

# ***Case Study of Video Game Marketing under the Context of New Media: Taking "Genshin Impact" as an Example***

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**Abstract:** This paper takes the popular video game Genshin as a case study to analyze its online marketing strategy in the context of new media. Through case studies combined with the characteristics of the Internet<sup>+</sup> era and new media, this paper mainly discusses the online marketing strategy of Genshin from three aspects. Firstly, this article analyzes the PEST background of the Chinese game industry and the SWOT background of the game, and secondly, this article explores the specific marketing methods of Genshin. Genshin has gained high popularity through game content marketing, user marketing, cultural marketing, and cross-border co-marketing. Finally, this paper briefly describes the results and reference the significance of the effect of online marketing, and points out that Genshin still needs to make progress in breaking the circle. Based on the above three aspects, this paper concludes with a summary of online marketing strategies for video games in the context of new media, that is, giving full play to the role of online marketing for games. These strategies have been applied in the marketing of Genshin and also provide certain experiences and references for the online marketing of other games.

**Keywords:** video game, new media, marketing, Genshin

## **1. Introduction**

At present, the forms of entertainment are constantly enriched, and video games as the "ninth art" are gradually becoming well-known and recognized by the public. In 2020, Genshin took the world by storm, bringing a new gaming experience to players around the world. An open-world adventure game set in a fantasy world called "Tivat," where seven elements meet and those chosen by God are granted the "Eye of God" to use the power of the elements. Players will take on the role of a mysterious character named "The Traveler", drifting from beyond the world. On this free journey, he meets companions with different personalities and unique abilities, defeats powerful enemies, recovers lost relatives, and gradually discovers the truth about "Genshin" [1]. The game has more than 65 million registered players worldwide, with Chinese players accounting for about 62%, and the current users are concentrated among young Animation, Comic, Game, and Novel (ACGN) players under the age of 30, with nearly 85% being male players [2].

The growth of entertainment forms has been fueled by new media. The lines between online and offline spaces are becoming increasingly blurred in the context of new media, giving people more freedom to express themselves. The Greek word "contextre," which in English is translated as

"intertwined," is where the word "context" originates. The language uses the term "context" to describe how words are interspersed, highlighting how a word's or sentence's meaning is influenced by the section or dialogue in which it appears. Communication is seen as having a particular "context," and communication is the outcome of historical change processes. "Context" in communication typically refers to a certain circumstance and historical process that individuals must take into account while evaluating texts [3].

Therefore, the researcher believes that the focus of analysis should turn to the deep structure of the text, which is dominated by the established society or culture. When new media technology extends human communication behavior from the real world to cyberspace and new forms of communication adapt to it, the context of "immediacy" will inevitably change. Compared with the traditional context, the "new media context" increases virtuality, interactivity, and spatiality [4]. In this context of communication, the marketing of video games will also change accordingly.

Due to the growing popularity of China's video game market, there is more and more analysis of game marketing behavior, but less research on Genshin Impact. Therefore, in this paper, the researcher will conduct Genshin Impact marketing background research through PEST analysis and SWOT analysis, select the main marketing behaviors of Genshin Impact since 2019 for case analysis, and give suggestions and prospects.

## **2. Theoretical Framework**

PEST analysis refers to the analysis of the macro-environment and is a basic tool for the analysis of the external strategic environment. "P" is politics, "E" is economy, "S" is society, and "T" is technology. When analyzing the external environment in which an enterprise is located, it is usually through these four factors that the situation faced by the enterprise group is analyzed and the impact of these factors on the strategic objectives and strategy formulation of the enterprise is evaluated.

SWOT analysis, that is, based on the internal and external competitive environment and competitive conditions of the situation analysis, is closely related to the research object of various major internal advantages, disadvantages, and external opportunities and threats. "S" stands for strengths, "W" stands for weaknesses, "O" stands for opportunities, and "T" stands for threats. According to the full definition of enterprise competitive strategy, a company's strategy should organically combine "what it can do" (i.e., its organizational strengths and weaknesses) with "what it can do" (i.e., opportunities and threats to the environment). The different factors are matched with one another for analysis through the investigation of the list and in accordance with the matrix arrangement, followed by the concept of system analysis. From this analysis, a series of corresponding conclusions are drawn, and these conclusions typically have some bearing on decision-making.

Through the analysis of the aforementioned two models, comprehensive, systematic, and accurate research can be conducted on the scenario of the research object, allowing for the formulation of development strategies, plans, and countermeasures in accordance with the research findings.

