

Produced in Native





KIDS

Vision and strategy

Q2 2016

beser

Confidential & Proprietary

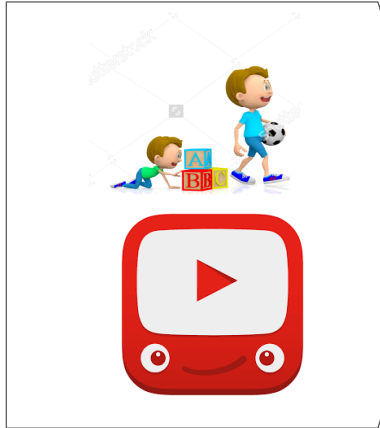


YTK Vision: Create the next generations of Youtube Users

Youtube (Kids) as a part of the daily routine for all kids under 13

Under 8

~125M addressable users



Tweens

~125M addressable users



Teens+



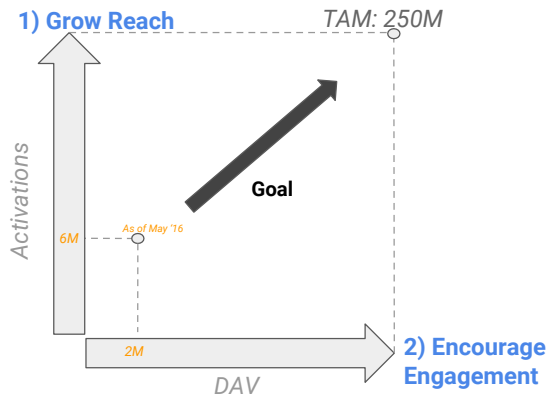
And with 250M kids under 13 in the short term contribute meaningfully to DAV growth

Market sizing:

~30M tweens

YTK Growth Strategy: Become a Daily Tool for All U13 Kids Globally

Reach xxM DAVs by the end of 2017 by focusing on Reach and Engagement



1) Grow Reach

Increase app footprint

1. I18n
2. New distribution channels (i.e. living room)
3. Parent 'deal-break' features (i.e. blacklisting)

2) Encourage Engagement

Be a part of the daily routine

1. Channel subscription
2. Create, upload and share (i.e. Musica.ly)
3. Kid friendly commenting

3) Thread the needle, YTK→Main

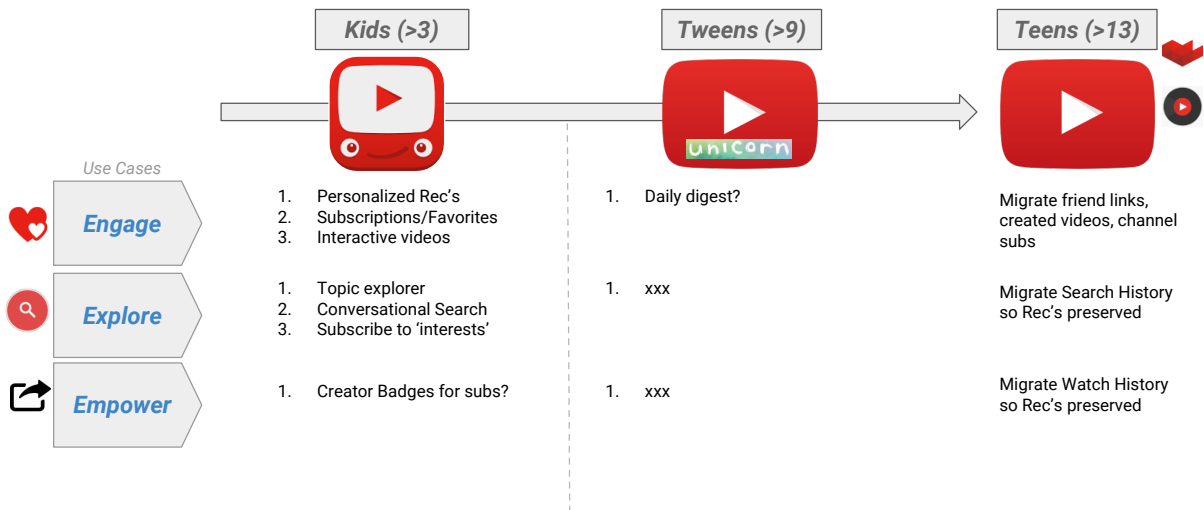
Age-up YTK, Age-down Main, Kid accounts

1. Age-up YTK for 8,9 and maybe 10
2. Age-down Main w/ logged-in only features
3. Kid accounts that bridge #1, #2 and 13+

