

MARKETING

AUGUST 2007

How companies can make the most of **user-generated content**

The success of online participatory media—video-sharing sites and corporate wikis alike—depends on the quality contributions of a small core of enthusiasts.

Jacques R. Bughin

**Article
at a
glance**

Executives looking to get the greatest possible value from corporate blogs and wikis can learn from the experiences of online video-sharing sites, which are growing fast—largely because of the contributions of a small percentage of their members.

Corporate managers must learn how to identify and nurture their core contributors to generate enthusiasm for and interest in wikis and other collective-intelligence systems that rely on contributions from users.

As these systems begin to take off, managers can give them further momentum by providing tools that make it easy for users to contribute and share. A quality-management scheme can make such efforts more sustainable by helping to ensure that the content is worthwhile.

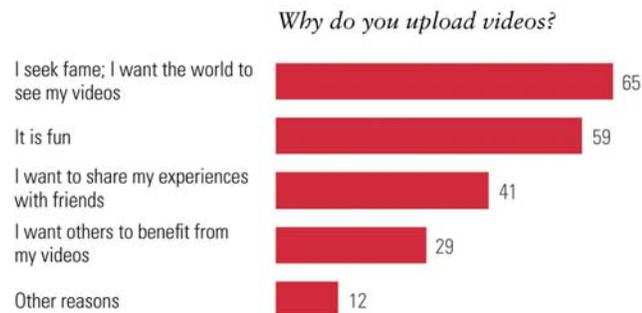
Technologies that foster online collaboration and participation—for example, blogs that solicit customer feedback and wikis that allow employees to work together on documents—are gaining traction throughout the corporate world.¹ Few companies, however, have a clear understanding of what inspires users to contribute to such sites. Executives might start by looking to the world of online video sharing, another fast-growing test bed for participation. McKinsey research conducted in Germany finds that motives such as a desire for fame and a feeling of identification with a community encourage collaboration and participation. Such findings, we believe, offer insights into the way companies might tailor their Web 2.0 offerings.

To learn more about what motivates people to participate in collaborative technologies, we surveyed 573 users of four leading online video-sharing sites in Germany and then examined the blogs of one of the sites.² We observed that users cite a variety of reasons for posting content online—chief among them, a hunger for fame, the urge to have fun, and a desire to share experiences with friends (Exhibit 1). While some users were open to the idea of being compensated for their contributions, that wasn't a primary driver: the people we studied weren't paid for their contributions.³

EXHIBIT 1

What motivates users?

% of respondents who upload videos



Source: Oct 2006 McKinsey survey of 573 users of 4 leading online video-sharing sites in Germany

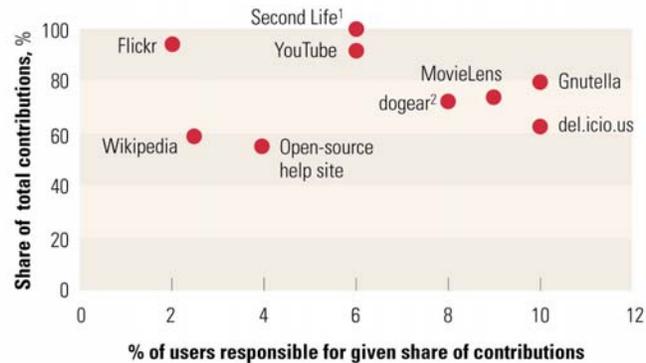
We also found that a few users posted the most popular content. Depending on the site, just 3 to 6 percent of the membership added 75 percent of the videos available for download, and videos from just 2 percent of the member base accounted for more than half of all videos viewed. (As the “long-tail” effect would suggest, half of the videos posted accounted for only 10 percent of all downloads.) These figures

resemble those reported in studies of other kinds of participatory media, including wikis, bulletin boards, and photo-sharing sites, where 5 to 10 percent of the users contribute half to all of the content (Exhibit 2).⁴

EXHIBIT 2

The many benefit from the few

Internet participation-based media sites, applications



¹For Second Life, contributions were defined as buying activity among total users.

²Social-bookmarking service for corporate wikis.

