

### **YouTube Revenue Generation:**

**YouTube ad revenue:** derived from the viewership of advertisements displayed on the platform's videos. Creators earn money from YouTube when their viewers either watch an ad for a certain amount of time or click on it. YouTube takes a 45% cut of the ad revenue, and the creator gets the remaining 55%. [\*1]  
These ads come in several formats:

- a) **Pre-roll ads:** These are video advertisements that play before the selected YouTube video. They can be skippable after a few seconds or non-skippable.
- b) **Mid-roll ads:** These are advertisements that play during the video, much like a commercial break on traditional television.
- c) **Display ads:** These are typically image or text ads that appear to the right of the feature video and above the video suggestions list.
- d) **Overlay ads:** These are semi-transparent advertisements that appear on the lower 20% portion of the video. These can be simple text or images.
- e) **Sponsored cards:** These are advertisements that appear within relevant videos as small interactive rectangles.

#### **Pay-Per-View Rates:**

1. Per 1,000 Views: Between \$2 and \$12.
2. Per 100,000 Views: Between \$120 and \$800.
3. Per 1,000,000 Views: Between \$1,200 to \$6,000.
4. Average Pay Rate for Ad View: Between \$0.01 and \$0.03, meaning a YouTuber can make around \$18 for every 1,000 ad views and \$3 to \$5 for every 1,000 video views.
5. Earning range for 100,000 views on YouTube is between \$120 and \$800.
6. Earning range for 1,000,000 views is between \$1,200 and \$6,000.
7. Earning range for 1 million views can stretch from \$500 to \$43,000.
8. Earning range for 10 million views would be \$5,000 to \$430,000.

**YouTube Premium Revenue:** Additionally, YouTube offers a premium service, YouTube Premium, when viewers subscribe to this service, they pay a monthly membership fee for an ad-free experience. A portion of this fee is then shared with creators, based on how much content channel members consume. The more videos watched by a YouTube Premium member from a particular creator, the more money that creator makes.

1. **YouTube Premium** combines music streaming with no video ads, and our channels earn revenue through this service.
2. **Watch Page Monetization Module** allows our channels to earn advertising and YouTube Premium revenue on long-form or live-streaming videos viewed on the Watch Page or when embedded on other sites in the YouTube Video Player.

3. **Shorts Monetization Module** enables our channels to share revenue from ads viewed between videos in the Shorts Feed. Creators earn from Shorts Feed ads and YouTube Premium revenue on eligible Shorts views.

**Channel Memberships:** This allows offering exclusive perks and benefits to paid members of our two different brand channels.

1. **Membership Tiers and Subscription Fees:** Channel memberships are segmented into various tiers, and fans can subscribe to a level that suits them, usually starting at a minimum price of \$4.99 each month. This subscription fee becomes a direct source of income for the channel.
2. **No fee** is taken by YouTube for the memberships, our channels keep 100%.
3. **Exclusive Content:** Members receive access to exclusive content such as behind-the-scenes footage, Q&As, members-only community posts, exclusive live streams, live chat access, and bonus content. This incentivizes fans to subscribe, thereby increasing revenue.
4. **Custom Emojis and Loyalty Badges:** Channel members can access customized emojis and badges, which signifies how long an individual has been a paid member. These unique aspects can attract more subscribers to the membership, further contributing to the revenue.
5. **Members-only Live Streams and Live Chats:** Members-only live streams allow us to produce content streams that can only be watched by paying members. The members-only live chat feature lets anyone view our channel's streams, but only channel members can post messages. These perks create a more personalized and engaging experience, encouraging more subscriptions.
6. **Community Building:** By offering exclusive content and interactions, channel memberships create a tighter community within an already devoted audience, which may lead to higher retention and more subscriptions, translating into more revenue.
7. **Brand Collaboration:** The existence of a dedicated subscriber base through memberships can attract brand collaborations and sponsorships, providing another avenue for revenue generation.

**Merchandise Shelf:** Selling branded merchandise directly through a designated merchandise shelf on YouTube.

1. A designated merchandise shelf on YouTube refers to a specific feature that allows us to showcase and sell brand-specific products and official branded merchandise directly on our two YouTube channels.
2. Viewers can browse and buy these products in various locations across YouTube, including our channel's store, a product shelf below or next to videos and live streams, a shopping button in videos, Shorts, and live streams, and as a pinned product in live streams.

3. Each of our channels displays 12 different products on the YouTube merch shelf.
4. We can organize and customize products to display across these surfaces through YouTube Studio.
5. The product shelf and the Store tab showcase the eligible products from the Shopping tab of our YouTube channels.
6. All payments for the sale of products are handled through our merch gateway already established, not YouTube or AdSense so these come directly to us.
7. YouTube does not take a cut of these revenues.

