remain questionable (to say the least), we're not convinced these mass-era giants fully buy into GENERATION C(ASH) yet. GENERATION C(RUMBS) is more like it ;-)

Other

It's not all videos and pictures: [VitaminT](#) is a tip-sharing site, rewarding consumers with USD 3 for every published piece of advice. Tip categories range from cooking to technology to relationships. Think the best way to groom a pooch or the smartest way to stash cash. Still in start-up mode, the site averages approximately four tips per day, which can be viewed online or are emailed to members.

Or how about affiliate schemes 2.0? [FavoriteThingz](#) lets consumers create a badge/ widget of their favorite bands, movies, teams, stores, services and brands, which they can display as a slideshow on sites like MySpace, LiveJournal, Xanga, Friendster, Tagworld, Typepad, Blogger and hi5. If someone clicks on a product in the slideshow and decides to buy it, the badge creator earns a commission of 1.5% - 4.0%. [MyPickList.com](#) offers a similar service.

Oh, and last but not least, an in-house GENERATION C(ASH) example: trendwatching.com's own spotting network, [Springspotters](#). Anyone can join as a spotter, and accepted spottings and contributions are rewarded with up to 25 points (value: USD 25), which can be redeemed for cool gifts. Practice what you preach, eh?

Need even more input and inspiration?
[trendwatching.com's 2008 Trend Report](#)
 covers 12 themes, 24 trends
 & over 200 examples.

(Download now to start using it within minutes.)

Opportunities



GENERATION C(ASH) isn't only about content. It's not exclusively about the online space, either. It even surpasses the over-arching theme of consumers becoming more creative and participative. This trend is about consumers expecting if not getting used to be *rewarded* for their input and their output. Which is a totally different world from the one many brands still inhabit.

What to do? As there are tens of millions of smart, cash-loving consumers out there who'd love a bit of extra cash, the opportunities to set up companies that help consumers sell anything to anyone, directly or indirectly, are endless. Also, figure out if any content creation / production your brand now does in-house or outsources to expensive, overpaid professionals (photographers charging 500 bucks for the same licensed picture for years come to mind) could be transferred to your customers or other consumers. Last but not least, make sure to combine any brainstorming session on GENERATION C(ASH) with your [CUSTOMER-MADE](#) initiatives. But don't forget: pay peanuts, get monkeys ;-)

More

Trends 'coined' in 2006 don't just disappear because it's January 1st, 2007. They evolve, they morph, they merge... so may we recommend you re-read the following briefings? Some of them are very recent, others a bit older, but they all cover trends that will stay relevant and spur innovations in 2007:

