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Action! Roll 'em: Personal video poised to take off

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Executive summary

To date, personal video hasn't exploded the way photos have. But, like photos, personal video has the potential to break out from its role as a storehouse for memories of life's key moments and become an integral part of consumers' real-time social sharing habits.

With camcorders, creating a polished movie worth sharing took much more time, effort, and skill than enhancing and sharing photos -- even with easy video editing programs like iMovie. Most consumers lack the artistry to marry shooting video with high production values, editing, music, and dialogue to create a compelling narrative. This imbalance restricted taking video to special occasions and to use by dedicated prosumer hobbyists.

Now, video cameras have become ubiquitous on mobile phones, and short-form video apps like Vine and Instagram are familiarizing consumers with the concept of taking video anytime, anywhere. With easy-to-use tools from the likes of Animoto and Magisto arriving in an evolving ecosystem, longer, story-driven personal video is poised to take off. If the following take hold, adoption of personal video will match that of photo sharing:

- In terms of **video capture**, short-form video taken on smartphones is booming. The line between video and photos is blurring: Consumers can take photos and videos at the same time, and extract high-resolution photos from video footage post-recording. For actual usage to blur, the industry must educate customers that they can capture photos and video simultaneously, rather than having to choose between the two media types.

- **Video enhancement** solutions have made huge strides recently. Video editing no longer requires a substantial learning curve. Some apps or websites let consumers create an edited and professional looking multimedia video literally within minutes. Going forward, these automatic video enhancement solutions must be better integrated with action cam footage and viral sharing -- they're starting to get good at photo and music integration already.

- **Video sharing** on the smartphone is starting to trend toward "here-and-now sharing," with the consumer recording and enhancing the video on the same device. That would accelerate if users get more selective sharing options -- beyond mass-posting on YouTube and Facebook, they'll want to post to specific groups of friends and family, and ad hoc contacts based on vicinity, address book, calendar, and social network data.

Current state of personal video

Several factors indicate that we're about to witness an explosion of video taking, enhancing, and sharing:

- Virtually every smartphone and tablet is now capable of taking videos. Smartphone adoption has crossed 50 percent in the U.S., with overall global shipments on a similar pace.

Global mobile handset shipments for smartphones and non-smartphones, 2012–2017
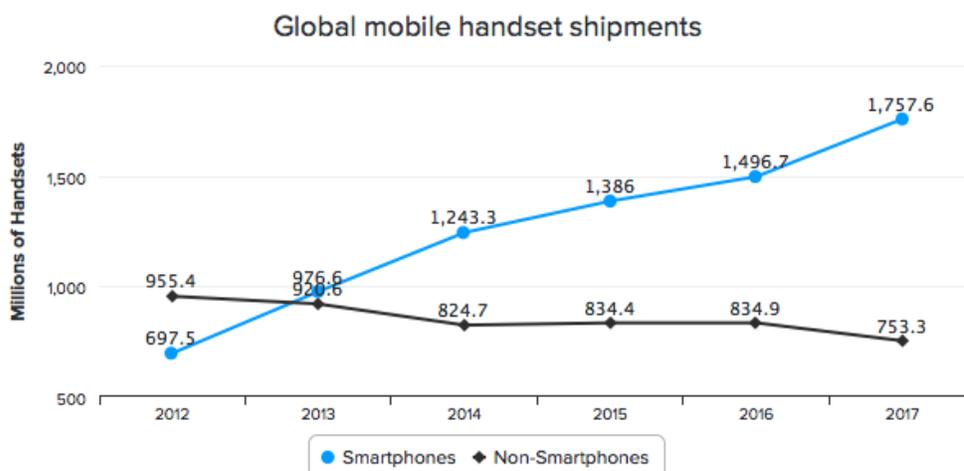
Source: Smith's Point Analytics; Gigaom Research

- Video consumption on smartphones is beginning to proliferate. According to Nielsen, 28 percent of U.S. smartphone users watch video or mobile TV, and a whopping 44 percent do in South Korea.

- A new survey by the Pew Research Center showed that 26 percent of U.S. internet users post personal videos they've taken, and 36 percent share videos online. That's a relatively high ratio of creators to sharers.

- Magisto reports that users of its Android app use it for video twice a month, taking 3.5 videos on average for a total of 6 minutes of video capture. Video adoption approaches that of photo taking: those same users use the photo function 10 times a month and average 60 photos/month.

- One hundred hours of video are uploaded to YouTube every minute. Over 6 billion hours of personal and professional video are watched each month on YouTube; that's almost an hour for every person on Earth, and 50 percent more than last year.

