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MARKETING K-POP AND J-POP IN THE 21ST CENTURY

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Music is an important part of daily life and, as a result, an integral part of culture. The way in which individuals are exposed to different genres and types of music helps illustrate the extent to which globalization has had an impact on the world. Before the invention of the internet, music was only available for purchase to consumers who went to record stores and physically purchased goods.

Now, countless unique songs and genres are readily available with just a single search. Due to how easily consumers can access new music, digital distribution has completely overtaken the profit from selling physical copies of albums. In 2006, record labels still made \$9.4 billion from CD sales in the United States, despite the fact that digital distribution entities, such as Napster and iTunes, provided digital copies of the same songs. Yet, only a decade later, CD sales reaped a mere \$1.5 billion—a drop of 84 percent (Sisario and Russel 2016). This significant change has pushed companies within the industry to adjust their marketing strategies to fit within this new model of consumption.

Since the proliferation of the internet, music industries across the world have felt its immense impact on the purchasing of music. While some record companies, similar to the United States' struggling industry, have been slow or even unwilling to adapt their marketing strategies, others have eagerly shifted their business strategies. Take Japan and South Korea, for instance. Even though the majority of Japanese cultural products, such as *manga* and *anime*, have experienced an impressive amount of global success, the Japanese music industry has made little effort to extend that success to their sector. The South Korean popular music industry, on the other hand, has actively promoted the globalization of their music, mostly through the use of social networking sites (SNS).

So, what explains this variance in marketing strategies within the Japanese and Korean popular music industry? Why has Japan not capitalized on the global success experienced by their other cultural exports? Why has South Korea put so much focus on globalizing their music industry? By analyzing and comparing the difference between the business strategies, we are able to not only better understand the impact globalization has had on music industries in general, but also how the distribution of music as a cultural export illustrates the priority these industries' place on soft power.

Korean popular music, or more commonly known as “K-pop,” has, without a doubt, become a global force. While some scholars were quick to judge the Korean Wave (or *Hallyu* as it is called in Korean) as a fad, the unprecedented success and worldwide popularity of Psy’s “Gangnam Style” in 2012 sparked further interest in the growth of the Korean music industry and it became increasingly clear that this phenomenon was more than just a passing trend. Many works focus on understanding the origins of the Korean Wave and exploring the hybridization of the genre. Some authors argue that K-pop is simply a repackaged version of either Japanese popular music (J-pop for short) or American styles and has failed to find its own significant “Koreanness” (Nam 2013; Jin and Ryoo 2014; Jin 2016). Others see K-pop as a separate entity that has successfully differentiated itself from other genres through its marketing techniques and training programs (Oh and Lee 2013; Park 2013; Howard 2014).

Even though just a few decades ago J-pop experienced much of the same popularity we now see within the Korean popular music industry (Ng 2002; Iwabuchi 2006), it is interesting to note that not much has been recently written on the Japanese music industry. While there have been articles analyzing the sales and shift in the turnover rates of J-pop (Asai 2008; Asai 2008a;

Asai 2009), there has been little discussion of the significance and the reasons behind this shift in the domination of the entertainment industry within the region.

By comparing the Japanese popular music market and its Korean counterpart, I hope to highlight how the impact of the internet, and the subsequent globalization of the music market, has had a significant influence on the countries' soft power on both the East Asian region and the world stage. Both Japanese and Korean cultural commodities have experienced an immense amount of popularity both inside and outside of their regional area, making these two nations intriguing points of analysis. Korea especially took the world by surprise since, prior to the 1990's, transnational popular culture in Asia had usually been associated with the United States, Japan, and Hong Kong (Joo 2011) and the nation has now become the first among non-Western countries to "meaningfully export almost all of its cultural forms... to both Western and non-Western countries" (Jin 2016, viii).

Since it would be impossible within the scope of this paper to explore the significance of all of the cultural exports of these two countries, I have decided to focus on the music industry for two main reasons. First of all, during the 1990's, the proliferation of J-pop across the East Asian region is often cited as one of the main factors of the "Japanization" of the region. This provided a roadmap for other East Asian countries to follow a similar route. Following in Japan's footsteps, K-pop has become the most significant component of the Korean Wave—in 2014 Korea exported more than 275 million dollars-worth of Korean popular music which is a massive increase when compared to the 31.2 million dollars only five years earlier (Jin 2016, 119).

Secondly, the music industry has one of the most overt connections to the Internet with the use of digital downloads of singles, overall digitization of the production process, and, more importantly, the integration of YouTube and other streaming sites in the consumption patterns.

By analyzing the ways in which the major record companies' marketing strategies in both Japan and Korea have adapted to the introduction and proliferation of the internet, we can attempt to better understand the value these cultural industries, and by extension the nation itself, place on soft power.

In order to provide necessary background information, this paper will first give a brief history of the Japanese and Korean popular music industries and go into detail about the distinct features of both industries. After having a basic understanding of the elements of these two industries, this paper will then explore three main reasons as to why these two countries' major record companies had such differing responses to the proliferation of the internet and the globalization of their music: the need to expand to an audience beyond the domestic market, a concern for copyright violations and piracy, and the desire to achieve global influence and soft power through the export of cultural goods. I will then use a case study analyzing two of Japan and South Korea's largest recording companies', Sony Music Entertainment Japan and SM Entertainment respectively, use of YouTube to illustrate these findings within the current global market.

History of J-Pop and K-Pop

Although the history of both Japanese and Korean popular music has deep and varied historical roots, for the purposes of this paper I will be mainly focusing on the industries from the 1990's on. There are several reasons for this. Not only did the terms "J-pop" and "K-pop" originate during this time period, this decade also saw the integration of two of the industries' most lucrative marketing strategies, the "idol system" and the "tie-up system" (which will be discussed in further detail later). With the proliferation of new technological advancements,

televisions, the Internet, etc., this decade presented an entirely new set of challenges, and opportunities, for the two industries. Furthermore, both countries witnessed unprecedented success within their cultural production in the 1990's with Japan becoming the second largest music industry in the world (second only to the United States) and South Korea's rapid economic growth, that began in the mid 1980's, which provided a solid framework for the country to start investing more in its cultural production, with a focus on the music industry (Lee 2013, 28).

The growing popularity of televisions in Japan in the late 1950's, and the subsequent American drama serials that often illustrated the benefits of an American middle-class quality of life, had a great influence on Japanese society. Especially with the promotion of "the three treasures" which were, in the 1950's, the "three S's," *senpūki*, *sentakuki*, and *suihanki* (the electric fan, the washing machine, and the electric rice cooker), and the "three C's" of the 1960's, car, cooler (air conditioner), and color television, society began to place more emphasis on consumer culture than ever before. This focus on consumerism provided a solid foundation for the music industry's growth (Iwabuchi 2002, 103).

"J-pop" was first defined in 1990 by the Japanese subsidiary of Tower Records as "all Japanese music belonging to the Recording Industry Association of Japan except Japanese independent music" (Excite News 2008). Now that several other sub-genres have been coined that clearly distinguish other forms of Japanese music (such as J-rock, J-hip-hop etc.), "J-pop" no longer simply denotes all of the popular music within Japan. Instead, the term J-pop signifies a specific kind of music with distinct origins and methods of production.

The early 90's popular music market was dominated by the "Being System" which incorporated some of the best-selling music acts in Japanese history. These bands were more rock focused than the J-pop groups we recognize today—focusing mostly on harder or folk rock

elements. In contrast, the music of the later part of the decade was characterized by electronic dance music which more closely resembles the Japanese popular music we are familiar with now. Tetsuya Komuro's "Komuro family," which included techno and dance acts including Globe and Namie Amuro, experienced an immense amount of success and is often considered one of the fundamental actors in the growth of the Japanese popular music industry.

