

# Don't Forget to Like and Subscribe

Understanding The Creator  
Economy of Today and Tomorrow





# The creator economy has revolutionized what it means to have a career in entertainment

There was once a time when media and entertainment personalities had to be plucked from obscurity by producers in order to “make it” in the industry. But thanks to the rise of user-generated content platforms such as YouTube, TikTok and Instagram, the rules of the game have changed.

Now, anyone with a smartphone and an internet connection can start building an audience.

The creator economy isn’t the Wild West anymore. It’s a multibillion dollar industry—one that has launched the careers of some of the biggest celebrities on the planet. Top creators have become increasingly professionalized in their approach to producing content and managing their careers, and global brands and corporations have learned how to take advantage of this new media ecosystem as an advertising and sales channel.

But despite this maturation, the creator economy is still highly fluid and often in flux. For evidence of that, just look at the explosive growth of TikTok; 3 years ago, few would have predicted that the upstart platform would ever seriously challenge YouTube as the natural home

for video creators to launch their careers. But now, the success of the platform has completely changed the way that viewers—particularly Gen Z—interact with the medium of online video, and has upended the balance of long-form versus short-form content in the creator economy.

So, the question is: What other surprises are on the horizon for the creator economy? And how can platforms, creators, and media brands anticipate and respond to them?



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**METHODOLOGY**  
Data used in this report comes from a study of 3,500 fans of online content creators, ages 13 to 64, across the US, UK, Canada and Australia, conducted in June 2022.

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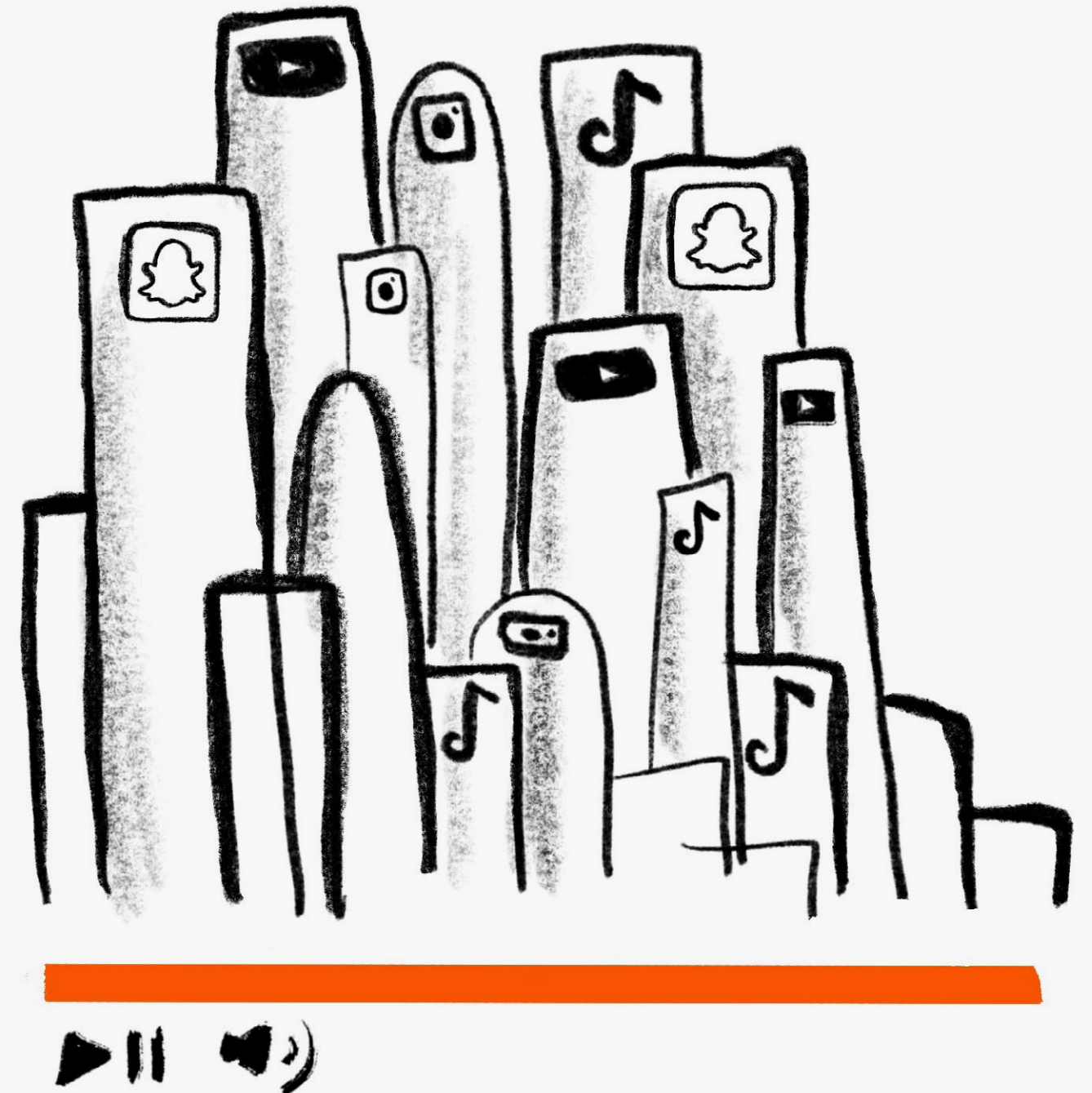


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PART 1

# Today

The landscape of the  
modern creator economy





# Understanding the creator economy requires an understanding of the deep bonds between creators and their fans

Today's most successful content creators are often compared to pop idols or film stars in terms of the level of fame and admiration they enjoy among their followers. However, there is a critical difference between the stars that have emerged from the creator economy and those of previous eras. The "celebrity" that many content creators enjoy is not the unapproachable, ivory tower kind. Instead, the creator economy promotes the development of "parasocial relationships," a form of simulated friendship in which viewers feel that they know the creators they follow on a deep and personal level.

These kinds of relationships are a natural consequence of the way in which content platforms promote a high level of interactivity between creators and their fans: "Don't forget to like, comment and subscribe" has been a staple part of the YouTuber's vocabulary for so long that it's become a cliché. And many creators spend as much or even more time interacting with fans—either in the comments of their videos, on social media, or, increasingly, in dedicated Discord servers—as they do actually working on their content.



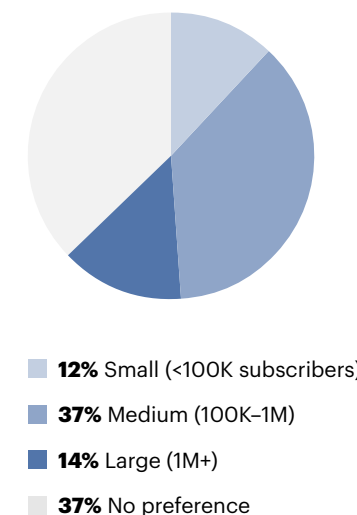
**44%**  
of fans feel they know their favorite creators as well as they know their real-world friends.

Indeed, for many fans, the communities that spring up around popular creators are as much a part of the appeal as the content itself. **63% of content creators' fans say that following creators makes them feel like part of a community with shared interests.** This also helps to explain why so many fans say that they prefer to follow creators with medium-sized audiences. They're seeking out creators whose audiences are large enough to create that sense of a vibrant, active community, but small enough that you

can still reasonably expect that creator to see your comments and maybe, if you're lucky, respond to one of them.

At the same time, many fans see the creators that they follow as an expression of their personal identity. By following creators who don't yet have multi-million subscriber counts, fans get to feel like they're ahead of the curve and that they've contributed, in some small way, to that creator's future success; it's a new version of the "I liked them before they were famous" effect.

**Q:** What types of creators do you prefer to follow?







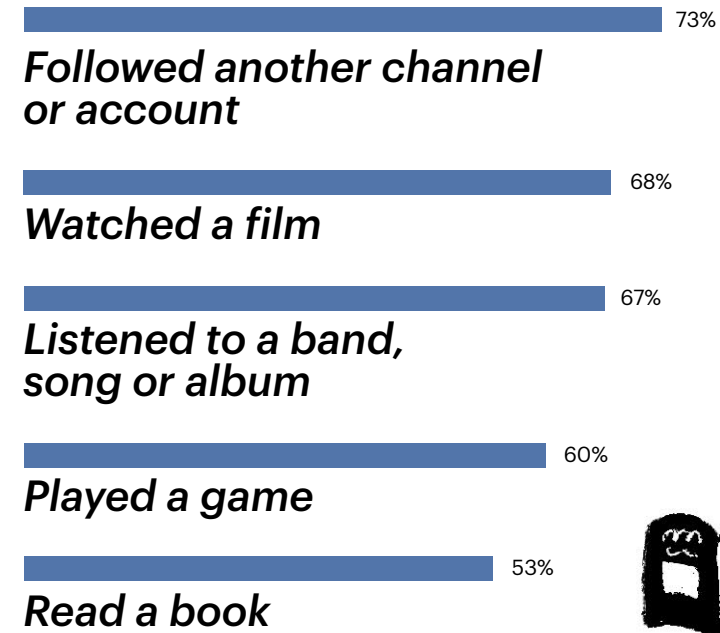
**33% of fans have, on at least one occasion, reached out directly to a content creator they follow**—either by mail, email, or on social media. Often, this kind of 1:1 engagement is actively encouraged by creators, who will post open solicitations for feedback or ideas for future pieces of content. In some cases, these relationships between fans and creators even cross-over into the offline world. **Almost a fifth (18%) of fans say that they've purchased a ticket to a live event (such as a convention, panel event, or festival) to see a creator that they follow online.** And an additional 41% are open to the idea of doing so in the future.

The depth of relationships between creators and their fans plays a major role in making the creator economy such fertile ground for advertisers. When a creator you follow recommends a product, it's not the same as seeing Ben Affleck doing a TV commercial; it's more like getting a recommendation from a friend or a family member.

