



Decoding the Creator Economy Landscape

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Agenda

- ❖ **How Creators Capture, Compose and Publish Content across major Platforms**
- ❖ **How Creators Monetize their Content across UGC (User Generated Content) Platforms**
- ❖ **Quality and Monetization Issues with Short-form Videos**
- ❖ **The Science of Swiping across Social-media Platforms and Dating Platforms**
- ❖ **The Engagement Conundrum**

Who are the Content Creators?

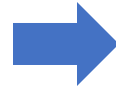
Anyone can be content creators, from vloggers to influencers to writers, to monetize themselves, their skills, or their creations



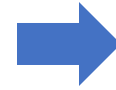
Social sharing



Amateur /
hobbyist



Skilled /
established



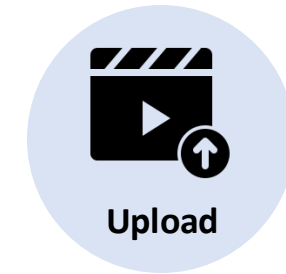
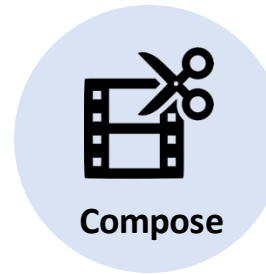
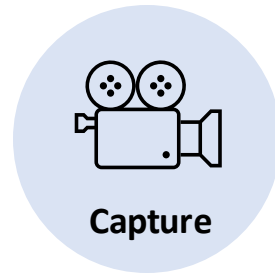
SMB / enterprise /
branded



Studio /artist /
“Hollywood”

Purpose	UGC for sharing with friends on social media	Individual creator / influencer that creates content to attract audience and market products and/or brands		Company promoting brand and products	Long-form content for entertainment
Types of <u>audio</u> / <u>video</u> content	<ul style="list-style-type: none">• <u>Mobile</u> captured content for sharing• Redistribution of media content created by others	<ul style="list-style-type: none">• Short-form movies/series, vlogs, tutorials, online classes, product reviews, livestreams• Genres range from gaming, fashion, travel, lifestyle, comedy, celebrity, product reviews, etc.• From mobile to professional cameras and other equipment (e.g., lighting, microphone, tripod etc.)		<ul style="list-style-type: none">• Corporate videos• Learning / how-to videos• Digital ads• Video series, trailers• Interactive livestreams and e-commerce	<ul style="list-style-type: none">• Professionally created TV shows and movies delivered over-the-air, on OTT and in cinema
Monetization	None	<ul style="list-style-type: none">• Ad sharing• Affiliate marketing	<ul style="list-style-type: none">• Ad sharing• Affiliate marketing• Sponsorship / brand deals• Own brands / merchandise• Subscription / tipping• Courses• Content creation services• Events / meetups	<ul style="list-style-type: none">• Sale of products, services and content	<ul style="list-style-type: none">• Ad revenue• Subscription• Ticket sales
Time / money / skill	Low	Medium	High	High	Very high

Content Creation Workflow Today – Produced Videos



Long-form videos:
Vlogs, lifestyle, travel,
fashion etc.



- Equipment: camera, phone, drone, GoPro
- Other: tripod / gimbal; microphone; lighting

- Software: **Apple Final Cut Pro**, **Adobe Premiere Pro**, Wondershare Filmora, iMovies (amateur), InShot (mobile)
- Presets and plugins for text, color, filters and effects etc.
- Music: licensed music subscription (Epidemic Sound, MusicBed); non-copyrighted music (YouTube, SoundCloud)