As Japan's industry continued to grow, South Korea's rapid economic growth fueled the development of its own cultural industries. The music industry experienced substantial growth alongside the country's overall economic growth. Between 1987 and 1997, while the country's overall GNP tripled, the Korean record industry increased nearly sevenfold in a decade (Lee 2008, 32). Also, due to the increase in the average level of household income, teenagers emerged as the main consumers of popular music. This shift in focus inspired the creation of a new genre of music: "New Generation Dance Music."

While the 1980s' music scene was dominated by *trot*¹ and pop ballads, the next decade saw the impressive popularity of dance music—"among fourteen no. 1 songs of the *Gayo Top 10* in 1995, eleven were dance music, while only two songs were pop ballads" (Lee 2008, 48). This popularity did not last after several plagiarism cases came to light, most of which accused Korean singers and bands of plagiarizing Japanese artists, and, in response, "New Generation Dance Music" suffered a steady decline in popularity during the late 1990's (Lee 2008, 75). However, this decline provided ample room for the growth and creation of "K-pop" as we know it today.

It is interesting to note that even though "K-pop" was first defined in the late 1990's (after Channel [v] International named one of its television programs: "K-Pop-Station"), the term

¹ Trot, or 트로트 (*teuroteu*), is often cited as the oldest form of Korean popular music and laid the foundation for the musical elements employed in K-pop as we know it today (Lie 2014).

was not widely used until the late 2000's after the genre began to gain more success and attention outside of the domestic audience (Lee 2008, 81). In fact, the term even garnered some unpleasant responses domestically due to its inherent reminder of its Japanese counterpart (J-pop) and, therefore, a constant reminder of the historical tensions between the two countries (Shin 2011 quoted in Lee 2008). Also, the naming of the genre seemed to present further challenges for the companies and industry as they attempted to further distinguish themselves from the Japanese industry. However, despite the initial displeasure, the term became widely accepted and now signifies one of the most striking musical movements on the international stage.

The Idol System

The production of idols is an integral part of both the Japanese and Korean music industries. In contrast to the American perception of "idols," which often conjure up images of celebrity actors, musicians, and sports figures, within this context, the term takes on a different meaning (Lee 2013, 91). Idols, as they can be understood within these industries, are artists, usually between the ages of fourteen and twenty-four, who are signed under an umbrella record company (and later entertainment houses) where they are trained to be more than just singers. While many of these performers are well-versed in their musical ways, more focus is placed on their connection to their fandoms and their physical appearance and persona as designated by the management companies, rather than their musical talents.

So, how did this system originate? Televised star-search auditions (namely *Sutā Tanjō* and *Asia Bogus*), which aired in the 1970's and 1980's, started the development of the idol system in Japan (Iwabuchi 2002, 100). Their unprecedented success then led to the creation of

the “First Idol Boom”—a period in Japanese music history that established the idea of “visual kei,” which focused less on the quality and sound of the music, but more on the appearance and theatrics of its band members which would ultimately become a key characteristic within the idol system (this will be discussed in detail later in this section). It wasn’t until Johnny’s *Jimusho* (a.k.a. “Johnny’s Boys”), which promoted many of Japan’s top groups of the 1990’s, such as SMAP, creation that the idol system was officially implemented as a serious business model—a model that would drastically alter the face of the East Asian music industry (Chen 2016, 36).

Encouraged by the initial success of the idol system within the domestic market, Japanese entertainment companies began to set their sights beyond the archipelago. By hosting auditions and talent-seeking competitions across East Asia, the Japanese music industry began to spread its influence and profit from the growing economic success of their neighboring East Asian countries. However, the Idol Boom did not last long—by 1997 the majority of the large entertainment companies in the Japanese music industry had already withdrawn back to their own domestic market (Iwabuchi 2002, 107). Even though the industry had practically given up on pursuing a lucrative business beyond their borders, the Japanese music industry’s influence was not forgotten—their business model had a lasting impact on the region, especially for their South Korean counterparts.

The South Korean popular music industry began to implement its own idol system, modeled after Johnny’s system, between 1996 and 1998 with the introduction of several boy bands (H.O.T., N.R.G., Sechs Kies, and G.O.D.) and girl bands (S.E.S., Fin.K.L., and Baby Vox) (Lee 2013, 79). These groups are often considered the first-generation K-pop idols and are seen as the foundation for the Korean Wave within the music sector. Although the Korean music industry adapted and added some distinct characteristics that differentiated the Korean idol

system from the Japanese one, there are still some underlying similarities that are integral to both models.

The audition television programs, *Sutā Tanjō* and *Asia Bogus*, not only spread the influence of Japanese idols across the East Asian region, but also encouraged active participation from the fans—an aspect that would eventually become a key component of the idol system. The selected winners of the competitions were guaranteed a contract with some of the leading record companies of the time, including, for example, Pony Canyon (Iwabuchi 2002, 101). By providing young people the ability to not only enjoy the performances, but to also possibly achieve their dreams of becoming the very idols they look up to, Japanese entertainment companies were able to develop one of the core characteristics of an idol: their relationship, and perceived closeness, to their fans.

In contrast to the traditional American Hollywood star system, the idol system emphasizes the idea that “anyone can be a star” and relies on the notion of blurring the lines between the idol and the fan (Iwabuchi 2008; Otmazgin 2013). With the audition shows, as mentioned above, the idol-system perpetuates the idea that, with enough talent and hard work, anyone can achieve the success and stardom that the idols have achieved. By taking an active part in the process, these fans often feel a special affinity for the idols as they, in some sense, helped them become who they are now.

This relationship has persisted, and developed even further, in the modern Japanese music industry. Take the girl band AKB48, for instance. Created by Akimoto Yasushi in 2005, approximately sixty (the band now has more than 130 members) “average” looking girls were selected to become idols (Otmazgin 2013). Starting in 2009, fans are now able to take part in “general elections” to select who will be the centerpiece idol for the next single. Fans are

encouraged to vote, and therefore support their favorite idol, by buying the “election single,” through the band’s mobile apps and through fan club subscriptions. In 2015, the election had a total count of 3.2 million votes, with some fans reportedly buying hundreds of albums to support their favorite idol (Yoneda 2015).

The same can be said for the popular Korean music industry. One of JYP Entertainment’s most popular bands, TWICE, was formed through a reality TV program called “SIXTEEN,” which featured sixteen trainees all vying for a spot in the new nine-member group. They were being judged on not only their singing and dancing abilities, but also on their charisma, personality, and their ability to garner fan-votes from the audience. Fans could vote after each episode to keep or demote members. This audience interaction even went so far as to actually securing one of the idol’s positions in the group—Tzuyu was added into the brand solely based on the audience’s demands (the rest of the members were selected through the A&R Team of JYP Entertainment or Park Jin-young, the CEO of JYP Entertainment, himself). Not only does this encourage the fandom’s loyalty, but it also affirms the idea of active participation and, in a sense, ownership since it was due to their actions and votes that the group was created.

Fans even created some of the foundational aspects of the idol system in Korea. As Choi and Maliangkay write, “during the late 1990’s, for example, fans of certain groups would identify themselves by holding colored balloons: white for H.O.T., yellow for Sechs Kies, orange for Shinhwa, and sky blue G.O.D. Later, K-pop management companies adopted the idea of fan color and began assigning bands to certain colors. The color scheme in K-pop is ubiquitously practiced today as a symbol of connection and bilateral influence between the industry and the fans” (2015, 10). Not only is the fandom encouraged to support their favorite idols by purchasing

their albums and songs, fans of K-pop groups also helped create one of the significant parts of being a fan of K-pop today—color as a symbol of loyalty and support for particular groups.

