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Distribution Channel Preference Accessing ‘Korean Wave’ in China : Comparing Official and Unofficial Channel*

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Abstract

Purpose - China has become the world's largest market of Korean culture goods. However the distribution and information channel from which Chinese consumers can access to Korean contents remains under-explored. This study aimed to investigate Chinese consumers' information accessing behavior.

Research design, data, and methodology - We collected the sample of 800 customers who are exposed to Korean Wave in China. Regression analysis is used to confirm the relationships in the research model.

Results - The results showed that official channels such as state owned sites still play a significant role, Chinese consumers prefer to use unofficial channels and the private SNS is the most popular one. It is also found that users with low interests in Korean contents prefer offline/indirect channels while people who are highly immersed into Korean culture and spend longer time on it tend to favor online/unofficial channels. The results confirms that there are some users' characteristics such as gender, age, income and experience of visiting Korea are relevant to explain their propensity to select distribution and information channels for Korean contents.

Conclusions - The study enables managers to develop the more effective distribution channel strategies according to the different target consumer groups.

Keywords: Information Channel, Online Distribution Channel, Official/Unofficial Channel, Korean Wave, China Market.

JEL Classifications: M31, N35.

1. Introduction

Since the late-1990s, Korean popular culture has gained

considerable attention and enormous popularity in many Asian countries, especially in China. The so-called 'Korean Wave' has flooded into China, and captured the hearts and minds of numerous Chinese audiences. China has become the world's largest market of Korean culture goods, accounting for 36% of the total exports of Korean broadcasting contents (Kotra, 2016) and 3rd largest contents business market in the world (PWC, 2014). The boom of Korean pop culture has even reached beyond dramas, films and K-pop into areas including fashion, food and beauty products.

The factor that Korean pop culture is more preferred in China rather than anywhere else can be attributed to the cultural proximity (Suh et al., 2006) and superiority of product competitiveness (creativity, acting ability, production technology etc.). Confucianism, family-centred values and romantic sensibility embedded in cultural products have deeply attracted Chinese audiences, and allowed Korean pop culture to be easily transmitted and assimilated (Ahn, 2014).

However, Different from the first Korean Wave (1997- the

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early 2000s) and the second Korean Wave (from the mid-2000s to 2010), which were mainly dominated by TV drama and spread through the mass media (Ahn, 2014), the recent trend, known as 'the third wave' is featured by various genres (idol centred K-pop, TV entertainment programs, drama, animation etc.), and more importantly, accelerated by the diversification of the information channels. Concerned by excessive inflow of Korean cultural products, and its increasing influence, the Chinese authorities have issued regulations that seek to restrict foreign-made TV program during prime time, limit broadcast time and enhance the screening quota system since 2012. However, the tightened censorship has failed to cool down 'Korean wave' fever in China. Popularity soars with the airing of Korean soap opera titled "My Love from the Star", and later skyrocketed with "Descendants of the Sun", which has been viewed more than 2 billion times on China's online streaming site. Such phenomenon suggested that under highly regulated media environment, online channels and some unofficial content distribution channels may play an important role for the propagation of 'Korean wave.'

Recently, the 'Korean Wave' in China is encountering a serious challenge due to the China-Korea geopolitical feud over THAAD placement. Korean contents have been blocked by major Chinese web sites and broadcasters, and the SARFT(State Administration of Press, Publication, Radio, Film and Television), China's broadcast regulator, had banned Korean TV shows from being aired from late last year onwards. In order to estimate the impact of those restriction policies, and further seek the countermeasures, a complete understanding of Chinese consumers' information channel preference for accessing Korean contents should be a prerequisite. However, despite the increasing importance of China market and current hard situation, the specific understanding regarding to the diffusion path of 'Korean wave', as well as the information channel from which Chinese consumers can get access to Korean contents remains under-explored. In particular, there has been little research on the Chinese consumers' media preference in 'Korea wave' contents, let alone the study of the impact of consumers' characteristics and demographic factors on it. Some researches on the SNS usage behaviour of Chinese consumers were done, but most of them are focused on the perception, motive and willingness to use of SNS (Lee & Yu, 2017; Lee et al., 2017). The topic of channel categorization and channel preferences of Chinese consumers has been little explored.

This study aimed to investigate how Chinese people consume Korean pop culture through a survey conducted by interviewing 800 Chinese people aged 16 to 55, who have experiences of Korean cultural contents. In the context of China, where the media is under strict government control, we highlight the need for a novel classification system of information sources as the basis for the research. More specifically, this study first seeks to explore the general

information channels preferred by Chinese consumers for Korean contents. Second, we classify consumers according to the degree of interest in Korean contents, and compare the preference and perception of different information channels according to consumer groups. Finally, we have examined what factors affect the information accessing behaviour for Chinese consumers with an advanced approach. For the contents product, distribution channel functions as the same way with the information channel. We use the term information channel and distribution channel in the same way.

