The Core Logic of Fan Economy and the Trend of Business Model
Enterprises Choose Partners to Use Fan Economy for Marketing

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ABSTRACT

Supported by Internet technology, the Fan Economy has become commonplace on major platforms and is more organized, expressive, and deeply engaging. As information spreads in a disconnected state, it advances the localization of the Fan Economy as well as the individualization of consumption. Under the influence of COVID-19, the negative macroeconomic impact on China has led to an increased reliance on e-commerce for businesses. At the same time, as the public consumes more time on electronic devices due to COVID-19, the possibility for non-fans to reach their favorite Target of attention has increased, contributing to the flourishing of the fan economy. Depending on a collection of fanatical fandom, the Fan Economy can effectively unite consumers, and even consumer opinions can lead to consumer trends, in turn forcing companies to adjust their products to meet demand. The fan economy has the characteristics of unchanged core logic but diversified business models. When companies apply fan economy for marketing, they need to rationally choose the right spokesperson to complete marketing contracts with Key Opinion Leader (KOL) for different duration to create revenue and enhance corporate image. At the same time, enterprises should consider grasping future trends and establishing their own marketing matrix to transform brand fandom at the right time.

Keywords: *Fan Economy, Marketing, KOL, China.*

1. INTRODUCTION

The word fan was first defined as fanatic. Fan was derived to mean fandom, star-crossed, and used to describe avid boxing and baseball supporters around 1889. As a reduction from of fanatic, the term fan reflects the core is a crazy obsession with a particular number of people or events. With the rise of the entertainment industry in China and the establishment of the communication base and various online platforms, the Fan Economy has formed a new business model based on fans. Fan Economy 1.0, 2.0, and 3.0 era are the idol chasing model, the interactive economy model, and the collective consumption model respectively. Fan Economy is gradually moving into the 4.0 era of reverse empowerment operation model. The four different era models are so far in a state of coexistence.

Since the idol talent show was introduced to the China in January 2018, the first year of idols, several similar programs have followed, promoting the rapid development of the idol industry and the Fan Economy.

At the same time, under the influence of COVID-19, e-commerce sales account for the major business revenue of most companies from 2020 and endorsements have an important role in promoting marketing. The Fan Economy is characterized by diverse business models and rapid changes with stable underlying logic. Therefore, companies must understand the core and importance of the Fan Economy to generate revenue. Based on the qualitative and quantitative criteria, companies should choose Target of Attention that matches their brand, has a certain fan base, and can cooperate for a suitable endorsement period and contract, to obtain the most efficient investment for the growth of corporate revenue.

Qi et al. studied the macroeconomic situation under the influence of COVID-19, which limits the development of the Fan Economy and increases the loyalty of fans, and concluded that the Fan Economy satisfied the basic needs of people and the consumption needs brought by the psychological and spiritual needs of fans. Therefore, a correctly guided and reasonably

driven Fan Economy promotes the development of social and economic welfare [1]. At the same time, Qiao et al. researched an Internet-based fan consumption model in the same macroeconomic situation, focusing on the mechanisms by which emotions in consumer-target audience interactions influence consumption behavior decisions. Qiao et al. concluded that emotions change due to competition and were dynamic throughout consumption activities, which implied that the evolution of consumer emotions and consumption behavior could be studied through an evolutionary perspective of decisions [2]. In the age of information technology, big data technology is the foundation of business marketing. Miao investigated the characteristics of the big data era as well as the implications and changes related to the development of corporate marketing strategies. Miao concluded that in today's rapidly evolving Internet environment, companies should use big data wisely to develop and plan important marketing strategies [3]. Nan et al. also focused on obtaining a large amount of data information based on online sales and concluded that the new economy of making full use of data information in the context of big data brought new opportunities and challenges to companies' marketing approaches. Nan et al. found that companies could effectively target consumers based on data information, conduct comprehensive analysis and research on consumer needs, and companies' marketing strategies needed to combine e-economy and big data information to make a shift [4].

