

Presented By:



# Twitch, Millennials, and the Future of Entertainment

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In 1998, Nintendo released *The Legend of Zelda: Ocarina of Time* for Nintendo 64. Though the game was a single-person action-adventure title, its players made it a communal experience. Kids shared controllers on each other's couches. Teens and adults dressed up as the characters at gaming conventions. Others took to blogs and forums to chat and share tips with other Zelda enthusiasts. Sixteen years later, this experience has taken on new life as a spectator sport: Millions of people now log on to Twitch.tv to watch others play *Ocarina of Time*, along with hundreds of other video game titles, live every day.

Launched as an offshoot of the online broadcasting service Justin.tv, Twitch centers around live and recorded streams of users playing video games. Visitors now watch each other's gameplay with thousands of miles separating them instead of a few couch cushions. They are giving each other advice, commenting on the game, and joking around on the stream's chat client. And they're even playing games collaboratively.

Twitch also provides a platform for eSports, or organized video game competitions. The most popular eSport games, like *League of Legends*, *Counter-Strike*, and *StarCraft II*, regularly attract teams of gamers to compete in front of Twitch viewers. And the competition doesn't end there: Speedrunners try to break other players' finish-time records, and gamers compete to publish commentary on the newest games before others scoop their title.

Twitch has grown tremendously since launching in 2011. Its popularity more than doubled from 2012 to 2013, growing from 20 million unique viewers to 45 million in just a year.<sup>1</sup> Over the same time period, the site's number of unique broadcasters tripled.

The site's meteoric growth has outstripped that of many other brand-name Web properties. From 2012 to 2013 alone, the number of visitors to Twitch surged 874%, rising from 38 million visits to 371 million. During that time, traffic to BuzzFeed, ESPN, YouTube, and Facebook grew 351%, 52%, 48%, and 17%, respectively.<sup>2</sup> Since then, Twitch has barely slowed down, growing another 539% in the year ending February 2014. By some measures, Twitch is already the fourth most-trafficked Web property in the U.S.—behind Netflix, Apple, and Google, but ahead of Facebook, Amazon, and Hulu.<sup>3</sup>

Page views have followed suit. From 2012 to 2013, Twitch's page views soared 926% to 1.4 billion.<sup>4</sup> In comparison, page views for BuzzFeed, ESPN, and YouTube grew 471%, 32%, 27%, respectively, while Facebook's fell 6%. While Twitch still trails the latter three sites in overall

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<sup>1</sup> Twitch.tv. "[Twitch 2013 Retrospective](#)." January 2014.

<sup>2</sup> Experian Marketing Services. "Twitch: Custom Profile & Online Competitive Landscape." March 19, 2014.

<sup>3</sup> Drew Fitzgerald. "[Apple Quietly Builds New Networks](#)." *The Wall Street Journal*. February 3, 2014.

<sup>4</sup> Experian

traffic and page views, its growth trajectory so far suggests that it may only be a matter of time before it catches up.

In May 2014, Twitch made headlines after rumors surfaced that Google plans to acquire the site for \$1 billion<sup>5</sup>—spurring heated speculation among gamers and curiosity among non-gamers wondering what all the fuss is about. Many of these discussions centered on Google’s desire to tap into Twitch’s advertising potential, highlighting the site’s rapid growth as a factor that might have sparked the Web giant’s interest. Yet missing from the conversation was a deeper understanding of who Twitch users are—and how they might present an attractive opportunity to advertisers that goes beyond sheer numbers.

It’s likely that the answer lies in the site’s demographics. Twitch is dominated by Millennials (born between 1982 and 2004). Quantcast estimates that 76% of the site’s users are under the age of 35;<sup>6</sup> other surveys place the average user age anywhere from 21 to 26. Nielsen, meanwhile, estimates that 49% of Twitch site traffic comes from 18- to 34-year-olds. This profile means that Twitch is more successful at delivering on this demographic than Facebook, YouTube, or ESPN (where Millennials make up only about 27% of visitors) and on par with Reddit.<sup>7</sup> Visitors are also overwhelmingly (94%) male.<sup>8</sup> Twitch’s audience, in other words, is one of the most sought-after groups in advertising—one whose media behaviors will guide the next wave of entertainment.

In a previous report (*The New Face of Gamers*), we examined the soaring popularity of gaming and its transformation from an activity long dismissed as “mindless” and “antisocial” to a central part of our pop culture. We now turn our attention to one of gamers’ hubs—Twitch—and explore why the site has become such a phenomenon among Millennials. We propose that Twitch sits at the nexus of entertainment options that most closely captures the mood of this generation and that the site’s focus, format, and design is uniquely suited to their expectations and preferences. The reasons are grounded in seven core themes:

- **First and Second Lives**
- **Community**
- **Equity and Transparency**
- **Achievement**
- **Economics**
- **Gender**
- **Family**

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<sup>5</sup> Douglas McMillan, et al. “Google in Talks About Possible Acquisition of Twitch.” *The Wall Street Journal*. May 18, 2014.