2. Literature Review

2.1. China's New Media Environment

There are many external factors that affect the international distribution of cultural contents such as media environment and state policy in the host country (Lee, 2015). The most distinctive features of the Chinese media sector can be summarized as continuous commercialization, government control and the rise of new media (Susan, 2014). In the pre-reform era, the mainland Chinese media was no more than propaganda or ideological indoctrination. The fact that almost all of the media outlets (CCTV, Xinhua, People's Daily) were state-owned led to a highly restricted and closed environment. However, with the commercialization during 1990s, the Chinese media has become an increasingly open market, with growing competition and diversified contents (Tai & Sun, 2007). Most state media outlets no longer receive affluent subsidies from the government, and are expected to attract commercial advertising through programs that people find attractive (Jesse, 2015). International partnerships and cooperation with foreign media have increased noticeably, and contents of various countries have been brought into China. As one of the most popular mass media, television broadcasting has been playing an integral role, and the rapid increasing in the number of broadcasting channels (3000 channels and 1000 radio stations) is continuously boosting the demand for broadcasting contents.

It comes a new era with the rapid growth and improvement of Internet infrastructure. A new media paradigm is rapidly evolving to meet the change of Internet accessibility (Ahn, 2014), which is argued to accelerate the spread of 'Korean Wave' in China. According to the China Internet Network Information Centre(CNNIC), the number of internet users reached 731 million as of the end of 2016, and the number of Chinese who surfed online using their mobile phones has been increasing more than 10 percent annually. Under such circumstance, many kinds of new media have emerged. Major TV channels built up their own homepages, and the government is establishing official BBS

and Weibo (Chinese version Twitter) with the intention to encourage two-way information flow. Besides, numerous private online video websites were launched. Characterized by individualistic autonomy, free downloading and wider variety of options, those websites soon gained popularity. The majority of Chinese video websites play the role of 'extensive libraries of cultural contents rather than user-generated contents (Hu, 2014). The major categories include P2P broadcasting sites that operate like web TV (PPS and PPTV), the video sharing sites that emphasize on online viewing (Youku & Tudou), and video-on-demand downloading that focus on free file sharing (Xunlei). They offer discussion platforms for online interaction, and also provide foreign contents from the US, Japan, Thailand and Korea. Unlike the state-owned websites (CNTV), those private video websites, mostly supported by venture capital and empowered by non-legal grassroots subtitle groups, are relatively less affected by government regulations (Hu, 2014).

The attributes of new media can be summarized as interactivity, demassification, and asynchronicity (Rogers, 1986; Jung et al., 2014). Interactivity means that users can actively choose contents instead of passively accept that, and demassification means that cultural products can be consumed according to users' individual preferences. Also, it will be free from time and space constraints through the new media. Therefore, the SNS such as YouTube and Facebook, which has these functional characteristics, is regarded as the essential factor in promoting supranational and transcultural communication (Song, 2013; Kim, 2014; Shin & Kim, 2017), and a new breakthrough for the diffusion of the Korean Wave.

However, due to the 'Great Fire Wall' set by the government, the service of cross-national social media including Facebook, YouTube and Twitter is not available in mainland China. Although there are similar services provided by Sina Weibo and WeChat as substitution, it is hard to say that they have the same effect on international cultural contents spreading as much as the YouTube does (Ahn, 2014). Another form of new media, known as mobile-based open live show app, has started to gain attention. The users of UGC(user-generated-content) platform such as Yinke.com keep increasing because it gives the normal people the chance to create shows without being a celebrity. But the limitation of UGC in China lies on the limited users' range and the low reliability of the contents due to the simple producing process without screening.

After all, it can be concluded that (1) although the conventional and official media is still playing a dominant role in terms of coverage and influence, and acting as the mainstream of information providers, their market share is dropping and Chinese audience has started to turn to some unofficial media or other informal information channels to seek a wider variety of options. (2) Although Internet is considered as an empowerment tool to bypass official control in China society (Tai & Sun, 2007), in the reality,

the authoritarian state is keeping tight reins on both online and offline media. But the degree of censorship and surveillance is not the same. Some private new media such as Weibo, P2P sharing sites have relatively minor restrictions.

2.2. Distribution Channel Selection in Accessing Korean Wave Contents

Regarding to the question how do Chinese people access 'Korean wave' contents, previous study shows that more than 60% of Chinese college students watch Korean dramas through Internet download sites, and the more time they spent on Korean dramas the higher preference and affinity for Korean culture (Yu et al., 2006). Kim (2007) also conducted a survey of 211 Chinese students (mostly in their twenties) in Yanbian Area, and the results show that 35% of Chinese audiences tend to watch Korean TV show by VCD, while 25.6% of them choose Internet as main information sources. Audience who prefer China's domestic and satellite TV channels accounted for 15.6% and 21.8% respectively. According to Liu (2013), in the decision-making process of purchasing ticket of Korean art performance, the Internet and new media were highly preferred by Chinese students during the stage of evaluation and comparison, while the interpersonal communication is more crucial in the purchasing stage.