- Vine, Twitter's six-second video app that launched eight months ago, has been downloaded 40 million times; 27 million downloads occurred in just the last two months. Instagram added similar video capabilities at the end of June.

So, is video the next big thing?

First, a word of caution. We've heard these kinds of proclamations about video before. Video apps from Socialcam and Viddy lead the overall iPhone app download charts last spring, and Autodesk acquired Socialcam for $60 million. But as it turned out, much of the success Socialcam and Viddy enjoyed came from somewhat shady Facebook promotion techniques; that ended when Facebook tightened some of its policies.

Second, no matter how impressive these personal video adoption numbers are, they are still dwarfed by those for photos. Consumers uploaded more than 350 million photos per day to Facebook in the fourth quarter of 2012. So far, more than 240 billion photos have been shared on Facebook and 89 million Flickr users have shared over eight billion photos. Currently, there are no free video apps in the U.S. top-10 store downloads in either iTunes or Google Play. Vine, the highest-ranking video app, is listed twelfth overall in iTunes, followed at great distance by Keek, which is listed at 194.

As noted, the video cameras are in consumers' pockets, and those users are already watching video on their smartphones. The personal video market will blossom as the trends for the three main use cases in what could be considered the video workflow -- video capture, video enhancement[1], and video sharing -- all point in the direction of substantial future growth. We believe comparing what happened with personal photos is a leading indicator of what will come in personal video.

Video capture trends

Capturing video is rapidly evolving, not only in terms of the type of video capture devices on the market, but also in terms of the length of recorded video clips and the choices becoming available for taking videos in conjunction with photos. The ubiquity of the devices is also dramatically changing the subject matter of what we are capturing -- from baby's first steps to breaking news.

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[1] *We consider "video enhancement" to include both video editing and applying creative filters or effects.*

Video capture devices: From camcorder to smartphones and wearable cameras

Traditional camcorder sales have dropped dramatically in the last few years. FutureSource reports that shipments dropped 28 percent worldwide last year. At the same time, smartphone and tablet sales are up, and their video capturing quality keeps improving. Just before press time of this report, Acer and Samsung announced new smartphones that are even capable of capturing video at 4K resolution, which could add momentum to a video-first mentality.

What smartphones still lack in video quality compared to camcorders, they more than compensate for with portability ("always with you"), price (in essence free, assuming one also needs a smartphone for reasons other than video capture), connectivity (making immediate sharing a reality), and an abundance of apps.

Action cams, exemplified by GoPro, typically come without a viewfinder and are attached to sporting equipment, such as helmets or snorkels. They can automatically capture footage when the user is on the go. These action cams have grown to be a substantial part of the overall camcorder market.

Video capture: From various lengths to short videos

Vine was neither the first app enabling users to capture short videos, nor the last, but at present it is the leading short-form video capture app. Apps catering to short-form videos currently dominate the free iOS and Android Google Play app charts.[2]

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[2] *The ranking snapshots reported in this report were all taken on August 30, 2013, as reported by App Annie and are meant to give a rough indication of their current popularity, as rankings often change on a daily basis.*

U.S. iOS download rankings free video apps

Video apps	Length	iOS U.S. overall apps	Short video
Vine	6 seconds	**12**	√
Video on Instagram	15 seconds	**N/A, part of Instagram**	√
Keek	36 seconds	**194**	√
Magisto	60 seconds free version; 240 seconds premium service	**308**	
Video Star	length of the song	**335**	√
Video for Kik	30 seconds	**357**	√
Animoto		**454**	
Givit Video Editor		**1,141**	
Viddy	30 seconds	**>1,500**	√
Socialcam		**>1,500**	
MixBit	16 seconds	**>1,500**	√

Source: App Annie; Gigaom Research

U.S. Android download rankings free video apps

Video apps	Length	Google Play U.S. overall apps	Short video
Vine	6 seconds	**30**	√
Magisto		**290**	
Video for Kik	30 seconds	**306**	√
Keek	36 seconds	**473**	√
Socialcam		**>1,500**	
Animoto		**>1,500**	
Video on Instagram	15 seconds	**N/A, part of Instagram**	√

Source: App Annie; Gigaom Research

Will the move toward short-form video lead to a reduction of longer videos being recorded? We don't think so. We believe short-form video is primarily a fast medium used to share a visual impression, i.e., an alternative to a text tweet or a photo -- something fun, something quick, capturing a fleeting moment, akin to how animated GIFs have become popular.

At the same time, people will still create or produce longer videos that capture more complete experiences worth remembering or sharing, such as a birthday party, a soccer game, or a graduation ceremony. Longer videos tell a story better. The trade-off used to be in the skills and effort needed to create those narratives, but that's being addressed, as we will see.

