

The Phenomenon of Premium Resale Prices for Concerts in Mainland China

Junwei Xu¹, Xiaoran Ma^{2*}

¹*Affiliated High School of South China Normal University International Department, Guangzhou, China*

²*International Department, Jinqiu High School in Jinan, Jinan, China*

**Corresponding Author. Email: lina0067@163.com*

Abstract. This study explores the correlation between the scalper for premium phenomenon in popular concerts and the distribution mechanism of the event organizers. This research we want may improve the rules and give more benefit for consumers. And we research perspective from premium phenomenon concerts for different singers and the series of concerts system. And we find that for the market of concerts. The basic contradiction of supply and demand haven't been solved. The supply means the quantity of goods and services that producers are willing and able to give price level at a specific period. Demand means the quantity of goods and services that consumers are willing and able to purchase at prices level of specific period. And scalpers avoid the real-name process that take different path and sale tickets for high prices. We find the data for three singers as a high resale price group. We also research the Jay Chou's concert in Wuhan and Liu Yuning's concert in Shenzhen. But these data also have the limitation for this research that the force on top artists may not fully represent dynastic of the live performance. We hope that the concerts market in China can be fairer for consumers to compete and make more benefit for them.

Keywords: supply, demand, real-name, scalper, consumer

1. Introduction

Nowadays, the live entertainment market in mainland China has experienced explosive growth, driven by rising disposable incomes and a thriving fan culture. The premium phenomenon has become a seriously social issue [1]. First, that may relate to the imbalance between supply and demand in the social market and consumer behavior, and there are some singers like Jay Zhou and Yi Yangqianxi [2]. Such as many concerts surged the price for 5-20 times, that many of consumers cannot afford the cost, they just give up the chance. Second, despite government interventions that include the real-name ticketing policies and personal identity laws (the real-name means that the system requires individuals or organizations to provide the identify information and verification for specific transaction) [3], the secondary market continues to develop, facilitated by automated bots, identity fraud, and underground resale networks. Previous studies have examined ticket scalping from economic or legal perspectives, but few have seriously analyzed the technological arms race between scalpers and platforms. And we mention the questions for "What economic factors drive the

persistent ticket price premium in the Chinese mainland concert market? “And we use the data and table to illustrate.” Why customers are willing to afford such a high price premium? “Like they pay 10 times price to take part in concerts. And 'Why regulation fails? “That price premium is also higher impaired to the issuance of real-name verification.

This research is significance because this phenomenon not only harms the interests for ordinary consumers, but also increase the benefits and profits for scalpers and secondary markets, even effect the development for concerts and the benefit for consumers and original producers. Therefore, the causes and impacts for the phenomenon premium concerts has significant reference.

2. Literature review

First, for the overview of the scalpers. We find the roles for address unmet demand by catering to high-willingness-to-pay consumers. And the benefit for scalpers may the income increased for organizer that they make the higher price and consumers have to buy the tickets [4]. And the benefit fall into the hand for the originals and scalpers. That may reflect true market demand, provide access for the audience. Second, for the gap of the research. That may harm for economics that overemphasis on economic benefits; less on social- economic harms and China-specific dynamics. And that may make the imbalance between consumers and ordinaries. And for the inadequate analysis for the regulatory failures. The market may set up a process “real name” And this verification often ineffective, and leading higher premium convert channels. Third, make problems for ticket distribution mechanism [5]. The premium makes the consumers difficult to compete. And the CCTV exposure ticket industry chain for this leakage of the concerts.

3. Research methodology

3.1. Research design

This research employs the double-case study and descriptive statistical analysis. On one side, we conduct a horizontal comparison of price premiums for concerts among three different artists in the same stadium, by controlling variables such as stadium capacity, seating layout, geographical factors, and weather conditions. On the other side, through conducting a vertical comparison of concerts between two different types of artists, it can explore the relationship between the popularity of artists, the maturity of their fan base, and the phenomenon of price premium more rigorously. Thus, it can not only compare the premium situations of different seat levels, but also reveal the connection between fans' psychology and market behavior of the price discrimination.

