



# Fan Economy in the Social Media Age: New Marketing Approaches

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**Abstract.** In the era of social media, the fan economy has brought new opportunities and challenges to the marketing model of enterprises. Starting from the definition of the concept of fan economy, this paper explores the impact of fan economy on the marketing model, that is, the development of communication forms from a single chain to two-way interaction and the precision marketing and user segmentation driven by data and trust Word-of-mouth marketing has become particularly important to stimulate and promote new marketing models such as community marketing, KOL marketing, and IP marketing, while also increasing marketing risks; Finally, this paper discusses five main marketing models in the fan economy environment, emphasizing that enterprises need to accurately understand the psychological demands of fans, fully consider the communication characteristics of social media, reasonably weigh the pros and cons, and continuously optimize and innovate marketing strategies, to provide a reference path for the sustainable development of corporate brands and the maximization of commercial value.

**Keywords:** social media, fan economy, marketing model

## 1 Introduction

In today's era of rapid digital development, the rise of social media is like a surging wave sweeping the field of information communication around the world. It not only reshapes people's communication methods and lifestyles but also gives birth to a unique and powerful economic force - the fan economy. Fans are no longer just passive receivers of information but active participants and promoters. In the age of social media, the power of fans has become a key factor in marketing. Businesses need to pay more attention to interacting and communicating with fans, personalizing their needs and preferences, and attracting and retaining fans through personalized marketing methods. At the same time, social media platforms also provide enterprises with a wealth of marketing channels and tools, such as Wei bo, We Chat, Dou yin, etc., to more accurately

locate target customers and improve marketing effectiveness. It breaks the traditional one-way marketing model, builds a more profound interaction and co-creation relationship between brands and consumers, and transforms consumers from simple buyer roles to co-builders of brand value. However, the rapid expansion of the fan economy has also raised a number of issues of concern. Excessive fan enthusiasm may lead to irrational behavior, and how to balance business goals and social responsibility when taking advantage of the fan economy boom has become an important issue. In addition, the high mobility and variability of the fan base also pose challenges for enterprises in maintaining marketing effectiveness continuously. How to ensure the long-term effectiveness of marketing strategies and maintain the stability of brand image has become an urgent problem for enterprises to deal with.

This paper systematically studies the connotation and development of the fan economy in the era of social media and profoundly discusses its impact on and enlightenment of marketing models. By analyzing the complex relationship between the fan economy and the modern marketing model, this paper aims to explore its internal laws and challenges, provide theoretical support and practical paths for the dynamic matching of supply and demand, and provide reference suggestions for enterprises to achieve high-quality development, so as to help them achieve sustainable growth in the wave of fan economy.

## 2 Definition of the Fan Economy

The fan economy was first coined by John Fiske in 1989 as a reference to "pop culture fans" as over-the-top readers. "Fans" means that the contribution to the text is active, enthusiastic, and participatory. The distinction between "obsessed" and "unobsessed" encompasses the particularity of two behaviors: discernment and productivity. Discernment is the social relevance between communities that choose the exact text rather than the criterion of conforming to an aesthetic quality. Productivity is the process of reassembling and reusing the cultural products of capitalism in a "bricolage" manner, where fans of mass culture are motivated by their obsession to produce their texts[1].

The concept of fan economy is mainly divided into two types. In general, one is the production of fan culture, focusing on "fans"; Fiske (2001) Fiske (2001) believes that readers are cultural producers, not just cultural consumers[2]. Matt Hills(2009) argues that the fan economy is not only a simple consumption behavior but also a complex cultural phenomenon involving the deep interaction between fans and works, in which fans are no longer passive recipients but active participants and creators[3]. One is a new marketing business model with a focus on the "economy." Xiao Peng and Gao Senyu(2015) believe that a "fan economy" is a type of economy triggered by emotions or emotions, which can achieve the effect of fans actively participating in marketing by touching the emotional consensus of fans[4]. Zhang Wenzhao(2019) defines fan economy as an emerging business model in which "fans" mobilize emotional capital in the virtual space created by the Internet to generate consumption behaviors[5]. Yu Ren and Cheng Wanqing(2024) argue that the fan economy is essentially a new entertainment

business operation model that obtains wealth returns and social benefits by increasing the interaction between fans and celebrities[6].

This article suggests that an economy is an economic model based on fans' emotional identification and value sharing, which achieves commercial monetization through social media platforms.