Capturing photos or videos: The consumer no longer needs to choose

Until recently, most smartphones forced users to choose between taking photos and recording video. This forced choice artificially hampered the growth of personal videos, because photos have traditionally been, and are still, the dominant medium, but with both hardware and software innovations, this forced choice is increasingly becoming a thing of the past:

- Most newer high-end smartphone models let users press the photo camera button while recording videos.

- GoPro's Hero3 enables users to take photos automatically and at predefined intervals while they are recording video.

- The iPhone app Takes follows a different route: it asks the user to take a sequence of photos and then intelligently records video in the background between the photo shots. The video length is based on factors such as the time and camera movement in the intervals between when the photos are shot. Flashback is a recently launched similar app, which automatically records up to five seconds of video with every photo.

- A new generation of smartphones that will be able to capture 4K video will offer yet another photo-video workflow in which a user no longer has to worry about taking photos while recording video. Users also wanting photos of a particular event should be able to generate these after the fact by extracting frames at high enough resolution for most photo use cases. A newly announced app, Taplet, will make this extraction fast and easy, and others might follow. In other words, consumers will soon have a true video-first workflow option.

Video enhancing trends

New apps and cloud-based services are enabling consumer creativity. Users will increasingly create "cool" and "shareworthy" videos with the push of a few buttons on their ever-present device, the smartphone. The trends we are seeing are a movement:

- From desktop to smartphone video enhancement

- From manual control to intelligent automation

Traditionally, hobbyists have transferred camcorder-shot video footage to a computer for editing in expensive and complex (by today's web and smartphone app standards) desktop software, such as Final Cut Pro, Pinnacle, Magix, Adobe Premiere, or, on the low end, programs like iMovie or Windows Movie Maker.

Typical video editing tasks include:

- Manually trimming video fragments

- Arranging video footage in a timeline sequence

- Adding transition effects, music, or text

The videos are often rendered at a resolution high enough to show on TV, so the files might require a CD or DVD for sharing. These videos are a "production," requiring the hobbyist to spend time learning the program and performing the various manual editing tasks.

The arrival of a new generation of web applications and smartphone apps changed all of this. These apps cater to a new breed of more casual video users, who care less about resolution and polish, and more about speed, ease of use, coolness, and the ability to enhance video right there and then, on whatever device they've taken the video. And yes, today's users expect these solutions to be free, at least in the basic version.

We've seen a similar phenomenon in the photo world, where Photoshop hobbyists are increasingly outnumbered by Instagram "artists." Photo and video enhancement has been democratized for the masses. These new user needs explain the current surge in short-form videos, which don't require editing other than perhaps some one-click creative enhancements through filters or easy effects.

But how about longer videos? Or videos that might contain multiple video segments or even combine videos with photos? Whereas short-form videos can be creatively enhanced through apps that offer one-click filters or effects, long-form videos require a level of intelligent automation that makes video editing and enhancement cool and possible to do with a few clicks.

Noteworthy examples of automated video enhancement solutions that address today's consumer's desire to produce easy, but visually compelling videos that might contain multiple clips, photos, and sound, include the following.

- Animoto offers an easy solution to combine short video clips with music, text, and effects. The result is a professional-looking short video, rendered in the cloud with little effort on the user's part.

- Magisto has a rich app and service solution to automate the creation of longer-form personal videos. It applies artificial intelligence when creating multimedia videos based on an analysis of the visuals (facial recognition, object detection, or camera motion), the audio (speech or music), and the user's desired style for the end product. It can accommodate up to 10 minutes and 5 photos in the free version and up to 25 minutes and 30 pictures in the paid version

- Givit, which is based on software originally developed for the Flip video camera, offers a more traditional timeline interface, but makes the editing relatively easy and fast by enabling users to indicate "must keep" footage in real time while they're shooting video, thus eliminating some of the manual editing needs later on.

- MixBit, a recently launched app with two pedigree founders, YouTube's Chad Hurley and Steve Chen, lets their users shoot short videos (up to 16 seconds), as well as combine the short videos into longer videos with up to 256 clips. Clips are also stored as independent elements for later use in other videos. In addition, MixBit is building a community for users to share its clips for reuse in "remixed" videos.

- Muvee has several smartphone video editing apps, including Video Wiz and Video Editor, that are preinstalled on and optimized for certain LG and HTC smartphones, leveraging these devices' chipsets to do the video editing on the devices in real-time rather than performing the video rendering in the cloud.

