

Marketing Strategies for Financial MCN Institutions in the Era of Integrated Media

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Abstract: The rapid convergence of multiple types of information carriers in the era of integrated media has given rise to the immediate popularity of short-form videos while enhancing the speed and quality of information dissemination, and the Multi-Channel Network (MCN) Institutions behind them have emerged. With the growth of residents' wealth and the increase in demand for investment and financing, MCN institutions focusing on the financial field are attracting more and more attention from the market. Studying the marketing strategies of financial MCN institutions can help improve their business model and is of great significance in promoting the healthy development of investor education. In this paper, we focus on traffic conversion as an essential link in marketing, summarize the common traffic conversion strategies of financial MCN institutions, analyze the case study of JF Wealth Holdings Ltd., and finally provide corresponding strategic suggestions in terms of customer positioning, traffic retention, traffic conversion, and so on.

Keywords: Integrated Media era, Financial MCN, Traffic Conversion, Marketing strategy.

1. Introduction

In today's information age, we can access information in many ways. Integrated media refers to the fusion of the five most common media types in our lives, such as newspapers, radio, television, computers, and cell phones. No matter which kind of media, as the carrier of information, they all bear the function of spreading pictures, words, and videos. With the arrival of the era of integrated media, different types of media can realize the interoperability of resources and compatibility of content, which not only improves the speed and quality of information dissemination but also gives rise to the rapid popularity of short-form videos [1]. In 2018, the TikTok short-video app burst into flames globally. Short-form videos have become the most prominent representative of mobile media dissemination methods, and Multi-Channel Network (MCN) agencies behind short videos have gradually emerged. MCN institutions originated from YouTube in the U.S. and gradually formed the product after localization and innovation. MCN institutions assume the intermediary function between the Key Opinion Leader (KOL), the platform side, advertisers, and other subjects to help content producers produce content or produce various content directly and finally realize content distribution as well as commercial value realization of third-party service organizations [2].

With the development of the short-form video industry and the support of capital power, MCN institutions have gradually developed several businesses on popular tracks such as beauty, food, games, and parenting. Subdivided ways have become essential directions for the development of

MCN institutions in the future. As the national income level rises, the national demand for wealth management and financial investment knowledge continues to increase, and various types of financial media focusing on hot economic topics interpretation, market analysis, financial expertise, and other different elements have emerged one after another. Financial MCN institutions have also emerged and become one of the popular directions for the development of MCN institutions in the future. Studying the marketing strategies of financial MCN institutions not only helps to improve their business model and provides a reference for the development of financial MCN institutions but also helps to promote the healthy development of the investor education industry and social value creation.

There are usually three significant steps in online marketing: traffic acquisition, traffic retention, and traffic conversion. Among them, traffic conversion, an essential step in the marketing process, is a vital part of marketing strategy. This paper intends to take traffic conversion as the focus of analysis, summarize the traffic conversion methods of MCN institutions in the current market, and then analyze the marketing strategy of JF Wealth Holdings Ltd. as a case study and draw the corresponding insights to provide a reference for the marketing strategy of financial MCN institutions.

2. The Traffic Conversion Model of MCN Institutions

2.1. Analysis of Common Traffic Conversion Patterns

Traffic conversion is a vital part of marketing strategy, and the traffic conversion ability of MCN institutions determines whether they can effectively convert the acquired traffic into customer resources and promote consumption. This paper draws on a short-form video profit model summarized by She Qianqian based on the industry analysis report and the content analysis of typical short-form video accounts. It categorizes the standard traffic conversion modes of MCN institutions into three major conversion modes: content monetizing, traffic monetizing, and derivative monetizing [3].

2.1.1. Content Monetizing Model

The content monetizing model is the most basic and vital model for MCN institutions to convert traffic into money. By creating short-form videos, graphic sharing, and other content on platforms such as TikTok, Little Red Book, Weibo, and WeChat and turning on the user reward function, content creators can earn revenue through fans, media, and other reward methods. In addition, in some highly specialized content areas, content creators will also set up a payment mode for specific articles so that users can pay to view the entire content. As for platforms, some platforms in the developmental stage will also attract users by signing KOLs with a specific fan base to form partnerships to obtain traffic and, simultaneously, give content creators a certain amount of dividends and subsidies.

