The Reasons, Problems and Counter measures of Web Celebrity Economy

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Abstract: With the rapid development of the Internet and the support for national innovation of Internet policy, Internet celebrity economy as “Internet +” derivatives also rapid development, this article through the connotation of web celebrity economy, development and the cause of the web celebrity economy “positioning” fuzzy, unfair competition and negative externalities, then clear web celebrity positioning, legal regulation, government regulation and strengthen social regulation, so as to promote the web celebrity economy from high-speed development to high-quality development.

Keywords: Web Celebrity Economy; Unfair Competition; Regulation;

I. THE CONNOTATION AND DEVELOPMENT PROCESS OF WEB CELEBRITY ECONOMY

A. The connotation of web celebrity economy

1. At present, Chinese scholars have studied and expounded the connotation of web celebrity economy. Hu Bingqi believes that BBB 1 economy refers to the economic form that web celebrity with a large fan base realizes fans through the new economic model of "nanny + broker + supply chain". Wang Jing believes that web celebrity economy refers to the actual benefits and economic effects that web celebrity gathers popularity through social media to become an influential key opinion leader, and then relies on a large fan group for targeted marketing, which has a specific impact on the values and behavior decisions of the general audience, etc.2 Dong Peng and others believe that web celebrity economy is "web celebrityBBB 1" using their popularity gathered on social media to conduct targeted marketing to fans, and convert fans into purchasing power, so as to achieve the purpose of traffic realization. Long Qian and Wu Zhengfang believe that web celebrity economy is a process of transforming fans into purchasing power. Fans promote the development of BBB 1 economy by buying things recommended by BBB 1. Guo Yawen, Xiao Xia believes that web celebrity economy is represented by fashion experts as an image, with the taste and vision of the red people as the dominated, money selection and visual promotion, gather popularity on social media, through targeted marketing so that fans into purchasing power. Liu Shuai believes that web celebrity economy refers to a business model that relies on the Internet platform, takes Internet celebrity as the core, transforms the network influence of BBB 1 into profitability, and realizes economic benefits.3

This paper combines the research of many scholars, that web celebrity economy is under the trend of the Internet “+” and the government about support "double gen", relying on the big web celebrity to attract fans, through the "platform + anchor with goods” marketing communication channels, for the platform greatly increase traffic and sales of a marketing mode.

B. The development process of web celebrity economy

The development of web celebrity economy has probably experienced about four eras: web celebrity 1.0 era is the wordBBB 1 era. They only write online novels and publish physical books in the background. The marketing means and publicity methods are relatively single, and there is no complete business model. The web celebrity 2.0 era is the era of picture web celebrity, we first use pictures to attract the attention of fans, and then set up a team for marketing. At the same time, due to the rapid development of e-commerce, photo Internet celebrity better meets the advertising needs of e-commerce and opens up a new marketing and communication mode.4 The web celebrity 3.0 era has entered the era of celebrity celebrity. Stars use their "star halo" to attract the attention of the public to promote their works and profit from it. By the era of 4.0 web celebrity, it has become the era, and with the development of the Internet, communication methods and marketing means are also more diversified web celebrityBBB 1 incubation companies package and publicize civilians or shoot short videos and live broadcasts to attract fans. A variety of “take goods king” has emerged, relying on their own popularity to bring goods, so far, web celebrity economy has formed a relatively perfect industrial chain.

II. THE REASON FOR THE RISE OF THE WEB CELEBRITY ECONOMY

With the rapid development of Internet technology, the digital economy has become a strong driving force for China's economic development. As a product of the digital era, "web celebrity economy" is a new industry emerging with the continuous development of new media technology.5 In addition, the opportunity of the Internet development and huge live income attracted more and more people on the web celebrity, they can choose each platform release to make their short video to attract fans, then live to get income, not only that, they can also join web celebrity incubation platform, let the company for their packaging and marketing, achieve mutual benefit and win-win results. The improvement of the purchasing power of the public and the diversification of psychological demand are also another important reason for the rise of web celebrity economy. The diversification of modern lifestyle makes the public has its own preferences, which has also contributed to the mass Internet celebrity to a certain extent. The rise of web celebrity economy cannot be separated from the strong support of national policies, and actively respond to the call of mass entrepreneurship and innovation.

A. The rapid development of the Internet

Web celebrity economy is a new development and new form of fan economy in the era of mobile Internet. From the technical level, the mobile Internet provides hardware support for the generation of web celebrity.6 In recent years, China's
Internet technology has developed very fast, from 1G network to 4G network and even the current 5G network, in just a dozen years, plus the popularization of wireless network, has created a prerequisite for the rise of web celebrity economy. With the popularity of the Internet, the number of Internet users in China is also more and more, see Figure 2-1 below.