<sup>6</sup> Quantcast. [Demographic summary of Twitch.tv](#). April 26, 2013.

<sup>7</sup> Nielsen. “Twitch TV Media Engagement Analysis: 2011-2014 Online and TV Viewing Trends.” February 2014.

<sup>8</sup> *Ibid.*

## First and Second Lives

The term “digital natives” is often used to describe Millennials’ experience with recent technologies such as mobile devices, the Internet, and social media. They are the first generation to have grown up with these technologies rather than adapt to them as adults. Yet Millennials’ digital lives differ from older generations’ not only in terms of exposure and depth; they are also accustomed to a completely different mode of interaction. Rather than keeping their “virtual lives” and their “real lives” separate, they expect a blending in which what happens online often extends, informs, or otherwise connects to their real identity.

Millennials have made social media sites their second home. Fully 81% of Millennial adults are on Facebook, where the median friend count for their generation is 250.<sup>9</sup> Today’s young adults are also the most likely age group to use Twitter, Instagram, and Pinterest.<sup>10</sup> While these platforms differ in purpose, they largely depend on users sharing as much information about themselves as possible, including their real names, life events, aspirations, and photos and videos. More than half (55%) of Millennials have posted a “selfie” to a social media site—a share that plunges to 24% among Generation Xers and 9% among Boomers.<sup>11</sup> Millennials also lead the way when it comes to posting videos online that they took or created themselves: 28% of adults ages 18-29 have done so, compared to 22% of adults ages 30-49 and 6% of adults 50+.

But Millennials use technology for much more than communication. The digital permeates every facet of their lives to the extent where they see the devices they rely on as extensions of themselves. In one survey of 18- to 30-year-olds from 18 countries, 42% of respondents said they “would feel anxious, like part of me was missing” if they weren’t able to check their smartphones constantly.<sup>12</sup>

These expectations contrast starkly with the culture that dominated when Generation Xers were first logging on. During the Web 1.0 era of the 1990s, digital identities were largely divorced from real-life bodies. Social networking took place in anonymous chat rooms and message boards, where users connected based on shared interests. In later years, people began living avatar-based “parallel lives” in MMORPGs and virtual universes (the most famous being *Second Life*)—a scenario not so far from the immersive interactions immortalized in cyberpunk classics like *Neuromancer* and *Snow Crash*.

This isn’t to say that Millennials don’t engage in similar types of compartmentalization, or that their online personas perfectly mirror their offline selves. Plenty of them role-play or post under usernames at sites like Tumblr, YouTube, and Reddit. But more often than not, these same people are also posting under their real names on their Facebook accounts. They’re

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<sup>9</sup> Pew Research Center. *Millennials in Adulthood*. March 7, 2014.

<sup>10</sup> Pew Research Center. *Social Media Update 2013*. December 30, 2013.

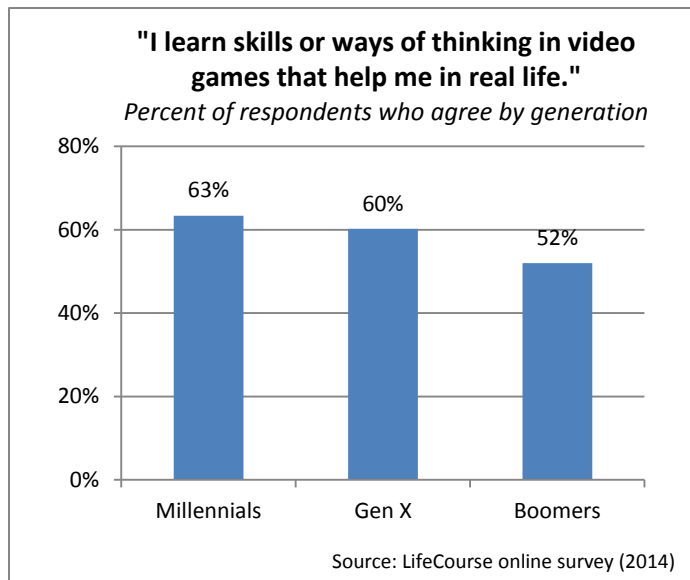
<sup>11</sup> *Millennials in Adulthood*

<sup>12</sup> Cisco. *Gen Y: New Dawn for work, play, identity*. August 2012.

equally at home on platforms that cater to their interests *and* those that focus on their identities.

Twitch sits astride these different worlds and offers users the kind of “blended flexibility” Millennials are seeking. Though the site is set up under a username model, many of those who stream their live gameplay are injecting their “first lives” into the site. For example, most set up the streams so that they feature not only the game but also video of themselves playing. Many users also include links to their social media profiles as well as “About Me” sections. They share their thoughts as they play and answer questions from their audience. It’s an environment where users can be as “real” as they choose—bridging the gap between a faceless chat room and the profile-centric environment of Facebook. And the skills that gamers display on the site are no different than those they hone when the camera is off.