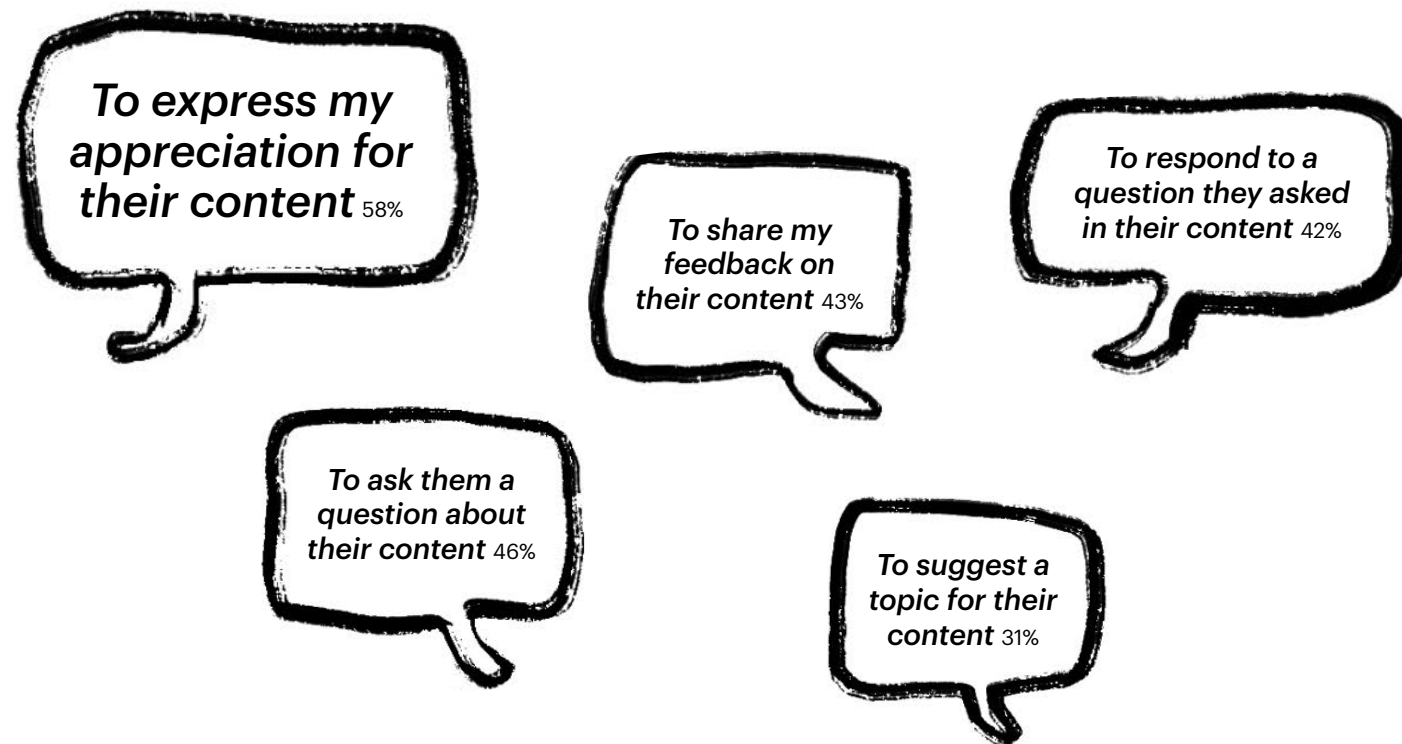
As a result, those endorsements come with a perceived authenticity that's difficult to replicate in any other advertising medium. **Over half (53%) of fans say that they've purchased at least one product or service that was recommended to them by a content creator they follow.** And 91% of those people expect that they will do so again in the future.

Successful content creators have an enormous amount of power to shape the views and behaviors of their followers. In many cases, content creators have been able to harness this power to effect positive change. 39% of fans, for example, have donated to a charity that was recommended to them by a content creator. 41% say that the creators they follow have influenced their social or political views in some way, while 68% believe that following online creators has provided them with a window into how people in other parts of the world live.

**Q: What actions have you taken after receiving recommendations from a creator?**



## WHY FANS HAVE REACHED OUT TO A CREATOR THEY FOLLOW



However, there's a darker side to parasocial relationships. Many fans feel in some way personally responsible for the success of the creators they follow—and this can lead to feelings of ownership or entitlement towards the content those creators produce. For creators, it can sometimes be difficult to balance their own need to produce content they find fulfilling and meaningful against the expectations of their audiences and the incentives imposed upon them by platform algorithms. In certain cases, creators find that the need to constantly churn out new content and also maintain active interaction with fans can have a damaging effect on their mental health—especially during periods of rapid subscriber growth.

The intensity of creator/fan relationships also helps to explain why the creator economy has developed something of a reputation for messy interpersonal drama and high-profile “cancellations.”<sup>1</sup> When viewers feel let down or personally betrayed by a creator, this can lead to toxic behavior and, in some cases, abuse. Fortunately, these kinds of spiralling controversies are not quite as common as the headlines might make you think; **only 1 in 6 fans (17%) can recall an occasion where they stopped following a creator because that person was involved in some kind of scandal or controversy.**

**Q:** Why do you follow content creators?



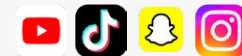
1. “Cancelling”, ContraPoints (Natalie Wynn), January 2020. [Available here.](#)

## at a glance FAN SEGMENTATION

While every viewer in the creator economy has their own set of preferences, the majority—around 70%—can be placed into one of five primary archetypes, determined by the type of content that they are most likely to seek out and engage with.

### POP CULTURE JUNKIES

Avg Age **25**  
Female **65%** / Male **35%**



### SPORTS FANATICS

Avg Age **28**  
Female **19%** / Male **81%**



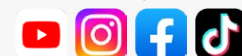
### INFOTAINMENT CONSUMERS

Avg Age **34**  
Female **35%** / Male **65%**



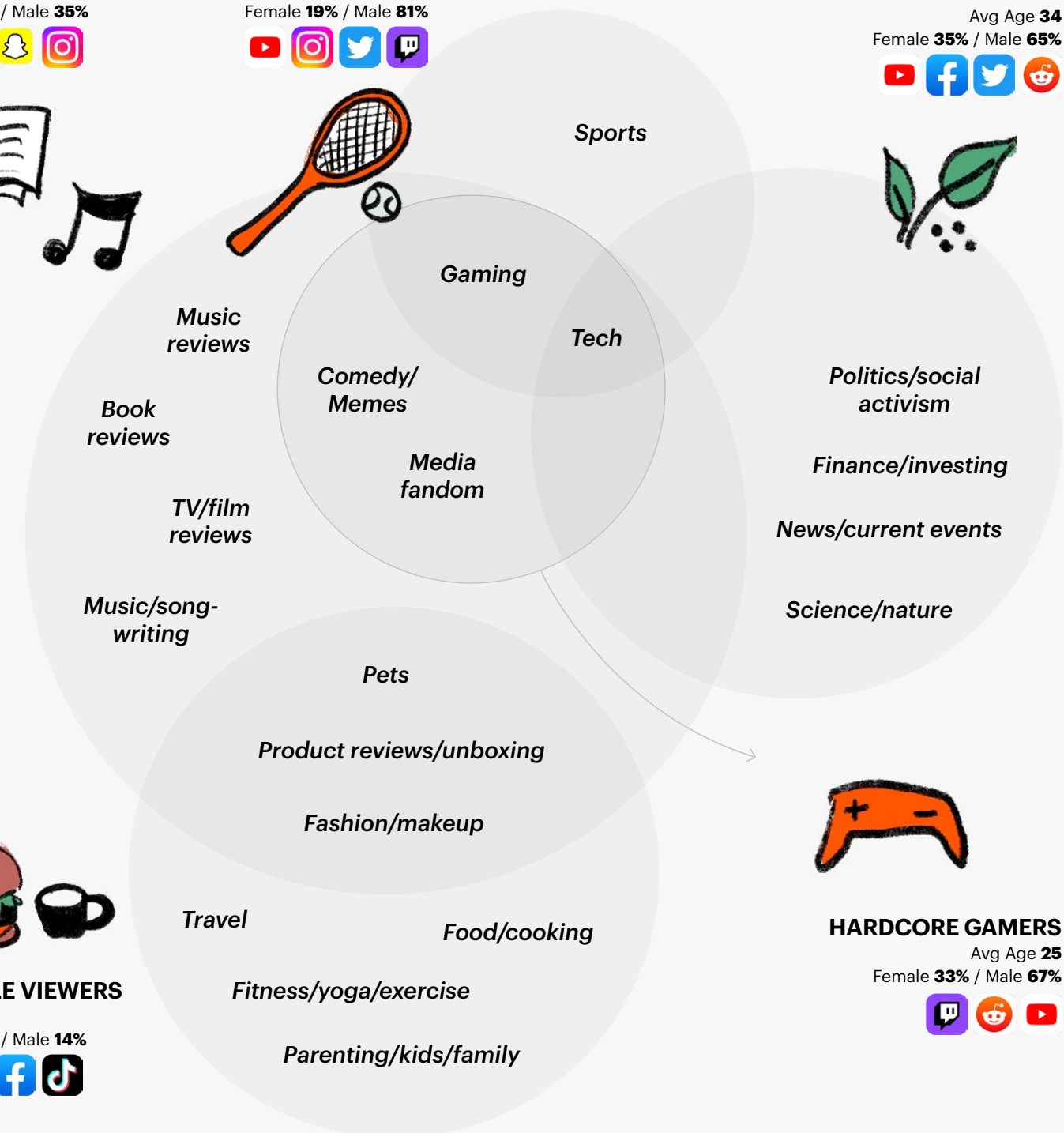
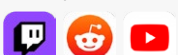
### LIFESTYLE VIEWERS

Avg Age **32**  
Female **86%** / Male **14%**



### HARDCORE GAMERS

Avg Age **25**  
Female **33%** / Male **67%**





# Disinformation remains a problem that the major content platforms are struggling to deal with

Another unfortunate by-product of the close relationships between creators and their fans is that it can allow for the rapid transmission of inaccurate or even deliberately misleading information. Fans tend to place a lot of trust in the creators they admire. And this trust can be—deliberately or inadvertently—taken advantage of. While the spread of COVID-related misinformation on social media has received much media attention over the past two years, there are plenty of other examples where content creators have helped to propagate, or even create, conspiracy theories.

This is seen as a particularly serious problem on Facebook and Twitter; 49% and 46% of their users, respectively, believe that those platforms have a serious disinformation problem (compared to 32% on YouTube and 35% on TikTok).

**51%**  
of creators' fans agree that disinformation and conspiracy theories constitute a "serious problem" on online content platforms.



## case study HOW CREATORS ARE FIGHTING BACK AGAINST DISINFORMATION



@Miniminuteman  
#history #archaeology

Many creators have called for the platforms they use to take action on fake news, and give users more tools to help their users tell fact from fiction. Some, however, have decided to take matters into their own hands.

**@Miniminuteman** is a creator who makes videos about history and archaeology and has built up an audience of over 1.5 million fans across TikTok and YouTube; much of his output is dedicated to debunking popular conspiracy theories. Here, he talks about his experiences, and what he's learned about how to combat disinformation online.

