Twitch and professional gaming: Playing video games as a career?

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Abstract
Streaming is a new trend in the world of video gaming that can make the dream of many video gamer become reality: making money by playing games. Streaming makes it possible to broadcast gameplay in real-time for everyone to see and comment on.

Twitch.tv is the largest video game streaming service in the world and the service has over 20 million monthly visitors. In 2011, Twitch launched Twitch Partner Program that gives the popular streamers a chance to earn salary from the service.

This research described the world and history of video game streaming and what it takes to become part of Twitch Partner Program. All the steps from creating, maintaining and evolving a Twitch channel were carefully explored in the two-month-long practical research process. For this practical research, a Twitch channel was created from the beginning and the author recorded all the results.

A case study approach was chosen to demonstrate all the challenges that the new streamers would face and how much work must be done before applying for Twitch Partner Program becomes a possibility. In addition, a literature review and an interview were used in order to give information about other forms of professional video gaming. The applied research methods included qualitative as well as quantitative methods.

Salaries from streaming, money distribution, taxation and the challenges were all revealed in the study. The current state of global as well as domestic professional video gaming was also discussed.

Keywords
Video game streaming, Web 2.0, Twitch, Professional gaming, eSports, Online advertisement revenue
**Tiivistelmä**

Striimauksen (streaming) on videopelimaailman uusin trendi joka mahdollistaa monen videopelaajan lapsuuden haaveita: tienata elantonsa pelaamalla videopelejä. Striimauksen mahdollistaa oman videolikuvan lähettämistä Internetissä muiten ihmisten katseltavaksi ja kommentoittavaksi.

Twitch.tv on maailman suurin videopelien striimaukseen erikoistunut palvelu ja palvelun sivuilavierailee vuosittain yli 20 miljoona kävijää. Vuonna 2011 Twitch käynnisti Twitch Partner Programin, joka antaa suosituille striimajille mahdollisuuden ansaita palvelua käyttämällä.

Tutkimus auttoi lukijaa ymmärtämään striimauksen maailmaa ja historiaa sekä selvitti mitä vaaditaan että pääsee osaksi Twitch Partner Programia. Kaikki vaiheet oman Twitch-kanavan perustamisesta sen ylläpitämiseen ja kasvattamiseen käytiin tarkkaan läpi kahden kuukauden käytännön kokeen aikana. Tässä käytännön kokeessa tutkimusta varten käynnistettiin uusi Twitch-kanava jota tutkimuksen laajien käyttö ja kirjasi tulokset ylös.

Tapaustutkimus valittiin lähestymistavaksi havainnollistamaan minkälaisia haasteita aloitteleva striimaja joutuisi kokemaan ja kuinka paljon työtä vaadittaisiin jos haluaa päästä osaksi Twitch Partner Programia. Tutkimusta pohjastettiin haastattelun ja kirjallisuuden käytöllä, jolloin myös muunlaisesta ammattivideopelaamisesta saatiin tärkeää tietoa. Tutkimus sisälsi sekä laadullisia ja määrällisiä tutkimusmenetelmiä.

Striimauksesta saatava paloka, tulojako, verotus ja mahdolliset haasteet paljastava tutkimus antoi myös yleiskuvaa ammattivideopelaamisen nykytilasta niin globaalilla kuin myös paikallisella mittakaavalla.

**Avainsanat (asiasanat)**

Videopelien striimauksen, Web 2.0, Twitch, Ammattipelaaminen, eSports, Internet-markkinoinnin tulot
Table of Contents

1 Introduction ................................................................................................................. 2

2 Literature Review ................................................................................................. 5
  2.1 Video game streaming ......................................................................................... 5
  2.2 Web 2.0 and history video game streaming ....................................................... 7
  2.3 Current state of Twitch ...................................................................................... 9
  2.4 What is needed for streaming? .......................................................................... 11
  2.5 Partnerships and money distribution ................................................................ 12
  2.6 eSports ............................................................................................................. 14
  2.7 Free-to-play model and microtransaction ......................................................... 15
  2.8 The Finnish eSport Federation ........................................................................ 16
  2.9 Building a brand on Twitch .............................................................................. 16

3 Research question .................................................................................................. 18

4 Method ...................................................................................................................... 19
  4.1 Research method and its reliability .................................................................. 19
  4.2 Informant .......................................................................................................... 20
  4.3 Interview procedure and content ..................................................................... 20
  4.4 Streaming equipment and schedule ................................................................. 21
  4.5 Streaming Procedure ....................................................................................... 22
  4.6 Analysis of Data ............................................................................................... 22

5 Results ....................................................................................................................... 24
  5.1 Viewers and followers ...................................................................................... 25
  5.2 Salary from Twitch ........................................................................................... 26
  5.3 Summary of the results .................................................................................... 27

6 Discussion ................................................................................................................ 28
  6.1 Streaming process ............................................................................................ 28
  6.2 Limitations ........................................................................................................ 31

7 Conclusion ................................................................................................................. 32

Bibliography .................................................................................................................. 34

Figures

Figure 1. Streaming view on a PlayStation 4 ........................................................... 6
Figure 2. Game Capture setup ............................................................................... 11
Figure 3. Overview of the money distribution ....................................................... 13
Figure 4. Free-to-play ............................................................................................. 15
Figure 5. Brand definition by Iain Ellwood .............................................................. 17
Figure 6. PlayStation 4 and the PlayStation Camera ............................................. 21
Figure 7. Streaming results ..................................................................................... 24
1 Introduction

Video games have come a long way from being a niche hobby of a few people to the $68 billion entertainment industry it is today. (Nayak, 2013) Nowadays, video games can be played almost everywhere and a dedicated video game console and a TV are no longer required thanks to the outstanding popularity of smartphones and tablet-devices. Video games have left the comfort of living room and are now traveling with the consumers wherever they go.