Although there are various findings in extant studies, most of them overlooked the regional difference in China, and the range of research was so narrowly limited that the results can hardly be generalized. It is obvious that 'Internet' has been widely used as a tool to access Korean contents, but it need to be broken down into several sub-categories for further in-depth investigation. Also, the consumers other than 'young students' should be taken into consideration.

3. Methodology

3.1. Research Questions

In this study, we examine the choice of information channels by Chinese consumers regarding to Korean Wave content. Here the 'Korean Wave content' includes K-pop, TV dramas, movies, and other cultural goods originated from Korea. Since the characteristics of Chinese individual consumer may affect their choice of information channels, we further divided Chinese consumers into 3 groups according to their engagement to "Korean Wave". The research designed to provide answers to the following questions:

RQ1. How do Chinese Users access Korean Wave content in general?

1-1. What is the information channel selection behaviour

of Chinese Users?

1-2. What is Chinese Users' preference for each information channel according to their engagement to Korean Wave?

RQ2. What is the Chinese Users' perceptions of different kind of information channels?

2-1. How do Chinese users evaluate the effectiveness of different kind of information channels?

2-2. How do Chinese Users evaluate the effectiveness of different kind of information channels according to their engagement to Korean Wave?

RQ3. What factors affect the information channel selection behavior of Chinese Users?

3.2. The Categorization of Information and Distribution Channels

Considering the highly regulated media environment of China, and the recent tremendous change since the emerging of online new media, we distinguished online information channels from offline ones, and further divided 'online' channels into 'official' and 'unofficial' categories based on the degree of government surveillance. According to extant studies, while official media refer to those that are run or deeply influenced by the state (Wang & Mark, 2013), unofficial (informal) media is defined as those which fall largely outside the purview of state regulation channels not tied to any government-owned entity such as private SNS and online videos (Shelley & Maria, 2011), and also contents disseminated by common citizens by social media (Wang & Mark, 2013). Although some independent commercial sites such as SINA cannot completely free from state control, the degree of restriction is quite light compared with its state-run counterpart and unofficial

circulation of contents has proven less easy to be controlled. Thus, in this study, online/official information channels included state-owned websites (e.g., CNTV), state-owned SNS (e.g., Weibo & WeChat official accounts), state-owned BBS; while online/unofficial information channels included video/music sharing sites, private online community and websites (e.g., Korean entertainment company homepage), UGC (user generated content), and personal SNS (e.g., QQ, Weibo).

As to the 'offline' channels where Chinese government has an overall influence on, distinguishing between 'official' and 'unofficial' is of little significance. Channels falling into this category (e.g., newspapers) generally have little operational autonomy and strictly comply with state regulations. Therefore, we classified them into 'direct' and 'indirect' categories according to whether consumers should go directly to the scene to access the content. Thus, in this paper, offline/indirect channels included TV channels, radio channels, newspaper and magazine (e.g., People's Daily); while offline/direct channels included star meeting & live concert, theatre performance and cinema movie. The specific categories are summarized in the table below.

3.3. Data Collection

The research was conducted by means of survey questionnaire. It contains questions regarding to the usage of channels to access Korean contents, time spent on each channel daily, preference and evaluation on each channel, and responders' demographic features, experience related to Korea. For acquiring more specific information, questions related to why certain channel is preferred was also included.

The survey was conducted on Chinese people aged from 16 to 55, who have experience related to Korean cultural contents in February 2017. A total 800 respondents participated

<Table 1> The Categorization of Information Channels in China

Category		Information Channels (Media)	Examples
Online	Official	State-owned Websites	XINHUA, CNTV
		State-owned SNS	WeChat Official Account
		State-owned BBS	-
	Unofficial	Personal SNS*	Weibo, WeChat,
		UGC	Yinke, Douyu
		Private Websites	Korean entertainment company homepage, Tieba
		Private Video/Music Sharing Sites	Tudou, Youku, Kugoo
Offline	Indirect	TV channels	CCTV, Hunan TV
		Radio channels	CNR ,
		Newspaper & Magazine	People's daily
	Direct	Star meeting & Concert	-
		Theatre & Cinema	-

Note: We excluded Twitter, Facebook and Instagram which is not available in mainland China.

and data from all of them were used for analysis. Among the respondents, 73.1% were women and 26.9% were men, which showed a higher participation rate of female. Most of the respondents were under 35 years old, and 43.9% were young generation aged 16-25 years old. In terms of education, 75% of respondents have a 4-year college degree, and 19.5% of them have received 2-year college education. Only 5.5% whose highest education level is high school.

