

## Analysis on Marketing Strategy of Entertainment Enterprises Based on Fan Consumer Behaviors

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### Abstract

With the rise of consumerism values, mass media entertainment-oriented and commercialization, the fan group of entertainment stars has developed rapidly. With its strong consumption power and fanatical consumption desire, it has exerted a great influence on the market, and has received much attention from the society and academic circles. This thesis analyzes the three types of consumer behaviors of fan groups according to the fanaticism degree of consumer behaviors. Meanwhile, it analyzes the motivation and causes of fan groups' consumer behaviors. In the end, it puts forward suggestions on the marketing strategies of entertainment enterprises based on the analysis of fan consumer behaviors, expecting to extend the thinking for the formulation of fans marketing strategy of entertainment enterprises.

### Keywords

Fan; consumer behaviors; marketing strategy.

### 1. Introduction

With the rapid development of China's economy, entertainment consumption has played an increasingly significant role in people's life. Under the influence of various factors such as consumerism values, mass media entertainment-orienting and commercialization, fan group develops rapidly and has a great impact on the market with its strong consumption power and fanatical consumption desire.

As a special consumer group, fans have a set of established star-chasing rules and consumption system, thus deriving a cultural circle composed only by fans, namely, "fan circle". Fans who are in the "fan circle" often show different consumer behaviors and characteristics from ordinary consumers. This thesis analyzes and discusses three types of fan consumer behaviors and the motivation of fan groups to carry out different consumption behaviors. Combined with the discussion of fan consumer behaviors, it puts forward relevant suggestions on marketing strategy for entertainment enterprises, hoping to provide ideas for the development of fan marketing strategy for entertainment enterprises.

### 2. Types of Fan Consumer Behaviors

As a group with great consumption power in the current society, the types of fan group's consumer behaviors are also varied and complex. According to the fanatical degree of fan consumption, this thesis roughly divides its consumer behaviors into following three types

#### 2.1 Basic consumer behaviors

Among the three levels of fan consumer behaviors, the basic consumer behavior, as the most common and basic existence, is the boundary dividing the real "fans" from "Bai Piao (bp)". The term "Bai Piao" has been first popular in the fan circle since 2013. Now it mostly refers to those who only have a strong feeling and express their love for the photos or works of idols through the Internet, but will not spend money on idols or participate in any activities related to idols, that is those who do not follow the trip or fight with the anti-fans, watch the concert or buy the album, vote on the list or take any action that is beneficial for idols. They just look at the idol on the screen; however, when the idol gets praise or receives honor, these fake fans might show up and self-proclaim the name of "fan".

Although “Bai Piao” also keeps constant attention to their idols, these behaviors of chasing idols with free resources are not recognized by the contemporary mainstream star-chasing groups. In their eyes, “Bai Piao” is impossible to be included in the fan circle and cannot be recognized by various fans. However, those fans who want to distinguish themselves from “Bai Piao”, but usually do not have enough economic ability or time freedom to make higher level consumer behaviors, become the main initiators of basic consumer behaviors. This also includes a small number of fans who have both sufficient economic ability and time freedom, but only in order to distinguish themselves from “Bai Piao” to gain group identity and sense of belonging. They carry out basic consumption not to excessively pursue the pleasure of consuming for idols or collecting idol-related products.

Take the Korean idol groups as examples. In general, the average number of idol groups one year returning (that is, releasing a new album and conducting promotional activities) is one or two times. The price of each album is between 100 and 200 RMB, and may require additional purchase of posters or small cards. The basic consumption for idols can be stably controlled within one thousand yuan a year, which is completely affordable for most fans. Although the cost of basic consumer behavior is not high, the number of fans who make basic consumption is far greater than that of intermediate and fanatical consumption, making the profits generated by fans’ basic consumption still constitute a large part of the income of idols and entertainment enterprises.

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## **2.2 Intermediate consumer behavior.**

Intermediate consumer behavior, as the second level of fan consumer behavior after fanatical consumer behavior, is quite different from the lowest level of basic consumer behavior. These differences are evident in the huge differences in the cost of fan group’s investment in chasing stars. In the case of more abundant economic conditions and free time, it is no longer the reason for fans to consume for idols to distinguish themselves from “Bai Piao”, and they are no longer driven by psychological need for group identity and a sense of belonging. Some fans are no longer satisfied with the single or only occasional purchase of idol-related products, but instead start to repeat the consumption of a certain work or idol-related products. They may occasionally participate in the activities of chasing the scene and trip, such as going to the airport to pick up, going to the filming studios to give gifts, going to the idol birthday support activities. The number of fans who make as many purchases of star-related products as possible and participate in the event as much as possible within the scope of their capabilities is not as large as the number of fans who conduct basic consumer behaviors, but the benefits of intermediate consumer behaviors still occupy a considerable position in the interests of entire fan groups for stars and entertainment companies.