The influence and power of the fans' buying tendencies is increasing. Park looked into the purchase intention of fans and found that the originality of content features and design features directly influenced cognitive responses, cognitive responses influenced consumers who had stronger emotional and cognitive responses to the purchase intention of idol merchandise, and higher emotional responses led to higher intention to talk about idol merchandise [5]. Liao explores the move toward digital and intelligent media technologies and the dramatic changes in Chinese fan expression and behavior. To some extent, under the influence of new media technologies, fans gained more discourse and the logic of expression is changing [6].Liang et al. focused on the shift in the relationship between fans and celebrity studios from passive recipients of marketing campaigns to co-creators of studios. Liang et al. concluded that Chinese media and entertainment companies begun to embrace fan creativity and seek new ways to develop, invest in, and nurture fandom to achieve product co-creation, particularly with high-level fans [7].

Liu and Wang separately studied a typical case of fan economy. Liu examined the cases of the third season of Youth With You in China and the second season of PRODUCE 101 in South Korea and found that the core of idol talent shows is the production process of idols. Liu concluded that talent shows promoted flow effects and corporate marketing as a revenue generation tool for the Chinese online video industry [8].Wang searched the Fan Economy of Chinese pop musicians by segmenting the pop music consumer market according to artists. Wang found that each music artist had an exclusive and loyal fan base and that the "Fan Economy" did not work for the Chinese pop music industry due to the horse-trading effect and the limited diversity of the consumer market [9].

He et al. discovered the controversial, fanatical, and circle-oriented characteristics of fans, and studied that public perceptions of fan culture have changed from complete negativity in the past to critical guidance now and that correcting the "fan chaos" required the joint efforts of stars, platforms, and fans to achieve the benign development of "fan culture" [10].

Therefore, this paper points out that companies should understand the core logic of Fan Economy and grasp the trend to better utilize Fan Economy to generate revenue. The context of this paper is the rapid change in the Fan Economy in the late COVID-19 era. This research summarizes the definition of fans and Fan Economy, and points out the fanaticism of fans and the strong appeal of Fan Economy, the diversified forms of consumption and other characteristics. This article also illustrates the industrial chain of Fan Economy and the influence of capital on Fan Economy with the aid of pictures. At the same time, this review summarizes the invariable operation mode of Fan Economy and two types of ways to obtain cash flow. Finally, this paper provides the reference basis for companies to screen the Target of Attention and fandom and make predictions on future trends.

2. RELATED CONCEPTS OF THE FAN ECONOMY

2.1. Fan and Fandom

A fan is broadly defined as a group of enthusiastic fans of something, who admire a celebrity (both real and virtual), internet anchor, or IP. Fandom is a collective of fans, usually named spontaneously by fans or officially by a celebrity or company. The fan base of fandom is complex and consists of the following categories. Fans who want to become a partner, fans who want their Target of Attention's career to be more successful, fans who see Target of Attention as a virtual friend, fans who like the appearance or body of Target of Attention, fans who imagine Target of Attention as a couple, fans who see Target of Attention as their children, older fans who see Target of Attention as their children, fans who specifically support talent shows, fans whose behavior is offensive or extremely fanatical, professional fans.

Figure 1 The basic conceptual framework of fan relationship and Fan Economy

Fans are characterized by a high level of admiration for pop culture, IP, or brands, deep emotional involvement, and consumption, which are a group of audiences with a group mentality. Fans have three major differences compared to ordinary non-fans: a sense of identity, deep emotional involvement, and consumption behavior that lacks moderation and dedication including but not limited to money, time, energy, and emotion.

2.2. Fan Economy

Fan Economy refers to a business that generates revenue based on the relationship between fans and the Target of Attention, enhancing brand communication through online celebrities or internet celebrities as brand endorsers and gaining the support of a large number of young fans through the attractiveness and professionalism of celebrities. Thus, Fan Economy is also seen as a way to leverage the credibility of a group of people or objects to cash in on business value.

The Fan Economy is an idol economy that developed vertically in the early days and had only one core node, namely the relationship between idols and fandom. Later, as fandom widely disseminates idol-related content, it attracts and transforms some ordinary people into fans, thus transforming the single vertical relationship into a complex relationship with multiple nodes. From the operator's perspective, Fan Economy is a kind of "word-of-mouth marketing"; from the fans' perspective, Fan Economy is a kind of "spiritual consumption".