<Table 2> Descriptive of Korean Wave Content users

		N (%)
Gender	Male	215 (26.9%)
	Female	585 (73.1%)
Age	16-25	351 (43.9%)
	26-35	308 (38.5%)
	36-45	104 (13.0%)
	46-55	37 (4.6%)
	56-65	12 (1.5%)
Education	4-year college	600 (75%)
	2-year college	156 (19.5%)
	High school	44 (5.5%)
Monthly Income	<10000 RMB	162 (20.3%)
	10000~20000 RMB	333 (41.6%)
	>20000 RMB	305 (38.2%)
Visited Korea	Yes	283 (35.4%)
	No	517 (64.6%)

3.4. Data Analysis

In this paper, the 'engagement to Korean Wave' of Chinese respondents is measured by his (her) average time spent on Korean Wave content per day (weekend only). The data of weekend is chosen because unlike work-day when their behavior is restricted by working hours, people can enjoy content as long as they want at weekend.

The concept of engagement is commonly defined as concentration and absorption in something, and media engagement means the degree someone focus on certain information and program that he is really interested in

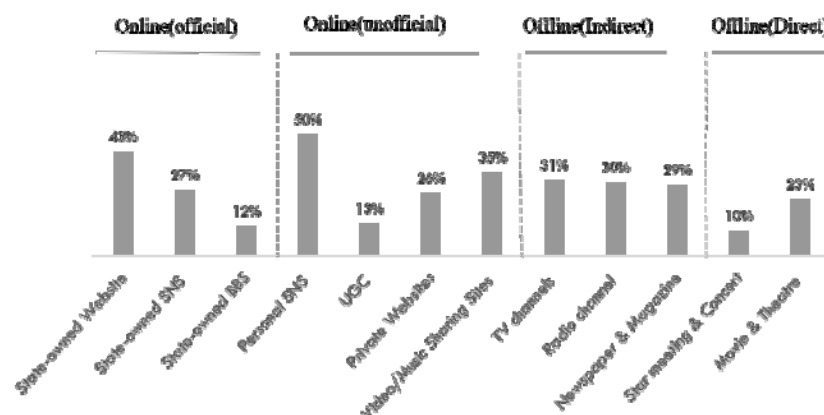
(Brodie et al., 2011; Kim et al., 2016). According to Yu (2006), the more people watching Korean drama, the higher their preference for Korean culture, and which would also lead to higher engagement to Korean Wave. Therefore, we divided Chinese consumers into 3 groups: low engagement group (30.2%) - those who spend less than 1 hour /day, middle engagement group (41.8%) - those who spend 1~3 hours / day, and high engagement group (28.1%) - those who spend more than 4 hours /day on Korean wave content.

Statistical analysis was performed using SPSS 18.0 software. Frequency analysis, factor analysis was used for examining the Chinese consumers' characteristics and the usage of information channels. During the statistical elaborations of data, one-way analysis of variance (ANOVA), t-test, were applied, and multi nominal regression was conducted to explore the effect of demographical factors on channel selection behavior.

4. Results

4.1. Channel Selection Behaviour of Chinese Users

To find out the current status of Chinese users' channel selection behavior, respondents were asked about the channels they usually use to access Korean content with the multiple response. The result shows that personal SNS is the most preferred (50%) information channel, followed by state-owned website (43%) and video sharing sites (35%). According to our 4-dimensional categorization, it is obvious that online channels are more frequently selected than offline ones, and unofficial/online channels are gaining growing influence on Korean Wave propagation. The difference between channels was statistically significant ($F=30.2$, $P<0.01$), and the post-hoc analysis also proved that the difference is mainly resulted from the difference between the preference to unofficial channels and to the others.



<Figure 1> Overview of Chinese Users' Channel Selection Behavior (multiple answers)

<Table 3> The Channel Consideration among Chinese Users

			Channel Consideration		By category		By category	
			Mean	SE	Mean	SE	Mean	SE
Online	Official	State-owned Website	0.43	0.018	0.273	0.039	0.294	0.137
		State-owned SNS	0.27	0.016				
		State-owned BBS	0.12	0.012				
	Unofficial	Personal SNS	0.5	0.041	0.310	0.013		
		UCC	0.13	0.012				
		Private Websites	0.26	0.023				
Video Sharing Sites		0.35	0.061					
Offline	Indirect	TV channels	0.31	0.047	0.300	0.065	0.246	0.074
		Radio channel	0.3	0.023				
		Newspaper & Magazine	0.29	0.016				
	Direct	Star meeting & Concert	0.1	0.011	0.165	0.020		
		Movie & Theatre	0.23	0.015				
ANOVA			SS	d.f.	MS	F		
		Between	3.182	3	1.061	30.152***		
		Within	28.0	796	0.035			
		Total	31.19	799				

*** P<0.01

Post-hoc Analysis	Unofficial	Official	Indirect	Direct
Unofficial		-0.12***	-0.076***	-0.149***
Official			0.11***	-0.04
Indirect				-0.15
Direct				

