

A study on the transformation of Chinese mainstream broadcasters based on the multi-channel network paradigm

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Abstract: Traditional broadcasters face an unprecedented challenge as a result of the rapid growth of new media. This article examines the current state of Chinese broadcasters through the lens of multiple-channel networks (MCNs) and makes recommendations for their future development. Broadcasters in China are now experimenting with multi-channel distribution by collaborating with short-form video and streaming platforms, but other platforms, rather than broadcasters, are gaining the primary channel. As a result, this paper proposes that, in order to complete the transformation in the new media era, Chinese mainstream broadcasters should now achieve multi-channel distribution of television content through multi-channel regulation, talent absorption, and content reform.

1. Introduction

The current picture of the media world has changed dramatically as a result of the continuous development of human science and technology in recent years, as well as the widespread use of new-generation information technology, particularly big data and streaming media, and people have moved from the traditional to the new media era. From the previous paper-based communication to the electronic-based mass communication represented by radio and television to the current network communication and intelligent communication.

Neil Bozeman studied the "mutation" of the United States from the age of print to the age of television in the 1980s, and ironically, some new phenomena caused by the popularity of television communication, the impact of television on the public and the media were a new change for people at the time. However, the Internet, which has become an important way for people to receive and disseminate information, become entertained, and spread public views, has broken this dominance in the millennium and especially in the last decade. Although the Internet has undoubtedly become the primary means of content distribution, television, which has dominated for many years, remains very popular (Stöber, 2004), and its function as entertainment and public interest protection has not diminished. Nonetheless, many broadcasters, including the BBC, CNN, CMG, and others, have attempted to transform their TV content to the web in the last decade, including the establishment of websites, streaming platforms, and social media partnerships. Distributing content through multiple channels is a huge shift in the new media era. With the maturity of technology and the popularity of the Internet, this is a shift and an inevitable trend. According to Ofcom (2020), the amount of time people spend watching TV content has remained stable, but the amount of time spent watching broadcast TV has been decreasing (Ofcom, 2020). The same trend is also evident in China. The trend of TV viewing is moving from aggregation to fragmentation, with the emergence of more and more online dramas and web series, such as *The Untamed* and *The Rap of China*, diverting large numbers of viewers (He Tianping, 2021). Moreover, people have developed new viewing habits over the past 20 years in the online social environment, which has made it difficult for broadcasters to generate revenue, so many broadcasters have begun to transition to the web, such as establishing their online platforms, partnering with streaming platforms or some social media, a trend that has become inevitable.

Many scholars examined the need for broadcasters to transform in the early days when they faced transformation. Carlson examined the impact of existing demographics on television viewing time in 2006, discovering that younger people prefer to watch content online and that the primary television viewing population is concentrated among middle-aged and older people, who also prefer to watch content online. Doyle examined the economic inevitability of traditional linear television's transformation in 2010. As the number of traditional linear television viewers declines, broadcasters' need for alternative revenue streams grows. Numerous academics have investigated other factors, such as competition (D'Arma, 2011) and user needs (Doyle, 2016). All of these factors have compelled traditional broadcasters to change their ways. As a result, this paper introduces the concept of MCN (multiple-channel network) to analyze the TV transformation, which refers to the product form of a multi-channel network that distributes content products via a multi-channel network.

Not surprisingly, in recent years, broadcasters worldwide have been working towards the transformation of MCN. The British Broadcasting Corporation (BBC) was the first to change the transformation, using social media to cover Haiyan's news in 2003, and other mainstream Chinese broadcasters such as CCTV are also working towards the transformation. Scholars have examined how broadcasters are making the transition in this rapidly changing environment. The first category is based on the country's macro environment and the analysis of the TV industry in a particular country. For example, Karnik (1999) discusses strategic recommendations for the future of television MCNs in the Indian context; Debrett (2009) analyses how MCNs have affected traditional public service broadcasting principles; Starkey(2013) discusses MCNs leading to the problem of trust in television media. The second category is to analyze and recommend programs based on genres such as sports (Scherer and Sam, 2012), reality shows, and so on (Kjus, 2009). The third category analyses the MCN transformation of a particular broadcast from a historical perspective, such as CNN (Krumsvik, 2013) and the BBC (Grainge, 2010). Several scholars have suggested multiple applications of content (Doyle, 2015) (Krumsvik, 2013); adopting niche strategies (Gardner and Lehnert, 2016); increasing audience engagement (Gardner and Lehnert, 2016); and using social media to transform content in these discussions (Arief, 2019).

