

UNCOVERING THE GROWTH OF SHORT VIDEO IN INDONESIA

- Indonesia Short Video White Paper 2023

By: Ipsos X SnackVideo

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FOREWORDS

On-line Media Development

Recent years have seen a **transformation in the way Indonesian users access media**. Highly personalized, small screen consumption is witnessing a boosting, that has brought unprecedented development of various of on-line media platforms, including short video platforms.

Acceleration of Mobilization

It is recently seen that **government accelerate the mobilization progress** and digital media consumption is anticipated to continue to increase.

We comb through all the learnings in the past 3 years and propose this paper to help audiences deepen their understanding in trend of media habit, the power of new media platform, and master the code to win the market.

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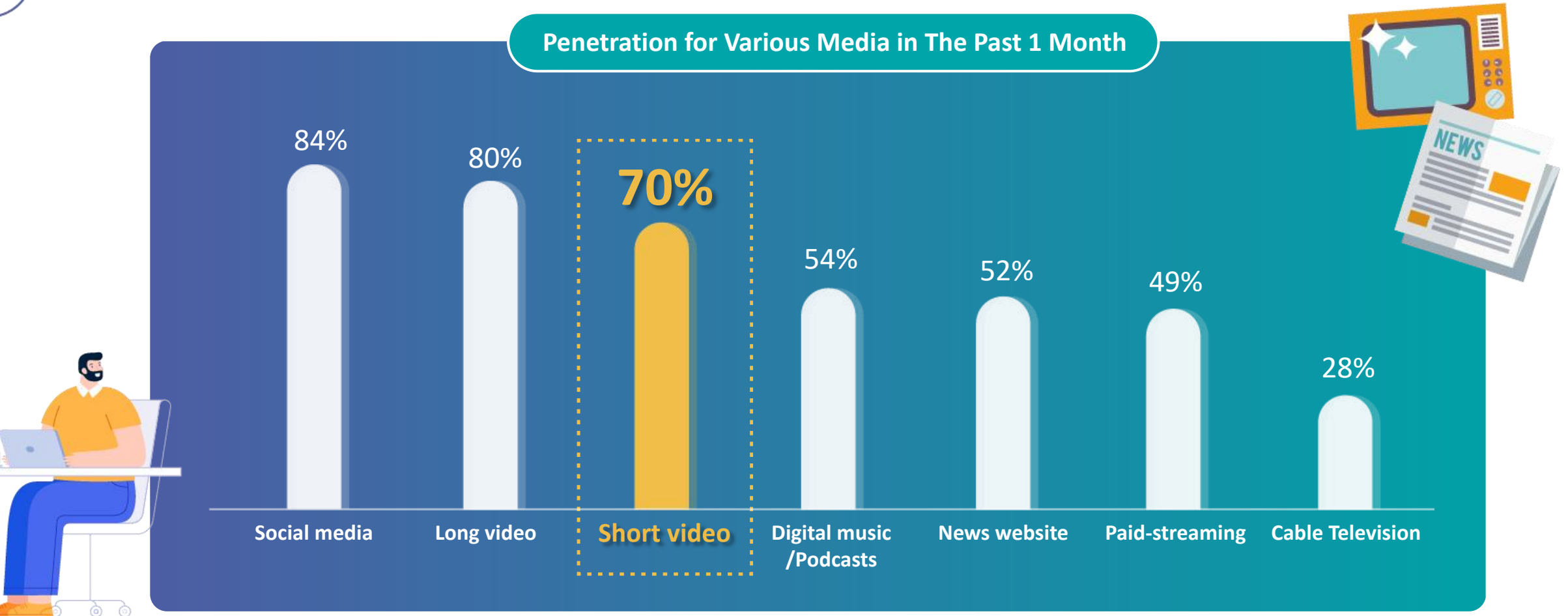
Case Sharing

01

Trend of Media Habit

Short Video, a new online media, has infiltrated the daily lives of Indonesian users

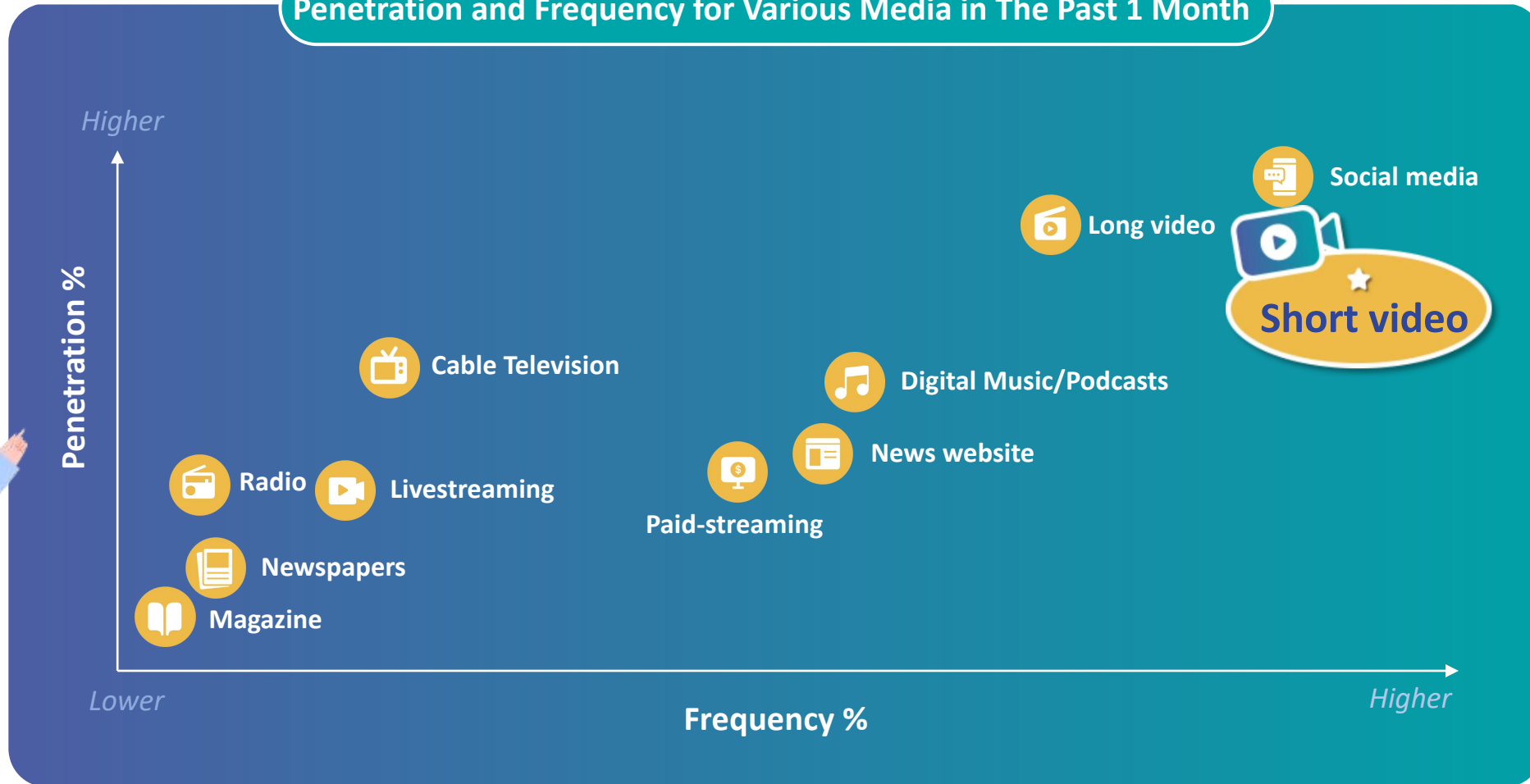
Penetration for Various Media in The Past 1 Month