### How did you first start creating your debunking content?

When I first started making content on TikTok, it was mostly stuff that I just thought my friends would find funny. For about a month, I was just making videos that I thought were somewhat entertaining or posting things I had in my camera roll. And then, in about June of last year, I saw that there was a lot of pro-Confederate propaganda online, so I started making videos trying to debunk it. That's how I started to get into the triple digits in views. And after that, I pivoted towards making more archeology content, and that's when the channel really took off.

I've been interested in archaeology since I was five years old, and I didn't know that this many people would be interested in hearing about it. It's the only reason I didn't talk about it in the first place. From there, it was sort of an exponential thing where I just kind of continued to make content that interested me, I tried to maintain good fan engagement, and it really just took off. It was less of an intended outcome and more of an accidental result.

### How do you find new content for your debunking videos?

A lot of it is based on suggestions from my followers. My first video that got half a million views was

based on a request from a follower, so after that I tried to work a lot more with viewer suggestions and comments. I would encourage my audience to tag me in any videos they found that were propagating pseudoscience or conspiracy theories, and then I'd make videos debunking it. As well as providing me with a steady stream of content, it also made my audience feel like they were more engaged with shaping the direction of the channel.

### Have you run into any particular challenges with your debunking content?

Censorship was definitely a big issue for me on TikTok. Some of my early content on the Civil War and Confederate stuff would get flagged by the algorithm because of specific keywords. So my videos would get taken down, which is really difficult especially for someone just starting out as a creator. It also made it a lot harder to have free and in-depth discussions with my audience.

On YouTube, by contrast, the algorithm can tell the difference between hate speech and somebody discussing a touchy subject. Because of that, it has definitely been a lot easier to engage with an audience on YouTube. You also have a consistent visualization of how the algorithm is helping your videos on YouTube; on TikTok, it's completely random what ends up blowing up.



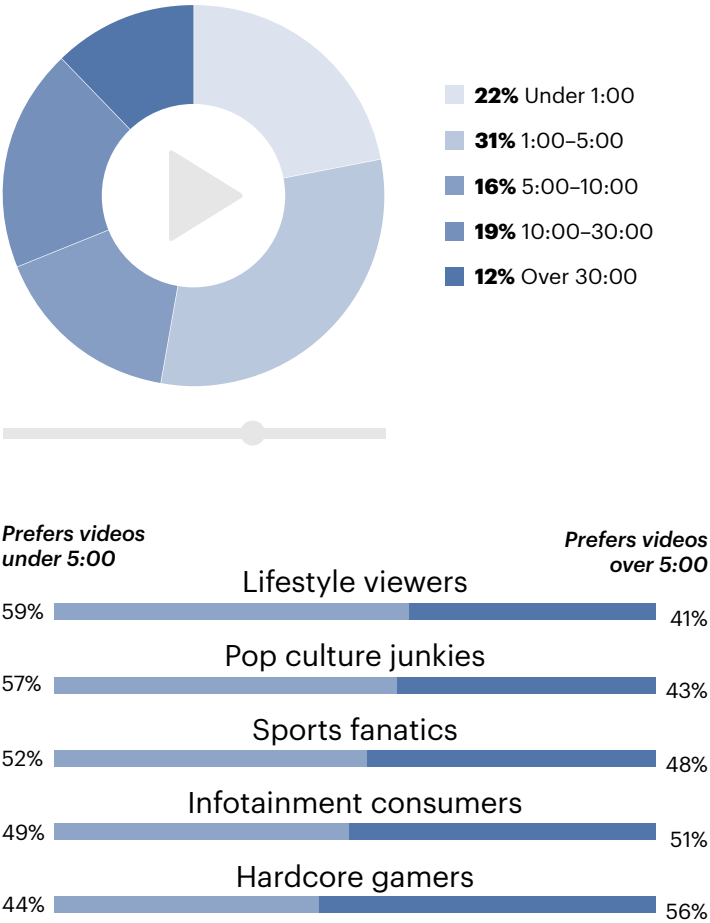
# The “short-form revolution” has redefined the landscape of the creator economy

One of the biggest shifts within the creator economy over the past few years has been the rise in popularity of short-form video content. Since the start of 2020, TikTok has enjoyed explosive year-on-year growth<sup>2</sup>; a success story which has been attributed, in part, to new users discovering the app while trapped at home in the early days of the pandemic. But it’s also the result of changing content trends on YouTube, the platform’s primary competitor.

In the early days of YouTube—during the vlogger boom of the late 2000s and early 2010s—short-form content was commonplace on the site. But from the mid-2010s onwards, creators started to find that the platform’s algorithm and monetization model heavily incentivized them to increase the average length of their videos. This helped to create an opening in the market for a dedicated short-form video platform, which TikTok exploited to great success.

In response to TikTok’s rapid growth, other platforms have launched their own dedicated short-form video offerings, such as Instagram Reels. Ironically, YouTube itself circled back to promoting short-form content, launching its YouTube Shorts service globally in 2021. The upshot of all of this is that a distinctive short-form content ecosystem—with its own set of rules, norms, and best practices—has now emerged under the umbrella of the wider creator economy.

Q: What length do you prefer for online video content?



Many viewers find that short-form content offers them a better viewing experience—or at least, one that fits more easily around their other interests and responsibilities. In total, **53% of content creators’ fans say that their ideal length for a video is under 5 minutes.** And among consumers under the age of 18, that percentage jumps to 64%.

Broadly speaking, viewers who gravitate towards longer-form content tend to be interested in content that is in some way educational—whereas short-form viewers are more inclined towards watching lighter pop culture and lifestyle content. The biggest exception to this rule is gaming-related content. Despite falling under the “media and entertainment” umbrella, gaming content has struggled to establish a niche for itself on short-form platforms—largely because gamers are so used to the idea of watching multi-hour live streams on platforms like Twitch.

Long-form viewers tend to be more interested in videos on...



LONG-FORM

Gaming



LONG-FORM

Technology



LONG-FORM

News and current affairs



LONG-FORM

Science and nature



LONG-FORM

Product reviews and unboxing

Short-form viewers tend to be more interested in videos on...



SHORT-FORM

Fashion and make-up



SHORT-FORM

Comedy and memes



SHORT-FORM

Music reviews



SHORT-FORM

Media fandom



SHORT-FORM

Pets

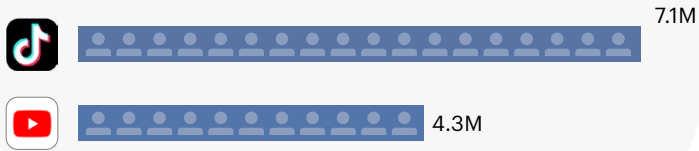
2. “TikTok to rank as third largest social network, 2022 forecast notes”, Sarah Perez, TechCrunch, December 2021. [Available here.](#)



It would be a mistake, however, to think of short-form video content as simply a shorter version of long-form content. For one thing, users have much lower expectations for production values with short-form content; they're used to seeing TikTok videos that are filmed on the creator's phone and hastily edited using the in-app features.

Moreover, the user experience across the two mediums is vastly different. With long-form content on YouTube, viewers tend to discover new videos either by searching for them or by choosing from videos recommended to them by the platform's algorithm. In either case, there is a degree of active selection involved. On TikTok and on YouTube Shorts, by contrast, viewers spend the majority of their time scrolling through videos that are automatically presented to them. This means that the viewing experience is a significantly more passive one—with the user placing more control into the hands of the algorithm.

AVERAGE SUBSCRIBER/  
FOLLOWER COUNTS  
FOR TOP 5,000 ACCOUNTS<sup>3</sup>



3. Based on analysis conducted by NRG of account data from Social Blade, June 2022.

Because short-form platforms lean more heavily on their recommendation algorithms, creators who understand how to game the system can achieve truly spectacular rates of subscriber growth. The top 5,000 accounts on TikTok have, on average, 2.8 million more subscribers than their equivalents on YouTube—despite the fact that they've had significantly less time to grow those audiences.

But although it may be easier to build an audience quickly on TikTok, this doesn't mean that the platform has a better overall value proposition for creators. While those viewers may be easier to find, they're also a lot harder to monetize effectively: there's a common rule of thumb among creators that you need 10 times more followers on TikTok to build a sustainable career than you do on YouTube. And many TikTok creators find that, at a certain point in their career, they need to transition into longer-form content on YouTube in order to maximize their earnings potential.

While fashion and makeup brands have embraced TikTok as a marketing channel, other advertisers have been somewhat slower to take advantage of the platform's potential—meaning that creators who don't make fashion content can have a hard time attracting high-value corporate sponsorships. At the same time, it's also a lot harder to integrate ad breaks and sponsored ad reads into a video when you only have a minute or two of run-time to work with. And since short-form videos are seen, fairly or unfairly, as a "lower effort" form of content, it's much more difficult to convince a viewer to help



you continue creating videos by supporting your channel on Patreon. TikTok has tried to address these issues by using its "Creator Fund" to give creators a share of the platform's ad revenue, but creators have been hesitant to embrace it—with many reporting that they saw a steep drop-off in view counts after joining the fund.

While it is possible to have a full-time career making TikTok content, right now that's a dream that's only achievable for the truly top-tier creators. In that respect, the platform is in a similar place to where YouTube was a decade or so ago. Short-form video has already changed the rules of the game for content creators; but it remains to be seen whether it can become a reliable and self-sustaining source of revenue for them.



@Hullsome  
[#geocaching](#) [#hiking](#) [#outdoors](#)

"The user mindset on TikTok is completely different from the mindset on YouTube. TikTok is more mindless. You don't want to think about what you're going to watch; you're just going to watch the next thing. YouTube's a lot more thoughtful: "I'm on this subject, I'm gonna go to this subject, what am I going to watch next?"