For the fast-growing domestic and foreign entertainment industry in the current Internet era, a major factor contributing to the intermediate consumption of fans can be summarized as follows. Fans hope that their favorite idols can surpass other idols in the industry competition. In the Internet era when fans are making stars, the popularity of idols means the level of their own business value. Therefore, in order to show the popularity of their idols, fan groups will pay special attention to various online statistics [1]. These data include the number of comments and reposts on social media platforms, search popularity and participation in idol-related news, dislikes and likes ratio on idol-related topics or video, concert ticket sales, ranking scores of audio sources, idol-related products sales, sales of electronic or physical albums, etc. Among the numerous statistics used by fans to compare and compete with each other, concert ticket sales and album sales are the most controllable data that are least influenced by passers-by and antis, and these two data are often the most objective and true reflection of idol popularity. Therefore, in order to make their idols’ two data competitive in the same industry, fans, driven by the sense of victory, will organize groups to watch their idols’ concerts and buy the same album many times to make the data more considerable. These behaviors also form the generally considered intermediate consumer behaviors

### 2.3 Fanatical consumer behavior

When some fans are no longer limited to the idea of “wanting to offer competitive data for idols”, a small number of fans who are capable might start crazy spending on idols and invest a lot of time and energy in the star-chasing activities. These behaviors are classified as fanatical consumer behaviors. The main purchase targets of fanatical consumer behaviors are limited-edition and sale products, including items that are intimately contacted by idols, such as items that idols have used, worn clothes, limited-issue idol-related products, as well as some media and private collection of the idol text and commodities endorsed by them <sup>[2]</sup>. In addition to the physical objects listed above, the goals of the fanatical consumer behaviors include purchasing large amounts of albums within a specified period of time to participate in idol’s signing session, or spending a lot of money to organize events for the idol’s birthday and debut day supporting activities. It can be seen that the fanatical consumer behaviors for fans are two-way, both gains and inputs. On the one hand, it is to harvest the limited release and sales of the material objects with great value and significance in the fan groups. On the other hand, it is to transform their love for their idols into organized large-scale supporting activities. South Korean girl group MAMAMOO fans “Yong killer rabbit code 221” said: “I have purchased the limited editions of idols-related products three times in the past six months. Once is the official birthday commemorative key chain sold by their brokerage company, and the other two are bracelets and badges designed by Chinese fans and made by manufacturers that they chose. In order to purchase the official limited-edition birthday key chain, my cousin and I set four alarm clocks on the morning of the issue day, so that we could buy it the first time the shopping channels opened. Because their company sent the key chain directly from overseas to China, the shipping cost of this key chain is almost the same as its own price. But I don’t think the shipping fee is a big deal. After all, it’s an official birthday commemorative item. The most important thing is that it is limited-edition purchase. I’ve also seen a lot of requests for this key chain recently, and some people were even paying several times the price, nearly 500 RMB, to ask for purchase of a second-hand key chain. It was crazy.”

As with many other limited-edition items, prices for idol-related limited-edition items tend to be much higher than those similar but non-limited-edition items. Raising the price of such products, dealers do not worry about slow sales and other problems. Because of the star’s own advertising effects and fan effects, idol-related products have gained different attention and attraction from ordinary limited-edition products. Fans’ fanatical consumer behaviors are also more and more intense, making some entertainment companies and dealers repeatedly try the marketing method of idol-related limited-edition items and raising the price. In addition, the circulation of star’s personal items among fans is mainly based on private negotiations or auctions among fans. In the market of star private goods auction, buyers and sellers are usually fans, and few other businesses or companies participate in the operation to make profits. As the auction price is almost completely controlled by fans, the price of the auction transaction often does not have a strict limit. This feature also encourages some fans’ fanatical consumer behavior. Buying a private item once used by a star for tens of times the cost is a common news.

The fan “Sun and Moon’s Treasure” said: “My favorite idol once tore his own white vest at the concert and threw it under the stage. At that time, it caused chaos and fans were robbing for it. After the concert, someone posted photos of himself grabbing the white vest. Even though it looked like a shabby rag, there were people who wanted to purchase it at a high price. The estimated cost was only a few hundred yuan for a vest. I saw a friend who wanted to buy it for more than 2,000 yuan.”