Figure 2-1 2013-2020 Internet users and Internet penetration
Data source: China Internet Network Information Center

As can be seen from Figure 2-1, the Internet penetration rate in China has increased by 17.1% in just a few years, and with the increasing improvement of Internet technology, this growth trend will continue. In addition, the number of Internet users in China nearly doubled from 2013 to 2020, especially from 2019 to 2020, the number of Internet users in 2019 was 854 million, and the number of Internet users in 2020 has reached 940 million, a growth of 10.07% year on year, the momentum of accelerated growth is expected to maintain. It is precisely because of the improvement of the Internet penetration rate and the increasing scale of Internet users that the web celebrity economy has developed better and better in recent years.

B. Diversities of consumer needs

According to Maslow's demand level theory, people's needs range from low to high into physiological, security, social, respect and self-realization needs. After material satisfaction, on the one hand, netizens do not want to contact with the outside world to pursue their true self; on the other hand, they seek the recognition of others and find their own circle, which provides a platform for webcast to meet individual needs. The minimum level of people is physiological needs, followed by security needs. When these two needs are met, the public will seek a higher level of demand, they desire to be loved and respected, and this respect can be realized in the broadcast room of major anchors. By buying goods recommended by anchors in the broadcast room and brushing gifts in the broadcast room, the public gets the recognition and praise of the anchors, which gives them a sense of respect and inner satisfaction. Because the pressure of real life and the pressure at work force them to seek a place to vent and get comfort, the network studio has undoubtedly become the best meeting place for them.

C. The rise of web celebrity incubation companies

The incubation industry in the middle reaches has greatly promoted the development of productivity, making the rapid development of web celebrity economy and become a boom. The rise of web celebrity incubation companies is also inseparable from a large amount of capital investment, and capitalists invest a lot of capital to gain more residual value brought by BBB 1. For example, Ruhan, the first share of China web celebrity e-commerce and the only MCN institution of Alibaba Group, has been firmly in the industry TOP1 in the number of red celebrity incubation.

Ruhan Holdings covers all aspects from web celebrity incubation to web celebrity e-commerce and web celebrity marketing, and has become the TOP1 of domestic web celebrity incubation companies. According to the 2020 web celebrity economic enterprise TOP100, the first web celebrity service provider in China is ranked 13. Web celebrity incubation company has a very rapid development momentum, accompanied by more capital profits and interests, which prompted more people to take the road of Internet celebrity. The rise web celebrity incubation company also made web celebrity BBB 1 economy booming.

D. Web celebrity economic realization ability is strong

There are two main ways to make web celebrity profit: on one is to get fan rewards through live broadcast; the other is to sell goods to fans through live broadcast. Table 2-1 and 2-2 are the live broadcast benefits of Li Jiaqi and Weiya, the first two anchors in the pre-sale of the Singles 11 and the 2010 Singles 11 in 2020, respectively.

Table 2-1 Singles' 11 in 2019

<table>
<thead>
<tr>
<th>n. anchor</th>
<th>Li Jiaqi</th>
<th>Viya</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cumulative number of views</td>
<td>31.12 million</td>
<td>38.11 million</td>
</tr>
<tr>
<td>Number of new fans</td>
<td>6,83,000</td>
<td>2,42,000</td>
</tr>
<tr>
<td>Accumulated number of goods sold (Valuation)</td>
<td>Thirty-nine</td>
<td>57</td>
</tr>
<tr>
<td>Cumulative Sales of Goods Sale (Valuation)</td>
<td>1,527 million</td>
<td>9,76,000</td>
</tr>
<tr>
<td>Cumulative Sales of Goods Sale (Valuation)</td>
<td>660 million</td>
<td>661 million</td>
</tr>
</tbody>
</table>

Data source: Clause http://www.topklout.com/#/home

Table 2-2 Singles' 11 in 2020

<table>
<thead>
<tr>
<th>n. anchor</th>
<th>Li Jiaqi</th>
<th>Viya</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cumulative number of views</td>
<td>162 million</td>
<td>149 million</td>
</tr>
<tr>
<td>Number of new fans</td>
<td>2.78 million</td>
<td>2.4 million</td>
</tr>
<tr>
<td>Cumulative Sales of Goods Sale (Valuation)</td>
<td>8,214,400</td>
<td>3,901,000</td>
</tr>
<tr>
<td>Cumulative Sales of Goods Sale (Valuation)</td>
<td>3.43 billion</td>
<td>2.869 billion</td>
</tr>
</tbody>
</table>

Data source: Clause http://www.topklout.com/#/home

It can be seen from Table 2-1 and Table 2-2 that the pre-sale of Singles' 11 alone has achieved such results. The benefits of online live broadcast and the ability to bring goods are amazing. It is precisely because the public sees that not only stars can earn tens of 10 million a month, but also ordinary people can use the Internet platform to explode overnight and get huge profits through live broadcasting. Network anchors only need to link the shopping cart in their studio, and do not need to hoard a large number of goods in their studio. Moreover, the income of each live broadcast can be realized after the live broadcast, and it does not need to put money in their own pockets. The super realization ability of web
celebrity economy attracts the public to join the web celebrity army. In order to gain greater profits, web celebrity BBB 1 are also racking their brains to find points to attract the public attention to maintain their status of "king of goods".

