

**Subject:** Indian Gaming Creator Monetization — Validation Partnership with S8UL Data Access

**The Problem: Indian Gaming Creators Are Underpaid**

India has 50 million gaming viewers and 10 million esports enthusiasts. Yet top creators earn 70% less than their global peers. YouTube takes 30% of all revenue. Advertisers pay \$5 CPM on best days, among the lowest globally. Direct fan monetization remains underdeveloped.

S8UL, India’s largest esports organization with 30 million combined YouTube subscribers, illustrates this gap. For two years they have operated small-payment memberships on YouTube — fans pay ₹40-60 monthly for Youtube Memberships. However, execution remains constrained by YouTube’s platform limitations. The 30% platform tax is fixed. Payment flows are not designed for Indian impulse behavior. Community features are generic and underutilized.

Loco attempted to solve this with \$42 million in venture funding. Their approach prioritized content acquisition over monetization infrastructure. They paid creators large advances for exclusivity, built a generic coin-based system with no emotional connection, and failed to develop sustainable revenue per user. Creators left when contracts expired. The platform never achieved product-market fit on monetization.

The gap persists: S8UL’s memberships prove fans will pay, but no platform optimizes for Indian payment psychology and creator-fan relationships.

**The Insight: S8UL’s Underoptimized Monetization**

S8UL’s two-year membership experiment contains invaluable data on Indian gaming fan willingness to pay. Their current metrics, constrained by YouTube’s tooling, likely show:

Metric	Estimated Current Performance
Monthly Active Payers	2-5% of subscriber base
Average Revenue Per User (ARPU)	₹100-300 annually
Average Revenue Per Paying User (ARPPU)	₹400-600 annually
Transaction Frequency	1-2 payments monthly

Churn Rate

High due to platform friction

These numbers underperform not because of demand shortage, but because of execution constraints. YouTube is not built for Indian payment psychology. UPI-based impulse purchases of ₹5-20 require native integration. Community participation through dares, goals, and status recognition requires custom tooling. Creator-fan relationships in Indian gaming are parasocial and intense, but platforms fail to monetize this intensity.

Our hypothesis: with optimized platform design, ARPPU can grow from ₹600 to ₹1,200 annually, and payer conversion can increase from 2-5% to 15-25% through nano-transaction mechanics.

### **The Validation Plan: 30-Day Experiment Framework**

Rather than requesting fixed investment, we propose a partnership structure where Gemba Capital provides network access to S8UL and optional capital support for rapid validation. The experiment runs 12 streams across 4 weeks, testing three critical hypotheses.

#### **Phase One: Independent Creator Deep Test (Week 1, 4 streams)**

Select one non-S8UL gaming creator with 100,000-500,000 engaged followers. This validates the model works outside S8UL's established brand. Implement manual monetization flow using existing tools: Google Meet for exclusive streams, Google Pay or Razorpay for direct payments, WhatsApp for community coordination. Test pricing tiers from ₹5 to ₹50 per interaction. Measure repeat purchase rate, optimal price point, and churn within 7 days. Document which interactions generate highest willingness to pay: exclusive access, recognition, challenge participation, or direct creator response.

#### **Phase Two: Group Dynamics and Social Proof (Week 2-3, 6 streams)**

Expand to three creators with overlapping audiences. Introduce community goals where pooled contributions unlock group events. Test leaderboards showing top contributors. Measure whether social proof increases conversion: do viewers pay more when they see others paying? Do group goals outperform individual transactions? Test dare crowdfunding where fans fund specific creator challenges.

#### **Phase Three: Off-Platform Conversion (Week 4, 2 streams)**

Test whether creators can successfully migrate their YouTube audience to an external platform for impulse transactions. This validates the core hypothesis that fans will leave YouTube's ecosystem for optimized monetization experiences.

Element

Implementation

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<b>Platform</b>	Simple landing page or basic web app
<b>Transaction type</b>	₹5-20 stickers, dare votes, challenge entries
<b>Traffic source</b>	Creator promotes link during YouTube stream
<b>Conversion measured</b>	YouTube viewer → clicks link → completes payment

#### Key questions answered:

Question	Why It Matters
Will fans click external links?	Tests trust and intent
Will they complete UPI payment off YouTube?	Tests friction tolerance
Does conversion rate match or exceed YouTube Super Chat?	Tests platform value proposition
What drop-off happens at each step?	Identifies UX optimization needs

**Success metric:** Match or exceed YouTube's conversion rate with higher ARPU per transaction due to lower platform fees and better community features.

