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YouTube Is Swallowing TV Whole, and It's Coming for the Sitcom

Creators are making longer shows to meet viewers where they are: increasingly, in front of their TVs.



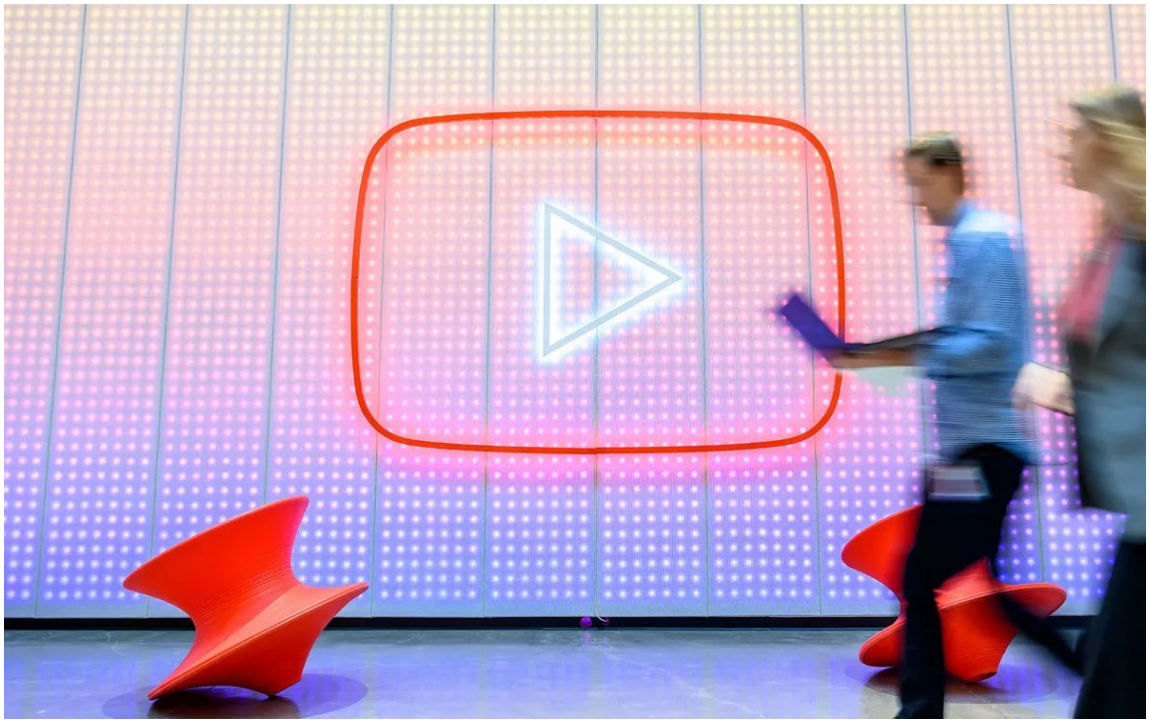
Alan Chikin Chow on the set of his YouTube show Alan's Universe in Burbank, California. Photographer: Ryan Young for Bloomberg Businessweek

By **Lucas Shaw**

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For two decades, YouTube has tried to convince advertisers that it's the future of entertainment. The pitch has always been simple enough: "Young people don't watch cable; they watch YouTube." It doesn't exactly require a PowerPoint presentation.

But YouTube has had problems making its case. The first is that the vast majority of videos on the site aren't filmed to Scorsese-like standards. "The biggest knock against creator content is that it's low quality, s---, crap, slop, garbage," Doug Shapiro, a former executive at Time Warner, wrote in December. That's sort of inconsequential, he argued, since most people aren't watching random YouTube slop—they're watching the most popular slop. Which leads to YouTube's second issue: The most watched channels haven't always been hospitable to advertisers.



YouTube headquarters in San Bruno, California

To name a few high-profile examples: Felix Kjellberg, aka PewDiePie, a Swedish YouTuber known for his gaming content, made antisemitic jokes in videos in 2016 and 2017 and was later accused of inspiring White nationalist shooting rampages. Logan Paul, who posted gaming and prank videos before ascending to influencer-wrestler status, filmed a video in 2017 with a dead body in a Japanese suicide forest. In 2020, Jason Ethier, aka JayStation, a Canadian YouTuber known for videos such as "Running From the Cops" and "24 Hour Overnight Challenge in Jail," tried to gain followers by pretending his girlfriend and fellow YouTuber Alexia Marano had been killed by a drunk driver. Marketers don't have to worry about this kind of stuff on, say, NBC. (All three creators apologized, and YouTube ultimately took down that JayStation channel for violating its terms of service. In a video, Marano said she never agreed to the hoax and was "sick to her stomach" about it.)

