

Casey Neistat, Case Study by Chris Langdon for MGT 378 Social Media Analytics

Peter Drucker School of Management, Claremont Graduate University

May 2019 - Updated for Spring 2019; original Version 1.0 for Spring 2018

Reference	1
Objective	1
Upfront, In-class Survey	2
Introduction	2
Analysis	2
The CN business	3
The Content business	3
What did CN do?	4
Conclusion	4

Reference

- Casey Neistat, Case Study by Chris Langdon for MGT 378 Social Media Analytics, Drucker School of Management, Claremont Graduate University (Spring 2018)
- For use of the case study method in teaching (accessed 2017-11-14):
<https://www.hbs.edu/mba/academic-experience/Pages/the-hbs-case-method.aspx>
- For a history of the case study method (accessed 2017-11-14):
<http://www.wsj.com/public/resources/documents/bartonarticle.pdf>

Objective

- **If you only have 5 minutes, jump to ->**
- Illustrate (a) the power, (b) limitations and (c) overall role (leading actor vs. supporting cast member) of Social Media (Social thereafter) in business
- Clearly delineate aspects of Social: channel, data, targeting/tailoring ...
- Construct a “Business Scenario” (step #1 of the 3-Step Analytics Process with Parsimonious Models): Decompose the business using your mgmt/marketing tool box

- Schlueter Langdon, C. 2014. 3-Step Analytics Success With Parsimonious Models. In: Wang, J. (ed). Encyclopedia of Business Analytics and Optimization. IGI Global: Hershey, PA/London: 1-13
- Understand business strategies and critical success factors

Upfront, In-class Survey

- Collect own data with the class as a convenience sample
- To be administered upfront, in Session #2 for Session #3, see PPT slide with survey instrument)

Introduction

- Intro: Who is Casey Neistat or what is the Casey Neistat business
 - -> Intro, video “Filmmaking is a sport” (accessed 2018-04-03), https://youtu.be/2Dpd_8n3A5U
- Casey Neistat is a Social Media celebrity & success story
 - “YouTube celebrity and tech entrepreneur Casey Neistat” **Adweek** (2016-11-28): <http://www.adweek.com/digital/cnn-will-launch-new-media-company-youtube-star-casey-neistat-174804/>
 - “Celebs, social media stars raise \$1 million for Somalis facing famine” **CNN** (2017-03-17): <https://www.cnn.com/2017/03/18/us/social-media-somalia/index.html>
- Additional info on Casey Neistat
 - Casey Neistat on Wikipedia: https://en.wikipedia.org/wiki/Casey_Neistat
 - His business and channel on Youtube: <https://www.youtube.com/user/caseyneistat>
 - -> Casey’s overview video” “DO WHAT YOU CAN’T” (accessed 2018-04-05): <https://youtu.be/jG7dSXcfVqE>
 - New 368 as of 2018-04-05: New daily Vlog, show, video on this Channel, called 368, named after office or studio location on 368 Broadway
 - Advertising product example: <https://www.mercedes-benz.com/en/mercedes-benz/lifestyle/adventure/casey-neistat-work-hard-and-be-brave/>

Analysis

Key question: What has caused the success of CN? What has been the role of Social Media - how did it contribute and to what extent?

The CN business

- Business overview: Video “How Casey Neistat changed YouTube forever” (accessed 2018-02-03), https://youtu.be/bFLz_u2CXM
- Industry-level view: Deconstruct the CN business system using Mgmt Toolbox, e.g., Porter’s VS/VC
 - -> ADD high-level diagram
 - CN is in the entertainment business creating content, specifically short films or videos
 - CN’s content is distributed over the Internet using Youtube
 - CN is not charging viewers, instead it is collecting advertising revenue from Youtube
- Company-level view
 - CN content is anchored by C’s personality
 - CN content = High quality in terms of (a) story, (b) cinematography (camera count, drones), (c) music, and (d) editing (several hours of post production for a 10 min movie)
 - Production quality:
 - -> Use of cameras: Video “NEVER TAKE NO FOR AN ANSWER” Casey Neistat (at 2:55) (accessed 2018-04-05), <https://youtu.be/Sy3Sghe5NPM?t=2m57s>
 - Camera focus: Video “Why I always wear sunglasses” Casey Neistat (starting at 04:00, why at 06:50) (accessed 2018-04-05): <https://youtu.be/xFbJoXJBIIA>
 - Drone testing: Video DJi Phantom 4 Pro+ vs. Inspire Pro vs. Mavic Pro in 4K (accessed 2018-04-05): <https://youtu.be/nsycuxfou6Q>
 - According to Wikipedia, some early CN videos gained media exposure: iPod’s Dirty Secret in 2003 and Bike Lane in 2010. The latter was picked up by mass media, such as New York Magazine and Time (Time listed it as a top 10 video on “The Top 10 Everything of 2011” list).
- Business problem: How to expand beyond one-hit-wonders and create more enduring and sustainable economic success?

