

Private Equity Experts Explore Whether Institutional Investors Are The Real Success Story Behind YouTube and TikTok

HULT Private Capital reflect on the rise of Google owned YouTube and what the future has in store for TikTok

JLT, DUBAI, UNITED ARAB EMIRATES, March 11, 2022 /EINPresswire.com/ -- With over 14 billion visits every month, [YouTube](#) is easily one of the World's most used platforms, not to mention one of the most recognisable global brands. London based private equity and fund experts, [HULT Private Capital](#) find themselves speaking with clients regularly about 'the next big app', whilst there are already two very notable players monopolising the conversation when it comes to the best tech investments.



HULT Private Capital look at the financial winners behind apps like YouTube

Boasting an active user base in excess of 2 billion, it is unsurprising that parent company Google snapped it up in 2006 in a deal that cost \$1.65 billion. According to revenue reports showing Alphabet Inc's organisational breakdown, YouTube accounts for almost 11% of Google's parent company's annual turnover.

“

start-ups seek investment from venture capitalists and private equity firms because beyond the expertise they can bring to the table, the company can access capital much faster”

John Hudson, HULT Private Capital

Established in 2005 as the brainchild of former PayPal employees, Chad Hurley, Steve Chen, and Jawed Karim, YouTube quickly caught the attention of institutional investors, securing investment of \$3.5 million from venture capitalists, Sequoia Capital in its primitive days.

The Rise Of The YouTuber
Recognised as the video sharing platform, YouTube

continues to spark the interest of the investment world, particularly with its reputation for creating a new generation of millionaires. One of the platform's best performing categories is gaming, and the number of content creators in this category surpassing the \$1 million mark continues to rise, largely because of the advertising appeal of the demographic subscribing. YouTubers, Logan and Jake Paul are brothers with an estimated combined net worth of \$38 million, together, they boast over 90 million subscribers, generated through their gaming and music focussed channels.

HULT Reflect On The Transformative Tech & Its Global Grasp

With more than a billion hours of streamed content consumed daily worldwide, YouTube has entered the realms of popularity only known to Facebook; but there is competition approaching on the outside lane in the form of Generation Z favourite, TikTok. John Hudson, Senior Investment Manager at HULT Private Capital commented "Social media was once something of a phenomenon, but it's now part of everyday life. So many of us turn to YouTube for education or entertainment, in video format. It completely transformed how we take in information and where we, as consumers, can almost guarantee we can find the latest footage, from news reports to music videos. TikTok has come along and completely disrupted the idea of the 15 minutes of fame we chase, down to as little as a carefully edited 15 seconds of mobile footage, it really is quite impressive!". Impressive, it is. Especially when we consider that TikTok is currently available in 154 countries worldwide, with more expected to welcome the platform this year.

The Beijing based app launched outside of mainland China in 2017, with Reuters exclusively revealing that owner ByteDance had seen 'its total revenue grow by 70% year on year to around \$58 billion in 2021'. Although ByteDance deny plans to take the company public, there have long been talks of an IPO in Hong Kong, on the rumour mill. With YouTube securely inside the Alphabet Inc. bubble, the greatest fruits of its success has always been to the benefit of the institutional investors. A TikTok IPO could provide retail investors the tech opportunity their portfolios are missing.

Investment Specialist At HULT Explains Why Start-Ups Favour Capital From Institutions

HULT's Hudson has been working with the firm's institutional investors for a number of years and explained the investment appeal of one institution over multiple investors is often simple, "start-ups seek investment from venture capitalists and private equity firms because beyond the expertise they can bring to the table, the company can access capital much faster when dealing with a single entity, which is crucial in an industry such as Tech where timing and innovation are inherently linked."

"The investment timeline of YouTube highlights the real potential of investing as part of a collective. The power in numbers theory is a notion many of our clients have benefited from, granting them access to opportunities that would not have been available to them outside of a fund."

So whilst Alphabet Inc.'s stock price is currently rising, and investment firms like HULT Private

Capital field calls from investors seeking out 'the next YouTube', we'll continue to scroll mindlessly through cat videos and cleaning hacks until TikTok lists publicly.

Press Team

HULT Private Capital

045664052398

[email us here](#)

Visit us on social media:

[Twitter](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/565298509>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2022 IPD Group, Inc. All Right Reserved.