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scratchpad

Product strategy: YT Kids features across the 3 E's



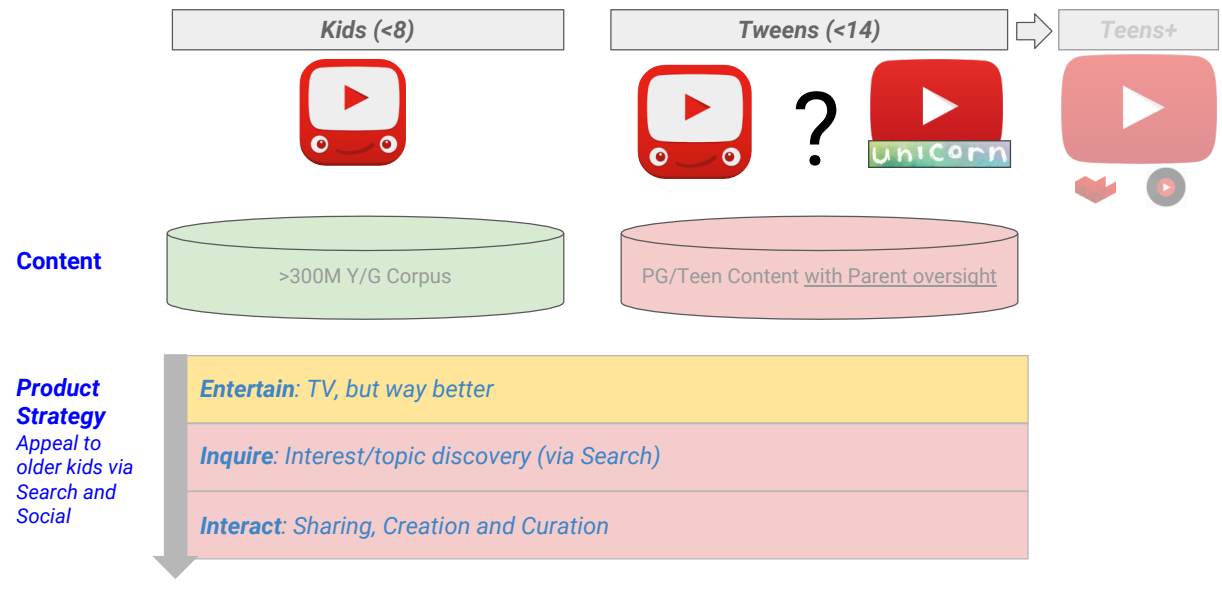
Engage (entertain), enrich, explore

Market sizing:

~30M tweens

Strategy: "Age-up" with features and content to address Tweens

Focus content and product strategy on increasing YT (Kids) as part of the day-to-day routine



Engage (entertain), enrich, explore

Content

Market sizing:

Monetization
/Commercial

~30M tweens

How does this report fit into the "needs" discussion?

Just to recap, in [go/ytneeds](#), we found that people watch videos for the reasons below. In this report, we revisit these needs for [cases](#) of parent and kid watching on YouTube (N = 283):



Information

get the [latest](#) information
learn for [self-development](#)
find [instructions](#) on doing something
make a [decision](#)



Entertainment

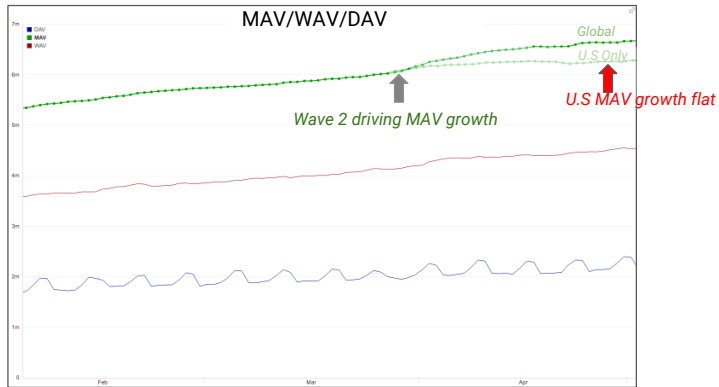
[enjoy](#) a favorite show
have a laugh and [feel happy](#)
[relax](#) after a long day
kill time and [relieve boredom](#)
get [inspired](#) to start the day
help getting [focused](#) on a task
be [nostalgic](#) with good oldies



Connection

share a video with a contact ([proactive](#))
bonding time ([mutual](#))
watch friend's suggestion ([reactive](#))

YTK Growth check in



2016 Growth: +415M DAVs, 171M Unidentified



Strategy: "Age-up" with features and content to address Tweens

Create 'sticky' features that increase value proposition for transition to main for Tweens and Teens



Strategic questions

- 1 Has the existing YTK app 'solved' for the >7 use case?
- 2 How do we transition Users gracefully to the Main app?
- 3 What app, features and content will appeal to Tweens?

