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“And Today’s Top Donator is”: How Live Streamers on *Twitch.tv* Monetize and Gamify Their Broadcasts

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Abstract

This article examines cultural and economic behavior on live streaming platform *Twitch.tv*, and the monetization of live streamers’ content production. *Twitch* is approximately the 13th most-viewed website in the world, with over 150 million spectators, and 2 million individuals around the world regularly broadcasting. Although less well-known than *Facebook* or *Twitter*, these figures demonstrate that *Twitch* has become a central part of the platformized Internet. We explore a seven-part typology of monetization extant on *Twitch*: subscribing, donating and “cheering,” advertising, sponsorships, competitions and targets, unpredictable rewards for viewers, and the implementation of games into streaming channels themselves. We explore each technique in turn, considering how streamers use the affordances of the platform to earn income, and invent their own methods and techniques to further drive monetization. In doing so, we look to consider the particular kinds of governance and infrastructure manifested on *Twitch*. By governance, we mean how the rules, norms, and regulations of *Twitch* influence and shape the cultural content both produced and consumed within its virtual borders; and by infrastructure, we mean how the particular technical affordances of the platform, and many other elements besides, structure how content production on *Twitch* might be made profitable, and therefore decide what content is made, and how, and when. Examining *Twitch* will thus advance our understanding of the platformization of amateur content production; methodologically, we draw on over 100 interviews with successful live streamers, and extensive ethnographic data from live events and online *Twitch* broadcasts.

Keywords

twitch, live streaming, monetization, gamification, platforms, gamblification

Introduction

This article presents an overview of economic behavior on dominant market-leading live streaming platform *Twitch.tv*. Specifically, we are interested in how live streamers profit from their activities—monetization—on the platform, and how they often do so through the implementation of game-like interfaces, competitions, or concepts—gamification—which are highly effective in this space. We begin by reviewing literature on both *Twitch* and platforms, followed by a description of our data and methodology which draws on interview and ethnographic techniques. The article then addresses seven core monetization methods we identify for live streaming. Subscriptions entail a guarantee to give a monthly amount to a streamer in exchange for the visual distinction of one’s username on *Twitch*. Donations and “cheering” entail either giving the streamer money directly through *PayPal*, or donating through *Twitch*, during which the platform takes a cut of the money, but viewers get automatic

recognition of their donations. Advertising entails running adverts for corporate products on one’s channel. Sponsorships are secured by many live streamers with games companies or other brands, who offer free products or promotion in exchange for highlighting their wares during particular broadcasts. Competitions and targets involve encouraging buy-in from viewers in the hope of winning an individual or global prize. Unpredictable rewards for financial support are the sixth method, drawing on the psychology of gambling and games of unpredictability more broadly to keep people donating in the hope of recognition. Finally, the

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implementation of monetary “channel games” represent a gamification of the *Twitch* platform itself, highly appropriate given its primary user market.

We explore each monetization technique in turn, considering what elements of the platform encourage them, how streamers act, how viewers act, and how elements of gaming culture have been skillfully monetized by entrepreneurial live streamers—yet within boundaries and confines laid out by *Twitch*. In particular, we focus on practices that exist both within and beyond the governance of the platform itself: this analysis of *Twitch* examines how these economic dynamics influence, and are influenced by the political, social, and cultural relationships of live streaming. The monetization models emerging here have important implications for the entrepreneurial (generally young) individuals trying to build new online careers, as well as for how other platforms (or people on platforms) may choose to monetize. On *Twitch* itself, meanwhile, the striking profitability of the most successful streamers and *Twitch* as a whole make it crucial to interrogate who is winning and losing in financial terms, and why, and how the role of money brushes up against the inherent playfulness of a platform dedicated (primarily) to gaming.

Twitch and Live Streaming

Live streaming has emerged in recent years as a major new topic in media and communication studies, digital sociology, and digital humanities. It entails the live broadcast of one’s activities, primarily but not exclusively the play of video-games or engagements with other “geek” activities. By “geek” in this case we refer to the label for cultures interested in topics such as “comics, gaming and science fiction” (Busse, 2013, p. 77), who connect through these interests and related endeavors like podcasting, designing costumes, attending conventions, and so forth. The potential impacts of this broadcasting are further facilitated on *Twitch* by the ability to talk to the “streamer” through a textual “chat” window while watching a stream, and the streamer will often respond and generate a conversation. This advent of live streaming means that “anyone can become a TV provider” (Pires & Simon, 2015, p. 255), and individuals from around the world have been taking full advantage of this opportunity (Johnson & Woodcock, 2017). Our primary study, *Twitch*, is a platform which originated in 2011 as a development of *Justin.tv*, another live streaming platform which emerged in 2007. Although *Justin.tv* was a platform on which one could stream almost anything, *Twitch* was focused as a platform for video-game broadcasting. It grew rapidly to eclipse *Justin.tv*, with the company passing 100 employees in late 2013, tens of millions of dollars of venture capital investment in 2012 and 2013, before subsequent purchase by *Amazon* in 2014 for US\$970 million. In both 2017 and 2018 (and likely 2019), between 100 and 200 million people regularly viewed *Twitch*, watching the broadcasts of around 2 million regular live streamers. This makes it approximately the 13th

most-viewed website in the world, with approximately 15 million daily users.