Source: Aniket Kittur, Bryan A. Pendleton, et al, *Power of the Few vs. Wisdom of the Crowd: Wikipedia and the Rise of the Bourgeoisie*, ACM's SIGCHI (Special Interest Group on Computer-Human Interaction) Conference on Human Factors in Computing Systems, San Jose, CA, April 28-May 3, 2007; David Millen, Jonathan Feinberg, et al: *Dogear: Social Bookmarking in the Enterprise*, ACM's SIGCHI Conference on Human Factors in Computing Systems, Montreal, Quebec, April 22-27, 2006; *Perception of the Presence of Brands in Second Life*, CB News-Repères, April 2007; Bill Tancer, *State of the Web 2.0: Measuring the Participatory Web*, Web 2.0 Expo, San Francisco, CA, April 15-17, 2007; Kimberly Ling, Gerard Beenen, et al, "Using social psychology to motivate contributions to online communities," *Journal of Computer-Mediated Communication*, Volume 10, Issue 4, 2005; Oct 2006 McKinsey survey of 573 users of 4 leading online video-sharing sites in Germany

Visitors under 25 years of age made up the bulk of the video-viewing audience we measured, but members in the 25- to 44-year-old age group contributed equally to postings—suggesting that working-age people would be open to participation in enterprise settings. A sense of sharing drives these older users, who tend to forward videos to friends even more frequently than do their younger peers. The presence of tools (such as most-viewed lists or forwarding features) that make it easy for users to see what's popular or to send favorite videos to friends corresponded, by as much as 30 percent, with more downloads for popular videos.

These findings, consistent with our experience of participatory media in business settings, suggest that executives pursuing such projects should start by identifying and nurturing the small percentage of users who post quality content. At one cable company we studied, for example, more than half of the installers who contributed to an internal wiki said that social factors such as reputation building, team spirit,

and community identification were the main factors motivating them to contribute. Only 20 percent cited the possibility of a financial bonus as their main driver.

To encourage well-connected employees to post ideas to the wiki, managers at the company examined its internal e-mail system to identify key staffers with wide social networks within it. They then encouraged these employees to post suggestions about improving the company's processes. Identifying thought leaders and promoting their participation boosted the number of contributions and improved the quality of the postings. Other companies strive to make collaboration fun: at Google, for instance, employees place online bets on the likelihood that particular ideas will be adopted. Intuit uses a rotation program that invites selected staffers to contribute to the company's internal online dialogues. Managers should also consider taking a page from video sites by tapping the power of tools that let users share relevant content easily. Likewise, companies should make sure that their employees can access collaborative tools with a minimum of bureaucratic hassle.

Companies will have to look beyond video-sharing sites for approaches to maximize the quality of the content. Those sites are concerned primarily with popularity, whereas corporate wikis and content sites (such as Wikipedia) gain momentum when new visitors discover and contribute high-quality content, which in turn makes the sites worthwhile for yet more newcomers. To improve the quality of internal wikis, then, companies might look to the quality assurance practices of open-source coding projects, which rely on appointed and self-appointed guardians to police quality issues. Companies should also create transparent and enforceable guidelines to prohibit unethical or illegal behavior, such as the posting of copyrighted material or proprietary secrets. They can learn from the examples of YouTube (which attempts to review content for obscenity before posting) or Wikipedia (which has committees that review entries for quality) and adopt similar review procedures for their corporate content. 

Jacques Bughin is a director in McKinsey's Brussels office.

¹ "How businesses are using Web 2.0: A McKinsey Global Survey," *The McKinsey Quarterly*, Web exclusive, March 2007.

² The survey, conducted online, was posted on major portals and Internet service providers in Germany over two weeks in October 2006. Germany is a midsize market with a competitive Internet landscape—conditions suggesting that our findings there are applicable to other markets.

³ To gain a wider audience, some sites in Europe and elsewhere are beginning to share a percentage of their advertising revenues with the top contributors.

⁴ Interestingly, some research suggests that, over time, participation rates throughout the user group increase. In 2004, for example, 90 percent of the contributions to Wikipedia came from just 2 percent of its users; by 2006, the top 2.5 percent of them were responsible for only 60 percent of all new content, according to Aniket Kittur, Bryan A. Pendleton, et al., *Power of the Few vs. Wisdom of the Crowd: Wikipedia and the Rise of the Bourgeoisie*, ACM's SIGCHI (Special Interest Group on Computer-Human Interaction) Conference on Human Factors in Computing Systems, San Jose, CA, April 28–May 3, 2007.

Related Articles on www.mckinseyquarterly.com

"How businesses are using Web 2.0: A McKinsey Global Survey"

"Building the civilized workplace"

"Competitive advantage from better interactions"

"An executive take on the top business trends: A McKinsey Global Survey"

Copyright © 2007 McKinsey & Company. All rights reserved.