Twitch’s model, in other words, can be considered a portal to the future. It represents



not only where this generation is but where they see the economy and the larger world going: towards a model in which their first and second lives are inextricably mingled. Students will test their math skills using Khan Academy games while new members of the military prepare for scenarios using digital modules and drone operators control their path with joysticks. The digital behaviors Xers once considered training for the real world *are* increasingly Millennials’ real world. Fully 67% of Millennial gamers agree that

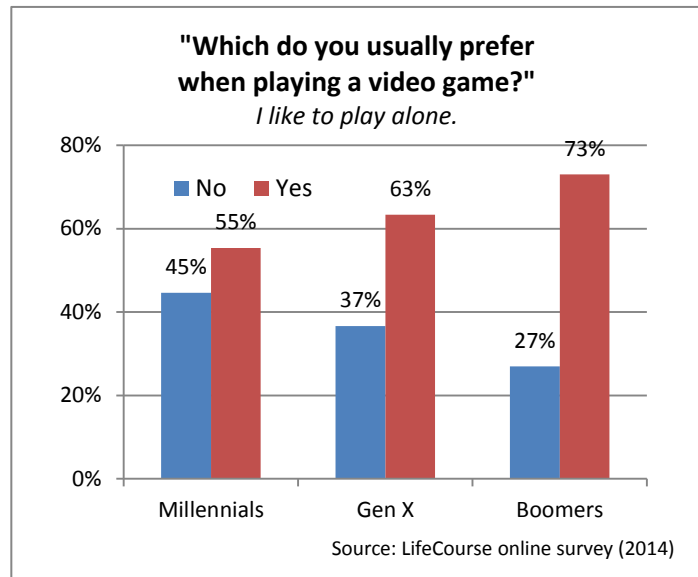
they “learn skills or ways of thinking in video games that help me in real life”—a full 15 percentage points higher than Boomers.<sup>13</sup>

## Community

Millennials grew up with group projects in the classroom, team sports, and clubs for every hobby. Along the way, Millennials reshaped digital IT so that it connects them with each other 24/7 and immerses them in group consensus building, with everyone knowing their friends’ “status” and chiming in with “likes” and upvotes. Now they’re gravitating towards public service careers and leading collaborative projects in open-plan offices at work. Millennials’ team ethic permeates every facet of their lives, and leisure is no exception.

<sup>13</sup> LifeCourse online survey

Our survey found that Millennial gamers are more inclined than older gamers to treat gaming as a social experience. Fully 80% of Millennials, for example, said that they play video games with their friends, compared to 67% of Xers and 52% of Boomers. And when asked whether they usually prefer to play video games alone, 45% of Millennial gamers disagreed—a figure that falls to 37% among Xers and 27% among Boomers. Millennials are also most likely to say that their preferred gaming scenario involves friends, whether they're in the same location (57% of Millennials vs. 33% of Boomers), in other locations (41% vs. 21%), or in the same room but not playing (12% vs. 6%). Meanwhile, more than half (55%) of Millennials say that they encounter 3 or more individuals, such as other players, friends, or broadcasters, while playing video games on an average day—compared to less than a third (32%) of Xers and 17% of Boomers.



The Internet has vastly expanded the ability for gamers—young and old—to connect with players around the world. Furthermore, it's deepened the scope of their interactions. Early-aughts MMORPG titles like *EverQuest*, *Eve Online*, and *World of Warcraft* popularized the notion of entirely separate social universes. Instead of going to an arcade or a friend's house to watch others play, gamers began tapping into that same sense of camaraderie online. One Stanford study examining *World of Warcraft* found that joining a guild, exchanging chats, and sharing jokes deepens subscribers' investment in the game; it encourages them to play more. The study also found that *World of Warcraft's* format heightens the relationship between gamers and their fellow players: "WoW's subscribers...rely on [other people] as an audience for their in-game performances, as an entertaining spectacle."<sup>14</sup>

Twitch has extended this type of multifaceted interactivity to the wider video game universe. Whether users want to show off their skills in front of an audience, watch someone else play, or simply spend a few minutes chatting, the site presupposes that gaming is an activity to be enjoyed with others. This sentiment is spelled out explicitly in Twitch's mission statement, which is to "connect gamers around the world by allowing them to broadcast, watch, and chat from everywhere they play."<sup>15</sup> Much like YouTube, the site has served as the

<sup>14</sup> Nicolas Ducheneaut, et al. "['Alone Together?' Exploring the Social Dynamics of Massively Multiplayer Online Games.](#)" *Proceedings of the SIGCHI conference on Human Factors in computing systems*. 2006.

<sup>15</sup> Twitch.tv. "[All About Twitch.](#)" 2014.

launching pad for a new wave of unconventional media personalities (such as MANvsGAME and Lethalfrag), whose off-the-cuff, unpolished broadcasts resemble hanging out with a friend.