Video games are now reaching a wider audience than ever thanks to the rise of more casual video games and video game systems. There are more choices available for consumers than ever before thanks to the success of smartphones and tables. At the same time, consumers are also also the option to buy new game software on their devices digitally without the need to go to retailer and purchase a physical copy of the video game software.

With the introduction of Web 2.0 (See ch.2) that allowed Internet users to become content creators rather than just spectators, video games also started to become more popular and to some extent, more socially accepted. Popular video sharing sites, such as YouTube started to become common places for gamers looking for tips and to share their thoughts on certain video games. There was no longer need to buy expensive guidebooks or to be tied to a game since all the answers could be found on the Internet. Soon, gamers became a big community rather than isolated loners locked away in their rooms. Video game blogs, fan sites, fan fictions, videos and pictures started to fill the Internet, and this was not left unnoticed.

With the rapidly growing interest in the video game culture in social media outlets, Justin Ken and Emmett Shear created a spin-off channel for Justin.tv. Justin Ken and Emmet Shear were the founders of Justin.tv as well but the...
new channel focused only on streaming (see ch.2) and archieving video game videos (Geek Brain Dump, 2014). This network channel was called Twitch.

Twitch includes various types of different gameplay videos and streams from the biggest e-sports tournaments and gaming events. At the same time it functions as a platform that allows gamers to set up their own gameplay streams. (McCormick, 2013) Twitch was an immediate success and by February 2014, it was one the most frequently visited web sites in the United States (Quantcast, 2015).

This kind of website could not exist without an enthusiastic and active user base. This means that Twitch needs an audience as well as active gamers and content creators who make the videos and upkeep their own channel. In order to ascertain that the popular streamers keep making videos and stream, Twitch launched a Partner Program in 2011 (Business Wire, 2011) Partner Programs enable the content creators to gain a share of the ad revenue generated by the streams. (Twitch, 2014)

With the opportunities available, it has been argued whether playing video games can become a “real” profession. The ever-growing social aspect of the Internet and the tools already available make it seem that there could be money to be made by playing video games. This thesis explored whether or not it would be possible and realistic to focus on becoming a professional video gamer by becoming a part of Twitch Partnership Program. It is worth noting that the research conducted for this thesis did not count team based, professional e-sport tournaments but solely focused on streaming and using the social network services available. The author aimed to explain and research in depth what is needed in order to be accepted in the Twitch Partnership Program, how much money the popular streamers can earn and how much time and effort must be devoted to the service before Twitch Partnership Program is even possible. This thesis covered the history of video game streaming and the services available at the time of writing it. The author
himself implemented the research part by launching a Twitch-channel in order to experience what is required from a newcomer to create the channel, stream gameplay and gain active viewers and possibly eventually generate revenue from Twitch.
2 Literature Review

Twitch is a very popular website that makes it possible to watch live broadcasts of a person playing a video game and chat about it with the viewers. Users can browse the many different channels that are online at the time and watch different people playing different video games. Stuart Dredge from The Guardian writes as follows: "It's essentially the YouTube for live gaming: people broadcast themselves playing and/or talking about games while other people watch them while chatting about it." (Dredge, 2014)

More detailed information as well as the history and current state of Twitch can be found in the following chapters.

2.1 Video game streaming

The basic premise of streaming video game content is simple: someone is playing a video game (referred to as the “streamer”) and by selecting his or her channel on Twitch, one can see what is happening on the streamer’s screen. By creating an account to Twitch, it is possible to chat with the other members and interact with the streamer.

Nowadays, streaming gameplay on Twitch is easier than ever thanks to the new home consoles, Sony PlayStation 4 and Microsoft’s Xbox One. Both Sony and Microsoft have introduced a partnership with Twitch that enables users to stream gameplay with their console (Graser, 2013). Starting to stream gaming is now made available for the first time to people who do not necessarily own a computer powerful enough to stream gameplay. In order to start a streaming with a console, only three requirements have to be met:

1. The user must have a broadband Internet connection with minimum upload speed of 1 megabyte/second.
2. A Twitch account must be created. (This can be done with the video game console)
3. Press “Share” button on the game controller.

Before the console integration offered by Twitch, streaming gameplay without a computer was not possible. In order to stream gameplay with a computer, the necessary software must be downloaded and installed in addition to having a broadband Internet connection. However, using a computer for streaming offers more options than streaming on a console. Since Sony manufactures the PlayStation 4 and Microsoft manufacturers the Xbox One, it is not possible to stream video games that are not playable on those particular systems. This means that PlayStation 4 can only be used to stream video games that are played on a PlayStation 4 and Xbox One can be used to stream video games that are only played on an Xbox One. A computer does not have these restrictions so the gaming library is far more extensive compared to the consoles. More details on these differences are explained in chapter 2.4. In the picture below, an example of a video game streaming done with the Sony PlayStation 4 can be seen. It consists of the gameplay window, the small video of the streamer and a chat window.

Figure 1: Streaming view on a PlayStation 4 (Plafke, 2013)
“Broadcasting and watching gameplay is a global phenomenon”, Jeff Bezos, Amazon’s chief executive stated in an interview in 2014. (Daily Mail, 2014) It is easy to agree with Jeff Bezos. In a month, 1 million users stream videos on a monthly basis and 55 million monthly users watch videos for two hours a day on average. (Economist.com, 2014) These numbers are impressive and some content creators are earning a great deal of money with the service.