Note: Media platform with low penetration (25% or less), e.g., print newspaper, radio, etc. are not listed in the graph.

Short Video is broadly and frequently used by them

Penetration and Frequency for Various Media in The Past 1 Month



Data Source: Ipsos – 2023Q1 Indonesian Media Habit Survey

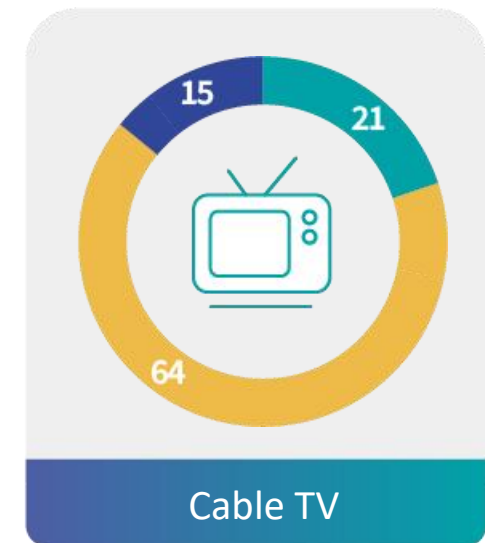
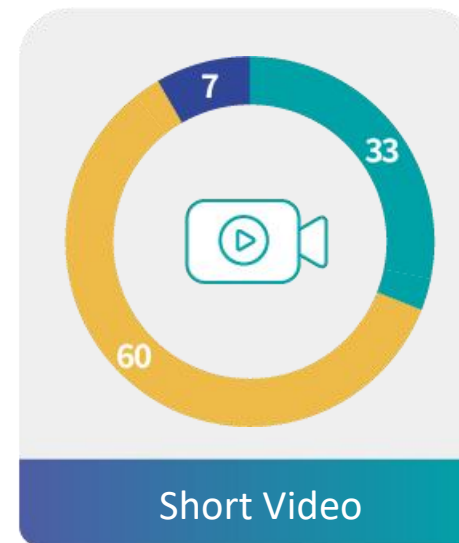
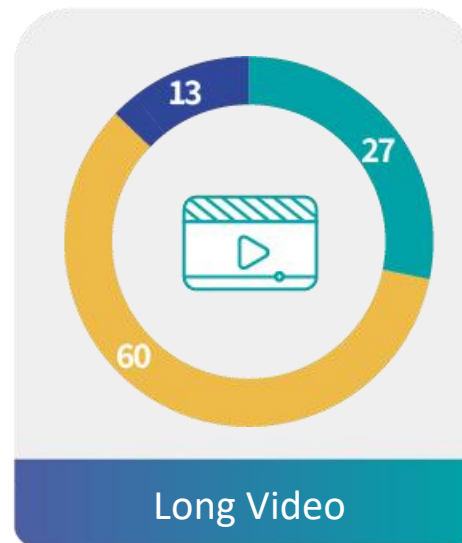
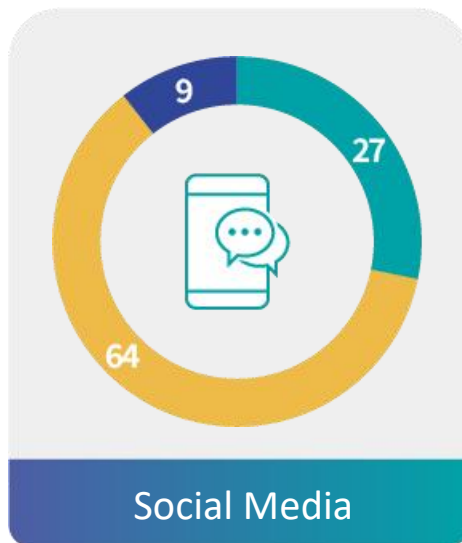
Question-1: Penetration- What media platform have you used/accessed in the past one month? 【Multiple choice】

Question-2: Frequency- How often did you access this specific media platform in the past month? 【Single choice】

The impact on Short Video platforms continues to grow, and they have been used more frequently over the past year

Consumption Frequency Change vs. Last Year (%)

