

Monetization and Gamification in Twitch Game Live Streaming

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INTRODUCTION

This paper presents an overview of economic behaviour 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 relevant literature on both Twitch (Pires & Simon, 2015; Johnson & Woodcock, 2017; Anderson, 2017; Ask *et al*, 2019; etc) and platforms (Gillespie, 2010; Srnicek, 2017; Graham & Anwar, 2018; etc), followed by a description of our data and methodology which draws on interview and ethnographic techniques. Over the past three years we have conducted over 100 semi-structured interviews with live streamers of both professional and semi-professional status (cf. Johnson & Woodcock, 2017), lasting between just a few minutes in some cases, and close to two hours in others, with an average of approximately an hour. The majority of respondents were in their twenties 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 seventy percent of our interviewees were in their 20s, with almost thirty percent in their 30s, and only one or two younger or older than those categories. This interview data is coupled with ethnographic findings from several hundred hours of observation at live streaming events attended in person in the US, UK, Germany and Poland, and from 200 live streams viewed each for at least one hour. 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, 2019) is highly comparable to other public-facing performative jobs (cf. Duffy, 2017) which mobilise affect and emotion, such as fashion (e.g. Wissinger, 2007) or blogging (e.g. Bruns, 2008). 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.

The core of the paper 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

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“cheering” entail either giving the streamer money directly via 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 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.

We argue that such a wide variety of monetization methods is possible because the platform is relatively devoid of explicit rules or regulations preventing streamer behaviours, 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” (cf. Partin, 2019) – and recursive – as both parties are influencing the behaviours of the other. The laxity of these restrictions is such that streamers can even run games of chance of debateable 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 favourite 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.

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