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Published in:
Television & New Media

DOI:
10.1177/15274764221110198

Publication date:
2023

Document version
Peer reviewed version

Citation for published version (APA):
Institutional Polymorphism: Diversification of content and monetization strategies on YouTube

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ABSTRACT: Through guidelines, terms of service and algorithmic curation, digital platforms such as YouTube encourage creators to produce content that fits with the commercial goals of the platform. Scholars have argued that this pressure to conform might lead to uniformity, or isomorphism, in the ways organizations manage their presence on platforms. This article contributes to the debate on isomorphism by taking a bottom-up approach and ask to which extent creators on YouTube pursue similar, or different, strategies for uploading and monetizing content. Through quantitative and qualitative analyses of a sample of YouTube channels, we show how content creators adapt to, negotiate with, and defy institutional pressures. In the end, we find greater support for diversification, i.e. polymorphism, than concentration in the ways organizations manage their presence on the platform. This has implications for how we understand platform power and integrate institutional theories in communication research.

KEYWORDS: platform studies, institutional theory, isomorphism, strategic response, YouTube, content analysis
Digital platforms have become prominent players in the production, distribution, and consumption of culture worldwide (Poell, Nieborg, and Duffy 2021). This development has sparked increased interest in how platforms shape the conditions for the overall cultural circuit. Drawing on institutional approaches (notably DiMaggio and Powell 1983), researchers have focused on how algorithms and governance systems may homogenize production practices and creative output (e.g. Caplan and boyd 2018; Napoli 2014). This institutional perspective on platforms is an important development, but historical precedent within organizational theory shows a clear risk of prioritizing structure over agency, assuming taken-for-granted compliance and isomorphism with institutional pressures (Beckert 2010) – a lure of the isomorphic, as it were. Institutional theory’s early focus on isomorphism and convergence has been subjected to criticism within organization theory (Greenwood et al. 2011), and recent writing within institutional platform studies stress the need for incorporation of empirical studies of content creators (echoing Poell, Nieborg, and Duffy 2021). Our argument here is aligned with these latter developments: We argue that the institutional perspective on platformized cultural production benefits from incorporating the notion of strategic responses to institutional complexity (Oliver 1991). Through this, we become better equipped to understand the range of relationships between platforms and producers.

Our analysis focuses on YouTube as it exemplifies a platform where one might expect a certain level of isomorphism among the producers that use the platform: Since Google (now Alphabet) acquired YouTube in 2006, top-down governance of channels has increased (Burgess and Green 2018; Dijck 2013). YouTube now has a Content ID system to control intellectual property and limit unauthorized recirculation, a Creator Program to increase the quality of content and attractiveness of channels to advertisers, and measures to remove and restrict harmful and/or dangerous content (lately, anti-vaccine and political conspiracy
videos). This overall structure has been described as a system of “tiered governance” (Caplan and Gillespie 2020) wherein YouTube offers different opportunities to producers (primarily ways to make money) contingent on their success and adherence to the norms and policies on the platform. Cunningham and Craig (2019) states that the “YouTube monetization model is enticing, even forcing, convergence on similar video content and advertising strategies” (2019, 58, emphasis added) and Hou (2019) posits that to reach a large audience on YouTube, one has to operate according to the overall “industrial structure” of YouTube, which encompasses the business model, advertising market, and commercial intermediaries of the platform.

Our overall aim is to explore whether strategic responses of YouTube channels converge or diverge when subjected to similar institutional pressure from the platform. We start by outlining two key insights from organization theory, i.e. the existence of multiple institutional pressures and strategic responses of organizations. We then focus on two central, interrelated aspects of YouTube’s (the organization) governance system: content specialization and monetization. This governance system is key to YouTube’s commercial interests, and it is structured to promote certain compliant behaviors over others. We briefly outline a range of possible strategic responses to these pressures and proceed to the empirical part of our argument, which is based on a mixed-methods design. The first component is a human-coded quantitative content analysis of YouTube channels (N = 503) that shows diverse content and monetization strategies present among channels. The second component is a case-based qualitative analysis, which provides a more in-depth analysis of the connection between identity and strategy. The result is a typology of four types of strategic organizational responses for YouTube channels. The concluding discussion outlines implications for further work on platforms, institutions, and strategic responses by bringing in recent work on platform dependency.
Institutional complexity and strategic responses

As indicated in the introduction, early institutional theory tended towards assuming isomorphic responses to dominant social institutions, a tendency which has been traced to the outsized influence of Powell and DiMaggio’s paper (1983) on institutional isomorphism. Later work within institutional organization theory, however, has challenged this tendency and proposed institutional complexity as the basis for researching organizational responses (Greenwood et al. 2009; 2011). This perspective argues that organizations often face a range of different and often conflicting institutional pressures. Organizations are typically interwoven in various fields and will orient themselves more strongly toward one rather than others. This, in turn, means that different organizations may respond differently to the same set of external institutional logics. This diversity of responses has been explained with reference to several mechanisms; the most important in the present context is a connection to organizational identity, where aspects of identity may determine which institutional logics a given organization aligns itself with (Glynn 2017).

