

The Impact of K-pop Merchandise on the Consumer Behavior of University Students in Shanghai

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Abstract: K-pop merchandise, as one of the main trends in current fashion development, is continuously expanding its audience and influence, particularly among teenagers. This paper conducts a comprehensive study on the impact of K-pop merchandise on the consumer behavior of university students in Shanghai through surveys and interviews. It aims to analyze the consumption behaviors and preferences of these students concerning K-pop merchandise, thereby exploring the significant effects of K-pop merchandise on this student group. The study finds that the consumption behavior of Shanghai university students regarding K-pop merchandise has long-term characteristics. Their purchasing decisions are directly influenced by their internal economic levels and indirectly by the external behaviors of fan communities. However, the cognitive and rational levels of university students are also improving, and their consumption behavior towards K-pop merchandise is shifting towards more rational and value-based decision-making. Overall, the influence and reach of K-pop merchandise are growing, and it is expected to have a sustained impact on the consumption behavior of university students in Shanghai in the future.

Keywords: K-pop merchandise, Shanghai university students, consumer behavior

1. Introduction

With the globalisation of culture and the development of the Internet, pop culture has become increasingly influential, especially among younger groups. Korean pop music (K-pop) as a global phenomenon has not only achieved great success in the music sector, but has also had a significant impact on the consumer behaviour of its fans through its peripheral merchandise. In 2021, data shows that China reached sixth place in the global music market, and the share of Chinese consumers continues to rise [1]. Shanghai, as the economic and cultural centre of China, has a large group of university students, who have a keen perception of pop culture and strong consumption ability. This study aims to explore the popularity of K-pop groups' peripheral merchandise among college students in Shanghai, and how this merchandise influences their consumption behaviour and consumption psychology.

Through existing studies, it can be found that current research has been conducted on the short-term impact of K-pop group peripherals on college students' consumption behaviour, but the evolution of long-term consumption patterns and consumer preferences may not have received enough attention, and the types of peripherals are evolving at an extremely fast pace, and diversified peripherals also stimulate consumers, which was once not investigated in the literature [2]. In addition

to official peripheral merchandise, the impact of unofficial and pirated merchandise on college students' consumer behaviour is also a gap area worthy of research, especially in terms of intellectual property and consumer rights. Therefore, a study on the impact of K-pop peripherals on the consumption behaviour of university students in Shanghai can also better reflect the path of protection of intellectual property rights and the original value of the genre, thus bringing guidance for the subsequent development of K-pop peripherals.

2. Literature Review

“Father of the creative industry” of the international creative industry famous expert John Hawkins (John Howkins) in the “creative economy” (The Creative Economy) a book will be the creative industry defined as: its products are in the scope of protection of intellectual property rights law in the economic sector, that the patent industry, Copyright industry, trademark industry and design industry four categories together build the creative industry and creative economy [3]. Zhao Chunming analyses the current situation of Korean cultural industry and the marketing mode of Korean wave culture in his research, discusses the impact of its marketing strategy on the economic development of Korea, and summarizes the inspiration for China [4]. Xu Lejin in his study analyses the marketing environment and strategy differences between the two countries' music industries by comparing the marketing strategies of Chinese and Korean pop music audiovisual publications based on the 4P marketing theory [5]. Ma Zhuang et al. in their study point out how returning KPOP performers build audience empathy and loyalty through live-streaming platforms and its impact on purchase intentions [6]. In his study, Zong Qimeng pointed out the international influence of BTS in the context of integrated media and analysed the important role of new media in the international dissemination of Korean wave culture [7]. Fang Zixuan, Zhou Xuan, Qiu Jiaqi in their study pointed out the characteristics and influences of Korean Wave culture, especially the development of K-POP and the film and television industry [8]. Du Shu explored the development history of the Korean culture industry and its successful experience, and analysed its significance for China [9].