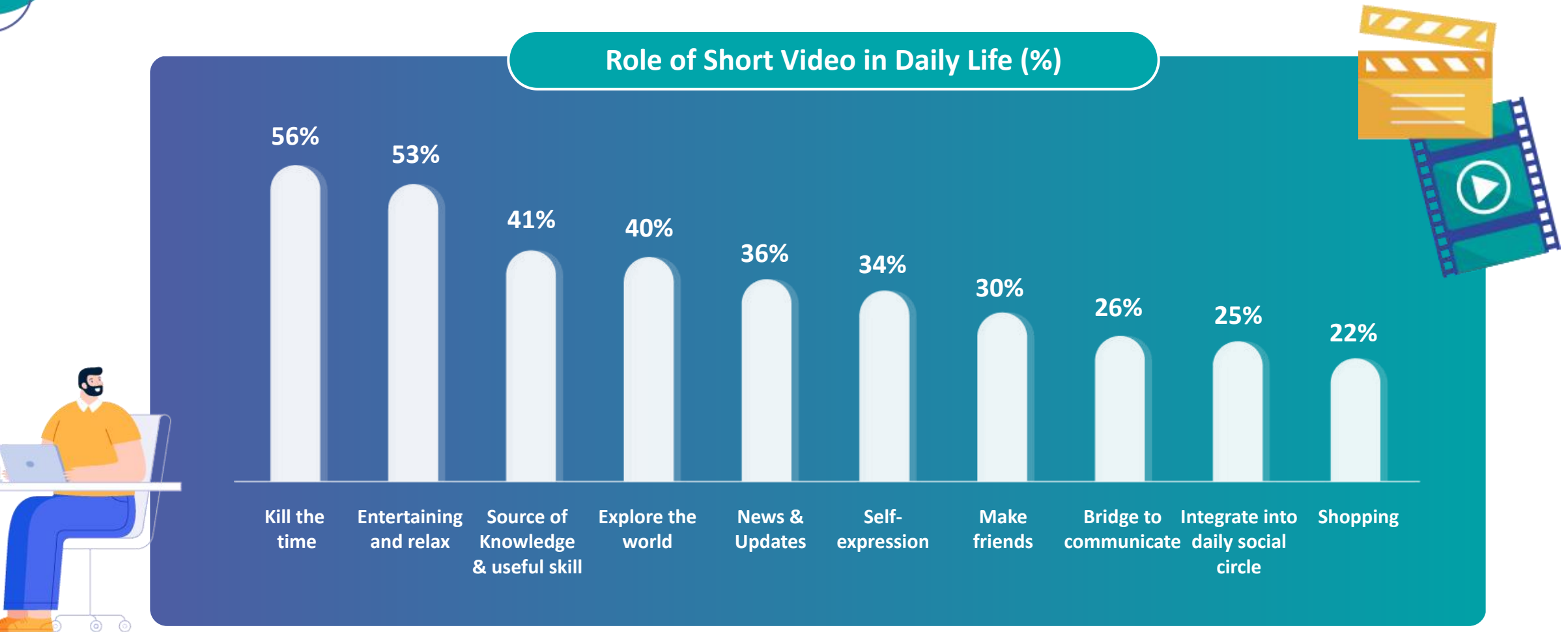
More frequently Similar Less frequently



02

Overview of Short Video

Diverse daily needs from killing time to exploring the world are fulfilled through Short Video platforms



Indonesian users are deeply engaged with the Short Video platform

Average Daily Time Spending in Short Video* (%)

2.1 hours
per day on average*



Consumers tend to make use of **fragmented time** to watch the short video everyday.**



Data Source: *Ipsos - 2021Q4 Indonesian Short Video Vertical Mindset Tracking. Question: How long do you usually use short video apps on average every day? 【Single choice】

**Ipsos – Qualitative learning in Indonesia

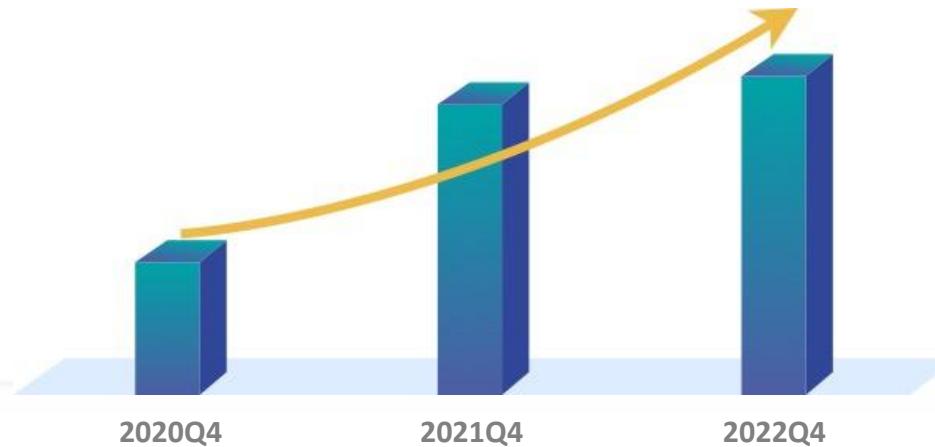
The Short Video market has increased enormously over the past three years



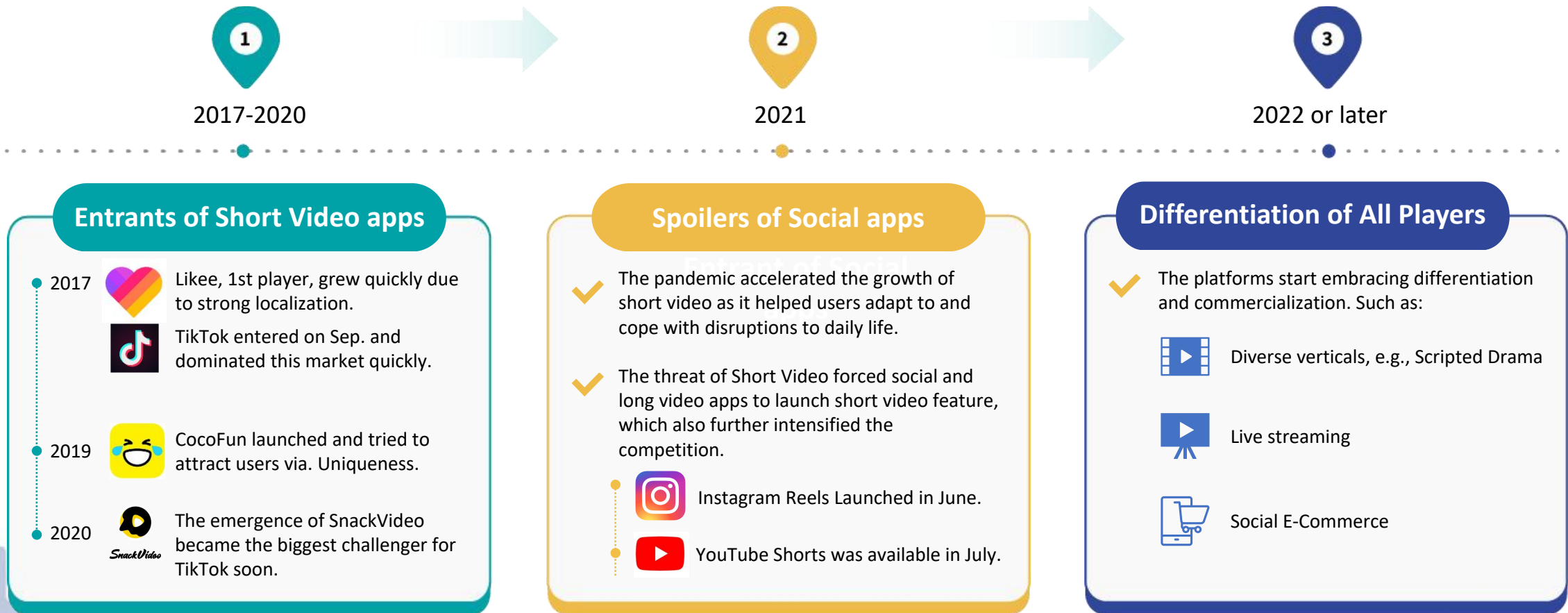
Short Video Usage in The Past 1 Month (%)

55%

of Compound Average Growth Rate



Traditional social and long video apps have joined the competition of Short Video, and the platform's diversity presents an evident rising trend



2 media segments lead to fierce competition in Indonesia

95% Indonesian users' minds of Short Video are occupied by 4 major platforms, which belong to 2 different camps.*

TikTok and SnackVideo are driven by deep cultivation in short video, while Instagram Reels and YouTube Shorts benefit from their parent brands.*

Short Video apps



SnackVideo

Social & Long Video apps



Major platforms have built distinctive perception in user's mind

Brand Differentiation



TikTok*

Trendy &
fashionable

.....