The institutional complexity perspective parallels Oliver’s (1991) earlier synthesis of resource dependence theory and institutional theory. Resource dependence theory is often presented as an alternative to institutional theory, but the two approaches share several assumptions; they both focus on the organizational environment and assume that organizations “are interest-driven” and “seek legitimacy” (Oliver 1991, 147) from other organizations and stakeholders while being only weakly coupled to their environment. However, one significant contrast is that while institutional theory has focused on institutional compliance and isomorphism, resource dependence theory has analyzed competing demands and strategic action taken by organizations to preserve autonomy and relative power. Resource dependence theory is thus helpful for understanding “the virtues of noncompliance” (Oliver 1991, 150). Oliver’s framework posits five overall strategic
responses to environmental institutional pressures, rank-ordered from passive compliance to explicit noncompliance: Acquiescence, Compromise, Avoidance, Defiance, and Manipulation. Recent work in this tradition also emphasizes identity as a driver of differentiated responses (Dhalla and Oliver 2013). Both lines of research inform our theoretical framework, which aims to bring institutional theory and resource dependence theory into closer dialogue with institutional platform studies. To scaffold this, we will now switch to the part of the argument more specific to YouTube.

**Institutional pressures and responses related to content and monetization**

Our investigation is structured around two predominant aspects of YouTube’s governance system: content specialization and monetization. These two aspects are key to YouTube’s own business model and governance regime, and it allegedly leads to convergence among channels (Cunningham and Craig 2019; Kumar 2019).

Concerning content and audience specialization, YouTube strongly encourages diversification to “find your niche” and retain engaged audiences (YouTube 2021). The concept of niche is well established within communication and media theory, although its meaning differs according to scholarly approach, e.g. from content gratification niches (Dimmick 2003) to the distinction between maximizing audience size vs. the targeting of niche audiences (Webster 2014). YouTube’s niche concept is closest to the latter, since it refers to content tailored to specific interests and/or demographics. The evidence for convergence on content and audience niche parameters is mixed. First, as competition for attention on YouTube has increased steeply over the years (Bärtl 2018), producers face dwindling opportunities to ‘make it big’ on the platform, primarily due to incumbent channels (Rieder, Coromina, and Matamoros-Fernández 2020). This could push channels toward a
narrower focus on niche audiences. However, in a longitudinal analysis of uploads, Bärtl (2018) found that channels had converged on similar content categories over time: The share of channels that mainly upload videos in the “People & Blogs” category rose from about 13% in 2008 to about 74% in 2016. This suggests a remarkable isomorphism regarding content niches, but “People & Blogs” is admittedly an elusive category. Also, these results run counter to an assumption of compliance with advertisement-friendliness, where producers concentrate on so-called verticals, i.e. commercially attractive content categories (such as beauty, cooking, gaming, and fashion) rather than daily life and blogging videos (Lobato 2016).

The second aspect is that of monetization strategies. To earn money through native YouTube formats (primarily advertising), producers must qualify for the YouTube Partner Program (YPP). To gain access to YPP, producers basically have to offer content that brands would like to be associated with and demonstrate that they can establish and retain a sizable audience. YouTube seeks to ensure brand-friendliness through compliance with their community guidelines that prohibit spam, sexual and harmful content, and harassment as well as hate speech\textsuperscript{ii}. At the time of writing, channels also need at least 4,000 valid public watch hours in the last 12 months and more than 1,000 subscribers\textsuperscript{iii}. In addition to advertisement, YPP members get access to platform-integrated merchandise shelves, donations (in live chats), channel memberships, and YouTube Premium\textsuperscript{iv}. Through these formats, producers receive a share of revenue that either advertisers or users spend on the platform. YPP, however, is not the only source of monetizing a presence on YouTube. In recent years, alternative sources of income such as external donations, external webshops, and paid promotion have become (potentially) lucrative sources of income for producers (Coromina, Matamoros-Fernández, and Rieder 2020). Importantly, these alternative revenue streams
allow a partial sidestepping of YouTube’s governance structure by dealing directly with corporations and brands.