Given its focus, *Twitch* is in a similar market space to *YouTube Gaming* and *YouTube* more generally (Kim, 2012), as well as *Facebook Live*: but there are important distinctions. For example, *YouTube* does possess a live platform, but that it is only a fraction of the site’s overall content production, with the majority being recorded and therefore generally edited, often to a high standard—there is also no ecosystem of monetary support flowing directly from viewers to content creators, with the majority of profit coming from advertising or sponsor revenue. By contrast, *Twitch* is entirely live (although older videos can be watched later), the majority of income for aspirational broadcasters flows directly from their viewers, and much of the platform—as we show—is designed to encourage long-term financial and emotional support from viewers. *Twitch* can therefore usefully be understood as what Cunningham and Craig (2019) define as a kind of social media entertainment, an interactive medium combining traditional elements of both social media (and its attendant connectivity and community-formation), and entertainment (with its ecosystems of producers and consumers). *Twitch’s* combination of elements as a platform—its emphasis on amateur content production, the proximity between producers and consumers, the diverse means by which the platform and its streamers monetize their content, its unique cultures and practices—all make it an exemplary site for studying the ongoing platformization of cultural production.¹ In this article, we consequently will examine the relationship between (a) the cultural content that live streamers create, (b) how they monetize and gamify it, and (c) *Twitch* as a unique platform with distinctive governance norms and technical and social infrastructures.

Platforms

A platform is, at its core, a method to digitally mediate between two or more groups of actors. As Nick Srnicek (2017) has argued, platforms “are a new type of firm,” and are

characterised by providing the infrastructure to intermediate between different user groups, by displaying monopoly tendencies driven by network effects, by employing cross-subsidisation to draw in different user groups, and by having a designed core architecture that governs the interaction possibilities. (p. 48)

In the field of cultural production, as Gillespie (2010) has noted, it is important to unpick what we mean by platforms in relation to cultural production, otherwise there is a risk of falling into a “comforting sense of technical neutrality and progressive openness” (p. 360). Nevertheless, as Nieborg and Poell (2018) have demonstrated, platformization “marks the reorganization of cultural production and circulation,

rendering cultural commodities contingent” (p. 4290). This often entails issues of “hope labor” that are found with online cultural production (Kuehn & Corrigan, 2013) and the role of “aspirational work” (Duffy, 2017) as a whole, as well as the specific demands of playbour found in the videogames industry specifically (Bulut, 2015). To address this, we combine these insights with a complementary field of literature that focuses on the platformization of work more generally. Much literature on platforms has so far focused on work, with the “common feature of all digital labour platforms” being “that they offer tools to bring together the supply of, and demand for, labour” (Graham & Woodcock, 2018, p. 242). In many cases, new platforms are supplanting existing forms of work—such as *Uber* has for minicabs in London—which is undermining the standard employment relationship (De Stefano, 2016). The emerging evidence is that platforms are creating global markets for digital work (Graham & Anwar, 2018), with long and irregular working hours, high levels of stress, and low incomes (Graham et al., 2017). Work platforms of this sort can often operate as “digital black boxes” (Scholz, 2015), which hide their inner workings.

What is different with *Twitch* is that the platform is not used to hide the labor of the worker, but rather to very visibly *show* a content creator to a global audience. Work platforms have tended to use the “the spectacle of innovation to conceal the worker” (Scholz, 2015), yet streamers labor is intentionally visible. However, what is hidden from content-creation platforms is the additional forms of labor needed, for example, with the “commercial content moderation” that ensures these platforms are free from offensive material (Roberts, 2016; c.f. Ask, Spilker, & Hansen, 2019). *Twitch* could therefore be considered to be a form of “freelance” platform, albeit a potentially very high-end version of what Graham and Woodcock (2018, p. 245) outline. *Twitch*, like *YouTube* (Postigo, 2014), provides a platform for “professional content creators,” which offers the potential for “new career paths” to be “forged by entrepreneurial creators who can make significant incomes from their activities” (Graham and Woodcock, 2018, p. 243; c.f. Johnson & Woodstock). However, one similarity that can be drawn with content-creation and other forms of online work are the asymmetries that Heeks (2017, pp. 16-17) notes relating to “value,” “risk,” “resource,” “information,” and “power” between users and the platform. As we will see, these appear in various forms on *Twitch*, and inform the platform, its cultural production opportunities for streamers, and how streamers act upon it.