3. Research Method

This study investigates the consumption behaviour of Shanghai college students around K-pop, using identity theory, social identity theory and media effect theory as the theoretical support of the study. Among them, identity theory suggests that individuals form and maintain their social identities through the process of social interaction [10]. In K-pop culture, fans construct and strengthen their identities by identifying with and following idols, and the image and values of idols become an important part of fan identity. Social identity theory explores the self-concept that individuals acquire through belonging to a specific group [11]. In rice circle culture, fan groups form a strong group identity through shared idols and interests, which is further reinforced by internal solidarity and external competition [12]. Media effects theory examines the impact of media content on audiences, including attitudes, behaviours and emotions [13]. In Kpop culture, the media's portrayal and promotion of idols has a significant impact on fans' perceptions and behaviours, and this effect is amplified especially in the age of social media [14].

3.1. Questionnaire

To gain a better understanding of the purchase and consumption of K-pop merchandise, this study also collects basic consumer information, consumption habits, and consumption tendencies of existing consumers. By deeply grasping the preferences of new-era consumers, this approach aids in providing a clearer perception of the impact that K-pop merchandise has on its buyers.

3.1.1. Questionnaire Object

The survey for this study was conducted over one week, from April 7 to April 13, 2024, targeting the consumer group that purchases K-pop merchandise. A total of 278 questionnaires were distributed, primarily through online platforms directly targeting the survey group. A high response rate was achieved, with 261 completed questionnaires returned, resulting in a response rate of 93.9%.

3.1.2. Questionnaire Design

Table 1: Basic information of questionnaire survey

Variate	Category	Sample size	Sample proportion
Gender	Male	68	26%
	Female	193	74%
Grade	First grade	31	12%
	Second grade	87	33%
	Third grade	78	30%
	Graduate	65	25%
The single disposable expense on K-pop merchandise	Below 100	32	12%
	101 to 200 yuan	56	21%
	201 to 300 yuan	116	44%
	301 to 400 yuan	23	9%
	401 yuan and above	34	13%

According to Table 1, the majority of respondents surveyed about K-pop merchandise are female, accounting for approximately 74%, with a relatively smaller proportion of males. Regarding the respondents' academic year, there are 31 freshmen, making up 12%, 87 sophomores at 33%, 78 juniors at 30%, and 65 seniors at 25%. Thus, the age group of the respondents is mainly concentrated among sophomores and juniors. In terms of single disposable expense, the majority, 116 people or 44%, spend between 201 to 300 yuan, indicating that the consumer group targeted by K-pop merchandise has the purchasing power suitable for most of its products [15].

3.2. Interview

3.2.1. Interviewee

The main interview subjects for this study were students on campus, and the interviews and questionnaire research were conducted simultaneously from 7th April 2024 to 11th April 2024. The following is a table of basic information about the interviewees (see Table 2).

Table 2: Interviewer basic information sheet

Interviewee	Grade	Interview date	Interview duration
Student A	First grade	2024.4.7	30min
Student B	Second grade	2024.4.8	35min
Student C	Third grade	2024.4.9	30min
Student D	Third grade	2024.4.10	40min
Student E	Fourth grade	2024.4.11	30min

3.2.2. Interview Outline

The interview revolves around students' understanding of copyright awareness for K-pop merchandise, the practical utility of purchasing K-pop merchandise, the reasons for purchasing K-pop merchandise, and participation in K-pop group concerts. The interview outline is as follows:

Dear students, hello. I am currently conducting a study on the impact of K-pop merchandise on university students' consumer behavior. We will conduct the interview based on the following questions, answering them based on your personal experiences and needs with purchasing K-pop merchandise.

1. What is your understanding of copyright awareness regarding K-pop merchandise?
2. Does purchasing K-pop merchandise bring you any practical utility?
3. What reasons prompted you to buy K-pop merchandise?
4. Have you ever attended a K-pop group concert?