Felix “PewDiePie” Kjellberg is one of the most popular figures when it comes to video game related videos. According to the Wall Street Journal, he earns 4 million dollars on advertising revenue per year (Grundberg, 2014). It should be noted, however, that this revenue does not only come from Twitch since “PewDiePie” has the most popular channel on YouTube with over 32 million subscribers (VidStatsX, 2014) This means more subscribers than Katy Perry’s and Rihanna’s channels combined. More detailed information on how Twitch pays for the advertising revenue can be found in chapter 2.5

2.2 Web 2.0 and history video game streaming

In 2005, the term “Web 2.0” was introduced. This term refers to the modern state of the Internet and it is characterized by the growing emphasis on interactivity, social media integrations, enhanced communication tools and user-generated content such as blogs, wikis, YouTube and other platforms. With Web 2.0, the line between the spectator and content creator is becoming more transparent. The founder of O'Reilly Media, Tim O'Reilly used the term Web 2.0 to describe the second coming of the Internet by stating that: "Web 2.0 refers to the creation of a participatory web environment as opposed to its former use of only gathering information". (Helen Powell, 2009) People posting content on their social media channels, sharing images and videos are all part of the structure of Web 2.0. The most popular Web 2.0 websites include, amongst others: YouTube, Wikipedia, Twitter, Twitch, Pinterest, Wordpress, Facebook and Instagram (Ebizmba, 2015). All these sites are functional only
because of the active users who post and create new content to these sites all the time.

YouTube, launched in 2005, is a great example as a starting point for the beginning era of the modern Internet. YouTube is a video sharing service that allows users to post videos on the service for everyone to see. The service became popular quickly and other video sharing services started to go online. (Dickey, 2013)

In 2007, Justin.tv went online. Justin Kan, Emmet Shear, Michael Seibel and Kyle Vogt created the site that served as a starting point for Twitch. Justin.tv focused originally more on broadcasting lifestyle content and Justin Kan, who broadcasted his personal daily life, created the first channel on the site. The site grew in popularity and one of the most popular video categories was video game related streams and videos. (Rice, 2012)

Video gaming videos can be categorized in three groups:

1. “Let’s play” Videos: These videos are recorded documenting a gameplay of a video game, including a commentary by the gamer. These videos are usually humorous and aimed for entertainment purposes. One of the most popular creator of Let’s Play Videos is Felix “PewDiePie” Kjellberg

2. Walkthrough videos: Recorded multi-part guide videos documenting a single game from start to finish. Usually done without commentary

3. Streams: Live broadcast hosted by the streamer.

Game videos became so popular, that in 2011, Twitch.tv was created as a spin-off of Justin.tv. Twitch was aimed mainly for video game – related videos, and it became popular immediately (Ohannessian, 2014). In fact, Twitch became so popular that in August 2014, Justin.tv was shut down and in September 2014, Amazon acquired Twitch for 970 million dollars. (Kim, 2014)
2.3 Current state of Twitch

It is safe to say that Twitch is thriving at the moment. According to Quantcast.com, a site specializing in Internet audience measurement, Twitch attracts 24 million monthly visitors (Quantcast, 2015).

Users can create a free account and view all the streams that are online. Viewers can also follow and/or subscribe to their favourite streaming channels. It is important to see the differences between a follower and a subscriber. Becoming a follower does not cost anything and its purpose is just to notify the viewers with e-mail when their favourite channel is online. Subscribing to a channel, on the other hand, is different and it costs 4,99 dollars monthly. (Twitch, 2014) This money is split equally between the channel owner and Twitch.tv. The subscription option is only available on those streams that have been accepted to the Twitch Partner Program. If users want to support their favourite streamers but do not want to subscribe, they can also donate money directly to the streamer via PayPal. The main difference between subscribing and donating is the perks that are granted only for subscribers. Each streamer has personal perks for subscribers such as competitions or exclusive streams and by subscribing to a channel the viewer can enjoy the stream without any advertisements.

In the Introduction it was stated that gaming is nowadays following the consumer everywhere because of smartphones and tablets and Twitch also knows this. To serve this purpose, Twitch has a dedicated mobile application available for smartphones and tables that allow users to watch the streamed content in high definition resolution. It also allows users to follow their favourite channels. This application cannot be used for gameplay streaming, which means the user can only watch the streams and be active on the chat as well as manage their own profiles. (Twitch, 2014)
On a PC, Twitch has its own dedicated software, and the users can link their Twitch account to other gaming services available for PC's, such as Valve's Steam. (Twitch, 2013) In addition to smartphones, tablets and PC's, Twitch is available on two home gaming consoles, PlayStation 4 and Xbox One. At the moment, the only main video game console manufacturer that has not implemented any Twitch integration to their hardware is Nintendo. In an interview with Polygon.com, the Nintendo of America President Reggie Fils-Aime stated that: "We don't think streaming 30 minutes of gameplay by itself is a lot of fun". (Crecente, 2014)

Nintendo's policy in sharing gameplay footage of the company's software has always been more restricting compared to other video game companies. Recently, Nintendo angered many active YouTube-users by launching a Nintendo Creators Program. With the program Nintendo would receive a share of the advertisements revenue from content creators on Social Media networks that feature footage from video games created by Nintendo. (Nintendo, 2015) A Nintendo representative stated to Gamasutra.com that: "Nintendo has been permitting the use of Nintendo copyrighted material in videos on YouTube under appropriate circumstances. Advertisements may accompany those videos, and in keeping with previous policy that revenue is shared between YouTube and Nintendo." (Tach, 2014)

For some reason, despite having the full rights to do so, only Nintendo has demanded a revenue share on viral videos that use their footage. (Nintendo, 2015) How this will affect on the amount Nintendo-related streams on Twitch and viral videos on YouTube etc. remains to be seen. Nintendo Creators Program can be seen almost as a threat to the viral video gaming community. If it proves to be a financial success for Nintendo, other video game companies might decide to follow suite and in doing so, create some serious challenges and structural changes for Twitch.com as well.
2.4 What is needed for streaming?

There are two ways in which users can broadcast and stream content on their channel: with a PC or with a home console (PlayStation 4 or Xbox One). The two home consoles already have all the necessary software pre-installed on them to make it easier to start streaming. As mentioned earlier, home consoles have a more limited library of software for streaming because of the restrictions that the console manufacturers have imposed on them.

