



Cultural Discount and Re-localization: a Study on Cross-Cultural Communication and Commercialization Strategies Using "Honkai: Star Rail" as an Example

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Abstract. The global expansion of digital entertainment content presents unprecedented cross-cultural communication challenges for Chinese cultural-themed games and anime. This paper examines the significance of "cultural discount" and "re-localization" in global dissemination, advancing an "L0-L4xROI" decision-making framework to mitigate cultural discount and optimize commercial benefits. By operating across the five levels of language, symbols, mechanisms, values, and meta-narratives, this framework seeks to analyze the method for achieving maximum impact with minimal modifications across different cultural markets. Using "Honkai: Star Rail" as a case study, this paper conducts an in-depth comparison of its two cultural contexts, "Xianzhou Luofu" and "Penacony", demonstrating how a forward-shifted and collaborative re-localization process can effectively enhance user conversion, brand equity, and long-term retention, while preventing cultural conflicts and compliance risks. The contribution of this paper lies in offering an actionable commercial decision-making model for the globalization of Chinese cultural themes to empower the industry toward more efficient cultural dissemination and market expansion.

Keywords: Cultural Discount; Re-Localization; Cross-Cultural Communication; Game Localization

1 Introduction

Under the current globalized landscape, we are witnessing a significant rise in the dissemination of cultural products across diverse nations and regions. Misunderstandings between cultures, stemming from differences in language, values, and aesthetics, are a common occurrence. This obstacle is not simply about channels; it is more critically about achieving comprehensibility and gaining acceptability in heterogeneous environments. The concept of "cultural discount" reveals that when a work from one culture enters another cultural market, the audience's interest and identification with it may decrease due to differing contexts and cultural backgrounds, thereby affecting communication effectiveness and economic value. To reduce this cultural discount, this paper proposes "re-localization" as a response path, based on two different types of cultural

discount. Re-localization is not merely the narrow translation of text into another language but involves redesigning across language, symbols, mechanisms, values, and meta-narratives to make the content more aligned with the habits of the target culture. This approach can help works be better understood and accepted while preserving the unique cultural characteristics of the original. Based on this, this paper employs "Honkai: Star Rail" as a case study, proposing and applying a four-level decision-making framework, striving to reduce two types of discount without sacrificing "differentiation premium", thereby providing a practical commercial decision-making tool for the globalization of Chinese-themed content.

2 Literature Review

2.1 Literature Related to Cultural Discount

In the classical lineage of cross-cultural communication research, Edward T. Hall distinguished the communication reliance of different cultures using "high-context/low-context": high-context cultures rely more on relationships, context, and tacit cues, with a large amount of information embedded in the background and existing consensus; low-context cultures, conversely, prefer explicit, direct, and visible expression (Sriramesh & Krishnamurthy, 2019). Echoing "context differences", the concept of "cultural discount" was proposed in cultural industry research: when a work leaves its native cultural context and enters another market, the subjective utility for the audience is "discounted" due to a lack of shared thematic conventions, values, narrative styles, etc., thereby affecting the economic value assessment of the content in transnational circulation (Bignell et al., 2022). This term was subsequently widely adopted in textbooks and overviews of television studies and global media circulation, serving to remind researchers and practitioners to account for the "hidden costs" of understanding and acceptance in cross-border transactions/distribution (Milner & Helen, 2021).

In the broader context of global media flows, Straubhaar supplemented the "discount" perspective with "cultural proximity" and "asymmetric interdependence": audiences are not passive recipients of one-way "cultural input" but tend to choose content closer to their own language, history, and aesthetics, thus resulting in a pattern of globalization characterized by the coexistence of regionalization and stratification (Boyd-Barrett, 2021). Based on this, this paper operationally divides cultural discount into two types: The first is comprehensibility discount, which mainly stems from the cognitive and onboarding costs caused by unshared terminology, allusions, and symbol systems; The second is acceptability discount, which mainly stems from attitudinal resistance and compliance risks arising from values, religious representations, and historical narratives. The subsequent discussion will proceed on the premise of this division, exploring how to use re-localization to targetedly reduce these two types of costs without sacrificing the cultural "differentiation premium".

