

## YouTube Endorsement and Changes in the Web 2.0's Advertising Industry

### YouTube Endorsement: Perubahan Industri Periklanan di Era Web 2.0

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#### Abstract

*The internet provides an alternative for product owners to advertise with new media. Web 2.0 is an advanced phase of Internet technology that allows users to contribute to Internet content, which ultimately makes the Internet interactive. This study provides an overview of how YouTube channel endorsements change the advertising process and patterns of interaction between advertising industry players. This study describes three patterns of interaction that occur in the advertising industry in the context of YouTube channel endorsement. Media Ecology Theory is used as a foundation for thinking, while the research model used is Case Study. Data were obtained through in-depth interviews with five sources who worked in the advertising industry. Three of them work in advertising agencies, and two other sources work as YouTubers, and in a Multi-Channel Network company. The research found how YouTube channel endorsement altered patterns of interaction and production processes in the advertising industry. YouTube channel endorsement also brought new players in the advertising industry, namely Multi-Channel Network.*

**Keywords:** Advertising; endorsement; YouTube; web 2.0

#### Abstrak

*Internet memberikan alternatif kepada pemilik produk untuk beriklan menggunakan media yang baru. Web 2.0 adalah fase lanjut dari teknologi Internet yang memungkinkan user untuk memberi kontribusi pada konten Internet, yang akhirnya menjadikan Internet bersifat interaktif. Penelitian ini memberi gambaran tentang bagaimana YouTube channel endorsement mengubah proses beriklan dan pola interaksi antar pelaku industri periklanan. Penelitian ini memaparkan tiga pola interaksi yang terjadi pada industri periklanan dalam konteks YouTube channel endorsement. Teori Ekologi Media digunakan sebagai landasan berfikir, sedangkan model penelitian yang digunakan adalah Studi Kasus. Data diperoleh melalui wawancara mendalam terhadap lima narasumber yang bekerja di industri periklanan. Tiga narasumber bekerja di agency iklan, dan dua narasumber lainnya bekerja sebagai YouTubers, dan di sebuah perusahaan Multi Channel Network. Temuan penelitian menggambarkan bagaimana YouTube channel endorsement menghasilkan perubahan pola interaksi dan proses produksi pada industri periklanan. YouTube channel endorsement juga memunculkan pemain baru dalam industri periklanan, yaitu Multi Channel Network.*

**Kata Kunci:** Endorsement; iklan; YouTube; web 2.0

## Introduction

In the era called Web 1.0., the internet did not involve the users much in developing or determining the content of websites. The internet was mostly controlled by companies that run business in the internet network. However, in 2004, Tim O'Reilly from O'Reilly Media initiated the first Web 2.0 conference. In this first conference, Web 2.0 was tried to be defined. This conference also tried to predict the implication of Web 2.0 on software development and searched for the designs, patterns, business models for Web 2.0. In a paper entitled "What Is Web 2.0: Design Patterns and Business Models for the Next Generation of Software," O'Reilly defined Web 2.0 as a network functioning as a platform and covering other connected devices through the Internet (O'Reilly, 2007). For him, the most accessible advantage of Web 2.0 is in software development. With Web 2.0, the software is continuously updated to be more effective as more people use it.

Web 2.0 enables the concept of user-generated content that marks the beginning of participatory cultures of internet users. Participatory cultures are relatively boundless, or loose, cultures in conveying creative notions, social involvement, reliable support to the creation and its dissemination, and informal knowledge dissemination between Internet users. Furthermore, participatory cultures are also associated with the notion that active and passive consumers do not exist anymore. Everything has been amalgamated in a participatory framework in cultures (Jenkins, 2018).

Furthermore, the internet communication system, in principle, is designed as a narrowcasting system. In this system, on the one hand, the users can access and decide the information that meets their needs; on the other hand, the internet that initially was capable of providing full service for web information becomes a portal that service information according to its focus (Hadi, 2011). This newest technology also motivated the users to create a group of communities to be connected in a communication network (Zubair, 2017). The internet realizes this communication network through social media.

As regards the internet and participatory cultures, social media, therefore, is an example of user-generated content. Social media is a platform to interact with others by using the measured communication technique socially, and it is effortless to access (Gupta, Dinesh, 2011). The first website that initiated the term social media was sixdegrees.com in 1997. After sixdegrees.com, a friendship site called Friendster emerged in 2004, and MySpece followed in 2005. User-generated content in Web 2.0's era has transformed significantly how internet users interact with websites and information, primarily through social media, like Facebook, Twitter, and YouTube.

