

Research on the development of live streaming industry in China

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Abstract. Live streaming industry has developed rapidly and become a new type of Internet culture industry with the rapid development of Internet technology in the past two years in China. However, there are also many problems behind the prosperous development of live streaming industry, such as profit model and standard management. It is necessary to make joint efforts to promote the healthy and orderly development of China's live streaming industry from the aspects of government supervision, industry self-discipline and platform construction.

1. Introduction

A large number of live streaming platforms presented “blowout” development in China in 2016. As of December 2017, the scale of China's live streaming users reached 422 million, and the market scale of mobile live streaming industry broke through the milestone of 10 billion RMB. More and more investors have seen the huge potential of the live streaming industry, and they have entered the industry one after another. As a result, live streaming platforms have blossomed everywhere. The live streaming industry has grown into a huge emerging market. But at the same time, many problems have been exposed in operation and development as the industry of live streaming is just emerging, and the quality of the platform varies. Therefore, it is of great theoretical significance and practical value to conduct in-depth research on the live streaming industry, regulate and promote the healthy, normative and benign development of the industry in China.

2. Development status of live streaming industry in China

2.1 The live streaming industry has developed rapidly

The overall revenue of China's live streaming market reached 30.45 billion RMB in 2017, up 39 percent from 21.85 billion RMB in 2016. Live streaming, which is an important part of the network culture market, has become the representative of network culture content supply, technology innovation and business model innovation. In terms of user scale, the number of people covered by the live show, game and pan-entertainment broadcast platforms continued to expand, and the number of users is 312 million, 247 million and 360 million respectively by the end of December 2017, an increase of 0.32 million, 0.27 million and 0.4 million respectively from last year. The industrial chain of live streaming is improving day by day, the division of labor is clear, and the operating efficiency of the industry is improved.

2.2 The form of “live+” is enriched

The linkage between the live streaming industry and other industries is increasingly close, and the mode of “live+” is gradually taking shape. The “live+” includes a variety of forms, such as e-commerce live streaming, intangible heritage live streaming, traditional culture live streaming, public event live streaming and government affairs live streaming, etc. The content provided by the live streaming platform is similar to the network culture forms such as online games, network music, network literature, network video, etc., which has been widely used by users and become an important form of cultural entertainment consumption of netizens.

2.3 Industry survival competition is intense

China's live streaming industry entered a deep adjustment period in 2017 after the financing war and the “thousand broadcast war” in 2016. Some platforms were either eliminated or attempted to transform with the stricter regulation and faster capitalization. More than 200 companies had launched or engaged in online live performances in China. By the end of 2017, nearly 100 fewer than in 2016. Many live streaming platforms have developed a differentiated layout in order to avoid being eliminated by the market.

2.4 Capital investment continued to increase

China's live streaming industry has entered a period of integration after the brutal growth in 2016. The number of M&A events of live streaming platforms increased, and the new investment in the industry continued to increase in 2017, such as DouYu TV completes 1 billion RMB D round of financing; Huya received \$75 million A round of financing; Kuaishou received \$350 million investment from Tencent and so on. The further increase of capital investment represents that capital's confidence in China's live streaming industry and the industry competition has entered a new stage.

2.5 The standard management of the industry has been improved, and the intensity of supervision has been further strengthened

The cyberspace administration of China, the ministry of culture and tourism of the people's republic of China and other departments have been continuously improving their supervision over the live streaming industry, constantly putting forward regulatory policies and regulations to strengthen the supervision and punishment of the live streaming content. The national self-discipline alliance of live streaming industry was established in July 2017, and a number of well-known live streaming platforms joined to jointly regulate the self-discipline behaviors of live streaming platforms, realize self-regulation and self-governance of the alliance, and promote the healthy development of the live streaming industry.

3. Major problems in the development of China's live streaming industry

3.1 Vicious competition, homogenization of operation mode, unitary revenue model

Although China has as many as 200 live streaming platforms, a market of 9 billion and more than 200 million users, the types and contents of live streaming are very similar. Excellent streamers have become important assets of the live streaming platform as the ability of “attracting fans” of the platform is far lower than streamers. Competition between platforms has become increasingly fierce and even some malicious competition has emerged. The commercialization model of many big platforms is essentially indistinguishable. The business operation mode of live streaming is similar and lack of innovation. Throughout the major domestic live streaming platforms, they are dominated by game e-sports and female streamers. Face score and novelty content become the theme elements of the show. Virtual gift giving is the main profit model, which has not formed a refined and personalized platform development strategy. Even though the live streaming industry seems to be gaining momentum now, the live streaming platform is still in the stage of exploration and spending money so far, and has not really made a profit.