***P<0.01

<Table 4> The Channel Preference Among 3 Groups

		Group1 (Low) N=242		Group2 (Middle) N=335		Group3 (High) N=226	
		Mean	SE	Mean	SE	Mean	SE
Online	Official	0.185	0.023	0.273	0.023	0.372	0.031
	Unofficial	0.208	0.021	0.303	0.021	0.401	0.029
Offline	Indirect	0.223	0.025	0.256	0.024	0.340	0.032
	Direct	0.089	0.018	0.316	0.02	0.397	0.029
		SS		df	MS	F	
ANOVA	Official	Between Groups		5.9	2	2.96	43.89***
		Within Groups		53.7	797	.07	
		Total		59.6	799		
	Unofficial	Between Groups		2.8	2	1.42	44.74***
		Within Groups		25.3	797	.03	
		Total		28.1	799		
	Indirect	Between Groups		3.1	2	1.55	27.96***
		Within Groups		44.2	797	.06	
		Total		47.3	799		
	Direct	Between Groups		3.2	2	1.61	20.45***
		Within Groups		62.8	797	.08	
		Total		66.1	799		

***p<0.01

4.2. Channel Selection by User Groups

We divided Chinese respondents into 3 groups according to their engagement in Korea Wave content. The level of engagement was measured by the length of time they

spend on consuming 'Korean Wave' related information (The usage time of Korean pop culture per day was ranked by less than 1 hour, 1-3 hour, and more than 4 hours). The results are summarized in the following table. The 'engagement' variable turns out to have a significant and

positive influence on the channel usage, in the other words, the higher their interest in 'Korea Wave', the preference they have for each information channel gets higher. A variance analysis (ANOVA) showed that there is a significant difference among groups. All of 3 groups use online channels more often than the offline ones, however, we found that people with low engagement show higher preference on offline/indirect channels such as TV and radio, while people with higher engagement tend to favor online/unofficial channels such as personal SNS and video sharing sites as their top choice.

4.3. Evaluation for Information Channels

In order to explore the perception of effectiveness of each channel, respondents were asked to rate on a five-point scale (1=not effective at all, 2=not effective, 3=just so-so, 4=effective, 5=very effective) based on their experience of using each kind of channels. It was found that online channels are generally considered as more effective than offline ones. More specifically, although most of Chinese users still think official/online channels have superiority on effective information diffusing, personal SNS is ranked top on the list of effectiveness. In term of the offline channels, going to the scene and acquire the information directly is

thought as more effective than receiving information through traditional channels such as TV and radio, and 'star-meeting' and 'concert' was especially highly rated by Chinese users.

The similar result was found even after the group effect was taken into account. Online channels were rated slightly higher in effectiveness evaluation than offline channels by all of 3 groups. But the analysis showed an obvious difference among the groups: while the users with low engagement on Korean pop cultural (spend less than 1 hour per day) think the official / online channels and indirect / offline channels are more effective, users who are more attracted by Korean pop culture (spend more than 1 hours per day) made a more positive evaluation on unofficial /online channels and direct/offline channels. It is also noticeable that the longer Chinese users spend time on Korean pop culture, the higher they evaluate all kinds of information channels. Users highly engaged in Korean pop culture (spend more than 4 hours per day) think unofficial/online channels are most effective way to transfer information, and followed by direct/offline channels. Their average score for unofficial/online channels and direct/offline channels are 4.30 and 4.25, respectively, higher than the score given by Group 1 (low engagement users), and the t-test proved that the difference is statistically significant ($t=6.044$ for unofficial channels, $t=3.651$ for direct channels, $p<0.05$).

<Table 5> Effectiveness Evaluation of Each Channel

			Mean	Mean(category1)		Mean(Category2)
Online	Official	State-owned Website	4.257	4.211		4.192
		State-owned SNS	4.194			
		State-owned BBS	4.182			
	Unofficial	Personal SNS	4.302	4.174		
		UCC	4.094			
		Private Websites	4.124			
		Video/Music Sharing Sites	4.175			
Offline	Indirect	TV channels	4.192	4.098		4.084
		Radio channel	4.059			
		Newspaper & Magazine	4.192			
	Direct	Star meeting & Concert	4.256	4.102		
		Movie & Theatre	4.075			
ANOVA			SS	d.f	MS	F
		Between	1.32	3	0.44	11.76**
		Within	29.76	796	0.037	
		Total	31.08	799		

**P<0.05

<Table 6> Effectiveness Evaluation of Each Channel by User Groups

		Group1 (Low)		Group2 (Middle)		Group3 (High)	
		N=242		N=335		N=226	
Online	Official	4.140	4.001	4.174	4.176	4.279	4.290
	Unofficial	3.861		4.178		4.301	
Offline	Indirect	3.996	3.904	4.164	4.173	4.213	4.247
	Direct	3.692		4.183		4.250	