Figure 2 Fan relationship spread by word of mouth among fans

2.3. Characteristics of Fan Economy

Firstly, the fandom influenced by "fan culture" has strong appeal, cohesiveness, and action motivation. While the actions of contemporary fandom revolve around the Target of Attention and make every effort to protect the Target of Attention, they may even go against the mainstream values of society. With the help of the internet platform, the number of fans is expanding rapidly under the influence of this crowded effect.

Secondly, the form of consumption of Fandom is diversified. In the different fan economies centered on actors, idols, internet celebrities, and IP, consumption consists of direct consumption and indirect consumption. Direct consumption includes purchasing Target of Attention's products (concert tickets, digital music albums, physical music albums, magazines, etc.) and live bounties (direct gifts of money). Indirect consumption includes charting for Target of Attention-related charts (e.g. buying virtual currency), buying endorsements from Target of Attention, topping up VIPs on third-party platforms to enjoy Target of Attention's work, buying recommended products from Target of Attention's live streams, and watching Target of Attention-related advertisements, etc.

Thirdly, Fandom participation has increased. In the Fan Economy, operators of the Fan Economy can rely on big data to pinpoint fan groups and grasp fan preferences to promote commercialization, or even involve fans in the "star-making" process and "personal character setting" of idols based on fan preferences. For example, in the idol-center Fan Economy, the idol's character setting is adjusted on time by studying the different degrees of fan reaction to the idol's display of external character, the slogans, and support image designs that fans independently design for the idol. In the case of the Fan Economy centered on actors, singers, etc., fans are adept at applying an extension of "Textual Poachers theory" to secondary creation. Secondary creation refers to the editing of different works into an original new work that meets the fan's preferences. This reinvention may be based on Target of Attention's character set or acting role setting, or it may be created in isolation from the original literary product or Target

of Attention. And Target of Attention will adjust its character set based on fans' feedback on the interpreted works and secondary creations, including its performance in variety shows and the scripted character setting of the chosen movies, TV dramas, music videos, etc.

Fourthly, the industrial chain is lengthening and new business models are emerging. With the continuous development of the Fan Economy, the industry chain has increased from the simple upstream and downstream brokerage companies, Target of Attention, and fans to capital companies, platform companies, marketing companies, and so on. Under this model, the rules of the Fan Economy are set by the capitalists and platforms, and the right to speak is increased, the ability of the brokerage companies is highlighted, and the marketing companies receive extensive attention. At the same time, all business models that are attached to platforms with certain social attributes, form closed circles based on certain groups, and convert the number of fans into cash revenue through certain means are an extension of the Fan Economy, opening up opportunities for content creators, brands, and small and medium-sized businesses to cash in on the flow.

3. THE BUSINESS MODEL OF THE FAN ECONOMY

3.1. The industry chain of the Fan Economy

Upstream of the Fan Economy industry chain are MCN agencies and brokerage companies, which are responsible for discovering and cultivating talents and launching them as Targets of Attention at the right time. Midstream of the industry chain is capital companies (advertisers and sponsors) and platform companies, which have a mutually reinforcing effect. Capital companies provide financial support to promote products and Target of Attention while platform companies provide platforms to promote Target of Attention and release related products. Meanwhile, advertisers sign contracts with Target of Attention, and Target of Attention is responsible for releasing advertisements to promote products or making endorsements. Sponsors are mainly responsible for sponsoring the platform to start the corresponding projects, and both types of companies provide a certain amount of capital to raise awareness. Downstream is the fans and the consumers who are converted into fans. Fans are divided into official backers, official backer chapters, unofficial backers, and individual fans.
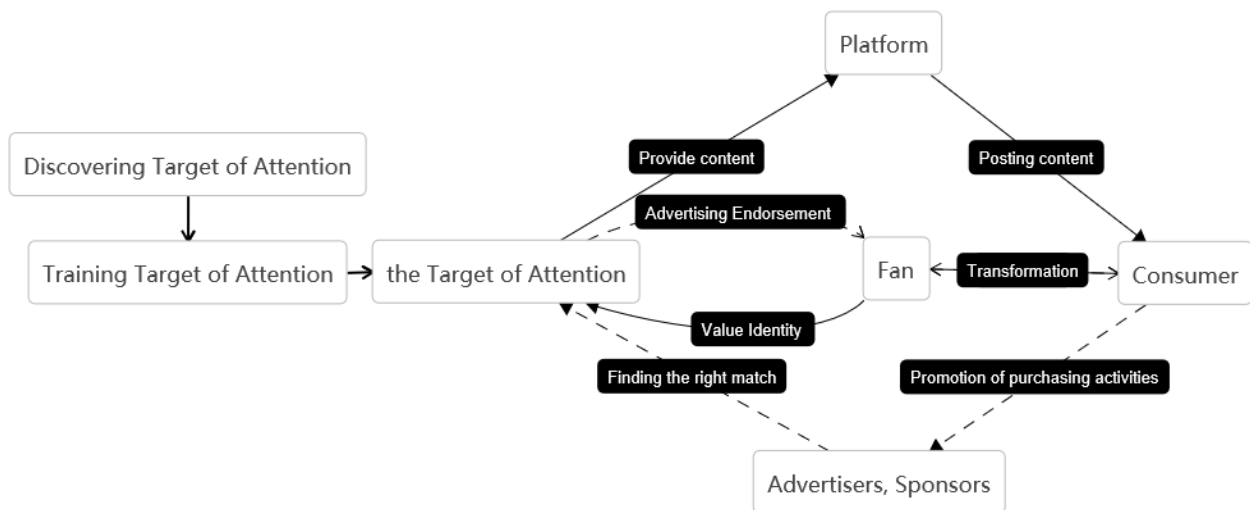

