

The Impacts of Live Streaming on the Video Game Industry

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INTRODUCTION

Twitch is a live streaming platform with a strong focus on the broadcast and viewing of video game content (Taylor, 2018). In the last 5 years, its visibility and impact have rapidly grown to a point where it has become a major force in the games industry and increasingly in the global media ecosystem as a whole. For example, in 2016, there were 292 billion total minutes watched and 2.2 million unique streamers (Twitch, 2016) who broadcast their activities on the platform, followed by over 350 billion minutes in 2017 (Twitch, 2017). The success of *Twitch* is also clearly signaled by its recent purchase for almost a billion dollars by *Amazon*, and its position as roughly the 30th most viewed website, of any sort, in the world. The presence of *Twitch* is not just affecting the play nor spectating of games, however, but also their production, marketing and reviewing. For example, when the 2015 game *Rocket League* was launched on *Twitch*, its unusual combination of football (or soccer) played with cars instead of human sportspeople proved strikingly and unexpectedly popular on the platform. In the first month after launch, *Rocket League* went from the 165th most watched game to the top 5, resulting in over 5 million download sales (Twitch, 2015). It has been noted by commentators that ‘what *Rocket League* did in the span of a month is quite remarkable’ (George, 2015), bringing an unknown game into the limelight at remarkable speed; this kind of direct marketing strategy, broadcasting straight to game consumers and only game consumers, would have been unheard of before *Twitch*. As Jeremy Dunham, the Vice President of the game’s publisher has explained, ‘*Twitch* and its streamers have been an instrumental part of our success since we launched’ (quoted in Purcell, 2016). That success includes nominations for over 100 Game of the Year awards and reaching ‘a global audience of over 12 million players’ (Gaudiosi, 2016). The example of *Rocket League* – to which could be added titles like *H1Z1* (2015), *PlayerUnknown’s Battlegrounds* (2017), and most recently *Fortnite* (2017) that have achieved impressive sales on the back of the platform – show how the success of contemporary games increasingly relies on marketing through a live streaming platform like *Twitch*.

In this article, we therefore ask, how is *Twitch* changing the games industry? By ‘the games industry’, we mean the global technological sector concerned with the ‘conception, development and release of unique, highly creative products, namely video games’ (Autier and Picq, 2005), drawing on a ‘range of specialisms including game production, game design, game development, level design, audio design, art and testing’ (Green et al., 2007) – it has for some time been ‘one of the fastest growing industries worldwide’ (Teipen, 2008). To understand Twitch’s effects on this sector, we explore three cases: streaming newly released games and the attendant role of streaming in offering information and informing consumer choice; the visibility that streaming is affording to both smaller new releases, independent and niche games, and older games; and the live streaming of the creation of games, subverting ordinarily expensive, lengthy or highly competitive game-design courses, training and traditional paths of employment. In the first case, we show that Twitch is reshaping games reviewing, offering a viable alternative with significant advantages (although also disadvantages) over the existing paradigms. In the second case, we show that independent games have found unusual success through live streaming, with older and even analogue games being broadcast in new ways to new audiences, reshaping notions of game lifespan and continued viability. In the third case, we argue that the ability to broadcast game design and game development on Twitch has the potential to be an important new development for the games industry and an important one to continue to track over the coming years. These are all components of a rapidly-evolving ludo mix between game production, game consumption, and game broadcast. This study is important due to not just the significant size and impact of the platform within the contemporary gaming ecosystem but the large number of game industry elements that Twitch – as we show – is affecting. Few if any parts of the sector have remained untouched by its effects. As such, this article is intended to provide a comprehensive overview of what we propose are the three most significant effects of live streaming on the games industry, and those who move within it.

This above analysis emerges from data gathered through over 100 in-depth semi-structured interviews with professional and semi-professional live streamers, alongside extensive empirical data from both online and offline ethnographic fieldwork (Johnson & Woodcock, 2017). In the first case, we have interviewed individuals who are either ‘professional’ streamers, by which we mean Twitch streaming and other monetisation associated with it (Johnson & Woodcock, In Press) forms their sole income or the overwhelming majority of it, or semi-professional streamers, by which we mean their activities on and around the platform constitute part, but not the whole, of their income. These interviews were secured at gaming and streaming events in the United States, United Kingdom, Germany and Poland in 2016, 2017 and 2018, during which the authors sought to maximise the demographic variety in the streamers interviewed in order to capture as wide a picture of contemporary streaming, and its diversity and complexities, as possible. In the second case, at these events and others we have conducted extensive ethnographic observation totaling several hundred hours, in addition to over 200 hours of observation on 200 Twitch channels themselves, again with a remit to maximise the diversity of both content and streamer during this study – but with a focus on the dominant actors on the platform, who shape what Twitch is most strongly associated with, where the most profits can be made, what other streamers aspire to and so forth. Collectively, these two sources of data offer a rich foundation for understanding how Twitch is changing the games industry.

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