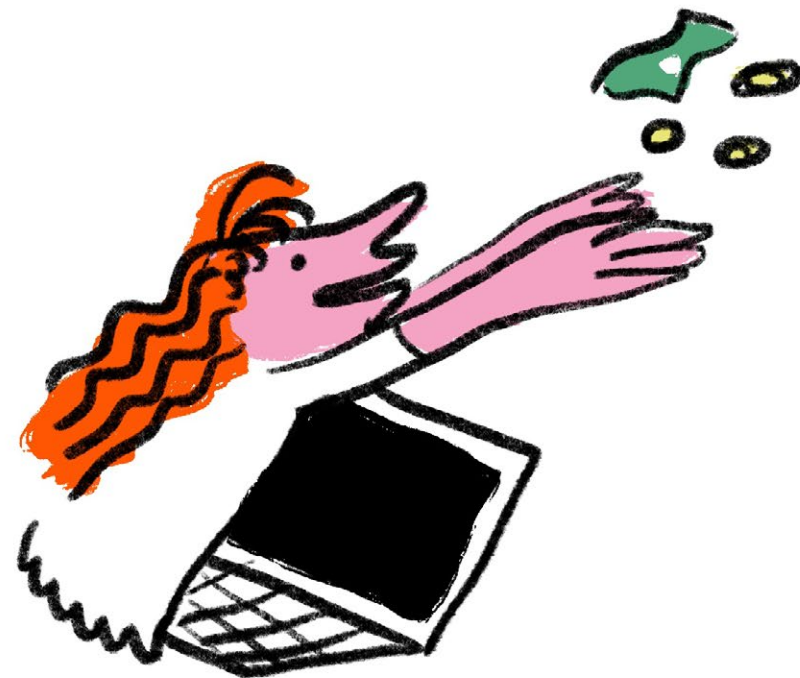
@GateNerd  
[#geography](#) [#educational](#)

"I think what's going to become clear over the next five years is that there's something wrong with the monetization model for short-form content on online video platforms, because you can't tie revenue to ads as directly. On YouTube, ads are inserted directly into videos and creators can embed their sponsored content into their main videos. But on TikTok, they can't do that; people watch five or six videos before an ad comes up and then they just scroll straight past it."



# Today's creators have a wide array of options when it comes to monetizing their content

Arguably, the relationship between content creators and their fans has become even deeper in recent years, as creators have come to rely more heavily on subscription payments from their viewers as a source of income. There are now over 8 million users on Patreon who make regular donations to their favorite content creators and **19% of creators' fans report that they've used Patreon in the past**. Each of these fans have made donations to, on average, 5.6 creators using the service.



## USING

*To show my appreciation for a content creator*  
47%

*To gain access to exclusive content* 43%

*To make sure that creator can continue creating content in the future*  
43%

*To allow me to interact directly with that creator* 41%

*To feel like part of a community*  
40%



**Q: Why have you chosen to use/not use Patreon?**

## NOT USING

*I don't have enough disposable income*  
48%

*The creators I follow don't need my support* 18%

*I don't see the value of the exclusive content and perks on Patreon* 20%

*I wasn't aware of Patreon* 22%

*I'm worried about creating new subscriptions I might forget about later* 16%

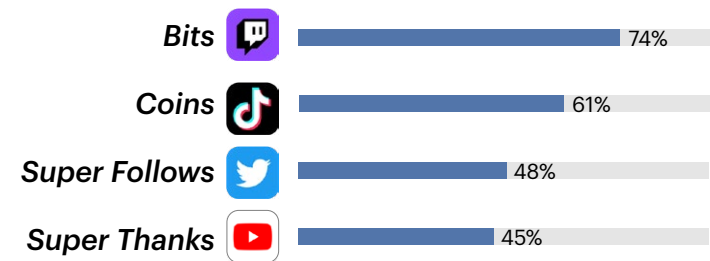
Moreover, the data suggests that there's still a lot of untapped potential in subscription-based revenue models: an additional **47% of fans say that they are open to the idea of supporting creators through Patreon in the future**.

While fans certainly appreciate the exclusive perks that creators tend to provide through Patreon, less than half cited this as a factor that led them to start using the service. For many, their subscriptions are simply a means of expressing appreciation for content they've enjoyed—or a way to amplify the strength of the relationship they feel towards their favorite creators and those creators' fellow fans.



Seeing that audiences are willing to financially support their favorite creators, many content platforms have attempted to roll out their own in-app subscription or tipping services—with somewhat mixed results. Of these, Twitch has arguably had the most success. Among fans who follow content creators on Twitch, 74% have heard of the platform’s “Bits” program, and 31% have used Bits to donate to (or “cheer”) a streamer.

### USER AWARENESS OF CREATOR TIPPING PROGRAMS



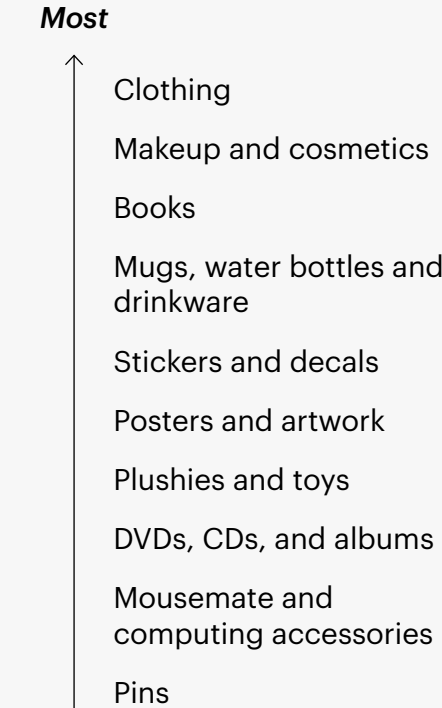
But direct subscriptions and tipping programs aren’t the only way in which fans can financially support the creators they care about. It’s now easier than ever before for creators to make, sell and distribute branded merchandise. **24% of fans have purchased at least one piece of merchandise from a creator they follow**—while 54% are open to the idea of doing so in the future.

For the most part, creators who want to sell branded merch are forced to rely heavily on third-party apps and services. While the leading content platforms have taken steps to make this easier—notably, Teespring now has partnerships with most major platforms, allowing creators to sell custom T-shirts directly below their videos—many creators would like to see a deeper level of merchandise integration into the platforms that host their content.

### Q: Why have you purchased branded merchandise from creators?



### THE MOST POPULAR TYPES OF BRANDED MERCHANDISE



# The deep relationships between creators and fans makes content creators highly valuable to corporate partners

When it comes to corporate partnerships and sponsored content, creators have to perform a delicate balancing act. On the one hand, these partnerships can be highly lucrative—and can provide creators with a much more stable source of ad revenue than can be achieved through in-app options like the TikTok Creator Fund or YouTube’s Partner Program. However, creators are also keenly aware that much of their appeal to their fans is rooted in a sense of authenticity, which can be jeopardized by ill-judged or excessive product endorsements.

**13%**  
of fans can recall a time when they unfollowed a creator because they started including too many ads in their content.

Most fans, however, recognize that creators need to earn a living—and aren’t going to begrudge them doing the occasional piece of sponsored content. According to creators, one of the most effective ways to minimize fan push-back against ads is to ensure that the products or services you’re endorsing have a natural tie-in to the content your channel normally covers—or, at the very least, find some creative way of weaving the two together. For example, a cooking

channel doing an ad for a video game might choose to show fans how to recreate dishes from the game in real life.

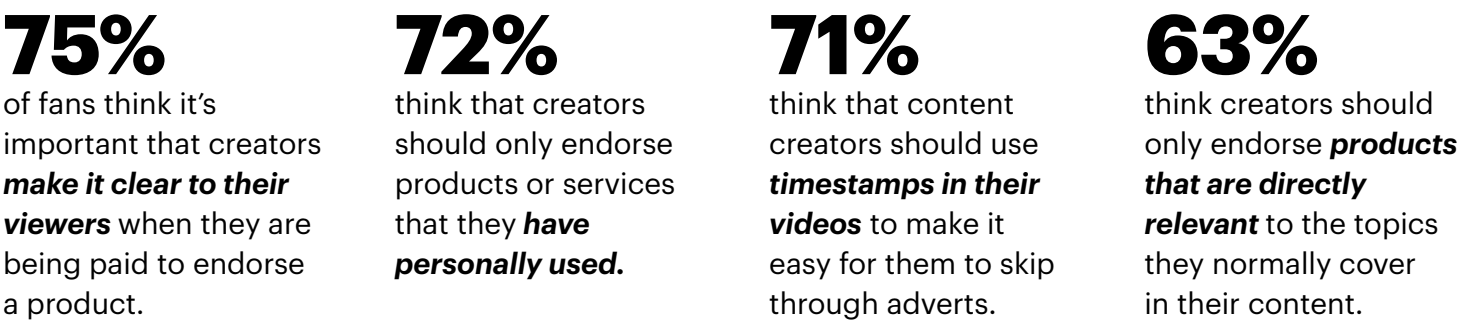
Creators’ corporate partnerships have been a source of controversy in the past, particularly when the product in question is being marketed towards children. Over the past decade, governments and regulators around the world have introduced stricter rules on how these deals should work—requiring creators and the platforms that host their content to make clear when money has been exchanged for an endorsement. In fact, in many jurisdictions the rules governing influencer or creator advertising are now stricter than those governing traditional TV or print ads<sup>4</sup>. But despite these regulations, **38% of fans say that they sometimes struggle to tell when a creator has been paid to endorse a product or service.**

As brands develop a more nuanced understanding of the creator economy and how it operates, we may start to see more of them build relationships with creators that extend beyond straightforward ad reads and sponsored content. For example, some brands may choose to develop more of a two-way relationship with creators—actively consulting them on the development of new products and services. Given the amount of time they spend directly interacting with fans, creators tend to have a deep understanding of the needs and wants of their audiences—making them a potentially invaluable resource for brands looking to create products for those audiences.

**Q:** What factors make you *less likely* to follow a creator?



## BEST PRACTICE FOR SPONSORED CONTENT



4. “YouTubers have to declare ads. Why doesn’t anyone else?”, Tom Scott, February 2021. [Available here](#).