D. Strong support for the national policy

The report to the 19th CPC National Congress further clarified the important role of innovation in leading economic and social development and marks that innovation-driven, as a basic state policy, will play an increasingly significant strategic role in supporting China's development in the new era.

As early as the Summer Davos Forum in September 2014, Premier Li Keqiang issued a public call for "mass entrepreneurship and innovation". At that time, he proposed to set off a new wave of "mass entrepreneurship" and "grassroots entrepreneurship" on 9.6 million square kilometers, and form a new trend of "mass innovation" and "everyone innovation".

Subsequently, the State Council issued a number of Opinions to support mass innovation and entrepreneurship. The rapid development of the Internet has changed people's way of production and life style, and web celebrity economy has also become a derivative of the Internet economy. With the rapid development of the Internet economy, BBB 1 economy will also flourish. In addition, the web celebrity economy is also the product of The Times that actively responds to the national call for mass innovation and entrepreneurship, and it is also the practical product of the national policy in social life. In today's society, the model of "Internet +" has become a trend, and will become the mainstream of the future economic development. And the new economic model of web celebrity economy will also lead the development trend of The Times with the general trend of "Internet +", and walk in the front end of The Times.  

III. PROBLEMS EXISTING IN THE OPERATION OF WEB CELEBRITY ECONOMY

In the era of mass web celebrity, namely the era of BBB 14.0, the marketing and communication mode of BBB 1 economy is constantly innovating, and the web celebrity economic industry chain is becoming increasingly perfect. Under the background of "Internet +", the traditional economic operation mode is reformed and developed together with other industries. Actively respond to the national call of "mass innovation and entrepreneurship", but with the continuous improvement of the innovation ability of web celebrity economy in the process of development, the accompanying problems are becoming increasingly prominent, that is, the monopoly problem possible caused by the advantages of pioneers. The following will launch an analysis of some problems existing in the operation process of web celebrity economy.

A. The "web celebrity" positioning is fuzzy

1. Advertising spokesperson

According to Article 2 of the Advertising Law of the People's Republic of China, when anchors live broadcast recommended goods in their own name, it uses their own influence to promote goods or services for others. The anchors also assume certain responsibility to guarantee the quality of goods, which should belong to the advertising spokesperson in the advertising law. In the live broadcast with goods, web celebrity meets the requirements of advertising spokesmen defined by the advertising law in the Advertising Law, such as Li Jiaqi, Weiya, Luo Yonghao and other BBB 1 anchors, they often take personal image and reputation as the commodity guarantee in the live broadcast, web celebrity These BBB 1 are regarded as advertising spokesmen.

2. Marketing manager

When Netcelebrity signed the "Signing Anchor Agreement", "Performing Arts Brokerage Contract", "Game Interpretation Exclusive Signing Agreement", "Interpretation Cooperation Agreement" and other contracts, at this time, the brokerage company and the anchor are the cooperative relationship, and the anchor is also the operator, and they should abide by the relevant provisions of the Contract Law. The cooperation agreement or brokerage contract signed by the anchor and the brokerage company is a labor contract, not a usually signed labor contract. The labor contract is only protected by other relevant laws of the Contract Law and the General Principles of the Civil Law, not protected by the Labor Law, and needs to assume corresponding responsibilities when deemed as an operator.

B. Unfair competition problem is prominent

The rise of web celebrity economy comes from the scale economy of web celebrity industry. The scale effect of web celebrity economy industry is due to the rapid development of network social platform and network live broadcast platform, which drives the development of BBB 1 economy, making the platform, merchants and web celebrity have obtained huge benefits, thus forming the economy of scale of BBB 1 industry. However, economy of scale promotes the increase of the number of web celebrities on platforms, which further increases the number of "fans". The more the number of fans, the stronger the ability of BBB 1 to "bring goods' through social media platforms and live streaming platforms. The economy of scale of web celebrity economy industry to some extent can promote the development of BBB 1 economy to some extent, due to the rapid development of web celebrity economy in recent years, especially under the background of COVID-19 epidemic, the problem of unfair competition caused by the excessive and overheated development of BBB 1 economy is increasingly serious.