### **3 The impact of the fan economy on the marketing model**

#### **3.1 Redefining Communication Dynamic: From One-way Communication to Two-way Interaction**

Xiao Peng and Gao Senyu(2015) argue that the traditional marketing model of "the fan economy" is mainly operated by fans, who provide support and purchase derivative industrial products, which is a single-track chain marketing model<sup>[4]</sup>. Linna Ols-son(2018) proposes that one-way marketing is the communication act of a company's one-sided monologue and that two-way marketing is a shared act of establishing a conversation between a company and its loyal fan users, and that the drivers of two-way communication have been further identified as tangible rewards, interpersonal communication, and social media interaction[7]. Zhou Ruoyu (2023) believes that under the establishment of the Internet community of Web 2.0, users no longer passively accept information but actively produce and disseminate content[8]. Now, with the development of social media, the fan economy is booming, the interaction between text or entity and fans is more frequent, and a two-way circular interaction mode has been formed, a variety of communication methods have been developed, and the scope of communication has been continuously expanded so that the marketing model is in a "dynamic" state. The good and bad aspects will be amplified. The economic value of fans will rapidly increase in the process of positive content dissemination. The economic value of fans will quickly be reduced in the process of harmful content dissemination. For example, in 2024, Da Bing, a well-known host and best-selling author of China's former Shandong Satellite TV, will start a live broadcast to connect with netizens for sincere dialogue, patiently answer netizens' questions, and act as a "tree hole" to listen to fan stories, creating a new type of fan culture, surging 730,000 fans in a short period. This live broadcast method has become a new way of two-way interaction between fans' emotions.

#### **3.2 Precision Marketing and User Segmentation: A Data- and Trust-Driven Approach**

Wang Xia (2024) believes that in the era of big data, using big data to analyze user data (purchase records, browsing records, etc.) to understand the personalized needs of users, brands or enterprises can carry out more accurate marketing and market segmentation according to the user portraits and behavioral characteristics of fans. The participation and interactivity of fan groups provide rich network traces and interest orientations for user segmentation, better meeting the personalized needs of fans and optimizing product design and services[9]. Zhang Yuxuan (2017) argues that in the context of

fan economy, high consumer preference satisfaction will correspondingly increase satisfaction with purchase behavior, and it is relatively easier to control an individual than an individual[10]. The preferences and needs of fan groups are more easily summarized through the analysis of consumer behavior data. Wang Yanjiang(2021) believes that psychoanalysis can obtain more real data through the collection and analysis of consumer behavior tracking data to help better brands or enterprises grasp consumer needs more accurately because conversations or written information have a certain degree of deception. Consumers may hide their true thoughts because of their interests, but consumer behavior will not deceive people. Consumer behavior can better reflect the psychological activities and needs of users[11].

### **3.3 From Individuals to Communities: The Rise of a New Economic Model**

Zhao Peiyang(2024) believes that community economy is an economic thinking model that relies on the sense of belonging and identity of the community as the core strength, which has strong, sustainable development capabilities, and the establishment of stable and healthy community relationships can enhance fan loyalty and brand awareness, and create more lasting business value[12]. Zhang Yuling(2020) argues that to improve brand loyalty, it is necessary to rely on the management of brand communities[13]. User-generated content (UGC) refers to content that is originally designed and shared by users or consumers, and UGC covers various forms such as articles, images, videos, comments, blogs, social media posts, and more. Fan consumers share their product experience, evaluation, secondary creative creation, etc., which is generally more credible, expands the scope of marketing communication, enhances the effect of marketing communication, and attracts the attention and purchase desire of potential consumers. According to Tapscott(2009), consumers are not only products of popular culture but also produce, disseminate, and create their cultural texts and share them with other fans[14]. Danesi(2002) proposes that with the popularization of the Internet and the convergence of digital technology and media, pop culture texts will be connected to form intertextual networks, and some of them are even created by digital fans themselves[15]. Chinese Xiaomi enterprises pay attention to the cultivation of community culture so that community members can form a strong sense of belonging and identity on the basis of shared values and actively spread and defend the brand image.