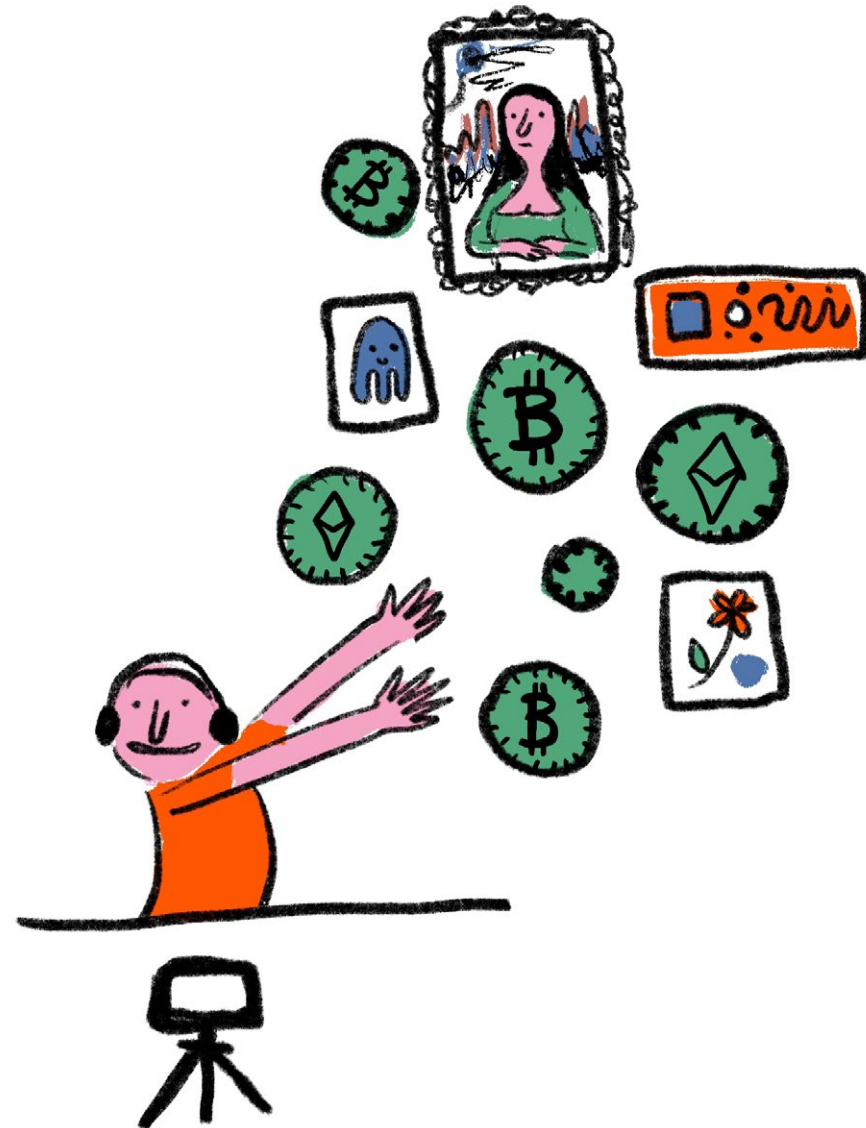
A topic that has prompted much debate within the creator economy over the past twelve months has been the role that Web3 technologies should play in creators' monetization strategies. Some creators have struck endorsement deals with cryptocurrency exchanges or other crypto-related businesses—while others have gone so far as to sell officially licensed NFTs of their content.

Advocates believe that Web3 technologies—and NFTs in particular—can be an effective way for creators to assert ownership over their content and create platform-independent revenue streams. Detractors, on the other hand, have argued that creators are abusing the trust of their viewers by promoting volatile asset classes they may not fully understand.

In any case, creators ought to be cautious about making too many deals in this space; **almost a quarter (24%) of fans say that they would think more negatively towards a content creator if they saw that creator selling crypto-related products.** Notably, viewers of gaming content are some of the most likely to disapprove of creators endorsing crypto products—potentially a result of recent backlash in the gaming community against the exploitative nature of some blockchain-based video games.

**42%**  
of fans say that they've seen  
a content creator endorse  
cryptocurrencies or  
crypto-related services.

**21%**  
have seen a creator endorse  
or sell NFTs.



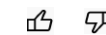
## HOW CAN BRANDS MAXIMIZE THE EFFECTIVENESS OF THEIR PARTNERSHIPS WITH CONTENT CREATORS?



@DaejahTalksTV

#tv #films #socialissues

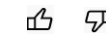
"I've always felt more comfortable with companies that are very upfront about their payment. Even if they just say, 'For a creator at your size, this is what we can offer,' then I know they're using a scaled approach and I can decide from there. I don't need a full creative brief in the first email, but I do need to understand what you expect me to deliver just for the sake of maintaining quality over quantity in my sponsorships."



@RachelOCoolMUA

#makeup #tutorials

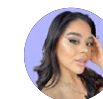
"Brands need to stop approaching a sponsorship like a traditional ad. They're wanting the content creator to act as an ad agency and be doing everything with regard to advertising this product, when that's not taking advantage of what is truly effective about a content creator. If you want the product to go viral, it needs to be authentically integrated into a creator's content. Because the thing that people like is that element of trust. And if somebody has to make an entire video into an advertisement, no one's going to watch it."



@RhysticStudies

#gaming #art #videoessays

"The human element is critical for me in any brand partnership. I don't like it when they approach me and say 'Hey, here's 3 grand, say this.' It's much better when they take their time and get to know me as a person, and I get to know them."



@TrueCrimeKari

#truecrime #makeup

"For me, the best brand deals are when I have flexibility in the final content I put out. If the brand forces me to stick to a script, then I can't inject my personality into the content, and my viewers are going to be able to tell that it's just an ad read."

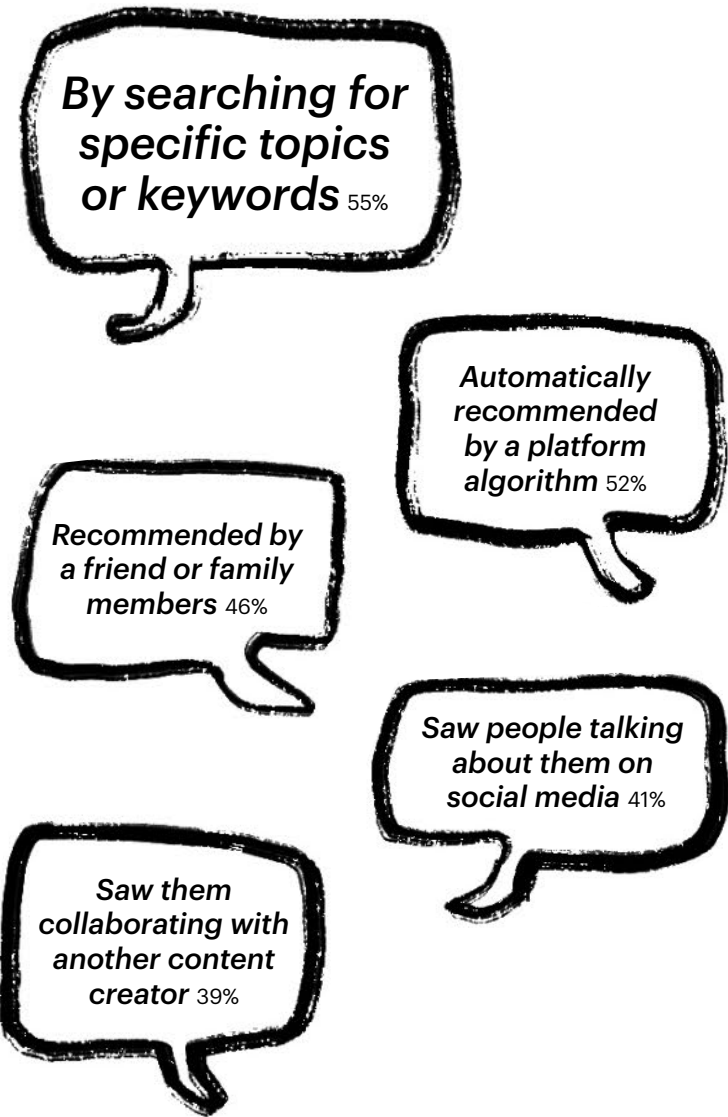


# Over time, creators have come to see themselves not just as producers of content, but as builders of communities

With how crowded the creator economy has become, it can be difficult for new creators to stand out from the crowd and start building an audience. It's easy to see why creators spend so much time trying to crack the code of the dreaded "algorithm;" not only does it determine the reach of individual videos, but a platform's search and recommendation algorithm is also the primary tool that users rely on to discover new accounts to follow. On TikTok, a whole new vocabulary of codewords has even emerged to allow creators to talk about topics which, for one reason or another, they think the algorithm doesn't like.

However, "chasing the algorithm" can be a dangerous game. Platforms are constantly tinkering with the way their algorithms work—and creators who have focused on gaming the system often find themselves struggling when the rules of the game change. By contrast, those who focus on producing high-quality content that aligns with the interests of their viewers may miss out on short-term virality, but will likely find themselves with a more loyal and engaged core audience. And, as a result, they'll be better placed to weather whatever surprises the platforms they use may throw at them in the future.

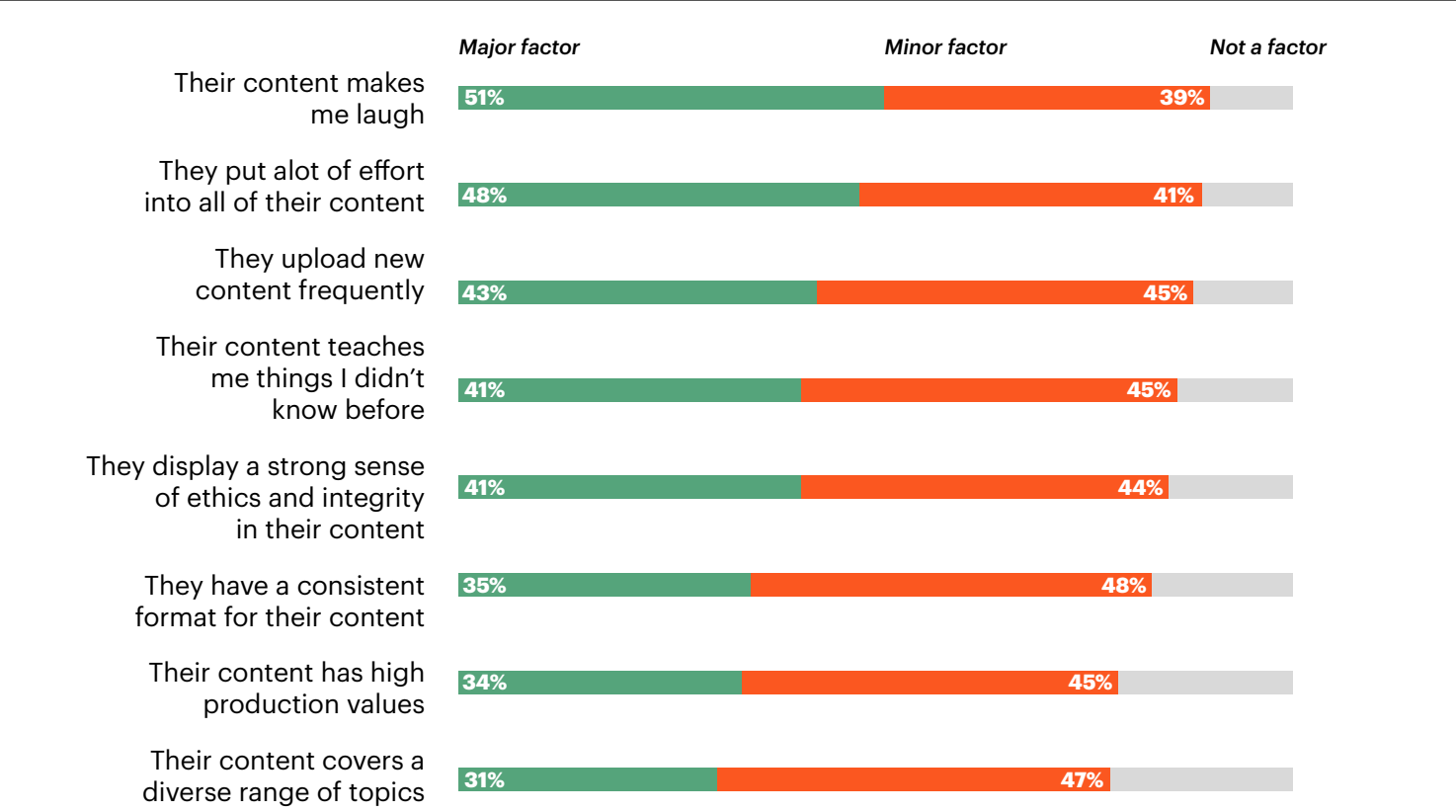
**Q:** *How have you discovered new creators to follow?*



When viewers are deciding whether or not to follow or subscribe to a content creator, they aren't just assessing the quality of their individual pieces of content. Rather, they're making a holistic judgment about the creator as a person: their values, their personality, and their overall ethos. Just like embarking on a real-world friendship, viewers have to ask themselves: "Is this someone I'm going to genuinely enjoy spending time with?"