Our chosen two aspects of institutionalized governance can be connected to strategic responses of YouTube channels through these three connected research questions:

RQ1: To what extent are YouTube channels working towards specific content niches?
RQ2: To what extent and how are channels monetizing their presence on the platform?
RQ3: How are differences in content niches and monetization manifested in distinct strategies for maintaining an organizational identity on YouTube?

To address these questions, we employ a multi-method research design with a quantitative component primarily answering RQ1+2 and a qualitative part going more in-depth with RQ3.

Before we explore this design further, we want to emphasize that our isolation of specific aspects of institutional pressure is an operational simplification focusing on two plausible drivers of strategic responses. Actual environmental pressures on organizations are obviously more complex, including the possibility that YouTube’s pressures are somewhat inconsistent (see Cunningham and Craig 2019). In our concluding discussion, we return to these issues.

**Sampling and categorizing YouTube channels**

There have been two dominant approaches to studying production practices on YouTube empirically. The first focuses on a specific topic and/or community by studying a smaller subset of channels around a common theme (see, e.g. Boxman-Shabtai 2019; Lewis 2020). The second approach has offered population-level quantitative analyses of thousands or millions of videos and/or channels (see, e.g. Bärtl 2018; Rieder, Coromina, and Matamoros-Fernández 2020). The small-sample approach can yield insights into characteristics of top channels and subcultures, whereas the large-sample approach is better suited for summarizing general tendencies across the population. Our study seeks to strike a middle ground through a
mixed-methods design consisting of human-coded quantitative content analyses of approximately 500 channels followed by a case-based analysis of strategic responses. We present the case-based method in the analysis and concentrate on our sampling technique and coding issues in relation to the content analysis here.

Sampling and coding suitable units for analysis entailed a set of related issues. Given our aim of studying responses to institutionalized pressures, it would be problematic to sample already institutionalized cases, i.e. those units that already have the greatest success, popularity, and/or exemplify established, specific sub-genres on the platform. Instead, one needs a broader sampling approach that casts a wider net in the pool of channels on YouTube. The primary way to access the channel population is through YouTube’s API, and there were several challenges in constructing a suitable sample of channels through the API. First, there is no way (for outsiders) to draw a truly random sample of YouTube’s channel population. Second, two of our features of interest, i.e. organizational identity and monetization, cannot be searched directly through the API; instead, features such as these must be human- or machine-coded afterwards. Third, the categories provided by the API are arguably potentially invalid indicators of actual content production strategies. Official content categories provided by YouTube are both vague (e.g. “People and Blogs”) and incomplete (e.g., excluding categories for children’s content). Furthermore, in the current instantiation of the video upload process, “People and Blogs” is the default choice. We have no way of measuring which producers actively chose or changed this. Empirical work on the content categories provided by YouTube’s API has also indicated problems with validity. For instance, the dominant category automatically assigned to a list of known far-right channels was “Entertainment and Lifestyle” (Rieder, Coromina, and Matamoros-Fernández 2020). Due to these issues, we deemed it necessary to categorize videos through manual coding.
Our final sample was the product of a multi-step sampling procedure that relied on the API to create an initial sampling frame. We used empty search strings and time windows for each calendar day from 2006 to 2019 to create a sample of 25,000 channels. The default API setting for search is a YouTube-designated parameter of “relevance”. Mitigating this bias in an informed manner would involve extensive work since YouTube’s API ranking measures are both opaque by design and subject to change (see Bishop 2019). We harvested additional data on views, subscribers, and uploading patterns for all channels in the initial sampling frame. Descriptive statistics confirmed a bias towards higher views and showed a substantial segment of non-committed channels (for further details, see Gregersen and Ørmen 2021). We then used purposive criterion-based sampling (Sandelowski 2000; Patton 2002) to arrive at a final sample of approximately 500 channels. The main selection criteria for inclusion in this final sample were lifetime (more than two years of active existence) and productivity (uploading content regularly between once per month and daily). This created a sample of channels characterized by a consistent commitment to distributing content on the platform and similar levels of investment of resources into their presence on the platform; the sample thus excluded the most active channels (some of which upload many times a day) as well as the least committed channels (which only upload sporadically with months or years in-between).

We emphasize that our aim in the content analysis was not to generalize to the YouTube population at large but to gain preliminary indicators of the range of strategic responses among channels with reasonably similar productivity patterns. At the same time, it is important to recognize that as we use YouTube channels as unit of observation, we analyze specific instances of organizational presence (such as https://www.youtube.com/BBCNews) rather than covering the complete presence of specific organizations (such as the range of channels operated by the BBC). Throughout the analysis, we refer to specific channels by
their YouTube username or ID (the part in the URL after youtube.com, e.g. /BBCNews), which enables readers to easily find the specific channels on the platform.