- Direct upload from editing software
- Export and manual upload
- Analytics

Short-form videos (<1 min):
end-to-end

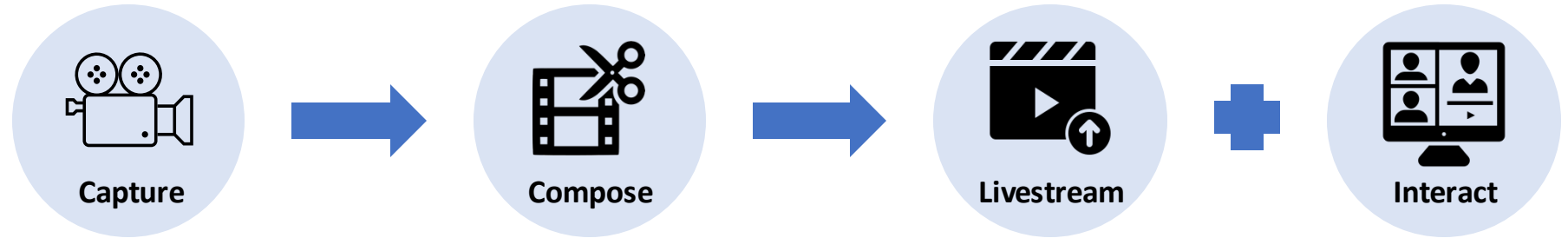


- Equipment: phone (can be captured in-app or natively on phone)
- Other: tripod / gimbal; microphone; lighting

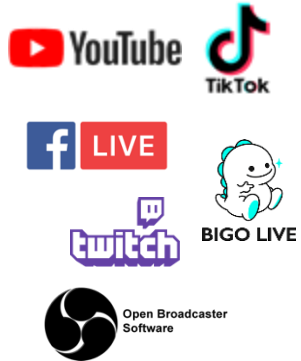
- Software: in-app
 - Edit and trim videos
 - Add music (in-app), voice-overs, text, filters and effects
 - Add enhancements (e.g. “beauty mode”, face filters and voice effects”)

- Publish directly

Content Creation Workflow Today – Livestreaming



Video and Game Livestreaming



- Equipment: phone, PC webcam, camera
- Capture via web browser / app or software
- For gaming: gaming device
- Other: Elgato Stream Deck, microphone

- Software: **OBS Studio**, Ecamm, Be.Live, StreamYard, Wirecast, Vmix, Streamlabs
 - Support multiple cameras, title / logo onscreen, filters and effects, green screen, screen share

- Broadcast on app
- Record, edit and repost as a video

- Audio / video conference
- Chat messages, reaction
- Gift / tip
- Engagement data