Methodology

Methodologically, we draw upon interview and ethnographic data. Over the past 3 years, we have conducted over 100 semi-structured interviews with live streamers of both professional and semi-professional status. These have lasted between just a few minutes in some cases, and close to 2 hr in others, with an average of approximately an hour. We believe

this to be the largest body of interview data on highly successful *Twitch* streamers yet gathered by scholars. Interviewees were recruited through the authors’ attendance at major streaming events, at which streamers were actively looking to engage with interested third-parties about their work and content production. Interviews were performed in quiet areas at these events, some with the organizational assistance of *Twitch* itself, while others were secured on the fly. The majority were in their 20s and from the United States, although nationality was diverse, with most of our respondents hailing from other Global North countries (primarily Canada and within Europe), but also a significant number from the Global South (especially South America), in a ratio of approximately five to one. Around 70% of our interviewees were in their 20s, with almost 30% in their 30s, and only one or two younger or older than those categories. Although many streamers were keen to be cited in our work by name (or username), given the sometimes personal details they shared, standard research ethics, and our desire not to serve as unintentional advertising for individuals, all names used here are pseudonymous and do not reflect the gender or national identity of specific speakers.

This interview data are coupled with ethnographic findings from several 100 hr of observation at live streaming events attended in person in the United States, the United Kingdom, Germany, and Poland, and from 200 live streams viewed each for at least 1 hr. During events, we focused on a number of topics relevant to this discussion, especially watching how live streamers and their most (financially) loyal fans interact in person, and more broadly how potential sponsors, advertisers, and other third-parties circulated within these events. On *Twitch* itself, we focused on the diverse methods streamers use to monetize their channel content, and how this intersects with the affordances and infrastructures of the live streaming platform, as well as internet culture and norms more broadly. This ethnographic engagement allows us to see something of the performance of work that streamers perform in their daily activities, which we have argued elsewhere (Woodcock & Johnson, 2019a) is highly comparable to other public-facing performative jobs which mobilize affect and emotion, such as fashion or blogging. By combining interview data and ethnographic work, we are thus able to achieve both a detailed look into the lives and actions of particular streamers, and a broader assessment of the culture arising around live streaming and the affordances of streaming platforms, and—in this case—how these shape monetization models.

Monetizing and Gamifying Broadcasts

Monetization Strategy 1: Subscribing

The first and arguably central method by which the cultural production of *Twitch* is monetized is known as subscribing, or “subbing.” Subscribing is a method of monetizing a stream

Table 1. Monetization Methods and Common Traits.

Strategy	Monetization strategies and features
Subscribing	Recurring payment to streamers, several levels of value, central to income for most streamers, diverse chat icons
Donating / Cheering	Individual monetary offerings to streamers, outside platform, and within platform, potentially unlimited, one-off, diverse chat icons
Advertising	Adverts for relevant products, tie-ins with other media items, personalized advertising, platform integration
Sponsorships	Connections with games companies, and with other companies, broadcasting of sponsored content, strategic choices of sponsors
Competitions / Targets	Goals for money, goals for viewer interaction, viewers trying to outdo each other, encouragement of competition and cooperation
Unpredictable rewards	Unpredictable outcomes for monetary support, animations or sounds which sometimes play
Channel games	Programming and coding, text-based games, money as a gameplay mechanic, creativity from streamers

that was designed by the platform, coded into the way that viewers can interact with streamers. If viewers are to subscribe, a streamer must first be “partnered,” which means *Twitch* believes their stream is large enough, and with sufficient implicit potential for growth, that the streamer is worth working with more closely and more directly. For partnered streamers (and later extended to “affiliate” streamers, similar to partnerships but with lower requirements), a viewer is offered the option to “subscribe” to a streamer’s channel, through a button on the browser or application. This requires a viewer to make a monthly subscription payment to a streamer through *Twitch*. The platform acts as an intermediary between the streamer and viewer, taking a variable cut of the subscription cost. In return for subscribing, the viewer receives a range of benefits, including custom “emotes”—small images used to express a particular emotion or inside joke—and a custom badge denoting their status in the associated stream chat window. Subscription costs money every month, either US\$4.99 for “Tier 1,” US\$9.99 for “Tier 2,” or US\$24.99 for “Tier 3.” *Twitch* began only offering Tier 1, but later included 2 and 3 after the platform was purchased by *Amazon*.² In addition, viewers were also offered one “free” subscription if they also subscribed for *Amazon Prime*. This upgrades the *Twitch* user to “Twitch Prime,” bringing a range of benefits, including a “free” subscription to a streamer which needs to be renewed every 30 days.