A PC offers much more variety to the streaming experience. In addition to the fact that Twitch software can be used to broadcast anything played on the computer, the users can purchase a Game Capture Device to extend their software library. A Game Capture Device connects the TV to the computer. This enables the user to stream content from any console that is connected to the TV. Basically, the game capture device connects the TV to a PC and enables the users to stream footage from their television instead of their computer screens. In the research part of this thesis, the streaming was done with a Sony PlayStation 4. This method was chosen because the purpose of the research was to demonstrate what it is like to start streaming with the basic equipment that is easily available and easy to use.

![Game Capture setup](Roxio, 2014)
2.5 Partnerships and money distribution

The Twitch Partner Program was launched by Twitch in 2011 (Twitch, 2014). The Partner Program enables the more popular streamers to gain a certain share of the advertisement revenue. This is also the main aspect that differentiates normal streamers and Partner Program streamers. If the streamer is not part of the Twitch Partner Program, s/he cannot receive any advertisement revenue. Users can apply to become a member of the Partner Program on Twitch’s website. At the time of writing, the requirements for a successful application were:

1. An average of 500 concurrent viewers (not only on peak times).
2. Regular streaming schedule with minimum of three streaming sessions per week.
3. Content that does not violate Twitch’s Terms of Service and DMCA Guidelines

Twitch states that these requirements are guidelines and exceptions can be made. When a streamer becomes part of the Partner Program his/her channel receives the "subscribe" - option. This option enables viewers to subscribe to the channel by paying 4.99 dollars monthly. This money is then split 50/50 between the channel owner and Twitch. (Twitch, 2014)

Twitch pays money strictly based on the amount of people that see advertisements during the streaming broadcast. (progamerhub.com, 2014) The sum is 2.00 (two) dollars per one thousand viewers that see the advertisements. In order to become part of the Twitch Partnership Program, the person doing the broadcast must have on average 500 viewers at all times. In theory, if the streamer shows two adds per hour and 500 viewers saw both of them, the streamer would get 2.00 (two) dollars per hour. However, the most popular streamers can easily have over 20,000 viewers at all times, which then makes the advertisement revenue radically better. When a streamer with 25,000 viewers shows three advertisements per hour and
streams for 8 hours, it generates 1,200 dollars. This means that the hourly salary is 150 dollars just from Twitch.

![Diagram](image)

**Figure 3: Overview of the money distribution**

Since Twitch pays the advertisement revenue via PayPal account from the United States of America, the author contacted the tax office of Finland to gain data about the tax fees. The tax office of Finland clarified how the taxation is applied to any income received from Twitch. It follows the same method that is
used with the compensations of book-, cd-, and art royalties. Once a year, the amount of money that is gained through these methods is added to the yearly wage earned from other jobs and the tax percentage is calculated based on the combined sum of these figures. (Vero, 2014)

2.6 eSports

For many gamers, video games are meant to be a casual hobby but there are people who want to take it to next level and compete against other gamers in arranged tournaments and events. This phenomenon is called eSports. eSports is a competitive sport that is played with computers and video game consoles. eSports events can be either for single players or for teams/clans, depending on the video game that is played. Most typical games at eSports events are PC games because of their large player base. Console games are usually limited to single-player fighting games. (SEUL, 2014)

The roots of eSports go way back to the 1950's when the digitalisation of existing games like chess started. The more commercial tournament gaming began in the 1990's when gaming industry started to take serious interest towards video gaming tournaments. Nintendo organised The Nintendo World Championships in 1990, a gaming tournament spanning 29 cities in the United States. (SEUL, 2014)

In 2001 the first World Cyber Games was organised with a price pool of over 300 000 dollars. Professional eSports gaming started to become a serious career choice when the tournament prizes started to grow and gaming organisations started to pay salary for the successful eSports gamers. At the moment, the biggest eSports tournament, measured by the prices, is The International: Dota 2 championship with a prize pool of 10,9 million dollars. (E-Sports Earnings, 2014)
2.7 Free-to-play model and microtransaction

The top three games on Twitch.tv are League Of Legends, Hearthstone and Dota 2. These games are exclusive to PC platform and share a unique approach to when it comes to payment models. These games are available to download for free without any charges. The players only need to create an account and a user name and download the software to their computers. This is called Free-to-play pricing. Players can play the game for free but can buy new content for the game if they so choose.

Figure 4: Free-to-play

In League of Legends and Dota 2, players can use their money to buy new characters and costumes for existing characters. In Hearthstone, players can use money to buy new virtual cards for their virtual card deck. These kinds of payments actions are called microtransactions. (GiantBomb, 2015)

Microtransaction are very common in mobile games where user can download the game for free but are given the option to pay to gain something extra for their game. Popular mobile games with microtransactions are Candy Crush Saga, HayDay and Clash of the Clans.
Another thing that is common for Free-to-play games on a PC is that these games do not require powerful computers, which makes them available for those who might only have an old workplace laptop. (systemrequirementslab, 2014). All in all, the three games that are constantly on the most popular games listed at Twitch (League of Legends, Dota 2, Hearthstone) are free, widely available and work even on modest computers.