The Content business

How has this problem been solved in other content businesses?

- Old music business: In case of a hit single, write more songs, create a bundle and sell it as an **album**. Digital, such as iTunes, killed the album, and the music business collapsed
- Movies: Create a **franchise** (Star Wars, Bond 007, Marvel ...)
- TV: Create a **channel** (MTV, HBO, Fox ...)
- TV channel: Create a **series** (Sopranos, Breaking Bad, House of Cards ...)

- Conclusion: The success formula is (a) differentiated content, and (b) “more of the same.”

What did CN do?

- Quantity of output or volume
 - “It took 5 years to create the first 50” (Wikipedia, Casey in various vlogs)
 - “Then 1 year for the next 50” (switch to weekly vlogs in 2015)
 - “Then daily vlogs in 2016 [...] Officially, I ended the daily Vlog in Fall of 2016 [...]” (What’s next for me on Youtube, Youtube, published 2018-04-05) - switch to Beem, which ultimately failed end of 2017
 - 3 words got me 3 MILLION SUBSCRIBERS - Just keep uploading (first 3min) (accessed 2018-04-05), https://youtu.be/_a2GpAq8q8g
 - -> ADD chart: Plot vlog count and subscriber count over time
- Quality of output
 - Workflow: Video “How do i keep going?” (at 07:11) (accessed 2018-04-05), <https://youtu.be/E8RrVitzl9l?t=7m11s>
 - Workflow and “recipe” (according to Casey Neistat): Video “HOW TO VLOG LIKE CASEY NEISTAT by CASEY NEISTAT” Casey Neistat (from 02:10) (accessed 2018-04-05): <https://youtu.be/Q980C74SdYQ?t=2m10s>
- Role of Social (as of 2018-03-28)
 - CN on Instagram (3m Followers, 1456 Following, 1855 Posts), CN on Twitter (1.78m followers, 1,607 following, 18.8k tweets, 25k likes), CN on Facebook (916k likes, 924k followers), CN on Snapchat (?)
 - Video: “500k to 4M Subscribers in 18 Months? Casey Neistat [CASE REVIEW]” (accessed 2018-04-05), <https://youtu.be/PNEvLUdtFic>

Conclusion

What's the root cause of success, role of Social?

- “Content is king:” Unique content due to C’s personality and its high production quality is at the core of the business. It would not exist without this content
- “*Just keep uploading:*” Very strong correlation between the jump in content frequency on one hand, and subscriptions on the other hand
- The analysis of other media businesses suggests that (a) more of the same and (b) accelerated frequency of new content was the main cause of rapid growth of viewership and subscriptions
- CN is benefiting from traditional advertising instruments: Conference speaking engagements and coverage by traditional mass media (PR)

- CN has been an avid conference speaker globally -> Increase awareness, reinforce status as an expert and success story, enhance visibility, spread the word
- Conferences can be a strong multiplier because (a) other presenters tend to be influencers, (b) the audience are fans and sympathizers, and (c) there is press coverage. All of the above can help spread the word
- With more frequent content, more content, more visibility as an expert and success story CN has obtained celebrity status
- Upward spiral: Celebrity status in turn creates more and broader conference and mass media opportunities
- -> McKinsey interview of Duncan Watts, Yahoo! Chief Scientist, “The Future of Marketing“, 2011, Youtube (2:30 – 5:40 min) (accessed 2015-10-15): <http://www.youtube.com/watch?v=pC38DcTZHYs>
- The CN business lends itself to advertising, PR and Social.
 - CN is not selling anything to consumers. CN content is free.
 - All it takes to “act” (see AIDA) is to click on a link. No cost, no risk, no commitment - just a click.
 - In addition, gratification is instant: no sign-up, no credit card entry, no installation required, no waiting time - just watch.
 - This is a low hurdle for any ad//PR instrument.
- => Social as a channel has been essential. Social as advertising seems to have been a sideshow.