			SS	df	MS	F
ANOVA	Official	Between Groups	14.4	2	7.19	14.6***
		Within Groups	229.8	466	.493	
		Total	231.2	468		
	Unofficial	Between Groups	13.18	2	6.59	
		Within Groups	232.3	763	.304	21.6***
		Total	245.5	765		
	Indirect	Between Groups	11.87	2	5.94	
		Within Groups	291.7	750	.389	15.26***
		Total	303.6	752		
	Direct	Between Groups	8.59	2	4.30	8.48***
		Within Groups	112.6	222	.507	
		Total	121.1	224		

*p<0.01

<Table 7> t-test Comparison for the Effectiveness Evaluation (Group 1 and Group 3)

	Group	Mean	SD	t-value
Unofficial / Online	G1 (Low Engagement)	3.86	0.639	6.044***
	G3 (High Engagement)	4.30	0.498	
Direct / Offline	G1 (Low Engagement)	3.69	0.855	3.651***
	G3 (High Engagement)	4.25	0.642	

*** p<0.05

4.4. Factors Affect the Channel Selection Behavior

So far, we have examined how Chinese users select and evaluate information channels for accessing Korean wave related contents by exploratory approach based on empirical data. In this section, we try to find out what factors influence their channel selection behavior. The effect of each independent variable was verified by using multinomial-logit analysis based on user types according to their channel preference. Multinomial logistic regression is a method used to predict the probabilities of the different possible outcomes of a categorized dependent variable, which is an appropriate method for our study objective. Demographic variables such as gender, age, education, education and income level are applied as dependent variables in our model, and the dummy variable about whether a Chinese user has been to Korea is also included because the experience of visiting Korea may enhance cultural proximity and influence the visitor's attitude to Korean cultural, which may eventually affect their channel preference for Korean contents.

First of all, we categorized respondents into 'online preferred users' (N=433, 54.1%) and 'offline preferred users' (N=367, 45.9%) by their channel utilization pattern. One who chooses to use online channels more than offline ones will be classified as an online channel preferred user, and vice versa. By setting the 'offline preferred users' as the reference group, and comparing the multiplication ratios, the effect of the influence factors on each user type can be determined. According to the result summarized in Table 8, we can see that there is higher probability for Chinese male users to be an 'online preferred user' rather 'offline-preferred user'. More specifically, the possibility of being an 'online-referred user' is 1.39 times higher than being an 'offline-

referred user' when the information search propensity is increased by one unit. Chinese users with age between 16-25 years also turns out to be 1.41 times more likely to prefer online channels rather than offline ones.

Similarly, we also tried to divided sample into 'official channel preferred users' (N=390, 48.8%) and 'unofficial channel preferred users' (N=410, 51.3%), as well as 'direct channel preferred users' (N=201, 25.1%) and 'indirect channel preferred users' (N=599, 74.9%). When we set 'unofficial channel preferred users' as the reference group, the result shows that age, income level, Korean star fan club membership, and experience of visiting Korea have certain impact on users' channel selection propensity. Users who are more than 35 years old prefer official channel, and 2.3 times more likely for them to be 'official channel-referred users' rather than 'unofficial channel-preferred users' while users who are 16-25 years old show the opposite propensity. It is also found that users whose family monthly income is less than 10000 yuan (about 1660 dollar) are 1.63 times more likely to belong to the 'official channel-referred' group. For those who have never visited Korea, the chance that they prefer official channel over unofficial ones are 1.4 times higher than the opposite. Similarly, users who are a member of Korean star fan club show strong tendency for unofficial channels.

On the other hand, fan club membership and income level are found to be statistically significant factors (p<0.05) that influence the Chinese users' choice between direct and indirect channels. Users with higher income tend to use direct channels such as movie theatre and live concert more often, and fan club members also shows higher preference to direct channels than non-members.

<Table 8> Factors Affect the Channel Selection Behavior

		Online Channel-preferred User		Official Channel-preferred User		Indirect Channel-preferred User	
		B (S.E)	Exp (B)	B (S.E)	Exp (B)	B (S.E)	Exp (B)
Gender	Male	0.331(0.180)	1.392*	-0.024(0.172)	0.976	0.239(0.201)	1.27
Age	16~25 years old	0.34(0.397)	1.405**	-0.865(0.401)	2.376**	0.221(0.472)	1.247
	26~35 years old	0.241(0.36)	1.272	0.638(0.362)	1.893	0.16(0.434)	1.174
	above 35 years old	-0.64(0.387)	0.938	0.834(0.392)	2.30**	0.118(0.466)	1.125
Income	< 10000	-0.284(0.217)	0.752	0.463(0.22)	1.63**	0.012(0.241)	1.012
	10000~ 19999	0.109(0.166)	1.115	0.089(0.166)	0.915	-0.339(0.192)	1.712*
Education	>=college	0.053(0.173)	1.054	0.042(0.175)	1.068	-0.254(0.205)	0.775
Fan Club	Fan club member	0.364(0.203)	1.439	-0.656(0.205)	1.926***	-0.21(0.234)	1.087*
Marital status	married	-0.241(0.189)	0.786	0.145(0.189)	0.959	-0.344(0.207)	0.709#
Visit Korea	never visited	0.003(0.189)	1.003	0.347(0.187)	1.415**	-0.153(0.213)	0.858