To attract those advertising dollars, YouTube set about trying to boost the quality of videos on the site. In 2011 it announced plans to invest $100 million in original programming. The funds went to dozens of channels from popular creators such as

Philip DeFranco, a pop culture commentator who currently has more than 6.6 million followers, and Felicia Day, an actress best known for the web series The Guild, which was based on her life as a gamer. Four years later, YouTube backed a smaller number of prestige shows to drive viewers to YouTube Red, an ill-fated attempt to compete with Netflix Inc. in subscription video. The company hired Susanne Daniels, a longtime Hollywood executive who'd developed Dawson's Creek and Buffy the Vampire Slayer, to oversee the slate, which included Cobra Kai, which takes place about 30 years after The Karate Kid saga. And beginning in 2017, YouTube started funding dozens of ad-supported original series that it offered for free, such as Kevin Hart: What the Fit, in which the comedian works out with celebrities including Conan O'Brien, DJ Khaled and Rebel Wilson.

Not much found a huge audience. Daniels' biggest discovery was a young writer named Quinta Brunson, who created Broke, a comedy about three friends who move from Philadelphia to Los Angeles. The show lasted just one season, but Brunson went on to create Abbott Elementary, a hit for ABC. YouTube gradually wound down its originals efforts and allowed Sony Group Corp.'s TV studio, which produced and owned Cobra Kai, to shop the rights to future seasons. The show became a huge hit for Netflix. Daniels left in 2022.

YouTube had more success cleaning up its existing catalog, promoting stars it prayed wouldn't do dumb stuff. It built tools to monitor the site for things such as Japanese suicide forests—and ran marketing campaigns to boost the cultural relevance of major creators, hoping that billboards of Liza Koshy, an actress from Houston, or Smosh, a sketch comedy-improv collective, would make advertisers think of them as movie stars. New programs let companies target ads to the top 1% of videos by viewership. YouTube channels such as MrBeast; Good Mythical Morning ("Coworkers Reveal Their Search History to Each Other"); and First We Feast, the home of wing-eating talk show phenomenon Hot Ones, grew so popular that even if some advertisers didn't see the service as premium, most viewers didn't care. The site became "too dominant not to be a major part of advertisers' media plans and their video strategy," says David Campanelli, president, global investment at Horizon Media Inc., which buys a lot of YouTube ads.

Even as advertisers spent more money on YouTube, executives at parent company Google thought it should be securing ads from marquee brands, whose large checks were instead going to TV networks. YouTube still made most of its money from low-cost commercials targeted at niche audiences. And many advertisers still thought their commercials didn't have the same impact when they appeared next to YouTube's cheaper, shorter videos, most of which were viewed on phones or laptops.

A staged portrait of Neal Mohan wearing shorts and standing in a photo stage-set with fake grass, boombox, fake rocks, and five potted cactus plants, against an illustrated backdrop of a desert scene showing the sun near the horizon