## **3. PEST Analysis of China's Video Game Industry**

### **3.1. Politics**

In the past five years, the environment of the Chinese game industry is not optimistic, the game industry in 2018 and 2021 respectively experienced two edition winters, i.e. the game company was unable to get the game record number and edition number approved by the Ministry of Culture and the National News Agency, cannot launch public operations, and resulted in the game manufacturers invested more in the early period but cannot be profitable in the late period.

But since April 2022, the National Press Bureau has released a new game edition list, with a total of 45 games getting edition numbers. This is the first time since July 2021 that the National Press and Publication Administration has released a game version number. This behavior has been crucial in stabilizing the local online game market's growth expectations and encouraging the sector's healthy and sustainable growth, particularly for small and medium-sized online game businesses.

At the same time, China has introduced a series of policies and initiatives to encourage the development of the video game industry, such as the "14th Five-Year Plan"[5] for Digital Economy Development issued by the State Council in 2022. The document aims to promote China's digital economy through the development of games, interactive video, and other industries, expand applications in social, shopping, entertainment, exhibitions and other fields, and promote the upgrading of quality-of-life consumption.

These initiatives played a leading role in the development of the Chinese gaming industry. The policy of austerity in the previous period strengthened the implementation of industry standards, and in conjunction with the mechanism for the prevention of minor addiction, some gaming disorders were regulated and prompted some game manufacturers to go out to sea to seek new development. Current policies encouraging the development of the gaming industry have helped gaming companies gradually recover and restart production.

### 3.2. Economy

China's yearly GDP will reach 1210 207 billion yuan in 2022, a 3.0% rise over the year prior at constant prices. The nominal rise in the national inhabitants' per capita disposable income was 5.0% over the previous year, but after adjusting for pricing considerations, the actual gain was 2.9%, which was essentially in line with economic growth. Residents of the nation had a median per capita disposable income of 31,370 yuan, a nominal rise of 4.7% over the previous year. The per capita disposable income of the low-income group was 8601 yuan, that of the lower middle-income group was 19303 yuan, that of the middle-income group was 30598 yuan, that of the middle-income group was 47397 yuan, and that of the high-income group was 90116 yuan, according to the fifth income group of national residents. In total, residents spent 24,538 yuan on consumption per person, a nominal rise of 1.8% over the prior year and an actual drop of 0.2% if price variables were taken into account [6].

China's ongoing growth in per capita GDP and disposable income provides the opportunity and support for gamers to consume in the gaming industry.

### 3.3. Society

China has 1.051 billion Internet users as of June 2022, a rise of 19.9 million from December 2021. Internet usage increased by 1.4 percentage points from December 2021 to 74.4%. In comparison to December 2021, there were 1.047 billion mobile Internet users, an increase of 17.85 million, and 99.6% of Internet users accessed the web through mobile devices. A significant organic driving force for the growth of China's game industry is the vast number of netizens. The majority of internet users are citizens from many countries and age groups, and various types of digital consumption, like traffic and money, continue to fuel the healthy growth of the digital economy. Moreover, 552 million people in China were active online gamers as of June 2022, a 1.14 million-user decline from December 2021. 52.6% of all Internet users [7]. There are still a lot of untapped prospective players, and there is still plenty of possibility for future expansion.

### 3.4. Technology

Infrastructure-wise, 99.6% of Chinese internet users accessed the web using their mobile phones as of June 2022. The percentage of desktop computers, laptops, TVs, and tablets with an Internet connection was 33.3%, 32.6%, 26.7%, and 27.6%, respectively [7]. The number of patents sought by the Chinese video game business has been increasing recently; in 2018, the number of patents sought by the Chinese video game industry was 8497, up 1870 from 2017 and up 28.22% year over year. However, since 2019, the number of patents sought by the Chinese video game industry has been steadily dropping; in 2020, the number of patents sought by the Chinese video game industry was 8211, down 199 from 20 [8].

On the one hand, the improvement of game technology can meet the needs of high-quality and high-quality development of the game industry, and continuously improve the user experience; On the other hand, the application and practice of these new technologies in the game industry can produce driving effects and spillover effects and exert a wider impact.

## 4. SWOT Analysis of Genshin

According to Table 1, it analyses the market for Genshin from strengths, weaknesses, opportunities and threats.

Table 1: SWOT analysis of Genshin.