4. Results

This research began by exploring the initial stages of fan merchandise purchases, considering factors such as each period's purchasing power, shopping convenience, government policies, and parental guidance. Surveys (278 distributed, 261 effective) and interviews (5 conducted) were utilized to uncover the long-term influences of fan merchandise on fans from their early stages of growth to periods of independent financial capability. As the variety of merchandise styles and psychological maturity increased, a portion of the university student group exhibited higher emotional needs, leading to a decrease in merchandise demand [16].

4.1. Survey Result

The survey data revealed that fans' desire and purchasing power are at their peak when a group releases a new song or album, with 210 respondents indicating that they typically buy merchandise during the group's "comeback" period. Purchasing merchandise has become a habit for university students, who cited various reasons for buying albums during their middle and high school years: 176 chose because the albums were enjoyable to listen to and visually appealing, 208 because they liked the group as a whole, 196 because they wanted to obtain their favorite photo cards, 88 because they converted stress into a desire to buy, and 103 because they were influenced by friends who are also fans. Later, in university, 197 respondents stated that they continued buying albums and other merchandise due to habits formed during their earlier school years and discussions within fan groups and on social media platforms like Weibo.

From the survey, 95.78% of university students indicated that they first encountered Hallyu culture during their elementary school years, with 230 stating they were very keen on purchasing merchandise at that stage. However, interviews and data analysis concluded that buying official merchandise was extremely complicated at the time, and many respondents also noted their lack of understanding of online shopping and internet use due to their young age, with 196 indicating that television was their main way to follow their idols. The inconvenience of purchasing official merchandise also led to the rise of "unofficial" merchandise.

The survey found that 248 respondents had purchased photo cards, which have become a necessary threshold for entering corresponding fan groups. When asked about the most expensive photo card they had ever bought, the average price was about 320 yuan, far exceeding its original value by 7-10 times, aside from the inherent value of the albums and special editions they were part of; the value of the photo cards is determined by the market. The scarcity of certain photo cards, especially limited edition or special edition ones, increases their value, and fans are willing to pay high prices to own these unique collectibles. Owning high-value merchandise of idols is a symbol of status within fan

communities, enhancing fans' sense of identity and social status among peers. Fans make emotional investments by purchasing merchandise related to their idols. Photo cards are not just material goods but also carry the fans' emotions and memories, providing emotional value during stressful times.

As they grow older and their mindset and values mature, their consumption behaviors and habits continuously change. The survey indicated that 75.09% (196 respondents) considered their middle and high school years to be the peak period for purchasing physical merchandise, with average spending reaching about 1500 yuan per year. 24.91% of respondents identified their first two years of university as their peak purchasing period.

According to the survey data, the average monthly living expenses during university are about 2500 yuan. During the first two years of university, material consumption reached 3000 yuan per new song release, with new songs being released approximately three times a year. However, in the third and fourth years, respondents indicated that their need for physical merchandise significantly decreased, and the emotional value provided by items like photo cards and dolls also greatly diminished. One respondent mentioned that they developed a desire to obtain first-hand resources for secondary creation. Additionally, 59.77% (156 respondents) expressed a desire to attend concerts and fan sign events. However, due to the difficulties in purchasing tickets and the cost of international flights, only 21.45% (56 respondents) had attended a concert.

Table 3 shows the specifics of the interviews.

Table 3: Survey Content Table

Questionnaire serial number	Questionnaire Content
1	What channels do you use to learn about K-pop groups?
2	At what age did you first learn about K-pop groups?
3	What kind of K-pop related merchandise have you purchased in the early stages?
4	How do you purchase official albums?
5	What is the reason for you to purchase K-pop merchandise?
6	Have you ever bought photo cards separately?