Social Audio



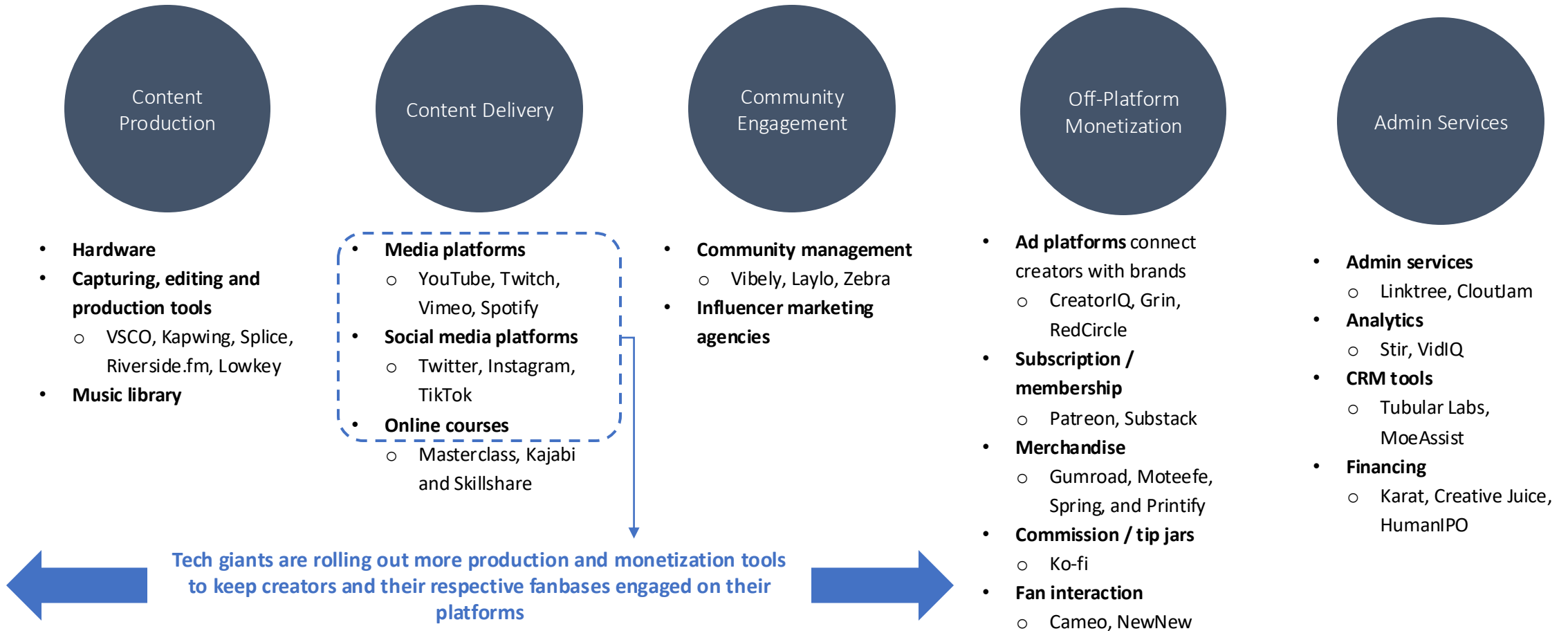
- Equipment: phone, microphone
- Capture via web browser / app or software

- Deliver on app

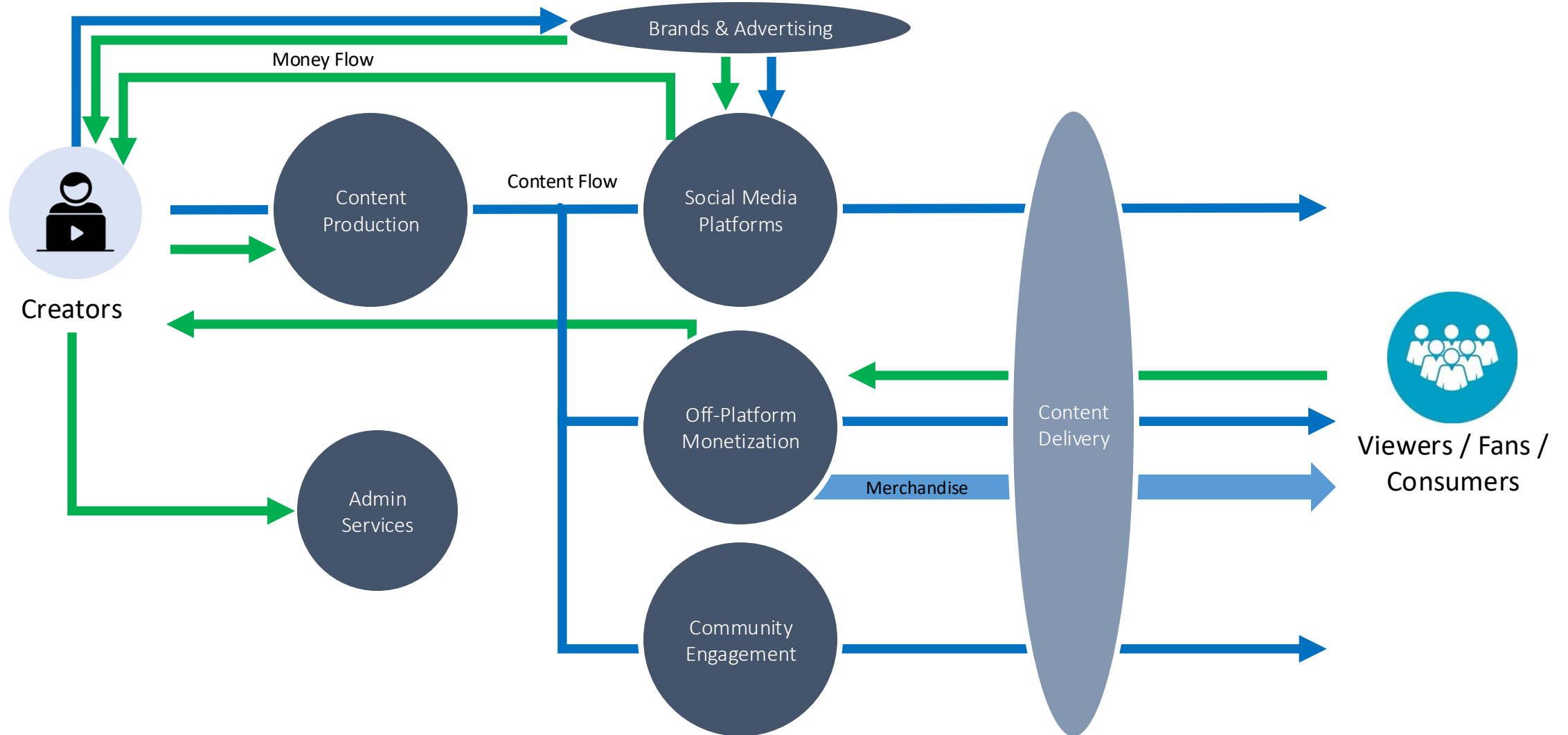
- Audio / video conference
- Chat messages, reaction
- Gift / tip
- Engagement data