3.2. Data resource

To ensure the comprehensiveness and reliability of this research, the data were collected from multiple channels. We chose Weibo fan counts as a popularity proxy, and brain the age and gender distribution of fans for different artists from Weibo. Official ticketing platforms, like Damai, Maoyan, and Fenwandao, provide official ticket prices, price ranges, ticket sale times, and seat distributions for concerts. Collect information such as resale prices and ticket source types from Xianyu, WeChat Group, Xiaohongshu, and Motianlun (the scalper ticketing platform).

3.3. Data processing

Collect the official ticket prices for each price level (front row, middle row, back row) of every concert, and collect the resale prices from different scalpers. Then, calculate the premium rate through the following formula:

$$\text{Premium} = \frac{(\text{Resale Price} - \text{Original Price})}{\text{Original Price}} \times 100\%$$

3.4. Data collection

3.4.1. Different artists in the same stadium (case study 1)

Table 1. The premium for artists in the same stadium

Artist	City and Stadium	Date	Fans on Weibo	Original Price (RMB)	Resale Price (RMB)	Seats Limit	Premium
Liangyin Zhang	Shenzhen Dayun Center	Jul 5	43,010,000	1,380	8,000		479%
Yuning Liu		Jul 19-20	20,562,000	1,580	16,300	18,000	931%
Zihongfan Huang		Aug 2-3	10,050,000	1,280	6,800		431%

3.4.2. Different types of artists (case study 2)

Table 2. The detailed premium for Liu Yuning

Yuning Liu: 2025 July in Shenzhen Dayun Center						
Original Price (RMB)	Portion of Total Seats	Distance	Resale Price (RMB)	Premium	Amount Flows to Resale Market	
680	10%	Upper bowl (Distant from the Stage)	~2,100	208%	n/a	
980	30%	Upper bowl (Distant from the Stage)	~2,600	165%	n/a	
1,280	30%	Middle Areas (Moderate Distance)	~5,000	290%	10%	
1,580	20%	Nearest Areas (Closest to the Stage)	1,000~15,000	500%-849%	50%	

Table 3. The detailed premium for Jay Chou

Jay Chou: 2025 July in Wuhan Sports Center Stadium					
Original Price (RMB)	Portion of Total Seats	Distance	Resale Price (RMB)	Premium	Amount Flows to Resale Market
1,300	30%	Upper bowl (Distant from the Stage)	~7,600	484%	n/a
1,600	5%	Middle Areas (Moderate Distance)	~8,000	400%	4%
1,800	10%	Nearest Areas (Closest to the Stage)	~9,600	433%	20%
2,000	20%	Nearest Areas (Closest to the Stage)	10,000~18,900	400%~845%	50%

4. Discussion

In the first case study (Table 1), the research selected the concerts of three singers, Zhang Liangying, Huang Zihongfan and Liu Yuning, held at the Shenzhen Universiade Center Gymnasium as samples. This venue is a large-scale comprehensive gymnasium in Shenzhen, with relatively stable seating layout and ticket price zones, which can largely control the interference of venue factors on ticket premium. The original price and seat distribution set of these three concerts are generally similar, however, through the data collection from scalpers, there are some significant differences in the premium rates among these three artists. Liangying Zhang has more moderate premium change, which seems relatively no significant differences overall. And the premium is for the middle and far seats is limited, but it still has a high resale price on the whole. The premium of Zihongfan Huang has increased, especially in the middle and far area where there is a notable price increase compared to LiangYing Zhang's. For Yuning Liu, it commanded a high premium rate in all regions, with the first row even attach 10 times than the original ticket price. It is worth mentioning that this concert is his first show after a seven-year gap, so the demand is extremely high. Thus, under the same condition and supply, it can be concluded that the larger the number of fans and the demand for the concert, the higher the premium rate.

This phenomenon reflects the positive relationship between fan counts and premium: when the potential demand is large, even the middle and back rows have many buyers, forming a high demand for the secondary market, which allowing scalpers to take advantage of fans' psychology then raise the resale price across the entire area rather than just the front rows.