Another one of the other core characteristics of the idol system is the marketing of the physical appearance of the idols. As previously mentioned, this concept originated during the “First Idol Boom” with the popularity of “visual kei.” Idols no longer had to be outstanding musical acts, but rather had to market a consistent and particular visual appeal to the audience. Within the Japanese market, this is illustrated with the concept of *kawaii* which can vaguely be defined as “the primal innocence of childhood, epitomized by playful designs in ‘ice cream cherry-blossom pink and tea green colors’” (Faiola 2003). As Otmazgin argues, the commodification of *kawaii* permeated the appearance and actions of female pop idols in the 1980’s, as well as nearly every other aspect of Japanese culture, and continues to persist today (Otmazgin 2013). Idols are often dressed, by their entertainment companies, in *kawaii* fashion—sporting bows, lace, and overall youthful attire in order to accurately portray the *kawaii* image that the audience desires. The way in which the idols are dressed, and even the way in which they act, is a clearly marketable, and lucrative, aspect of the idol system.

This trend can be seen in the Korean industry as well. When SM Entertainment’s Girls’ Generation (or SNSD) debuted in 2009 with their single, *Gee*, the company portrayed the nine-member band as a youthful and *kawaii* group. Styling them in school uniforms and bright fashion, the song captured the innocence of first love. The 2010 single “Run Devil Run,” in contrast, portrayed a completely different persona of the band. Wearing tight black and more suggestive clothing, SM Entertainment actively decided to promote the band with a more mature image. “In this way, SM tightly managed Girls’ Generation’s image as the band grew up with its target audiences” (Chen 2016, 35). By enacting complete control over the idols appearance, these

entertainment companies are able to market more than the songs and albums produced by the band—they are able to sell the idols themselves.

The control over appearance goes beyond the fashion these stars are styled in—the initial physical attributes of the idols are judged and, if needed, changed as well. In the beginning stages of the idol system, in accordance with the “anyone can be a star concept,” average looking trainees were desired. The companies did not want anyone to be too strikingly beautiful since they wanted to emphasize the perceived closeness between the fan-base and the idol (Otmazgin 2013). However, as beauty standards and plastic surgery practices began to change over time, the desired image also changed. This shift is best illustrated in the Korean popular music industry. As the CEO of JYP Entertainment stated, “stars are not born, they are made” (Kang 2015, 59). He went on to say that the height of the idol is really the only aspect that cannot be altered and stated that the company sometimes requests that young trainees undergo a medical examination to determine how tall they will likely grow. Even if the height does not fit the company’s expectations, idols have been known to wear insoles during performances to make the group seem more uniform in height. This emphasis on controlling the appearances of the idols adds to the sense of deindividualization that, as Kang argues in his article, has become a defining characteristic of the industry.

Each group is hand-picked to appeal to a wide variety of audiences. Each member must maintain a certain role, as determined by the entertainment company. “An image is determined first, and then members are selected accordingly, not vice versa” (Choi 2015, 57). The agencies, with a certain type of group in mind, go through their multitude of trainees to select the idols they think will best emulate the roles and characteristics they have in mind. Every member is supposed to have a unique personality, allowing the band to attract a variety of different fans but

not unique enough for them to take away from the overall group (Kang 2016, 57). These idols are indeed replaceable—for instance, when the successful band Girl’s Day lost two of its original four members within the same year, the talent agency filled the openings within four days of the announcement. The members of each group are, in a sense, valued individually but are more so valued as a whole.

Adding to this sense of deindividualization is the steady increase in idol group size. While the first generation of bands usually consisted of three, four, five members, more recently groups have been debuting with as many as seventeen (SM Entertainment’s SEVENTEEN has, as the name would suggest, a staggering seventeen members). Japan’s AKB48 is a prime example of this—they now have 130 members. In between recording pop albums and singles, these idols attend a multitude of publicity events including fan signings, commercials, café openings etc (Otmazgin 2013). By having so many members at their disposal, AK (AKB48’s managing company) is able to make the most out of the group while still maintaining the authenticity attached to the name.

The control over the idols goes beyond the stage. Idols are expected to keep up the persona assigned to them by their entertainment company, both on and off stage. The talent agencies wield a considerable amount of power and control over the idols. “In social life, recruits were contractually bound in strict morality clauses that prohibited drinking, association with the opposite sex, and spending time in places of ill repute” (Chen 2016, 35). Disputes over what has been frequently deemed “slave contracts” between idols and entertainment companies have resulted in the disbandment of several bands, most notably TVXQ at the apex of their popularity in 2010.

The appearance of idols has become so integral to the business that, if the perceived personas are ever negated through, for instance, a scandal, the stars are shamed and, in some cases, forced to leave the group. One vivid example of this is Minami Minegishi, a member of one of AKB48's sub groups², no3b. AKB48 has a strict no-dating policy for all of their idols so, after the tabloid *Shukan Bunshun* reported that she had spent the night at Alan Shirahama (a member of the boyband Generations), the idol shaved her head and uploaded a tearful apology to YouTube where she apologized to her fans and begged the agency to keep her on-board. She was demoted to the position of trainee and wasn't accepted back into the official group for another 7 months. The Korean popular music industry has also had its fair share of "scandals." In 2009, the former leader of 2PM (one of JYP Entertainment's most successful groups) Jay Park was forced to terminate his contract after several controversial comments he wrote in 2005 on his social media accounts came to light. He officially left the group in 2010 and after a few months he relaunched his career as a solo act. Due to the fact that these idols' images are manufactured and enforced so heavily by their entertainment companies, any time that the idols do not perform within the designated persona is cause for apology or, in the more extreme cases, resignation. The consistent persona of each of these performers is an extremely important characteristic of what it means to be an idol within the entertainment industry. You are not just performing on stage, but throughout your daily life as well.

The idol system is an integral part of both the Korean and Japanese music industries. Its effectiveness and prevalence was encouraged with the simultaneous implementation of the tie-up system. The next section will define the tie-up system and explain the interactions between the two business models within the industries.

² Many idol groups, to further capitalize on their success, form "subgroups" which are new groups formed with an official affiliation with the original group.

Tie-Up System

The tie-up system³ is a key characteristic of the business models both the Japanese and Korean music industries rely on. With the gradual loss of interest in televised music programs in the 1970's, which was, except for concerts, the main form of marketing used at the time, the music industry began to look for another way to promote their products. They found their solution in the tie-up system. Originating in the 1980's in Japan, this marketing strategy "uses sound and image conjointly for mutual benefit" (Otmazgin 2013, 136). For the music industry in particular, the tie-up system uses music in commercial messages on television and as signature themes for dramas and films when the audio recordings are released (Asai 2008b, 477). With the increase in the use of televisions and the growing consumer culture in Japan, the new model proved to be a lucrative solution. Due to the inherent drop in management risk and automatic ease of promotion, the tie-up system seemed to be a practically fool-proof business model. Information about the song was diffused almost immediately with the use of mass media while also benefiting the product being sold (Asai 2008b, 480).

In contrast to the American marketing system, which often views the association between music and commercials as derogatory since, in America, it is commonly believed that music, once it is overly repackaged for mass consumption, loses its artistic flare (Ugaya 2005, 94 (as cited in Otmazgin 2013)), the tie-up system has become a staple in the East Asian music industry. Japanese, Korean, Thai, Cantonese, and Mandarin popular music are promoted using this business model (Otmazgin 2013, 137). As Geoffrey Fowler suggests, "in Asia, it's nearly impossible to tell a song from an ad" (Fowler 2005). This system was so lucrative that, according

³ You might recognize the term "tie-in" more than "tie-up." I decided to use "tie-up" instead since, within the context of the East Asian industries I have researched, that is the most common usage. It comes from the Japanese タイアップ (taiappu) (Stevens 2008, 93).

to Asai's research, 88 percent of the top-selling twenty singles in Japan from 1990 to 2004 were sold through tie-ups. For instance, take Hamasaki Ayumi—one of the most successful Japanese female artists in the 1990's and 2000's. All but two of her singles have been tied to a television program or a commercial (Time Asia 2002 (as cited in Otmazgin 2013)). Other examples include the girl band *Speed's* song, "My Graduation" which was featured in a food manufacturing campaign (Otmazgin 2013, 136).