2.1.2. Traffic Monetizing Model

Not only can content creation itself bring traffic monetizing, but the vast traffic brought by content creation becomes the core of traffic monetizing in the era of integrated media. Advertising and distribution are the behind-the-scenes drivers for converting content into cash [4]. Among the traffic realization modes, advertising is the most important one. There are mainly two forms of advertising: advertising and traffic monetizing. MCN institutions according to the brand's advertising needs, product attributes, customer requirements, and KOL resources for its marketing plan. KOLs introduce goods to their fans, encourage them to buy, and ultimately complete the traffic monetizing. The second way is content traffic monetizing. MCN institutions no longer dominate the content creation of KOLs but take advice from KOLs. KOLs' content creation styles determine merchandise, while

MCN institutions provide operations and other auxiliary supports. Under this model, the videos produced by KOLs are often highly relevant to the products they recommend, and the audiences for the videos are also highly compatible with the potential consumers of the products. In addition, the direct insertion of advertising information into the content of a typical video or article, etc., is also a meaningful way to monetize traffic. It is the haptics, pleasure and trust provided by short-form videos could ignite consumers' purchase intention [5].

Another significant way in the traffic realization model is the IP licensing and development model. In the wave of the rise of short-form videos, through the creation of excellent content, many superior IPs have stood out, such as Wuhuang Cat and Xiaopi Pig. The MCN institutions behind them will monetize traffic through IP licensing and peripheral product development.

2.1.3. Derivative Monetizing Model

With the development of MCN institutions, their roles in the integrated media have become more and more diverse. In recent years, MCN institutions have also gradually developed derivatives, such as providing talent training, marketing training, live broadcasting training, and other training services for people who are willing to become net celebrities and giving content creators support for each other in terms of content infusion and other traffic services.

2.2. Traffic Conversion Model of Financial MCN Institutions

The natural attribute of "closest to money" in the financial industry gives people a higher sense of business and a stronger sensitivity to trends. There is a consensus in the traditional media industry that financial media is one of the most promising categories in the media field [6], and financial content is also one of the brightest tracks in all short-form videos.

2.2.1. Traffic Realization Model Based on Advertising and Marketing Realization

With the rise of the live broadcast industry, financial MCN institutions such as CBNDData and many financial institutions gradually entered Alipay Live and Taobao Live. Professional financial MCN institutions cultivate financial KOLs to bring them closer to customers and share financial knowledge, thereby educating investors about financial knowledge, awakening ordinary people's awareness of investment and finance, and enhancing investors' trust in them. After the cultivated KOLs have a particular fan base and popularity, MCN institutions develop marketing plans and live content for the KOLs according to the needs of the brands and monetize traffic conversion through KOLs' live broadcasting and other means.

2.2.2. Rewards and Knowledge Payment-Based Content Realization Models

The mode of content realization is usually reflected in the live broadcast or graphic reward, paid articles, paid courses, and so on. Take "Fantong Dailaoban," a KOL belonging to Yuanchuan Culture, as an example; Fantong Dailaoban harvests a large number of fans by sharing scientific, financial, and commercial knowledge behind hot events on platforms such as Bilibili, TikTok, WeChat, etc., and then realizes the content monetizing through coin-operated bounties and selling in-depth courses, etc. As we can see, Figure 1 shows Fans rewarded Fantong Dailaoban through coins on the Bilibili. Figure 2. Fantong shows that Dailaoban sells courses by attracting traffic on his public website. Another example is CBNDData. Figure 3 shows that CBNDData sells in-depth data reports on its public website, and Figure 4 shows how it gets paid courses. The CBNDData recognizes content monetizing by selling its industry survey reports, research reports, and other content.



Figure 1: Fans rewarded Fantong Dailaoban through coins on the Bilibili.