**Content analysis: main categories**

The human-coded quantitative content analysis focused on a small set of variables related to organizational identity and strategic responses to our two aspects of institutionalized pressures. Initial categories were based on our organization theoretical framework, extant research on YouTube, and recommendations in the content analysis literature (Krippendorff 2013). The codebook was developed in an iterative process involving discussions with two student coders and two rounds of piloting and calculations of inter-rater reliability before final coding (codebook and details are available from authors on request). In the following, we briefly describe our three main categories: organizational type, content, and monetization.

**Category: Types of Organizations**

This categorization was envisioned as a decision tree (see Figure 1). Organizations operating channels were categorized as belonging either to the *cultural industries*, operationalized as primarily involved “with the production and circulation of texts” (Hesmondhalgh 2019, 15) or *general industries*, those with a core identity in all other organizational fields. To be sure, as we analyze YouTube channels all organizations in this study is concerned with texts (videos) to some extent. Therefore, organizational affiliation is determined by whether media production is a primary or secondary (even tertiary) activity for the organization running the channel. For instance, Yash Raj Films is a Bollywood studio that operates a YouTube channel (/Yrf), which we code as cultural industry because of the background in movie production, whereas Pampers’ channel (/Pampers) is coded as “general industries” as the company is primarily engaged in activities outside of the cultural industries, namely utilities for infant care. The two overall categories were broken down further. The cultural industries
into *legacy media organizations*, covering organizations that originally published content through older media (i.e. print, film, TV, or radio), and *new media organizations*, covering organizations that have emerged as content producers on YouTube or other internet services. As we are interested in organizational resources and capacities, we consider the organizational background of the host organization rather than the specific channel. For instance, BBC The Social (/bbcthesocial) would be coded as “legacy media” because of the BBC affiliation even though the YouTube channel is a digital native offering. Within the general category, we distinguish between *for-profit organizations*, i.e. companies whose core identity is production and sale of products and services, and *non-profit organizations*. Finally, an *other* category mainly served as a control, i.e. if this category were present in large numbers, the operationalization of organization categories was not encompassing enough. *Krippendorff’s alpha* for this variable was 0.96.

![Decision tree for coding types of organizations.](image)

**Figure 1.** Decision tree for coding types of organizations.

**Category: Subject matter**

Channels were categorized according to the main subject of the videos. Coded units were content topic for the earliest five videos (the coders assigning the most fitting type) and the
latest five videos to be able to account for any changes over time. Nineteen codes were finally chosen to cover the range of topics (for the full list, see Figure 3); many correspond to YouTube’s own categories, but notable differences exist. First, we distinguish between channels that upload content not explicitly about the organization itself (e.g. videos about a certain topic) and those that distribute material inherently about the organization itself (e.g. a channel presenting company products). The latter was coded as promotional content. We used this category to refer only to those channels where the primary goal seemed to be to promote products or services that the user can buy (e.g. on a company website) or support (e.g. on an NGO website) off-platform. Second, our final codes ended up augmenting the aforementioned “People & Blogs” category, which makes up the vast majority of videos on the platform (Bärtl 2018). This included adding a code for “Religious content” and for “Children’s TV and movies”. Krippendorff’s alpha for both the earliest five videos and the most recent five videos (variables coded separately) were 0.96.

Category: Monetization

Channels were categorized according to monetization strategy. Here, it was imperative to distinguish between internal and external types of monetization. The former category includes the four different formats where producers can make money directly through YouTube’s interface: advertisement, channel membership, merchandise shelves, and user payment through chat highlights and stickers. These internal monetization options require membership of the previously mentioned YouTube Partner Programme. External monetization covers off-platform avenues of income, including sponsored and promoted content as well as links to donation services (notably PayPal and Patreon), webshops and affiliate marketing (notably as sponsored links to Amazon services). As these external options are not part of the YouTube software interface architecture, they required scrutiny by coders to detect. At the time of coding (summer 2019), YouTube had not yet begun to run ads
on channels outside the YPP (and potentially against the channel operators’ interests). Therefore, whether to run ads can be interpreted as a strategic choice by channels in the present analysis.

The five monetization codes were not mutually exclusive (channels could include more than one source of monetization) and were thus coded separately and dichotomously (present/not present on the channel). In this way, we made strategies directly comparable across channels that rely on different types of monetization. We achieved the following Krippendorff’s alpha: advertisement (0.96), Promoted and sponsored content, Link to online stores and shops, Donations, and Paid subscription (all four categories: 1, full agreement).