Engage (entertain), enrich, explore

Content

Monetization

/Commercial

Market sizing:

~30M tweens

1

TV but better



Encourage Kids to explore the world through Search by leveraging from YTK early strength as TV-equivalent

What we've learned ([link](#)):

- Personalized Rec's are the killer app (70% of watch time, higher for loyal users)

Roadmap

Focus on content push

- Living room
- Channel subs
- Rec's
- Quizzes, CYOA

Content

Focus on xxx

Blurb on strategy, KPIs
with logos underneath?

Goal: Max WT/DAV

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21

Search and Discovery

Encourage Kids to explore their interests through kid-focused search features

What we've learned ([link](#)):

- 60% of tweens in the US use Youtube as their main Search engine
- 13% of Watch Time today, could be higher
- Any Insights from search stats (most searched kw, other stuff, i.e minecraft top 5 kw)

Roadmap

Focus on new Search UX

- Conversational Search

Content

Focus on xxx

Blurb on strategy, KPIs with logos underneath?

Goal: Max WT/DAV

Slide 1

1

Talk about how our corpus breadth is our biggest differentiator vs Netflix, etc and search is how we get kids access to same at the base level.

James Beser; 4/23/2016 11:53:46 PM

3

Create/Curate/Share

Tweens (8-11) as Creators and Curators putting video at the heart of kid-focused social network

What we've learned ([link](#)):

- Finding cool YouTube videos to share is a form of social capital
- Watching videos is a favorite activity on social networks and when hanging out with friends

Roadmap

Parental oversight focus

- Parent accounts/controls
- Full (credit-card) consent for creation and upload

Content

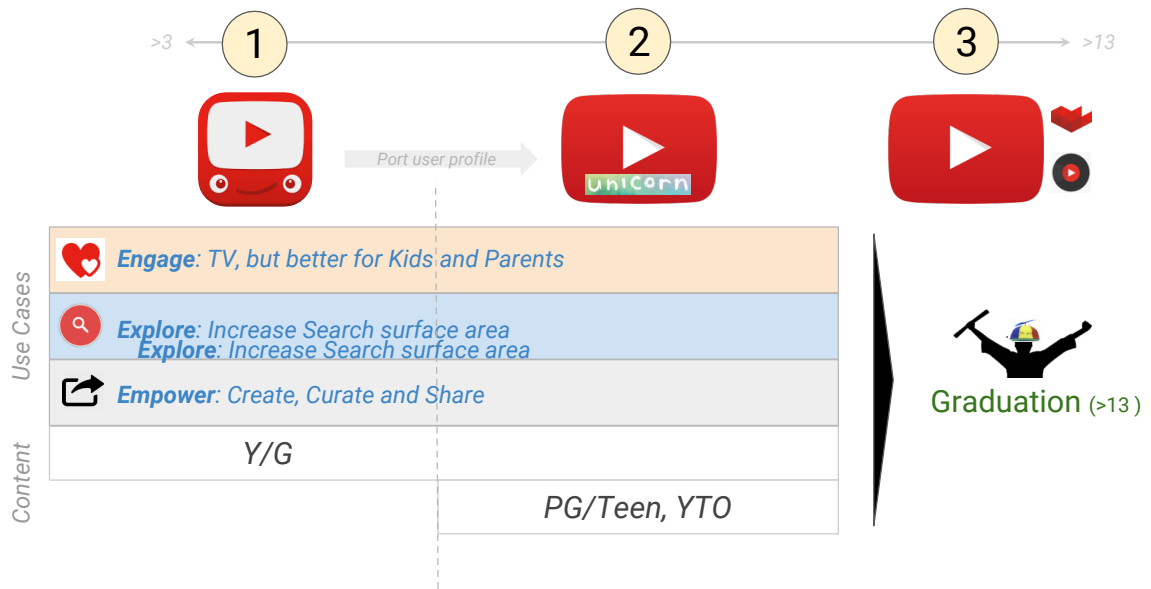
Focus on PG, Gender-specific

- Gender split
- Gaming, comedy and music ([link](#))

Goal: Max WT/DAV



YTK Strategy: Age-up with features and content



Engage (entertain), enrich, explore

Content

Market sizing:

Monetization
/Commercial

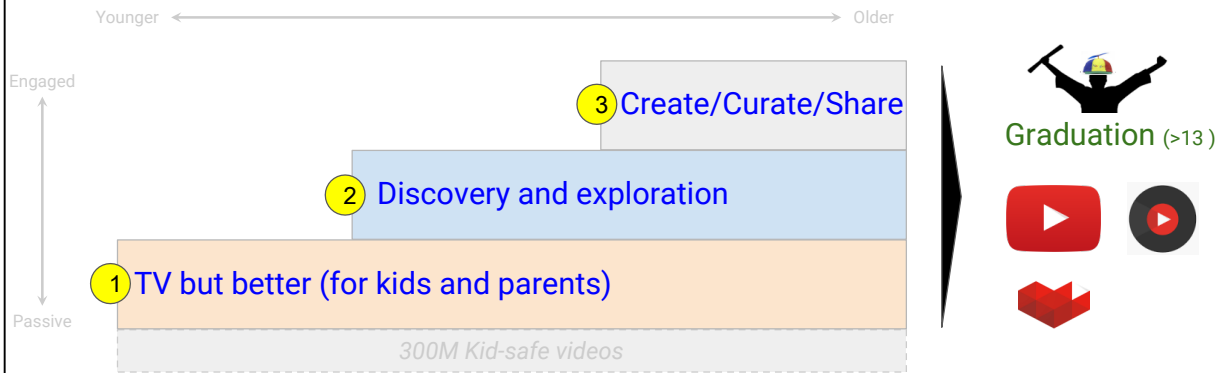
~30M tweens

YTK Strategy: Logged-in media and discovery app for U13 Kids worldwide

Kid-ify the best of Google and make accessible in YTK -> empower the next generation of Google Users



"Age up" with features and content across three areas:



Key Feature(s)

- Personalized Rec's
- Search-driven topic exploration
- Kids as Creators
- Safe sharing with like-minded kids

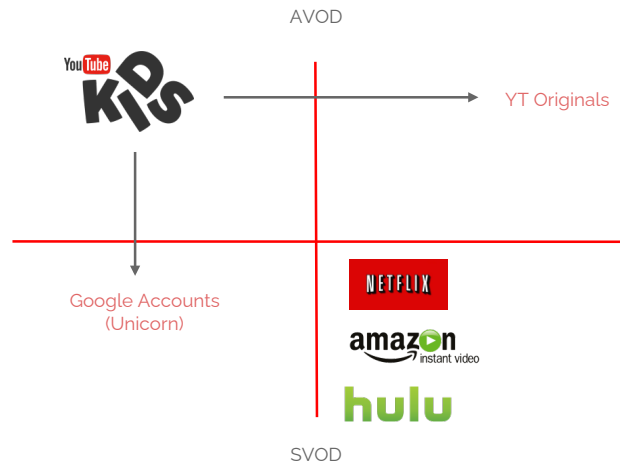
Content

Monetization / Commercial

Market sizing:

~30M tweens

Monetization Model



YTK monetization is a balance of Ads and Red

Main value-add today is turning off ads, potential opportunity in the future to have Red-only features



Near-term: Red value add for Users is offline

- Turns off ads (we dont really have ads now)
- YTO (Nothing for kids, yet)
- Offline (too soon to tell value for users)

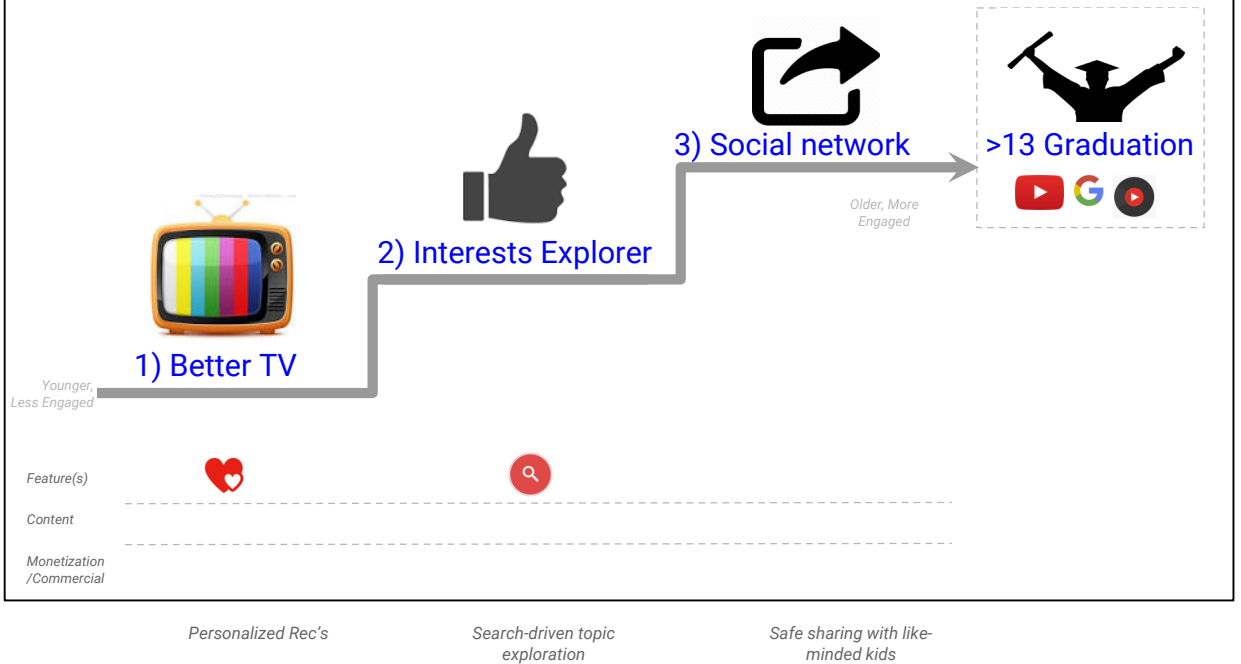
Focus: Get more ads (question: what ad load per user creates and impetus to sign up for Red?)