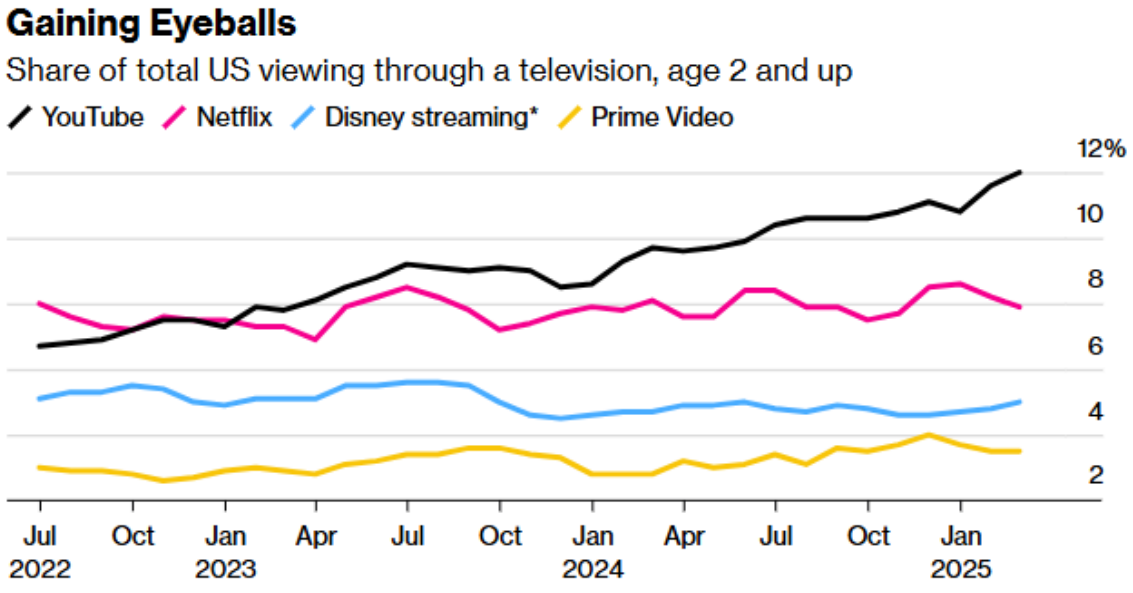


YouTube CEO Neal Mohan at the Coachella music festival in April.

Photographer: Rodin Eckenroth/Getty Images

YouTube has spent the past few years trying to make itself the centerpiece of the living room. The company teamed up with TV manufacturers so watching YouTube on a TV became as easy as watching it on your phone or laptop. People can now leave comments and subscribe to YouTube channels on a TV, and creators can arrange videos as though they're episodes of a show. YouTube will remind viewers where they left off with a program and feed them the next episode—rather than have the algorithm offer a similar video, often from another creator. YouTube also tailored its advertising for TV viewing, creating more space between ad breaks. The company introduced pause ads, which show commercials when a viewer stops a video, and it introduced a live-TV service, YouTube TV, that includes the channels in a cable bundle—crucially, the ones that show the NFL—as well as a storefront that offers paid streaming services such as Max and Paramount+.

YouTube is now the TV service of choice for viewers of all ages. People in the US spend more time watching YouTube on a TV than on a phone or computer, according to the company. Not including YouTube TV, the service accounted for over 12% of TV viewing in April, more than all of Walt Disney Co.'s TV networks and streaming services combined, according to Nielsen. About 40% of viewers are age 18 to 49, the demographic most appealing to advertisers, Nielsen reported. "When people turn on the TV, they turn on YouTube," says YouTube Chief Executive Officer Neal Mohan. While linear TV ad sales have flatlined, YouTube has more than doubled its ad sales over the last five years, from $15 billion in 2019 to $36 billion in 2024, according to earnings reports. YouTube now generates more sales from advertising than all four broadcast networks combined.



Source: Nielsen
*Includes Disney+, Hulu and, beginning in January 2025, ESPN+. Note: Excludes linear TV viewing through streaming services. Includes services' original content streamed through a cable set-top box starting in May 2023.

Hollywood executives still try to portray YouTube as a slopfest. In a recent public appearance, Netflix co-Chief Executive Officer Ted Sarandos said YouTube is a place people kill time, whereas his service is a place where people spend time. But these comments now reek more of fear than confidence. As much as Hollywood has worried about labor strife, artificial intelligence and the demise of moviegoing, the rise of YouTube is a much more immediate and real threat.

To understand how YouTube has evolved past its awkward struggle with original programming to become the singular destination for creators and advertisers, it helps to know the name Alan Chikin Chow.

YouTube's biggest creators have been doubling or tripling the length of their videos for longer viewing sessions optimized on larger screens. (Of course, longer videos also create more opportunities for advertising.) Some are just recording longer podcasts. People such as Chow, though, went from making YouTube Shorts, which are three minutes or less, to making the sitcom-length Alan's Universe. The show has its DNA in classic American tween series such as Boy Meets World, a coming-of-age '90s sitcom; the South Korean high school drama Boys Over Flowers, which ran for one season in 2009 and became a cultural phenomenon in Asia; and Japanese anime. Alan's Universe started drawing millions of viewers in 2023.



The Alan's Universe set features the basic settings of a teenager's life.

Chow is the showrunner and main character, while his college friend Chelsea Sik co-stars as a frequent love interest and occasional rival. The stories aren't serialized, but every episode features the same cast of characters at the same fictional school. Chow

begins writing each episode by coming up with a title, such as “No One Knew I Was a Famous Singer.” If a conceit works, he repeats it with a twist. “We are really intentional about creating stuff that even a year from now, you could watch it and get the same amount of” viewer interest, he says. In January he posted “No One Knows I’m a Famous Pop Star.” The two videos have over 82 million views combined. A recent episode, “Boys vs Girls: Control the School,” has more than 62 million views and is on track to become the show’s most watched episode. As the title suggests, Chow and Sik lead their respective genders in a battle to be named president of their school. After many public and covert efforts to sabotage one another, they fall in love.