Content analysis results: Organizational identity, subject matter, and monetization

Out of the 520 channels coded, eight were deleted by users or removed by YouTube for copyright infringement or ToS violations. Nine channels were categorized as Other in Organization Type. Six of these were “auto-generated” by YouTube (topic channels). Since this category is so small, it is left out of the analysis. The final sample contained 503 channels, and this formed the basis of the following analysis.

Organizational identity

For organizational identity, new media is by far the largest, comprising 68.6% (345) of the sample, followed by Legacy media (12.5%, 63), For-profit corporations (11.7%, 59) and Non-profits (7%, 36). New media channels are the youngest on average (median lifetime: 1662 days or about 4.5 years) compared with about seven years for Legacy (2542 days) and For-profits (2435 days) and about 8.5 years for non-profits (3116 days). The difference between new media and the rest was significant (Kruskal-Wallis test by ranks, H(3) = 61.9, P
< .01, Bonferroni corrected). There is, of course, a lifetime issue in this. Many legacy media and large organizations existed prior to the launch of YouTube and have had years to decide whether to join the platform or not. By contrast, most of the new media organizations here join YouTube as part of their organizational birth, so to speak. This is also supported when looking at the development over the years (illustrated in Figure 2), which suggests that new media organizations seem to be gradually crowding out other types on YouTube (in presence if not popularity, where legacy media tends to dominate, Burgess and Green, 2018).

**Figure 2.** Presence of organizations in the sample by channel start year.
Subject matter

In terms of dispersion of subject matter, we see substantial differences across organizational types (Figure 3). For-profit and non-profit organizations are highly concentrated within promotional content (about 87% of for-profit and 72% of non-profit channels) and legacy media within music (ca. 53%) and film and TV (about 20%). In contrast, New media organizations are much more diverse and span across all our 19 categories, with the largest concentration being in hobbies (about 16%), music (about 15%), everyday life (about 13%) and gaming (about 13%). Furthermore, new media channels are much more volatile than the rest. 23.5% of channels change category from between the first and last videos compared to ca. 8% of the other organization types (Chi-Square Test of Independence, 16,102, df = 1, p < .001). There is little indication of a convergence process here, as channels move across the range of subject matter (as illustrated in Figure 3 with crisscrossing lines indicating a change of subject matter). Legacy, for-profit and non-profit channels tend to stay within their pre-defined niche (typically an already institutionalized field such as the music industry), and new media channels seem less consistent. One plausible reason for this tendency is that many new media channels start as a personal vlogging endeavor or as a hobby project and then develops into a more specialized format as the channel grows in age and audience. As an example take Minh Hậu (MinhHauOnline) that started as a channel largely about software tutorials, but transitioned into a space for news commentary (in Vietnamese) around which the host has built a sizeable audience (the most watched videos are largely about news and current events). Thus, for some of the younger channels in the sample, we see their early steps in finding a niche that older channels have completed.
Figure 3. Changes in subject matter for channels from first to last videos.
Monetization strategies
The analysis of monetization strategies offered challenges for a retrospective analysis since YouTube places ads (the dominant form of monetization) on all channel videos at the point when a channel attains membership of YPP. In other words, older videos that were not monetized when uploaded might be monetized later. Thus for monetization, we only compare types of monetization across organizations at the time of coding (2019). Furthermore, since not all channels have access to earn money through YouTube, this part of the analysis focuses on the part of the sample that was able to monetize content on YouTube. As noted earlier, eligibility to YPP required min. 1000 subscriptions and min. 4,000 valid public watch hours in the last 12 months at the time of coding. Since watch time is not a publicly available measure, we relied on subscribers alone and included only channels with a minimum of 1000 subscriptions. This removed 115 cases (22.9% of the sample). To compare monetization strategies, we grouped our categories into four mutually exclusive sets: ads (as the sole visible source of income), combined (including both ads and other sources of monetization), alternative (excluding ads) and none (neither ads nor alternative sources). We collapsed non-profits and for-profits back into “general industries” as each group proved too small and indistinct from each other in the analysis.

Figure 4 illustrates the distribution across organization types. Legacy media organizations tend to rely on ads solely more so than the others; Non- and for-profits are more likely to not monetize on YouTube at all, and New Media occupy a position in-between with some monetizing through ads, others through combinations, and a lot not monetizing (Chi-Square Test of Independence, 50.491, df = 6, p < .001, pairwise comparisons are Bonferroni corrected, p < .05). Thus, for Legacy media, YouTube operates mainly as a distribution platform. Non-profits and for-profits tend to orient themselves elsewhere, either through YouTube native alternatives or off-platform options (notably through links to their
own websites and shops). New Media organizations are the most varied type cutting across the spectrum, suggesting that although organizational identity plays an important role for understanding the types of monetization adopted by channels, there was substantial variation among the supposedly less institutionalized actors.