In some cases, Twitch users have brought the site's community ethic to a new level. Recently, one anonymous player created a channel where gamers could play the retro Gameboy offering *Pokémon Red* collaboratively. Gamers used a chat client to input over 112 million commands to vote on how the main character should move.<sup>16</sup> Together, they beat the game in 16 days. *Twitch Plays Pokémon* is now a regular site feature where users play assorted *Pokémon* titles together. Furthermore, users have also enhanced the game in ways the creator could not have anticipated, from creating memes in Photoshop to planning *Pokémon* battle strategies on social media.<sup>17</sup> In essence, this one game created a thriving community of its own.

Twitch has also tapped into the Millennial drive to give back to society at large. The site regularly spearheads events and competitions whose proceeds go to organizations like Doctors Without Borders, Extra Life, the Prevent Cancer Foundation, and St. Jude's Children's Research Hospital. Meanwhile, individual users or small groups of users also run channels dedicated to specific causes. FunForFreedom, for example, streams in support of a different charity each month, while PowerUp4Charity supports toy drives for sick kids. Twitch's community not only engages with each other, but also with the greater world as well.

## Equity and Transparency

Millennials' community ethic translates into a strong focus on equity and fairness. As the most diverse generation in American history, they're less interested in championing the "identity politics" that distinguish one group from another and more interested in making room for everyone. This ethic is reflected in their attitudes towards various political issues: Millennials favor policies that support a strong middle class and believe the government should take action to reduce income inequality. They lead all generations in support for same-sex marriage and are the most likely to believe that societal trends like interracial marriage and gay and lesbian couples raising children are good for society.<sup>18</sup>

This attitude also influences their relationships with brands. Just as this generation is used to their parents taking their input into account at home, Millennials expect brands to listen to their feedback and engage in a two-way, interactive conversation with them. Through social media, they're now called upon to crowdsource everything from product flavors to advertising campaigns.

In addition, Millennials are strong supporters of transparency—whether it's in the form of a food manufacturer disclosing its sourcing practices or an Internet company providing clear

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<sup>16</sup> Victor Luckerson. "This Is the Hottest Online Video Service You've Never Heard Of." *Time Magazine*. March 13, 2014.

<sup>17</sup> Erik Kersting. "What 'Twitch Plays Pokemon' Teaches Us About Video Game Communities." *PopMatters*. February 24, 2014.

<sup>18</sup> *Millennials in Adulthood*

privacy policies. This generation wants a level playing field and is wary of brands that try to pass themselves off as something they're not or promise a better deal than they actually offer. Fully 70% agree with the statement "If a company is unfair with me, I'll figure out how to make things fair."<sup>19</sup> They've been marketed to in every conceivable way and appreciate clear, aboveboard appeals without loopholes.

Saying user participation is crucial on Twitch would be an understatement. It's the foundation of the site's business model. On Twitch, anyone with a gaming platform (like a PC or console) and broadcast software can become a broadcaster. Like YouTube, the site plays like an inverted version of the traditional media landscape: Individual gamers' channels are listed alongside (and in many cases, outrank) those from gaming giants like Electronic Arts and Riot Games. Those who broadcast at least 3 times a week to an average viewership of 500 people can apply to join Twitch's partner program. The program's rules are simple and consistent: Partners earn 50% of the ad revenue their broadcast generates every month, with some top members earning additional revenue through \$5/month subscriptions. As of 2014, the partner program has more than 5,100 members.<sup>20</sup>

In many ways, this model embodies a new kind of egalitarian media culture—one in which the barriers to participation are greatly lowered and the audience determines what rises to the top. Sites like Twitch, YouTube, Twitter, Vine, and Kickstarter have immersed Millennials in an environment where the lines between self-made Web stars and studio-financed celebrities have never been blurrier. They don't see a difference in entertainment value between an impeccably packaged TV show and a video filmed on someone's phone. Twitch opens up the world of broadcasted gaming—and the benefits that in earlier years were left to professionals—to everyone.

## Achievement

With schools increasingly focused on accountability and standards, Millennials have become highly intent on achievement, and are on track to become the best-educated young adults in U.S. history. The shares of 25- to 29-year-olds who today have a four-year college degree (33%), some college (63%), or a high school diploma (90%) are all at record highs.<sup>21</sup> Young Boomers and Xers often resisted being graded or pigeonholed by "the system." But Millennials are generally eager to jump through the institutional hoops their teachers or managers set for them. Good performance is a source of pride and social capital. They're always looking to hone their skills for the next chapter of their lives and are quick to show off their talents, be it on a test, on the field, or in a video game.