In the initial stages of the systems' implementation, major record companies such as Sony Entertainment Inc., and Victor Entertainment Inc., which are often subsidiaries of companies that manufacture products such as CD players etc., saw it as an opportunity to promote their hardware and listening devices. "Sony pushed Asian singers in [East Asian] markets in order to promote sales not only of CDs but also of CD players" (Iwabuchi 2002, 103). In a similar vein, these companies also took advantage of the direct connection to karaoke machines, which "automatically generated the promotion of requisite music necessary to enjoy the machines" (Otmazgin 2013, 137). The use of this business model only increased with the "Idol Boom" and subsequent idol system. As the growing influence and popularity of idols grew throughout East Asia, entertainment companies quickly saw an opportunity to integrate the already visual-focused idol system with this new marketing strategy.

The tie-up system and the idol system seem to be a natural fit. As previously discussed, while the music the idols create is, without a doubt, a key component of their appeal, more focus is placed on their physical appearance and the idol themselves within East Asia. Also, the persistent appearance of idols on television screens further emphasize the idea that "anyone can be a star." The frequent appearance of idols on television, be it through performances, commercials, or dramas, adds to the perception that he or she is simply a next-door neighbor or

someone who is studying in the same classroom (Iwabuchi 2008, 100; Lee 2013, 121). Not only does the implementation of the tie-up system benefit the companies on a monetary level, the system also further emphasizes the integral qualities of the idol system and further promotes the significance of idols in the consumer's everyday life.

While the tie-up system in Japan first experienced success with the integration of music and television commercials, the Korean entertainment industry first began using this marketing strategy with dramas. The first Korean Wave, a period that started in the late 1990's with the influx of interest in Korean popular culture, is characterized by the proliferation of Korean dramas across East Asia. *What is Love About* (1997) and *Stars in My Heart* (1999) are usually deemed as the dramas that kickstarted the *Hallyu Wave* (Lee 2013). Korean dramas, or K-drama as they are commonly referred to, serve as a highly effective gateway to Korean culture as a whole. These shows, "function like an amphitheater for Korean culture, through which a cornucopia of Korean cuisine, fashion, buzzwords, popular music, cultural norms, lifestyle, and land/cityscapes are panoramically displayed" (Choi 2015, 100). An interest in Korean drama often spurs an interest in a multitude of other aspects of Korean culture including, as you might have guessed, K-pop.

This connection between dramas and K-pop is rather intuitive. First, the linguistic barrier foreigners face, and choose to overcome or overlook, when watching Korean dramas is the same linguistic barrier K-pop presents. Therefore, the consumers that are willing to listen to a language they cannot automatically comprehend, are being introduced to two forms of media that they can, and most likely, enjoy consuming (Choi 2015, 101). For instance, Choi's anthropological research illustrated the unique and direct connection between the increased interest and

willingness to learn Korean with the consumption of Korean dramas and, subsequently, Korean popular music.

Secondly, and perhaps more explicitly, nearly all Korean dramas have a soundtrack that plays both in the opening of the programs and throughout the show itself. These melodic songs become directly linked to the dramas they are featured in. Therefore, the love for the show is easily transmitted for a love for the song, and, as one can imagine, love for the singer (Choi 2015, 102). The music industry was quick to take advantage of this loyalty transmission, and often had celebrated and popular K-pop stars sing the openings of these new Korean shows.

Take the opening of one of Korea's most popular K-dramas, KBS' *Boys Over Flowers* (which is actually based off of Japanese *manga*) for instance. The show, which first aired in 2009, experienced a surge of popularity with an average viewing rating of, according to TNMS, 28% and a high of 35.7% at the peak of its run-time. Even in 2010, a year after its debut, the re-run episodes still attracted an average rating of 10%, which was higher than any other drama re-runs at the time (Yoo 2010). The opening, performed by the idol group T-Max, was nominated for the "Best OST" award at the 2009 Mnet Asian Music Awards and was featured as the first song on the official soundtrack which sold an impressive 53,146 copies, making it one of the best-selling OST's of its time. Also featured on the album is SHINee, one of K-pop's most successful and well-known idol groups, who sang "Stand by Me," the third song of the soundtrack. Still early in their career, the success of the drama helped sky-rocket the still up incoming band into the spotlight. With the increase in popularity of these televised programs came the inherent connection and interest in the songs they were, for lack of a better term, "tied-up" with.

This technique was also employed in the Japanese music industry. For instance, the song *Oh! Yeah!* by Oda Kazumasa was featured as the title song of the famous television drama *Tokyo Love Story* (Fuji TV, 1991) and the song *Love Love Love*, as performed by the popular group Dreams Come True, appeared in *Say You Love Me* (TBS, 1995) (Otmazgin 2013, 136). The link between a television program and a song is an integral part of both the Korean and Japanese music industries. A mutualistic relationship, the popularity and success of a drama lends itself to the popularity of the soundtrack, and vice versa.

The connection between dramas and popular music was only further developed with the integration of not just the idol's music, but the idols themselves. This is different than an idol appearing in a short television commercial where the connection between the artist and the selling of a product is explicit. In a drama, these artists serve a different purpose. First, they emphasize the impressive myriad of skills at their disposal—not only can they sing and dance, but they can also act. The diversification of skills acts as a useful reminder that these idols can do it all and, this appreciation for their skills, in turn, develops a fans' appreciation for the idol as a whole. As Choi points out, this transmission can transfer from a love for a performance on stage to an esteem for how the idols treat their fans, to even a respect, and interest, in the ethical codes of the nation in which these idols reside (Choi 2016, 103). Secondly, they serve as a covert promotion tool for the drama while, at the same time, the drama also contributes to the promotion of the idol. In contrast to a television commercial, where the audience is clearly primed and aware that they are about to be persuaded to purchase something, having an idol act in a drama serves as a type of product placement which makes the audience less likely to resistant persuasion (Greenberg et al. 2015). Watching and supporting your favorite idol act in a

television program does not seem like such an overt promotion tactic, while, at the same time, achieving the same goal of marketing the idol (and the show).

Continuing with the example from before, the 2005 Japanese live-action version of *Boys Over Flowers* (*Hana Yori Dango* in Japanese) featured Jun Matsumoto of Arashi. Not only did his appearance in the drama provide further promotion for his idol group, the opening theme was also an Arashi song: “Wish.” While not as popular as the later Korean adaptation, the show did experience success with an average viewership rating of 19.5% (Video Research Ltd). His performance was so impressive that he won GQ Japan’s Man of the Year Award under the singer/actor category for his work in the drama.

The Korean version of *Boys Over Flowers* also featured idols in the main cast. The program featured Kim Hyun-joong (of the band SS501) and Kim Joon (of T-Max). Not only did the best-selling soundtrack feature two songs performed by the idols’ groups, which served as a reminder that these two men were more than just actors, the immense success of the drama established a new norm in the entertainment industry that still persists today. As Choi states: “at present, virtually any major television drama vying for prime-time viewership adheres to the convention of interpolating K-pop stars, inducing audience traffic to move between Korean dramas and K-pop avenues” (Choi 2015, 102).