3.2 Platform violations are frequent

The technology is updated rapidly in the Internet era, and the national supervision of the network market is technically difficult. It lead to the anti-moral and illegal live streaming behaviors of streamers on many live streaming platforms that some streamers break the industry bottom line, and the content of live streaming is excessively entertaining and vulgar. In order to attract fans for quick economic benefits due to the fact that live streaming platforms are open to the whole people, the threshold for streamers is relatively low, and the level of streamers varies. At the same time,

network broadcast platforms do not intervene in the illegal behaviors of relevant streamers in order to improve their popularity and page view. The violations of live streaming industry are increasingly serious under this mode of mutual profit pursuing.

3.3 Difficulty in supervision

China already has a relatively complete and perfect regulation system of Internet communication content. However, new problems emerge one after another due to the rapid development of the Internet. China's Internet regulation cannot keep up with the development speed of the Internet. Due to the different regulatory authority and content of national regulatory departments, it is impossible to generate useful regulatory synergy for the mixed situations in live streaming during the management process, which leads to some defects and deficiencies in supervision.

4. Countermeasures and Suggestions to promote the benign development of China's live streaming industry

4.1 Standard management and positive innovation of live streaming platform

4.1.1 The live streaming platform should strengthen its standard management

Live streaming platforms should abide by the industry self-discipline convention, carry out real-name authentication for all streamers, establish a blacklist system for streamers, strengthen the training and guidance for streamers, improve the cultural quality and legal awareness of streamers, implement the main responsibility of enterprises, strengthen the emphasis on live streaming content, and crack down on all kinds of illegal behaviors. Platforms should jointly release self-regulatory agreements and community civilization conventions to clarify their role in guiding live content. The industry standards should be followed to regulate the development of the industry under the content security control.

4.1.2 The live streaming platform should pay attention to content innovation and differentiated competition

The core competitiveness of live streaming is content. Live streaming platforms must start from the content of programs and provide users with high-quality and rich content in order to win more users. This requires the live streaming platform to carry out refined and personalized classification of users and produce high-quality and original content according to users' demands, which not only ensures the profound connotation of the program, but also makes the audience happy. This is the trump card to increase audience stickiness and win over more viewers.

4.1.3 The live streaming platform should explore new profit models

The platform mainly uses "reward" to gain profits at present, which is the most typical fan economy and attention economy. In fact, this is already a backward economic model. In the future, the economic form of the Internet will be the economy of will, and the market players are neither streamers nor websites, but users. Through the live streaming of user needs and special habits, it will become an important path to connect users in the future. In the future, the economic model will continue to deepen the free Internet model, and the platform will make profits by relying on big data and accurate advertising instead of extracting profits from "rewards". While deepening the business of live broadcasting, the company will continue to expand diversified pan-entertainment businesses such as games, finance and short video, and successfully realize the "de-live". A diversified businesses model can be established.

4.2 Establish government - industry - enterprise - social supervision chain

In addition to establishing and improving relevant laws and regulations, it is more important to establish the industry self-discipline and enterprise self-discipline mechanism, formulate reward and punishment measures, and motivate and restrain platform operation behavior. In addition, social supervision mechanism is also needed to establish and improve the relevant complaint reporting mechanism. In this way, a government-industry-enterprise-social supervision chain is formed to

supervise and guide the healthy development of the live streaming industry in China.

4.3 All government regulatory departments should establish a coordination mechanism to strengthen supervision

The scope of rights and responsibilities of each supervision department should be clarified, and an excellent cooperation system should be established between each department to create a wide range and a clear hierarchy of efficient live streaming management system in order to make the supervision departments cooperate with each other and form a joint force. Government regulatory departments should break through the limitations of technical conditions as soon as possible, learn advanced practical experience of western developed countries, strengthen the guidance mechanism, improve the supervision level, and improve the market access, investigation, punishment, exit mechanism and network cluster public opinion monitoring and response mechanism. They can try to learn from some developed countries' regulation mode of Internet "graded and filtered", which control from the port by classifying streamers and platforms according to the credit status.

5. Summary

At present, due to the stagnation of relevant regulatory policies and the simplification of the revenue model, the live streaming industry has been frequently engaged in violations and illegal behaviors, which have caused many adverse effects on the network environment and even the social environment, and its own development has also fallen into some strange images that are hard to get rid of. The live streaming industry will be able to overcome various difficulties on the way forward and create a stable development road of its own under the cooperation of government regulatory departments, industries, platforms and society in the future in order to guide the live streaming industry into the right development direction and improve the current chaotic situation.

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