OXFORD ECONOMICS

FROM OPPORTUNITY TO IMPACT

ASSESSING THE ECONOMIC, SOCIETAL, AND CULTURAL BENEFITS OF YOUTUBE IN ITALY

YouTube

Every day, YouTube helps people learn new skills, start businesses, create jobs, and enrich their lives. This study by Oxford Economics assesses the full economic, societal, and cultural impacts of the world's most popular video-hosting website in Italy, combining sophisticated survey techniques and economic modelling.

Around one billion hours of YouTube videos are watched every day across the world.[1] In Italy, these views generate substantial revenues for YouTube creators and other businesses—which in turn support economic activity and jobs in their supply chains, and throughout the wider economy.

In 2020, we calculate that YouTube's creative ecosystem contributed approximately:

€190 million

to Italy's GDP

15,000

FTE jobs across Italy

OUR METHODOLOGY

Oxford Economics' economic modelling used survey results and published data to estimate the contribution of YouTube to headline economic metrics such as GDP and employment.

We undertook an anonymised survey of 2,000 Italy-based users. We also surveyed more than 2,000 EU businesses and more than 4,600 EU content creators (of which 470 were in Italy).

Over the following pages, we present the results of our economic modelling and other key findings from our research. We also present a series of personalised case studies of successful YouTube creators.

OXFORD ECONOMICS

1. Source: YouTube internal data, June 2021

YouTube

THE TOTAL ECONOMIC IMPACT OF YOUTUBE'S CREATIVE ECOSYSTEM

REVENUES PAID BY YOUTUBE

e.g. from ads alongside YouTube videos

from royalty payments to a music label

DIRECT IMPACT

CONTENT CREATORS IN ITALY

- Creative entrepreneurs
- Media companies
- Music industry

Purchases of goods & services

INDIRECT IMPACT

SUPPLY CHAIN BUSINESSES IN ITALY

e.g. sound & film equipment, film editing & production, support services, suppliers' own supply chains

Consumer spending by supply chain workers

Consumer spending by content creators

INDUCED IMPACT

CONSUMER BUSINESSES IN ITALY

e.g. food & drink, recreation & leisure, household goods, consumer businesses' supply chains

JOBS & GDP

JOBS & GDP

OFF-PLATFORM REVENUES HELPED BY YOUTUBE

e.g. a creative entrepreneur is paid to promote a brand on YouTube

an independent baker sells more cakes due to their YouTube tutorials

a musician sells more fan merchandise due to their YouTube audience

CATALYTIC IMPACT

Another round of direct, indirect, & induced impacts from revenues aided by YouTube content

JOBS & GDP

TOTAL ECONOMIC IMPACT

€190 million
contribution to Italy's GDP

15,000
full-time equivalent jobs

Total economic impacts for 2020 calendar year

OXFORD ECONOMICS

Creative entrepreneurs comprise YouTube creators with at least 10,000 subscribers to their largest channel, and those with fewer subscribers who either earn money directly from YouTube, earn money through their YouTube videos from other sources, or permanently employ others in support of their YouTube activities.

Note: Results exclude the economic contribution of YouTube's own operations, and the benefits that businesses receive from increased sales as a result of advertising on YouTube.

YouTube

THE HOME OF CREATIVE ENTREPRENEURS

YouTube provides opportunities for "creative entrepreneurs" to find economic success and a sense of community.

75% **of creative entrepreneurs reported that YouTube has had a positive impact on their professional goals.**

76% **of creative entrepreneurs agreed that they identify and feel like they have a place to belong as a YouTuber.**

> *"YouTube gives me the opportunity to express my artistic content, in the hope that it can become my main source of income."*
>
> **Creator, 25–34 years old, Lazio**

Creative entrepreneurs comprise YouTube creators with at least 10,000 subscribers to their largest channel, and those with fewer subscribers who either earn money directly from YouTube, earn money through their YouTube videos from other sources, or permanently employ others in support of their YouTube activities.

OXFORD ECONOMICS

/ THESHOW

Entertainment channel (Milan)

Having grown up together in the suburbs of Milan, friends Alessio Stigliano and Alessandro Tenace launched theShow, their YouTube entertainment channel in 2013, while studying at the Polytechnic University of Milan.

Eight years later theShow is a YouTube channel, with six correspondents in addition to Alessio and Alessandro, and a production company that employs 12 professionals to create content. The channel has attracted more than 3.7 million subscribers and has received 1.2 billion views.

With their schedule of three content uploads per week, theShow generates a large portfolio of original material to not only entertain, but also to inform its audience on themes such as inclusiveness, sustainability, and female empowerment.