Growing up in Dallas, Chow had dreams of creating his own sitcom. The son of immigrant parents—Chikin means “strong-willed” in Cantonese—he devoured Hannah Montana and George Lopez. He attended the University of Southern California, majoring in screenwriting and business administration, and first pursued Hollywood as an actor, booking guest roles on TV series including Grey’s Anatomy. Yet he was more interested in creating his own projects than in acting in someone else’s. He joined Reach, a club at USC for students who wanted to be social media creators, and started posting to TikTok and YouTube in 2019.



Each episode of Alan’s Universe features the same cast of characters at the same fictional school. Photographer: Ryan Young for Bloomberg Businessweek

In early 2023, Chow suffered an existential crisis. He was by then the world’s most popular creator of Shorts. He’d amassed tens of millions of followers with goofy comedy clips. In “Couple Goals Gone Too Far” (over 664 million views), Chow

shows his partner the lengths he'll go to please her. He exchanges his hoodie for her sports bra when she stains it and makes a lecherous stranger grab his behind after the stranger slaps hers. A demonically distorted version of My Heart Will Go On from Titanic plays in the background. In "Zombie Fanfics Be Like" (more than 554 million views), he plays a zombie hunter who falls in love with an undead woman with a taste for arms; he realizes the key to his happiness is buying her a mouthguard. But Chow wanted to tell stories that would influence kids the way sitcoms had affected him. Four years after starting his YouTube channel, he renamed it Alan's Universe and turned it into the home of his new scripted drama. He still made Shorts, but they now exist within Alan's Universe.

Last July, Chow converted a drab office space in Burbank, California, into the Alan's Universe studio. The makeup room is a former office on the second floor, down the hall from a locker room. The ground floor features the basic settings of a teenager's life: a bedroom, a school cafeteria and a small area that can be manipulated into whatever is required, such as a catwalk for a dance-off. Wires and cables run along the ground between the rooms, just asking for someone to trip. "Everything is whatever you want it to be," Chow says during an interview from a conference room that's doubled as the school principal's office.

"Boys vs Girls," which clocks in at 26 minutes, will feel very familiar to any fan of Mean Girls or High School Musical, minus the super-quick cuts and neon editing effects. The key to its huge audience may be that, while scripted, the vibe of the show comes off as organic to the platform in a way that Cobra Kai perhaps did not. Alan's Universe speaks a language familiar to teens and tweens who grew up on YouTube, a demographic for whom the youth brands of yesteryear—Comedy Central, MTV, Nickelodeon—mean little. Disney Channel and Nickelodeon have surrendered more than 90% of their prime-time audience over the past decade. Disney Channel averaged about 110,000 viewers last year in prime time, down from about 2 million in 2014. "There is no Disney Channel anymore, as we used to know it," says Chow. "The 7- to 14-year-olds that used to watch Disney Channel now watch YouTube." (Disney's own YouTube channels are top performers with kids, who also engage with its characters through Disney+, theme parks, etc.)

Chow is one of several creators having success with scripted shows for younger audiences. Dhar Mann's channel has over 25 million subscribers and features wholesome, uplifting stories. His videos often have to do with bullying. There's "Amish Girl Bullied in Public School" and "Kids Make Fun of Boy With Autism, They Instantly Regret It," which is Mann's most watched with more than 67 million views. In the 28-minute video about an Amish girl named Greta, who's experiencing newfound freedoms on her rumspringa, she quickly becomes a pariah for not knowing how to turn on a computer and trying to talk to a vending machine. Just as she's had enough of the insults and prepares to return to the traditional life on the farm, one of the bullies has an about-face and gets her to stay. She finds a boyfriend. They form a band.

Dhar Mann Studios uploads four or five half-hour episodes of original programming per week, appealing to a core audience of 13- to 24-year-olds. Mann got his start posting inspirational messages on Facebook while helping his wife run a beauty business. He now oversees one of the largest scripted programming businesses on YouTube. Mann has commandeered three sound stages in Burbank that house dozens of sets, including malls, apartments, high schools and a pawnshop. Thanks to a business that generates tens of millions of dollars a year in ad sales, he now has a staff of nearly 200. "Content that makes some sort of a positive difference in the world," he says, "is key for virality."