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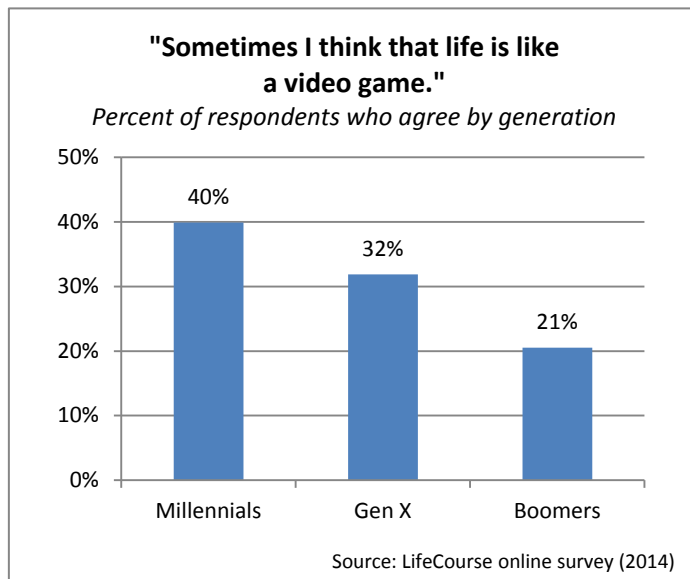
<sup>19</sup> Nick Shore. "Millennials Are Playing with You." *Harvard Business Review*. December 12, 2011.

<sup>20</sup> Tracey Lien. "Twitch: When Watching Beats Playing." *Polygon*. March 17, 2014.

<sup>21</sup> Richard Fry. "Record Shares of Young Adults Have Finished Both High School and College." Pew Research Center. November 5, 2012.



In recent years, traditional institutions like school and the workplace have become increasingly “gamified” to fit Millennials’ learning style. This generation’s unprecedented level



of immersion in games and exposure to game mechanics has shaped a worldview in which the structure, quick feedback, achievement metrics, and sense of community that games offer constitute the new Millennial standard for reality itself. Fully 40% of Millennials agree that life sometimes resembles a video game, compared to 32% of Xers and 21% of Boomers. 16% of Millennials strongly agree with this statement—more than double the share of Boomers (6%). A similar question posed in 2011 by MTV found

that half of Millennials agree that “people my age see real life as a video game.”<sup>22</sup>

Twitch takes the achievement metrics built into games and pushes the stakes higher. A key part of the site is organized competition, where players compete for prizes. For example, Valve Software’s annual tournament for *Dota 2*, which was streamed on Twitch, awarded a prize pool of \$2.8 million to the victors.<sup>23</sup> Furthermore, these champions are often awarded with sponsorships and scholarships from gaming companies, including Twitch.<sup>24</sup> Winners are also featured in media outlets ranging from game-specific blogs to mainstream newspapers.

Players also race to compete in less-formal competitions. For example, a major attraction of the site is “speed running,” in which players compete with each other to complete a game in the fastest time. Speed runners covet “world champion” titles for fastest gameplay and carefully monitor their competitors’ runs.<sup>25</sup> Gamers also compete to review new titles before others do.

Twitch’s website also features plenty of achievement metrics for broadcasters. Leaderboards showcase the most popular channels overall and by game. To add to the competition, the most-watched channels have the opportunity to receive monetary compensation.<sup>26</sup> Broadcasters can also track many followers they’ve gathered over time and how much they have engaged with Twitch as an audience member. Though many of the most-

<sup>22</sup> “Millennials Are Playing with You.”

<sup>23</sup> Ben Popper. “[Field of Streams: How Twitch Made Video Games a Spectator Sport.](#)” *The Verge*. September 30, 2013.

<sup>24</sup> Greg Voakes. “[Twitch, Alienware, And SteelSeries Give Away \\$50,000 Worth Of Gaming Scholarships.](#)” *Forbes*. September 6, 2012.

<sup>25</sup> Patrick O’Neill. “[The 10 Greatest Video Game Speedruns of All Time.](#)” *The Daily Dot*. September 3, 2013.

<sup>26</sup> Jeffrey Silberman. “[Twitch Has The Power To Make Or Destroy A Professional Gamer's Career.](#)” *Business Insider*. May 6, 2013.

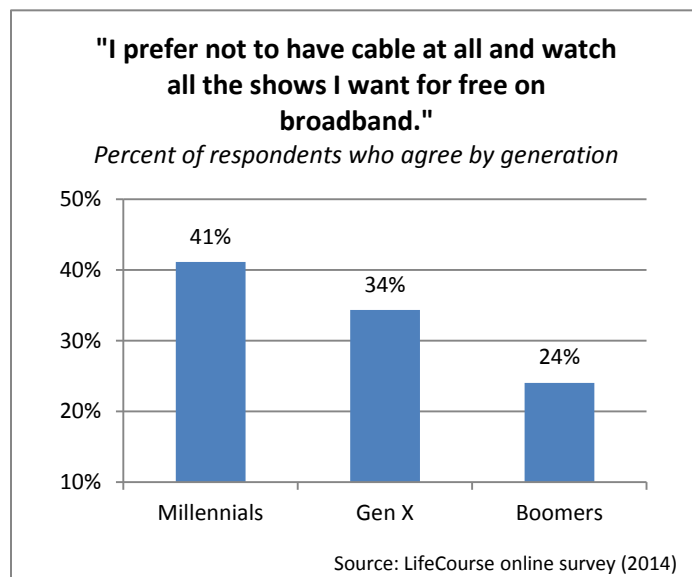
watched broadcasters are also accomplished players, many viewers tune in more for entertainment and comedy than for serious gameplay. In other words, broadcasters can compete on several different dimensions to win viewers: They can dazzle them with their gaming skills or simply offer the most entertaining public persona.