**Figure 4.** Differences in monetization strategies across organization type.

Summing up our content analysis results, we find little support for strong isomorphism in content or monetization strategies. To be sure, there are notable similarities
within organizational forms. Legacy media are relatively homogeneous in their strategy: they distribute content belonging to established niches within the cultural industries and predominantly monetize this through YouTube advertisement. General industries channels are equally homogeneous in that they promote their own products or services, which they monetize elsewhere (or through non-YouTube means). It is imperative to note, however, that these types of channels comprise a smaller and diminishing part of the active channels on the platform. The majority of channels, those belonging to the new media group, seek a plethora of content niches and embark on a variety of monetization strategies. These observations suggest that this largest segment of channels is characterized by heterogeneity, or polymorphism (Greve 1996), rather than homogeneity and isomorphism. To understand this heterogeneity, we now shift to a closer inspection of interesting cases in the dataset.

Case-based analysis: Strategic responses to institutional pressure

In this second component of our analysis, we conduct a qualitative, case-based analysis to explore more of the depth and range in the sample (Small 2011) and deliver a more well-rounded analysis of the connections between institutionalized pressure, strategic agency, and organizational identity. The initial step was to use variables from the content analysis in a truth table-based approach as outlined by Ragin (2014), and we then used these tabulations in tandem with Oliver’s types of strategic response to work towards a typology of four prototypical channel strategies: conformity, compromise, avoidance, and defiance. Channels from the sample illustrate and explicate the various strategic responses, and we also describe noteworthy and potentially distinct subtypes inside some of the four overall categories below.
Conformity: compliance with YouTube

In Oliver’s taxonomy (1991), the acquiescing organization complies with explicit rules and implicit norms. In terms of our variables, a fully conforming channel runs advertisement-friendly content, has an identifiable content and audience niche, and relies solely on YouTube-native monetization options. Few channels in our sample fit this definition of full conformity, but a less strict definition allows identification of a large, distinct group of conformers: The primary form of deviance from full conformity is that many of the popular channels run an external webshop or links to products on established marketplaces (such as Amazon) rather than integrating it directly into the platform. These channels have clear content niches that fit well with established subject “verticals”, and they monetize on YouTube through ads and channel membership. In other words, those channels that clearly seek a living on YouTube tend to integrate revenue sources located off YouTube, and we return to this important issue in the discussion.

The conformer channels tend to belong to famous artists (e.g. Beyonce), legacy media (e.g. Yash Raj Films) or established new media organizations (e.g. Jeffree Star). These channels display ads as a primary, secondary, or even tertiary way to monetize their product (such as music, movies, or videos) and typically engage users so that they purchase products elsewhere (notably through other streaming services, movie theatres, or webshops). For legacy media channels, YouTube is one of many distribution channels, whereas, for some of the new media organizations, it remains core to their creator identity. An apt example of the latter is YouTuber Jeffree Star (/jeffreestar, 16.4 million subscribers). Star has changed niche several times over the years, starting on Myspace as a popular vlogger, then launching a YouTube channel featuring his original music, before transitioning into cosmetics. As creator-entrepreneur, Star maintains a multi-platform presence with the YouTube channel as a central component of his brand. He also operates a webshop (for his make-up brand) and is
involved in various business collaborations. Star exemplifies the platform-dependent entrepreneur (Cutolo and Kenney 2020) who builds a large following and derives substantial revenue from activities on the platform, but who is also at the mercy of platform governance and runs the risk of demonetization or de-platformization (Caplan and Gillespie 2020; Rogers 2020). Thus, a fully conforming YouTuber risks putting all the eggs in one basket.

**Compromise: Seeking independence**

Compromise channels mix YouTube-native and external revenue sources. The typical configuration is conformity with content niche expectations but stronger deviation on monetization than in the first strategy: following Oliver (1991) and Pfeffer and Salancik (1978), we see this strategy as less compliant due to its moderate element of strategic diversification. An apt example is review channels, especially those dealing with consumer electronics. TechSmartt (/Tech, 3.7 million subscribers) is a new media organization running a tech-review channel that combines ads and membership options (YouTube native) with an external webshop, sponsorship deals, and affiliate marketing links (primarily to wish.com). This type of channel recommends consumer products and is thus attractive for the affiliate marketing business (where Amazon seems to be the biggest player); for some channels, affiliate marketing is the main source of revenue compared with YouTube native options (Blake 2021).