Advertising revenues from YouTube have enabled theShow to hire staff and produce higher quality programmes, helping to further raise the channel's profile within Italy. theShow has also capitalised on YouTube's membership feature, which allows members to access exclusive content.

theShow has secured commissions from Rai 2, Rai 4, Italia 1, MTV, and Discovery to participate in shows on national television. During COVID-19, theShow made public service programmes to promote the government's message to Italians to stay at home.

SHARING ITALIAN PASSIONS WITH AUDIENCES AT HOME AND ABROAD

YouTube provides a platform to share content with new audiences, both locally and internationally. This creates opportunities to not only earn income, but also to share Italian passions with the world.

68% of EU music, media and entertainment companies with a YouTube channel agreed that YouTube helps to grow the overall market for media content.

75% of Italian users agreed that YouTube allows them to view content they can't access through traditional media.

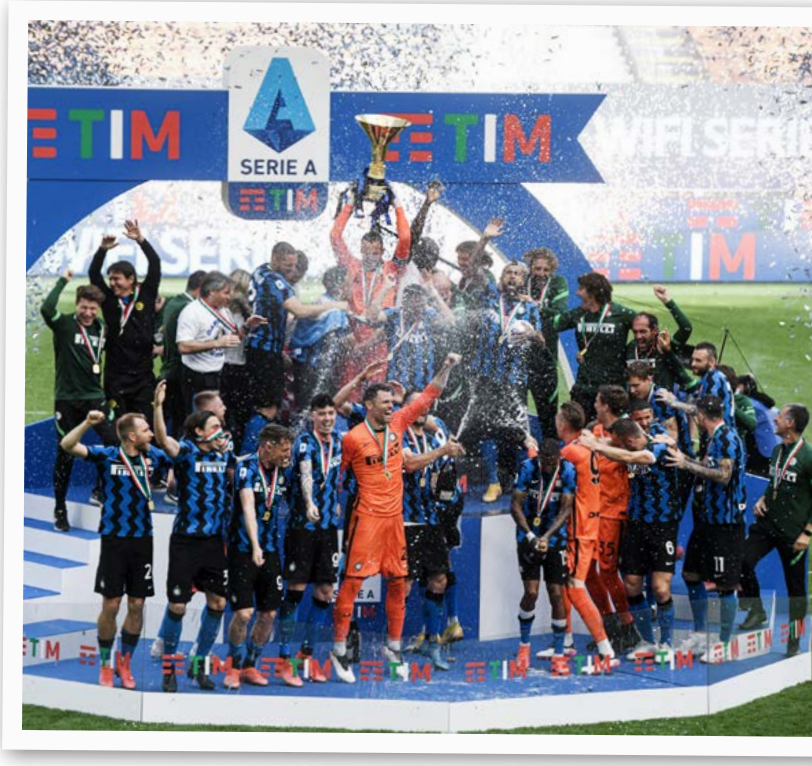
65% of Italian creative entrepreneurs agreed that YouTube helps them export their content to international audiences they wouldn't otherwise have access to.

More than half of Italian creators agreed that access to an audience outside of Italy is essential for their channel to be sustainable.

/ SERIE A

Football league

Italy's Serie A has always been one of the world's most-loved football leagues. Since launching on the YouTube platform, it has attracted 2.3 billion views and 6.7 million subscribers, making it the top football league channel on YouTube worldwide in terms of subscribers and in the top 10 global sport channels by viewership.[2]



The winning move was a decision to upload highlights of games onto YouTube—these are made available worldwide after the matches. Thanks to the YouTube platform, the Serie A channel now reaches an international audience, with Asia and North America generating the highest percentage of viewers.

It has created a community of fans on YouTube who follow Italian soccer and all its nuances, commenting on posts and videos, and sharing opinions on the community tab. This helped people to make connections by sharing the same passion during the Covid-19 lockdowns. Its #WEAREONETEAM campaign on YouTube united fans to cheer for the same players: doctors, nurses, and carers.

OXFORD ECONOMICS

2. Source: tubularlabs, Top Sport Channels January 2021

Creative entrepreneurs comprise YouTube creators with at least 10,000 subscribers to their largest channel, and those with fewer subscribers who either earn money directly from YouTube, earn money through their YouTube videos from other sources, or permanently employ others in support of their YouTube activities.

DRIVING CULTURAL DIVERSITY

YouTube makes it possible for anyone to be a creator. The diversity of this creator population is mirrored by YouTube's highly diverse content library, which connects users with culture of all kinds.