In the cases discussed by these scholars, these broadcasters have encountered several difficulties and challenges in transformation. Moreover, choosing what path and strategy to achieve their transformation is also a question that each broadcaster needs to consider. Many scholars have examined the current state and future direction of this transition in previous studies, but these have primarily focused on developed countries such as the United Kingdom and the United States, with little research on China. As a result, some Chinese scholars have offered their perspectives, focusing primarily on the following points: 1) changing traditional TV stations' thinking (Li Zhen, 2021); 2) reforming and improving the existing system (Li Zhen, 2021, Chen Peng, 2021); and 3) continuously absorbing new talents (Chen Cunhong, 2021). However, these points of view provide less analysis of MCNs. As a result, this paper will examine the academic perspective based on MCN and expand on previous research. Based on the purpose of this paper, this paper will first analyze and summarize previous studies, then analyze the current established TV content distribution channels in China, and finally, make recommendations for future transformation and upgrading strategies based on the current development status of China's communication innovation and media integration.

2. The current state of communication of Chinese mainstream broadcasters

This chapter analyses the current situation of MCN transformation based on Chinese mainstream broadcasters. First, the current media environment is summarised from a macro perspective. Then, the background and environment of the current distribution of streaming media and short-form video and the profit model will be introduced, followed by examples using relevant examples. Finally, the impact of these two distinct channels on TV content distribution and the inevitability of their transformation are examined from an academic standpoint.

Based on the current state of the media environment, this paper summarizes three new media era characteristics, namely decentralisation, interactivity, and timeliness. These three characteristics

interact with one another to form new media. Decentralisation refers to the transition from the traditional to the current new media era, in which emerging media platforms have fragmented mainstream media's "exclusive broadcast rights," and broadcasters' rights to produce and distribute content have begun to erode. These different channels also demonstrate the second characteristic of the new media age, interactivity, as they provide audiences with the right to produce and distribute content. Audiences use pop-ups, comments, and even discussions about TV content on social media, through which a connection is made between the audience and broadcasters. The third feature is timeliness. As information is disseminated more quickly and through more and more channels, if certain content is disclosed first by one platform, the impact on other TV broadcasters will be significantly reduced. The increasing availability of information and the decreasing reliance on broadcasters echo the decentralisation discussed above. Some people use social media to disseminate information and gain a lot of attention. Content produced by users is collectively referred to as User Generated Content (UGC), and such content is beginning to be widely accepted. Compared to content published by broadcasters, this content saves more editing time and can be published earlier, resulting in missing parts of the information or lowering the quality. Overall, the advantages outweigh the disadvantages, and the quality of content mainly limits it. On the one hand, viewers' comments on the content, whether good or bad, are widely disseminated; on the other hand, since TV content offerings do not decrease because of a particular person's consumption, the content can reach a wider audience, and the long-tail effect is more pronounced.

3. The Short Video

With the development of technology, the cost of decoding video is decreasing, and people can receive and decode video anytime and anywhere. People watch long videos, such as movies, using streaming technology from a technical perspective. Compared to traditional downloading methods, this method greatly reduces people's waiting time, but for large audio and video files, the viewing experience will still be limited by the speed of the Internet. However, short videos are less limited by the speed of the Internet. From the perspective of social ecology, people have moved from the digital era to the era of fragmentation, and the emergence of short videos has solved people's demand for fragmented content and filled their free and fragmented time, such as commuting time. People do not have much time to watch a full movie or a TV series, but enough time to watch dozens of short videos, which have become popular in China. Now, the size of China's Internet users is 1.011 billion, of which 888 million are users of short videos, accounting for 87.3% of the overall size of the Internet users; and the per capita single-day use on short video APP is 127 minutes, which is 27 minutes higher than the time spent on long videos (China Internet Network Information Center, 2021). Chinese short videos have a large user base, and people watch for longer periods. These changes impact the media industry and the way content is consumed. Undoubtedly, short video as a short, dense, with the help of technology to develop a new product has been great sharing TV market, which has caused a great impact on the TV market. If broadcasters need multi-channel transformation, the short video is certainly a "territory" that must be occupied.