Longer-term: Red value add for Users is offline

- Turns off ads (we dont really have ads now)
- YTO (Nothing for kids, yet)
- Offline (too soon to tell value for users)

YTK Vision: Companion app for all U13 Kids globally

Kid-ify the best of Google, empower the next generation of Google Users



- Digital ads
 - Reservation
 - Sponsorship
 - Marketing calendar
 - Content
 - Auction
 - Video
 - Search
 - Shopping/Merchandizing
- Subscriptions

2016: Reservation

- Reservations
- Sponsored programming



Goal: \$xxM

2017: Scale w/auction

- Native, auction ad formats
- Search ads for Kids

\$xxM

Slide 1

2

based on the content team assessment of min monetization needed
to appease creators

James Beser; 4/12/2016 11:27:09 PM

Sponsorship

Issues:

- No exclusive content, why reserve it? Esp after we launch auction...
- hard to sell traditional reservations ahead of launch and even if we could estimate with accuracy reach too small to get sales attn.
- legal/policy situation makes it hard to reliably hit launch dates
- other pubs willing to more on formats side like skins (nick)

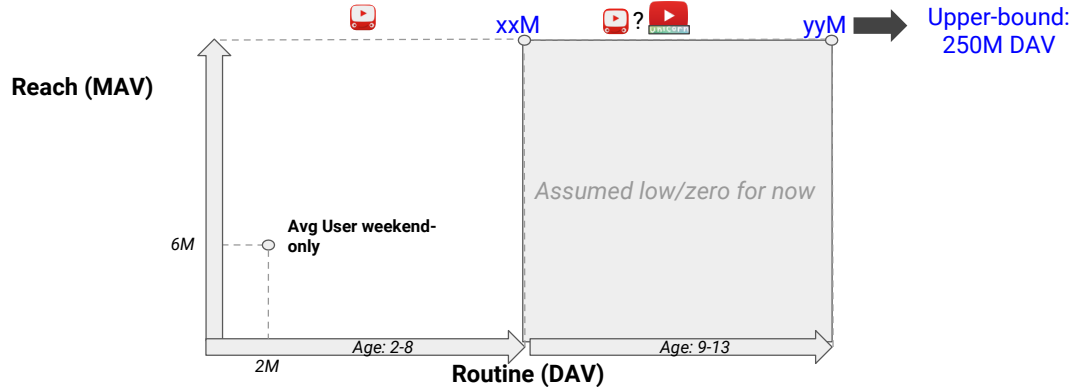
Potential options

Auction: Existing TrueView not a viable option

After YTK filters applied, there is only x% of TrV demand left as upper bound

YTK Growth Strategy: Become a Daily Tool for All U13 Kids globally

Continue to focus on increasing our Reach (MAV), etc while putting more effort into Engagement (DAV)



Grow Reach

1. i18n
2. Increase surface area (i.e. living room)
3. Launch 'deal-break' features (i.e blacklisting)

Encourage Routine

1. Non-Entertainment use cases (i.e Social)
2. Better mobile experience? (majority tablet today)
3. Content: Personalized morning show?

YTK User Growth strategy

Reach 100% of the world's U13 kids

1

i18n

	Kids (2-8)	Tweens (8-11) 2	
	All	Girls	Boys
EN	x%	x%	
SP	x%	x%	
EN_IN	x%	x%	
EN_IN			