With the evident success correlated with the use of idols in dramas, one entertainment company took the connection even further with the development of *Dream High* which mainly featured K-pop stars. Produced by JYP Entertainment’s CEO, Park Jin-young, the majority of this program’s main characters were idols: Bae Suzy (from miss A), Ham Eun-jung (from T-ara), IU (a solo K-pop star), Jang Woo-young (from 2PM), and Ok Taec-yeon (also from 2PM). The show was popular among teens and brought in viewership ratings ranging from, according to

TNMS, 18 to 20 percent during its two-month run. Not only did these idols star in the drama, the actual plot of the show illustrated a direct connection to the K-pop industry. *Dream High* followed six aspiring idols as they went through the hardships and struggles of becoming a successful idol in the industry. By having successful idols play the parts of trainees not only further encouraged the idea that anyone can become a star, but also served as constant reminder that these idols are more than just singers. The show was so successful that a sequel was filmed, with a new set of an idol-filled cast, and released two years later.

The tie-up system is not limited to just commercials and dramas. In fact, many idols in both Japan and Korea promote their songs and albums, and also themselves, on variety shows and even, in some cases, television programs that focus on the creation of the idol group itself. As previously mentioned, one of JYP's newest, and most successful, girl-groups, TWICE, was formed with the show *SIXTEEN*. The Japanese music industry also has a group based on a similar concept: *Idoling!!!* The show first aired in 2006 and followed nine girls as they released their first single and had their first fan-meeting. After the success of their first album, the group expanded and, until their disbandment in 2015, had twenty-four members that starred on the weekly show. The girl-group's main form of promotion was the television program which followed their everyday lives and allowed the audience to watch the girls grow together as a group. These shows are a prime example of the tie-up system since they integrate the creation of an idol group with a television program created for the sole purpose of promoting the idols.

The importance of the tie-up system cannot be understated. The sheer amount of its usage and its obvious effectiveness for the promotion of the idols and, consequently, the programs or products the idols are tied-up with, illustrates just how integral the business model is in the Japanese and Korean music industries. Although it is clear that both the idol system and the tie-

up system within the two nations' industries have obvious similarities, there are also a few significant differences between the two. The next section will discuss the interplay between the two industries and explore how their interactions in this period of globalization have created these two similar, but clearly distinct, genres of music.

Globalization and Hybridization in the Music Industry

The late 1970's and early 1980's brought about the first impacts of digitization on the cultural industries. Beginning with journalism, when news agencies started producing electronic financial data (Tunstall and Machin 1999), it soon became clear that this technology was going to completely alter the way in which cultural commodities function. As Iwabuchi aptly puts it: "The development of communications technologies such as VCRs, cable TV, and satellite TV, and the concurrent emergence of global media corporations in the late twentieth century, have brought about an unprecedented abundance of audiovisual space all over the globe" (Iwabuchi 2002, 3).

With the introduction, and striking influx in the number of consumers owning personal computers, the popular music industry began to shift its marketing and production strategies to fit into this new technology. The cost associated with digital production of songs was far less since computer-based digital machines can produce high-quality songs without the need for any physical musical instruments. This allowed companies to cut down on expenses such as bringing in instrumentalists, engineers, and studio owners (Lee 2013). Although the initial high-price tag of such machines limited their usage to the more developed music industries, such as the United States, United Kingdom, and Western Europe, the eventual decline in price of the machines during the 1990's paved the road for other industries to jump on the bandwagon.

When discussing globalization in regard to media industries, hybridization is a significant part of the literature. Hybridization was first linked to media studies in the 1990's. By illustrating "the heterogeneous creative mixings of the global and the local," hybridization provides a convincing theoretical framework in analyzing the changing nature of local popular culture (Jin 2016, 12). Beginning with a focus on the dominant role of the United States on local cultures around the world, scholars began questioning the flow of influence within these cultural industries. The discussion became focused on whether these countries' cultures were being dominated by an American influence or if the local industries were adopting and altering the Westernized-sound to create their own versions. These scholars emphasized the importance of "the indigenous/subordinate culture's ability to discern and reinterpret the authority of the dominant culture" (Sun Jung 2011, 11 (as quoted in Iwabuchi 2002)). As Bhabha points out, "hybridity needs to open up 'a third space' within which diverse elements encounter and transform each other as signifying the 'in-between' and also the incommensurable (that is, inaccessible by majoritarian discourses) location where minority discourses intervene to preserve their strengths and particularity" (1994, 217-18). In other words, in order for the local culture to retain its local and innate cultural attributes, it needs to adapt or alter the incoming force enough to make it into its own new product.

This debate soon expanded to East Asia. As Japan secured its position as having the second largest music industry in the world, many scholars began to look into the meaning and overall influence of the island nation's music. This development added an entirely new layer to the discussion. Not only was Japan starting to exert its influence on other countries in the region, and therefore echoing the similar concerns associated with Western (mostly American) dominance in the cultural fields, but this sense of "Japanized" music had to be called into

question on its own. Was the music and products Japan was actively attempting to diffuse truly a symbol of Japan?

Iwabuchi argues that, because Japanese cultural products have no “cultural odor,” the proliferation of their cultural influence was not an accurate example of hybridization (Iwabuchi 2002, 27). He believes that, in order for a product to be successful in a globalized, Western-dominated world, the non-Western cultural product has to forgo any explicit connection to its indigenous culture and present itself as neutral in order to be perceived positively by a global audience. Therefore, in this sense, the Japanese music industry did not succeed in creating a ‘third space’ in producing its own version of the dominant (Western) music. Instead, the Japanese popular music of the 1990’s was simply a repackaged version of American popular culture (Iwabuchi 2002; Ugaya 2005 (as cited in Stevens 2008)).

Japanese entertainment companies, when attempting to spread their products across East Asia in the 1990’s, tried to promote their ability to “domesticate the West” and hoped to serve as a more realistic goal in their modernization process for fellow East Asian countries (Iwabuchi 2002; Lee 2013). However, in doing so, the country continued the perpetuation of the Japan-centric idea that they are other and better than Asia while, at the same time, attempting to unify the region with the attractive idea of a “Pan-Asian” genre. This complex relationship only effectively works when “Japanese cultural power in Asia is subsumed under Japan’s cultural subordination to the West” (Iwabuchi 2006, 19). By presenting a constant reminder that Japan is still under the West, the nation attempts to dissolve itself of imperialistic tendencies, which, as we will discuss later on, is one of the main obstacles for the expansion of Japanese cultural products. This complex idea of “in but above Asia,” Iwabuchi argues, became even more salient with the gradual decline of the excitement that helped pushed the island nation towards

modernity.⁴ The framing of Asia as backwards allowed Japan to “look back” at the modernizing nations to see and be nostalgic of the very excitement they once grasped (Iwabuchi 2002, 195).

Although this divide created a barrier against the proliferation of Japanese cultural products, mainly popular music, within East Asia and abroad, the expertise and methods employed by the more experienced Japanese companies had a greater impact on the region than the goods themselves. As previously discussed, both the idol system and the tie-up system were created by the Japanese music industry and, due to their clear economic success within Japan’s domestic market, were soon implemented across the region. However, even in emulating these formats, it is important to note that there was a great deal of changes made to the systems to make them unique to the local culture (Otmazgin 2013). In other words, the very same ‘third space’ Japan’s industries failed to create was established in South Korea’s adaptations of Japan’s business models and the further development of their music industry as a whole.

Let’s take the idol system, for instance. While musicians and artists that fall outside of the idol system within the Japanese music industry still experience a fair amount of success in the domestic market, the vast majority of K-pop music that has achieved success in East Asia and globally have been created and produced in the idol system (Lee 2013, 90). Therefore, the very identity of K-pop is rooted in the idol system in a way that the Japanese popular music industry is not. That is not to say, of course, that the idol system in Japan is not an important part of the industry. However, it is worth noting that idols take a far more impressive role within the South Korean market in comparison.