Figure 3 The industry chain of the Fan Economy

3.2. The operating model of the Fan Economy

The operation model of the Fan Economy is divided into four segments: acquisition of fans, fan conversion, fan retention, and fan self-expansion. This operation model is similar to product operation, which corresponds to the four aspects of product operation: attraction, consumption, retention, and recommendation.

Fans acquisition is to achieve the goal of expanding the number of fandom by gaining attention through mass exposure and increasing the probability of converting followers into fans, to raise awareness to

increase business value. Fan conversion is the development of deep emotional engagement and admiration through cultural exchange and Target of Attention interactions, thus promoting fans' participation in fandom activities. For example, from basic activities such as watching videos and artworks to advanced versions of contributing to the attention of the Target of Attention and buying endorsements, fans are transformed into senior fans who can generate direct or indirect cash flow through certain means. Fan retention is the act of stabilizing the number and quality of fans to prevent the loss of enthusiasm. Automatic fan self-expansion refers to fans spontaneously recommending

Target of Attention to non-fans, thus increasing public awareness of Target of Attention and reducing the cost of investment required for mass exposure, to gain a certain percentage of effective new fans.
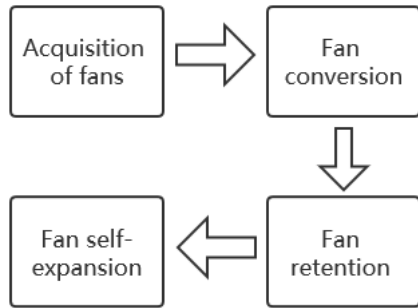

Figure 4 The operating model of the Fan Economy

3.3. The cash flow model of the Fan Economy

The core logic of the Fan Economy cash flow model is to operate with a limited fan base. The two main categories are the consumer model and the business model. The Consumer model refers to the use of e-commerce platforms, live streaming, paid content, and derivative sales to generate cash flow, while the Business model refers to the financial support from advertisers and media platforms.

First of all, in the Internet 3.0 era, there is no substitute for platform advantages. The three major video platforms could promote certain artists on a phased basis and sign a corresponding platform bundle. After signing a contract, the artist can only participate in a certain segment of the platform's program for a fixed period of time. For example, the artist can only participate in a platform's variety show or TV series for three years, without participating in competing in similar variety shows or TV series. Therefore the platform can use the artist's fandom to ensure the project ratings and promote the program, as well as harvest advertisers and sponsors. At the same time, the artist gets the resource exchange and support with the platform, such as getting the magazine cover recommended by the platform, the platform APP home page recommendation, stable projects, and the corresponding promotion cooperation income. The two are combined, and the platform advantages and artist fandom groups together contribute to a good market response for the relevant program. Thus this model further enhances the number of artist fans, improving fan loyalty, and satisfying the fans' idea of enjoying the products, which reaches a win-win situation based on the successful branding of Fan Economy to achieve word-of-mouth and commercial transformation.