Building a subscriber base within the audience is also evidence of the success of a streamer. Often streamers will display subscriber counts, sometimes with target counts for how many more subscribers the streamer wants to get that day or week. On smaller streams we have seen targets as low as five subscribers a day, while on larger streams daily targets can be in the dozens, or even in the hundreds. The addition of a new subscriber becomes a mini-event on many streamers, celebrated by the streamer, and often with a custom notification inserted onto the stream. Some streamers focus specifically on activities to drive up subscriptions called “sub-a-thons,” but whether they engage in these practices or not, it is common to have rewards for subscribers. For our streamer respondent Alejandro, for example, this involved hosting a

monthly event called “Hyper Drive” and focusing on getting new subscribers. To entice viewers to pay, they offered “our sub only emotes, we have a sub only Discord [a videogame focused instant message platform], so there are some incentives to get people to subscribe.” For Anton, “I do sub games” which meant they “host private matches in *Rocket League*, they kinda join in on the team, and that’s about it.” In addition to these events, subscribers “get certain perks, they can do song requests and stuff on the streams. I try to sell the institution as best I can.” For Aubrey it meant they “just want to give people a good experience and have fun with it”—it, in this case, being subscribing to the streamer. Through subscribing the culture of *Twitch* and the financial and technological infrastructures of the platform come together to create a highly efficient, and compelling, monetization model. This integration of the platform’s culture, the economic self-interest of its producers, and the economic self-interest of the platform itself, is quite distinct. It is, however, only the tip of the *Twitch* monetization iceberg.

Monetization Methods and Common Traits are represented in Table 1.

Monetization Strategy 2: Donating and Cheering

Donating on *Twitch* is another method through which viewers can give money to streamers and get recognition in exchange (Anderson, 2017). Donating, as originally understood, technically takes place outside of the platform; cheering, however, is a method of donating that was added to *Twitch* later. To begin with donating, there was originally no facility for this form of monetization within *Twitch*. Streamers would share a *PayPal* link within the chat or add a custom section to their *Twitch* page which allows the donator to connect with the streamer through another platform—in this case *PayPal*—to make a donation. These “donations” are taxable, rather than being donations in the charitable sense. For non-partner and non-affiliate streamers, donations provided the first opportunity to monetize streaming, since they did not require the platform to offer one a partnership or, more recently, the easier-to-gain “affiliate” status. Once the

donation is made this is automatically displayed on the stream, and streamers we interviewed noted how thanking viewers for either subscribing or donating was a core part of their activity. For example, Madison noted that they read out messages and responded “we try to make sure that they know that it means a lot to us.”

In response to the growth of donations, *Twitch* introduced “bits” (Partin, in press). These are an in-platform currency that can be used to “cheer” a streamer. Viewers can purchase “bits” for a variable rate, such as 100 for US\$1.40, reducing in price the more they buy. In addition, these can be earned for watching adverts. The streamer receives approximately US\$1 for every 100 “bits” used to cheer in stream. By typing “Cheer100” into the chat, the viewer donates into the channel, with better emoticons available the more that is spent. The “cheering” method brings donations back onto the channel, meaning that *Twitch* can take a cut of the donation, like with subscriptions. As Victor explained, when it was introduced for donations, “overall it went up.” They believed this was because “it opened up new avenues for people to be like hey, I’ll drop a couple ad bits on you. Or hey, I’ll give you 5 bucks because they’re bits and it’s fun and it’s entertaining.” Connor pointed out that bringing it into the platform meant “it’s definitely a lot easier to do that then go to the *PayPal* website log in and, so you can do it straight from the chat which is nice. The ease is the best part of it.” For Madeline it led to an increase in revenue as “a subset of my audience has really caught on to cheering,” while for Alejandro “the sounds, bits, cheers, it was kind of the cherry on top, but it didn’t really affect our business plan or anything like that.” While it may not have changed the business plan for Alejandro, it clearly changes it for *PayPal* and *Twitch*. Through this method the platform has captured the act of donating, altered its relationship with *PayPal* (in *Twitch’s* favor), and found a way to monetize this element of viewer generosity, while simultaneously likely increasing the donations that viewers also receive.

Monetization Strategy 3: Advertising

Advertising has played a central role in traditional media, as well as across the wider Internet, being core to the activities of the major corporations that dominate much of the way people interact online, for example through *Facebook* or *Google*. Video hosting platform *YouTube* (which is owned by *Google*) has built its business model around monetizing content-creation through advertising, something which is also central to *Twitch*. This builds upon the broader trends of media consumption, particularly declining print newspaper, television, and radio consumption: *Twitch* has consequently positioned itself as a platform between consumers (viewers) of online video and potential advertisers (Deloitte, 2015). As *Twitch* (2018) claims, it is now a “ubiquitous” platform for videogames, one spanning “press/media, communities, developers, esports, events (For a detailed analysis of how

Twitch reached its present state, see Taylor, 2018).” As they continue, “Gamers are social. Video is their language. *Twitch* is their platform.” This proposes that *Twitch* is not only the mediator between users and content, but also a gatekeeper that can provide access, offering “strategic ad solutions in a social video environment.”

For *Twitch* streamers, these developments mean their audience can watch adverts as part of the experience. As Samuel explains, “companies put their name and brand on everything they can” and streaming has attracted that attention. Adverts might include games, gaming hardware or peripherals, or other “geek culture” items or services that might seem appropriate; this could be adverts for other platforms on which one can buy digital games, adverts for events or conventions, or podcasts, and so forth. In one example, developed to tie in with the release of a new *Alien* cinematic title, a range of streamers worked with *Twitch* to develop a bespoke set of adverts in which the titular creature would appear in the background of the stream, its ridged tail visible as it stalked the streamer. A similar campaign was organized for *Star Trek*, in which the streamer was “transported” out of a “live” stream. In both cases, the adverts play with the format of the live stream, using the novelty of breaking the conventions of the stream to appeal to viewers. From our observations, these examples were far less likely to attract negative responses from streamers, who on other occasions reacted aggressively to attempts to integrate advertising into streams.