Twitch's platform provides an ideal venue for Millennials to show off their achievements, whether they're aiming to become the best players or draw the biggest audiences. The website is a space for gamers to test their own gaming prowess and receive feedback from live viewers. They can compete with others for money and bragging rights—or simply dream up ways to boost their follower count. The opportunities for feedback and improvement are endless—and Millennials keep going back for more.

## Economics

Coming of age during the Great Recession, early-wave Millennials have been dealt a particularly challenging economic hand. As the skills requirements for entry-level jobs have increased, so has the scramble for post-secondary credentials: Student debt topped \$1 trillion in 2012 for the first time.<sup>27</sup> Post-graduation, many of these Millennials have been unable to find jobs. Even those who have jobs are starting with low salaries and finding it a struggle to pay off their loans. In 1980, it took the average worker until age 26 to make the median wage. Today, that age has risen to 30.<sup>28</sup>

Compared to past generations, a much bigger share of Millennials' entertainment diet is



free or low-cost. Almost all Millennials—92%—stream albums, play games, and watch online content without ever opening their wallets.<sup>29</sup> Cisco reports that by 2016, online streaming will account for 55% of all international Internet traffic.<sup>30</sup>

We've discussed how Twitch appeals to Millennials because it hits many of their generational buttons. But we also need to mention a more fundamental element: They can afford it. Twitch content is largely free as long

<sup>27</sup> Rohit Chopra. ["Too Big to Fail: Student Debt Hits a Trillion."](#) Consumer Financial Protection Bureau. March 21 2012.

<sup>28</sup> Anthony P. Carnevale, *et al.* [Failure to Launch: Structural Shift and the New Lost Generation.](#) Georgetown University Center on Education and the Workforce. September 2013.

<sup>29</sup> Kirsten Purcell. ["Online Video 2013."](#) Pew Research Center. October 10, 2013.

<sup>30</sup> [Cisco Visual Networking Index: Forecast and Methodology, 2012–2017.](#) Cisco. 2013.

as users are willing to watch interstitial ads—a setup that fits neatly with how Millennials tend to enjoy their media. The site does not charge subscription fees, though it allows users to pay a small fee for premium features from channels of their choice.

One illustration of Millennials' changing media preferences is how they are drifting away from traditional cable television. Instead of paying for cable, 64% of Millennials watch TV through online subscriptions to far cheaper services, such as Hulu and Netflix.<sup>31</sup> Only 14% of Millennials claim they have never watched television from an online source (compared to 44% of older generations).<sup>32</sup> Looking forward, many of these viewers are likely to become “cord nevers”—those who have never paid for cable and don't plan on doing so. Fully 47% of 25- to 34-year-olds and 44% of 18- to 24-year-olds agree with the statement “I prefer not to have cable at all and watch all the shows I want for free on broadband”—shares that rise even higher when gamers in these age brackets are compared to non-gamers.<sup>33</sup>

Other figures suggest that Millennials increasingly regard television as a less vital part of their media diet in general. When young gamers were asked which activities they have decreased in order to maintain or expand time for gaming, “watching TV” was the most common response, outranking other options such as partying, hanging out with friends, school, and sports. The share was highest (64%) among 13- to 18-year-olds, the youngest age bracket surveyed.<sup>34</sup>

Twitch offers Millennials a mix of options that fit their economic and media preferences. In many ways, it functions as a television alternative: Viewers can tune in to specific broadcasters at specified times or simply pull up the site and watch whichever channel happens to be streaming something interesting. To Millennials, there is little difference in entertainment value between the TV shows offered by traditional networks and the channels they stream on Twitch. The biggest—and most important—differentiator is cost. Twitch provides this indebted and digitally-minded cohort the opportunity to continue consuming media without breaking the bank.

## Gender

Millennials have come of age upending traditional gender roles and dynamics. Young women now enroll in and complete college at higher rates than their male peers. Career aspirations have reversed: In 2012, 66% of women ages 18 to 34 said that being successful in a high-paying career or profession is “very important” or “one of the most important things” in their lives, compared to 59% of their male peers. In 1997, only 56% of young Gen-X women felt

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<sup>31</sup> *Ibid.*

<sup>32</sup> Verizon. *Millennials & Entertainment*. March 2014.