Dhar Mann at YouTube's presentation to advertisers in New York. Photographer: John Nacion/Variety/Getty Images

If YouTube has its way, it'll be the place people come to watch Shorts, podcasts, nursery rhymes, the NFL, other streaming services—and 30-minute shows that are made for YouTube. Right now, scripted series are just one table in an endless buffet of videos. While Chow and Mann were both at YouTube's annual presentation to advertisers earlier this month, neither one appeared onstage. That hallowed promotional ground was reserved for bigger stars such as MrBeast; Sean Evans, the host of Hot Ones; NFL Commissioner Roger Goodell; and Lady Gaga. But Chow's and Mann's successes help illustrate a world in which the distinction between YouTube and Hollywood is eroding.

In moving to scripted shows, Chow and Mann are thriving where many others have failed. Save for a handful of popular web series such as Fred—a comedy created by Lucas Cruikshank about a boy named Fred Figglehorn—and Red vs. Blue, a first-

person shooter parody, scripted programming on YouTube has faced challenges. Most viewers don't open the app for a specific channel—they're fed videos based on their previous viewing or stumble upon links online. Then they pick what to watch based on a video's title and thumbnail image. It's hard to distill the essence of a scripted show in a few words the way MrBeast can with "I Survived the 5 Deadliest Places on Earth."

But the biggest issue is cost. Making a scripted series is more expensive than even the most elaborate unscripted program. Game of Thrones or Severance costs as much as $20 million an episode. MrBeast (real name: Jimmy Donaldson) spends about $3 million to $4 million per video, more than just about any creator on YouTube. Few channels generate the ad revenue to make the math work. The budget for Alan's Universe—about $120,000 an episode—amounts to roughly 6% of Jennifer Aniston's fee for an episode of The Morning Show. Still, it's only a matter of time before scripted shows become as big as MrBeast or, say, Dude Perfect, five buddies who got famous perfecting the art of the "trick shot" and now have over 61 million subscribers, says Sean Atkins, a veteran media executive who joined Mann's company as CEO last year. AI will only make it easier and cheaper for creators to produce shows that look expensive and appeal more to adults. "Will there be YouTube's Game of Thrones? It's 100% gonna happen," Atkins says. "Will it be $100 million an episode? No."

Quality is the other issue. YouTube no longer has to convince advertisers that it's a safe place to spend money, but it's still trying to convince Hollywood and Madison Avenue that the slopfest days are in the rearview mirror. Even with operations that resemble proto-Hollywood studios and budgets around $100,000 an episode, advertisers consider Chow's and Mann's videos less valuable than those of a network sitcom. Mann, for example, gets paid 25% as much as a broadcast show per viewer and must share 45% of ad sales with YouTube (which is better than the arrangement on other platforms). YouTube's top priority is getting "more brands to see their future is with YouTube," he says.

The lower budgets haven't stopped Amazon Prime Video, Disney+ and Netflix from licensing the work of hit YouTube creators. There's CoComelon, the wildly popular nursery rhyme and children's song channel; Ms Rachel, which is dedicated to toddler learning; and Sidemen, where the hosts compare $200 and $20,000 vacations.

Hollywood studios and other investors are also looking to buy into or acquire major YouTube channels. The Dude Perfect dudes raised more than $100 million last year from investment firm Highmount Capital and opened an 80,000-square-foot studio in Frisco, Texas. They're using the money to increase output, make more videos that don't feature themselves (or trick shots) and open a family entertainment complex. MrBeast generates more than $200 million a year from his entertainment business, and his Feastables chocolate business had sales of about $250 million in 2024. Also last year, he raised $300 million dollars at a valuation of about $5 billion with Alpha

Wave, an investment firm. Mann is working with CAA Evolution, an investment bank affiliated with the Hollywood talent giant, to roll up other YouTube channels under his umbrella.

Investment will only accelerate as money follows eyeballs. According to Nielsen, an average of more than 7 million people in the US are watching YouTube on a TV at any given point in time—more than those watching Netflix and Amazon Prime Video combined, with the fastest-growing audience being viewers 65 and over. In addition to the more than $30 billion in ad sales, YouTube now generates almost $20 billion from subscriptions. YouTube may eclipse Disney's media business in total revenue as soon as this year, according to research firm MoffettNathanson LLC, which dubbed YouTube the "new king of all media."

YouTube is still sensitive to the idea that programs born on the service are inferior to those born on, say, Netflix or ABC, and the company has spent millions of dollars on advertising campaigns to help shows such as Hot Ones compete for Emmy Awards. (It hasn't won one yet.) "The amount of money you spend on a show doesn't equate to quality," says Mohan. "It might equate to some antiquated notion of production value. I would put a lot of our creator-led, studio-generated content against what used to be considered traditional content." Many advertisers and Hollywood moguls would beg to differ. It seems inevitable they won't for long.