More traditional adverts appear in the middle of broadcasts, cutting from a streamer’s content one moment to an advert the next, while the streamer can also choose to deliberately run an advert when they take a break, get some food, or go to the bathroom. They are chosen to be appropriate to the market, and they are often closely integrated with broadcasters given the nature of game content and game advertising. Due to the unpopularity of these sudden adverts, however, some streamers in fact use a *lack* of advertising as a monetization method itself—by stressing how much they know their viewers hate adverts, and thereby deciding not to show adverts, viewers might be gently or implicitly encouraged to donate instead to “make up” the deficit in income from newer using adverts. In this way, whether streamers use adverts or not, the mere presence of advertising on *Twitch*—similar to, but distinct from, its manifestations elsewhere on the Internet—is essential to understanding monetization on the platform.

Monetization Strategy 4: Sponsorships

The fourth major monetization method for live streamers is securing *sponsorship*. This builds on longer traditions of sponsorships in traditional media, albeit in a new context. A streamer must build an audience first, but once they can show strong consistent viewing numbers, “it then becomes possible to negotiate with companies for advertising or sponsorship” (Woodcock & Johnson, 2019a). For example, a streamer might be paid to play a game on their channel for

a particular length of time, or to host a banner for a certain company next to their social media links. In other cases, securing a sponsorship means that a streamer's viewers can click onto a sponsor site through the streamer's channel to purchase some products or service at a reduced price. The sponsor gains the extra traffic, and the streamer is given a small amount from each successful purchase.³ Given that over 100 million people viewed *Twitch* in both 2017 and 2018—and this is just one live streaming site, although the most successful in most of the world—there is a tremendous audience to be reached by the savvy sponsor. Most sponsorships come from games companies; Liam told us that “Nintendo set me up, [I] did a stream for them,” while Malik also noted that “when companies like Nintendo, EA and Microsoft want to work with me, [I] feel like I'm part of the game industry.” (c.f. Johnson & Woodcock, 2018).

Given that most of *Twitch* is dedicated to gaming, these are obvious companies to partner with. However, Karl, more unusually, reported a sponsorship with “Bodybuilding.com,” a major fitness website; although gamers are often understood as being physically unfit, there are commonalities between nerd (e.g., Willey & Subramaniam, 2017) and jock (e.g., Tarver, 2017) subjectivities and many gamers are, in fact, highly concerned with physical fitness. The platform itself is very open to this, although almost any company can sponsor a *Twitch* streamer, and the platform's personalization options make it easy for an enterprising streamer to put their sponsor front and center (Woodcock & Johnson, 2019b).

A lot of strategy goes into a streamer *selecting* sponsorships, but there is also a lot of luck that comes from being in the right place, at the right time, with a particular demographic that sponsors might want to connect with. For example, Holly told us about their “niche into mobile gaming” as one of the first streamers to broadcast mobile games, so “I've had a lot of opportunities come through that.” Others talked about the dynamics for particular countries. Emilia explained that streaming in English gives you a better reach than in their native Austria because the “media world [is] very small there,” but this also offers the chance for monopolization of a small market: “I am basically the only person into marketing there, the only creator, so I get a lot of requests from companies.” These, they added, wouldn't expect to get “if I were in Germany or the USA, because I am, like, one of many fish there.” Similarly, Olivia described a hypothetical scenario in which, if “we have a lot of fans in the Philippines,” they would “go to Filipino companies and look for sponsorship,” cite their viewing figures, and hope to bring a company onboard. The variety of what one is allowed to stream on the platform, the countries one can stream from, and therefore the overall openness of the platform, all, therefore, broaden sponsorship opportunities for entrepreneurial streamers.

Sponsorships also bring with them the need for greater care and caution: with a sponsorship one is no longer an individual acting independently on *Twitch*, but rather becomes

entangled with the expectations of a corporate actor, often more formal or less wild than the behavior of many streamers. As Kevin put it,

You do have to worry about, like, what sponsors and stuff think. It hasn't really affected me in a negative way because I know the line, and I don't have any intention of crossing that or trying to ruin that.

One example of this is Lucas, whose username originally contained a reference to a famous position in the *Kama Sutra*. A reference of that sort, they explained, is “not too popular when you're trying to get a sponsor, so we switched it.” How streamers present themselves as cultural producers on the platform thus shapes their ability to secure sponsorships from corporate actors; at the same time, the platform is sufficiently open that rebranding is possible, and few things are permanent.