The Value Chain of Social Media Platforms

Creators currently need to use a variety of platforms and tools to manage multiple workstreams and revenue sources



Money and Content Flow on UGC platforms



On-Platform Monetization and Pay-out for Creators

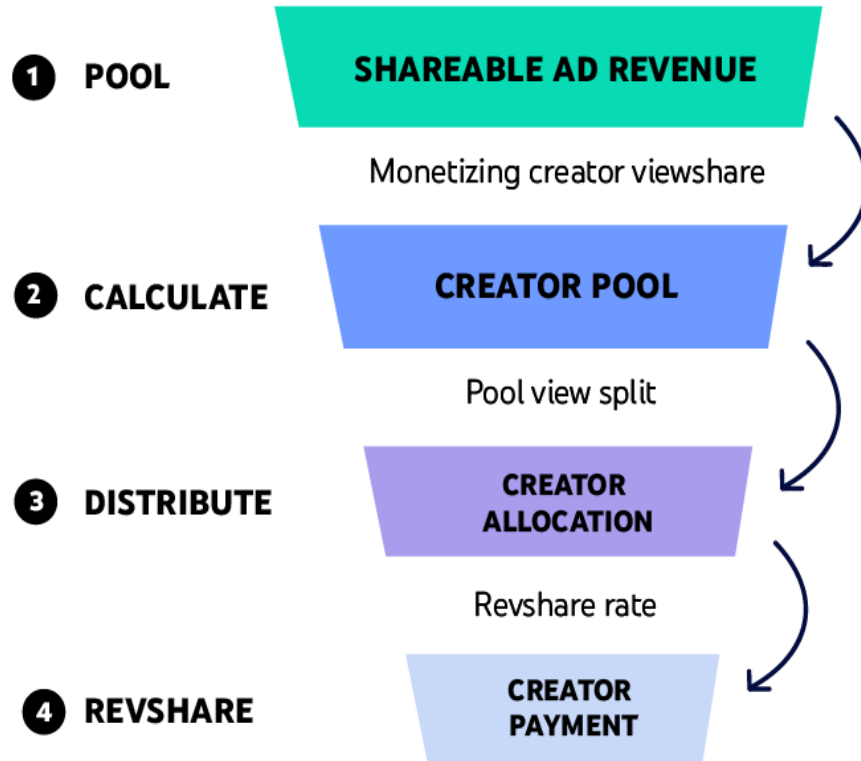
Source of Revenue	YouTube	Instagram	Tiktok
Ad-Revenue	55%	-NA-	50%
Subscriptions	70%	100%	70%
Tips	70%	100%	50%
Creator Fund	45%	-NA-	\$1bn for USA in next 3 years (from May 2023)
Shopping	70%	100%	98%
Branded Content	-NA-	100%	Not disclosed

