**University of Applied Sciences
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Commercial Course of Studies

# Justin.tv

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# What is *Justin.tv*?

*Justin.tv, Inc.* is an OVP (Online Video Platform) that hosts various live video broadcasting channels.

*Justin.tv* is a free-to-use platform for both viewers and broadcasters and a great tool to show live video to the others.

# How did it all start?

- Justin Kan (the founder of *Justin.tv*) started lifecasting his life in 2007;

- named the website *Justin.tv*;

- started the site in his apartment in San Francisco with four of his friends.

# What is lifecasting?

Lifecasting is a form of broadcasting that is more personal. It is like a video blog but broadcasted live and usually running 24/7.

It shows a person in his normal lifestyle and behavior.

Lifecasting is often being made by using one or more cameras set in your house, or by carrying a broadcasting equipment wherever you go.

Justin Kan was one of the first lifecasters that used a webcam attached to his hat, connected to a laptop in his backpack.

He streamed live video over the cellular data network.

This is how he looked like:

# How the site looked back then:

# *Justin.tv* „HQ"

*Justin.tv*'s „headquarters," basically Justin's apartment in 2007, looked like this:

# *Justin.tv* expansion

Many people liked the idea, and they were asking where to broadcast and how to set up a broadcast of their own.

As setting a site of their own is too complicated and/or too expensive for many people, *Justin.tv* staff came to an idea of making a live broadcasting platform that others could use as well.

With the creation of new channels allowed, many people opened their own and started broadcasting.

# The year 2008, crucial for *Justin.tv*

Justin Kan stopped his lifecasting eight months subsequent to the start. Thereafter, he started working full time on developing *Justin.tv* as a major live video platform.

"Accounts" are now called "Channels," and in the year 2008 channel creation reached the rate of two new channels per day.

Some people recognized live broadcasting as a great tool not only for lifecasting but also for other contents, such as gaming, news, sports, entertainment, etc.

- Also in 2008, *Justin.tv* implemented a major cosmetic change to a format suitable for showing more channels.

- They called their listings of live channels a "directory." Directories have a thumbnail of current live video and a title of broadcast.

- Directories were made for Social, Entertainment, Gaming, Sports, News & Events, Animals, Science & Tech, and More.

# Moving to the new HQ

As *Justin.tv* kept on expanding, a small room for all the equipment and the new staff members just could not suffice any more. They moved to a new office, which then looked like this:

# Growth of gaming broadcasting

Video gaming channels often have most viewers due to the fact that many youngsters in the audience grew up on video games.

With *Justin.tv*'s built-in chat function, users could chat with each other and with a broadcaster live, what enhances broadcast interactivity and likability of their social contacts.

This interactivity led to a videogame broadcasting „boom," which then made gaming directory the most active one on *Justin.tv*.

# *Twitch.tv*

Following a massive success of gaming directory of *Justin.tv*, the founders decided to split gaming broadcasts with a different website while retaining all the other directories on *Justin.tv*.

They called the website *Twitch.tv*. It was launched on June 6, 2011.

*Twitch.tv* offers some gaming-oriented options, like specifying game you are currently playing, featured game directories, search of the past broadcasts by game or genre, etc.

# How does it all work?

*Justin.tv* never had any fee for his viewers or broadcasters: anyone could watch or broadcast freely, without limitations, except when the servers were heavily loaded.

Advertising programs, like *Google*'s *AdSense* and other similar solutions, earned *Justin.tv* enough revenue wherewith they could cover the maintenance costs and expand in the future.

*Justin.tv* uses video player and banner ads (like *YouTube*).

# Pro accounts

As of May 14, 2009, *Justin.tv* offers a „Pro Account," costing US$ 9.99 per month or US$ 25.99 for three months.

A Pro Account provides for few benefits:

- view *Justin.tv* completely advertisement-free;
- no bandwidth restriction (when servers are under high load);
- a "Pro Badge" and a special nickname colors in chat.

"Pro Accounts" served as a fan modality to support the site in a non-donation-driven way and generated a significant additional income.

# Partner Program

In July 2011, *Twitch.tv* launched its Partner Program.

Similar to the Partner Programs of other video sites, like *YouTube*, the *Twitch.tv* Partner Program allows popular content producers to share in the ad revenue generated from their streams.

Partner program has two types of ads that support the broadcaster:

1. a pre-roll ad that plays when a viewer joins the channel;
2. an ad that can be played manually by the broadcaster.