As well as a suitable image, sponsors can expect a lot back from streamers in exchange. As Kiara stated, as a streamer you must “fulfil all your obligations if you have sponsorships,” while Liam noted all sponsors had “conditions” but they would only seek sponsors if these conditions “weren't ridiculous.” Unacceptable demands according to this streamer would include enforcing specific streaming hours, or insisting on them using a particular piece of hardware. Such requests are indeed rare, with sponsor conditions or obligations most often entailing the sponsor “ask[ing] for stats” on the success of the sponsored streamers (Aubrey). Like many streamers, Charlotte told us they don't normally even check their stats, “unless it's a sponsor stream and the sponsors want to see what those numbers are.” Sponsors here take advantage of the platform's affordances to quantify the value of their purchase, keep sponsored streamers “in line,” and ensure that a certain strict notion of a suitably professional image appears on what is otherwise a tremendously open platform. The platform thus allows for sponsorships to be present, yet the expectations of sponsors often run up against those of streamers, resulting in complex dynamics that must be navigated, anew, by each streamer.

Monetization Strategy 5: Competitions and Targets

The fifth monetization method is the use of competitions, and “targets” more broadly, on *Twitch*. Many streamers have donation targets established on their channel. This might be an element of their stream overlay which states that they have thus far acquired US\$X out of US\$Y which is their daily target—for example, US\$56.05 / US\$500.00—or an element noting how far they are to a particular reward: they might do a dance upon reaching a certain amount, for example, tell an amusing story, or agree to change the music currently playing on their channel. Other sorts of targets are *always* present, but these are designed to reward viewers

who donate particular amounts. For example, perhaps a viewer who donates US\$10 or more will always trigger an amusing animation; US\$50 or more will always trigger a text-to-speech reading of a donation message; over US\$100 will always get the streamer to thank them personally; and so on. In this regard, such a system is comparable to the model of crowdfunding website *Patreon*, where supporters are rewarded, and *always* rewarded, the more they give.

However, one kind of target is distinct from all others, which is the *competition*. Many streamers run their own competitions of various kinds on their channels. One sort is the lottery, where donating anything over a small and generally nominal amount enters the viewer into a raffle to win some kind of prize, often a games console or a particular game. Another sort is more akin to a raffle, where viewers pay to have the chance to be selected to play with the streamer in an online game, for example. One of the most striking sorts of competitions is the “top donor” counter. Many streamers have a metric on their channel denoting the “top donor” or “top donator” of the day, showing a username and how much they were kind enough to donate. This is one of the most effective techniques, since it encourages viewers to *compete* to give the most money to a broadcaster in 1 day. In one stream we have seen viewers competing by donating hundreds of dollars, and in some cases, even thousands; one notable example entailed a 1,000-dollar donation, which is the streamer appeared blown away by, followed shortly after by US\$1,000.01, knocking the previous donation from the top spot. This second donation required the broadcaster to express their even more profound thanks to the second streamer; while still continuing to thank the first profusely; *and* making a joke out of the sheer amounts of money they were being given. Viewers enjoyed this “battle,” and other donations were soon forthcoming. This is consequently a highly effective gamification of monetary support, which is to say the “restructuring of social behaviour” into the form of a game (Woodcock & Johnson, 2018, p. 543). Yet with such striking conflicts for donations, it is hard to dispute Dragona’s (2014, p. 237) assessment that gamification can easily promote “exploitation and control”—viewers become increasingly tethered to streams they donate to, while these social and technical elements of the streams encourage further donations.

In several instances, we also note women streamers who frame these competitions in different ways. Some use the term “top D” or “D of the day,” where “D” serves two purposes; it is both a shortened version of “donor” or “donator,” but also serves to imply shorthand for “dick” as a slang for penis, and in doing so playoff geek gender dynamics. Primarily male viewers are encouraged to half-believe in the possibility of truly getting to know women streamers who seem to be single. In some cases, streamers state as much, understanding its potential financial benefits, while others say nothing either way and leave viewers to draw their own conclusions. Recent high-profile cases have involved streamers

facing harassment for possibly “lying” about their relationship statuses (Alexander, 2018), with the implication that viewers have been thus deceived, and were not developing the relationships or connections they believed they were through their donations. As we have previously shown, donating money *does* boost at least the sense of parasocial intimacy between a streamer and a viewer (Johnson & Woodcock, 2017; Woodcock & Johnson, 2019a), but comes with a complex set of potential consequences. Again, we return to the profoundly open nature of the platform—*Twitch* express no particular concerns with wording of this sort, nor with donation competitions, as all subscriptions and most donations (through Bits) go through the platform. The close interactions possible between streamer and viewer, the freedom to create one’s own content, and the ease—see “Donating and Cheering”—with which one can send money to a streamer, combine to make competitions that are slick, easy to run, easy to enter, and seem very natural for many streamers.

