Yahoo tests the power of packaging user content

Its online show 'The 9' serves up grass-roots video highlights in a TV-style format.

By Chris Gaither, Times Staff Writer
October 23, 2006

Yahoo Inc. may have missed buying YouTube Inc., but the Internet giant is trying to cash in on the amateur-video craze by layering slick TV-style programming on top of it.

"The 9," an online show that features sites and videos from across the Web, has become a quiet hit for Yahoo since it launched in July. As many as 6 million viewers a month watch host Maria Sansone's rundown of nine wacky sites, then click away to photos of yawning rabbits, YouTube videos of slow-motion face slaps and episodes of Mr. T's new TV show.

Lloyd Braun, head of Yahoo's media unit, was so pleased with "The 9" that he enlisted its creator, longtime TV producer Michael Davies, to start a filmmaking competition to find a Web star with staying power. The winner of the "Yahoo Talent Show," which will be launched today, will receive $50,000 and land a regular show on Yahoo.

Together, "The 9" (not to be confused with the ABC series "The Nine") and "Talent Show" reveal Braun's emerging vision for Yahoo's role in online entertainment: Blend show-business packaging with homemade-video creativity to bring cult hits into the Web mainstream.

"In a world where there's such a proliferation of this user-generated content all over the place, there is a need for that programming element that is still, to a very large extent, an underutilized discipline on the Internet," said Braun, a former chairman of ABC television. "I think that's where our company is going to be able to distinguish itself."
Braun is under pressure to turn the Yahoo Media Group, started in Santa Monica nearly two years ago, into a bigger moneymaker. Last week, Sunnyvale, Calif.-based Yahoo reported disappointing third-quarter earnings and said the online-advertising market seemed to be softening.

Yahoo's original content approach may appeal to big-name advertisers, who have been reluctant to attach their brands to the unpredictable and sometimes racy material found on video-sharing and social-networking sites. News Corp.'s MySpace is trying a similar strategy, creating special sections around comedy and films.

Pepsi-Cola North America has steered clear of advertising on the profile pages of MySpace users. But its Sierra Mist beverage has been a primary sponsor of MySpace Comedy, and Pepsi underwrites "The 9" as its sole corporate sponsor.

"Certainly if a marketer wants to communicate to a consumer, you want to do it in a way that is something you'd feel good about having your brand associated with," said Russell Weiner, Pepsi's vice president of colas. He described "The 9," found at 9.yahoo.com, as "the next level of what entertainment is."

Braun and Davies said the show was profitable, although they declined to reveal details. They said the traffic, 5 million to 6 million monthly visitors, has far exceeded their expectations, and they're exploring ways to expand the show to international markets.

"It's a good model for Yahoo — the professional content on top of user content," said Greg Sterling, an analyst with Sterling Market Intelligence. "America is a culture that is addicted to celebrities and charismatic personalities. If you can marry that to the phenomenon of social media, it's a potentially very successful formula."

After launching the media group with much fanfare in early 2005, Yahoo only a year later said it would scale back its original programming efforts to focus on content created by its users and traditional media companies. The decision was a public acknowledgment by Braun that he hadn't yet figured out the formula for creating Web-based entertainment.

But he kept at it, talking often with his old friends from the television business. Those included Davies, executive producer of "Who Wants to Be a Millionaire" and "Wife Swap." Davies' New York-based production company, Embassy Row, now has a broad distribution deal to create programming for Yahoo. The mandate is to combine the best of television and the Web.

"If you took me back to even this time last year, I would have had no sense of how important and driving a part of my business would be making content for Yahoo," Davies said. "We looked at this as being this little thing we were going to do on the side. Fifty percent of our business now is just doing this stuff."

"The 9" was conceived over an Italian dinner at Toscana in Brentwood. Braun and Davies were bouncing around ideas to develop into Web series. One of their favorites was a two-minute morning news show that would present the day's headlines before the bloggers got to them. They explored the idea, but it didn't quite work.

"My head was still too much in the television model," Braun said to Davies in Santa Monica recently, his legs draped over the arm of a suede chair in the meeting room beside his office. "While I was trying to embrace the Internet, what I was really pitching you in many respects was pieces of television content that you could interact with."

The morning-show idea quickly morphed into a best-of-the-Web countdown. Davies hired Sansone, a sports reporter who had once filled in for Kelly Ripa on "Live With Regis and Kelly," to host the show. Smart hire, said Sterling, the analyst — Sansone's charisma is a big part of the show's success.

"The 9" was launched quietly July 10, the Monday after the blockbuster opening of "Pirates of the Caribbean: Dead Man's Chest." The show's first segment featured a review of the movie by the Internet comedy sensation "Ask a Ninja."

"We weren't going to just cover the box-office numbers," said Jared Heinke, the show's 26-year-old supervising producer. "We were going to report how the Internet covered it."

Most days Heinke and the other producers, who are all in their 20s, arrive at Embassy Row offices at 5 a.m. and spend two hours trolling the Web for the bizarre, funny and cute (the only guideline: No. 1 has to be adorable).

They pick nine, which Sansone presents in a four-minute-scripted segment. Yahoo engineers then encode the video for the Internet, add links so viewers can visit the featured websites and post it by 9 Eastern time.

Friday's show featured a clip from the new "Borat" movie, a website dedicated to...
marathon runners with mullet haircuts, a video of a girl doing the splits as she roller-skates under 40 cars and cute photos of polar bears.

Sansone signed off with her catchphrase: "Now get back to work."

The most popular segment to date, presented Oct. 4, featured microwavecam.com, a compilation of videos showing what happens when you cook marshmallow Peeps, compact discs and other items in a microwave. It was seen nearly 1 million times.

"We're starting to learn what works," Braun said. "Jessica Simpson was our record before that."

With "Talent Show," accessible at talentshow.yahoo.com and scheduled to last eight weeks, Yahoo is again blending amateur and professional video. Users will be able to surf through and comment on the videos uploaded by contestants or submit their own. If they don't feel like wading through the amateur content looking for gems, visitors can watch short videos produced by Embassy Row and hosted by cable TV personality Mayleen Ramey, highlighting some of the best submissions.

Celebrity judges will pick their favorites, as Yahoo tries to pick through the Web's one-hit wonders to find an online show that can attract a regular audience.

"We want to break a star that has longevity on the Web," said David Katz, head of the Yahoo Media Group unit that oversees the shows.

* 

chris.gaither@latimes.com