For that reason, a shared sense of humor is the single biggest factor that determines whether someone presses the subscribe button. Fans—regardless of the topics or genres they're interested in—place a hefty premium on content that makes them laugh. And creators who can consistently churn out that content have a significant advantage when it comes to winning the war for consumers' eyeballs.

## TOP FACTORS THAT ENCOURAGE FANS TO FOLLOW CREATORS







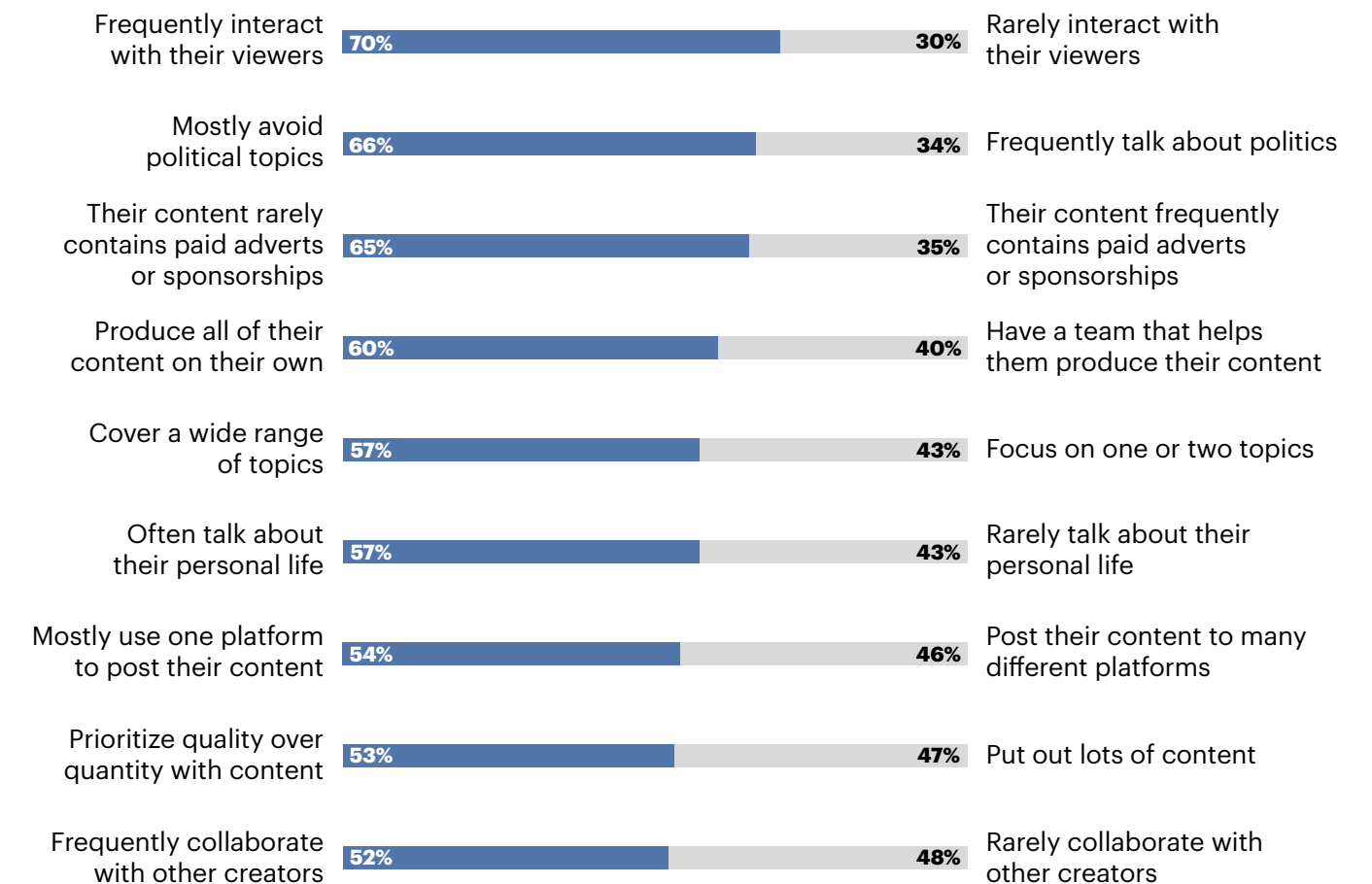
**Q:** *How would you describe your favorite creator in one word?*



Interactivity between creators and their viewers is another factor that matters a lot to the average fan. While it's not something that fans say is likely to make them subscribe to a new creator, it can go a long way towards deepening and elevating the creator/fan relationship. When asked to pick their single favorite content creator, 70% of fans selected someone who—they felt—frequently interacts with viewers in the comments of their posts or on social media.

Viewers, it seems, gravitate towards creators who understand that their relationship with fans should be more like a back-and-forth conversation than a one-way broadcast. Creators, for their part, are aware of this. Successful creators tend to have a strong understanding of the importance of interactivity and authenticity—and are as interested in creating positive, active communities around their content as they are in creating the content itself.

## HOW FANS DESCRIBE THEIR FAVORITE CONTENT CREATOR



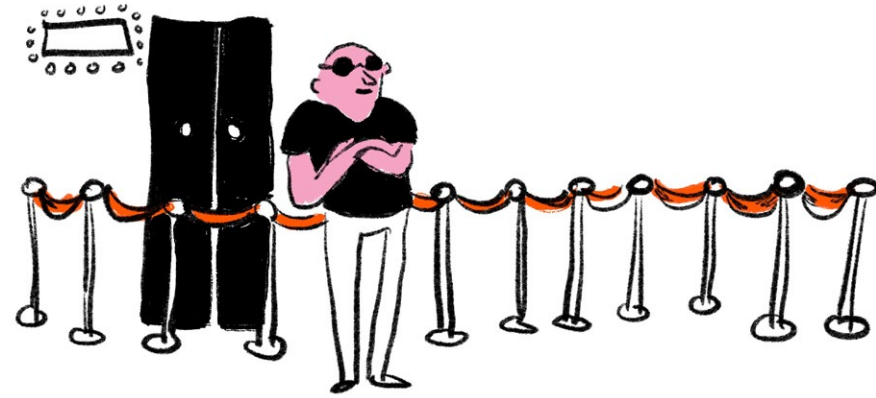
**PART 2**

# Tomorrow

**Five trends that will define the future of the creator economy**







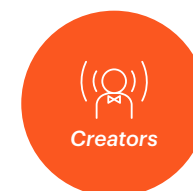
# Creators will seek tools to have more control over their audiences and who sees their content

At the beginning of their careers, many creators are fully focused on growing their followings as quickly as they can. But eventually they often reach a point where the quality of their audience matters as much, if not more than, their raw number of viewers.

Increasingly, creators don't just want short-term virality; they want to build lasting communities with a shared set of values and core assumptions. Such communities are often easier to monetize—but they can also be a vital bulwark for creators' mental health. It's when content garners attention outside a creator's core following that conflict and abuse are most likely to arise.

Already, some platforms have started providing creators with tools to manage their communities more actively and more efficiently. In the future, these tools will become more widespread and more widely used. Creators will be able to more easily control who sees their content, moderate their comment sections, and flag their content with topic warnings or age restrictions.

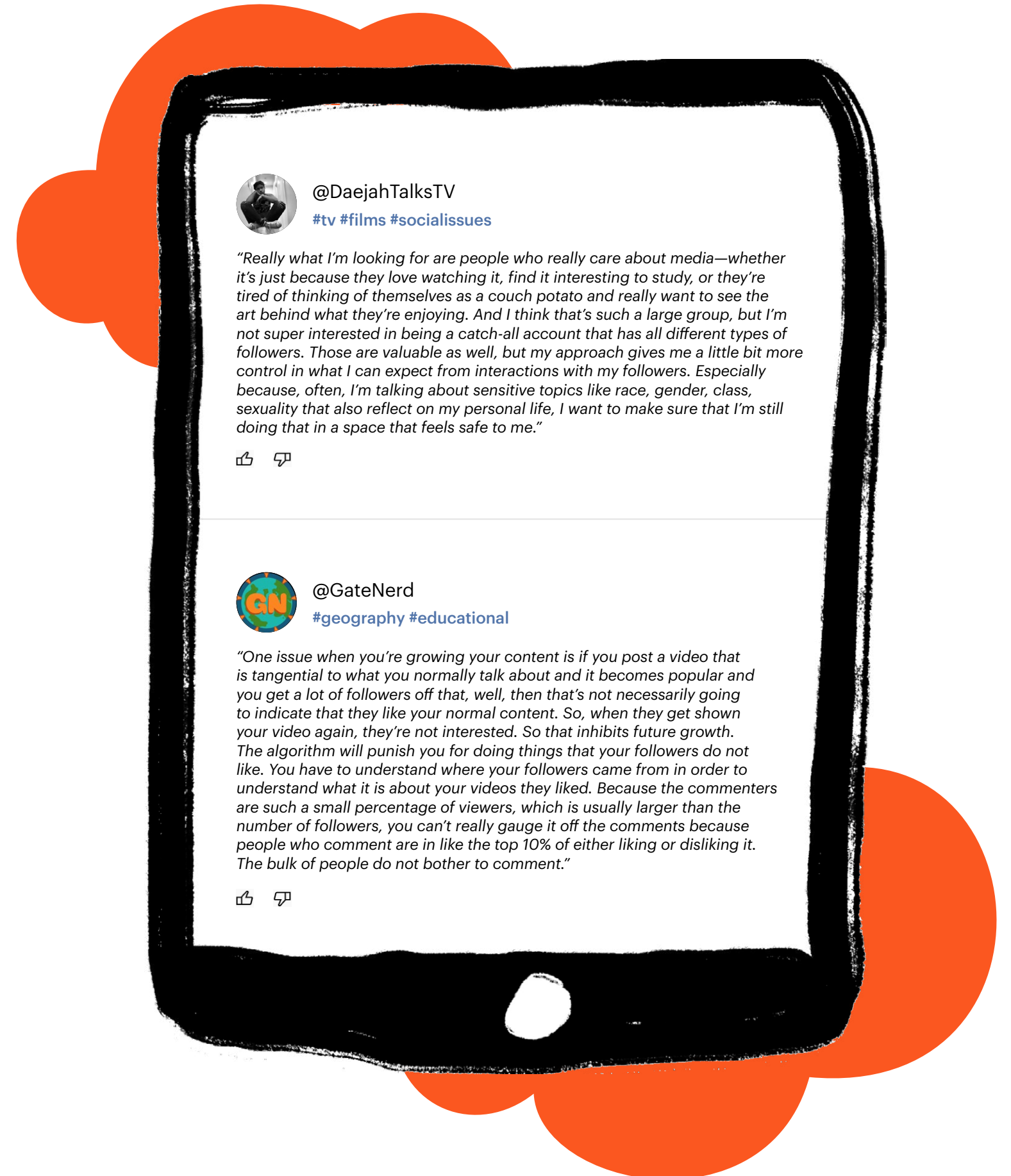
## What will this mean for...