**YouTube BrandConnect:** This connects creators to brands for branded content campaigns, available only in certain countries like the U.S., Canada, and the U.K.

1. Our Channels earn money by working with branded content that matches ours.
2. YouTube organic branded content has shown a 100% lift in top-of-mind awareness and a 35% lift in purchase intent.
3. YouTube BrandConnect fosters a direct connection between our channels and brands, allowing us to retain creative control and choose whom to work with.

**YouTube Shorts Monetization:** This allows monetization through YouTube Shorts ad revenue, with specific guidelines and a defined allocation process.

1. YouTube Shorts monetization involves a revenue-sharing model where money is earned from ads that are viewed between videos in the Shorts Feed.
2. The revenue from ads running between videos in the Shorts Feed is pooled together to reward creators and cover music licensing costs. Because I create all the music the entire 100% remains in-house.<sup>2</sup>

**Affiliate Marketing Program:** Earn revenue through affiliate marketing programs by promoting products or services, creating engaging content that includes affiliate links, and earning a commission on sales made through those links. The process involves collaboration with brands or affiliate networks, and the earning potential can vary widely depending on various factors. It provides an attractive and often lucrative income stream for content creators across different follower sizes and niches.

1. Earn a commission on sales made through unique trackable links or specific codes shared with content viewers. When someone clicks on one of these links or uses the code and makes a purchase, the YouTuber earns a commission from that sale.
2. Earning potential depends on factors such as following size, engagement, industry, and commission rates. Some YouTubers earn a

few hundred dollars, while others make more than \$25,000 per month through affiliate marketing.

3. Platforms such as ShareASale or ClickBank connect with several affiliate partners.
4. Affiliate marketing is accessible to a broad range of content creators, including "nano" and "micro" influencers (those with between 1,000 and 100,000 followers). There is often no minimum follower count required to start making money from affiliate marketing.

***Selling Branded Merchandise:*** Sales of branded merchandise is a multifaceted and significant revenue stream for YouTube creators. It involves strategic planning, understanding the audience, maintaining quality and consistency, and utilizing the available platforms and tools to maximize sales and revenue. Different creators may find varying success with merch sales depending on these and other unique factors related to their content, brand, and audience.

1. YouTube's monetization features support the sale of merchandise directly to fans, allowing creators to display products underneath videos and live streams.
2. Top YouTube earners can make significant amounts through merch sales alone. For instance, PewDiePie has an average monthly product sales revenue of \$6,834,645, followed by other top earners like Dude Perfect and VanossGaming.
3. The success of merchandise sales can be influenced by the audience's demographics.
4. A larger audience provides a foundation for success, but other factors must align as well, such as the quality of merchandise, the brand's place in the market, and whether the merchandise fits the channel's content.
5. The merchandise must spark genuine interest in the audience, and designs that are exciting and relatable have a greater chance of success.
6. Regularly posting new content builds familiarity and repetition, which are key in selling the brand and merchandise.
7. Sales of merchandising allow for substantial financial gains while stimulating the growth of the subscriber base for our channel(s).

***Creating Sponsored Content:*** Collaborating with brands to create content around their products or services can be a lucrative method.

1. Earning revenue through sponsored content on YouTube is a multifaceted process that involves direct collaborations with brands,

leveraging YouTube's specific features, creating and selling branded merchandise, and actively engaging with different types of sponsorships.

2. The amount earned from these sponsorships varies widely based on several factors, including the size of the channel, content quality, audience engagement, and the specifics of the sponsorship deal.
3. Creators can connect with Google's portfolio of brands and secure sponsored content deals. This enables creators to collaborate on branded content campaigns with different companies.
4. Creators can negotiate individual sponsorship deals with brands to create specific content. This content could be reviews, endorsements, or even using a product within a video. Depending on the YouTube channel's size, niche, and type of sponsored content, sponsors pay anywhere between \$10-\$50 per 1,000 views.
5. Channels of any niche and size can secure these deals, but the quality of the content and well-defined target audience is typically essential to attract brands.
6. Successful channels can estimate their value and set their sponsored content rates when approaching brands. This rate may vary significantly based on various factors like channel size, subscriber count, niche, etc.

In summary, having a successful channel on YouTube can be financially rewarding through various means including monetization of videos, extended reach, additional exposure, customization, use of developmental tools, and leveraging a non-exclusive agreement. All these benefits collectively contribute to increasing revenue for the channel creator.

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