The way in which the idol-system works within the Korean music industry is also more globally focused than its Japanese counterpart. In contrast with Japanese entertainment

⁴ With the Tokyo subway sarin attack and the gradual decline of Japan’s economy of the mid/late 1990’s took a toll on the impressive burst of energy and excitement the country had experienced a few years prior (Iwabuchi 2002).

companies, who are more focused on pleasing their already profitable domestic market, Korean entertainment companies quickly turned their sights on the international market. By outsourcing artists and producers from, mainly, Western industries, the Korean popular music industry is able to take advantage of the Western's technologies and expertise while also emphasizing K-pop's global tendencies. As Ingyu Oh and Hyo-Jung Lee state:

What makes K-pop startlingly different from other non-Western recording companies is the fact that K-pop entertainment/venture capital companies (or recording companies in the traditional sense) are actively recruiting or outsourcing music creativity to non-Korean artists, songwriters, producers, and choreographers... the traditional creativity network that linked Korean artists with Korean recording companies has been replaced by a new global network that links global artists with Korean recording companies.

By actively incorporating the global into a new localized type of music, K-pop has situated itself as an innovative and intriguing new genre and industry.

Not only is the international emphasis located in the construction and foundation of the South Korean industry itself, these entertainment companies further this connection with the marketing and training of their idols. A vast majority of Korean idols are now expected to learn multiple languages including English and Japanese, in an effort to expand their influence beyond South Korea's borders (Jin and Ryoo 2014). Japanese idols, on the other hand, since they are more focused on their domestic market, are not required to learn other languages (even though they do use some English in their songs).

In an attempt to further develop the connection to the local markets, Korean entertainment companies began collaborating with local talent and artists. For instance, Big Hit Entertainment's extremely popular boy-band BTS collaborated with Thanh Bui, a Vietnamese singer, on their successful single, *Danger* which was featured on their album *Dark & Wild*. The album was a huge success, selling over 161,000 copies and winning the Album Award at the Golden Disk Awards (Gaon 2016). Of course, this is not to say that Japanese artists have not

collaborated with local talents as well. However, unlike in the Japanese music industry, the integration of local talent of countries beyond South Korea, in both the general production of songs and also artistic collaborations, is a significant part of K-pop's marketing strategy (Lee 2013).

Korean entertainment companies have recently taken the connection even further with the recruitment and integration of idols from other countries. For example, JYP Entertainment's seven-member boy band, GOT7, has three international members: Mark from America, BamBam from Thailand, and Jackson from Hong-Kong. Due to this inherent international focus, GOT7 has become one of the most influential K-pop bands abroad. They even won the Best Worldwide Act award at the MTV Europe Music Awards in 2016 (Billboard 2016). Another example can be found in SM Entertainment's f(x). The five-member girl-group includes Victoria Song from China and Amber Liu who is Taiwanese. After bringing Victoria and Amber to Korea to train in the academy and learn Korean, the group debuted as "Asia's Pop Dance Group" because of their variety of nationalities (Chen 2015, 38).

The South Korean music industry is clearly more globally focused than its Japanese counterpart. But, is this enough to distinguish it from American and Japanese pop music? While some scholars would still argue that the South Korean industry has not differentiated itself enough (Nam 2013; Jin and Ryoo 2014; Jin 2016), I agree with the scholars who state that, because the industry has altered its business strategies and methods associated with the production of said genre, K-pop has successfully escaped the trap of not creating a 'third space' (Oh and Lee 2013; Park 2013; Howard 2014). As Chen aptly puts it: "The hybridized media of Hallyu, the Korean Wave, is a means by which South Korea can gain 'cultural diversity in the face of possible erosion of their cultural particularity' (p. 38) and '[sustain] local identities in the

global context.’ By emulating Western [and Japanese] cultural production, K-pop producers have created a genre of music that successfully traversed national boundaries and became uniquely associated with South Korea” (Chen 2015, 42). By creating a ‘third space,’ the Korean popular music industry has been able to develop and become one of the most influential music movements on the international stage.

One of the ways that K-pop has been able to diffuse their influence on such an impressive scale is their active integration of the internet in their marketing strategies. In contrast to J-pop and Chinese popular music, which are made for LP, CD, and MTV channels, “K-pop is a new genre for social media in general and YouTube in particular” (Jin and Ryoo 2014, 42).

The internet serves many purposes for music industries as a whole. For one, it reduces the temporal lag between the debut of a new single and a consumer’s ability to purchase and enjoy the music (Iwabuchi 2002; Asai 2008a). Before the internet came into fruition, entertainment companies had to spend hours and a significant amount of money marketing and promoting a particular song on the radio and television (with the tie-up system). Now, companies can cut out some of those expenses. Along the same lines, the distribution of music on the internet allows international exposure at a rate that was never achieved before (Otmazgin 2013; Choi 2015). The development and wide-spread usage of the internet also promoted economic growth as well as “international understanding through the overseas diffusion of national popular culture” (Asai 2008a, 97). This interaction can explicitly be seen with YouTube where video suggestions encourage viewers to leap across “alleged anthropological gulfs” in a matter of seconds (Choi 2015, 108). By switching between a K-pop music video at one moment to a video about J-pop, consumers now have access to a myriad of different mediums, and cultures, with a simple click of a button.

Not only do consumers have access to more international products than ever before, these consumers, with the tools available on YouTube's interface, can have a more active role in the creative process. Similar to the previously discussed emphasis within the idol system on the participation of the fans, the active employment of YouTube only furthers this connection. "Digital and network communications enable fans, regardless of geographical distance, to participate in collective production, such as fansubbing, video editing, and photographing" (Ito 2012). This participation in the creative process not only furthers the fans' connections to the music and idols, but also provides free advertising and promotion. One of the reasons behind Psy's Gangnam Style's phenomenal success is the thousands of fan-made dance covers and videos that parodied the song (Jin 2016).

So, with all of the benefits provided with the use of the internet, and YouTube more specifically, why hasn't the Japanese music industry, in contrast to their South Korean counterparts, taken advantage of such a useful business strategy? The next section will discuss three possible explanations to this question.

The Reasons Behind Japan's Unwillingness to Globalize J-Pop

The Japanese music industry's hesitation with the incorporation of new technologies is not new. In 1999, personalized programmable ringtones were commonly used by young Japanese consumers as a way to both discover new music and also enjoy the music they already owned (Manabe 2008). This new method of consumption was so popular at the time that only thirteen months after KDDI, Japan's second-largest carrier, launched its full track download service, over 30 million songs had been downloaded (Manabe 2008). Despite the service's obvious popularity,

the larger entertainment companies were slow on the uptake. Even as late as 2006, seven years after ringtones became popular, Sony Music, Japan's largest record company, "steadfastly refused to make its music available outside of Label Mobile-operated sites," which received far less traffic than other distribution channels (Manabe 2008, 90). This hesitation extended beyond mobile downloads. Downloads from personal computers (PCs) also experienced very slow growth in the Japanese market. Due to the policies held by many of Japan's major record companies, pricing of downloads remained relatively high (\$3.30 a song). It wasn't until 2005, when iTunes was introduced into the market, that Japanese record companies' prices were lowered since iTunes offered downloads at over half of the original price (Manabe 2008, 100). Even despite the decline in price, the fact that only three of the five major record companies (Toshiba EMI, Universal, and Avex) offered their songs on iTunes at the beginning of its use in Japan severely hampered the growth of the PC market.

This example of hesitation within the Japanese major record companies illustrates a general pattern that has continued to this day. While looking for possible explanations for this hesitation or unwillingness to integrate the internet/new technology into their business models, I discovered three likely explanations: Japan's reliable domestic market, the complicated history of both the region and the ways in which the Japanese music industry does business, and Japan's already fulfilled void of soft power.