YouTube Partner Program

Components	DESCRIPTION	MINIMUM ELIBILITY
Channel membership	Members make recurring monthly payments in exchange for access to special perks	<ul style="list-style-type: none">• 500 subscribers• 3 public uploads in the last 90 days• 3,000 public watch hours on long form videos in the last 365 days OR 3 million public Shorts views in the last 90 days
Shopping (creator's products)	Fans can browse and buy products from creator's store,	
Super chat and super stickers	Fans pay to get their messages or animated images highlighted in live chat streams.	
Super thanks	Fans pay to view a fun animation and get their message highlighted in your video or Short's comments section	
Ad revenue	Earn revenue from Watch Page ads and Shorts Feed ads	<ul style="list-style-type: none">• 1,000 subscribers• 4,000 public watch hours on long form videos in the last 365 days OR 10 million public Shorts views in the last 90 days
YouTube premium review	Get part of a YouTube Premium subscriber's subscription fee when they watch creator's content	
Shopping (products from other brands)	Fans can browse and buy products creator tag from other brands through the YouTube shopping affiliate program	<ul style="list-style-type: none">• 20,000 subscribers• 4,000 public watch hours on long form videos in the last 365 days OR 10 million public Shorts views in the last 90 days

YouTube Shorts Creator Fund

How Shorts ad revenue sharing works



POOL - Ads revenue within YouTube Shorts is aggregated into a pool

CALCULATE - The pool calculates shares based on views and music usage

DISTRIBUTE - Shares from the pool are distributed among eligible creators

REVSHARE - Monetizing creators will keep **45%** of their allocated Shorts revenue

Source : Youtube

Instagram Monetization

Component	Description	Eligibility
Branded Content	Creator marketplace connects brands and creators. Creators share the brands and products with followers and brands pay them for sharing that intel	<ul style="list-style-type: none">• 1k+ followers• Content Monetization Policies• Partner Monetization Policies• Community Guidelines• Reside in Eligible Countries
Badges	Creators go Live with badges and viewers can buy badges to support them and get extra recognition	<ul style="list-style-type: none">• Partner Monetization Policies• Community Guidelines
Gifts	Followers and non-followers can show their appreciation for creators by sending virtual gifts on their reels	<ul style="list-style-type: none">• 18+ age and 10k+ followers• Reside in eligible countries
Shopping	Creator can sell merchandise and products	<ul style="list-style-type: none">• Commerce Eligibility Requirements• Commerce Policies• Commercial Terms• Seller Agreement Platform Terms• Reside in eligible countries• 1k+ followers
Subscriptions	Creators earn recurring monthly income by offering exclusive content and experiences to your most engaged followers	<ul style="list-style-type: none">• based in the US• 18+ age and 10k+ followers• Partner Monetization Policies• Content Monetization Policies