### 3. Fans’ Consumption Motivation Analysis

There are differences in the extent to which fans adore idols, and there are differences in the purchase of idol-related products. In the emerging economic mode, the consumer psychology of fans as producers, consumers and promoters deserves further discussion <sup>[3]</sup>. The following list analyzes two common psychology of fan groups in the consumption process.

### 3.1 Identity and conformity psychology

The idea of “distinguishing oneself from ‘Bai Piao’” mentioned in the previous elaboration on the basic consumer behavior of fans is exactly the reflection of the internal identity of fan groups and the conformity psychology of fans. As a subculture group in mass culture, fan groups are not only in consumer culture, cultural life, but also in social life<sup>[2]</sup>. The fan circle where fans are in is actually a community with its own unique forms of expression. Fans are not only gathered together because of a point, needs and hobbies, but also have a stable group structure and a rather consistent group consciousness within the group. Members have consistent behavioral habits and continuous interactions. Members are divided and coordinated to work together, with united action. It can be said that being in the fan circle is like being in a big society with perfect rules and distinct hierarchies. The status hierarchy and status existing in the real society only exist in a different form in the fan circle. “Bai Piao” is the object that all fans hate, and it is the source of class discrimination within the group. Since everyone hates and repels “Bai Piao” that does not spend money for idol, no matter how they also want to pay some money or do something for their idol, they can’t let everyone put themselves aside as “Bai Piao”. Fans with such ideas are becoming more and more popular as the culture of the fan circle continues to expand. They are unconsciously influenced by thoughts and behaviors of people in this community, and they begin to consume for idols. Hoping that in this way, they will be accepted by the fan circle and recognized by others. Consumption has become the main clue for fans to communicate and establish relationships, and it has become the basis for people in the community to identify and distinguish each other.

### 3.2 Personality difference and performance psychology

Jean Baudrillard wrote in *Consumer Society*: “People never consume the products themselves. They always use things as symbols to highlight themselves.” As is described by Baudrillard, another huge factor that drives fans to keep spending, and gradually push their behavior to a higher level, is fans’ desires for personality difference and performance psychology that make them more distinctive. Just as in the real society, people often want to be different, unique, recognized by more people, respected by more people, pursue higher hierarchy and social status. In the community of fan circle, fans also have the same desire, hoping that they can become “big fan”, even “station brother” or “station sister”. As the name implies, “big fans” are fans with a certain reputation and greater influence in the fan circle. They often have front-line information and resources, and can largely influence other followed fans around them by their words and behaviors. Besides, “big fans” usually keep in touch with each other. Multiple big fans can combine to make a certain decision or express a certain standpoint at the same time, and even influence the trend and development of the whole fan group of their idols. The huge influence and special invisible power attract ordinary fans, and the main and most direct way to become a “big fan” is to make more consumption for idols. This kind of consumption can be a large number of buying album and voting on the list, a large number of purchasing limited-issue idol-related products, and a number of times coming to concerts, signing session or studio to get first-hand video or photo resources... Regardless of the form of consumption, the focus is on “massive”, “repetitive” and “multiple”. Only through this kind of crazy consumption or input that surpasses others can they have more exclusive resources and channels. By publicizing these latest exclusive resources via their social accounts, they can attract the attention of ordinary fans and gradually gain more attention. “Station brother” and “station sister” are the titles for the head of the fan station. They are behind the scene, controlling and managing the activities of the whole fan station, which has the most direct influence on the fan group. Some of them even can directly negotiate and cooperate with the brokerage company of their idols, which is the highest level of fan circle. The highest level of fan status also corresponds to the most input. “Station brothers” and “station sisters” often attend the most times of their idols’ concerts, signing sessions or film studios, and get the most exclusive resources. Some “station brothers” and “station sisters” with superior family conditions even give up their original jobs in order to operate fan stations. The top status of fan circle encourages them to the fanatical consumption route step by step.

## 4. Suggestions on Marketing Strategies of Entertainment Enterprises

The strong consumption power of the fan groups has created enormous economic effects. Only by constantly improving their own operating mode and summarizing the marketing strategies most suitable for the fan groups in contemporary society can entertainment enterprises maximize their profits.

