

## RIP 'Wallstrip'

by Eric Franchi, Monday, January 12, 2009



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**HAPPY NEW YEAR AND WELCOME** to the 2009 edition of the Video Insider. I'm looking forward to connecting with the readership in what is shaping up to be an interesting year in online video. We are already seeing some analysts, like JP Morgan's Imran Khans, challenging eMarketer's bold prediction that online video ad spending is going to increase 45% in the coming year. We'll revisit that at the end of the year and see who was right.

In the meantime, let's continue talking about video and money, but from a slightly different perspective. The first week of 2009 brought some disappointing news to fans of the online video show "Wallstrip" when it was announced that parent CBS Interactive would be shutting production down.

For those unfamiliar with "Wallstrip," it was a lighthearted, "pop culture meets stock culture" (as described by the site) video site that examined "hot" stocks and tried to provide a real-world explanation of why they were so hot.

What makes this story significant for Video Insider readers is that "Wallstrip" was one of, if not the first, online video original-production success story. Launched in 2006 with little more than some industry buzz and promotion by noteworthy financial and technology bloggers and about \$500,000 in funding, it was acquired less than a year later for a rumored \$5 million by CBS Interactive.

There's been little released about why "Wallstrip" was shuttered, but clearly difficulty in monetizing a site about hot stocks during the worst stock market since the Great Depression was the major reason. That is disappointing for a number of reasons, but there is still much to learn from the "Wallstrip" story. CBS probably agrees, as it was mentioned by those close to the situation, that the company planned to use "Wallstrip"'s "DNA and apply it" to its BNet property.

What is the DNA of "Wallstrip"? I encourage you to go to the [site](#) and sample an episode, but "Wallstrip," in short, "got it", at least from a user perspective. The creators took a fun, educational approach to what can be a difficult to understand or even boring topic and built a following among a coveted audience (higher income financial enthusiasts). Episodes were relatively short, averaging 3-4 minutes at most, always entertaining, and came out three times a week due to the low production costs involved. Finally, users were kept engaged long after the clip ended with discussion boards and voting tools.

Why, then, was it difficult to monetize such a hit? The economic environment was no doubt a factor and perhaps the biggest one. Traffic was a factor, too. According to Quantcast, "Wallstrip" only reached 14,000 users a month at its peak. Finally, advertising didn't seem to be the biggest focus -- original content was -- and this was compounded by the fact that repurposed content ala Hulu is still an advertiser medium of choice. We'll likely never know for sure, but in this blogger's opinion, history will show that "Wallstrip" was ahead of its time, and probably just a victim of this current financial recession. Let's hope that "Wallstrip"'s ending doesn't dampen the enthusiasm from niche content producers over the short term.