***p<0.001, ** p<0.01, *p<0.05, # p<0.1

<Table 9> Factors Affect the Channel Selection Behavior

		Online & Official Channel User		Online & Unofficial Channel User		Offline & Direct Channel User	
		B (S.E)	Exp (B)	B (S.E)	Exp (B)	B (S.E)	Exp (B)
Gender	Male	0.495(0.236)	1.64	0.606(0.253)	1.833**	0.554(0.27)	1.741
Age	16~25 years old	0.374(0.486)	1.077	1.01(0.605)	2.744**	0.271(0.594)	1.311
	26~35 years old	0.136(0.436)	1.145	0.786(0.559)	2.194	0.397(0.533)	1.487
	above 35 years old	-0.388(0.478)	0.678	0.535(0.587)	1.707	0.137(0.566)	1.147
Income	income < 10000	-0.449(0.28)	1.638**	-0.151(0.304)	0.86	-0.091(0.317)	0.913
	income 10000~19999	-0.021(0.209)	0.098	0.079(0.238)	1.082	0.249(0.256)	0.78
Education	edu (>=college)	0.024(0.219)	1.024	0.02(0.242)	1.002	-0.107(0.266)	0.898
Marital status	Married	-0.186(0.241)	0.831	-0.282(0.261)	0.754	-0.032(0.296)	1.032
Fan Club	Member	0.546(0.259)	1.726	0.265(0.287)	1.303*	0.194(0.311)	1.215#
Visit K	never visited Korea	-0.172(0.247)	0.842	0.275(0.28)	1.317	-0.139(0.301)	0.87

Note: (1) The reference category is Offline & Indirect Channel User

(2) The reference category for each variable: Gender-Female, Education-< college, Visiting-have visited Korean before, Fan club – non-member

(3) ***p<0.001, ** p<0.01, *p<0.05, # p<0.1

For further investigation on factors affect the channel selection behavior, we then subdivided the user types into 4 categories: (1) online & official channel preferred users; (2) online & unofficial channel preferred users; (3) offline & direct channel preferred users; (4) offline & indirect channel preferred users. As the same way before, we conducted multinomial logistic regression and set the “offline & indirect channel preferred users” as the reference group. The results were consistent with the previous ones: Chinese users with relatively lower income tend to prefer offline & indirect channels; male users, fan club members and users whose age is between 16~25 have higher possibility to use online & unofficial channels. Also, users who belong to certain fan club shows higher preference to offline & direct channels rather than offline & indirect ones (significant at <0.1 level).

5. Discussion and Conclusions

5.1. Summary

The diversification of the information channels has played a crucial role in promoting the spread of ‘Korean Wave’, especially in China where major media is subject to authoritarian government control and new media channels are steadily gaining popularity. The purpose of this paper is to explore the Chinese users’ preference and perception on different types of channels for obtaining the ‘Korean wave’ related information and the impact of Chinese users’ demographic factors on their channel selection behaviour. This study has made several contributions in the following ways: (1) it fills the gaps of previous research by developing a new classification framework for the new media environment in China. (2) it examined the overall situation

as to which information channels Chinese consumers are using and typified the users according to their engagement on 'Korean wave' and their preference in different information channels. (3) Our empirical analysis helps deepen understanding of the relationship between the channel preference and cultural interest, gender, age as well as income level, and provides new insights into further diffusion of Korean pop culture in China market.

5.2. Findings

Our survey responses show that, in general, Chinese consumers prefer to use online sources for Korean contents, and among them the personal SNS (new social media) is regarded as the most popular information channel. Although official channel such as state-owned websites are still playing a dominant role, unofficial sites and new media provides alternative channels and platforms for Chinese citizens to rely on (Wang & Mark, 2013). They enjoy using unofficial/online channels mainly because those sites and APPs offer a wider variety of entertainment options that can be accessed through downloads and online viewing with a very low cost. Although the Chinese government banned Korean pop culture for political purpose, piracy over the internet has allowed unfettered access to the most up-to-date Korean TV shows.

It was also found that there is a positive co-relationship between the time Chinese users spend on Korean contents daily and their preference for each information channel, which supports the argument that the immersion for Korean culture may influence the channel preference. The result shows that users with low interest in Korean content prefer offline/indirect channels for Korean information. Offline/indirect channels such as TV and radio are considered as 'passive media', where consumers do not need to physically do anything with it and just passively receive the information (Hermida, 2010). On the contrary, people who are highly immersed into Korean culture and spend longer time on it tend to favour online/unofficial channels, with which certain information-searching activities are required.