2.8 The Finnish eSport Federation

The Finnish eSports Federation (SEUL) works as the central union for Finnish competitive electronic gaming. Its mission is to improve and promote electronic sports and the activities of its members. The union was established in December of 2011 to respond to the growing need for an organization to promote competitive eSports as a hobby and as a respectable sport. The activities performed by SEUL are divided into the development of eSports, protection of player’s interests and communicational work. The development of eSports is done partly by utilizing workgroups, which are based on the work of our volunteers. The union’s board is responsible for the day-to-day operations in co-operation with the union’s paid workforce. The union co-operates with many national organizations such as VERKE, EHYT ry and MEKU, in trying to promote a positive image of gamers and gaming in general. The union’s international participation is also strong, since it represents Finland in the International eSports Federation (IeSF). SEUL is also on the receiving end of the yearly grants given out by the Finnish Ministry of Education and Culture for youth programs. (SEUL, 2015)

2.9 Building a brand on Twitch

Streaming gameplay and watching the streams is a global phenomenon. As mentioned earlier, Twitch attracts tens of millions of visitors every month so
the real challenge is to get one's channel noticed. If there are 100+ streamers playing the same video game, it can be difficult to make it to the top. In a way, starting a blog and starting a stream channel face the same initial problem; how to gain viewers/readers. Even in the early stages of creating a channel on Twitch, it is good to start thinking about your brand and how to evolve it. Iain Ellwood has a simple and effective definition for what the brand represents: "At the core of all successful brands there is always a successful product or service." (Ellwood, 2000)

![Figure 5: Brand definition by Iain Ellwood](image)

Since Twitch is an interactive experience where the streamer plays the game and responds to the comments sent by the viewers, communication with the audience is crucial. Robert Scoble writes that: "A good blog is not some one-way PR-channel but rather, a place for discussion" (Robert Scoble, 2006)

All these statements ring true when talking about maintaining a channel on Twitch. The successful product, the stream itself, must be a safe, interactive place where viewers can interact with each other and with the streamer. The visual content of gameplay streams is more or less the same on every channel: The audience sees the gameplay feed and a small picture of the streamer. Therefore, the branding revolves only around the streamer. Some streamers build a brand by only playing very difficult games (Twitch, 2014) or by creating and selling their own merchandise. (Syndicate, 2014).
3 Research question

With the rise of social media networks and interactivity online introduced by the Web 2.0, it has become possible to live the dream of many kids: make money by playing video games. In a relatively short time, video game videos have become huge viral hits and have formed a global, enthusiastic fanbase around them. As appealing as it sounds, in reality, just by turning on the gaming device and playing your favourite games does not generate money to gamers' bank account. However, setting up a gameplay stream is nowadays easier than ever and Twitch offers detailed tutorials on how it can be done, but even then, earning income by hosting a video game stream is no small task. With the arrival of the new video game consoles, Sony’s PlayStation 4 and the Microsoft’s Xbox One, Twitch streaming is possible for the first time to gamers who don’t necessarily own a computer. This is the premise of the research part of the thesis and it explores the possibilities of video game streaming by focusing on two key questions:

1. How can one make money from streaming gameplay?

2. How long does it take to gain enough audience to be able to become part of Twitch’s Partner Program?
4 Method

4.1 Research method and its reliability

The research methods used in this thesis were a combination of quantitative and qualitative research methods. Data on the subjects of professional gaming, branding, streaming and the current state of video games as an interactive medium were gathered from various websites and books. In addition, an interview was organized with the chairman of Finnish Federation of Electronic Sports, Erkka Jouste. Since video game streaming, professional gaming and eSports are relatively new forms of entertainment and there are not much professional literature on the subject, it was important to have an interview with someone who has been an active member of this particular gaming community as it has been growing to its current state.

The quantitative part of research was done by the author himself and the numerical data were provided by the Twitch service. This was the only way to keep track on how many people were currently watching the gameplay stream and how many people were following the authors' Twitch channel.

The interview was done via e-mail because of the overlapping schedules of the author and the interviewee. This method was convinient for Erkka Jouste and it also kept the answers being possibly affected by the authors' presence. In C.R Cohari's book, Research Methodology - Methods and Techniques, it is stated that interviews done via e-mail are "free from the bias of the interviewer; answers are respondents' own words." (Cohari, Research Methodology - Methods and Techniques, 2004)
4.2 Informant

To gain valuable, professional insight about the professional gaming scene in Finland, the author of this thesis interviewed the chairman of the Finnish eSports Federation (SEUL), Erkka Jouste. Erkka Jouste has been a member of SEUL since autumn of 2012 and as of summer of 2014 he has been acting as the chairman of SEUL. Before SEUL, Erkka Jouste had a strong background in competitive and professional gaming and has also organised gaming tournaments at Insomnia ry.

4.3 Interview procedure and content

The interview was done via email and the exchange was initially done in Finnish and was translated to English for this research by the author. The email approach was chosen because of the overlapping schedules of the author and Mr. Erkka Jouste.

The interview was structured based on the following guidelines by Martin Modell:

1. Selection of the interviewee and scheduling time for the interview
2. Preparation of interview questions, or script
3. The interview itself
4. Documentation of the facts and information gathered during the interview
5. Review of the interview write up with the interviewee
6. Correction of the write up, sign-off, and filing (Modell, 2007)

The interview started with basic introduction questions to give the readers insight about Erkka Jouste and his background in the professional gaming scene. After the introduction, the questions focused solely on professional gaming and streaming services. The interview concluded with questions about the current state and future prospects of professional gaming scene in Finland. The full length interview can be found in the appendices section of this research paper.
4.4 Streaming equipment and schedule

A Twitch account and a channel were created to demonstrate what is like to start streaming video game broadcasts with the most basic equipment. All the equipment used in this research is widely available and easy to set up. The equipment included the following items:

- A Sony PlayStation 4 video game console.
- Headphones with a microphone.
- The Sony PlayStation Camera
- 100/10mb Internet connection

The schedule for streaming was two months, from the 1st of November 2014 to the 1st of January 2015. Streaming was done on average three times a week for three hours, totaling approximately nine hours per week.
4.5 Streaming Procedure

To attract as much audience as possible, the language for the gameplay streams was English. This meant that all the games were played in English and all the commentary and chat replies were also in English. The games that were streamed were all played on the Sony PlayStation 4 and consisted of four games. The games were chosen specifically to cover different genres to give some variety to the streams. The games and that were played during the streams were:
- Destiny (2014) : Scifi-Adventure
- The Binding Of Isaac: Rebirth (2014) : Dungeon Crawler
- Final Fantasy XIV: A Realm Reborn (2014) : Online Role-Playing

Games were played for an average of three hours and three times per week. Commercials were shown three times in one hour totaling in nine commercials per one streaming session.

