

Exploring Insights from South Korea's Music Industry Export Model for China

Weihua Cai

*Department of Finance, Nankai University Binhai College, Tianjin, China
AlexBoi9901@outlook.com*

Abstract. From “Korean Wave” to a worldwide wave, the cultural industry has gradually become the most important soft power and economic engine in the Republic of Korea. In the cultural industry, music industry is the most important industry that exports Korean culture to other countries. By analyzing Korea’s music industry chain and exporting model—industrialized and systematized export model, and analyzing the reasons why Korean music industry can be successfully exported to all over the world, it has important research value and reference value for exporting China’s music industry and internationalization. It is worthy of the deep research and discussion. This paper will analyze the export model of Korea’s music industry chain by its own experience. Try to summarize the experience of Korea’s successful experience in exporting its music industry to all over the world. Based on the current situation of China’s music industry, combining with the situation of the implementation, this paper puts forward several feasible and constructive suggestions for the own export model. It is hoped that this paper can provide some references for the export of China’s music industry and professionals to promote the internationalization of Chinese music.

Keywords: Cultural Export, South Korea, Music Industry

1. Introduction

Nowadays, globalization and digital economy are thriving. The content of national competition is no longer limited to hard power, that is, the competition of military power, economic power and technological power, but also include the competition of culture, value and lifestyle, which become an important part of national competition. Compared with traditional industries, the cultural industry has many advantages, such as green industry, high added value, strong integration degree, etc. It is called a “sunrise industry”. All countries hope to find a new engine to promote the transformation of the economy.

The cultural industry of South Korea started developing rapidly in the 1990s and gradually entered the Chinese market. It has a deep and lasting impact on East Asia and the world until now. At the beginning of the twenty-first century, Hallyu or the Korean wave arrived. All kinds of popular culture enter the world, such as beauty products, music, and motion pictures [1]. Although the South Korean music industry started late, it has made certain achievements in a short period. It not only improves the cultural “soft power” of South Korea, but also brings certain economic benefits. Its

successful manufacturing and export model has certain research value and reference value for China’s own manufacturing and export model of music industry.

This study will focus on the industrial chain of Korean music and its relatively successful export model, providing a detailed analysis of the upstream, midstream, and downstream segments of its industrial chain as well as the essence of its export model. Finally, it will offer suggestions and insights for the export of Chinese music based on the current state of China's music industry. The research aims to better facilitate China's presentation of its unique musical characteristics and charm to the world, assist China in building itself into a cultural powerhouse, and thereby enhance the international influence and competitiveness of Chinese culture.

2. The Korean music industry chain and its characteristics

Through one-and-only promotion in various ways, the Korean music industry not only generates revenue from sources other than streaming like album sales and advertising partnerships, but it also generates and contributes to the growth of complementary industries. The direct economic effects of K-pop are best represented in three areas: music sales and streaming platforms, derivative industries, and advertising and marketing [2]. These three major sectors can generate significant economic benefits for Korea primarily because the country has established a complete, industrialized, and systematic music industry chain.

South Korea’s music industry is a complete and mature industrial chain that occupies an important position in the country’s culture. It has been industrialized to some extent and brings certain economic benefits to the country. Business players and music players play an important role in the whole chain of music industry. Business players mainly refer to music download service providers, entertainment companies and distributors. Music players refer to producers and performers who originally produce music or partially participate in the production [3].

As shown in Figure 1, the figure shows the specific model of the whole chain of the South Korean music industry, and the capital circulation and value chain. Upstream, midstream and downstream industries play different roles respectively and constitute the whole link from cultivating talents to producing goods and promoting.

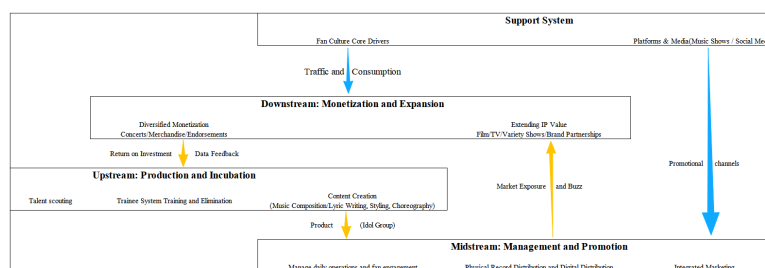


Figure 1. Schematic diagram of the Korean music industry chain

There are five obvious features in the Korean music industry chain. One, highly industrialized production, idols and music are mass-produced as assembly-line goods. Second, entertainment agencies are powerful in absolute leadership and control. The whole link is completely controlled by entertainment agencies. Third, “concept” comes first, and everything, including music, styling and performance, serves the whole concept. Producing Korean pop music places more emphasis on fashion music and stage performance than other countries, which can meet the needs of people of all social levels psychologically and materially [4]. Fourth, global localization, groups are made to enter the world from their first performance and are multinational formed and multilingual songs

released. With the further development of K-pop, K-pop groups are increasingly attaching importance to the diversity of nationalities of their members. K-pop groups recruit members from all over the world. K-pop groups are increasingly recruiting members from all over the world. Talent agencies around the world are recruiting more trainees, not just in Asia [5]. Five, perfect fan system, songs are connected with fans, turning consumers into investors and promoters.