Instagram Creator Marketplace

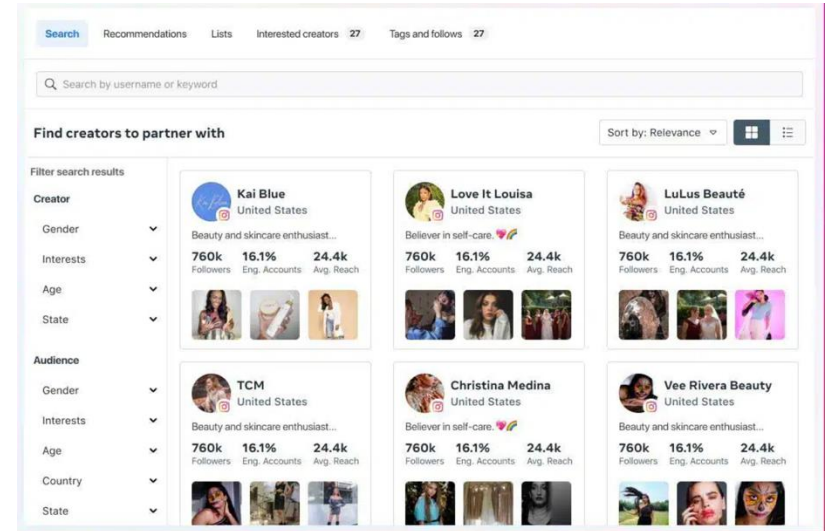
Brand Discovery: Brands identify suitable creators with desired reach and engagement

Creator Discovery: Creators find brands willing to collaborate, sharing their unique portfolios

Deal Negotiation: Both parties negotiate mutually beneficial deals

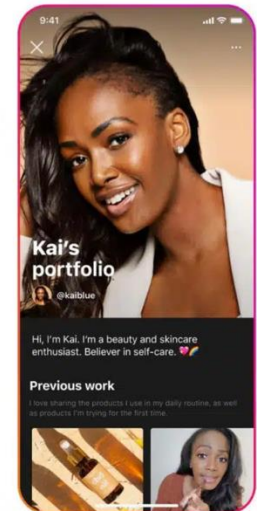
Payment Processing: Instagram manages payments for Creator Marketplace deals

Transparency: Sponsored content via the Creator Marketplace must be disclosed



Now, you can set up a portfolio in Instagram to share your unique story and position yourself for brand partnerships. With a portfolio, you can:

- 🌟 Share an overview of who you are
- 📁 Highlight previous content
- 💡 Showcase your past brand partners



TikTok Monetization

Component	Description	Eligibility
Branded Content	Creator marketplace connects brands and creators. Creators share the brands and products with followers and brands pay them for sharing that intel	<ul style="list-style-type: none">• 10k+ followers• Posted at least 3 videos within the last 28 days• Garnered over 100k likes on their posts within the last 28 days• 18+ age
Coins and Gifts	Creators go Live with coins and gifts and viewers can buy badges to support them and get extra recognition	<ul style="list-style-type: none">• 18+ age• 1k + followers• Community Guidelines
Shopping	Creator can sell merchandise and products	<ul style="list-style-type: none">• 18+ age• 1k + followers• Community Guidelines
Live Subscriptions	Creators earn recurring monthly income by offering exclusive content and experiences to their most engaged followers	<ul style="list-style-type: none">• 18+ age• 1k + followers• Community Guidelines
Creativity Program (Creator fund)	An invite-only program designed to help creators monetize their high quality content and pays out based on views (exact method is not public)	<ul style="list-style-type: none">• 18+ age• 10k + followers.• 100k+ valid video views in the last 30 days.• Located in the U.S., France, or Brazil• Video length >1 min• Community Guidelines
Ad revenue sharing – Pulse Program	Brands will put ads on TikToks that are in the top 4% of performers on any given day. Creators receive a 50% split of ad revenue from TikTok	<ul style="list-style-type: none">• 100k+ followers• 5 videos in last 30 days• 18+ age

What is “low quality content” ?



Lack of Originality: Videos that are mere copies of other popular videos without adding any new perspective, creativity, or value



Poor Production Values: While not every video needs to be professionally produced, glaring issues like bad lighting, inaudible sound, shaky camera work, or poor editing can be considered indicators of low quality



Misleading or Clickbait Titles: Videos that promise something in the title or thumbnail but don't deliver in the actual content



Spread of Misinformation: Content that spreads false information, hoaxes, or misleading narratives, whether intentionally or due to lack of research

What is “low quality content” ?