4.6 Analysis of Data

The two-month-long research done by the author combines elements of qualitative as well as quantative research methods. The qualitative data gathered shows how different game genre affects the popularity of the stream and why some genres and games are constantly more popular than others. In terms of quantative date, the specific amounts of concurrent viewers and followers were essential knowledge to gain tangible data on how the stream evolves in the two-month time frame.

Since the goal of the research was to answer the questions how to make money from streaming and how long it takes to become part of the Twitch Partner Program, it suggests towards a quantitative study. However, since the research was done using a service that is all about interacting with other people, their attitudes, behaviour and experiences make qualitative data
necessary. In her book, "Practical Research Methods" Dr. Catherine Dawson explains the term "triangulation" that is used when the research uses a combination of qualitative and quantitative forms of inquiry. (Dawson, 2002) She states that: "Neither qualitative nor quantitative research is better - they are just different. Both have their strengths and weaknesses." (Dawson, 2002) Because gameplay streaming is a new phenomenon and the literal data is still rather limited, it was important to utilize different research methods for data gathering.

In conclusion, the methods used in this research followed the guidelines presented by C.R Cohari, where ten fundamental questions need to be kept in view:

(i) What is the study about?
(ii) Why is the study being made?
(iii) Where will the study be carried out?
(iv) What type of data is required?
(v) Where can the required data be found?
(vi) What periods of time will the study include?
(vii) What will be the sample design?
(viii) What techniques of data collection will be used?
(ix) How will the data be analysed?
(x) In what style will the report be prepared?

(Cohari, Research Methodology - Methods and Techniques, 2004)
5 Results

The following graphics examines the streaming timeline on a weekly basis. It shows what was played on which week and the average amount of viewers as well as the total number of followers.

<table>
<thead>
<tr>
<th>WEEK</th>
<th>Games played</th>
<th>Average viewers</th>
<th>Followers</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEEK 45</td>
<td>Destiny</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>WEEK 46</td>
<td>Destiny</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>WEEK 47</td>
<td>Call Of Duty/Destiny</td>
<td>10</td>
<td>2</td>
</tr>
<tr>
<td>WEEK 48</td>
<td>Call Of Duty</td>
<td>22</td>
<td>4</td>
</tr>
<tr>
<td>WEEK 49</td>
<td>Final Fantasy</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>WEEK 50</td>
<td>Binding Of Isaac</td>
<td>33</td>
<td>12</td>
</tr>
<tr>
<td>WEEK 51</td>
<td>Destiny/Binding Of Isaac</td>
<td>29</td>
<td>13</td>
</tr>
<tr>
<td>WEEK 52</td>
<td>Final Fantasy/Binding Of Isaac</td>
<td>44</td>
<td>21</td>
</tr>
</tbody>
</table>

Figure 7: Streaming results
5.1 Viewers and followers

After the research period was over, the total amount of followers on the authors' Twitch channel was 21. The average amount of concurrent viewers was 44. From these two numbers, the amount of followers is more important when the aim is to meet the criterias to apply for Twitch Partner Program. The followers are more likely to watch the channel on a regular basis and therefore stabilize to some extent the number of concurrent viewers. If a channel has over thousand followers, it is safe to assume that every time the channel is active there is at least few hundred viewers at all times.

The amount of viewers and followers on the authors’ channel was not even close to the required amounts needed to apply for Twitch Partner Program so it was not possible to gain any compensation. However, since the channel grew steadily in popularity, it is clear that even when streaming with the most basic equipment, people are still willing to give the channel a chance.

In the literature review it was explained in detail what was needed to be able to apply for Twitch Partner Program and these conditions were not met in the two-month-long research. Since every streamer is an individual person the conclusions based on this research cannot be considered absolute but it is still safe to assume two things based on the results:

1. It takes months of work to meet the minimun requirements that are needed in order to apply for Twitch Partner Program.

2. There is an active audience for new streamers.

As the results prove, the new streams can gain popularity to some extent. Twitch is a powerful platform and as people buy more gaming devices and Internet speeds become faster, even more streaming channels are coming online.
In the interview given for the purpose of this research, Mr. Erkka Jouste comments on the popularity of gameplay streaming and professional gaming in general by saying that:

*Overall it is the increase on the average Internet speed around the world that enable individual gamers to broadcast gameplay and enjoy these gameplay streams via Twitch or other services that is the fundamental reason for the popularity of professional gaming and eSports.*

Proper Internet speed and equipment are the starting point for streaming but in the end, it is all about the streamer itself. Erkka Jouste highlights the importance of the individuality of the gamer by saying that:

*You have to know how to market yourself and know what makes you unique. Obviously, you also have to be good at gaming. In order to become a good player or get into a good team, there are no shortcuts, you just have to keep practising.*

### 5.2 Salary from Twitch

In order to gain salary from Twitch, one must be part of the Twitch Partner Program and this was not achieved during the research period. Detailed information about the Twitch Partner Program was covered in the chapter 2.5, but one of the key requirements was to have 500 concurrent viewers on average during the streams. The results show that after two months of streaming, the average amount of concurrent viewers topped at 44. That is less than 10% of the required minimum so it was impossible to even consider applying to the Twitch Partner Program.