61% **of EU music, media, and entertainment companies with a YouTube channel agreed that YouTube plays a positive role in encouraging diversity among creators.**

65% **of EU music, media and entertainment companies with a YouTube channel agreed that YouTube has increased the supply of creative talent in the industry.**

83% **of Italian users agreed that YouTube is home to diverse content.**

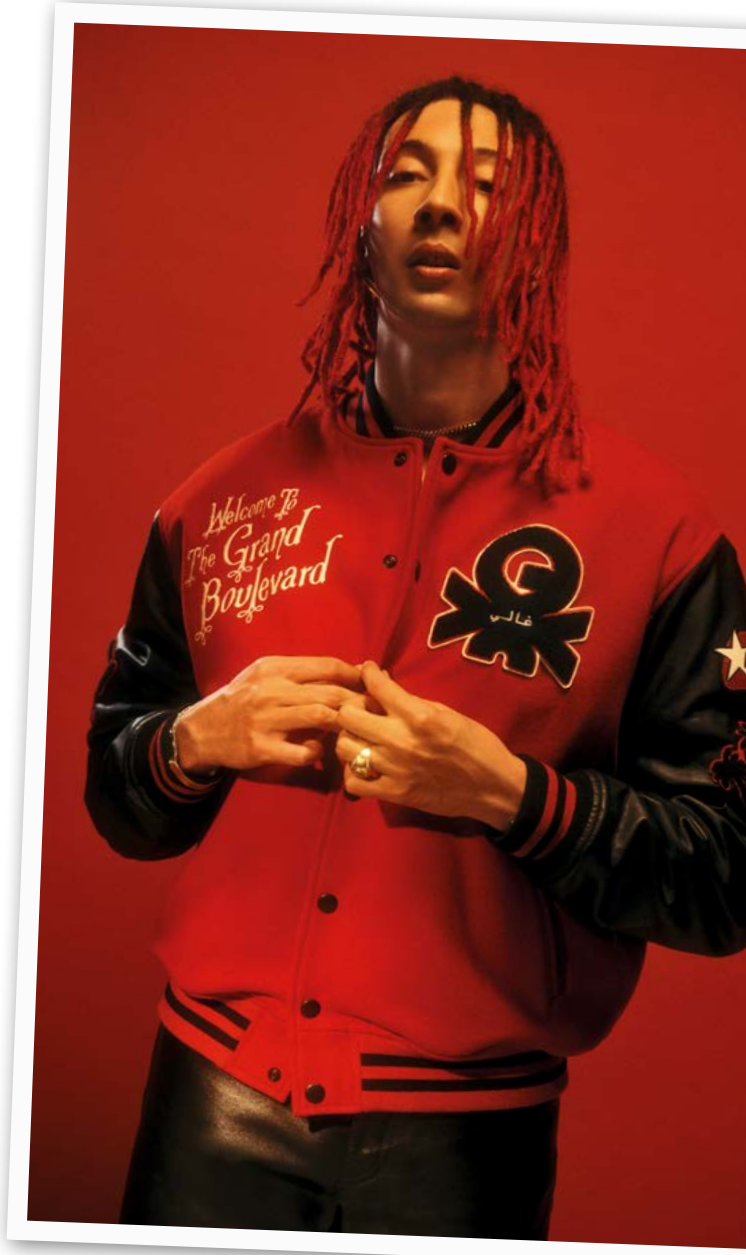
/ GHALI

Rapper

Italian rapper Ghali may now be a multi-award winning performer who is regularly at the top of the charts, but back in 2011 he was just trying to break into the music business. YouTube gave Ghali, who is of Tunisian heritage, the opportunity to bring a new mix of North African sounds directly to the Italian audience, driving a key innovation in the Italian music landscape.

Ten years on and with 2.5 million subscribers and almost a billion views of his videos, Ghali has successfully embarked on a collaboration with Vodafone, which was instrumental in his anti-racism hit song "Cara Italia". He has worked with global superstars such as Stormzy, Ed Sheeran, Noizy, Soprano, and Lacrim, and last year his album DNA debuted at number one in the Italian official album chart.

Thanks to YouTube, Ghali's music has reached an international audience, particularly in the Middle East North Africa region. While he gets most of his views within Italy, Tunisia and Algeria are the second and third most popular countries in terms of viewership.



OXFORD ECONOMICS

YOUTUBE SUPPORTS BUSINESSES

YouTube helps businesses connect with more customers at home and abroad—increasing reach, driving revenues, and supporting jobs.

70% of EU businesses with a YouTube channel agreed that YouTube played a role in helping them grow their customer base.

75% of EU businesses with a YouTube channel agreed that being on YouTube helps customers to find their business.

72% of EU businesses with a YouTube channel agreed that YouTube helps them reach new audiences across the world.

"YouTube is one of our main mediums to market our products and services; it has been extremely successful. We are currently estimated to be worth €10 million after just about two years. All of this was possible due to our media outreach through YouTube and our blogs."