SnackVideo

SnackVideo*

Relevant to my
daily life

.....



Instagram Reels*

Plenty of
celebrity contents

.....



YouTube Shorts*

Plenty of Film/
TV series

.....

Data Source: Ipsos - 2022Q4 Indonesian Brand Health Tracking

* This learning is gotten by the double normalization analysis across brand image perception about SnackVideo, TikTok, Instagram and YouTube.

Brand image perception Question: Which brands/companies represent each statement? Select all that apply. 【Multiple choice per attribute】

03

Growth of SnackVideo

SnackVideo has currently achieved a large user scale and continues to grow rapidly



43M

MAU
(Monthly Active Users)(est.)



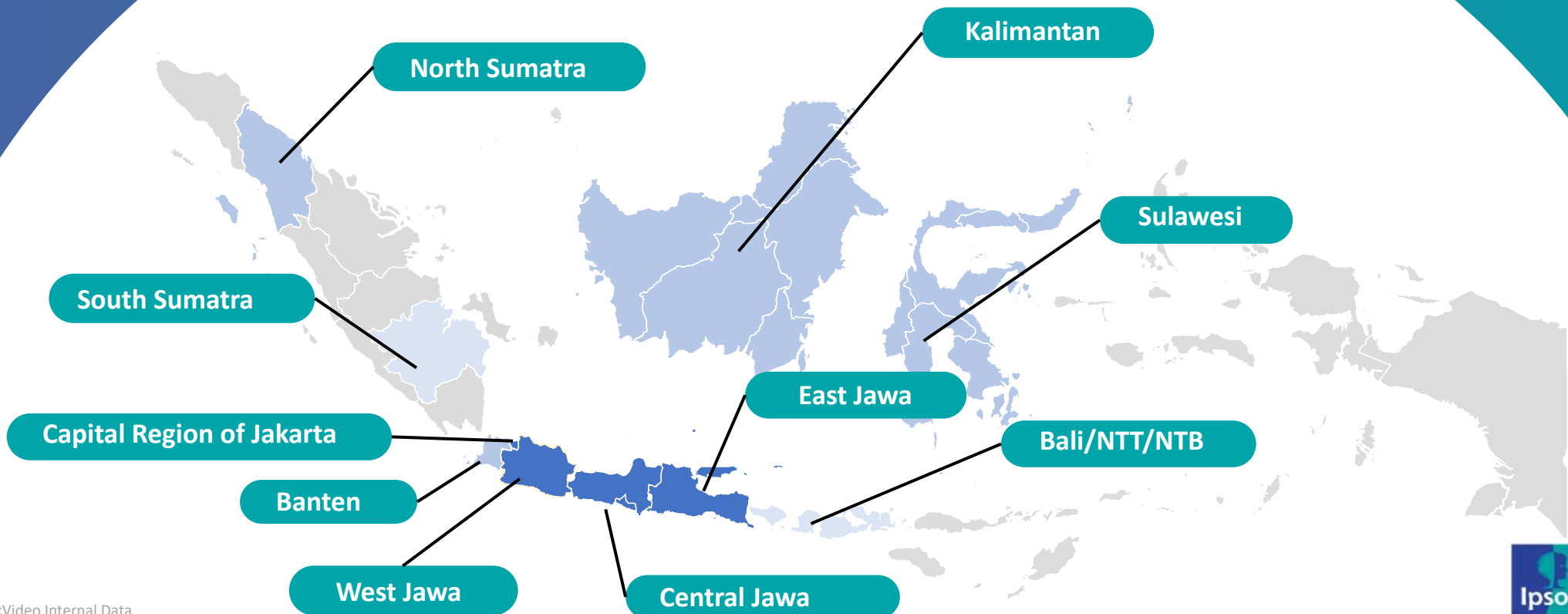
318%

Compound Annual Growth Rate
in MAU over the past 3 years

SnackVideo's users are spreading across cities in 31 provinces throughout Indonesia

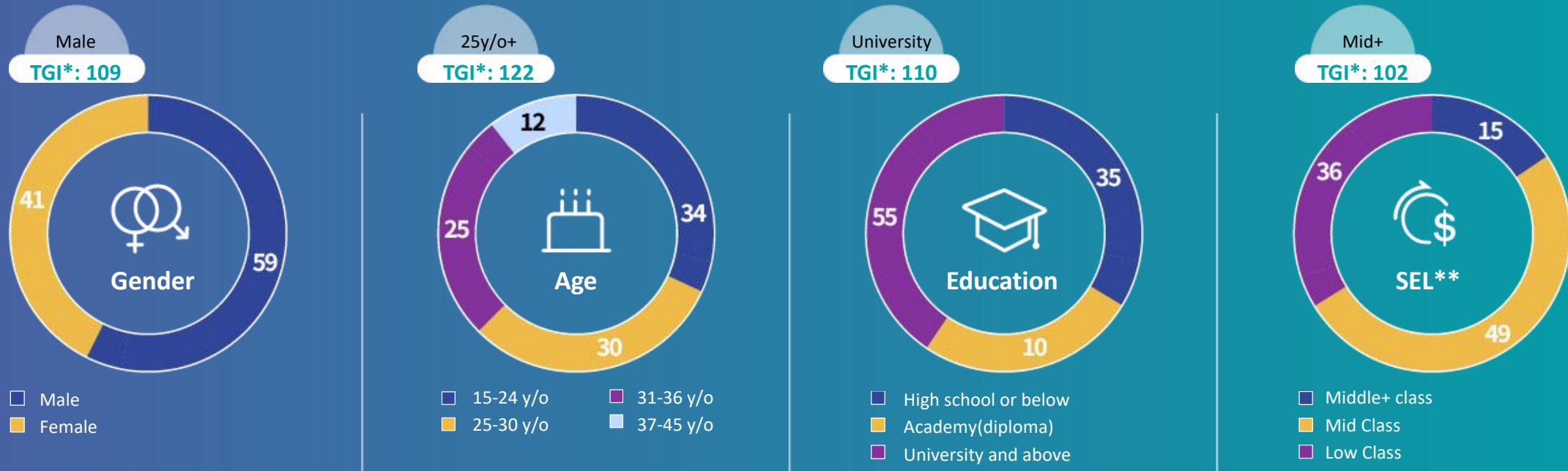
Percentage of SnackVideo Users*

10%+ users 5-9% users 1-4% users Less than 1% users



SnackVideo has built a strong presence in male, mature and well-educated user profiling and segments

SnackVideo User Profile



*TGI: Target Group Index= Split % of SnackVideo users / Split % of Overall short video users