Lack of Substance: Videos that don't offer any meaningful information, entertainment value, or emotional resonance and feel like they were created just for the sake of posting something



Irrelevant Hashtags or Descriptions: Using popular but irrelevant hashtags or descriptions to game the platform's algorithm and gain visibility



Over-Monetization: Content that is overly promotional or feels insincere because it's primarily focused on selling a product, service, or idea without offering genuine value to the viewer



Short-lived Trends: While participating in trends can be fun and engaging, content that blindly follows every fleeting trend without adding value can sometimes be seen as low quality

Quality issues of Short-form content

Ease of Production: Short-form videos are simpler to create and disseminate as only a smartphone is required

Entertainment Focus: Viewers typically lean towards short-form platforms for casual entertainment, overshadowing the demand for informative or educational material

Quality Discrepancy: Compared to long-form platforms, short-form video channels experience a greater prevalence of low-quality content issues



Average Creator Pay-outs (Short vs Long form)

TikTok

- 2 - 4 cents / 1,000 views
- \$20-40 per 1mn views

YouTube (long form)

- \$1-2 / 1,000 views
- \$1k-2k per 1mn views
- Sometimes high
\$29.30 / 1000 views

Factors that further affect YouTube earnings:

Ad format - Different ad formats pay differently. For instance, skippable ads tend to pay more than non-skippable ads

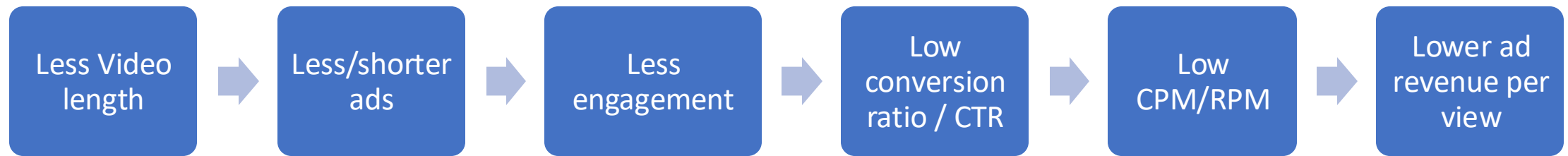
Video length - Longer videos tend to earn more money than shorter videos since they have more ad space

Audience demographics - Advertisers may pay more to reach certain demographics

Niche - Finance and technology tend to earn more money than those related to gaming or entertainment

Engagement - Higher engagement rates can result in better ad performance and higher advertiser budgets

Creator monetization issues with Short-form platforms



CPM - Cost per mille or Cost per 1000 impressions- what advertisers pay for 1000 views

RPM - Revenue per Mille- creators earns for 1000 views after platform takes it cut

CTR – Click through rate - metric that measures the percentage of users who click on an ad after seeing it

Conversion rate - the ratio of ads to sale conversion

CONCLUSION-

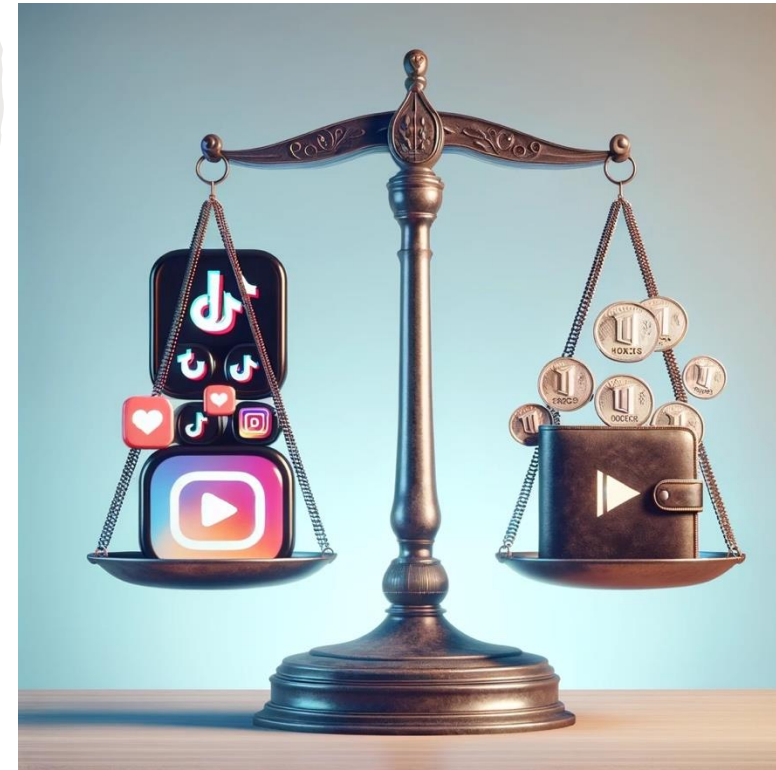
Short-form content earns less revenue due to fewer or shorter ads, leading to reduced ad revenue for creators. Viewers also resist long ads between short 15-60 second videos.