Creators will have more agency over who sees and interacts with their content, and the ability to cultivate the kind of audience that they want to have.

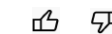


A new ecosystem will emerge of third party tools and services catering for the needs of creators—helping them understand and manage their followings.



@DaejahTalksTV  
#tv #films #socialissues

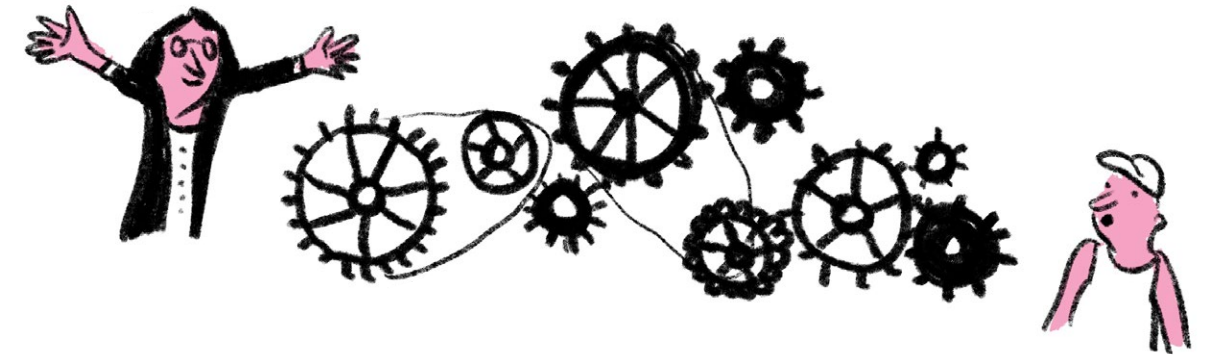
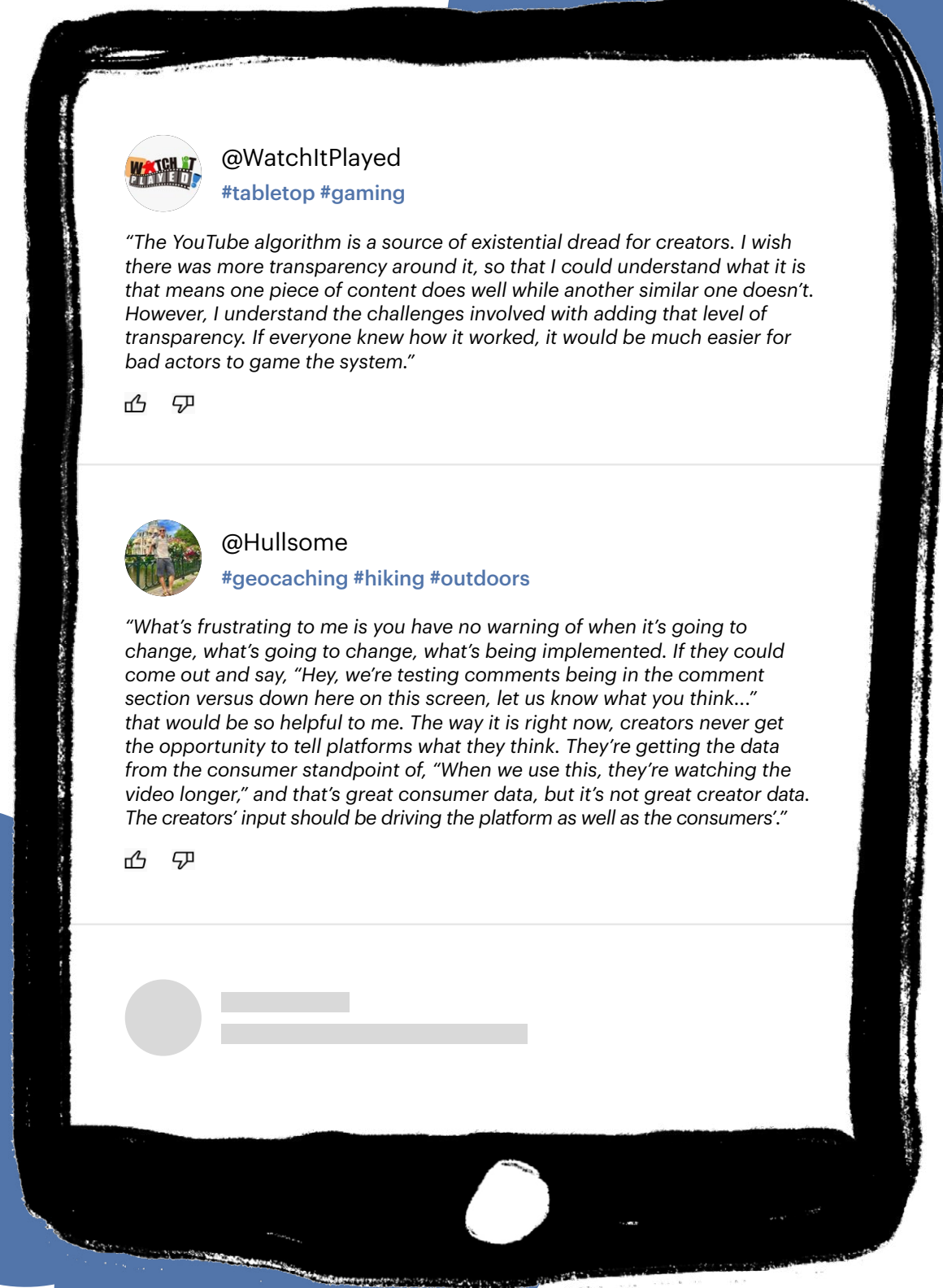
"Really what I'm looking for are people who really care about media—whether it's just because they love watching it, find it interesting to study, or they're tired of thinking of themselves as a couch potato and really want to see the art behind what they're enjoying. And I think that's such a large group, but I'm not super interested in being a catch-all account that has all different types of followers. Those are valuable as well, but my approach gives me a little bit more control in what I can expect from interactions with my followers. Especially because, often, I'm talking about sensitive topics like race, gender, class, sexuality that also reflect on my personal life, I want to make sure that I'm still doing that in a space that feels safe to me."



@GateNerd  
#geography #educational

"One issue when you're growing your content is if you post a video that is tangential to what you normally talk about and it becomes popular and you get a lot of followers off that, well, then that's not necessarily going to indicate that they like your normal content. So, when they get shown your video again, they're not interested. So that inhibits future growth. The algorithm will punish you for doing things that your followers do not like. You have to understand where your followers came from in order to understand what it is about your videos they liked. Because the commenters are such a small percentage of viewers, which is usually larger than the number of followers, you can't really gauge it off the comments because people who comment are in like the top 10% of either liking or disliking it. The bulk of people do not bother to comment."





# Platforms will come under more pressure for transparency

Today, the health and longevity of a creator’s career depends on rules set by the platforms they use—rules which are often unclear and subject to change without warning. Increasingly, creators are calling for a seat at the table. They want platforms to let them peek behind the curtain, and show them how their policies are set and how their algorithms work.

Platforms could even benefit themselves by creating more open and transparent relationships with their creators. Creators spend hours every day experimenting with platform capabilities, testing new formats, developing new trends, and engaging with fellow platform users—all of which culminates in invaluable data and feedback that platforms could be taking more advantage of.

In any case, the choice may soon be made for them. The EU’s proposed Digital Services Act, which would introduce sweeping new regulations on disinformation, hate speech, and ad transparency across online platforms, indicates that governments, too, are growing wary of platform ambiguity. Between pressure from creators and potential legal challenges, it will be in platforms’ best interest to become more transparent about their policies and algorithms, and the ways these affect both creators and viewers.

## What will this mean for...

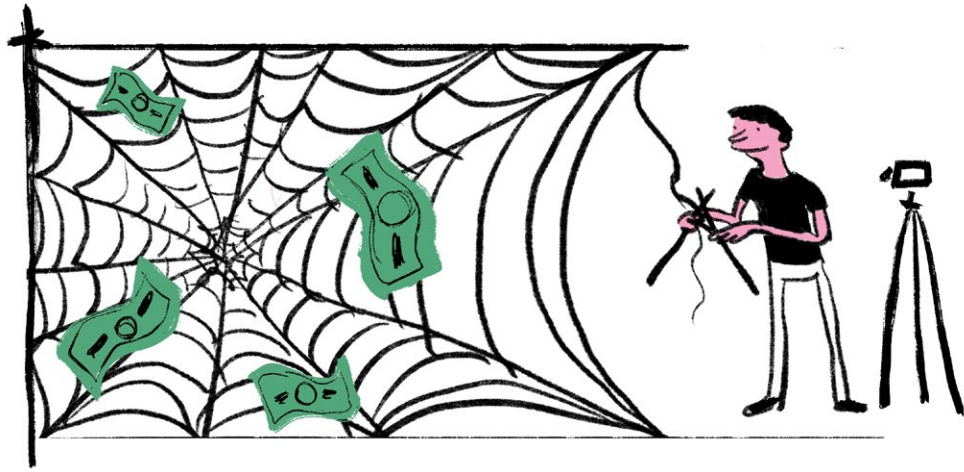


Today’s existing platforms will have to figure out how much they’re willing to share with the public and with creators, and how to do so in a way that won’t facilitate “gaming the algorithm” by bad actors.