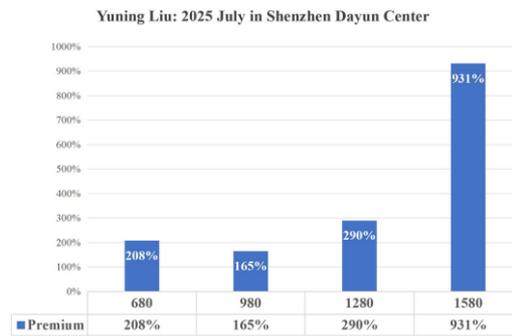


Figure 1. The concert premium of Yuning Liu

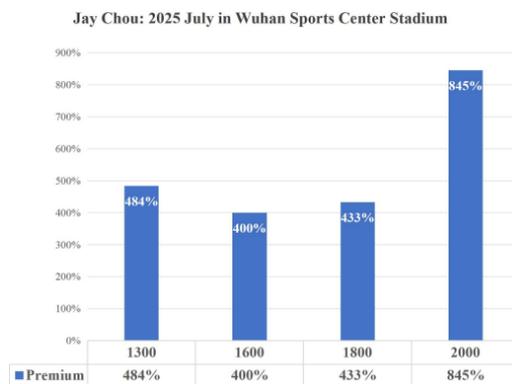


Figure 2. The concert premium of Jay Chou

The second case study (Table 2&3) selected the emerging internet celebrity Yuning Liu and the well-known mature singer Jay Chou for comparison to explore the impact of fan composition, consumption levels, and artist types on the premium rate by analyzing the ticketing performance of the two singers' concerts in the secondary market.

Firstly, the different size of the stadium is an important factor. Jay Chou's concerts are usually held in the larger stadiums, with high capacity accommodating 40,000 to 60,000 audiences, abundant ticket supply, and relatively high official ticket prices with multiple levels, which absorbs a portion of fans with high willingness to pay. The stadium of Yuning's concert is relatively small, with around 15,000 to 25,000 seats and limited ticket supply. This has led fans with a high willingness to pay to be unable to satisfy their demands in the primary market and instead turn to the secondary market to seek scalpers. This results in that the premium for the front row area at his concerts even exceeds that of Jay Chou's.

Secondly, due to the different types of artists, the composition of their fan bases and their consumption psychology also show significant disparity. The majority fans of Yuning Liu are young women aged 25 to 35, who have a strong emotional investment. Although the average income level of this group is lower than that of mature working people, the proportion of those who are "financially independent" is high, and they have strong autonomy in consumption. They are willing to pay a premium for their idol to get the experience of front-row seats, and have a strong FOMO (Fear of Missing Out) mentality. Driven by this mentality, scalpers can still find enough buyers even when they significantly increase the price of front-row tickets. Jay Chou's fan base spans all age groups with a balanced gender distribution. Particularly, the proportion of fans aged 30 to 40 and above is high. They have a strong income level and buying power, but are more rational in their consumption. Their consumption more concentrate in the concert experience itself rather than

interactive experiences. This rational consumption pattern has restricted the premium space for scalpers in the second-hand market of Jay Chou's concerts.

5. Conclusion

This study reveals multiple causes of the phenomenon of premium resale of concert tickets in Chinese mainland through two case studies. The imbalance between supply and demand and fixed pricing provides the basic conditions for premium pricing. The scalpers capture high willingness to pay through the price discrimination, while the psychology of fans, especially the composition of different age groups, genders, and buying power, provides the behavioral basis for this phenomenon.

And back to the research question “Why Regulation Fails?” There are three possible reasons: Firstly, it does not increase effective supply, due to the fundamental supply-demand contradiction remains entirely unaddressed. Secondly, it increases transaction costs, scalpers developed more complex methods to circumvent real-name rules, and adds these additional costs into the resale price. Lastly, the ineffective implementation with systemic gaps, failing to fundamentally curb scalping. The lack of official transfer channels pushed transactions into more hidden venues.

While the case study approach provides multiple reasons, we acknowledge its limitations that the focus on top-tier artists in major venues may not fully represent the dynamics of the entire live event market in China.

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