

Gaming Streaming Service: a crowded market or opportunity for some more?!



Case Study: [TWITCH](#)

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Overview

- Tagline on Angellist: "Social Video for Gamers"
- Launch: June 06, 2011
- Funding: was acquired by Amazon.com in August 2014 for \$970 million.
- Users: 15 million daily active users.
- IPO: Private
- On Angellist: [/twitch](#)
- Staff: 251-500 employees
- Location: San Francisco, Bay Area, CA

Competition Breakdown

Positioning: The company's official tagline is "Social Video for Gamers" The company's landing page makes a very distinct point:

- "Discover the best live streams anywhere"

Primary Audience: Twitch is aimed squarely on gamers. **Twitch** does a 50/50 on all subscriptions and power users that have the most subscribers get up to 100%.

Affiliates can earn on Twitch by accepting subscriptions from their viewers. Affiliates will have access to all subscription options: \$4.99, \$9.99, \$24.99, and the Twitch Prime free subscription. Affiliates also get one global subscriber emote for all subscribers, with the options of adding two additional for \$9.99 and \$24.99 subscribers.

Differentiators: The biggest difference: Since Amazon is backing Twitch they have an unlimited exposure on amazon.com as well as straightforward payout system. Twitch constantly holding in-game loot parties, tournaments that attract millions of users.

SWOT Analysis

Internal Factors: Strength

- Simple payout system and an opportunity to sell in-game loot through one platform.
- Amazon being a sub-organization
- Users are the biggest promoters (free promoters)

Internal Factors: Weaknesses

- High Compensation Split
- Cluttered User Interface
- Lack of organization for games into distinct recognizable categories.
- Lack of clear call to action.

External Factors: Opportunities

- Since the day Amazon purchased Twitch. The company gained major exposure and brand connections that helped drive up its revenue.
- High interest from investors and strong growth creates an opportunity for a killer IPO..

External Factors: Threats

- 15 million users stream twitch daily and lack of stream organization due to high volume creates a lack of potential revenue.



PlayStation Now

Case Study: [PlayStation Now](#)

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Overview

- Tagline on crunchbase: PlayStation Network is an online multiplayer gaming and digital media delivery service for PlayStation's portable video game consoles.
- Launch: 2006
- **owned** by Sony Interactive Entertainment
- Users: 70 million active users
- On AngelList: [/PlayStationNow](#)
- Staff: 7000+
- Location: San Mateo, CA

Competition Breakdown

Positioning: The company's official tagline is "Enjoy 750+ Games on Demand". The company's landing page makes two very distinct points:

- "New Games Every Month"
- "Game Subscription Simplified"

Primary Audience: PlayStation Now is aimed squarely on gamers. They position themselves as an international company that provides a way to purchase and play games anywhere. The biggest appeal to users is their hardware and its integration with other services like videos, internet, music.

Differentiators: Their hardware business drives its sales for games as well as services. Sony being a sub-organization opens an opportunity to have the best talent for the job. Their extensive 7000+ workforce is definitely not something to ignore.

SWOT Analysis

Internal Factors: Strength

- Simple Game Subscription Model with no extra fees.
- Compatibility with their hardware.
- Integration of other services like internet, music, video
- A well-built framework that delivers powerful results
- Being one of the only real players on the market. (Xbox being the other one)

Internal Factors: Weaknesses

- A relatively new model can result in a loss of revenue from direct game sales.
- Users are able to play games efficiently on their home computer
- A constant need to update their console

External Factors: Opportunities

- Creating a platform like Twitch and have integrated into their platform will result in added revenue and more users
- Expand on their services and create a bundled subscription service.
- Have all their services available from PC/MAC, other platforms.

External Factors: Threats

- Xbox being their number one competitor. A constant need to update their platform creates challenges as well as computers are getting as powerful as PlayStation and it creates a loss of revenue/users.
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Case Study: [XBOX](#)

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Overview

- XBOX slogan: “Jump In”
- Launch: Nov 15, 2001
- **owned** by Microsoft
- Users: 64 million active users
- On Web: [/XBOX](#)
- Staff: Microsoft/unknown
- Location: San Francisco, CA

Competition Breakdown

Positioning: The company’s official tagline is “Jump In.” The company’s landing page makes two very distinct points:

- “If it were any more real it would be real”
- “Play over 1,300 games on the only consoles designed to play the best games of the past, present, and future. ”

Primary Audience: Patreon is aimed squarely on gamers.

Differentiators: Primary targets technology (games, hardware, services)

SWOT Analysis

Internal Factors: Strength

- A clear call to action.
- Large Active Userbase
- Owned by Microsoft with it’s vast creative team
- Clear direction of the company

Internal Factors: Weaknesses

- Need to release new hardware to compete with PlayStation

- Major shift into PC gaming/subscriptions creates problems associated with a need to sell hardware as well as games.
- Slow transition into streaming creates opportunities for competitors.

External Factors: Opportunities

- Exploring new markets and expanding their marketing efforts can pay off tremendously
- Creating a streaming service (similar to Twitch) as a bundle with game subscriptions on XBOX would pay off tremendously.

External Factors: Threats

- Shift into VR and other platforms
- Unlimited games subscription + Streaming service

+ OPPORTUNITY FOR A GAMING / STREAMING PLATFORM

As you can see there's a possibility for a new platform.

Features a new crowdfunding platform should have:

- **Unlimited game subscription** (players can download and play any game in the library for free);
- **Streaming Monetization for Users** (creators get paid 70% of all proceeds);
- **Brand sponsor players:** Players can apply for sponsorship opportunities.
- **Tickets to gaming events/tournaments:** offer premium service to anyone using platform. Premium service offers an opportunity for gamers to attend exclusive gaming events.