This validates that your future platform can capture and retain users who originate on YouTube, solving the core distribution challenge.

#### S8UL Data Access: Phase Two Validation

Upon successful completion of independent creator experiments, S8UL partnership unlocks:

Value	Application
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2-year transaction dataset	Benchmarking, pricing optimization, churn analysis
30M subscriber base	Scale testing, network effects validation
Brand credibility	Faster creator recruitment, investor confidence

S8UL gains optimized monetization without platform risk. We gain validated data at scale. Gemba gains exclusive insight into India’s largest gaming creator economy dataset.

**Experiment Cost Structure**

Category	Details	Estimated Cost
Creator Incentives	12 streams, 4 creators, participation guarantees	₹2,00,000
Payment Infrastructure	Razorpay setup, UPI integration, transaction fees	₹75,000
Analytics and Documentation	Screen recording, data tracking, testimonial capture	₹50,000
Community Management	WhatsApp/Discord coordination, fan support	₹50,000
Buffer and Contingency	Unexpected costs, extended timeline	₹75,000
<b>Total Validation Budget</b>		<b>₹4,50,000</b>

This represents the minimum viable investment to generate seed-round ready validation data. Gemba Capital may provide this directly, facilitate S8UL cost-sharing, or connect us to angels seeking exposure to this opportunity.

**Realistic Financial Projections**

Based on estimated S8UL performance and optimization hypothesis:

Phase	Timeline	ARPU	ARPPU	Payer Conversion	Basis
S8UL Current (YouTube)	Now	₹200	₹600	3%	Estimated from public data
Validation Experiments	Month 1	₹300	₹800	8%	Manual optimization, direct payment
MVP Launch	Month 6-12	₹400	₹1,000	15%	Platform automation, better UX
Scale Phase	Year 2+	₹600	₹1,200	20%	Network effects, habit formation

We do not project ₹1,800 ARPU in initial phases. This target requires 3-4 years of platform maturity, creator lock-in, and payment habit formation. Our seed round pitch will use validated ₹400-600 ARPU with clear path to ₹1,200 ARPPU.

**Strategic Value for Gemba Capital**

This partnership offers unique positioning beyond financial returns:

**Network Activation:** Your gaming and esports portfolio creates immediate credibility with S8UL. A warm introduction from Gemba converts 3-6 months of cold outreach into immediate partnership discussions.

**Exclusive Insight:** Validation data from S8UL’s 2-year experiment is not available to other investors. First access to granular transaction patterns, fan behavior, and creator economics in Indian gaming.

**Deal Flow:** Success validates the broader creator monetization thesis, generating downstream seed and Series A opportunities in adjacent verticals: regional language creators, non-gaming verticals, international expansion.

**Founder Relationship:** Early involvement with a founder deeply immersed in creator economy mechanics, positioned for multi-year platform building.

**The Ask: Partnership Structure**

We seek Gemba Capital’s involvement through:

Contribution	Form	Value
S8UL Network Access	Warm introduction to leadership	3-6 months saved, partnership credibility
Optional Capital	₹4-5 lakh for 30-day validation	Experiment execution, speed to market
Advisory Input	2-4 hours monthly	Strategic guidance, investor introductions

Equity terms flexible based on contribution level. Primary goal is partnership establishment, not maximum valuation.

**Outcome and Next Steps**

Successful validation produces:

1. Documented 12-stream experiment with independent creators
2. S8UL partnership terms and data access agreement
3. Validated ₹400-600 ARPU, ₹800-1,000 ARPPU metrics
4. Proven off-platform conversion rates from YouTube
5. Seed-ready pitch deck with real transaction data

## 6. Clear product requirements for MVP development

Timeline from Gemba introduction to seed round readiness: 60-90 days.

We are prepared to begin immediately upon introduction to independent creators and S8UL. All experiment infrastructure can be operational within 72 hours.

### **About the Founder**

"1 months full-time analyzing S8UL, Loco, and global creator monetization. Deep insight: Indian fans pay for Participation that to like At least 50% to 60% if pricing is under their impulse limit — S8UL's data proves it, but YouTube can't capture it."