Palmer and Koenig-Lewis characterize social media as an online application, platform, and media, which is intended to establish interaction and partnership, and make the content exchange easier (Palmer in Ruliana et al., 2019). Social media, as a form of the platform in the Internet media, also has numerous users in Indonesia. As the fourth biggest country in terms of internet users, We are Social identity that Indonesia has more than 150 million active users. This number increased significantly by 15% compared to 2018 (Hootsuite & We\_are\_Social, 2019).

One of the social media that abounds with users is YouTube. YouTube was launched in February 2005. This site provided a video sharing in which the user can upload videos to be watched and commented by other users. After that, in October 2006, YouTube was officially acquired by Google. Google's acquisition of YouTube was Google's program of advertisement diversification (Nathan & Scobell, 2012). By taking over YouTube, Google modified YouTube as a new platform in online video

advertising.

The internet has changed significantly, compared to its initial stage. Instead of being platform only for search engines, in Web 2.0, the internet has been transformed to be a platform for users to interact. In this light, the video becomes inevitably vital content. More than 3 of 4 internet users used the internet to watch and download videos (Madden, 2007). Data from Hootsuite in Global Digital Overview 2020, in January 2020, showed 2 billion active YouTube users with total daily watching time reach 1 billion hours (Kemp, 2020). In this context, YouTube is the social media that provides room for information and new content that, for a long time, has been possessed only by conventional mass media, such as newspapers and television. As a part of Web 2.0, YouTube has a different characteristic from conventional mass media and the internet service in Web 1.0. YouTube contents are user-generated content par excellence, in which the contents are made and posted by the users. With the above in mind, YouTube must affect advertising.

Advertising is any marketing communication that represents general terms. This communication is proposed to any form of communication and used by marketers to facilitates their consumers and conveys their messages (Moriarty, Sandra, 2011). Conventional and new media has a similarity, namely relying their lives on advertising revenue. However, conventional and new media has one principal difference. The audiences of new media cannot be positioned as passive audiences in consuming the new media. Conversely, their involvement in creating content in the new media is the determining-factor of the media (Spurgeon, 2007).

The advertising agency in the process of conventional advertising holds a significant role that connects the advertiser with mass media in which the ads will be published. Differently, the internet gives the opportunity to the advertiser to directly touch the media in which the ads will be published. Consider YouTube; this platform allows any advertiser to contact Youtubers as the channel owner that promote the ads through their media, whether in terms of product placement, endorsement, or affiliate link.

In conventional media like television and newspaper, advertising usually involves three parties, namely the advertisers, advertisement agency, and mass media. However, with the advent of YouTube, an alternative in advertising takes place. It enables changes in the interaction pattern among the players in the advertising industry and production process of advertisement in the form of YouTube channel endorsement.

By directly being in contact with the YouTubers to produce advertisements, the advertisers have an alternative not to interact with advertising agencies to advertise their ads, so too with Multi-Channel Network as a new player in the advertising industry. It functions as the middle man that become manager of YouTubers to sell their contents to various clients:



Figure 1. Advertising workflow in conventional media (George E. Belch, 2003)

Advertising on YouTube, by far, can only be officially ordered through AdWords mechanism from Google. However, as the content of the video in the platform develop

and increase, the advertisers start to consider a method without following AdWords' mechanism, namely by directly interact with particular YouTube channels that are deemed able to support their advertising campaign.

The present research tries to apply the media ecology theory that is re-formulated by Marshall McLuhan. McLuhan argued that the media should be perceived ecologically. Changes in technology affect the environment of the symbolic, world, and social media that is established socially. Eventually, it will create perception, experience, attitude, and behavior (McLuhan in Griffin, 2012). Media ecology opined that the media act as the extension of human sense in each era, and communication technology is the leading cause of social changes. In this context, the media ecology theory was used to delineate how recent changes in advertisement can take place. YouTube, as the platform of communication technology, has provided a place and method of advertising that has not been done by other advertising industry.

Research regarding advertisements on social media, in general, and on YouTube, in particular, has been relatively commonly conducted despite still limited. For example, Holly Paquette's study on social media as a marketing tool showed that companies, as the product owners, can raise consumers' awareness of their brand by conducting creative approaches during the social media advertisement (Paquette, 2013). Another example is Campbell (2011) and Snickars (2009) that showed how conversations about ads occur among consumers in the era of Web 2.0.