If platforms aren’t willing to become more transparent, some creators may think about taking their audiences elsewhere—potentially to newer “creator owned” platforms like Nebula.



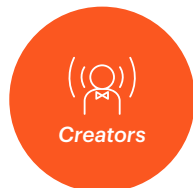


# Creators will explore innovative new approaches to monetizing their content

What will this mean for...



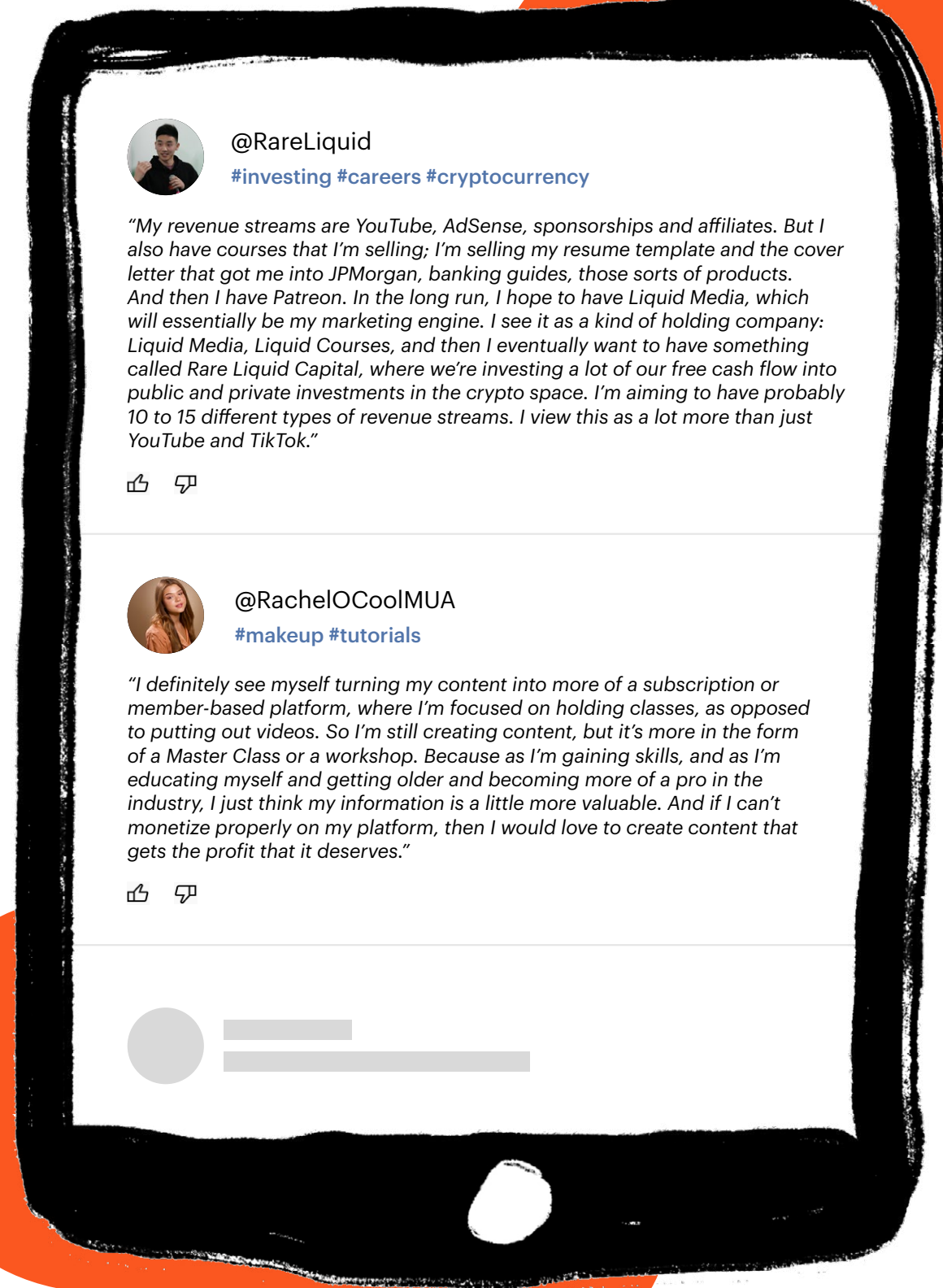
Viewers will have more choices than ever before when it comes to engaging with online content and giving back to their favorite creators.



Creators will be able to build more resilient and diversified commercial models—giving them more stability and insurance over the long-term.

With in-app monetization options often proving unreliable or insufficient, creators have become accustomed to relying on external sources of revenue to generate the bulk of their income. Many of them are now looking beyond the established commercial models like commercial sponsorships or Patreon subscriptions and towards more innovative, untested monetization options. Whether it be turning content into exclusive offerings like NFTs or workshops, or developing their brand into a full-scale media company, creators' ambitions extend far beyond the bounds of what has historically been possible in this space.

Not all of these new models will prove successful, but some certainly will. So if today's leading platforms want to maintain their central role within the online content ecosystem, they should embrace this trend rather than fight against it. By building new features such as in-app subscription services, or by partnering with third parties like NFT marketplaces, platforms can help creators with this process of experimentation—and, in the process, ensure that the creator/platform relationship remains as strong as ever.





@OwenReeman  
#sports #food #comedy

"Right now, there's much more diversity of ads on YouTube than there is on TikTok. Big corporate sponsors haven't fully started taking advantage of TikTok yet; it's mostly apps and games being advertised. So over the next 5 years, I think we'll start seeing a greater variety of brand deals on TikTok. While that will be helpful for creators, I could see it creating frustrations for viewers."



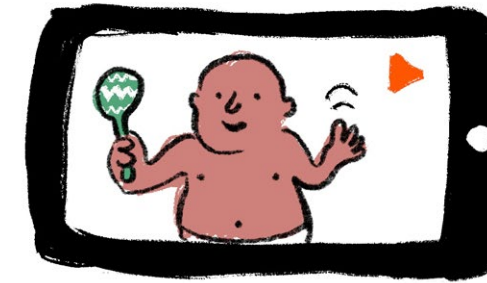
@MiniMinuteman  
#archaeology #educational #debunking

"At the moment, YouTube takes much better care of its creators than TikTok does. I'm actually able to make money off of YouTube through ad revenue. Whereas on TikTok, I have not made a cent despite amassing 1.5 million followers. Yes, there's the Creator Fund, but if you sign up for it, it penalizes the performance of your videos. I would rather take the chance and allow more people to see my content and be able to kind of build myself as a brand than trade that for a couple of pennies for every video from TikTok."



@RhysticStudies  
#gaming #art #videoessays

"Short-form stuff is very wieldable and lightweight but it's a bridge to the long-form stuff because that's what you are financially rewarded for producing. I think you can be successful in the short-form world but as far as fundamentally running ads on a short-form video, it isn't as rewarding. TikTok has proven users like short form content but financially it doesn't add up unless it points towards something else; like fashion, it's easy to sell clothes with short-form videos."

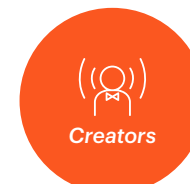


# The monetization model of short-form video will mature

What will this mean for...



Short-form video platforms will go through a process of trial and error over the next two to three years, experimenting with different commercial models to find one that works for their creators.

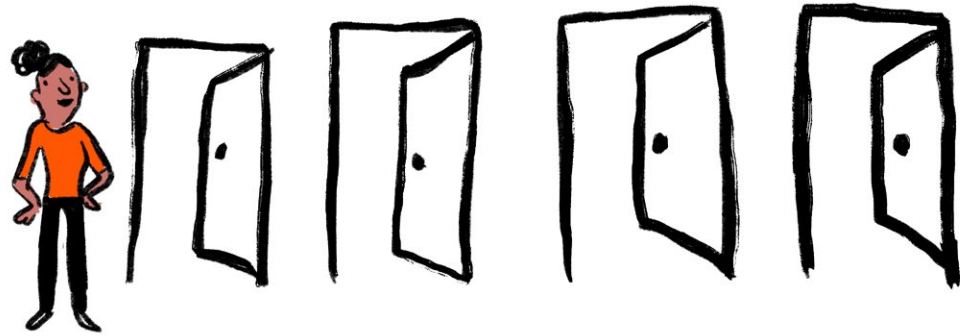


If short-form platforms can solve the monetization problem, more creators will be able to build sustainable careers around short-form content.

The short-form model pioneered by TikTok has transformed the landscape of the creator economy. However, if that model is going to stick around for the long-term, then short-form platforms will have to go through a process of maturation when it comes to their monetization models. A healthy and vibrant content ecosystem requires a large pool of creators who are able to build sustainable careers (or, at the very least, profitable side-hustles) off the back of their content. So until this monetization problem is solved, short-form creators will continue to see the medium as simply a stepping stone towards longer-form content or other professional opportunities.

If short-form platforms cannot create a sustainable monetization model, then there is a risk that, in the long-run, they will end up dominated by brands and content farms rather than independent creators—which would significantly compromise the value proposition for users. Fortunately, there are a number of options they could explore to avoid this. For example, they could choose to tinker with the proportion of ad-revenue that goes to creators. Alternatively, they could attempt to build a culture of "tipping" creators through an in-app currency, similar to the one that exists today on Twitch.



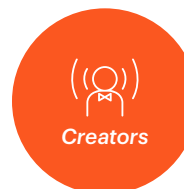


# Platforms will seek to become “end to end” hubs for creators’ careers

Content creators wear many different hats; they have to act as entertainment personality, producer, editor, marketer, and agent wrapped into one. As the online content ecosystem has grown and matured, it’s become harder than ever for creators to stay on top of all these disparate responsibilities.

As such, there will be a real opportunity over the coming years for platforms to reinvent themselves. Instead of simply hosting creators’ content, they could instead become “one stop shops” for those creators to manage their personal brands and their careers. They could create in-app marketplaces to connect creators with merchandise vendors, potential sponsors, editors, and even legal representation; they could give creators more sophisticated (and potentially AI-enabled) editing tools; and they could provide creators with a much broader range of in-app routes to monetization than they do today. In short, they could give creators more support on all the elements that have to happen before and after they upload their content.

## What will this mean for...



If platforms can offer services to take the hassle out of their lives, creators will be able to devote more of their time to interacting with fans and producing great content.



As well as making life easier for creators, this would also increase the loyalty of creators towards their core platforms.