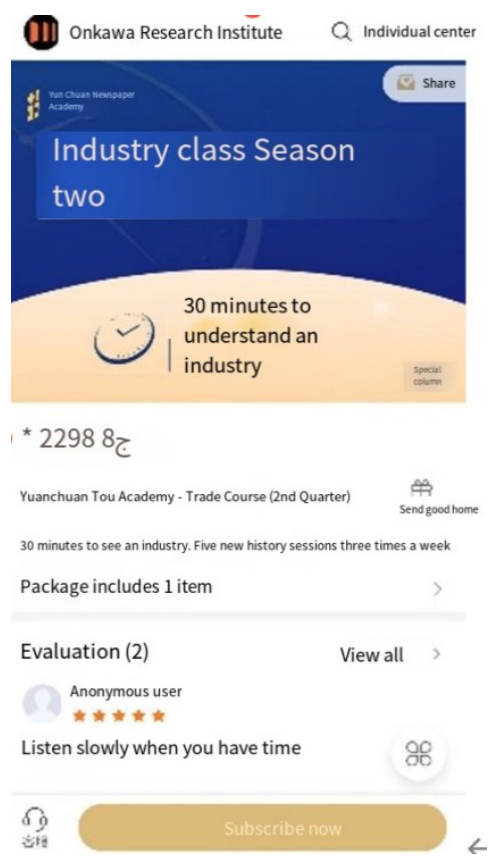


Figure 2: Fantong Dailaoban sells courses by attracting traffic on his public website.

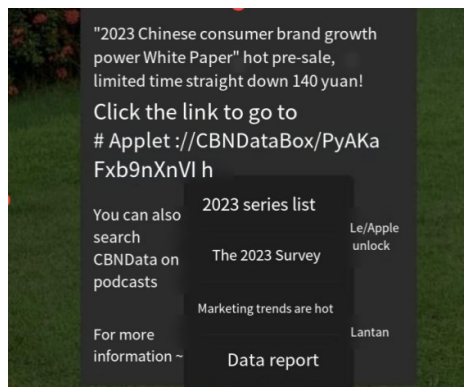


Figure 3: CBNDATA sells in-depth data report on its public website.

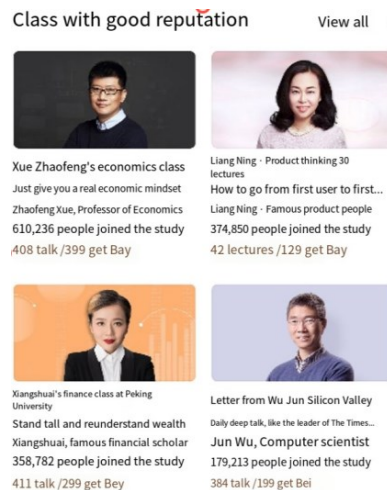


Figure 4: Get paid courses

In addition, some MCN institutions use specialized knowledge dissemination APPs to realize content, such as Get, Himalaya, Chit chat, etc., and guide users to recognize KOL-created content by placing trial courses on such APPs to attract users to pay for knowledge.

2.2.3. Emerging Financial MCN Traffic Conversion Models

In recent years, some of the emerging financial MCN traffic conversion modes have gradually emerged. For example, online to create a professional KOL in finance and economics, offline for its customers to provide enterprise marketing, business promotion, consulting, and other services to achieve traffic conversion. Domestic well-known financial blogger Wu Xiaobo, through the "Wu Xiaobo channel," Wang Zhigang uses "Zhigang think tank" and another video number, constantly output on the current social and economic phenomena of in-depth thinking, cultivate high-level customer attention for the entity enterprise to provide offline strategic diagnosis, marketing planning, etc. to obtain consulting fees.

3. Marketing Strategy Analysis of JF Wealth

JF Wealth Holding Company is the No. 1 online high-end investment education service provider in China, with its main business including online high-end investment education services and financial information software services, etc., and was listed on the Hong Kong Stock Exchange in March 2023. JF Wealth is the largest online high-end investment education service provider in China, with its main business including online high-end investment education services and financial information software services. JF Wealth started to provide high-end online investment education services in 2018. JF Wealth has a market share of 11.2% in the online investment education market and 31.9% in the online high-end investment education market in 2021 [7]. JF Wealth's increasingly prominent market position is an example of the success of its marketing conversion. This paper takes JF Wealth as a case study, analyzes JF Wealth's marketing strategy in-depth, and explores its unique traffic conversion mode, which provides a reference for financial MCN's marketing strategy.

3.1. Traffic Acquisition Segment

3.1.1. User Layering for Precise Customer Targeting

In the financial information service market, there are many strong vendors, such as Oriental Wealth, Vantage, Flush, Compass, etc., and the competition pattern of each vendor is relatively

straightforward and stable. Figure 5 shows a clear market positioning of JF Wealth. On the other hand, the investor education service market is still a blue ocean, with fewer market participants and a fragmented competition pattern. JF Wealth has differentiated itself by focusing on the investor education service market for business development and expansion. It has gained a specific first-mover advantage from the initial market selection.