**SEL : Social Economics Level, is judged by the Monthly Household Expenditure. High-class/Mid-class-Low-class is corresponding to More than 4 million IDR/2.5 million IDR-4 million IDR/ No more than 2.5 million IDR respectively

Data Source: Ipsos - 2022Q4 Indonesian Brand Health Tracking

Question: Age: What's your age? 【fill in number】 Gender: What is your gender? 【Single choice】 Education: Next, I want to ask some personal information about you. What is your education level? 【Single choice】

SEL: For qualification purposes only, with the help of following table, could you please tell which of the following best represents your total monthly household expenditure, that is, total expenditure every month for food, clothes, transportation, electricity, etc., but not including irregular large expenditures? 【Single choice】

SnackVideo, a well-known Short Video platform, has taken a strong position in user's mind



90%

Brand Awareness



64%

Brand Salience
(Spontaneous Brand Mention)

SnackVideo has also made its voice heard on other media platforms

SnackVideo's Volume of Mentions in recent 3 years



+119% Growth rate
of 2022 Q2 vs 2021 Q2

2020 Q2

2021 Q2

2022 Q2

3 key factors that contribute to the success of SnackVideo



Inclusiveness & Equality

“ Shining a light on everyone’s unique form of happiness.

”



Community Ecosystem

“ Users utilize their talent, ideas and the chemistry they created to build the community they want.

”



Unique and Localized Content

“ Innovative, original and localized contents provide a sense of local identify.

”



SnackVideo always adheres to the philosophy of ‘Make Everyone Shine’ and puts it into practice through Decentralized Recommendation Algorithm

1

Everyone has his or her own story

SnackVideo’s philosophy is to **help more people shine** even inevitably decreases of the tendency towards maximizing popularity.



We try to bring sunlight to as many people as possible, rather than focusing the spotlight on a lucky few, ordinary individuals should be seen.

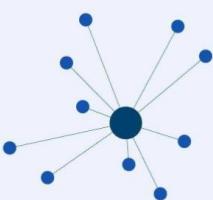
We want everyone to have an equal opportunity based on their own efforts and to feel included.

——CEO of KuaiShou
(Parent brand of SnackVideo)

2

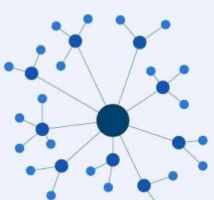
Decentralized Recommendation Algorithm

- 2 features of traffic allocation mechanism:
 - **Inclusive:** deeply care about the feelings of everyone, the “neglected majority” in particularly.
 - **Equal:** distributes attention fairly to provide equal opportunities to everyone, but not skewed towards Top creators.



Centralized

VS



Decentralized

'Inclusiveness' which SnackVideo brings in, is well-received by users



The community atmosphere makes users **feel embraced** and **included**.

SnackVideo performs relatively strong in **'inclusive'** when comparing with other platforms.*



Spontaneous Verbatims When Mentioning SnackVideo**



One of the video apps that **provide opportunities for video creators to develop their ideas** and apps that can **make money**.

----- A male user, aged 32 y/o, from Sunda Kecil



The contents **meet** the **needs of the general public**, entertain **everyone in the community**.

----- A female user, aged 27 y/o, from Jawa



As a short video platform. It is **suitable** and **relevant for all age groups**. My parents and I often open this app.

----- A male user, aged 17 y/o, from Sumatera



Data Source: Ipsos - 2022Q1&Q4 Indonesian Brand Health Tracking

Question: *Left - Which brands/companies represent each statement? Select all that apply. 【Multiple choice per line】

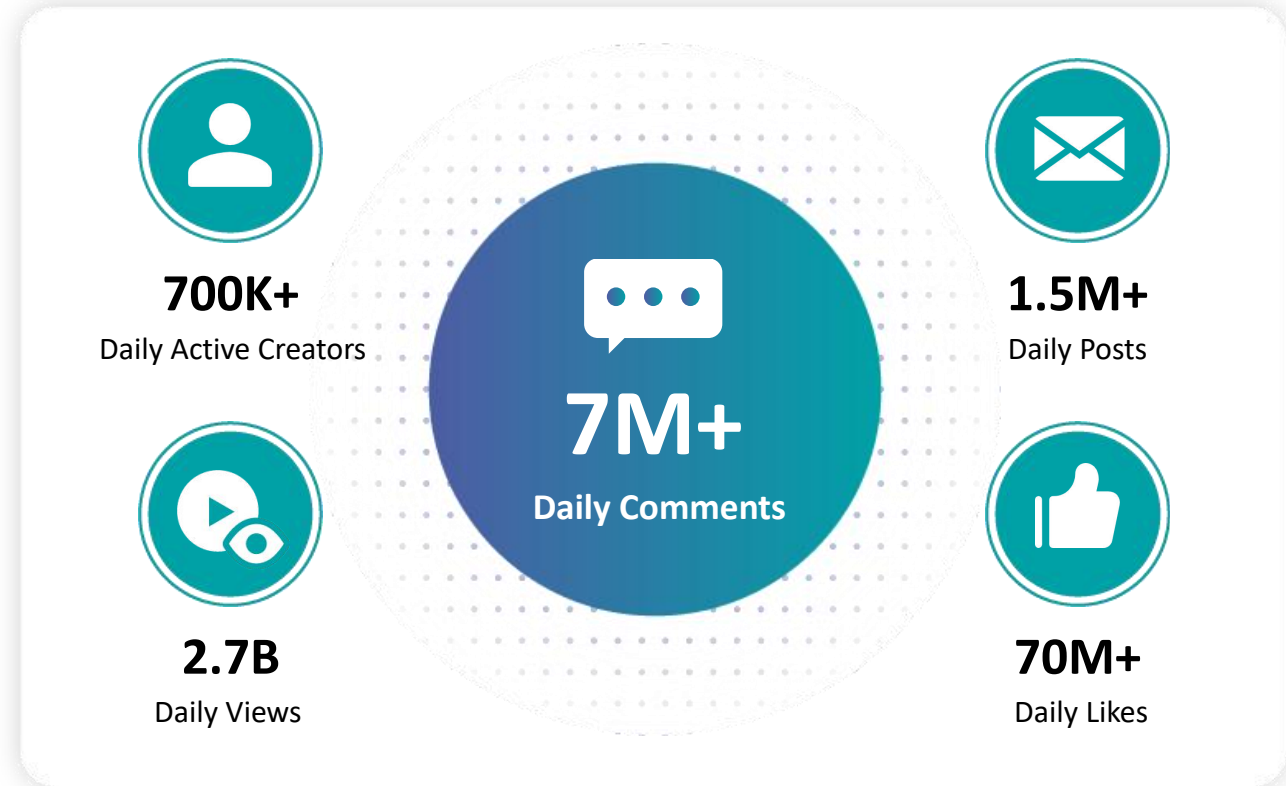
**Right- For the next few questions, we would like you to share your thoughts openly about a few brands. It can be anything at all...images, memories, past experiences, feelings, things that you like or dislike, positive or negative thoughts. There is no right or wrong answer. AND THE MORE DETAIL, THE BETTER!