The second is to cultivate fan loyalty and control channel logic, applicable to the Target of Attention with a certain fan scale or with certain channel resources, bargaining power, and hoarding advantage of the channel. Typical figures are excellent anchors in a shopping platform live broadcast who gradually cover more target users with the word-of-mouth spread of the first group of fans obtained. Under this business model, the team controls the channels to reduce the difficulty and time for fandom to choose products, provide better value for money and lower product prices, promote secondary and multiple dissemination, and complete the expansion of target users. At the same time, the team uses the number of fans to negotiate with brands to improve bargaining power and earn the fees for brands to appear on the list of recommended products in the live broadcast room as well as sales draws. The ultimate goal is to achieve a virtuous cycle of business models.

The last kind of consumer model is to promote value derivation with emotional logic as the core, which is a kind of sentimental consumer logic and common in the technology circle or IP projects. The core logic of this business model is a large number of fandom and the high recognition of a character, product, or brand, which leads to interest in derivative products and consumption.

The Business model is based on a contractual agreement to receive a fixed or pro-rata percentage of the cost of an endorsement or promotion for a certain period of time. The exact cost of the input depends on the Target of Attention, and the company or industry defines the approximate amount.
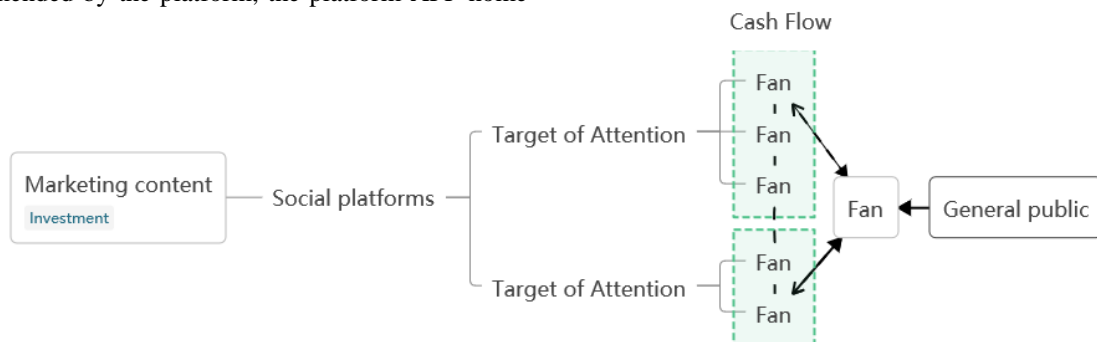

Figure 5 The logic of Fan Economy based on Social platforms

4. ATTENTION POINTS FOR ENTERPRISES TO MARKET WITH FAN ECONOMY

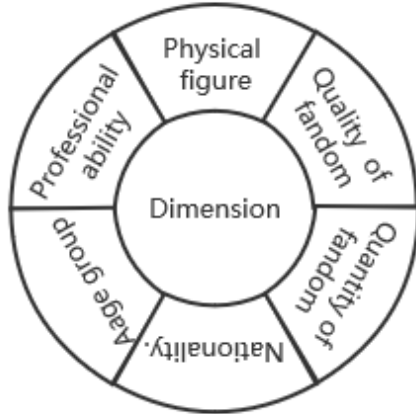## 4.1. Enterprise filtering Target of Attention and fandom

Figure 6 Factors for enterprises to choose cooperation partners

4.1.1. Enterprise filtering Target of Attention

When selecting a Target of Attention to work with, companies should consider the following factors: physical figure, professional ability, age group, and nationality.

First, China's entertainment industry is highly competitive and focused on productions, leading fans and the general public to choose the ideal Target of Attention by focusing on appearance conditions while paying more attention to business capabilities. According to AIMAN data, this change is more evident in the second tier from 2020 to 2021 [11].