<sup>33</sup> LifeCourse online survey

<sup>34</sup> *Ibid.*

that way, compared to 58% of Gen-X men.<sup>35</sup> Meanwhile, Millennials are starting their working lives with the narrowest wage gap on record: Young women are now paid 93% of what men earn, up from 67% in 1980.<sup>36</sup>

Millennial women's path to success has been long in the making. Starting in K-12 schools, girls and women have been at the forefront of this generation's achievement ethic—more focused than their male peers on grades, on achieving within the system, and on planning their long-term futures. An older (Silent) generation of legislators pushed for equal opportunities for Millennial girls in the classroom, in the workplace, and on the playing field, while Boomer moms and dads rooted passionately for their daughters' ambitions.

The rise of Millennial women has inspired provocative books like *The End of Men* and *Manning Up: How the Rise of Women Has Turned Men into Boys*, along with countless articles and studies. Some theorize that boys are falling behind thanks to an increased emphasis in schools on self-control, verbal skills, and the ability to sit still and focus—all skills that tend to come more easily to girls. Others highlight the collapse of the industrial economy and blue-collar professions, along with gender stereotypes that deter men from entering “unmanly” professions like nursing and teaching. They're all wrestling with the same question: Why aren't Millennial men doing more to achieve in schools and the workplace?

Twitch provides a key vantage point from which to explore the answer. The site is dominated by early-wave Millennial males—58% of whom spend more than 20 hours a week on the site.<sup>37</sup> Though plenty of these users simply see Twitch—and gaming more broadly—as an occasional diversion, the sheer amount of hours they spend there suggests that it's far more than just a hobby.

Our previous survey found that on average, gamers are more educated than non-gamers and express greater confidence in their capabilities. They have high career aspirations and are more likely to see themselves as natural leaders.<sup>38</sup> In the post-recession era, many of these gamers—particularly the men—are underemployed or unemployed. In their eyes, they may be “settling” for life scenarios that don't align with their high expectations.

For these men, gaming may be crucial in bridging that perceived “achievement void.” They're devoting to it huge amounts of energy and time that might otherwise have gone into formal pursuits, like moving up the career ladder. Gaming gives them the chance to develop and hone all kinds of skills—ones that might not translate directly into remuneration now, but could be applied at some later date. They get to practice, achieve, advance, and be rewarded in alternate ways that satisfy. Twitch's popularity, in other words, may reflect an underlying current among young males who are looking for a somewhat different track of life and career

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<sup>35</sup> Eileen Patten and Kim Parker. *A Gender Reversal on Career Aspirations*. Pew Research Center. April 19, 2012.

<sup>36</sup> Pew Research Center. *On Pay Gap, Millennial Women Near Parity – For Now*. December 11, 2013.

<sup>37</sup> Taylor Hatmaker. “*Video Games As Spectator Sport: Why Twitch Is Booming*.” *ReadWrite*. January 18, 2014.

<sup>38</sup> LifeCourse online survey

development. In many ways, they're disengaged from the traditional rule-bound path that's meant to lead their generation to success—and for better or worse, they're seeking that sense of fulfillment in other pursuits.

Plenty of other factors, of course, also contribute to Twitch skewing male. The most obvious is perhaps the most prominent game categories on the site, particularly eSports and first-person shooters, which rely heavily on “macho” language, imagery, and symbolism and have long been marketed towards guys of all ages. But it's Twitch's popularity with Millennial men in particular that hints at a richer generational story—one that may reflect the difference between where many of them are in life and where they hope to be.

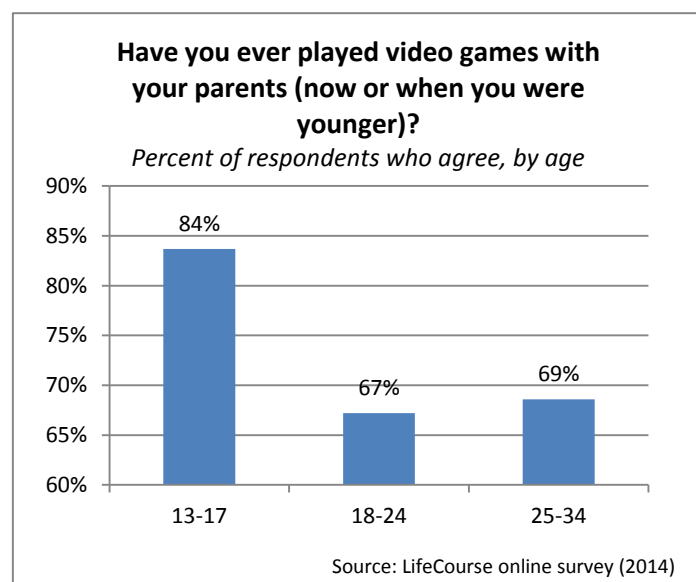
## Family

Along with their friends, Millennials are also famously close to their parents—in no small part because they're more likely to be living under the same roof. In 2012, 36% of 18- to 31-year-olds were living in their parents' home—the highest share in at least four decades and a figure that was already rising steadily before the recession hit.<sup>39</sup>