2.2 Literature Related to Re-localization

The theoretical basis of re-localization is "re-contextualization": cultural symbols do not carry fixed meanings; they are always re-identified and re-signified within specific contexts. Once language, images, or interactions enter a new culture, the original contextual anchors are rewritten, and meaning is rearranged; therefore, cross-border dissemination should not be regarded as "translation" in a narrow sense, but rather as a comprehensive adaptation covering language, culture, and technology, which reduces comprehension barriers and attitudinal resistance through conscious re-signification, thereby offsetting cultural discount (Pyae, 2018). A multimodal perspective further points out that meaning is jointly generated by text, interface composition, color, character voice tracks, operational feedback, and task structure; therefore, game re-localization requires synchronized adjustments to interface density, visual symbols, audios, and interaction rhythm to ensure consistency in "readability, playability, and experiential coherence" (IGDA Localization SIG, 2021). Correspondingly, the process should be shifted forward to cross-functional collaboration in the early stages of development, using terminology databases, style guides, and regional compliance management to ensure consistent expression, and employing accessibility practices to reduce rework and the high costs associated with "launch-patch" (Vigle, 2024). Simultaneously, games speak through "rules and processes": task structures and reward rhythms themselves constitute procedural rhetoric, which allows for the implementation of "functional substitution" at the mechanism level, conveying the same cultural significance through respectful interactive processes to achieve "corepreservation and risk reduction" (Harper & Elliott, 2021). To avoid symbolizing the Other, postcolonial representation criticism demands that explanatory texts and the interpretations of creators/translators be "present", using art books and developer commentaries to maintain an ongoing dialogue (Said, 2023). Thus, guided by the preceding discussion, this paper culminates in the construction of a layered re-localization framework encompassing "language - symbols - mechanisms - values - meta-narratives".

3 Method And Model: The "L0-L4xroi" Decision-Making Framework for Re-Localization

This paper translates "cultural discount" into an operational balance between demand-side utility and supply-side cost, specifically by reducing the two major costs of comprehensibility discount and acceptability discount through layered re-localization, without sacrificing the "differentiation premium" of Chinese-themed content. Based on this, this paper proposes the "L0-L4xROI" layered model: L0 Language Layer, L1 Symbol Layer, L2 Mechanism Layer, L3 Values Layer, and L4 Meta-narrative Layer. Each layer corresponds to specific marginal benefits and marginal costs, with the current objective being to find the "minimum necessary modifications" at each layer to achieve the "maximum effect".

L0 (Language Layer) primarily focuses on the correspondence between names, terminology, dialogue lines, and voice-over/subtitles. To address this issue, common prac-

tices include preserving the phonological and cultural indicativeness of key proper names, while also providing brief explanations upon first occurrence and terminology database support, aiming to achieve significant onboarding and conversion benefits with minimal textual modifications wherever possible. Relatively speaking, the costs at this layer are predictable and the scope of modifications is limited, with typical outputs including terminology databases and style guides.

L1 (Symbol Layer) deals with cultural codes such as architecture, clothing, artifacts, colors, and image gestures. In this scenario, it is necessary to follow the principle of functional substitution where "form may change, meaning remains constant", applying low-cost morphological adjustments and necessary interpretations to highly sensitive images without undermining the cultural semantics, thereby achieving dual benefits of aesthetic acceptance and brand memorability, while controlling the risk of potential misinterpretation within a certain range.

L2 (Mechanism Layer) embodies the uniqueness of games' "procedural rhetoric", with main aspects including task structures, activity rhythms, reward logic, and interactive rituals. In this process, each link inherently "speaks"; therefore, ritualistic operations within them that may cause misinterpretation can be translated into respectful interactive processes or alternative expressions, adopting mechanical equivalence to achieve core preservation and risk reduction. The costs at this layer often stem from system and UI modifications, with benefits reflected in activity participation, rhythm stability, and controversy prevention.

L3 (Values Layer) needs to handle sensitive topics such as gender, family, religion, and historical context, reducing acceptability discount and compliance risks through subtle contextual differences, setting clarifications, and versioned expressions. Therefore, game companies require substantial upfront legal and public relations investment, which often can significantly reduce tail-end losses.