Regarding the effectiveness of each information channel, personal social media(SNS) is considered as the most effective type by Chinese users. Without physical restrictions, users can access contents instantly anytime and anywhere as long as they have a mobile internet device. Especially, contents can easily be shared among acquaintance which conventional media cannot (Glibert & Karahalios, 2009). While users with low interest in Korean culture highly evaluate the effectiveness of official/online channels and indirect/offline channels, users highly interested in Korean culture tend to think unofficial/online channels and direct/offline channels as more effective ones. Direct channel such as concert and movies present higher level of inconvenience because audience must be present at a particular place and cost lots of money (Oh & Park, 2012). Also, consumers

usually use an implicit cost-benefit analysis to evaluate an information channel, thus, only those really attracted by Korean culture and Korean content will view direct channels as effective and worthy for their time and money.

The result of multi-nominal logistic regression reveals that there are some users' characteristics such as gender, age, income, fan club membership and experience of visiting Korea are relevant to their propensity to select information channels for Korean contents. It was found that Chinese male users and those aged between 16-25 are more likely to prefer online channels. The extant studies have proved that there is different information search behavior between male and female. Online information search seems to be more popular among men than women because men are generally more easily motivated to adopt new technology, and more enthusiastic in using the Internet than women (Fong, 2013). Age also matters when it comes to channel preference. It is much easier for younger generations in China, who have grown up surrounded by digital technology and spend much of their free time on computers or mobiles to accept and to access to the new online channels. This also partly explained the reasons why Chinese users over 35-years-old show strong preference to official channels because most of unofficial channels are new social media which they are less familiar with. Also older people in China are relatively traditional with higher trust in government and lower trust in citizen media (Wang & Mark, 2013).

Compared to the previous studies which argued low income Americans have a preference for informal over formal channels (Amanda & Charles, 2001), this study found that Chinese with relatively low income tend to choose official/online and indirect/offline information channels. On one hand, the indirect channels such as TV and radio cost much less than going to a concert or a movie. On the other hand, Chinese users with lower socioeconomic status usually consume Korean contents routinely or habitually rather than driven by a strong sense of purpose. Such behavior pattern is termed as low-involvement and is characterized by relatively low levels of information search activities and interactivities (Oladeji Samuel, 2005; Devinder, 2014). In contrast, higher income levels and emotional involvement have been found to be positively associated with greater level of information searching (Dale, 1999; Wang, 2017). Users who are fans of Korean celebrity and belong to certain fan club will be more emotionally involved and highly interested in information related to Korea. Therefore, fans are more likely to engage in information seeking and willing to choose direct channels which is more time consuming and economically costly. Also they prefer unofficial online channels because there are much timely and confidential information shared among the members that are not released through public official media.

It can be concluded that while the indirect and official channels are typically preferred by low-involvement user, the high-involvement users are more likely to choose direct and

unofficial channels for Korean Wave related information. The experience of visiting Korea certainly can enhance the level of involvement and increase the possibility to use direct and unofficial channels for Korean Wave related information.

5.3. Implications

The results of this paper shed lights on the important role of online and unofficial channels in the diffusion of Korean cultural contents in China. The findings suggest that the most effective information channel can be determined according to the different target consumer groups and especially the consumer group who are heavily interested in Korean Wave can be approached through online and unofficial channels as a main target market. It is also remarkable that the consumers who have visited Korea show strong propensity to consume Korean Wave contents heavily and it is also possible that the consumers who are interested in Korean Wave want to visit Korea. This fact suggests that they also can be a target market in tourism.

The results of this study are of great reference significance to the development of cultural products marketing strategies in China. For example, under the political stress between China and Korea, Korean companies in cultural contents industry can overcome this debacle by concentrating on online/unofficial channels. In some points, online/unofficial channels are somewhat illegal in distributing the cultural contents, thus the companies should develop some strategies to utilize these channels as a vehicle to get to the target consumers and they also have to find a way to delete the piracy.

5.4. Limitations

Despite the significant findings and contributions, this paper is subject to several limitations. First, this study mainly examined the channel selection behaviour for Korean Wave contents in general, without considering the specific genres of Korean pop culture (Drama, K-pop, movie, animation etc). Since the channel preference may vary according to the different genres, it is necessary for further research to consider this factor. Second, respondents of the survey are from different regions in China. Given the fact that the influence of 'Korean Wave' are not evenly distributed in all regions of China, the factor of regional difference should be considered for further investigation. Third, since we conduct the survey in the early of this year, the possibility of the questionnaire response being emotionally affected by the deteriorating diplomatic relations due to THADD cannot be totally excluded. However, this study is still significant as it reveals Chinese consumers' information channel selection behaviour for Korean Wave contents and provided meaningful implications.

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