However, commercial producers dominate the short video industry, and user habits have developed. Tik-Tok and kwai, for example, account for nearly 90 percent of the short video industry's users. Therefore, even for broadcasters with government support, creating their app and getting users is more difficult. Broadcasters choose to cooperate with existing mainstream short video platforms more feasibly, using the "intensive" and "interactive" advantages of the short video and the "credibility" and "authority" of broadcasters to form a win-win situation. For broadcasters that use a multi-channel approach to distributing television content, this inevitably affects how information is accessed and delivered; in turn, this affects early production activities, whether or not content production takes place within the broadcaster.

Broadcasters can use the short video platform to explore new programs, such as the short video program launched by CCTV in July 2019, whose main content is mainly the re-editing of news from the CCTV News. The nearly 30-minute news packages have been transformed into short, individual

news items of 1-2 minutes, and the style of the content is more lively and humorous, in line with the "popularised" taste of the public. In addition, there is a category of short videos that are also popular. This short video series focuses on editing the original TV content and adding the producer's summary and commentary. In re-editing the original content, this genre adds more new layers of content and selects a wider range of TV content than just news, such as TV series, movies, variety shows, etc. This series of short videos is mainly sourced from independent producers who re-edit classic films or popular films of the moment, encapsulating an hour or two-long film or an entire TV series into several short 2-3 minute videos. Countless academics, however, have criticized such short videos, arguing that combining big data with such short videos may result in an information cocoon (Li Jun, 2021) and negatively impact the information ecology (Tao Xiandu and Li Xiaonan, 2021). The role of diversion in the collaboration between broadcasters and short-form video platforms is highlighted in this paper. Short videos, without a doubt, play an important role in this regard.

The redistribution of TV content by broadcasters using short-form video platforms is primarily focused on the re-export of existing content on additional digital platforms, primarily by adding additional layers of content to editorial or ancillary material central to multi-channel distribution (Leaver, 2008). This profit model is similar to that of broadcasters, who continue to benefit primarily from advertising content, which is primarily video. There are many long videos, such as variety shows and TV series, that cannot be easily re-edited and changed, so streaming platforms are also important..

4. Streaming Platform

LeTV sparked the development of online video sites in China, and as time passed, streaming platforms like 56, Sohu Video, Youku, Storm Video, and PPS emerged and began competing for users. In 2011, Tencent launched Tencent Video; in 2013, Baidu acquired PPS and merged it with iQIYI.com, becoming its largest shareholder; in 2015, Youku.com and Tudou.com merged in 2016 and were acquired by Alibaba, becoming a wholly owned subsidiary of Alibaba. Tencent Video, iQIYI, and Youku are now China's top streaming platforms. These platforms have been around for nearly 20 years and have matured, acquiring rights from broadcasters and exclusively broadcasting them online, relying on content stock or original content to attract users. The distribution of content via streaming platforms is mainly based on the sale of rights and content sharing. Streaming platforms primarily benefit from other factors such as promotion, diversion, and, most importantly, the 'long tail effect.' The most important economic characteristic of television content, or cultural products, is their public nature, which does not reduce the supply to others when one person consumes them (Doyle, 2010). The higher the marginal benefit of TV content, the more times it is viewed. However, while advertisers and scheduling are two difficult issues if the TV broadcaster chooses to show it repeatedly, these issues are much less of a problem on streaming platforms.