Monetization Strategy 6: Unpredictable Rewards

Closely related to competitions (against other viewers) and targets (all viewers collectively), many *Twitch* streamers have implemented gambling-style systems with their donation rewards (each viewer individually). For example, some streamers play animations for only 50% of donations over a dollar, selected at random. This is a trivial implementation, and yet, when a viewer donates and does not get the animation, almost without fail that viewer will immediately donate another dollar—or whatever the minimum amount is—to get the animation, and will keep doing so until they are fortunate enough to get the animation. This might only secure an extra handful of dollars each time, but over a large viewer base, over months or years, the extra income gained through these unpredictable rewards adds up quickly. Different streamers use different percentages to determine when rewards are automatically given out, or not.

Such simple unpredictable “game” mechanics, built into the platform or available for streamers, are thus highly effective. We particularly draw attention to Reith’s (1999, p. xiv) observation that in unpredictable games such as this one, players see an activity that is “*regulated* by chance” rather than simply “subject to uncertainty”: there is a particular set of outcomes, which players know, and they likely know the odds, and pursue the particular outcomes they desire. The immediacy and apparent ease of the desired reward is stronger than in a competition, and generates a very different kind of engagement. As the first author has argued elsewhere (Johnson, 2018), players can become fixated with beating unpredictable systems, establishing a sense of mastery, or completion, which on *Twitch* the eventual donation reward or animation provides. These “chasing” donations even shape the video production on *Twitch*—it is not rare on streams using unpredictable rewards to see long strings of donations hoping for the right outcome, which can dominate

both the visual and aural elements of the broadcast for a period. By gamifying—or more accurately in this case, gamblifying—the outcomes of donating, extra income can be extracted from viewers. This gamification and gambification “motivate[s] the player to play” (Philippette, 2014, p. 188) the game of giving money to the broadcaster. In this way, we see part of a wider ongoing transformation of digital games through gambling mechanics and psychological tricks—although a much wider area for future research, it is readily apparent how effective these techniques can be on a platform like *Twitch* with online celebrities (Johnson, Carrigan, & Brock, 2019), viewers are already deeply engaged with.

Monetization Strategy 7: Channel Games

The final method of monetization on the *Twitch* platform, and arguably perhaps the most gamified of all, is the idea of channel games. These are forms of play which are not entire videogames in their own right, but rather generally small, playful systems implemented on or integrated with a *Twitch* channel. One of the most well-known of these is the “Bit Boss.” This is a downloadable extension for one’s stream which establishes a certain donor as being the “Boss” (Bits are *Twitch*’s internal currency) other viewers can “attack” by donating further Bits. The individual who deals the final blow then becomes the Boss, and as a reward, their username and donation remain on-screen until they are defeated by a later donor. Our respondent Sarah explained that through “Bit Boss” donating “becomes a game, competitive, with people” who are determined to make it clear that “I love you more, and stuff like that”—viewers use games like this to express their appreciation to the streamer. Through channel games of this sort the productive labor on *Twitch* is “deeply engaged with DIY aesthetics and participatory culture” (Witkowski, Recktenwald, & Manning, 2016, p. 430). Channel games are created by fans and third-parties, not by *Twitch* themselves, and then integrated into the streams of thousands. Once again, the platform holders allow for such a high level of customization, and appear to recognize that this sort of innovation is beneficial to the platform as well as its broadcasters, by further boosting the ways for viewers and streamers to connect through both money and play.

Streamers have further innovated in this area. One individual we observed has programmed an entire text adventure game into their chat window using *Twitch*’s potential for adding new automatic chat commands. This is not something many viewers engage with, but those who do tend to be some of this streamer’s most committed financial supporters, or, perhaps, those who engage *become* committed supporters. The chronology of this is difficult to ascertain from data only in the present, but this is certainly a technique that seems to have entangled a number of viewers with the channel in a deep way. More broadly, *Twitch*’s nature as an open platform where streamers can program their own commands into chat,

and add their own programs into their broadcasts such as Bit Boss, is essential to monetization methods of this sort. The only boundaries are the imagination of the enterprising streamer—seemingly with few limits—and the rules of the platform, which are extremely open and allow all sorts of methods through which to profit from one’s broadcasts. On a platform focused on games, adding games of this sort matches up well with the cultural expectations of viewers, fits easily into an open platform infrastructure, and turns donation from a method of financial support for an appreciated broadcaster into a game—albeit a very simple one—in its own right. More broadly, it also highlights how driven and aspiring digital celebrities on social media platforms can drive innovation in monetization themselves, and how platforms can in turn profit and benefit from the widespread implementation or adoption of these new ideas and systems.

Conclusion

This article has offered a first typology of how *Twitch* streamers profit from their broadcasts, how this is structured through (and influences in turn) the platform’s governance and infrastructure, and how cultural content production is thus shaped. Our objective has been to move beyond previous discussions of labor on *Twitch* and other live streaming platforms to instead consider how cultural production is interwoven with the unique specificities of this platform. While deep commonalities undoubtedly exist between many online sites, close examinations of the particularities of each platform mark one of the most crucial strengths of the emerging area of “platform studies.” All platforms have unique sets of rules, regulations, and norms, and the openness of *Twitch* as a platform—combined with its association with gaming culture—have led to an explosion in techniques for monetization, and consequently the financial support of its most visible cultural producers.