Please take a few moments to think about <SnackVideo>. Please tell us everything that pops into your mind when you think of this brand. 【Open Question】

Interactive user behavior is established in the platform that forms a user-oriented community ecosystem

Daily enormous comments are a solid indication of **high user stickiness**, which reflects an **interactive community ecosystem** as well.

Active interaction is driven by the **explicit understanding and mutual respect** between creators and users.*



SnackVideo Family serves as a type of unique community to drive bonding and inspiration between the users and creators

- SnackVideo Family, serving as the content-creator communities, maintain a group of users in several Family categories.
- A Family Challenge is organized by platform monthly and attended by Family leader and its fellow members.

Key Functions of ‘Family’



UGC Incubator

- Provides basic knowledge and start-up resource to help new creators grow.



Insight Sharing

- Enables creators to share ideas and produce high-quality contents.



Community Bonding

- Family bonding brings a sense of belonging and achievability.

In-app Monitoring Data Regarding ‘SnackVideo Family’



Number of Family



Members of
SnackVideo Family



Family’s Daily
Active Rate

For the content creators, it brings in a sense of self-accomplishment by strengthening exposure and income from the SnackVideo platform

- **‘Ease of gaining followers and making revenue’** are the distinctive features for SnackVideo.
- **‘Platform atmosphere is delightful and deliver a sense of belonging’** is another reason behind SnackVideo’s success.



SnackVideo provides unique and differentiated contents



SnackVideo performs relatively strong in '**unique contents**' for brand image.

Users tend to regard SnackVideo with **differentiated contents** and the **latest information**.



Spontaneous Verbatims When Mentioning SnackVideo*



It is **informative** and **inspiring**, broadening my horizon.

----- A female user, aged 36 y/o, from Sumatera



I like it because it is **innovative** in the way of **providing insights and unique knowledges**.

----- A male user, aged 22 y/o, from Jawa



SnackVideo always **keeps abreast of the latest contents and trends**, as **a source of the latest news**.

----- A female user, aged 23 y/o, from Sumatera



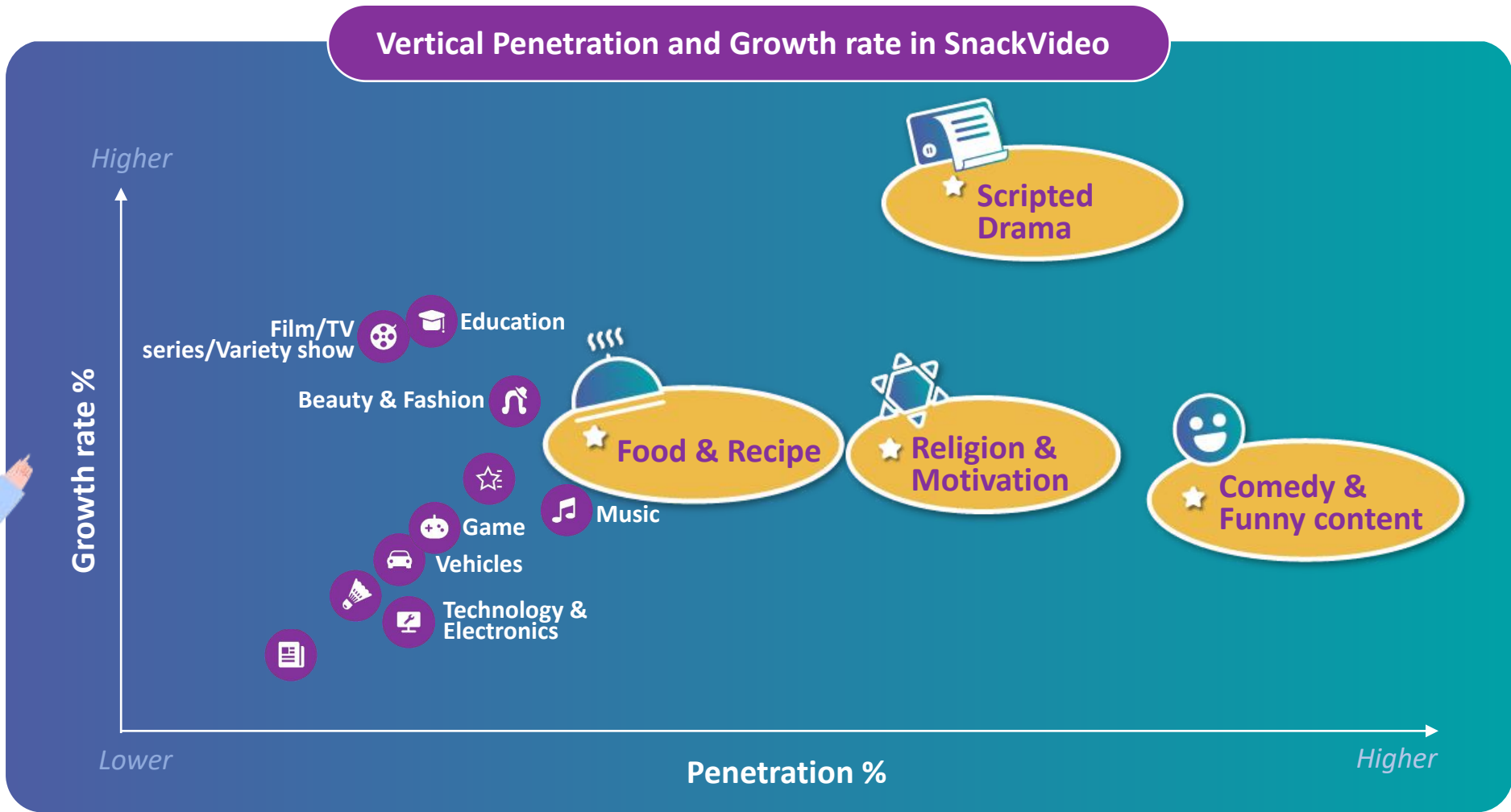
Data Source: Ipsos – 2022Q1&Q4 Indonesian Brand Health Tracking

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Please take a few moments to think about <SnackVideo>. Please tell us everything that pops into your mind when you think of this brand. 【Open Question】

Diverse contents are provided, high performing verticals are: Scripted Drama, Comedy, Religion & Motivation and Food



Localized and relevant contents are consumed widely

Religion & Motivational Content

- Spread out the word of positivity via relevant religious content.



A creator with 1M+ followers on SnackVideo has shared her religious journeys through her Qur'an reciting and reading to shalawat chanting.

Talent & Art Content

- Localized content that has features various art talents and projects.



An artist from rural village has been shining on SnackVideo with his creative handcrafts.

Life Record Content

- Ordinary people showcase their talent in recording every life moments.