### **3.4 Co-Branded Marketing with KOLs and IP: A Strategic Approach**

Song Yihang(2022) thought that fans would reduce the time spent on product selection out of their favor and trust in opinion leaders and might buy high-priced products or products they didn't need[16]. Yu Jing(2024) believes that co-branding is a new cooperative marketing model between two or more brands that jointly launch a new service, new product, or activity through cooperation to quickly gain a more significant market competitive advantage and form a mutually beneficial and win-win situation[17]. Fan groups amplify the endorsement effect through social media and other online platforms, building an emotional connection between the brand and consumers through celebrity

endorsements, increasing fan loyalty, and enhancing the brand's market competitiveness. Loyal fans are more willing to pay for the brand's products and activities, actively participate in brand promotion, and have a certain tolerance for products and services. For example, in 2015, Adidas partnered with Kanye West to launch the Yeezy sneaker series, which received a lot of popularity, and Kanye's fan base turned into loyal Adidas consumers. The fan economy has given rise to a large number of brand collaborations and joint activities. Fan communities actively participate in these collaborations and purchase the products, leading to extensive exposure of the brand image and an increase in market buzz. For example, the "Sauce Latte" co-branded by China's Luckin Coffee brand and Kweichow Moutai occupied the hot search list on Weibo, Douyin, Xiaohongshu, and other platforms after the product was launched. The social media WeChat index showed that the brand index rose by 1535% on the first day of launch, triggering a large number of netizens to discuss the craze.

### **3.5 The Increased Marketing Risk**

While the fan economy brings a lot of opportunities for marketing models, it also increases the risks. Yu Ren and Cheng Wanqing (2024) believe that enterprises invite socially influential influencers or celebrities to endorse and promote while also bearing the marketing risk that negative news about the spokesperson may correspondingly affect the brand image[6]. For example, in 2023, the head anchor, Li Jiaqi, caused fan dissatisfaction due to improper speech, causing his brand to be affected by sales at the same time. Still, the brand also relied on Li Jiaqi to become a hot-selling brand. The fan economy has a certain degree of incendiary and inducing, and excessive emotional consumption will lead to fans' high expectations for their brand. Once there is a product or service problem, it is easy to bring adverse effects and increase marketing risks. Wang Jinhui (2023) argues that the fan economy is essentially an emotional economy, which in essence, will reflect blind and irrational behavior, and large-scale negative comments from fans can cause an irreversible public opinion whirlpool for individuals or brands[18]. Chinese artist Huang Zitao promised to send 10 domestic cars if the number of fans exceeded 30 million at the end of 2024, but after the live broadcast, he lost a large number of fans. This case profoundly reflects the marketing crisis caused by excessive emotions in the fan economy.

## **4 Marketing Models for the Fan Economy in the Social Media Era**

According to different marketing subjects and strategic priorities, this paper divides the marketing model of the fan economy under social media into the following four categories:

#### 4.1 We-media marketing model

The focus of "self-media" should be on "self," "self" is self-expression consciousness; self-media provides users with an open platform for expression, and everyone has the opportunity to become a producer and disseminator of content. The most significant difference between self-media marketing and pan-media marketing is that self-media focuses on self-professional expression and vertical depth of content. In contrast, pan-media focuses on width and universality. Matthew Hindman(2015) argues that self-media is a phenomenon in which individuals or small groups publish and disseminate content independently through Internet platforms with the advancement of social media technology[19]. Zhang Lili(2024) believes that fan management is an essential factor in self-media marketing, and increasing the number of fans and enhancing the quality and stickiness of fans is a crucial purpose of improving account awareness and converting "passerby fans" into loyal fans[20]. Zhang Wenzhao(2019) believes that emotions are the main factor that resonates with fans or audiences and can be transformed into economic benefits through the emotional identity of fans[5]. We-media marketing is a marketing strategy that displays the personality charm of an individual or enterprise and the content of its works through the self-media platform, obtains the support of fans, and carries out brand promotion, product promotion, and other activities. Chinese self-media Internet celebrity "Papi Sauce" captures the psychology of young people involving the workplace, daily life, etc., and points out the core issues through interesting self-directed and self-acting so that the audience can form a strong emotional resonance with her. Wang Yao and Pang Xiaoting(2020) believe that the intuitive, comprehensive, immediate, and interactive characteristics of video display are more compatible with the purpose of corporate marketing[21]. With the further development of big data and artificial intelligence technology, video marketing will achieve higher accuracy and interactivity and effectively provide marketing results. Jin Shuyi(2022) proposed that self-media is developing into a new form of advertising called "planting grass," which has changed the conventional way of marketing[22].