Further, JF Wealth has stratified the individual investor group into three major groups, namely, high net worth, mass affluent, and long-tail customers, based on the dimensions of the amount of investor's wealth, financial management needs, and the degree of financial knowledge. Then, taking into account the fact that it is difficult for the middle-level mass affluent group to reach the threshold of high net worth clients set by banks and asset management companies to obtain private wealth management services, and the investment education content provided by financial information service providers such as Oriental Wealth and Flush is relatively basic, JF Wealth locks its target clients into non-professional investors of the securities market, who are not less than 30 years old and have a securities asset size of not less than \$300,000, and who have a particular demand for personalized services. This group has accumulated some wealth but has not been able to realize the benefits of customized services. This group has a certain amount of wealth accumulation. Still, it lacks financial management skills and experience, and its willingness and demand for wealth management are relatively more urgent, with higher customer stickiness [8].

For this group of people, Wharf Wealth has launched the "Wharf Wise Investment Flagship APP" to provide them with specialized investment education services. In addition, to further expand its clientele, in late 2020, JF Wealth will launch the "Winning Horse Academy APP" for novice investors.

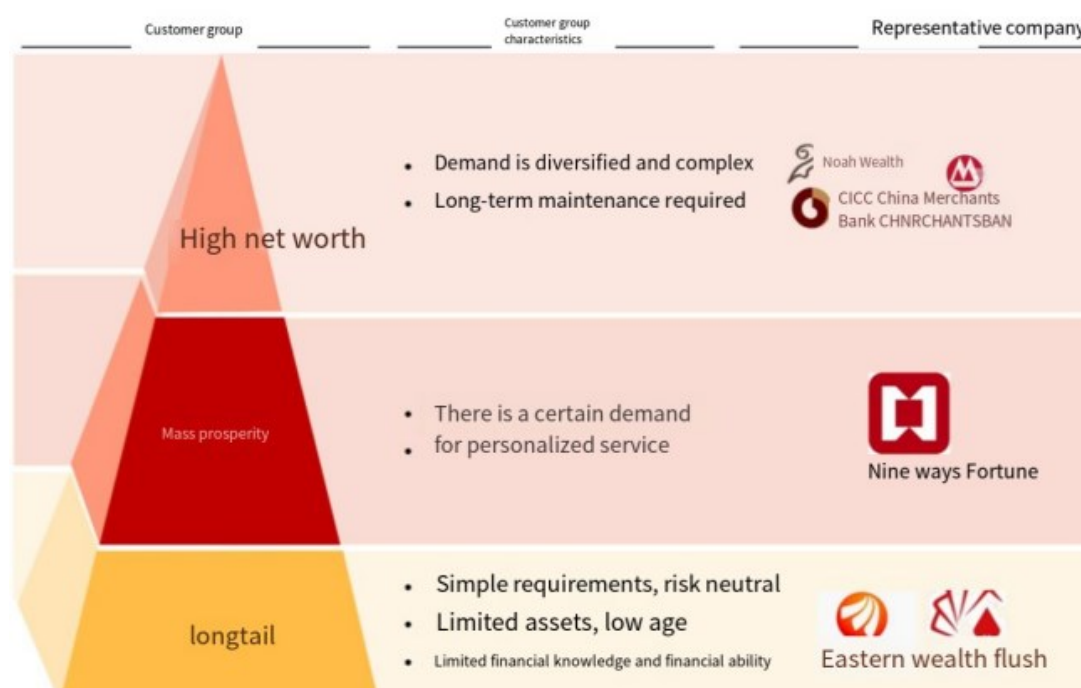


Figure 5: Clear Market Positioning of JF Wealth

3.1.2. Multi-channel Efforts to Get Traffic

See the Figure 6, it shows the diversified traffic acquisition channels of JF Wealth. On the front end, the product development department of JF Research Institute was established within JF Wealth to provide think-tank support for high-end investment education service content. In addition, JF Wealth cooperates with content producers such as Shenzhen Painting Sky to produce exquisite investment

education videos and systematic investment education courses on market analysis, investment techniques, and analysis of economic events.