And this closeness goes far beyond proximity. Today's young adults communicate *and* interact more with their parents compared to Boomers when they were the same age. The quality of these interactions has also increased, with Millennials feeling significantly more comfortable talking about sensitive subjects with their parents—namely, their emotional lives (friends, relationships, dreams) and their financial lives (careers, spending, savings)—than Boomers were.<sup>40</sup>

For this generation, gaming is often considered a family affair. When asked if they had ever played video games with their parents when they were younger, 68% of 18- to 34-year-olds (raised primarily by Boomers) said yes. Among 13- to 17-year-olds, this share rises even higher to 84%.<sup>41</sup>

These numbers are a testament to how fully gaming has entered the mainstream. In the late 1980s and '90s, the divide between parents and kids was much starker: Video games, particularly violent or graphic titles, were often considered



<sup>39</sup> Richard Fry. “A Rising Share of Young Adults Live in Their Parents' Home.” Pew Research Center. August 1, 2013.

<sup>40</sup> AARP. *AARP The Magazine Generations Study*. September 2012.

<sup>41</sup> LifeCourse online survey

“junk” and blamed for a variety of societal ills. Many parents were wary about their kids gaming and warned them to get up from the couch—and certainly weren’t eager to encourage them by joining in.

Yet as other institutions have become increasingly “gamified” and the kids who grew up playing *Super Mario Bros* have become parents themselves, the stigma surrounding gaming has greatly lessened. Gaming has been reframed as a way for kids to learn skills and grow. Fully 68% of parents with children under age 18 agree that gameplay “provides mental stimulation or education,” while 55% says that it “helps the family spend time together.” Overall, 56% say that video games are a positive part of their child’s life.<sup>42</sup>

As a downcard, we expect the nature of parental involvement to change with late-wave Millennials. Where Boomers saw a way to bond with their kids (think [the father-son duo who play Call of Duty on Twitch](#)), Generation Xers will see an opportunity to hone more formal skills and achievement. As the Nintendo-wave Xer players fade and become doting parents, they might send their young kids to summer camp to nurture their talents through gaming, whether it’s through building games like *Minecraft* or competitive eSports titles. In other words, games may become an essential part of late-wave Millennials’ education—as useful and informative a teaching tool as worksheet or an exam.

## Final Thoughts

Over the past 15 years, the world of entertainment has expanded at a dizzying pace. The range of media that young people have available to them has never been wider. With this shift has arrived a new set of expectations: Increasingly, Millennials aren’t merely “sitting back” and enjoying their entertainment passively, but rather “leaning forward” into participatory formats that talk back. They’re not just listening to their favorite musicians; they’re interacting with them on social media, whether it’s in the form of a Twitter exchange or a Reddit AMA. They’re not just reading books; they’re reviewing them on blogs and YouTube. And they’re not just playing video games; they’re turning them into a spectator sport.

In this memo, we’ve examined seven key ways in which Twitch’s mission and format align with Millennial traits. This alignment, however, isn’t just important in understanding and interpreting the success of a single site; it has broad implications for the future of media that rest on the different expectations and assumptions that today’s young people bring to what they consume. Twitch is emblematic of a new media age in which content is assumed to be communal, user-driven, shareable, and accessible. The site sits alongside Web 2.0 giants like Facebook, YouTube, and Tumblr in prioritizing user collaboration and interaction over the simple consumption of information. In this world, users are as likely to be makers as they are to be consumers. While Twitch’s focus on gaming lends itself to a more targeted audience than

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<sup>42</sup> 2014 Essential Facts About the Computer and Video Game Industry

that of other sites, its broad mission is the same: It's an outlet for users to show off their creativity and achievements and connect with fellow enthusiasts from around the world.

While older brands are trying to reverse-engineer their products to include these qualities, Twitch has the advantage of having already built them into its business model. As the site grows, it is inventing a new media form all its own—and with it, providing a template of the path that traditional forms will need to follow.

## Methodology

Survey Sampling International (SSI) conducted an online panel survey on behalf of LifeCourse Associates from March 13-30, 2014 with 1,227 persons between the ages of 13- 64. All respondents are based in the United States. Quota segments were used in screening criteria to identify gamers vs. non-gamers. Gamers are defined as those that have played a game on a PC, console, tablet, or mobile device in the last 60 days. 63% of the sample met this criteria. Additionally, respondents were asked if they had been on the twitch.tv website in the last 60 days, yielding a positive response rate of n=313. SSI is one of the leading survey companies in the world, with over 37 years of sampling and data collection experience.

All data has been weighted to U.S. Census criteria by age and gender.

In this survey, Millennials were as defined as ages 13-34, Gen Xers as ages 35-54, and Boomers as ages 55-64.

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