The first, and perhaps most easily explained explanation is Japan's extremely profitable domestic market. Despite its size, Japan has the second largest music industry in the world—mostly thanks to its impressive domestic market. In 2007, according to the Recording Industry Association of Japan, the domestic market provided 77% of the industry's revenue while the international sector provided the remaining 33% (RIAJ). This trend has only been growing over

the years—in 2016, according to the most recent data set, the divide was even more noticeable with 89% of the revenue coming from the domestic market and only 11% coming from international sales (RIAJ). With such a reliable domestic market, the industry does not have much incentive to actively export its music to other markets.

In fact, when Japanese record companies attempted to do just that in the 1990's, as previously discussed, the profits accrued were not enough to justify the time and effort needed to continue pursuing a regional audience. By 1997, most of the major record companies had retreated back to their reliable and profitable domestic market (Iwabuchi 2002, 107). One of the reasons Japanese record companies were having such difficulties solidifying their place in the regional market was their historical emphasis on policies against piracy and copyright infringement.

In contrast to other countries in the region, Japan places a great deal of emphasis on the maintenance of copyright laws and piracy prevention. To illustrate just how important this concept is even to this day you just have to look at the Record Industry Association of Japan's English webpage. The very first banner reads: "Good Click Creates Good Music! STOP! Illegal Downloads" (RIAJ). This focus on piracy caused some difficulties when discussing business across the region. Maintaining and enforcing laws against piracy is an expensive task and many East Asian countries, including South Korea, were not willing to adjust their systems to import J-pop. However, Japanese record companies were set in their ways of conducting business, often attempting to take control over the process of production in the other countries (Iwabuchi 2002, 109). This, as you can imagine, did not sit well with many of the native producers and was a considerable factor in the Japanese entertainment companies' inability to make a profit across the region.

While many East Asian countries did have laws against piracy, most did little to actively enforce them. In South Korea, for instance, pirated tapes were being sold in Seoul even before the 1990's (Lee 2013, 64). Once CD's were invented, pirating became even easier and was often marketed to the youth in the backs of record shops, sometimes even openly on the streets of the capitol. The government, despite having official policies against such distribution, often overlooked many of these sales and even, at times, indirectly encouraged piracy (Park 2013, 23; Lee 2013, 68). This lack of control over the illegal distribution of goods was just an additional factor dissuading the Japanese music industry's active distribution throughout East Asia.

South Korea's rather relaxed attitude towards piracy and copyright, on the other hand, primed the industry's readiness to embrace the Internet as a way to diffuse their popular music abroad. As we all know, once something is uploaded to the world-wide web, it is very difficult to control the user's use of the product. Fan covers and dance videos, for instance, have been a key factor in the global popularity of K-pop, despite their clear infringements on copyright laws by using the song in the user-uploaded video (Jin and Ryoo 2014). As the world saw with the surprising popularity of Psy's "Gangnam Style," the hundreds of fan videos inspired by the original music video helped propel the single to its historical status as being the first video to "break" YouTube's 32-bit integer view counter (Griggs 2014). After the video surpassed the 2,147,483,647 number of views, the company had to upgrade their coding to count to nine quintillion views. As of April 2017, the "Gangnam Style" video has an impressive 2,817,352,622 views.

This emphasis on fan interaction and input is yet another reason why the YouTube format fits so naturally with the marketing of K-pop. As previously discussed, one of the main characteristics of the idol-system is the emphasis on the connection between the idol and the fan.

The internet opens up this concept to fans across the world—even though a consumer of K-pop may never see his or her favorite band in person, by watching and commenting on the videos these idols upload, they feel as though they are actively contributing and supporting the idols. JungBong Choi describes this as “digintimacy: the concurrence of technologically rendered immediacy and cultural/psychological intimacy” (Choi 2015, 106). YouTube provides international fans the chance to interact and actively display their love and appreciation for the idol groups.

While the use of the Internet, and YouTube in particular, is not the most lucrative strategy in the short-run (most of the royalties go to YouTube and not the artist/record company), the free marketing tool has been heavily used by the Korean entertainment companies (Oh and Park 2012). American and Japanese popular music distributors, on the other hand, distanced themselves from the use of YouTube in favor of their more profitable marketing strategies. This provided K-pop “primary standing in the niche market” (Oh and Lee 2013, 38). The Korean popular music industry placed more emphasis on the free marketing provided by SNS instead of focusing on the lack of immediate monetary benefits.

While the Japanese music companies’ strict enforcement of copyright and piracy laws made the implementation of technology (both in the ringtone example from before and in the use of the Internet) a risky and rather unenticing investment, Korean entertainment companies, with their historically more relaxed views on piracy, were more than willing to make use of this new promotion tool.

In addition to this historical trend that dissuaded Japan from globalizing J-pop, one has to take into consideration the historical tensions of the East Asian regions. In the wake of World War II, several East Asian countries established bans against Japanese cultural products (Kim

2015, 66). “The Korean government officially asserted that Japanese culture was too vulgar and lewd for Korean audiences, and banned the import of Japanese cultural products” (Lee 2013, 60). Korea maintained this oppositional stance toward Japan’s cultural commodities until 1996, when the government began to liberalize its policies about imports and also domestic products. While the cultural products that did make it through these bans (again, through the rather relaxed enforcement of piracy and illegal distribution) helped aid the tensions between the two nations (Iwabuchi 2008; Otmazgin 2008), Japan’s actions, prior to and during the war left a lasting impact. The shadow of their imperialistic actions made the country aware of their influence on the region. Not wanting to bring back the memory of their imperialistic actions, the Japanese government took a hands-off approach when dealing with their cultural industries. Even besides the legal barriers presented (i.e. the bans against Japanese cultural products), Japan’s decision to not involve the government hampered the music industry’s abilities to pursue a profit outside of their domestic market.

South Korea, on the other hand, did not have to navigate these complex historical relations with the proliferation of K-pop. Therefore, in contrast to their Japanese counterparts, the Korean government has had a very active role in the promotion of Korean popular music. Such an active role has not, however, gone without criticism. The intensity of the government’s involvement has caused some scholars to question the nationalistic motives behind the diffusion of K-pop (Nam 2013; Jin 2016). While there is no doubt that the nation does intend to further their influence on the international stage, the fact that “Korea is a non-hegemonic culture that does not have enough political and economic power to impose its culture on other East Asian countries,” makes the surprising popularity of K-pop less overpowering (Lee 2013, 184). South

Korea, in contrast to Japan, does not have the history, nor the political power, to impose their ideals and control over the region.

K-pop's "unusually strong linkage to South Korea's nation-building projects and aspirations for global recognition" (Epstein 2015, 37) leads us to our final point: the question of soft power. Prior to the *Hallyu* Wave, South Korea was relatively unknown within the global cultural industries, privy to the "Big Three's" (the United States, the United Kingdom, and Japan) control of the global flow of cultural products (Choi 2015, 11). While their Japanese counterparts had *manga* and *anime* to boost their position on the world stage (Iwabuchi 2002; Jin 2016), the Korean cultural industry was left in the island nation's shadow. However, in the beginning of the twenty-first century, "consumers around the world were getting sick of the violence and sex-saturated products from the United States and sought after 'cleaner' products. However, the other two members of the 'Big Three' could not satisfy their desire. This vacuum allowed South Korea to sweep in and reap the rewards" (Choi 2015, 11).

In contrast to the Japanese music industry, the Korean music industry had a strong incentive to fill this soft power void and become key players on the international stage. By actively using the Internet, mostly with the use of YouTube, South Korean entertainment companies were able to diffuse their products on the global scale in an inexpensive manner. The next section will compare two of the countries' biggest record labels' use of YouTube to demonstrate the industries' different perspectives and focus on the globalization of their music.