Unlike short-form video platforms, this content is distributed and sold without secondary editing, and the transfer of a long-form video to another long-form platform is simply a change in the viewer's reception channel. Revenue for broadcasters is solely derived from rights and content sharing, whereas revenue for streaming platforms is derived from advertising, paid membership, and paid content. In China, video members still need to watch some of the ads, and some content needs to be purchased additionally, which exacerbates the already serious copyright issue. Although the state is increasingly regulating copyright issues, it is difficult and costly to do so, and it is also hard to distinguish the line between copyright infringement and private use. However, it is worth noting the rights clearance, which could generate revenue for some of the older broadcasters and fund the transition.

Based on the discussion above, this paper provides a basic analysis of the processes and methods by which television content is now distributed. Following are some recommendations based on the current situation.

5. Effective Strategies for Transforming Chinese Broadcasting Institutions

The above-mentioned characteristics of the new media era: decentralisation, interactivity, and timeliness, all of which work in tandem in today's era of interaction between old and new media. On the one hand, the rapid rise of new media is changing the way audiences watch TV; Old media, on the other hand, continues to hold a place in the media market due to their accumulated prestige and credibility. The power of new media cannot be underestimated, but old media is still powerful, and the two are destined to coexist in the long run, raising the question of how to integrate them. Against this background, here are some suggestions for the future development of mainstream broadcasters in China. As previously discussed, the mainstream media has begun to change and expand the channels of content distribution in order to increase broadcasters' influence. The focus of broadcasters as they use other channels to deliver their content is on two things: platforms and content.

The transformation at the platform level is divided into two points: cooperation with the platform and monitoring of the platform data. Collaboration is about publishing content on other platforms and at the level of gaining traffic. The content of the long-form video is more difficult to disseminate on the vehicle of short-form video, but the interactive nature of short-form video and the public's participation can play a role in driving traffic to broadcasters. In 2019, for example, CCTV and Tik-tok collaborated on the Spring Festival Gala. Tik-tok launched a slew of activities, including topic challenges and creative play, to entice people to make short videos and take part in the Spring Festival Gala, a highly participatory promotional activity with a stronger warm-up effect than previous promotional activities. However, its drawback is also obvious: it is overly restrictive. Because the themed campaigns launched by short-form video platforms are closely related to TV content, the majority of partnerships with short-form video platforms are limited to a single program. It would be more straightforward for broadcasters to set up their online platforms, but this approach is not realistic, and it is not easy to gain an advantage on both the financial and competitive levels. This approach to monitoring platform data is, therefore, more feasible. Data monitoring is audience feedback, which refers to collecting data related to the content of the communication on various channels, including the number of views, clicks, ad placements, and comments. This information is dispersed across various platforms, including mainstream social media, collaborative streaming platforms, and short-form video platforms. We can better understand our audience's tastes and find the most effective platforms to reach them by collecting and analyzing this data. While there is also some cost associated with regulating this data, it will have a much higher conversion rate for the cost and will still be viable for some stations with less cash flow.

The platform is the communication channel, while the content is the core of the communication. From the point of view of broadening communication channels, content change is mainly about improving the quality of content and broadening its scope. Firstly, it is important to improve production standards and enhance innovation. This requires bringing in talent and, in addition to improving production standards, screening and evaluating the quality of content, and being both entertaining and public. For instance, Henan TV launched the Tang Dynasty, which combines traditional Chinese culture with song and dance, emphasizing the quality of the program and expanding its reach. Its director, Zhang Lin, is a newcomer to the scene and reflects novel ideas in the choreography of the song and dance, which is more in line with today's youth's aesthetics and hints at the need for fresh blood in television nowadays. Secondly, to broaden the range of content, the content itself needs to be varied and needs to have a different focus for different channels. As a result, rather than simply increasing the scope of communication, the collection scope can be increased in terms of content collection, with each channel emphasizing a different focus and adding different layers of content, resulting in truly effective multi-channel communication. At the same time, journalists and editors are trained to use their professionalism to make content more appealing, taking into account the nature of online communication, and countering the quality of content against the mass of information.

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