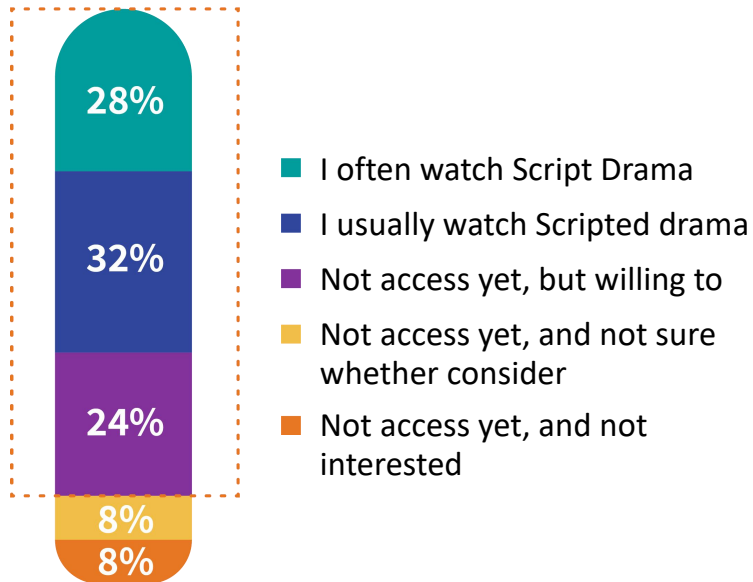


A Gojek driver has improved her quality of living by recording her daily life as a SnackVideo creator with 860K+ followers.

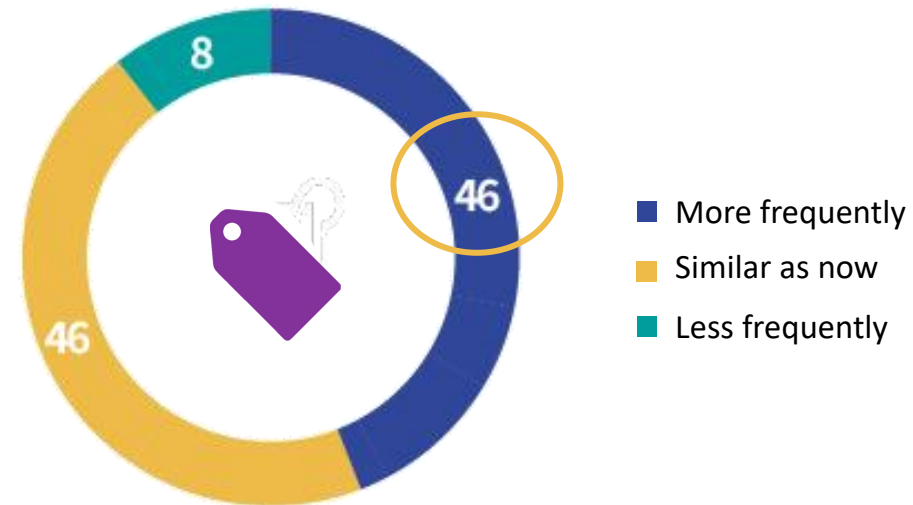
Likewise, the signature content: Scripted Drama is well-received by users, signaling great potential for the future

Scripted Drama is a type of content format, which contains people acting out an originated pre-scripted storyline, normally 1-2 minutes long per video.

Attitude towards Scripted Drama



Consumption Frequency Change for The Future (%)





Practicing the concept of telling local stories in local voices

Scripted Drama is the signature content of SnackVideo, which established a subsidiary brand SinetronSnack, to promote its development in Indonesia.



3,600+

Active creators of Scripted Drama

300+

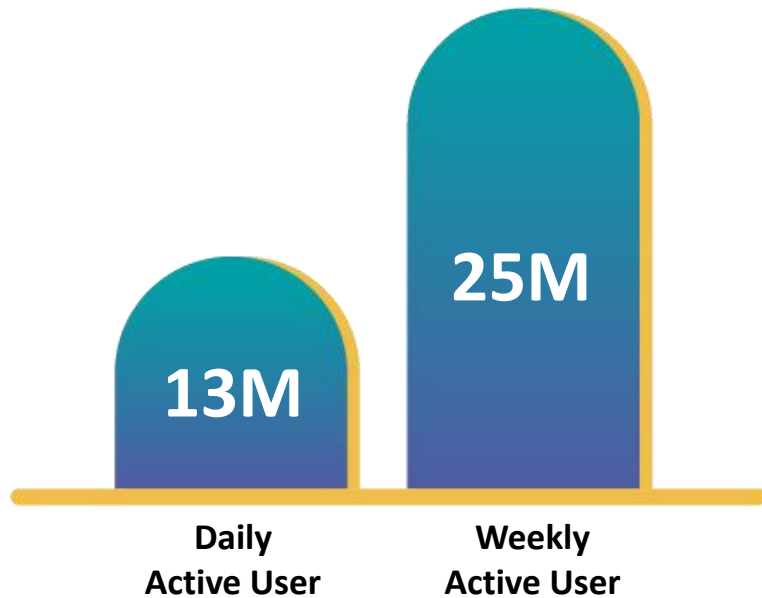
Creators with 100,000 followers

20+

Creators with millions of followers

SinetronSnack reaches 25 million+ weekly active users, leading a new trend in content marketing

Active Users of Scripted Drama



Key Indicators of Popularity

15Mins

Avg. Daily Viewing Time,
ranked 3rd on platform

150M

Avg. Daily Video View,
ranked 5th on platform

12%

Top videos on platform are
Scripted Drama

25%

User Subscription,
+13% vs. non-Scripted Drama followers

04

Case Sharing

Brief Summary



The Future of Short Video

Short Video category has been constantly evolving, and stakeholders have started recognizing the importance and role of short video in the media landscape.



Differentiation Phase

Short video platforms are now in the phase of differentiation, and SnackVideo has successfully built a distinctive identity and differentiated brand image.



SnackVideo's Growth

SnackVideo's philosophy of inclusiveness and equality, community ecosystem, and unique/localized content work in harmony to drive its growth.



Commercial Opportunity

SnackVideo has successfully formulated a large active user scale, that brings more commercial opportunities. And it has seen success with the following cases.



SnackVideo launches a series of activities/solutions to benefit creators and brands

1

Creator Amplification

- Traffic and Commercial Support empower creators to grow

Traffic Support

- To encourage the creation of high-quality contents
- Encourage creators to produce commercial short videos

Commercial Support

- **SnackVideo Partner Program** to drive creators' incomes via **patch ads** built in their short videos
- **SnackVideo Open Application Task** enables creators to earn more by taking the **paid ad tasks** published by the brand

2

Integrated Marketing Solution

- help brand accomplish its marketing objective

Standard Ads

EyeMax Ads

In-feed Guaranteed
Delivery Ads
& In-feed Auction Ads

Native Ads...