A variation of this strategy is cross-platform distribution. An example from the gaming content niche is Lolyler1, a new media channel (/TYLER1LOL, 2.61 million subscribers) that primarily streams video games through Twitch (a competing streaming platform) and monetizes activity through channel subscriptions, Twitch donations, and merchandise sales. The YouTube presence seems to be a secondary channel for re-distributing content that can be monetized through ads but also funnel audiences to his Twitch account, Discord Server, and merchandise website. A straightforward rationale for this type of strategy would thus be a
desire to diversify revenue streams, limit the share YouTube (and other platforms) take, and create a platform-independent brand with the freedom to leave YouTube if conditions become unsatisfactory.

**Avoidance: Maintaining external legitimacy**

Channels in this category actively avoid or passively ignore monetization on the platform. These channels may thus have a content and audience niche, but not in the strict commercial sense of YouTube. Therefore, the characterizing feature is a lack of YouTube-integrated monetization, either because they do not qualify (e.g. since they do not conform to the guidelines or community standards) or they have chosen not to opt-in. A prototypical case of the avoidance strategy is seen with religious channels. A likely reason is that religious organizations’ institutional logic clashes with direct monetization in the form of generic advertising. This is evident with a new media channel that disperses prayers and readings of the bible to a Portuguese speaking audience (/OraçõesEspiritualistas, 1.07 million subscribers) without monetization. Similarly, a non-profit channel operated by a popular priest in Nigeria (/OfficialEmmanuelTV, 1.85 mill. subscribers) refrains from monetizing activities on YouTube and instead directs users to a website where they can support the church with donations or purchase of religious items. In contrast, megachurch pastor Joel Osteen (/joelosteen, 1.88 million subscribers) runs ads and markets products (notably books) directly on YouTube, more akin to a for-profit business demonstrating the different ideals around spirituality and capitalism.

The subject category of promotional content is also relevant here. As shown in the content analysis section, there is a strong association between promotional content and for-profit and non-profit organizations; many of these organizations are on YouTube primarily to advertise a service/product sold elsewhere. It is not surprising, then, that these channels are associated with non-monetization strategies as well, since running ads from other brands on
top of one’s own ads would be at obvious cross-purposes with the aims of these channels. An example is the channel for the tourism board of Vienna (/Vienna, 31.800 subscribers), which is operated as a non-profit funded by the city and through sales of services and merchandise. The channel focuses on showcasing the city to tourists and businesses, focusing on culture and arts. A for-profit corollary would be the channel of Pampers (/Pampers, 496.000 subscribers), a subsidiary of multinational Procter & Gamble. This channel conforms to YouTube’ standards of professionalism and brand safety and has a clear content niche (i.e. inspirational content within infant care), but there is no platform-native monetization. Instead, the channel seems to primarily serve as a repository for videos (which are run as ads elsewhere on YouTube) and secondarily as a lead generator to Pampers’ website. This strategy offers clear examples of institutional complexity since the common denominator for this strategy is an attempt to maintain legitimacy in a primary institutional field off YouTube. The cases exemplify religion, tourism, and consumer retail, respectively.

**Defiance: Challenging platform policies**

Oliver characterizes defiance as ignoring or contesting explicit rules as well as “assaulting the sources of institutional pressure” (Oliver 1991, 152). This is the hardest strategy to document based on a sample of active channels since many defiant organizations have either been de-platformed by YouTube (Rogers 2020) or left on their own accord. De-platforming is especially relevant in the case of organizations that post impermissible content in defiance (or ignorance) of the rules and regulations. As noted earlier, Google/Alphabet in general and YouTube, in particular, have elements of coercion and punishment in their institutional regime, especially visible in their efforts to detect and remove content that violates their policies (Caplan and Gillespie 2020). Despite these efforts, our sample did contain organizations that have remained active on YouTube while actively defying institutional pressure. An example is Police Activity (2,62 million subscribers) which distributes content
that is explicitly advertiser-unfriendly: The channel presents itself as “educational and informational” and uploads videos with graphical and often disturbing, violent content such as body-cam footage containing shootings of suspects. The channel does not feature ads, most likely because it is ineligible, but users are encouraged to donate through a Patreon link.

A second case is creators that challenge YouTube’s “community guidelines” by posting videos featuring nudity, drug use or excessive violence. This blocks them from YouTube-native monetization, but these channels also risk de-platformization. An example would be a Russian-speaking channel (/МопслядяПес, 543.000 subscribers) that vlogs about crime and drugs use (among other things) and occasionally posts original music videos. Several of the videos are age-restricted, and ads were limited at the time of coding. Some videos have advertisements included in the content as a way to cut out YouTube and the channel links to a website and VKontakte profile with alternative monetization features (including ways to sponsor videos). This channel exemplifies a type of opportunistic defiance, where rules and regulation are clearly violated, and operators bet on not getting caught in the algorithmic net.