Strengths	Weaknesses	Opportunities	Threats
Excellent independent R&D team, with more than 400 members.	Compared with its competitors (Tencent, Netease), its capital strength is weaker.	China's AGCN culture is rapidly developing.	Large Internet companies represented by Tencent and NetEase have entered the two-dimensional game track.
Invest a lot of money.*	Game reviews are more polarized	Mobile platform games occupy a mainstream position in China.	"Genshin Impact" is operating steadily and entering the stock period, and how to retain old users and develop new users has become a challenge.
More mature technical support miHoYo Technology Co., Ltd. has nearly 50 technology patents.	The brand awareness of the game company is not high.	Continuous progress in science and technology to support the development of the game industry	
No mature competitors of the same type in the Chinese market.			
It has obvious advantages and user cohesion in the vertical segment of ACGN.			

Table 1:(continued).

The world's four mainstream platforms (PS4, iOS, Android, and PC) are launched simultaneously, with wide coverage.			
Self-built IP and technology will be expanded to comics and animation on the basis of game IP.			

\*In 2020, Liu Wei, president of miHoYo, said that the development cost of "Genshin" was about 100 million US dollars, and then in 2021, miHoYo revealed that "Genshin" has to invest twice the development cost every year to produce new content [9].

In general, miHoYo's game market is relatively broad, and it has strong comprehensive capabilities in its professional field, while Genshin's advantages are more obvious and have good development prospects. Although there are still disadvantages and threats, doing a good job in game operation, promotion, and marketing can maintain a relatively stable growth of game flow.

## 5. "Genshin Impact" Online Marketing Behavior Analysis

Network marketing is based on the Internet as the medium and market changes as the guide, serving network users with the help of modern network technology and marketing methods, expanding market share, creating greater brand influence, and improving more efficient services for target customers. And through the improvement of customer satisfaction, the ultimate goal of corporate profitability is achieved. Its marketing advantages are cost advantages, convenient access to decision-making information, a better user experience, interactive personalized services, not being limited by time and space (365 days and 24 hours), and accurate positioning to achieve targeted strategies.

This study investigated Genshin Impact's game content marketing, cultural marketing, and cross-border co-branding marketing.

### 5.1. Game Content Marketing

Since June 8, 2019, the official Bilibili account of the game "Genshin" has released the first video "Genshin" prologue PV: The Stranger Who Catches the Wind" so far (as of March 15, 2023, Beijing time), with a total of 16.4 million fans and 303 submitted videos. The main video content is character demonstrations and various PV (promotion videos), and the video has topped the Bilibili list many times.

Researchers believe that the video "Genshin" plot PV ("Goddess Splitting View") released by Genshin Impact's official account on January 6, 2022, is a successful example of game content marketing. The video currently has 30.875 million views, 201,000 barrages, and 111,000 comments, and it ranked first on the hot list on the day of its release and was then officially included in the "149th weekly must-see" list. There are more than 2,000 videos under the "Goddess Splitting View", in which, in addition to the player's active secondary creation, there are also many professional drama actors who perform covers and create many versions of different traditional Chinese drama genres, such as Cantonese Opera, Huangmei Opera, Huai Opera, Qin Cavity.

This video, as a major attempt by Genshin to help the spread of traditional culture. Not only did players and related audiences actively dig out the details hidden in YunJin's character design, drama design, and animation screen design, but they also made videos of the content they excavated for secondary and subsequent multiple dissemination. The video quickly became out of the circle in terms of popularity, and in January 2022, the Shanghai News Comprehensive Channel reported on the sensation caused by the video and praised the Genshin production team. The goddess splitting view has also attracted the attention of China Central Television, and a clip of the goddess splitting view was broadcast in the 2023 CCTV Network Spring Festival Gala. The official end undoubtedly made the video gain greater exposure and made the original god "break the circle" more thoroughly.

## 5.2. User Marketing

At the same time, Genshin also has a number of official small accounts, such as "Paimon's Material Notebook" and "Paimon's Work Notes", which are responsible for dividing the flow of the main account. "Paimon's Working Notes" mainly publishes retrospective videos of Genshin Impact's participation in various comic exhibitions in recent years. "Paimon's Material Notebook" mainly publishes Genshin Impact's various OSTs (original soundtracks) and Genshin Impact's own short dramas.