Video sharing trends

A robust video-sharing ecosystem will be just as critical as enhancement apps in driving the growth of the personal video market. The timing, targeting, and nature of video sharing is rapidly evolving. We're seeing a movement toward more immediate sharing, more sharing with selected friends or family members, and the option of sharing transient videos. The more options -- not to say control -- users have over video sharing, the better.

Immediate sharing

We increasingly live in a world of immediacy, in which instant messaging supplants emails, tweets replace blogs, and photos are shared in real time, directly from people's smartphones. These trends set expectations for video sharing: if consumers capture video that's worth sharing, they'd typically like to do it on the spot, i.e., from their smartphones, with a few clicks to edit or enhance it. For many, the delay of transferring video footage to a computer for editing in specialized programs and sharing from there is no longer a viable option.

Selective sharing

Today's personal video sharing happens on YouTube and Facebook and Twitter. Although videos on YouTube or Facebook can technically also be shared with a smaller selection of friends, this requires extra steps, as the default is to share videos with all YouTube viewers and with all Facebook friends (which is, on average, 130 people). The same is true for photos, though we're seeing lots of new solutions, including Moment.me, Albumatic, Flock, Birdbox, Famil.io, Highlight, Joindrop, Cluster, and Tracks, that allow users to share their photos with more finite groups of friends, family, or even casual contacts who were present when the photos were taken.

Increasingly, today's video editing apps allow users to email their videos by embedding a link for playback or download, or both. These apps cater to the needs of those who prefer to share their videos a la carte but have videos that are too large to attach and find it too complicated to upload their videos first to a storage or sharing site and retrieve their video links from there. Magisto, for one, recently introduced Open Albums that enable video sharing around topics or interests.

Transient sharing

Snapchat was the first to offer photo-sharing consumers a choice they'd never realized they might even want: they could share photos that self-destruct after a few seconds, both on their own smartphone and

on the recipient's. A month after Snapchat penetrated the top 10 iOS download rankings for the first time, it also added the option of sharing self-destructive 10-second videos. And its usage keeps growing: 350 million messages are now being shared each day, up from just 150 million messages less than six months ago.

Outlook: What's needed

Ultimately, personal video is all about sharing moments -- whether as part of a real-time communication exchange or as a preserved memory -- in a narrative that is uniquely suitable for conveying these experiences. The personal video ecosystem is developing nicely to support more user options in this sharing: in the immediacy with which people can now share videos, the choice to share them only with specific groups, and the creative options and multimedia richness they can apply to the videos they'd like to share.

Until recently, capturing, enhancing, and sharing personal video has been hard, relegating this media type to a second-class citizen status behind photos. This is changing. When the right drivers are in place to make the capturing, enhancing, and sharing easy, fun, and rewarding, the adoption of personal video will accelerate, and likely evolve in unpredicted ways.

We see a sustained growth of personal video for the foreseeable future, driven by the following.

Driver: Capturing video and photos simultaneously

The ability to take photos and videos at the same time, and to easily extract high-resolution photos from videos, will become be a major driver for moving away from a photo-only experience to one that offers consumers multiple options for how they want to preserve moments in their lives that are worth sharing. This will result in more video being captured.

Driver: Easy enhancing

The ability to produce interesting and polished-looking video of common situations and from mediocre footage is a major driver for people to record video. Just as effect or filter apps can make seemingly mundane situations appear worth capturing through photos, apps with easy and cool video enhancement -- especially those that ease the "editing into a narrative" process -- will encourage video capture in situations that previously might not even have been candidates for old-school video-taping.

Where video editing in the past has been complex (e.g., when multiple video clips need to be trimmed or combined with other footage, photos, or sound clips), intelligent and automated video enhancement solutions will further drive the personal video market.

Another video enhancement driver is more functional than artistic. Increasingly, smartphone cameras and apps also add features to improve low-quality footage, such as image stabilization, low-light correction, and video-taking guidance.

Driver: Seamless sharing

The success of short-form video apps indicates that the ability to share videos seamlessly through the click of a button is a major driver for taking and enhancing videos.

We've seen a similar phenomenon with Instagram's initial growth as a photo-enhancement and photo-sharing platform: not only did Instagram help make common photos look interesting and worth sharing, it also derived much of its early growth from making it simple to share photos on any major social network. Rather than needing to become a friend to see other people's photos (the Facebook model), a person could just follow them (the Twitter model). The ease of developing an audience that could share a person's photos was a major incentive for that person to take (and enhance) more.

As more consumers want to share their experiences and stories a la carte with selected friends or family members rather than through mass postings on their social networks, the growth of easy ways to upload video and receive a sharing link will further drive this seamless video-sharing experience. It will solve one of the main inhibitors of sharing videos in the past: videos were often too large to attach to emails and sharing them through other methods was too complicated for many.