A more specific study regarding YouTube was conducted by Katrina Wu regarding the legality of sponsorship and endorsement in the advertisement. In her research, Wu found that the openness of YouTubers of the promotion content and endorsement in their uploaded videos is essential to be understood by the viewers to maintain the viewer's trust in the followed YouTubers. (Wu & Diego, 2016). Stephanie Fred also did quite similar research regarding viewership and the trust rate of YouTube's audience towards the YouTubers that are influenced by the endorsement of a particular product the YouTuber' endorsed (Fred, 2015).

The research mentioned above has studied advertisements, social media, and YouTube. The research mentioned above, however, has not studied the advertising process and interaction among advertising industry players that are prone to changes when an advertisement created in the form of YouTube endorsement. The research tries to analyze how the advertising process on the YouTube platform produced advertisements without following Google AdWords' mechanism. Also, this research analyzed how the interaction pattern among players in the industry takes place. Eventually, the research answers a question regarding how YouTube endorsement can transform the advertising process and interaction patterns among players in the advertising industry.

## **Method**

The research was a qualitative study with a study-case approach. Qualitative research is a type of research that aims to develop an appreciation that bases someone to conduct what they do (Henn, 2006: 149). Qualitative research, according to Henn (2006: 150), has characteristics as follows. 1) it is conducted immediately to establish an understanding of the surrounding experience and identify the condition of their actions. In this framework, the researchers act and talk as they are. 2) it is aimed to look at a complete description regarding humans' behaviors and thought to obtain the social meaning adhered by the community investigated. 3) an issue specification and accurate

research concept is not the priority. The focus of the research can change during the data collection process. 4) it attempts to build a theory, and not verify it.

A case-study, on the other hand, is an accurate research strategy when the research question aims to answer how and why and when the researchers only have few chances to curb the event investigated. This approach is also beneficial if the focus of the research is a contemporary phenomenon within a real-life context (Yin, 2005). In this research, a case study was used to answer the how and why of the object investigated, namely how changes in pattern and process take place on the YouTube platform during YouTube channel endorsement, and why the company picks a particular YouTube channel as their media to spread the message of the advertisement.

A case study also enables an in-depth natural exploration of attractive and real-life problems, as well as events or phenomena. A case study is also used to investigate unique phenomena that call for an understanding of the complexity of a case in a particular context. Uniqueness in the present research was achieved by mapping out and delineating interaction patterns among the players of the advertising industry in the Web 2.0's era. In this situation, information technology has transformed the way the players of the advertising industry to interact and partner. In addition, the research also explains the emergence of new players in the advertising industry, which previously had never appeared in the context of conventional advertising.

The analysis of the study-case in this research used pattern matching analysis, in which empirical patterns found in the research is compared to predicted patterns of supporting theories (Yin, 2005: 140). In the research, the logic of pattern matching was used to analyze similarities and differences between the conventional advertising process and the online-digital advertising process, namely YouTube channel endorsement.

The data of the research was originated from in-depth interviews with five informants. Three of them were from advertising agencies, namely Dwi Sapta Pratama Advertising, Mirum Digital Agency, and Artunos Creative Agency. The other two were YouTubers, namely Sobat HaPe's channel, and Multi-Channel Network's company (MCN), namely Layaria Network. The informants were picked due to their competency in their fields. The informant from advertising agency was picked due to their competency in explaining the perspective of advertising agency towards YouTube channel endorsement. The YouTubers were picked because they run their roles as the endorser through YouTube's platform. Multi-Channel Network was picked because it was deemed capable of describing how YouTube video content can have a valuation that can be used as an advertising media.

In research with a case study, three data analysis techniques can be used in analyzing the research data. The techniques are pattern matching, explanation, and time series analysis. (Yin, 2005: 133). This present research employed pattern matching data analysis from the interviews with the informant. Pattern matching was done by comparing the pattern based on the empirical. The empirical in this research was obtained from interviews with the informants and compared to the predicted pattern, namely, patterns of advertising theory.

Three categories of the research subject were investigated. They were the 1) advertising agency, consisted of Dwi Sapta Pratama Advertising, Mirum Digital Agency, and Artunos Creative Agency, 2) YouTubers, represented by Sobat HaPe channel, 3) and Multi-Channel Network (MCN), which was represented by Layaria Network.