3. The export model of the Korean music industry

In addition to forming a virtuous circle within the domestic music industry chain, South Korea has also successfully exported its local music products to other countries around the world. Its basic model of exporting music products can be described as follows: taking idol groups as products, focusing on fan culture, taking digital media as the engine, and using localization as the link in an integrated global marketing campaign. The main strategies and components of its model in exporting music products include the following aspects: The first aspect is serving as the foundation for all exports, represented by the strategy related to the product. That is, producing internationally famous idol groups with mass appeal and integrating various types of music and visual concepts into a perfect state. Releasing music in multiple languages is also a reflection of the protection of music copyrights by the Korean government. With the rapid development of the internet, the speed of circulation of music works has greatly increased. With the help of, the copyright collective management system of collective management organizations has greatly improved the licensing situation. Promptly grasping the situation, the Ministry of Culture quickly followed up with effective policies. Regulations and restrictions on the pricing policies of collective management organizations were issued through complicated procedures to limit pricing policies [6]. The second aspect is the channels and strategies for export and dissemination. Digitalization and social media have been given high priority. The popularity of Korean music around the world is closely related to the popularity of the Internet. It skillfully uses digital content for global promotion. It can be seen as one of the main distribution channels. Accounts are opened for in YouTube. Accounts are also opened for and members to promote the group on Twitter, Instagram, TikTok and Weibo. Members also open their own accounts to show the behind-the-scenes lives they have as companions and friends, creating a sense of “intimacy”. The third aspect is the strategy of entering the market in batches from near too far. The export of music did not occur in a short period of time, but also followed a strategic path.

First Stop: The Asian Market (Japan, China and Southeast Asia). They have cultural similarities and geographical proximity as well as similar mindset which leads to relatively high acceptance rate. After 2005, South Korea’s pop music industry has blossomed with a large quantity of brilliant solo singers and idol groups. At that time, some groups like Girls’ Generation and BIGBANG were very famous and occupied the whole Asian music market. The Korean Wave effect also spread to the whole world which helped the whole South Korean pop music market to rapidly expand overseas. At that time, Korean music culture has been extensively transmitted in China. Many Chinese people started to listen to Korean pop music and become “idol-chasing” in Korean pop singers which is the booming period of Korean pop music in China. According to the record, the sales from music performance came from Korea occupied more than 14% of the total income of the industry. And the scale of whole music market was more than 300 billion won. Quantity and quality of Korean pop music greatly improved. Holding concert in China also became very common [7].

Second Station: Go to Europe and America based on their worldwide popularity. At first, they invited international famous singers and producers to collaborate with them. This way, they entered the main stream Western market through their popularity. And then, they released fully English

language songs. This way, the lyrics no longer became a language barrier and entered the main stream radio airplay and main stream charts. The final goal is to perform in the Super Bowl halftime show, Grammy Awards, Coachella Music Festival etc. Each time they appear in the main stream music festival, they will get a lot of brand premium value. At last, the whole Korean music industry will change from “music sale” to “experience economy” created by fans themselves and get the return of the original investment.

4. Implications for China's music industry export model

The systematic success model of Korean music industry is very worthy for China music industry reference, which always dream to expand its culture influence to all over the world. It is not only worth to learn about how to produce idol groups, but also the mindset, systematic model and long-term planning of the whole industry.

4.1. Mindset shift: “fast moving consumer goods” to “content branding” in long run

The essence of Korean model is to treat idols and music as “cultural brands”, which need long-term incubation and high quality production, and pursue long-term value. While China has been relying on format of talent shows and instant video platform for over-reach, pursuing instant traffic monetization by sacrificing long-term development and branding of music work of artist.

Therefore, China industry should change its mindset and become weaned on “quick fix”. It should encourage and ask companies and platforms to make long-term and systematic investment in content. That is, invest in “artist” and “work” instead of “traffic”.

4.2. System development: establish specialized, industrialized production and operation system

Korea has mature system of trainee selection and training (A&R system), top music production, dance and visual teams, and standardized production system of professional music production show and variety show promotion.