L4 (Meta-narrative Layer) utilizes art books, producer/translator commentaries, FAQs, and developer explanations to keep the right of interpretation perpetually present, which can act both as a buffer valve for controversies and as nourishment for long-term community and derivative creation ecosystems.

To embed the model into the overall game development process, this paper adopts a two-step decision-making method. The first step is a risk-function matrix assessment, with "semantic function intensity" as the vertical axis and "cultural sensitivity" as the horizontal axis; elements falling into the "high function x high sensitivity" quadrant are prioritized for the combination of "retain core + annotation/functional substitution/regional versioning", while elements in the "low function x low sensitivity" quadrant are primarily retained with their original flavor, achieving recognizability at low cost. The second step is the forward-shift and collaborative organizational implementation, which moves localization from pre-launch language processing to the early development stages, involving scriptwriters, artists, system designers, QA, and legal personnel to form a closed loop of terminology database, style guide, regional differences table, and compliance checklist, thereby reducing the high-cost cycle of "launch-withdraw-patch".

4 Case Study: "Honkai: Star Rail"

This chapter selects the two major chapters of "Honkai: Star Rail", "Xianzhou Luofu" and "Penacony", as comparative samples. The former highly concentrates Chinese motifs and ritual symbols, while the latter provides a low-threshold universal narrative environment with a dreamlike metropolis and modern consumption landscape. Both are situated under the unified cosmic setting of "Aeons/Path", facilitating the comparison of the trade-offs between differentiation and accessibility as well as the choices at the L0-L4 layers within a unified narrative framework.

At the L0 (Language Layer), the Luofu chapter retains a large number of pinyin-based proper names and titles, enabling cultural indicativeness to be directly perceptible through phonology. For example, "Xianzhou Luofu" is translated as "Xianzhou Alliance" in the English version, rather than "Immortal Boat". The game also employs the "first-occurrence annotation" function in its translation - when a new term appears for the first time, the system displays a small hint to help players understand the plot, significantly reducing the onboarding cost caused by terminology density. The Penacony chapter, on the other hand, reduces the frequency of professional terminology, adopting dialogue more fitting to daily contexts and more direct narrative prompts, thereby creating an "easy to read and play" entry point at the language level. Both collectively demonstrate the approach of "retain core nouns + minimum necessary interpretation", with Luofu prioritizing recognizability and Penacony prioritizing conversion, complementing each other.

At L1 (Symbol Layer), Luofu deals with images, architecture, colors, and clothing to construct a high-density Eastern aesthetic, such as upturned eaves roofs, cloud patterns, and bronze ornaments. To make it more acceptable for international players, the global version retains the feeling of Eastern aesthetics but removes details that might cause misunderstandings, adopting the method of "form-altered meaning-preserved" for functional substitution; for example, changing an incense burner into a lamp base without smoke, making the imagery more neutral and avoiding religious associations. The dream metropolis in the "Penacony" chapter, conversely, uses neon lights and jazz style designs; these elements are more modern and international, helping new players quickly immerse into the story atmosphere, reducing cultural barriers while preserving thematic tension. The combination of both at the symbol layer allows the brand to possess highly recognizable Chinese-style "memory points" on one hand, and internationally accessible visual readability on the other, forming a dual-drive of differentiation and scalability.

At L2 (Mechanism Layer), Luofu translates rituals and discipline into task structures and interactive processes; players continuously experience the value orientation of "ritual" throughout this process; when certain rituals might provoke sensitive reactions in the target market, respectful interactions replace "parodic" performances, enabling the cultural core to be perceived through procedural logic. Penacony's mechanics place greater emphasis on the switching between dream and reality and performative events, possessing strong universal readability. This re-localization is precisely an example of procedural rhetoric being used to hedge against cultural discount, altering not the meaning, but only the implementation path.

