

URL: <https://stvp.stanford.edu/clips/making-strides-in-user-generated-content>

Successful user-generated Web plays “tend to harness peoples’ passions, rather than harness peoples’ greed,” says serial entrepreneur Marc Andreessen. He points out that any user-centric Web vehicle that has tried to share revenue with its content-producing audience has failed – and spectacularly. It’s not money that motivates people to share their ideas and opinions, says Andreessen. The platform for sharing one’s own personal expression is its own reward.



Transcript

You see all these user-generated content companies, famously YouTube and blogging platforms and so forth and Twitter most recently.. They all seem to have a characteristic that the company that runs them ends up making a lot of money on advertising and the people who actually created all the content don't.. And so wouldn't it be a good idea to basically share the revenue out with the users? Almost every attempt I'm aware of to try that has failed.. And there have been a whole bunch of attempts for ten years and I bet you've never been heard of any of them because they failed so spectacularly that they just vaporized.. The successful user-generated content applications and sites tend to harness people's passions much more than they tend to harness people's greed.. And so just in practice, the sites and services that are super geared towards how people think and how they want to live and how they want to act independently of how they make money.. But if you give people a platform for expression or a platform for communication, it's really good and fun and empowering and wonderful to be on.. Those are the ones that tend to win in terms of user behavior and the ones that try to split revenue generally never get anywhere.. A lot of free market economists look at this.. University of Chicago economists look at this and say, "Well this can't be true because everybody knows that humans are purely economically-motivated and only want to make money and never want to do anything for fun." I will give you another case study, Wikipedia..

Nobody makes money on Wikipedia.. Google watches this big effort called Knol and the big promise of Knol is that it's going to be like Wikipedia except if you contribute to it, you can make money.. And I mean it's like a dead zone.. There is nothing on Knol and Wikipedia is gigantic.. So Clay Shirkey talks a lot about a lot about this in his book, "Here Comes Everyone".. Is there something really magical about harnessing people in large numbers on things that they love and things that they enjoy doing.. And that seems to be the template for it much more than immediately trying to figure out how to help people make money, which is just a really interesting large-scale psychological experiment but one for which there's not a lot of data...