For the research, streaming was done three times per week and each session lasted for three hours. By sacrificing more time to streaming increases the odds to attract more viewers but nevertheless, getting to 500 viewers is a serious challenge. Based on the research results, even by increasing weekly streaming hours, it will take months to reach the requirements needed to apply for Twitch Partner Program.
5.3 Summary of the results

As a conclusion for the two-month-long research, it is visible from the results that gaining income by utilizing streaming channels can be done but it takes enormous amount of time and dedication. As a serious career choice, professional video gaming is hard to recommend because of these reasons. Streaming gameplay and professional gaming in general are new trends that have already established themselves in the gaming world and are growing rapidly. Now that streaming is made available for more gamers than ever thanks to the console integration by Twitch, the gameplay streaming will only become even more popular. When asked about the future of streaming and professional gaming in Finland, Mr. Erkka Jouste says that: "Hopefully, the Finnish professional gaming evolves somewhat closer to world-class gaming and we will see more big names playing full-time for different organizations."
6 Discussion

6.1 Streaming process

Destiny was the game that was played during the first weeks of the streaming. The reason for this was because Destiny is still at the time of writing the most popular console game on Twitch. (Twitch, 2015)

Right from the beginning it became clear, just how difficult it actually was to gather viewers and interact with them. First days of streaming went quickly with 0-2 viewers and advertisments were not played at all, to ensure sure that even those few viewers did not stop watching. With Destiny being so popular, it meant that the amount of active streams is much higher than on other games. Essentially, it all boils down to the streamer itself. Streamer is the driving force behind the gameplay streams and s/he has to offer something to the viewer to make that particular stream better for the viewers than all the others. John Morgan states in his book Brand Against The Machine that: “The future of branding is marketing with people, not at them” (Morgan, 2014) With the social infrastructure of Web 2.0 this is more relevant than ever for those aiming to make money online.

The next weeks started so show a small but relatively steady grow of viewer-wise. Streaming itself started to feel more natural and even the chat window started to fill with messages and this is where the interaction and communication with the viewers started to show its importance. On the third week, this interaction culminated when the stream gained its first two followers. At this point it is worth reminding that follower is not the same thing as a subscriber. Following a streaming channel does not cost anything so it does not generate any revenue to the streamers.
Week 50 proved to be popular thanks to the release of The Binding Of Isaac: Rebirth. The original Binding Of Isaac has been popular streaming game since its release in 2011 because of the randomized nature of the game. The Binding of Isaac: Rebirth is a remake of that game and it was released on November 2014 for PC, PlayStation 4 and Xbox One and rapidly became popular on Twitch as well (Stapleton, 2014). The popularity reached the authors’ Twitch channel and the amount of viewers almost tripled compared to previous weeks. This encouraged keeping The Binding Of Isaac: Rebirth on the weekly streaming schedule.

As more people started to become followers of the channel, it started to show as an overall increase in the number of concurred viewers. Same people would tune in to watch the stream and comment on the gameplay at hand. Unfortunately, the number of viewers and followers remained small throughout the research. With the data gathered over the two-month long research, it was clear that streaming gameplay is not an easy or a fast way to gain any income. However, some people have done it and one popular streamer with average viewer count clocking in at +20,000 on average, Jeffery Shih (alias TrumpSC), says that: "It possible for anyone to succeed with enough hard work, and it can be done as little as six months." (Keng, 2014)

One the main research question was: “How can one make money from streaming gameplay?” After the research that included 72 hours of streaming video games without any financial compensation from Twitch, it can be stated that it needs an enormous amount of time and dedication. An average week of work includes approximately 37 hours of work, so 72 hours of streaming gameplay is equal to almost two weeks of working hours. In this time, streaming did not provide any income and it was actually very far from it. However, there are people who host streams with 10 000+ viewers at all times and for them, streaming gameplay on Twitch is profitable and can be considered as a career. (Socialblade, 2015)
The idea of playing video games for money sounds so appealing that many people might neglect the negative effects that the Twitch-career can cause. The number of followers on the authors’ Twitch stream did gradually grow, but nevertheless, there were days when someone stopped following the channel and the total amount of followers dropped. Even at the point where there was no money involved, it caused negative feelings. In an interview with Washington Post, a popular streamer Alex Ross talked about the stress that Twitch caused to his relationship with his girlfriend, stating that: “I know she deserves more time, but I just feel really scared of losing it all. Being without a home and a paycheck,” (Kang, 2014)

The constant worry of streaming schedule as well as maintaining and increasing the viewer amount on the channel can be very stressful. Twitch can not be seen as a future-proof, stable source of income. There are no work unions, no retirement funding, just the money that is received monthly that is strictly based on the amount of people who either see the advertisements or donate the money via subscribing or directly. It is because of the ever-changing nature of the Internet, Social Media and trends that make it somewhat difficult to recommend gameplay streaming as a serious career option.

The main challenge boils down to maintaining enough viewers and subscribers to keep the the stream channel profitable. With 500 subscribers who donate five dollars per month, it leaves the streamer with 1250 dollars after Twitch takes its share. This combined with the fact that the streamer gets two dollars for thousand advertisements views means that gameplay streaming is not a solution for people who are hoping to gain money fast or easy.
6.2 Limitations

The main limitation was the hardware that was in use. The most popular games that are viewed on Twitch are all exclusive to PC hardware (League Of Legends, Counter Strike, Starcarft, Dota 2, World of Warcraft, Hearthstone) so none of those games were available to use in this research. PC games are the most popular games on Twitch but the competition in those games is even greater than on any other game because all of the games mentioned above are also tournament-games that are played at eSports events with a team. The limitation was intentional since the purpose of the research was to start the streaming channel with the most basic and easy-to-use equipment available and that is a dedicated video game console. Investing money to a gaming computer and the necessary software increases the library of video games to stream but it is also more expensive and more complicated.

From technical perspective, when using Sony PlayStation 4 as a streaming platform, some compromises must be made to the image quality. Full HD resolution (1920*1080) is not available and the frames per second (FPS) during the stream is limited to 29.97 frames instead of the 60 frames that is possible on PC. (Graziano, 2014)

Additionally, to gain as much visibility as possible, one should be streaming as much as possible. Nine hours per week is a solid time to stream but basically, the more you stream, the better. However, before you start making any serious money from streaming, you need to be prepared to do it without any compensation for a long time. That is why it is not realistic to think that you could immediately start broadcasting your gaming for 10 hours everyday.