Short-form Platforms' Attempts to Address Monetization Issues

TikTok Initiatives: Launched a \$200 million Creator Fund in 2020, faced creator payout complaints, then introduced the 'Creativity Program' in 2023 with a \$1 billion commitment over three years, requiring high-quality videos over one minute for eligibility

Instagram Strategy: Extended no-commission policy until 2024; ended the Creator Fund and Reels bonuses in March 2023; testing feed-based ad revenue sharing for monetization of Reels and posts based on views and engagement

YouTube Shorts Evolution: Initiated a \$100 million Creator Fund for 2021-2022 for ad revenue sharing, then phased it out; in 2023, rolled out a new Creator Fund emphasizing a shared creator pool



Trends in Video Consumption Landscape

Viewing Shift: Videos under one minute jumped from 11% to 57% of YouTube's views by July 2022, highlighting a shift towards short-form content

Format Preferences: Short-form videos prefer a vertical (9:16) format, unlike long-form's horizontal (16:9) layout

Engagement Patterns: Long-form content requires active selection, while short-form uses algorithms to push recommendations, moving from active to passive engagement



The Science of Swiping

Science of Content Consumption, Doom-scrolling & Up-scrolling

Slot Machine Dynamics: Social media apps, like TikTok, use 'swipe down' refreshes akin to slot machines, creating a variable reward system through entertaining videos

Intermittent Reinforcement: 67.14% of users increasingly enjoy 'up-swiping' due to irregular video rewards, perpetuating continuous app engagement and contributing to its success

Viewing Patterns: 59% of short-form videos retain viewers for 41-80% of their length, and 30% maintain over 81% viewership, indicating an 'addiction cycle' with alternating moderate and high-interest videos fueling up-swiping habits



The Science of Swiping

Why are right/left swipes successful on dating apps like Tinder & Bumble

Cultural Cues: Right/left swipes on dating apps align with ingrained associations—right for positive, left for negative—mirroring cultural norms like "right way" vs. "left behind"

Spatial Metaphors: Swiping right or forward signifies positivity and acceptance, while left or backward suggests negativity and rejection, reflecting common linguistic and cultural metaphors

Cognitive Ease: Right swipes for 'like' align with positive spatial metaphors, making them cognitively easier to process than contradictory actions, such as right swipes for 'dislike'

Handedness Bias: Right-handedness prevalence makes right swipes for 'like' feel more intuitive, enhancing the positive association of rightward swiping



Short-form Engagement Trap

Engagement Trap: Short-form platforms like Instagram and TikTok offer addictive engagement but often feature mindless, low-quality content

Ad-Revenue Gap: Their captivating nature doesn't translate into substantial ad revenue, resulting in minimal creator payouts

Monetization Flux: TikTok, Instagram, and YouTube continually adjust monetization policies, reflecting ongoing challenges in compensating creators fairly for short-form content





THANK YOU

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