A couple of facts about the Partner Program ads:

- ads can be played as many times as a broadcaster wants;
- ads can be blocked by an ad blocking software (in which case the ad does not play and the broadcaster does not get paid);
- ads are usually videos lasting 15 to 30 seconds (i.e., TV-style ads, similar to YouTube and other video sites);
- ads cannot be skipped (unlike YouTube);
- not everyone gets the ads, depending on the geographical location.

# Big partners

Some of the big gaming industry companies are partners on *Twitch.tv* and broadcast there. Some of them are:

- *Gamespot*;
- *Destructoid*;
- *GiantBomb*;
- *TotalBiscuit*;
- *Major League Gaming*;
- *IGN Pro League*;
- *Dreamhack*;
- *ESL*;
- *Day[9]*.

# How much do the partners make?

How much money a partner makes depends on how many viewers he has.

Nowadays, *Twitch.tv* pays US$ 3.50 for 1,000 ads shown.

Assuming that you have 1,000 live viewers, you can play an ad and make US$ 3.50. If you play one ad every 30 minutes and you have a five-hour broadcast, you can earn US$ 35.

If you do that for 20 days in a month, you earn US$ 700 a month.

Live viewers number does not always mean a viewed ads count, since everyone will not see those ads.

# Why is this format good?

Four parties are involved in this case: a viewer, a broadcaster, *Justin.tv* and an advertisement provider.

A viewer gets free entertainment and a huge choice of channels, but he only has to see few ads from time to time.

A broadcaster has fun broadcasting and also gets paid for doing so by running advertisements.

*Justin.tv* is happy because they get a share of advertisements played.

An advertisement provider is happy because he is sure the ads are being viewed (unlike on TV) and can aim on his specific audience. The end result is a boost in their sales.

# Personnel

*Justin.tv* started small, with only four staff members at the beginning.

They kept on expanding and currently have over 50 employed staff members.

*Justin.tv*'s staff members have many different functions, such as programmers, iOS developers, *Android* developers, community managers, strategists, infrastructure engineers, database administrators, accounting managers, PR, maintenance teams, etc.

*Justin.tv* tries to hire the best personnel it can get, often young and ambitious people.

They have numerous staff members outside of San Francisco that work remotely.

Some staff members are from other cities in the US or even in Europe or Asia.

Being able to hire people from anywhere in the world makes them easier to find the best personnel they need.

Some of the community members and volunteers got employed because of their dedication to helping the staff members or contributing to the site or community in some other ways.

Some staff members are still at a college, but they got hired because of their talent and commitment.

# Premises

*Justin.tv* is currently equipped with a spacious main office in San Francisco, CA, wherein they usually host most of their staff members and equipment.

They have their biggest Datacenter to process, store, and host videos and websites to support hundreds of thousands of live viewers every day.

There is a PC/workstation for every employee and other equipment that helps them testing or working, ...

... while some amenities are not really necessary for work:

# Datacenters

To make sure everyone has a smooth live video experience on *Justin.tv*, they needed to make sure their capacity is big enough.

They built some datacenters around the world, and they are expanding constantly.

Datacenters are currently located in San Francisco, Miami, New York City, Los Angeles, Ashburn, San Antonio, Dallas, London, Frankfurt, Amsterdam and Singapore.

# Competitors

The main competitor of *Twitch.tv* is *Own3d.tv*, and the main competitor of *Justin.tv* is *Ustream.tv*.

Advantages of *Justin.tv*/*Twitch.tv* are a better chat interface built into every channel, with other chat functionalities integrated in the website, unlimited archives of past broadcasts in the original quality, and a better website organization, both in technical and cosmetic way.

# Other sponsorships

*Twitch.tv* sponsored many gaming and e-sports events in the past, either by providing broadcasting services and some special equipment or by giving out money for a bigger prize pool in tournaments.

*Twitch.tv* also sponsors a big *Starcraft 2 Pro* team called *Team-Liquid*.

Sponsorship provides some sort of advertisement, since players wear clothing with their sponsors' logotypes when they go to the live events.

# How Twitch.tv directory looks like:

# How a channel looks like:

# *Justin.tv*/*Twitch.tv* in numbers

- *Twitch.tv* attracted eight million unique viewers in July 2011.
- There are at least 1,500 live channels at any point of the day.
- There are over 500 channels in the Partner Program.
- The biggest viewer count on a single channel was over 200,000 live viewers.
- Data traffic on *Twitch.tv* exceeds hundreds of gigabits per second.
- *Justin.tv* is currently ranked 632nd by *Alexa*, as the most viewed site on the Internet.

# The end

Thanks for listening!