4.2. Interview Result

4.2.1. The Purchasing Power of Kpop Peripherals Is Increasing

When asked about their awareness of the authenticity of merchandise during interviews, four interviewees said that due to their young age, they lacked copyright awareness and did not feel ashamed for buying unauthorized pirated merchandise. It was not until they reached junior high school and social media platforms like Weibo, tiktok, and WeChat became popular that they realized they had been paying for counterfeit products and began to understand the official albums, posters, and other official merchandise released by South Korea. After these fans entered junior high school, a "bus" model for buying merchandise appeared on Baidu baiduTieba, which refers to an individual user who starts selling official South Korean merchandise through baiduTieba. The individual user purchases the merchandise in South Korea based on the orders placed on baiduTieba and then ships it to the fans through overseas express delivery. The payment is transferred to the individual's account through WeChat Pay. The price of "bus" purchases is the original price of the album + purchase fee + shared shipping fee per person. The interviewees said that an album is 20-30 yuan, but the actual price received is 70-80 yuan each. In addition, there are also fan group activities on baiduTieba to celebrate a member's birthday, such as the poster posting information on Lu Han's birthday to rent a

display screen outside a shopping mall in a certain city to display his photos all day. However, due to the high cost, fans need to remit money to a personal account. Although Tieba said that it should be done according to one's ability, the interviewee said that because she felt that the event was significant and could bring more attention and fans to the star, she had invested 400 yuan in the event. The interviewee also said that they didn't know if the event was really held, and now it seems to be an illegal fundraising to some extent. At that time, due to the lack of awareness of their own rights and interests, they made irrational consumption.

In the interviews, it was understood that most of the pocket money in the primary school stage was concentrated at 50 yuan/week, and the expenditure on material merchandise was about 25 yuan/week. In the junior and high school stages, the New Year's money increased more and more, and they could control part of the New Year's money, about 5000 yuan/year. Because the more consumption resources they can control, the more they spend on buying material merchandise.

4.2.2. The Actual Purchasing Utility of Kpop Peripherals Getting Attention

The interviewees also said that because buying merchandise has become a habit and social way of chasing stars, the purchased merchandise will become a topic and can keep the freshness of social interaction. In terms of the practicality of the merchandise, five interviewees also said that they did not pay special attention to the practicality of the merchandise in the junior and high school period, and they also said that because it is an overseas product, even if its head rope, backpack, pendant, etc. are not expensive in South Korea itself, the price rises sharply after crossing the ocean. Originally, cost-effective items have become impractical. The interviewees also said that the younger they are, the more they like to buy some things without practical value to increase the fun of life, but as they grow older, the impulse to buy non-practical merchandise decreases and turns to rational consumption, investing in their quality of life.

4.2.3. Vulnerability of the Buying Process to Group Effects

The interviewees said that they have joined about 3-5 fan groups on social platforms. The influence within the fan community and the promotion of social media also lead to herd behavior in consumption among fans, competing with each other to see who has more or rarer small cards. Five interviewees said that they were very fond of EXO in the primary school stage, and the frequency of buying non-official EXO merchandise such as notebooks, pens, file bags, and magazines from the boutique store around the school after school could reach 5 times/week. Because this kind of product is not officially released, the speed of updating is determined by the stationery merchant and the magazine company, and because the price is low, and it is the same price as other non-star stationery, it has practical value for their daily life and study, and was also very popular with fans at the time.

4.2.4. Expect Direct Experience from Idol Interaction

The five interviewees have all been to South Korea or Singapore and other places to watch at least one concert or signing event of their favorite group. They said that this kind of activity provides an interactive experience with the idol, which is an experience that physical merchandise cannot provide. Participating in signing events and concerts can also make fans feel a sense of belonging and become part of a specific community, which is very important for some fans. Signing events and concerts usually have limited places, providing a sense of scarcity and uniqueness. Fans feel that this kind of experience is more valuable than physical goods. Although the experience each time is at most half a day, the emotional value obtained is something that the fan group cannot get from physical merchandise. Even if the 3-5 day concert (round trip) journey costs 7000-10000 yuan, 59.77% of fans are willing to pay.

5. Discussion

5.1. Limited Initial Perception of K-pop Groups and Merchandise

In the early 21st century, the Hallyu market entered China through K-pop groups participating in local TV variety shows, and the handsome male group EXO won many fans. At that time, the convenience of the internet was limited, and the ways to follow stars and understand them were only through television and Baidu Tieba.