Case Study: SM Entertainment and Sony Music Entertainment Japan

To illustrate the differences between Japan and Korea's perspectives on the globalization of their popular music industry, and the use of the Internet to achieve that goal, I decided to

compare two of the country's biggest and most successful record/entertainment companies: Korea's SM Entertainment and Japan's Sony Music Entertainment Japan (Sony Music Japan from now on). I will begin by going into a brief description of the two companies. I will then compare the history of the two companies and conclude with a description of their use of the Internet (or lack thereof) via YouTube.

Sony Music Japan was founded in 1968 under the name CBS/Sony Records Inc. Starting as a 50/50 joint venture between Sony Corporation and the U.S. conglomerate CBS, the company later became an independent arm of the United States base due to its impressive influence in the Japanese music industry (Reuters News Service 2003). Even though there has been increasing amounts of competition from other Japanese entertainment companies, such as Avex, Sony Music Japan still maintains its position as the most influential and successful record company in the Japanese music industry.

Due to the fact that Sony Music Japan began with a clear connection to the electronics the same brand produces, the record company was able to encourage its record sales along with the sales of the listening devices (Iwabuchi 2002). This emphasis further established the company as a driving force in the music industry, and they have still profited from the persistent hardware Japanese music market. Sony Music Japan's integral relationship with the production of CD's is yet another factor in their hesitant approach to the integration of the Internet in their business models, since physical production not only serves as additional profit for the brand, but also secures the company's ability to maintain copyright protection and piracy prevention, as previously discussed.

SM Entertainment, on the other hand, has a different focus. Founded by Su Man Lee in 1995, SM Entertainment is one of largest entertainment companies in Korea. Part of the "Big

Three,” which includes JYP Entertainment and YG Entertainment, SM is usually considered one of the most influential businesses in the proliferation of K-pop across the globe (Jin 2016, 116). Lee, after spending time in the United States witnessing their methods of production as well as taking inspiration from the Japanese business models, began implementing the idol system in the Korean market. With the spread of dramas across East Asia, and the subsequent beginning of the *Hallyu*, Lee was able to capitalize on the growing interest in Korean culture.

SM is built on the pursuit of globalization (Park 2013, 22). SM Entertainment achieves this by using a special process of “glocalization” that is unique to the Korean market. In an effort to bring a global component into the music, while at the same time adding a “SM spin,” the company acquires samples and collaborations with artists around the world and then modifies them into a unique composition that integrates and highlights both components to create a piece that has all the qualities of the next global big hit. In contrast to other non-Western recording companies, SM, and following in SM’s lead many other Korean entertainment companies, actively recruit choreographers, songwriters, and producers from around the world (Oh and Lee 2013, 47). However, even in comparison to the other two major entertainment companies in Korea, JYP and YJ, “SM globally outsources various aspects of its music production more frequently and more diversely” (Park 2013, 22).

A key aspect of SM Entertainment’s business strategy is “cultural technology” which refers to the “culture of production knowledge, and practices used to create and market South Korean TV dramas, music, and film” (Shin, 2009a (as quoted in Chen 2016, 26)). Officially recognized by the South Korean government as “one of the five next generation technologies for economic growth” (Chen 2016, 33), SM Entertainment’s focus on this concept is integral to the Korean music industry. By actively using YouTube and other social networking sites (SNS), SM

is able to highlight its global focus by distributing its products across the world. Even though, as previously mentioned, YouTube is not the most profitable method of diffusion, it is the most inexpensive and, as Psy's record breaking "Gangnam Style" music video clearly demonstrates, the most effective way to diffuse K-pop on a global scale.

In contrast to SM Entertainment, Sony Music Japan has a historical pattern of resistance to the integration of new technology. While the Korean entertainment company's business strategy revolves around the distribution of music on the Internet, Sony Music Japan has remained consistent with their view on new technology. The company's unwillingness to distribute their songs on the ringtone downloading sites, despite their competitor Avex's evident profit from doing just that, cost them a chance to weigh in and further develop their marketing strategies (Manabe 2008). With the proliferation of the Internet, the major record company continued to maintain its previous position by stating that "the Internet has a negative effect on sales of audio recordings by facilitating illegal file sharing" (Manabe 2008). Although the American controlled Sony Music Entertainment has actively begun to integrate the Internet (although the company, in an effort to further control sales and profit established their own video-uploading website, VEVO, to directly compete with YouTube), Sony Music Japan still remains relatively inactive on the Internet.

Comparing the two companies' use of YouTube illustrates the wide gap between the two business strategies. Sony Music Japan's official channel on YouTube has over 890,000 subscribers. While this might sound like a decent amount, this number is dwarfed when looking at SM Entertainment's 10.25 million subscribers in comparison. It also worth noting that, due to copyright restrictions, Sony Music Japan's videos are not allowed to be viewed outside of Japan. This strict copyright policy means that, when looking at Sony Music Japan's channel while in the

United States (or anywhere besides Japan for that matter), no videos appear to be uploaded. While the channel description states that 1,850 videos have been uploaded, to the American viewer, no videos appear. SM Entertainment's page, on the other hand, has 2,332 videos on their channel—all of which can be viewed around the world. SM's most popular video is Girls' Generation's "I Got a Boy" with an impressive 188 million views.

As illustrated in the above example, the way in which the Japanese and the Korean popular music industries value and use the Internet, as demonstrated through the use of YouTube, is vastly different. Depending on the companies' original goals, these major record companies use of YouTube, or lack thereof, demonstrate the overall pattern of their respective industries. As the two leading companies, Sony Music Japan and SM Entertainment are prime examples illustrating the ways in which Japan and Korea value the globalization of their popular music.

Conclusion

The proliferation of the Internet has provided users the ability to connect to one another from opposite locations across the world. Especially with the use of YouTube, where users can not only have access to videos showcasing cultural products, but also have an interactive experience with those cultures, the way in which cultural commodities are diffused has completely changed over the last few decades. By examining the variance in the marketing strategies employed by the Japanese and Korean popular music industries, we can begin to understand just how influential the Internet can be.

By first going through the history of both the Korean and Japanese popular music industries, we are able to understand the extremely connected, but also diverging points within

the two industries. Even though both countries effectively use the idol system and the tie-up systems within their marketing strategies, the adaptations created by SM Entertainment in the late 1990's, that were then further incorporated in the Korean popular music industry as a whole, successfully solidified K-pop as a distinct genre and business than its Japanese counterpart. Korean entertainment companies, with their focus on using the Internet as a focal point in their marketing and globalization of their idols and products, have been able to secure their position as a key player within the cultural industries on the international stage.

While SNS, with a focus on YouTube, provide an inexpensive place for entertainment companies to market their products, there are clear risks involved with their use. As the Japanese music industry has made clear with their conservative use of YouTube, there is a very real concern with piracy and copyright infringement. Furthermore, since YouTube takes the lion-share of the profits from uploading content onto their website, the marketing strategy is not as lucrative as it might appear (Oh and Lee, 2013). However, even in light of these facts, the South Korean popular music industry has made YouTube their premiere marketing tool with the diffusion of K-pop around the world. Motivated by the country's lack of global recognition within the cultural sphere, South Korea was able to establish themselves as an influential player on the world stage. Placing more emphasis on the creation of a globally-consumed genre, Korean entertainment companies actively use SNS to globalize their products. Their Japanese counterparts, on the other hand, have steered clear of these marketing strategies and have relied on the soft power provided by their other cultural commodities, such as *anime* and *manga*, to fulfill the soft power void.

The Korean Wave shows no signs of stopping and continues to provide a powerful example of how influential the Internet can be as a marketing tool. While other country's music

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industries struggle to adapt to the rapidly globalizing musical sphere, South Korea leads the way as a new integral player on the international stage.

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