L3 (Values Layer) The Values Layer primarily involves issues such as gender, beliefs, social structures, and historical concepts, and is the aspect of re-localization most prone to sparking controversy. To reduce the "acceptability discount", miHoYo adopted a strategy of "core retention + expression adaptation" in the "Xianzhou Luofu" chapter. For instance, Eastern philosophical concepts such as "destiny" and "divine will" were re-expressed as "Cycle of Choices" and "Path of Destiny", emphasizing "choice" and "free will", making the narrative semantics better align with the preference for "individual subjectivity" in European and American markets. Simultaneously, subtle adjustments were made to character relationships and gender representation; for example, the "Jingliu-Danheng" master-disciple relationship was rewritten as "old companions", weakening the hierarchical connotation and making the character relationships more egalitarian and universal. Furthermore, costume designs, postures, and tones were adjusted with rating compliance in mind for the international version, ensuring the content meets global distribution standards such as ESRB and PEGI. These slight yet precise adjustments effectively avoided cultural misinterpretation and censorship risks, achieving "low modification, high returns" at the Values Layer.

L4 (Meta-narrative Layer) The core of the Meta-narrative Layer lies in the "presence of interpretive authority" and A "mechanism for continuous dialogue". miHoYo actively explains the work's cultural stance and creative intent through developer logs, official FAQs, behind-the-scenes features, and publicly released art books. For example, the official team explicitly stated that the "Xianzhou civilization" is not a historical replica, but rather a re-imagination that integrates Confucian rituals with sci-fi settings. Concurrently, the team encourages players to participate in "re-interpretation" through derivative creation videos, illustrations, fan translations, and discussion posts, thereby forming a co-creative community that shifts meaning generation from "one-way transmission" to "multi-directional dialogue". This strategy of "meta-narrative presence" elevates re-localization beyond mere technical adaptation, making it an important means for long-term brand ecosystem and cultural capital accumulation.

From a commercial perspective, Luofu leans more towards differentiation and brand accumulation. Its density at the Language and Symbol Layers increases attention and recognizability, making it suitable for extensions like merchandise, offline exhibitions, and collaborations; however, it also requires more upfront investment in compliance and narrative clarification at L3 to suppress tail-end risks. Penacony, conversely, leans towards scalable conversion and activity participation. The universal expression of its mechanics and narrative lowers the onboarding cost for new users, benefiting periodic operations and rhythm stability. Deploying both alternately according to seasonal or version rhythms enables a combined strategy of "user acquisition - user retention - re-expansion", first amplifying reach with universal scenarios, then sedimenting the brand and core user base with high-density cultural chapters, achieving a logical closed loop.

5 Conclusion

This paper explores how to address the issue of cultural discount faced by Chinese cultural themes in the global market through "re-localization", and proposes the "L0-

L4xROI" decision-making framework to balance the costs and benefits arising from cultural differences. When analyzing the specific case of "Honkai: Star Rail", we found that different cultural contexts affect the dissemination methods of language, symbols, mechanisms, values, and meta-narratives, and the core objective of re-localization is to reduce comprehension barriers and principled resistance by optimizing adjustments across these layers, thereby maximizing user acceptance and engagement. L0 (Language Layer) effectively reduces the onboarding cost for players by preserving the phonological and cultural indicativeness of key cultural elements, combined with brief explanations. L1 (Symbol Layer): employs the principle of "form-altered meaning-preserved" to perform functional substitution of visual symbols, maintaining the recognizability of Eastern aesthetics while avoiding cultural misinterpretation. L2 (Mechanism Layer): utilizes procedural rhetoric to realize the interactivization of cultural connotations and mechanical equivalence, enabling abstract concepts such as "ritual" and "dream" to be experienced through playable logic. L3 (Values Layer): adopts the strategy of "core retention + semantic adaptation" to alleviate values conflicts and regulatory risks, strengthening the empathy points for global players. L4(Meta-narrative Layer): maintains the "continuous presence" of creative intent through explanatory texts and community co-creation, extending the work's longevity and communication reach.

The core contribution of this paper lies in proposing an operable layered framework for re-localization and validating the effectiveness of this framework through the case study of "Honkai: Star Rail". This framework not only provides concrete operational steps for game developers but also offers a new perspective and practical guidance for theoretical research on cross-cultural communication. How to achieve more effective re-localization in different cultural contexts will emerge as a critically important issue for the cultural industry's development as the globalization of digital content continues to deepen in the future.

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