Head of social media for a digital bank, Italy

Sfio Cracho/Shutterstock.com

OXFORD ECONOMICS

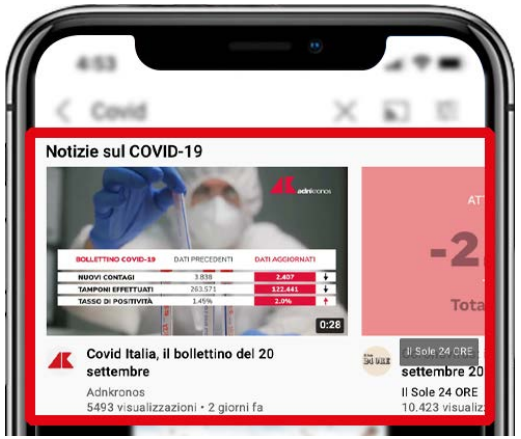
SUPPORTING ITALIANS DURING COVID-19

A SOURCE OF INFORMATION

92% of Italian users reported that they use YouTube to gather information and knowledge.

Covid-19 info panels that appear in Covid-19-related search results and watch pages, providing links to Ministero della Salute web pages with general Covid-19 guidance and vaccine information.

57% of Italian users agreed that YouTube has been a reliable source of information since the start of the Covid-19 pandemic.



Covid-19 news shelf appears on the YouTube homepage to make it easy for users to get up-to-date and authoritative news on Covid-19.

HELFULNESS

69% of Italian users agreed that YouTube has been helpful since the start of the Covid-19 pandemic.

> *"It was of great help during the lockdown for physical and recreational activities."*
>
> **User, 45–54 years old, Toscana**

> *"It helped a lot, especially during the pandemic, allowing you to have a virtually infinite catalogue of videos and very varied content."*
>
> **User, 25–34 years old, Emilia-Romagna**

SMBs

67% of EU businesses who use YouTube agreed that their use of YouTube during the Covid-19 pandemic has helped their organization reach new customers or audiences.

> *"It has been a great aid during the pandemic. We have been able to attract a lot of interest as a result of our social media content."*
>
> **Project coordinator for a health NGO, Italy**

OXFORD ECONOMICS

ABOUT OXFORD ECONOMICS

Oxford Economics was founded in 1981 as a commercial venture with Oxford University's business college to provide economic forecasting and modelling to UK companies and financial institutions expanding abroad. Since then, we have become one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on more than 200 countries, 250 industrial sectors, and 7,000 cities and regions.

Headquartered in Oxford, England, with regional centres in New York, London, Frankfurt, and Singapore, Oxford Economics employs 400 full-time staff, including more than 250 professional economists, industry experts, and business editors. Our global team is highly skilled in a full range of research techniques and thought leadership capabilities from econometric modelling, scenario framing, and economic impact analysis to market surveys, case studies, expert panels, and web analytics.

Oxford Economics is a key adviser to corporate, financial and government decision-makers and thought leaders. Our worldwide client base now comprises over 2,000 international organisations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

OXFORD ECONOMICS

METHODOLOGY Q&A

How did we estimate the GDP contribution of YouTube's creative ecosystem?

The total pay-out from YouTube in 2020 was estimated using survey results from YouTube content creators and published information on music industry revenues.

Off-platform revenues for creative entrepreneurs were estimated from creator survey responses. Off-platform revenues for music and media businesses were estimated from survey responses from EU businesses.

We estimated the direct GDP contribution of creative entrepreneurs by subtracting intermediate costs from revenue associated with YouTube activity (the "production" approach). The direct GDP contribution of music and media companies was estimated by applying a standard GDP:output ratio to the revenue estimates.

We then used an input-output model—in essence, a table showing who buys what, and from whom, in the Italian economy—to estimate both the supply chain (indirect) and worker spending (induced) impacts. The model for Italy was drawn from Oxford Economics' Global Impact Model, which is in turn based on OECD data.

Our results are presented on a gross basis: in other words, they do not consider what the resources used by content creators or stimulated by their expenditure could alternatively have been deployed to do.

Do the results exclude any activity connected with YouTube?

Our estimates exclude the economic contribution of YouTube's own operations, and the benefits that businesses receive from increased sales as a result of advertising on YouTube.

How did we estimate the total jobs supported by YouTube?

Full-Time Equivalent (FTE) jobs supported amongst creative entrepreneurs were estimated from survey responses relating to the weekly hours spent working on YouTube. We only included responses from creative entrepreneurs who spend at least eight hours per week working on YouTube. Jobs supported amongst creative entrepreneurs' permanent employees were also estimated from survey responses.

Jobs supported by media and music companies, and through indirect and induced impacts for all types of creator, were estimated by applying productivity assumptions to the GDP results.

Note: The case studies presented in this document are based on information provided by YouTube. Numbers of subscribers and views are as of October 2021 unless otherwise stated.

YouTube