Sobat Hape was chosen due to its followers that reached 700 thousand. In addition, Sobat HaPe has been a regular place for advertising diverse products.

On the other hand, regarding the advertising agency, Dwi Sapta Pratama Advertising, Mirum Digital Agency, and Artunos Creative Agency were picked because of their promising reputation in the Indonesian advertising industry. PT. Dwi Sapta Pratama Advertising has been established since 1985, and its clients spread from local to multinational brands, such as PT. Santos Jaya Abadi (Kapal Api) and Unilever. Similarly, Mirum Digital Agency is a multinational advertising agency that has been established since 2013 under the leadership of J. Walter Thompson (JWT), a global marketing and communication company. Mirum has partnered with Axe, Starbucks, Nokia, Manulife, and Mastercard. Relatively the same, Artunos Creative Agency was deemed excellent in the advertising production of creative processes in digital and conventional media.

The last subject is the Multi Channel Network, represented by PT. Layar Mardi (Layaria Network). Layaria was chosen as the informant because Layaria is one of the YouTube official partners in Indonesia that has been partnered with YouTube in Indonesia since 2012.

## Results and Discussion

Advertising processes in conventional media, such as television, radio, or newspaper and magazine, typically involve three parties, namely the advertisers, advertising agency, and mass media. Different from the conventional media, digital advertisement, especially YouTube channel endorsement, can involve a relatively less party, or at some point, very few parties. This is because the advertiser can contact YouTubers as the owner of the targeted YouTube channel directly. Alternatively, the advertiser can contact Multi-Channel Network (MCN) to be mediated with a YouTubers affiliated under the network. However, with this latter, the process becomes a little bit longer. Advertising interaction pattern which was found in the YouTube channel endorsement can be described in Figure 2:

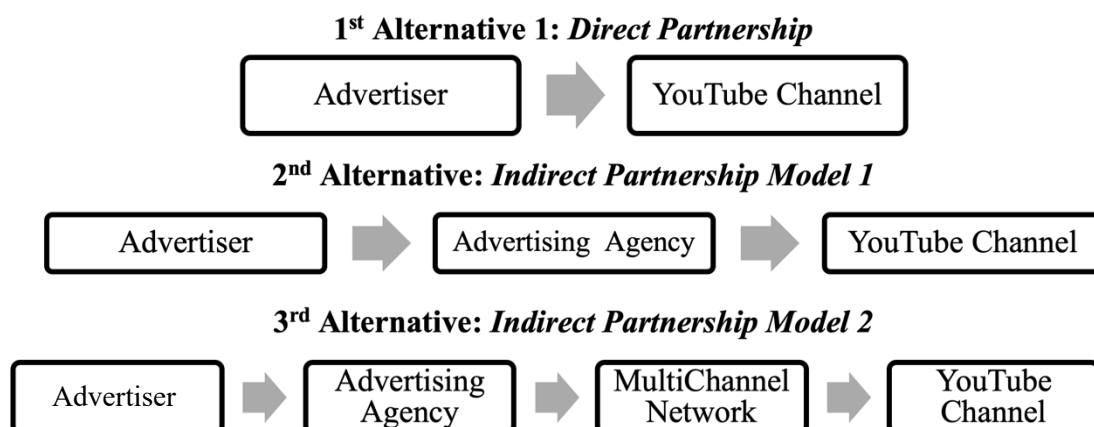


Figure 2. Advertising Process through YouTube Channel Endorsement (source: The researchers' finding)

The interaction pattern mentioned is consistent with the media ecology theory used in the present research. The theory argues that the media acts as the extension of human senses in each era, and communication technology is the primary cause of social changes. YouTube, as the media, acts as the extension of human sense, and with the

facility which they owned as an advertising platform, YouTube is capable of transforming the interaction pattern in the advertising agency. The interaction mentioned is the interaction pattern among players in the advertising industry, which are composed of the brand owners, advertising agencies, to the media companies. When someone or brand owner decides to advertise through YouTube channel endorsement without contacting the advertising agency, there is a chain process that may be discounted or passed (see Fig 2, the 1st alternative: direct partnership). Additionally, YouTube also presents a new player in the advertising industry, which has never appeared previously. The player is Multi-Channel Network (MCN), which, in the advertising industry, functions as the YouTubers manager (see Fig 2, the 3rd alternative: Indirect Partnership Model 2). Multi-Channel Networks bridge the relationship between the brand owners or advertising agencies and the YouTubers under MNC's management.