Specifically, in the case of *Twitch*, there are seven keys ways streamers monetize their activities: subscribing, donating and cheering, advertising, sponsorships, competitions and targets, unpredictable rewards, and channel games. Such a wide variety of monetization methods is possible because the platform is relatively devoid of explicit rules or regulations preventing streamer behaviors, allowing for consistent innovation and change within the broader structure of the live stream. This has led to an ongoing relationship between the platform and its streamers which is both iterative—things are regularly changing and progressing and becoming ever more “optimised” (c.f. Partin, 2019)—and recursive—as both parties are influencing the behaviors of the other. The laxity of these restrictions is such that streamers can even run games of chance of debatable legality, although the length of time this situation will continue unabated, or without capture by the platform, remains to be seen. Equally, the norms of *Twitch* for both its streamers and its viewers contribute significantly to this profusion of monetization methods: viewers

are consistently eager to support their favorite streamers and be rewarded (non-financially or financially) in exchange, while aspiring streamers think nothing of encouraging as many donations from their viewers as possible. The exchange of money is built so deeply into both the infrastructure and the culture of live streaming that new monetization methods are welcomed by broadcaster and consumer alike. Alongside all of this, the *games* focus of *Twitch* also makes it an environment filled with viewers who are highly comfortable with digital play of all different kinds, and thus both able and willing to engage with some of the more gamified monetization methods we have outlined here. However, this is not to say that there is never tension between the platform and the streamers. For example, with the growth of donations, streamers had developed a way to make money not offered by *Twitch's* infrastructure. *Twitch* responded by developing a method to bring these donations back onto the platform, and therefore make money from the interactions. Successful streamers therefore work both with and against *Twitch's* platform infrastructure, an interplay which also shapes how the platform itself operates.

This process and its significant revenue potential explains why *Amazon* recently chose to purchase *Twitch*, seeing great opportunities in the platform as a way to reach and profit from consumers, especially consumers who are often hard to reach by other means. As we have shown, *Twitch* streamers are entangled with advertisers, sponsors, and other platforms, in ways that are unique, and yet shaped by the wider actions, needs and behaviors of such actors. Future research is therefore needed to follow and unpick these more complex global supply chains and networks upon which streamers' labor relies. Tracing how these forms of work operated within earlier genres of cultural technological systems, especially those strongly disposed toward a small number of elite winners, and how identity politics plays out within these contexts—such as, for example, music production—could also prove fruitful for making sense of monetized streams today. Live streaming, embodied most strongly in most countries by *Twitch*, is a major new part of the platformized Internet, and one which shows us how the governance and infrastructure of platforms—combined with entrepreneurial actors—can lead to innovative monetization methods for both workers and platform holders.

As a final note, we would also propose that *Twitch*—and gaming platforms more generally, in the era of new monetization models for digital play—can be valuably seen as the “canary in the coal mine” of future monetization strategies. *Twitch* is a platform boasting impressive populations of both creators and consumers, and one in which new strategies are easily tested by platform holders and streamers alike, making it a space for rapid experimentation and monetization enquiry. This is also the case for other live streaming platforms, such as *Douyu*, outside of the western context where *Twitch* dominates. As such, we hope both for this article to

lay a foundation for understanding *Twitch's* monetization strategies but also to situate this in a wider context of rapid platform innovation, and to encourage potential future cross-cultural research comparing *Twitch* against other live streaming websites. Doing so will help us to gain a broader sense of how these platforms are pushing or leading the cutting edge of content production and content monetization, and potentially heralding significant future changes to how we produce and consume media on the Internet as a whole.

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Notes

1. We should also note commonalities between *Twitch* and other formats, such as subgenres of *YouTube* videos which emphasize their liveness and their supposed unedited-ness (such as unboxing videos), camgirls and other “amateur”-produced pornography (c.f. Scully-Blaker, Begy, Consalvo, & Ganzon, 2017), and streaming platforms in East Asia.
2. This is somewhat comparable to the purchase of *YouTube* by *Google* (or to a lesser extent the purchase of *Instagram* by *Facebook*, *Tumblr* by *Yahoo*, and so forth), with a dominant global corporate power securing control and influence over one of the web's largest content-creation platforms. This trend of increasing centralization of platform power in fewer and fewer hands is an important dynamic of platform capitalism. The integration of *Twitch* with *Amazon*, meanwhile, shows us how these platforms can be connected by their shared owners, even while the relatively “light touch” of the specific *Twitch-Amazon* context does show a savviness on *Amazon's* part about, and sensitivity to, anti-corporate feelings among many gamers.
3. This is somewhat comparable to the relationships between games *journalists* and game companies; a full look at this related ecosystem is beyond the scope of this article, but games companies have long been looking to co-opt seemingly “neutral” commentary on their games through a variety of rewards and other methods.

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