Inhibitor: Fewer unlimited data plans

With carrier mobile data revenues expected to pass mobile voice revenues in the fourth quarter this year, major U.S. carriers such as Verizon and AT&T have started to replace their unlimited data family plans with tiered usage plans. It's too early to tell whether the termination of unlimited data plans will hold smartphone consumers back from sharing their videos, as their preference is sharing "here and now," rather than waiting for internet connectivity that won't consume their data plan.

The balance

So, is personal video going to become the next big thing after all? Personal video will go through a rapid growth phase and will coexist alongside photos, but we don't believe it will overtake photo as the main visual communication media type. Photos aren't going away, and, in fact, adoption growth hasn't slowed. The more important question is how can personal video best coexist and complement photos, so that personal video can support a healthy marketplace for providers and a great experience for users. At the same time, we are seeing some conceptual blurring between personal photos and videos.

Recommendations

So what must the personal video industry provide to create this environment?

Video capture

Video capture is a done deal. The cameras are in place; it's just a matter of marketing reminders about how easy it is to do. Far more critical are enhancement and sharing.

Many video or photo takers don't yet realize that they can take photos and videos at the same time. Hence, they tend to resort to their traditional habits, i.e., taking photos. It will require a concerted effort from video-enhancement solution providers to educate consumers that this is no longer a choice they must make. The solution providers that most directly benefit from this increased awareness are those that let users combine videos and photos into rich multimedia videos.

Video enhancement

Easy, seamless, one-click video enhancement has made tremendous progress in the last few years. We are now able to simply apply a creative effect to a short-form video or create rich multimedia video productions that contain multiple video clips, photos, and music tracks.

With the selection and placement of video fragments and photos into multimedia videos becoming more and more an automatic process, as is the case with Magisto, a natural expansion path is to offer video collaboration solutions for those occasions when multiple users (such as parents at a soccer game) would like to share their video footage and photos and need an easy method for creating an appealing group video.

Video sharing

The current wave of short-forms videos is primarily used for quick sharing; these video clips typically don't find their way into more advanced and longer videos. Our recommendation for video enhancement apps is to make the option to include short-form videos in long-form videos easier and more obvious to the consumer, e.g., by integrating with the leading short-form video apps or offering their own short-form video camera app functionality. *MixBit*, which exclusively uses short-form videos as building blocks for longer videos, is a good example in this direction, but a natural next step is to mix and match both longer videos and shorter videos into a rich video production.

Selective video sharing is important for many of today's consumers. In the photo world, we're seeing quite a few initiatives that make it easy to discover people who might be interested in viewing each other's photos, whether it is based on geo vicinity when the photos were taken, contact, calendar, or social network data. We believe that this concept of ad hoc photo sharing circles should be extended toward one that is optimized for video by including the type of collaboration features we outlined earlier.

Key takeaways

- Short-form video capture through mobile devices is booming.

- Video enhancement -- in the past a complicated affair and the exclusive domain of serious hobbyists -- is rapidly becoming easy and seamless, even when done with long-form videos on the small screens of smartphones.

- Video sharing is trending toward "here-and-now" sharing directly from smartphones, immediately after video capture and enhancement.

- For personal video to reach photo-like ubiquity, suppliers need to provide easy-to-use apps and cloud-based solutions that support users' needs for narrative, creativity, and more control over sharing options.

- Our prediction is that personal video will go through a rapid growth phase and will coexist and even include photos.

About Hans Hartman

Hans Hartman is principal researcher at Suite 48 Analytics, a user and market research practice for the mobile imaging industry, and chair of the Mobile Photo Connect conference. He has recently been named a "power player in mobile" by the AlwaysOn Network. At Suite 48 Analytics his research includes both end-user surveys among mobile photographers and photo and video app market analyses. Prior to founding Suite 48 Analytics, most recently Hans was senior director of market research at Nero, a multimedia software company, and director of product strategy at Quark, a desktop publishing software company. He directed the first European Future Image Mobile Imaging Summit, and was principal author of the Future Image "CPXe -- Reshaping Photofinishing through Web Services" report. Previously he has chaired various Seybold Seminars PDF Conferences, as well as the *Electronic Publishing Magazine* Print Workflow Summit. Hans co-founded Piczo, a teen photo-sharing site that in its heyday counted over 25 million registered users. Hans was also director of professional solutions at Live Picture, an imaging software company. Hans holds a master's degree in Industrial Economics from Erasmus University, Rotterdam, the Netherlands.

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