#### 4.2 Pan-media Marketing Model

Pan-media is an integrated and cross-border media ecology in the digital and Internet environment, which adapts to the rapidly changing communication needs of the information age through diversified content, channels, and interactive forms. Wang Tan(2020) believes that society is in a state of imbalance between time and space in the pan-media era; the expansion of virtual space has dramatically reduced the actual space, fragmented emotional information has become the most acceptable and understandable content for people, and has changed the habit of users to accept information, and people's attention to emotion is greater than the fact, which has become a common social phenomenon[23]. Wei Huarong and Wang Lan(2024) believe that as the Internet becomes more open and diverse, many people have begun to choose a fragmented and pan-entertainment way to communicate[24]. The focus is on "pan"; on the one hand, it is vast, and it does not pursue depth; everything can be a part of pan-media, and many media can only intercept a fragment or node generalization. On the other hand, the exact

text, whether it is professional or not, can be shared and disseminated by any individual or institution, and the boundaries between consumers and producers are gradually blurring in the age of social media. Xu Yiqi(2022) argues that pan-media marketing is a form of media used to disseminate information, and it is rapidly changing between different types and forms of new media. And sports fans will pay great attention to the timely dissemination and marketing of the "word of mouth" of their favorite athletes[25]. Pan-media marketing is to disseminate information through diversified media methods, emphasizing resource sharing and mutual benefit. For example, short video platforms have many group purchase links published and disseminated on many accounts, quickly attracting a large number of users and fans to participate in purchases.

### **4.3 KOL Live Marketing Model**

Wang Jingqiang and Huang Xin(2023) believe that a key opinion leader (KOL) refers to a person, media, or organization that has authority and influence in the relevant field and has many advocates who identify with and trust their views and ideas[26]. Dabo Moussa(2023) defines KOL live streaming marketing as an anchor through viewers or fans and KOLs on the basis of the medium of e-commerce live broadcast. The interaction between them establishes a marketing scenario to recommend marketing to fans[27]. Lyu et al.(2022) demonstrated that the popularity and professionalism of KOLs in the live-streaming marketing scenario can significantly affect the attractiveness of female fans[28]. In 2024, Jeffree Star, the top Internet celebrity in the United States, will broadcast live on the TikTok platform, attracting 1.44 million views and sales of 66.5%. 10,000 US dollars, breaking through the new height of TikTok live e-commerce in the United States.

### **4.4 Green and Sustainable Marketing Model**

Li Wenjing and Ma Xin(2020) believe that green marketing focuses on embedding green culture into the core concept of enterprises, with the aim of promoting the idea of sustainable consumption, attracting followers or consumers to purchase products and services with sustainable and environmentally friendly properties, and driving consumer demand for sustainable products[29]. For example, Tesla continues to promote its core mission of promoting the world's transition to sustainable energy through its official account and other channels so that users can deeply feel the brand's strong commitment to environmental protection and sustainable development; as promised, to achieve 100% sustainable energy by 2050, making consumers aware that choosing Tesla products is the power and potential of a sustainable future. With the development of the Internet and the premise of global green and sustainable development, many big brand enterprises have begun to promote their green and sustainable marketing on social media, demonstrating social responsibility and winning a good social reputation. Gong Zhen and Li Han(2007) found that consumer behavior (especially fan consumption behavior) is deeply affected by social needs, and the social preferences of relevant friends will affect consumer decision-making with the intervention of social media[30]. Wei Xiaomin(2018) believes that consumers will have a natural sense of favor and trust

in brands that focus on green environmental protection[31]. T Rastogi et al.(2024) proposed that sustainable marketing has the advantages of reducing waste, increasing consumer engagement and loyalty, and reducing marketing risks, while sustainable marketing has a positive impact on consumer loyalty[32]. Starbucks is committed to building a sustainable supply chain, and the Starbucks China Coffee Innovation Industrial Park is one of the greenest and most energy-efficient production bases in the world. Using the concept and practice of sustainable coffee beans, share the stories of charity coffee beans, the experiences of growers, and the results of sustainable development on social media platforms to promote local economic and sustainable development and achieve a win-win situation between enterprises and material origins, such as Starbucks Yunnan's public welfare project "Sharing Value for Beans in Yunnan." "Plan to promote the integration of "coffee + tourism."

## 5 Conclusions and Prospects

This paper systematically discusses the existing research from three aspects: the definition of fan economy, the impact on marketing models, and the innovative marketing models in the social media environment. In the social media environment, the marketing model of the fan economy has gradually formed a variety of strategic systems, including self-media marketing, pan-media marketing, KOL live broadcast marketing, and green and sustainable marketing. These models are classified according to different marketing entities and strategic focuses, providing a diversified path choice for corporate brand innovation. With the globalization of social media and the deepening of cross-border integration, the fan economy has shown strong vitality and broad development potential. In the future, brands need to optimize further and deepen their marketing models to enhance user loyalty by strengthening interaction with fans. At the same time, the research on the segmentation of marketing risks needs to be strengthened urgently in order to provide theoretical support and practical guidance for the sustainable development of the fan economy and its innovative expansion in the social media environment.

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