5.2. Continuously Expanding Influence of K-pop Merchandise

As a cultural phenomenon, the influence of K-pop has gone beyond music itself and expanded into fashion, beauty, and other fields. The development of digitalization and internet technology has made the production and distribution of diversified merchandise easier and more economical, including online sales and social media marketing [15]. With the expansion of the global fan base of K-pop, market demand continues to grow, prompting the diversification of merchandise to meet the needs of different fans. There are also benefits, which are self-made merchandise sold in conjunction with albums to increase group purchases by fan stations. These benefits may include customized photo albums, picture frames, cosmetics co-branded products, etc. Idol photo cards refer to photos of team members in life or behind the stage that are usually included in the album, but can also be purchased separately. This is a popular product for fans to collect. According to the interviewees, there are various ways to obtain idol photo cards. In junior high school, they were mostly in the album, and there was a blind box attribute when purchasing. Before opening the album, the researcher could not know who the photo was of, maybe their favorite team member, or maybe the least popular team member in the team. At the same time, the agency will reduce the ratio of the most popular member's photos, making the probability of fans drawing lower, prompting fans to buy a large number of albums before they have a chance to draw their favorite team member's photo card.

5.3. The Key Factor Influencing K-pop Merchandise: Economic Strength

The author learned from the survey platform data and Weibo Super Talk that photo cards have become a manifestation of the participation and loyalty of the K-pop fan community, and they are willing to pay a premium for a unique fan experience, which prompts companies to develop more types of merchandise to enhance the fan's sense of participation. After understanding the product prices on several second-hand platforms, it was found that the price gap of photo cards is huge, and the specific price depends on many factors, including the rarity of the card, the popularity of the idol on the card, the design of the card, and whether it is a limited edition, etc. The photo cards of the male group BTS's Kim Tae-hyung and Jungkook are more expensive, and the photo cards with higher card quality are sold for tens of thousands, such as a Jungkook's FLO fruit card that can be priced as high as 36,000 yuan in the secondary market. The most important thing is still the personal economic strength of the fans, which is an important factor in determining their consumer behavior. Some fans with better economic conditions may be more willing to invest more money in idol products. One of the interviewees also said that because the market price of photo cards changes a lot, she once expressed to her family that she likes the high value of the team's photo cards, and family members have also encouraged the interviewee to try investing, first buying at a medium price, looking forward to its value increasing, but later did not operate for a long time due to academic pressure.

6. Conclusion

Hallyu culture is reflected in its continuous expansion of global influence, the success of K-pop, the diversified development of culture, and the exploration and adaptation to future trends. These characteristics together constitute the unique charm and global competitiveness of Korean pop culture. The impact of Hallyu culture on the consumption behavior of Chinese college students, whether it is material merchandise or high-priced experiences, can be seen from the consumer's emotional investment in their favorite team and community identity. Products such as photo cards, due to their scarcity and uniqueness, have become a symbol of identity and status in the fan community, prompting fans to pay high prices for these products. As fans grow older, their consumption behavior gradually shifts from pursuing material merchandise to seeking direct interaction with idols, such as attending signing events and concerts. This change reflects the fans' increasing demand for emotional value and social experience. Their consumption psychology gradually matures, from the initial herd behavior and irrational consumption, to more rational and actual value consideration of consumption decisions. This study focuses on Shanghai college students, and the living expenses of students in this area are relatively high, and it does not fully consider the impact of different economic levels on consumption behavior. This article also indirectly raises public awareness of intellectual property protection, especially in the field of pop culture products. It provides an empirical basis for understanding and utilizing the fan economy, which helps the cultural industry and entertainment companies to develop more effective marketing strategies. The study on the long-term impact of K-pop merchandise on college students' consumption behavior has filled the gap in existing literature. It provides a new case for the study of how pop culture affects consumer behavior and enriches the academic discussion in the field of cultural consumption.

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