JF Wealth's content distribution channels include traditional media, MCN channels, and Internet terminals. Traditional media cooperates with conventional TV media, such as Shanghai First Finance, to produce TV programs and collaborates with mainstream radio media, such as the Voice of Economy of China Central Radio and Television, to create radio programs. Regarding Internet terminals, JF Wealth has developed the "Stock Selection APP" to reach individual investors through Internet terminals directly. It is worth noting that the MCN channel is the core content distribution and traffic acquisition channel of JF Wealth. JF Wealth actively builds its own MCN organization, acquires MCN institutions with professional creative ability, and operates accounts on platforms such as TikTok, WeChat, Weibo, and other platforms to develop traffic. At the end of 2021, JF Wealth distributed its content on 74 social media accounts, 144 video platform accounts, four online radio stations, and audio accounts, with 284 million video views and 0.34 billion online radio listens.

In addition, to further acquire traffic, JF Wealth has long cooperated with short-form video platforms such as TikTok and Kwai, purchasing traffic on their MCN accounts to promote traffic growth and influence.

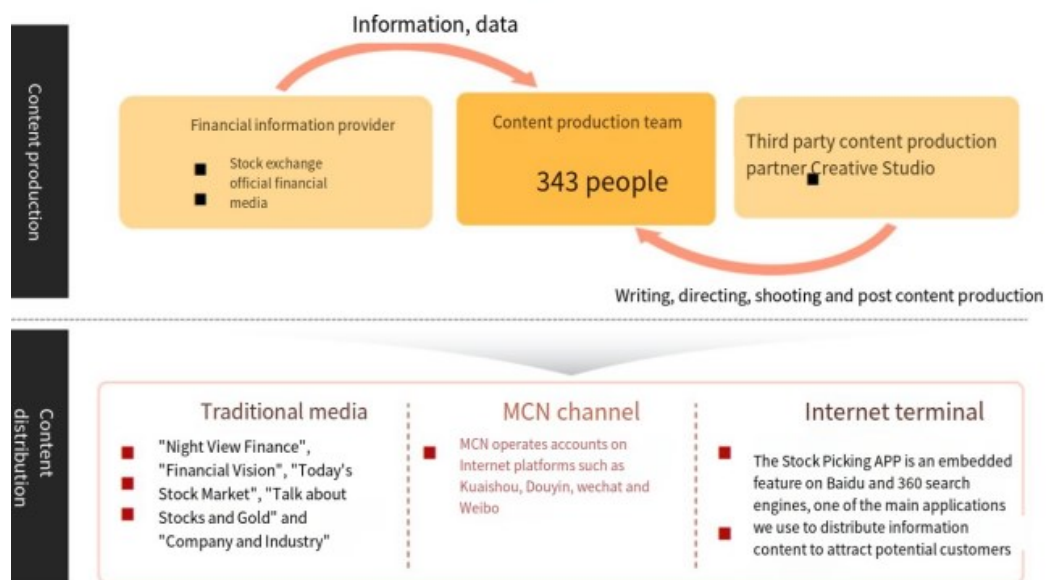


Figure 6: Diversified Traffic Acquisition Channels of JF Wealth

3.2. Traffic Retention Segment

3.2.1. Active Content Marketing

The financial investment field is highly specialized, so marketing in the economic area needs to start with content marketing, and the output of high-quality, professional content that meets users' needs is the focus of the marketing of investment education service providers.

JF Wealth has actively placed investment education videos, such as market analysis, on platforms such as TikTok and WeChat Small Video. In addition to carefully designing and producing the video content, the KOLs selected by JF Wealth also give the impression that they are beautiful, professional, and reliable in appearance. Figure 7 shows the KOLs from JF Wealth carry out content marketing on TikTok and WeChat. In addition, in the video, KOL will also share their past guidance students or their

own successful investment experience to win investors' trust to realize the precipitation and retention of traffic.

