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OPTIMAL VIDEO BLOGGING PRODUCTION AND ADVERTISING STRATEGIES

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Abstract

The landscape of video blogging has evolved into a lucrative business model, influenced by factors such as follower count, the video blogger's reputation, video quality, cost of video production, and advertising spendings. In this study we analyze how these factors impact the profitability of a two-period video production and investigate the optimal video production (self-editing vs. outsourcing) and advertising strategies. We find that when advertising costs in the first period are sufficiently low, self-editing is a more profitable option in both periods. As the advertising cost gets higher, a threshold in first-period advertising costs determines the optimality of outsourcing versus self-editing in the second period

Conference Track

Management Science and Quantitative Methods