Table 1. The Proportion of mentions related to Target of Attention's professional ability and physical figure from 2019 to 2021 among active fans in China

The Ratio of professional ability / physical figure	2019	2020	2021
From the number of active fans TOP100	0.67	0.77	0.787
From the number of active fans TOP101-500	0.67	0.67	0.77

Secondly, the existence of a certain possibility that foreign artists will make unfriendly remarks about China and the high patriotic fervor of Chinese fans in the era of the epidemic has led to a preference for companies to choose the Chinese Target of Attention for cooperation. According to AIMAN data, the number of patriotic comments from active fans has increased significantly regardless of whether the artist's nationality is Chinese or not, thus potentially leading to high demand for artists to be China-friendly [11]. However, choosing Chinese artists or artists of Chinese nationality is not completely safe. In 2021, there were 5 cases of Chinese famous artists making unfriendly remarks about China that led to the dissolution of fandom. At the same time, companies should be aware of this possibility i.e. even if immediately terminate the contract with the artist, it will still leave a bad impression of the companies' image on the general public.

Table 2. Number of patriotic statements by active Chinese fans who follow the Target of Attention from different regions

Year	Artists from mainland Chinese	Artists from HK, Macao & Taiwan	Overseas Artists
2020	3833177	60360	558074
2021	7037510	1166275	995520

Thirdly, there is a trend of lowering the age of the most popular fandom artists. Since fans can participate in the process of building young talent show artists and the competition process requires a lot of time and money from fans, the future development of younger artists (mostly idols) is better than middle-aged artists whose popularity is dissipating. According to AIMAN data, among the top 50 artists with active fans in 2019, 2020, and 2021, artists under 20 years old account for 13.46, 7.41%, and 22.41% [11]. When choosing these artists to work with, we need to determine whether the artists are in the talent show period, just after the talent show period, or long after the talent show period. If the artist is in the talent show period, the overall trend of the show and the artist is good, the number of active fans during this period may rise and the endorsement effect is better. When the talent show has just ended, the future development of most artists is uncertain, and the phenomenon of being the best known when they debut is obvious, companies should be more cautious about choosing artists to work with. When an artist remains popular for a longer period of time after the talent show, the artist's Awareness is in a stable state and the possibility of successful corporate cooperation is higher.

Fourth, the number of fandom is close to half of the artists over 30 years old in the second and third steps of the ladder. According to AIMAN data, among artists with TOP51-200 active fans, the proportion of artists aged 30 and above is 38.46%, 38.81%, and 46.15% from 2019 to 2021 [11]. The data in 2021 has increased significantly compared to the previous two years

because a large platform has carried out three competitive programs around artists in this age circle, and the program which is similar to the model of talent shows has led to a significant increase in fan enthusiasm, and the public's attention to these artists has increased, thus converting a certain percentage of the population into fans. It is worth noting that due to the limitations of the program setting, it is still unknown whether the popularity of the artists who have regained popularity due to their participation in these programs will be maintained in the future, and it is risky for companies to choose these artists to work with. From the perspective of the general talent show effect, most of these artists' popularity peaks on the day the competition ends, after which the overall popularity tends to decline.

4.1.2. Enterprise filtering fandom

When companies select a Target of Attention, they need to further observe the quantity and quality of fandom.

The quantity of fandom can be determined by checking the total number of Target of Attention fans on the platform, the average number of daily, weekly, and monthly active fans, the number of related topics read and discussed, and the number of likes, comments, and retweets of the artist's posted content.

The quality of fans can be determined by Target of Attention's commercial value ranking and fan support groups. According to the "Commercial Value Evaluation Standard for Advertising Spokespersons" jointly released by AIMEN Data and the Advertising Spokespersons Committee of the China Advertising Association, the calculation of commercial value is based on the effective broadcast data after deducting the non-human data generated by machines in bulk. And the overall commercial value performance score is calculated for a fixed period (the shortest period is monthly), weighted by the awareness index, word-of-mouth index, professional index, and endorsement index [11]. After receiving the transparent data, companies can roughly judge the current commercial value of the Target of Attention and forecast the long-term trend. When screening the fan club, companies can mainly refer to the reasonableness of the fan club's organization, appeal, discipline, overall atmosphere, and the number and value of historical purchases of endorsement products.

However, companies need to pay attention to see if there are certain extreme behaviors of fans, such as malicious snatching during the pre-sale of endorsement products and returning the products after receiving them, and this bad behavior causes inventory piling and logistics loss for the company.

4.2. Companies set contractual programs and marketing programs

The entertainment industry is in the midst of a clean-up operation, ostensibly to guide fan behavior, but with capital dictating fandom rules and regulating marketing company and platform behavior. The prevailing trend is to reduce bad marketing that can lead to waste, malicious competition, and bot-generated, non-human data.