While China’s industrial chain shows unevenly specialized and fragmented state in its different parts, and its training system is still in the initial stage, output of music promotion show has limited effect, and the status and compensation of behind-the-scene producer needs to be improved. Therefore, China should cultivate specialized talents and support the establishment of systematic training academy for artist cultivation. This kind of academy should not only cultivate on-stage stars, but also cultivate top level behind-the-scene producer, songwriter, dance instructor, stylist and agent.

4.3. Strategy upgrade: global mindset and refined localized operation

The whole Korean model is “global planning and localized execution”. From the composition of group and musical element to promotion strategy, everything is planned for target market (for example, releasing Japanese version of album, members participating in local variety show). While China’s current attempt to expand to overseas is always scattered and isolated, lacking systematic planning. It is often just some successful works domestically being translated directly and promoted in oversea with minimal localization, leading to great cultural dilution. Therefore, when forming products, it should embed global mindset. When forming groups, consider to have foreign or overseas Chinese as members. In songwriting, while maintaining Chinese element, should adeptly

blend globally popular musical elements. Do research on target market, and establish dedicated team for each overseas market, and then deeply study the local culture preference, media environment and audience's viewing habits, and implement meticulous management.

4.4. Technology empowerment: utilize own digital ecological advantage

South Korea's success in using these global networks (YouTube, Twitter, Instagram, TikTok) as channels for distribution and fan communication.

China has the most mature short-video and live-streaming ecosystem in the world (Douyin/TikTok, Kuaishou). It is both different and extremely valuable. How can China convert China's digital strengths into a "superhighway" for outbound cultural extension? Actively use TikTok. China should encourage musicians and institutions to treat TikTok as an essential part of their global distribution channels.

Launch global challenges to popularize music and dance with Chinese cultural elements. New interaction forms: live streaming technology can create more direct and creative interactions with fans overseas, creating fan communities that are not limited by space and time, and continuously enhancing the added value of the cultural industry.

Added value is the new value created by effective labor during the production process superimposed on the original value of the product. In a certain sense, it reflects the degree of development of an industry. The added value of the cultural industry of South Korea includes profits, labor costs, net financial expenditure, rent, depreciation expenses, and so forth [8].

4.5. Delving deep into cultural roots: seizing history, connecting past and present

In addition to popular music, South Korea has packaged its aesthetic sensibilities, values, even its dietary culture into the Korean Wave. The national brand "Korea" promoted by the "Korean Wave" is not only influential in the cultural economy, but also in all other areas including diplomacy and people-to-people exchanges. The South Korean government has also developed strategies for enhancing its national brand. When a nation's brand value is raised, in addition to the increase in economic competitiveness caused by the rise in the value of products, there are secondary gains: the rise in civic pride in Korean culture and the rise in national prestige and status in the world.

Corporate image and product image are the roots of national identity. A nation's brand value is solidified only when it is recognized and practiced by the society as a whole [9]. China's "guofeng" (national style) music is a large genre. But when applying cultural elements, it is often very superficial, like just using opera vocal techniques or traditional instruments. Therefore, people need innovation. And innovative capacity is the most basic and core soft power competitiveness.

Cultural soft power is a capability including both production capacity and service capability—that is, having the comprehensive ability to produce cultural products with value concepts and the ability to effectively communicate to people through these products [10]. When exporting culture, people should not just go through the motions; people should put it into practice and dive into the spirit. It is urged music professionals not to merely use superficial symbols of Chinese culture. But instead, use the Eastern aesthetic concepts, philosophical thoughts, and the spirit of China today in the narrative works, in order to produce a "Chinese School" style that has swept the world. That is, a style that is harmoniously modern and Eastern.

5. Conclusion

What China's music industry has 'learned' from South Korea should include the following points: First, have an industrial consciousness. Systematic success is not just because of cute idol group packaging, but because of the industrial mentality of patiently creating content brands. Second, the 'systematicness' revelation of development. Solidify and improve all links of the music industry chain such as music creation, artist training, market marketing, copyright protection, etc., to create a complete music industry chain and improve the overall strength of the music industry. Third, have a long-term thinking. Formulate and implement a long-term development strategy, and give more importance to the brand establishment and development of the long-term cultivation of the international market, and gradually improve China's music influence and strength in the world through constant innovation and high-quality content production. The fourth is to gradually improve the innovation strength of Chinese music culture. As mentioned before, innovation is the most basic and core competitive soft power. Therefore, in addition to constantly innovating the ecosystem of China's music industry, people should also strive to explore new models of exporting Chinese music, and develop and spread through innovation.

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