Take the "So You Also Play Genshin" series of short dramas as an example, which was first released in January 2021 with two seasons in total, three articles per season, and a total of more than 7 million video views. The skit mainly tells the story of Genshin players who are afraid of being discovered by others, play Genshin, and constantly hide their identities, but eventually find that the people around them also play Genshin. The short drama uses the new 4C principles of online integrated marketing (community, content, context, connection) and the 4I principles of online integrated marketing (interesting, interests, interaction, individuality) to make the series a major topic that Genshin players talk about.

The production team took advantage of the background of Genshin players being denounced in the Chinese Internet environment at that time, grasped the pain points of Genshin players who urgently needed a sense of identity and belonging, and created a meme of "you also play Genshin", which quickly set off a boom among players. Subsequent players also create momentum and marketing for Genshin when they play memes and create memes in the "Everything Can Be a Meme" activity.

## 5.3. Cultural Marketing

Cultural marketing refers to a strategic marketing activity in which enterprises consciously discover, identify, cultivate, and apply a unique core value and use this as a means to achieve business goals; In cultural marketing, enterprises start with the analysis of consumers' cultural needs, explore and disseminate core cultural values that are in line with consumers' cultural needs, effectively meet these cultural and emotional needs to enhance customer value and satisfaction, and ultimately enhance the core competitiveness of enterprises and form long-term competitive advantages [10]. Enterprises should infiltrate cultural factors into the entire process of corporate marketing to enhance the added value of products and services [11].

Genshin Bilibili's official account released a series of videos on "Taste Seeking Journey" and "Streamer Picking Journey", introducing traditional Chinese cuisine and traditional art. The "From Stop to Travel" series of short films is a short documentary film linking three famous Chinese scenic spots with Genshin game scenes. At the same time, the "teleportation anchor" statue in the game is set up in the scenic area for visitors to take photos and check in.



By transmitting and accumulating the Chinese cultural connotations in his works, Genshin influences the values and emotional preferences of his audience and then cultivates a loyal following. While these concepts make Genshin's brand more deeply rooted in the hearts of people, they also further develop potential users and markets due to its characteristics that are highly relevant to the emotional needs of the audience. A large number of supporters of cultural dissemination and cultural export have emerged online.

#### 5.4. Cross-border Joint Marketing of "Genshin"

A lot of firms are currently using cross-border marketing as a marketing strategy since it creates a fresh user experience by combining various lifestyles and aesthetics. Cross-border marketing enables partners who initially appear to be unrelated to penetrate and integrate with one another, giving users a novel experience and creating richer brand associations. This results in heterogeneous traffic and topic collisions and helps brands create a more three-dimensional and comprehensive image awareness.

In March 2021, Genshin and KFC China jointly purchased a designated set meal at a designated store and said to the clerk "Meet in another world, enjoy deliciousness", You can get 1 pair of linkage badges for game characters and a set of in-game limited skins. Non-store purchases will only receive game skins. Therefore, in the designated store during the event, countless players spontaneously dressed in cosplay costumes and played their favorite characters to participate in the event. For a while, the KFC store was comparable to a small comic exhibition. The large number of gathered people also brought a lot of popularity, and countless related videos also added heat to this linkage event.

At the same time, because the number of people participating in the event was too large, there was a shortage of event materials and the scene was out of control, and some stores had to temporarily cancel the theme store activities. The Genshin barrel is even less than enough to run out in a few days, which disappoints many Genshin players. The poor experience of the event naturally caused some players to be dissatisfied. With the rise of joint activities between restaurants and games, a kind of professional "substitute eating" has been born; that is, some players only want the game customization packaging and game redemption packages that come with the linkage package, but they are not cold about the food provided by the restaurant, and a modern version of the "buy and return the beads" plot is staged. To a certain extent, this shows that the attractiveness of the food itself is limited to players, and it also shows that players attach importance to gifts, and once there is a problem with payment, it may trigger a public opinion crisis.

## 6. Conclusions

As an online game, Genshin's marketing is undoubtedly successful. Genshin accurately grasped the self-perception positioning and preferences of its audience and grasped the pain points and cool points of users during this period to carry out targeted marketing behaviors. At the same time, Genshin leverages its target group through the head KOLs of the core user circle, and through these target users, it reaches more users who may be interested in the circle culture. However, due to the limitations of the online game theme itself, Genshin's high popularity is limited to players and some stakeholder groups, which is more like "a group of people's carnival" than "everyone is happy". How to make a "carnival" from virtual to real, from a circle to something popular, and carry out efficient circle-breaking communication is a problem worth considering by miHoYo.

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