Based on the interview with the informants, which consists of the advertising agencies, YouTubers, and Multi-Channel Network, three models of relationship in the advertising industry in the Web 2.0 era, were found. The models then can be categorized into two categories, namely, direct partnership and indirect partnership. The direct partnership means the client or the advertiser contact and order video endorsement to the YouTubers, while indirect partnership means the client or the advertisers correspond with the advertising agency or MCN beforehand. Those two institutions afterward become the bridge between the client that advertise with the YouTubers that produce the video endorsement.

The first partnership pattern in the web 2.0.-based advertising industry is a direct partnership. In this partnership, the advertiser, as the brand owner, approaches the YouTubers directly to order an advertisement in the form of YouTube channel endorsement. Many factors influence this type of partnership. The advertisers that have a direct relationship with the YouTubers are the clients that usually have abundant resources or employees, which can handle YouTube channel endorsement. This is because the client should contact the YouTubers directly without the medium of an advertising agency. Furthermore, typically the clients directly contact the YouTubers to obtain a lower price since they do not need to pay the agency fee that becomes the clients' obligation when they use the service of an advertising agency. By contrast, when brands have no resources or they do not want to deal with detail regarding YouTubers, they will use the advertising agency.

The second partnership is indirect partnership. In this partnership, the advertisers, as the brand owners, use advertising agency service to bridge them with the YouTubers, as the channel owners and the owner of the place in which YouTube channel endorsement is conducted. The partnership pattern (advertiser-advertising agency-YouTubers) is not too different from conventional media's partnership pattern, which puts advertising agency as the bridge. One thing that differentiates them is the type of media they use. While conventional media broadcast the advertisement through television, in this case, the media broadcast it through YouTube channels.

The third partnership pattern is a part of the indirect partnership. However, what makes this different from the previous pattern is the presence of a new party in the advertising industry, namely Multi-Channel Network (MCN), which previously has never appeared in the conventional advertising industry. MCN functions as the manager of the YouTubers. It figures in managing various miscellaneous related to the development of a YouTube channel, ranging from programming, funding, cross-

promotion, partner management, digital right management, monetization, selling, and audience development. In media conventional, MCN is similar to the talent managers. Not only do talent managers handle the talents' employment agreement but also the performing fee in, for example, a television show.

This partnership pattern (advertisers-advertising agency-MCN-YouTubers) occurs when something forces the agency to approach the YouTubers through a network that manages the YouTubers. Typically, the YouTubers that have joined with MCN require the clients, whether the brands or advertising agency, to contact the MCN that manage their channels. The YouTubers as the channel owner undoubtedly also have the freedom to partner with or without the advertising agency, so too in the indirect partnership pattern that involves MCN in the advertising production chain. MCN has become a new significant player in the advertising industry because they bridge YouTubers with clients that need the YouTuber's endorsement for their products.

In advertising, there is a process and step that should be followed to execute a campaign in a particular media. This process includes briefing by the clients, idea pitching, creative process, advertising production, media buying, and media monitoring. All these processes involve the client and advertising agency as two parties that are involved in the advertising process. The process starts when clients that need to advertise their products contact the advertisement agency. This client, then, meet the account service department, which is represented by the account executive. Ogilvy Group Indonesia, in its company profile, mentioned that the workflow of advertising is started by the account executive selling ideas to the clients. After that, the account executive process the brief with the client to the creative service department, and the brief will be processed to be the advertisement that eventually will be spread to the audience targeted by the clients.

An advertising production starts when the clients have approved the creative concept proposed by the clients, and the decided budget for the campaign in a particular period has been accepted. The advertising production process is often executed solely by the agency, especially for a type of advertisement that can still be coped with by the production department of the agency. Additionally, the agency also works together with a vendor or third party to fix process that needs specialized expertise, such as aerial photography that needs drones, or TVC production that needs a special and specified tool that is not owned by the advertising agency. The overall process of advertising production in conventional media can be seen in Figure 3:



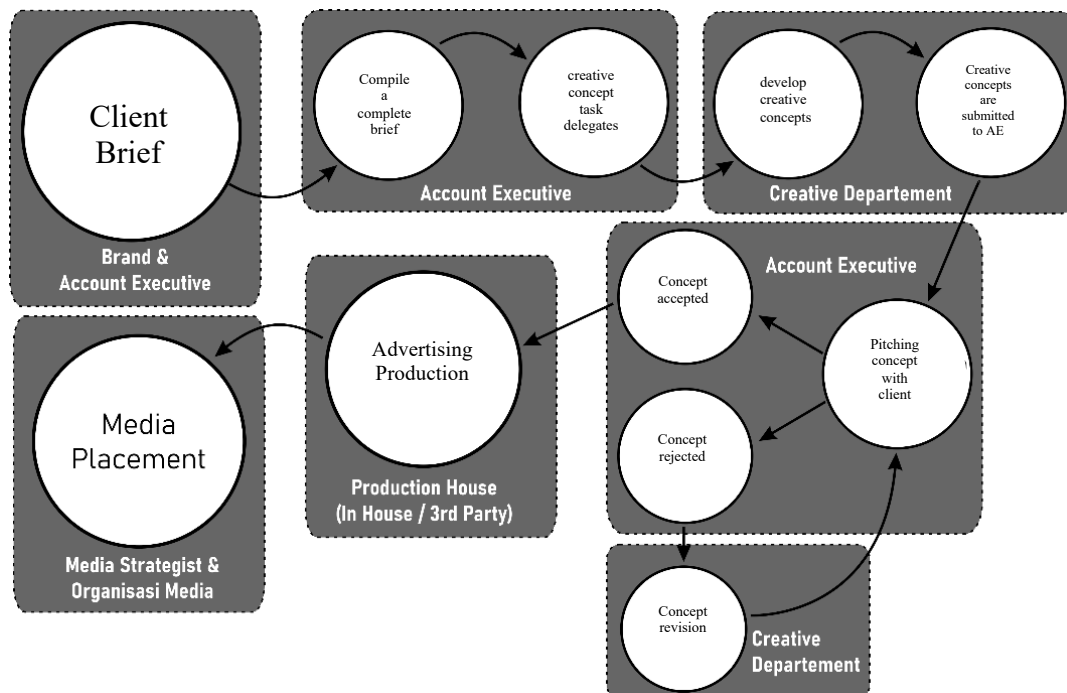


Figure 3. Advertising production process in conventional advertising (model 1)  
(source: The researchers' finding)

For creating and presenting video content on YouTube, a creative process is needed, ranging from briefing to the content production process. In this vein, the creative process to produce content on YouTube is not far different from conventional media. It starts from client briefing, brainstorming, to production that typically is done in house or involving the third party vendor.

The first stage to start the creative process of YouTube video content is from a briefing from the client. The briefing is the process in which the clients give the intended concept to be produced in the form of endorsement and product placement. The interviewees agree that the creative process invariably starts from a briefing. The first informant said that the process began from a client give a brief to the agency. From the brief, several advertising concepts that are possible for productions are designed. This concept is then sent to the pitching stage during brainstorming. When the concept and production budget has been accepted, production is started.

Advertising content in the conventional media is produced with steps that are not far different from content in the YouTube endorsement. After the briefing from the client, the brief is processed to be a concept in a stage called brainstorming. Brainstorming is done after the brief delivered by the clients to the agency or directly to the content creator. After that, it is followed by pitching the concept that is going to be produced. Overall, the advertising production process in digital media is similar to the process on television. What makes them different is only in the stage of advertising production. The fundamental difference is the division in charge of producing the content. While, in the television advertising production, the advertising agency process the production in house, or by partnering with a third-party vendor, in YouTube content endorsement, that partnering cannot be done. The production process in YouTube channel endorsement can be divided as in Figure 4 and 5:

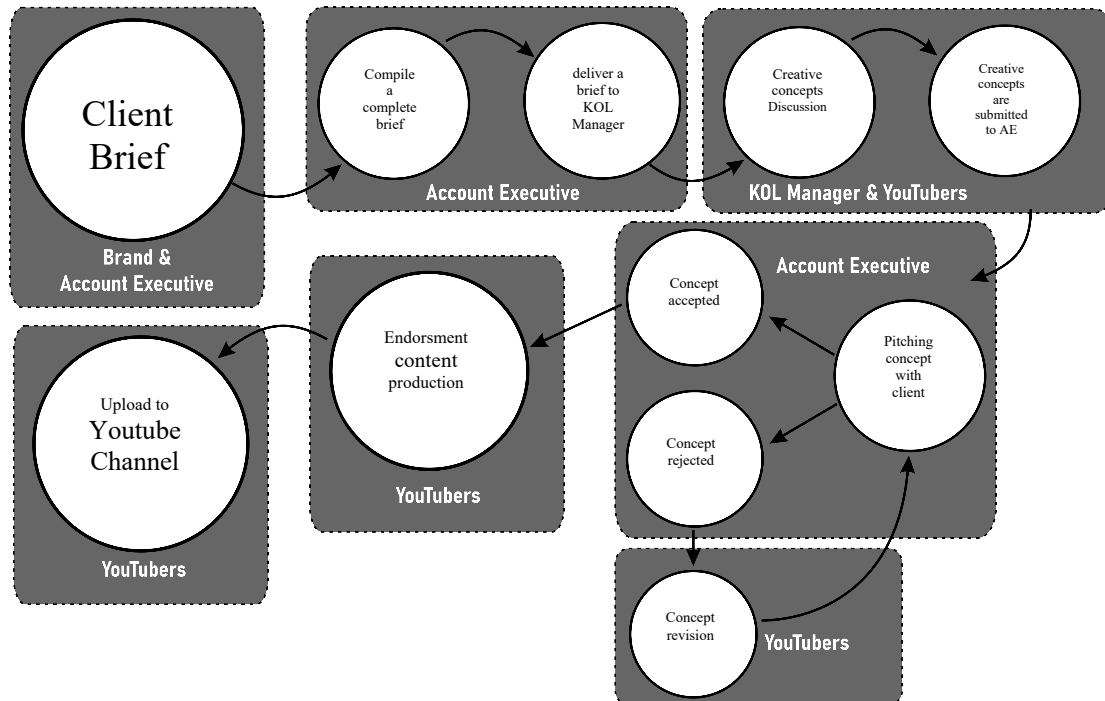


Figure 4. Production process of YouTube channel endorsement with indirect partnership (Advertiser – Agency – YouTubers) (model 2) (source: finding)

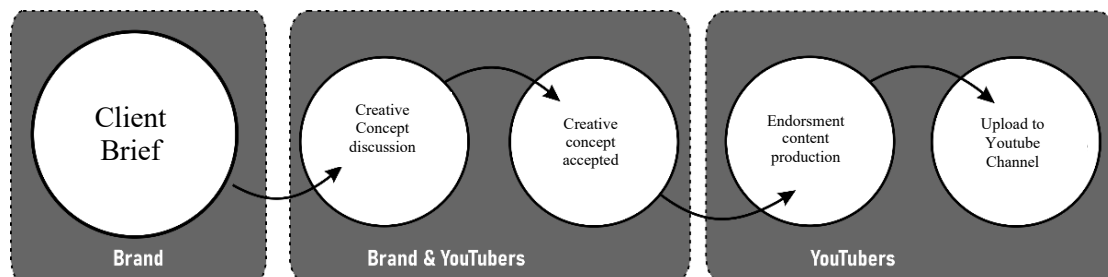


Figure 5. Production process of YouTube channel endorsement with indirect partnership (Advertiser – Agency – YouTubers) (model 2) (source: finding)

Typically, YouTube channel endorsement should be produced by the YouTubers as the endorses. According to the informant number 1, every time the informant works with a YouTuber, the YouTuber always requires the informant to delegate outright the production video to them because each YouTuber has its preferred style. Similarly, informant number 2 also said that for endorsement and product placement, the agency only provides the brief to the content creator. After that, the content is delegated outright in proportional to the style of YouTubers. That is, the YouTubers handle most of the production processes. It is certainly different from the process of advertising production in the conventional media that often involve agencies and production house.

Based on the production process, it can be seen how changes in pattern take place in the process of advertising production that uses YouTube channel endorsement model. In the process of indirect partnership, although the advertising agencies still get involved in the production process, their portions decrease significantly. The creative department has no significant role anymore in the creative process of determining the

concept of the ad, so too the production house, neither the in-house nor the third party, have the role. In this pattern, the creative and production process are handled by the YouTubers as the endorsers.