Taken together, the case-based analysis demonstrates that strategic responses are associated with organizational identity, but not in a straightforward manner. Notably, we find new media organizations in all categories from the fully compliant to the most defiant. How they align themselves with the platform’s pressures depend largely on the institutional environment they are primarily oriented toward, be it a corporate context, an activist base, or fans of alternative culture.
Concluding discussion: platform dependence and strategic diversification

In this final section, we elaborate on our findings. First, it is becoming increasingly clear that the business model of YouTube differs from the business model of many YouTubers. The primary income streams for the platform are advertisements and taxation of transactions. For many producers, the cut they receive is simply too small to comprise a living wage. This is especially true for those organizations that do not have a primary identity elsewhere and thus depend largely on YouTube-native monetization. Returning to the quote by Cunningham and Craig (2019) in the introduction, many creators seem forced by YouTube’s regime to look beyond YouTube to secure an income stream, e.g. through donations via Patreon, affiliate marketing, or brand deals elsewhere. For some emergent creators, these sources of income can be far more lucrative than YouTube-native formats (see e.g. Blake 2021). In other words, the type of organization that depends directly on the institutional logic of advertising-as-income may benefit directly from non-compliance with YouTube’s specific implementation of advertising.

This brings us to a related point: YouTube is far from the only relevant platform for many creators. Many YouTube producers cross-promote and monetize content across platforms, operating accounts on multiple social networks and streaming services while also engaging in direct to users-services such as newsletters and podcasts. Such multi-homing is a strategic response to resource dependence; if creators are platform-dependent entrepreneurs (Cutolo and Kenney 2020), their strategic responses can be interpreted as attempts to broaden this dependence relationship from one to several platforms or to avoid platforms altogether. Such diversification may make organizations less dependent on a single platform, but diversification by necessity increases complexity in competing environmental demands, as
argued by Pfeffer and Salancik (1978): the cost of autonomy is thus increased complexity. This is particularly pertinent as platforms like Facebook, Twitter and Substack have launched initiatives to lure creators away from YouTube and into their ecosystems.

We believe future research should target this problem of balancing autonomy and complexity, given its pivotal role for organizational success in the creator economy. More attention should also be given to how initiatives from YouTube and other platforms can be seen as countermeasures to creators seeking autonomy. A clear case would be YouTube’s endeavor into influencer marketing through the acquisition of the company FameBit (now rebranded as YouTube BrandConnect). As brands started to work directly with producers or through multichannel networks (e.g. as sponsored and promoted content deals), YouTube’s position as a middleman was weakened (Lobato 2016). Now, YouTube has integrated influencer marketing into the official monetization scheme in the Creator Program. While the platform does not outright forbid alternative marketing deals (as is the case with video ads that must run through YouTube’s system), it has the power to orchestrate and operate lucrative deals and at any time limit these competing formats. The recent example of YouTube Shorts (imitating TikTok) is likewise a case of platform countermeasures.

Finally, we argue that the critical study of platforms and platform dependence is strengthened by taking on board institutional complexity and strategic responses. We should learn from the trajectory of institutionalist organization theory and avoid slipping into monolithic notions of organizational isomorphism as destiny. Scholars should research both institutional and organizational complexity and study platforms in the plural. In this, we need to unpack further the multiple institutional logics at play and how platform-adjacent organizations respond to both external pressures and to each other.
References


Endnotes

i Mizruchi and Fein (1999) argues that reception of the article skewed strongly towards isomorphism and neglect of alternative organizational responses. Both Mizruchi and Fein (1999) and Beckert (2010) argues that this is hardly Powell and DiMaggio’s fault, and instead a consequence of its contribution being socially constructed over time.


v Thank you to one of the reviewers for suggesting BBC The Social as a case in point to illustrate the difference between legacy and new media organizations.


vii Auto-generated channels have been discontinued by YouTube as of June 1, 2020 (https://support.google.com/youtube/answer/2579942?hl=en, Retrieved June 28, 2021).

viii Oliver’s last strategy, manipulation, is less relevant in the present circumstances, since this strategy is reserved for powerful organizations who seek to change the institutional environment instead of adapting to it (Oliver 1991). Manipulation, however, is very relevant for understanding how platforms try to manipulate institutional pressure from other powerful institutional, actors such as nation-states and the EU – clearly a topic for further research.