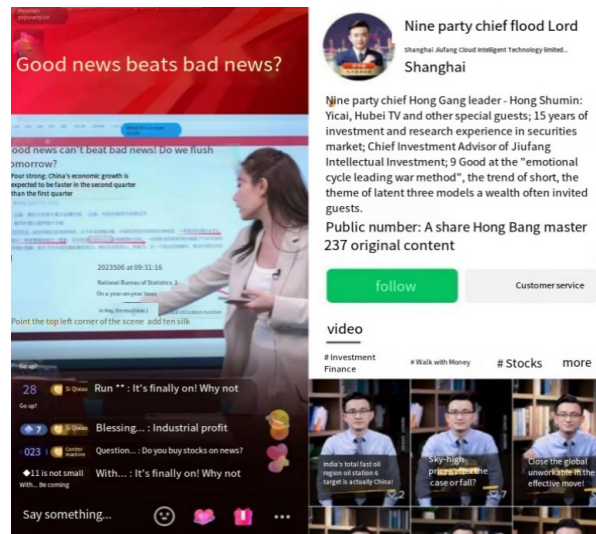


Figure 7: KOLs from JF Wealth carry out content marketing on TikTok and WeChat

3.2.2. Private Domain Traffic Conversion

For brands, private traffic is the most stable and efficient. When public domain traffic is converted into private domain traffic, brands can reach these customers anytime, build the most direct sales channels, and get the most realistic customer feedback [9]. As we can see, Figure 8 shows a promotional page of "good stocks with explosive potential" in the app and Figure 9 shows the clicking on the advertisement to enter the invitation interface. In the live videos of KOLs under JF Wealth and the publicity page of the stock picking APP, you can find promotional words such as "good lessons for free for a limited time," "good stocks with explosive potential," "stock market strategies for free," etc. "and other promotional words, click to enter will be invited to add the assistant WeChat to enter the course community. Investors into the community, professional investment teachers to carry out continuous investment knowledge sharing and investment courses recommended, the main "companion" investment education, so that the lack of investment expertise of the white people to learn the necessary basics of investment, to understand the market hot spots and trends. More importantly, these teachers will provide investment advice when the market is poor, actively guide investors in a daze, encourage and comfort them when depressed, and provide an all-around multi-level "touch." The conversion of private traffic helps JF Wealth establish and maintain a good relationship with customers, improve customer stickiness, enhance customer trust, and ultimately enhance the influence of the brand.



Figure 8: Promotional page of "good stocks with explosive potential" in the app

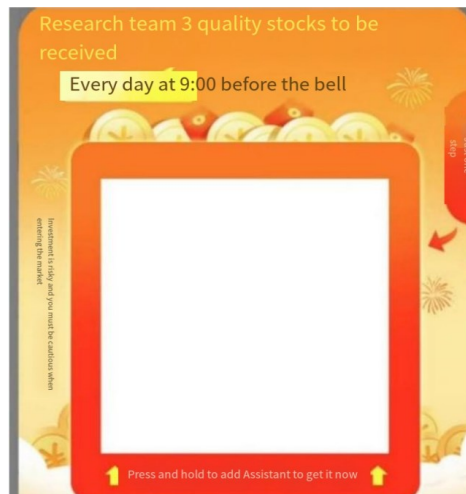


Figure 9: Clicking on the advertisement to enter the invitation interface

3.3. Traffic Conversion Segment

JF Wealth's traffic transformation mainly includes two modes: traffic realization and content realization. In terms of traffic realization, JF Wealth adopts the route of content marketing to realize benefits and creates many KOLs in the field of finance and economics under its banner; these KOLs accumulate fans through high-frequency updates of market analysis, interpretation of economic hotspots, etc., to bring goods to the investment education courses in their short-form videos or live broadcasts. In addition, JF Wealth adopts artificial intelligence and other technologies to analyze the traffic groups formed by content distribution, identify potential customer groups in line with its mass affluent positioning based on the image, and carry out marketing and traffic conversion through short-form video push.

Figure 10 shows the interactive services such as trial courses, live market analysis, and quick commentaries provided by JF Intelligent Investment APP. Regarding content realization, JF Wealth sells macro, industry, fundamental analysis, and other online courses to investors through its apps "JF Wealth Investment Flagship Edition" and "Winning Horse Academy." It provides one-on-one high-end consulting services, investment strategy services, and other services to some high-end clients. The company also offers one-on-one high-end consulting services and investment strategy services to some high-end clients. Through the combination of free and paid functions, JF Wealth provides investors with a variety of interactive services such as live market analysis, quick reviews, expert interactions, trial courses, investment research sharing, and other interactive services while providing paid classes, which are equivalent to providing investors with course experience services while carrying goods, winning the trust of investors and creating a good atmosphere for consumption scenes.