Custom Ads

Brand Official
Account

Brand
Mission

Branded Hashtag
Challenge & Magic Face
& Special Effect...



SuneeDay, a typical Multi-Channel-Network on SnackVideo has enabled the creators to achieve significant personal impact and income



Incubate Creators and Contents

- Drive account operation, content operation, etc.



Enhance Performance

- Creators stand out with excellent account performance.



Drive Business Revenue

- Influential creators can generate significant income via brand sponsorship.



20M+

Average Weekly
Video Views



PUBG Mobile 2022 Grand Finals is broadcast live on SnackVideo, enabling more Video Gamers to join the annual 'Ceremony'



PUBG Mobile, the popular gaming platform, expand its target audience.



SnackVideo provided a large in-app exposure to attract gaming users and enhance the atmosphere of gaming community.



PUBGM have benefited greatly from this collaborations as it delivered solid results.



Top News Outlets set up in SnackVideo and create significant traffics to their own websites

Some of Top News Outlets

BERITA SATU

KOMPAS.com
JERNIH MELIHAT DUNIA

pn.com

**MEDIA
INDONESIA**

TVRI



100+

Top News Outlets



3.7B+

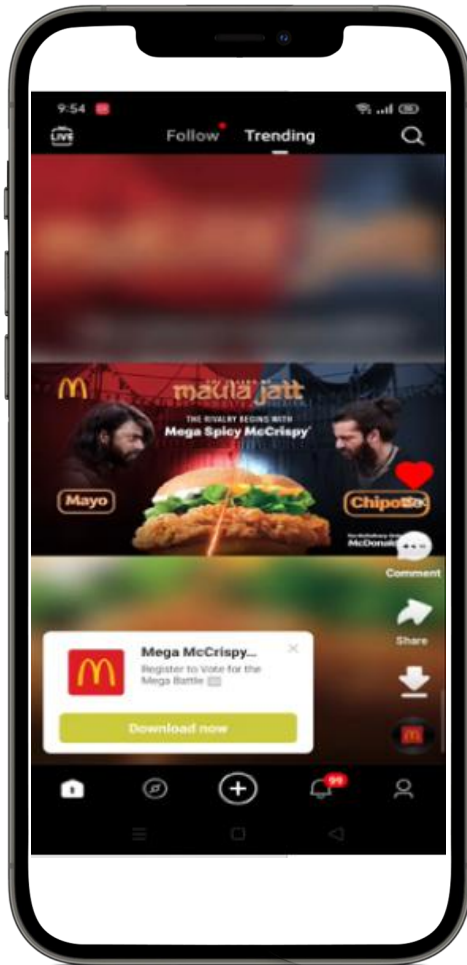
Total Video Views



18M+

Total Followers

McDonald's partnered with SnackVideo to expand its brand influence and product sales by creative ads



McDonald's partnered with SnackVideo to launch a creative News-Feeds ads to promote its classic food in Pakistan.



Ads incorporated the localized film character, Legend of Maula Jutt, that enhanced the relevance, interaction and likes of users.



Good ads effectiveness was achieved.

5M+

Impressions

400K+

Complete Views
(IAB standard)

0.49%

Click Through
Rate

2.6M+

Reach

Dettol reached out to more target consumers on special occasion-Eid 2022 through Eyemax Flow ads



Dettol cooperated with SnackVideo in order to gain great brand visibility and direct connection to potential consumers on Eid 2022.



Dettol realized the potential effect of flow advertising, so it joined SnackVideo's Eyemax Flow ads program as the first advertiser.



Good ads effectiveness was achieved.

14.7M+

Impressions

4.3M+

Complete Views
(IAB standard)

9.35%

Click Through
Rate

05

Appendix

Statement

This report is produced by Ipsos and SnackVideo.

This study is independent and is not biased towards certain groups or company.

The text, data, and any other content contained in this report are protected by relevant Indonesian intellectual property laws and regulations. The industry data and related market forecasts in this report are mainly obtained by Ipsos research through desk research, industry interviews, market surveys, and other research methods, with some text and data collected from public information. Ipsos has made every effort to ensure the accuracy, completeness, timeliness, and reliability of any information contained in this report, but makes no guarantees. Under no circumstances do any of the information or views expressed in this report constitute any advice.

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Ipsos and SnackVideo reserve the right of final interpretation of this disclaimer.

Data Source Reference

Data Source	Design	Timing/Period
Ipsos – Indonesian Brand Health Tracking	<ul style="list-style-type: none"> On-line panel survey 15-45 y/o smartphone users Sample size, N=1000 per wave Quota control in island, age, gender, SEL, etc. 	<ul style="list-style-type: none"> 8 waves from Q1, 2021 to Q4, 2022 Quarterly tracking
Ipsos - Indonesian Media Habit Survey	<ul style="list-style-type: none"> On-line panel survey 15-45 y/o internet users Sample Size, N=550 Quota control in island, age, gender, SEL, etc. 	<ul style="list-style-type: none"> 1 wave on Q1, 2023
Ipsos - Indonesian Short Video Vertical Mindset Tracking, Sample Size N=1005	<ul style="list-style-type: none"> On-line panel survey 15-45 y/o short video users Sample Size, N=1005 Quota control in island, age, gender, SEL, etc. 	<ul style="list-style-type: none"> 1 wave on Q4, 2021
Ipsos - A series of Qualitative research	<ul style="list-style-type: none"> 20-45 y/o, target brand users including SnackVideo, TikTok, Instagram and YouTube and so on 	<ul style="list-style-type: none"> Start from 2020
Ipsos – Social Listening Monitor	<ul style="list-style-type: none"> Short Video and related contents published on all mainstream social media platforms 	<ul style="list-style-type: none"> Since 2020 till now
Desk Research	<ul style="list-style-type: none"> Indonesia statistics institution, e.g., BPS Publishing on internet 	



Brand Image Profiling Methodology

One small case of Image Profiling



Mr. Big Mr. Small

- In absolute terms, Mr. Big and Mr. Small exactly have the same size feet
- But relative to his size, the feet of Mr. Small are bigger. We could then use this as a distinguish feature, or characteristic, to describe him.

Output



Double Normalization Index



Implication of Double Normalization Index

Identify the point of difference, relative strength or weakness under competitive context, that helps to provide direction to help brand to build differentiation

Absolute image scores can be confusing to interpret and don't allow easy assessment of distinguishing features, because:



There is **a lot different information** to look at with **no clear direction** on where the key take out is



The absolute scores are also **affected by brand size**. Some brands will get larger absolute scores. This is usually because they are better known brands



Some image attributes are also more likely to get **higher endorsement** than others. This may be because it is a simpler attribute or because it relates to a category hygiene/maintenance factor

Brand Image Profiling is designed to eliminate the effect of brand size and the preference difference in attributes and provide clear differentiation direction



Thank you for your attention!