Finally, since the professional gaming and streaming scene is still so new, it was difficult to find professionals that were available for interviews. Only one person was interviewed and it is possible that the personal opinions might have had stronger impact on the research as a whole.
7 Conclusion

Web 2.0 has opened up a new realm of possibilities when it comes to interacting with people all over the world. For gamers, what started as Let’s Play – videos has evolved into a service that allows direct contact with other like-minded gamers.

It is still early days for video game streaming services, but the future looks bright. As the Internet connections evolve and become faster, it offers more possibilities for streaming services. The main point in this thesis was to examine the possibilities of making money by using these services. While the authors' streaming channel clearly failed to receive any compensation from streaming, there are many streamers out there who have enough viewers to make some serious income. The competition is fierce and as the service gets more popular, competition will get even tougher.

To become a professional gamer, it must be understood that it will require a lot of work and sacrifices. Playing video games for 6-8 hours every day and interacting with the viewers might lose its appeal after some time. Like any "normal" job, streaming will also cause stress when one is balancing between spare time and streaming schedules.

Life as a professional gamer might not be as exciting and stress-free as it initially would seem. There must be a clear schedule for streams and taking long holidays might not be possible because there is always the chance that people simply stop watching the streams. Cameron Keng from Forbes states that:

\[
\text{Consistency is the most important factor to your success. Showing up is a prerequisite and it's not easy. Making sure day-in and day-out that your face is live for everything to see is hard. Whether you’re healthy, sick, happy, sad or just plain exhausted is something that your viewers are going to see. It’s the audience getting to know you as a person or personality is what drives them to come back every day. (Kang, 2014)}
\]
Being exposed to possibly to tens of thousands of viewers is not suitable for everyone but it is an enormous part of the career of a professional gamer. Even if the main source of income is sponsorships or recorder videos, the gamer is always the main point of interest. Cameron Keng continues: "Personality is the second most important factor. There are two types of characters that are popular: the technical streamer and the charismatic streamer." (Kang, 2014)

As mentioned earlier, the results from the two-month-long research period were not enough to apply for Twitch Partner Program, therefore making it impossible to gain income with streaming. However, the stream gained viewers and followers steadily and by increasing the research time by another two months and adding few more streaming hours weekly, the results could be closer to the requirements of the Partner Program. Since streaming is so strongly tied to the interaction between the streamer and the audience, it is impossible to give specific number of hours or months one must stream to make their channel profitable.

Creating a streaming channel and broadcasting gameplay is now easier than ever and while the research results show that it might not be realistic career choice for many people, it is advisable to try streaming to see what it is like. Eventually, it is all about the man or woman behind the camera that attracts the people to return to the same gameplay stream rather than the game itself.
Bibliography


Appendices

What is your video game background?

I started online gaming after the mid 90's with games like Quake, Quake 2 and Half-Life and their custom modifications. I played Quake 2 actively for almost seven years before switching to Unreal Tournament 2004 in 2004. In Unreal Tournament 2004 (UT2004) our team, or clan, performed exceptionally well and in less than one year our team was one of Europe's top 3 teams. I stopped tournament gaming in 2007 when the popularity of UT2004 started to fade and our team had been the number one team on the league without any loses for six months straight. After that, I have been casually playing different games

What is the current state of Finnish eSports? What has been done well and how things can be improved?

The current state of eSports in Finland is increasingly positive. In terms of the mainstream media, it can be said that we have succeeded when YLE has started to broadcast different gaming events on their channels. The things that must be improved include how professional gamers are supported in terms of tangible milestones and clear goals. When there are no tournaments and events to participate, there is no reason for gamers to keep practicing or even stay together.

What are the most popular eSports games at the moment?

Counter-Strike: Global Offensive, Hearthstone and Starcraft II seem to hold the top spots well. Dota 2 and League Of Legends have started to show some
decline in popularity for some reason in the Finnish eSports scene for some reason, despite the huge amount of gamers playing those games.

What makes eSports so popular?

The eSports games are easy to obtain and easily accessible. It is also relatively cheap hobby since anyone with a computer can play and watch games.

Twitch.tv is very popular amongst gamers. Do you believe that Twitch has also helped to boost the popularity of eSports?

Twitch is one of the many streaming services but its' popularity is based on the service is easy to use and works well. Few years ago, Twitch won the so-called "Stream Wars" where many streaming services competed for market share. In the last six months new rivals are emerging such as Hitbox.tv. Overall it is the increase on the average Internet speed around the world that enable individual gamers to broadcast gameplay and enjoy these gameplay streams via Twitch or other services that is the fundamental reason for the popularity of professional gaming and eSports. Also the support of game developers towards professional gaming with big budgets and marketing creates much interest.

Many gamer dreams about making a profit by either participating in eSports or by using services like Twitch. Do you any tips on how to get started?

You have to know how to market yourself and know what makes you unique. Obviously you also have to be good at gaming. In order to become a good player or get into a good team, there are no shortcuts, you just have to keep practising.
What makes Twitch so popular?

It is easy to use and works well.

PlayStation 4 and Xbox One enable gameplay streaming via Twitch and Ustream. Do you believe that this will make console gamers more interested about professional gaming and about eSport-events?

I think that streaming will become more popular but at the time, console gaming is bigger in the U.S than it is here in Europe. For some reason even as the years go by, console gaming has not found popularity in gaming tournament events when compared to PC games. There are some exceptions, like the fighting games Tekken and Street Fighter.

How do you see professional gaming evolving in the next five years?

Hopefully, the Finnish professional gaming evolves somewhat closer to world-class gaming and we will see more big names playing full-time for different organisations. SEUL aims to help achieving this by launching a league system in Finland that brings more games to play for solo and team players.

YLE has shown the tournaments of Counter Strike: Global Offensive on one of their channels. Is it likely that professional gaming will become more visible in the Finnish mainstream media?

The progress has been positive and interest has been shown from other big media companies. Time will tell how other media outlets will follow.