Companies set up endorsers to promote their brands and gain support from fans through endorsers' influence, credibility, and professional recommendations, using the power of fandom to promote the company, generate revenue, and improve their image. At the same time, the company will choose the right KOL for cooperation and promotion. When contracting with Target of Attention, companies should pay attention to the timeliness and nature of the contract as well as company internal control. In terms of the timeliness of the contract, companies should choose the Target of Attention based on whether the value of the artist is stable or short-lived, and ensure that the choice of the spokesperson is in line with the company's level and changes with the improvement of the company's brand image and value. Companies or platforms should pay attention to the reasonableness of setting up a betting or packaging treaty. Excessive goals often result in fans using bots to generate batches of data to reach the appropriate number of visits, purchases, and ratings, resulting in invalid data and the opposite effect of setting spokesperson goals by the company of shopping before returning.

A national brand Perfect Diary has become a well-known brand in China's domestic cosmetics industry through the power of fandom and the company's marketing by constantly changing spokespersons of different grades. The company first selects second-tier actors from talent shows or a hit drama at the time to promote the company, draw attention and drive sales growth with the Fan Economy. Enterprises then choose another part of the artists for the new product launch cooperation, using the artists at that time in the talent show advertising is the end of the peak of the heat of the state to artists to drive the product, to further arouse the fans as the main consumer resonance, and at the same time through the constant turnover of specific holiday partners in different fandom for publicity, and transformed into the brand's fans. Finally, Perfect Diary chose high-end internationally renowned artists to empower the brand and precipitate the brand image. The brand will also be able to trigger word-of-mouth momentum and complete the process of quantitative change to qualitative change. According to the product line, the contract timeliness, and the title category of the endorsement, the combination of spokespersons is divided into multiple levels to achieve a multi-line matrix of spokespersons with multiple timelines and a Target of Attention effect.

The company also makes extensive use of KOL for cooperation and promotion. The company selects the top KOL to recommend new products and generate attention, selects mid-level KOL to conduct product analysis from a professional perspective to promote the marketing effect and expand the impact, and selects ordinary KOL to test and analyze the results of the products. With a complete KOL system to maximize the quality of marketing.

4.3. Focus on future trends

As the influence of the Internet continues to expand and its form changes, the Fan Economy of the decentralized business model gradually reflects, forming the Fan Economy 4.0 reverse empowerment. First of all, the KOL placement is gradually matrixed and the form

of communication shows fission. The matrix is a platform for KOL in different fields with different users, different fan magnitudes, personalized KOL, and different content attributes. As the variety and number of KOL increase, the choice of advertising sponsors is expanded and the composition of KOL and platforms can be freely matched according to different purposes. Secondly, the selection range of Target of Attention is diversified. With the rising attention and popularity of popular IP and avatars, such as Lina Belle and Bubble Mart, the choice of corporate partners is not limited to artists. Finally, the above-mentioned fans' "Textual Poachers" promote reverse empowerment. The secondary editorial creation by core fans generates discussion and then pushes the Target of Attention and brands to innovate brand and content.
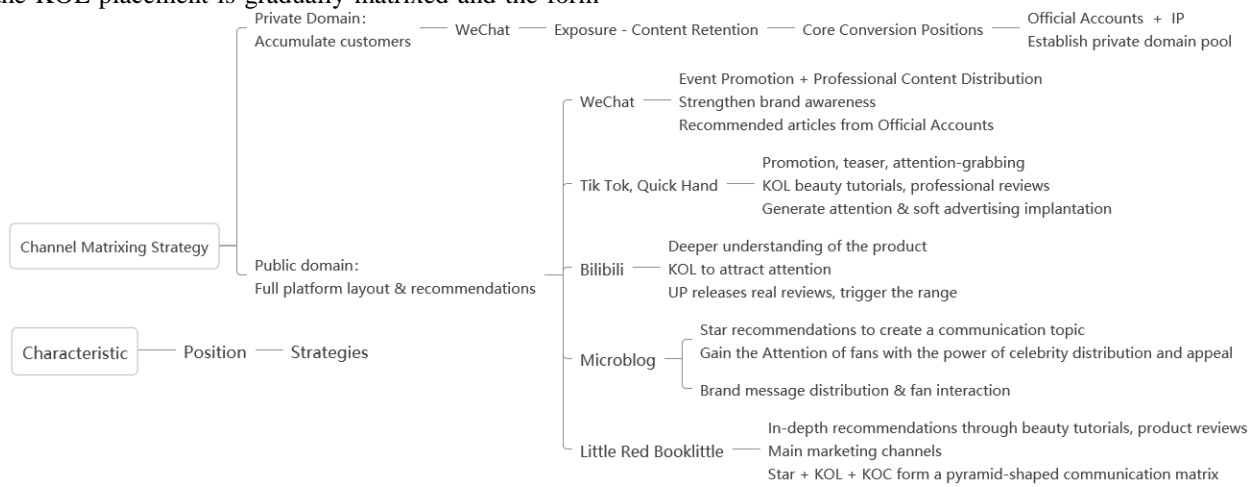