### Conclusion

The research has shown how YouTube channel endorsement as a means of advertising, which takes advantage of the Internet in Web 2.0, is capable of altering the interaction pattern of the conventional advertising industry. Along with the advent of information and communication technology, the historically previous pattern, which typically is deemed solid, has been altered significantly by this new method. Several underlying factors mark the differences between YouTube channel endorsement and advertising in conventional media, but mostly the difference lies in the process and pattern. In YouTube channel endorsement, the patterns are different from the conventional advertisement that many people usually know because YouTube has its own formation of how each party interacts in the advertising process.

Interaction of each party can be split into two categories, namely, direct partnership and indirect partnership. Direct partnership refers to a partnership pattern that involves the advertiser and the YouTubers without advertising agency as the medium. On the other hand, indirect partnership refers to partnership patterns that involve advertising agency, and to some extent, Multi-Channel Network in the process of advertising production.

This partnership cannot be found in the conventional advertising process. The presence of new players, which in this case is the YouTube channels and their creators, as well as Multi-Channel Network, enables the transformation. Direct and indirect partnerships have their discrete advantages. Direct partnership minimizes the advertising fee of the advertisers because no agency fee paid to the advertising agency. However, the advertisers should provide more resources to design the advertising campaign because the advertisers should execute all those processes without any help from the advertising agency. On the other hand, indirect partnership enables the advertisers to organize their advertising campaigns more effectively without considering too many about resources needed. This is because the advertising agency will design the campaign, ranging from the concept, endorser, products, brand selection, to media buying. However, apart from the advantages, the advertisers should pay more for the agency fee for the advertising agency.

YouTube channel endorsement is the reason for which changes in the interactional pattern of the advertising industry, which previously see well-established, occur. The presence of YouTubers as endorsers enable the advertisers to advertise their advertisement on a more specific media that have a more specific targetable market. The advertiser can consider the audience and the character of specialization of each YouTuber. It means YouTubers and their channels potentially replace the roles of media organizations as the mediator between the advertiser and consumers. On the other hand, the prevalence of the advertisers that hire YouTubers as endorsers of their products results in a new player in the advertising agency. The new player is Multi-Channel Network/ MCN as the manager of each YouTuber. The presence of MCN enables the advertiser and advertising agency to have something similar to the marketplace. MCN makes advertisers and advertising agencies easier to find adequate endorsers for their products or brands.

Besides the interaction pattern among players in the advertising industries, the

process of advertising production also has changed. Typically, conventional advertising production involves the advertiser, advertising agency, and vendor. The ideas of the advertising campaign and creative process come from the advertising agency, in which the divisions in the advertising agency hold significant roles in the process productions. Take the creative division as an example. This division translates the brief from the client to be changed in the form of audiovisual script or graphic design if the ad is a printed ad. However, in the advertising production process of YouTube channel endorsement, the roles of advertising agencies reduce, and the YouTubers replace the advertising production.

The creative concept of advertisement that previously is designed and produced by advertising agencies, or at some point with vendor production houses, is produced by the YouTubers now. This is a must when an advertiser decides to hire endorsers from YouTubers. YouTubers take over the production because they strive to maintain the uniqueness of their channel. It cannot be achieved when the content is produced by the third party or production house. The process of advertising production also become more straightforward. Different from TVC that need tools and particular standards for broadcasting, YouTube channel endorsement and the advertisement from which it is produced does not need technical specifications as TVC. As a result, production fees can be minimized significantly.

For future research, the researchers recommend Multi-Channel Network (MCN) as the new player in the advertising industry. Multi-Channel Network (MCN) plays a significant role and may be as vital as an advertising agency because MCN bridges the advertisers with the YouTubers. Traditionally, the role of bridging the clients and media or with product endorser is the role of the advertising agency. How Multi-Channel Network shapes the face of the future advertising agency is essential to analyze. Future research is expected to deepen the discussion of the role of Multi-Channel Network in the advertising industry.

In addition to Multi-Channel Network, YouTubers as the owner of the YouTube channel are also potential as the magnet for the advertiser because the YouTubers have a channel with a specific category in proportional to their audience target. It enables the advertisers to optimize their advertising campaign in targeting their market because the YouTuber as the endorser has the audiences intended by the advertiser. It is essential to see how the YouTuber builds their channel as the representational image of themselves so that their potential is considered vital as by the advertiser to endorse product or brand. The researchers recommend that future research give a second-look to how the power of YouTubers as the owner of the YouTube channel is capable of distorting significantly television industries that are widely deemed stable.

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