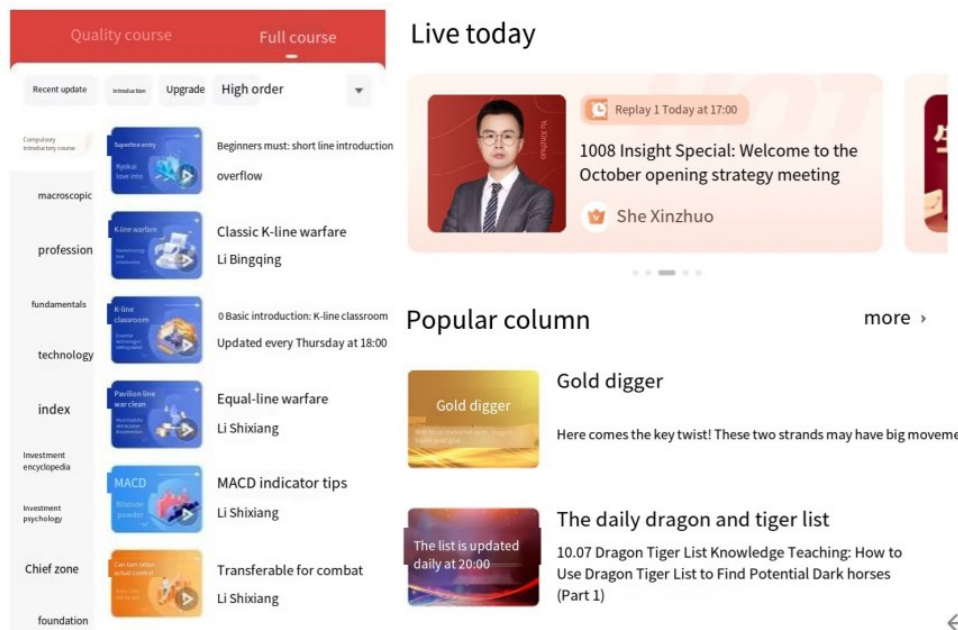


Figure 10: Interactive services such as trial courses, live market analysis, and quick commentaries provided by JF Intelligent Investment APP

4. Conclusions

The rise of financial MCN institutions is closely related to the increasingly awakening national awareness of wealth management and demand for investment and financial management. According to P&E Standard, as of the end of the third quarter of 2012, the scale of China's wealth management market reached 118.5 trillion yuan, with a strong demand for national wealth management [10]. Behind the demand for wealth management is the demand of ordinary individual investors for services such as financial information services and investor education services. In this context, the financial MCN-led formation of a new marketing model can bring investment education service providers and individual investors closer together, form a benign investor interaction, and help KOLs output high-quality content and monetize traffic. Therefore, it is of great significance to study the marketing strategies of financial MCN institutions to improve the business model of financial MCN and promote the healthy development of the investor education industry.

After analyzing the successful marketing case of JF Wealth, there are the following points for MCN institutions to learn from. Firstly, accurate positioning of the target customer market. Instead of taking all customers with investment and financial needs as its target audience, JF Wealth selected the mass affluent group as its target customers according to the current service gap and market demand to realize marketing breakthroughs. Secondly, it is good at utilizing the private traffic, and the critical link after MCN institutions get the traffic is the retention of the traffic, and the private traffic is one of the essential means of traffic retention. Private traffic is more stable and sticky, which can bring the relationship between brands and customers closer and increase the repurchase rate of users, thus strengthening traffic conversion. Thirdly, improve their professional level. If the content of economic hotspots interpretation, market analysis, investment teaching short-form videos, or graphics lacks professionalism, it won't be easy to gain investors' recognition. Financial MCN can learn from JF Wealth to set up research institutes and other ways to improve the quality of content. Fourthly, with the gradual scale, specialization, and normalization of MCN institutions, the market is becoming more and more homogeneous; how to use big data, AI technology, segmentation of the customer base, study the customer's mindset, the output of targeted content, guiding customers to

establish a correct investment philosophy. The formation of sustainable development of the profitability model will be the key. Driven by the demand for profitability, MCN institutions must empower to develop in both directions with the industry so that the industry can form a profit channel through the MCN institutions to improve the realization efficiency and thus maximize the economic benefits.

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