### 4.1 Developing more star derivatives and improving fan industrial chain

Fans are keen on all products related to idols, including any products with idol's logos, the same items of stars, signed products, etc. These idol-related products with high sales volume and high profits occupy the concert, meeting and other sites as well as various e-commerce platforms [4]. However, as far as the current market situation is concerned, many idol-related products are designed by fans themselves and manufactured by manufacturers that they find, and finally sold by designers within the fans group who obtain personal profits. These idol-related products designed by fans themselves are often more diverse, covering not only the categories that are commonly sold by the official, but also some new products that are selected by fans to suit the public's taste, such as the transparent fan printed with idol's image or supporting slogan, the same type of tattoo stickers made according to the tattoo on the idol, the garage kits made with the idol prototype, etc. These fans' self-marketing idol-related products best match the needs of fan groups. In contrast, the existing marketing mode of entertainment enterprises is too singular. On this basis, there are even problems such as poor product quality, single category, and high price, etc., which makes it difficult to dominate the market. Enterprises must break this original single marketing mode. They should thoroughly study the industry chain of fans' self-marketing idol-related products, and adopt multiple horizontal marketing, integrating clothing, stationery, books and periodicals, accessories, animation, audio and video products, collections, toys, etc., and adopt differentiated product supply strategy. They should develop creative products that are both novel and can meet the actual needs of fans, which can gradually involve film and television, singing, sports, culture and other fields [4]. At the same time, enterprises can also collect relevant opinions from fans about idol-related products, such as releasing questionnaires or voting links on official media platforms to fully incorporate the needs of fans into the planning scope, so as to meet the needs of fans of different identities and ages.

### 4.2 Developing fan culture and establishing official fan club

The official fan club is what fans call fan cafe. Fan cafe is run by the official brokerage company, which includes official announcement, official schedule, idol message, fan message area and so on. For the company, the establishment of fan cafe can not only strengthen the cohesion among fans and the control of the consumer objects, but also help the brokerage company to select fan bases with the most loyalty, enthusiasm and consumption power. This way of screening and assembling the fans with most consumption power can save a lot of energy for the company to find the target consumers, while joining the fan cafe is not only a unique identity certification for fans. They can satisfy their psychology of personality differences, which at the same time enables them to obtain many other conveniences, advantages and privileges. For instance, in the case of an idol group fan cafe in Korea, fans are allowed to become members of the fan club by paying a certain membership fee (generally about 20,000 won). After a period of time, the fan cafe will mail the membership card to the fans who join the fan cafe. With this membership, these fans can book concert tickets in advance of other fans, or enter the fan meeting and signing session in advance. In addition, the fans who join the fan cafe have the opportunity to interact with the idol in the online chat room. The image resources released by the fan cafe are only allowed to be seen by the fans who join it. They cannot be reproduced on other platforms and shared with fans who are not members of fan cafe. These privileges can further strengthen the loyalty of these fans to idols. After the expiration of the one-year term of membership, they are likely to renew their fan cafe membership. Enterprises can also take the opportunity to improve their reputation. Idol-related products issued in fan club also have higher sales guarantees.

### 4.3 Using the Internet and big data for precision marketing

With the development of network technology, people's lives have gradually transferred to the Internet and mobile Internet. In the Internet, the information (such as goods, information, etc.) that people face and get grows exponentially. In the context of vast amounts of information, big data collects and counts each individual's personal information. In this era, large-scale customized content is gradually becoming the mainstream<sup>[5]</sup>. Enterprises must make full use of technologies such as the Internet and big data for accurate marketing to ensure lasting competitiveness in the ever-changing fan market. By counting the highest frequency keywords that fan groups use to search for by search engines, and by recording and analyzing users' recent search history, it can effectively help enterprises to rapidly grasp the exact preferences and needs of fan groups. Therefore, relevant content can be presented to target fans more precisely in marketing products or advertisements. Enterprises can also use the vast amount of fan personal information in big data, such as gender, age, income level, geographic location and lifestyle, to customize personalized banner advertising projects. They can launch product advertisements or star advertisements on some high-traffic network platforms (such as Weibo, Quora, Douban, Baidu, WeChat, etc.) to increase the click-through rate of advertisements, so that the advertisements can more accurately cover the most realistic target audience. This step of accurately positioning the audience provides a strong guarantee for the company to further open the fan market and achieve the three steps of "attracting fans", "gaining fans" and "strengthening fans". Meanwhile, various Internet platforms also provide enterprises with the following four advantages that are conducive to the operation of fans: (1) It is convenient for enterprises to gather fans and spread information. (2) Spread benefits through multiple channels to stimulate fans' consumer behavior. (3) Provide enterprises with a platform that dynamically monitors fans tendencies, so as to facilitate public opinion maintenance. (4) Allow the official to update the information in real time and create exclusive customer service.

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