Figure 7 An example that the marketing matrix of Perfect Diary shows the role of the Fan Economy matrix and Target of Attention diversification.

Enterprises should also note that the characteristics of Fan Economy 1.0, 2.0, and 3.0 will still occupy a considerable proportion in the future. Fan Economy 1.0 is the formation of word-of-mouth in the field and a certain closed circle through the works of Target of Attention. Under the virtuous cycle, the loyalty of fan groups continues to rise, and the popularity and influence of individuals continue to expand, gradually moving towards the path of breaking the circle and finally realizing that fan groups, or even non-fans, pay for the transformation of their works, widely appearing in entertainment, literature and other popular culture fields. With the bidirectional, interactive, and zero-threshold communication mode of the Internet platform, Fan Economy 2.0 promotes the formation of fan relationships among people who are eager to interact and have channels to speak, as well as content consumers in related fields who are trying to seek resonance and similarity. Through the timely and efficient interactive scenario of live broadcast, users' sense of immersion is strengthened and the distance between them and the content producers is further reduced, achieving a high fan conversion rate. Fan

Economy 3.0, fandom presents the characteristics of Community Movement and Collective Behavior. Community Movement refers to fandom creating characteristic scenarios based on common purposes and forming high-frequency consumption, and generating a continuous effect of mutual influence based on emotional triggers such as bragging psychology, comparison psychology, and sharing psychology, while Collective Behavior tends to be a planned and organized collective consumption behavior of fandom to expand or prove their influence. And the backing group carries out fund-raising to support, which is a kind of impulsive consumption and luxury consumption.

According to AIMAN data, there is a big difference in the overlap between fans of the entertainment industry and fans of other industries. According to the degree of integration, the degree of integration between fans of the entertainment industry and fans of the game industry, the live broadcast industry, sports industry, rap industry, APP Bilibili's up account, avatars, and dubbing industry are 17.83%, 10.76%, 9.68%, 3.85%, 1.7%, 1.14%, and 0.42% respectively. The convergence of the

first three data is much greater than the others, which reflects that fandom is currently more concentrated and pays more attention to entertainment, games, live streaming, and sports. When building a multi-channel campaign, these industries can be chosen as the main ones, and efforts can be made to improve the integration of other industries.

5. CONCLUSION

This paper analyzes the characteristics of the Fan Economy, the operating environment, and the ways to obtain cash flow. At the same time, this paper concludes the risk factors and suggested processes for enterprises to choose relevant targets of attention and their fandom for cooperation. The results suggest that enterprises should, under the premise of grasping the core logic and extended business model of Fan Economy, cultivate their fandom when possible, and reduce the investment in advertising and marketing with the help of fandom spontaneous promotion behavior to achieve high efficiency of investment. With the formation of the platform's model diversification matrix, enterprises should focus on the establishment of their comprehensive marketing matrix and make long-term plans to enhance their brand image, and set up reasonable cooperation contracts for sustainable development. It is worth noting that if the relevant spokesperson or cooperative KOL has a serious negative event, the company will be compensated for the breach of contract according to the contract but the undesirable consequences to the corporate image cannot be compensated by quantitative money at one time. Therefore, the company must fully investigate the Target of Attention as well as fandom with emphasizing the internal control of the company when choosing the cooperation object.

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