As can be seen from Figure 3-1, from 2016 to 2020, unfair competition in the web economy exploded. Especially in 2017, after the State Council issued the "Opinions on Strengthening the Implementation of the Innovation-driven Development Strategy and Further Promoting the in-depth Development of Mass Entrepreneurship and Innovation", accompanied by the vigorous development of Internet celebrity economy with the "Internet +" model. In the process of rapid development of web celebrity economy, due to the legal lag of the law, market supervision and legal supervision related policies and laws have not had time to improve the advertising law of the People's Republic of China, the e-commerce law of the People's Republic of China, the interim management measures of Internet advertising economic operation related laws not clearly stipulated web celebrity economy, make web celebrity economy in the process of operation of unfair competition.

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In web celebrity 4.0 era, more and more people join the web celebrity army, unfair competition between platform and platform, unfair competition between anchor and anchor, such as "anchor ship" events frequently, on the surface of anchor personal behavior caused web celebrity economic industry chaos, but behind the competitors "malicious poaching", with high salary and other attractive conditions will their competitors spent a lot of human and material resources to cultivate big anchor dig, make the competitors income losses. At the same time, it will also hinder the development of web celebrity economy, which is not conducive to the healthy development of BBB 1 economy.

C. Internet celebrity improper behavior brings negative external effects

Negative external effect is the phenomenon that a person's behavior or business behavior affects others or business to pay additional costs, but the latter cannot obtain corresponding compensation. The negative externality of web celebrity economy in the operation process is mainly considered from the following two aspects.

1. Web celebrity industry quality is uneven

The arrival of the era of web celebrity means that the quality of web celebrityBB 1 is uneven. Those low quality web celebrityBB 1 may make some improper remarks or make some behavior to distort the current mainstream values. Such as 14 pregnant children, 16 youngest two child mother, minors live elope, minors, etc., in the studio, "affection" show "the smallest mother ", " village youngest mother ", and " female anchor publicly ask user brush rocket ", smoking in the studio and some vulgar live behavior, and now popular" net blush ", plastic surgery prevailing and so on. Due to the large number of social media nowadays, minors are very easy to have access to these contents that violate the current mainstream values, which is not conducive to the formation of the correct values of minors, especially teenagers. Buried unstable factors to the society, but to supervise and manage the words and deeds of web celebrity, it also need to pay more supervision and management costs.The cost paid by web celebrity for their personal words and deeds is far less than the negative impact on the society. The cost of social management and supervision is much higher than the private cost of BBB 1, which brings negative externalities.

2. Web celebrity personally violates the principle of honest and credit

In the operation process of web celebrity economy, the existence of "star effect" makes the marketing model of red goods red strengthen the connection between fans and platform and merchants, but it also triggered a series of credit crises. It is this marketing model, coupled with the "E-commerce Law", "Advertising Law" and "Internet Advertising Interim Management Measures" for this aspect of insufficient punishment and imperfect laws and regulations, make web celebrity unscrupulous when taking goods. Even if some things they have never used, but still live with "my own good, the cheapest" and other words induce fans to buy, but when fans buy products after quality problems, they often take is to shirk, shirk each other, because web celebrity against the principle of the cost is small, but fans and the government should pay for the behavior of merchants and platform, increasing social costs, thus negative externalities.

IV. COUNTERMEASURES FOR THE EXISTING PROBLEMS IN WEB CELEBRITY ECONOMIC OPERATION

A. Clear "web celebrity” legal positioning

Whether the behavior of anchors in "live broadcast with goods” should be responsible in accordance with the advertising spokesperson or the operator, this uncertainty in the legal positioning of anchors will lead to obstacles to fans' rights protection road when there are consumer disputes. When web celebrity broadcast, it did not significantly indicate the words "advertising” on the product link or its broadcast room, making fans unable to identify whether the anchor played the role of advertising spokesperson or operator when buying the goods. When web celebrity is considered as advertising spokesman, its responsibility is obviously little, and it is not completely in accordance with the requirements of the advertising law is not recommended for unused goods and services, web celebrity recommended live a lot of goods are they have never used. If the legal positioning of web celebrity is an operator, then it is obvious that it assumes a much heavier responsibility, and it should abide by the provisions of the E-commerce Law and the Consumer Rights Protection Law.In order to avoid this difficulties in consumer rights protection due to the vague legal positioning of web celebrity, government departments should issue relevant documents to standardize web celebrityBB 1 positioning and clarify the legal positioning of "web celebrity", so as to promote the faster and better development of BBB 1 economy.

B. Regulation unfair competition

1. We will improve the existing relevant laws and regulations in China

Improving the regulation of existing laws on Internet subjects mainly includes improving the provisions of the Anti-Unfair Competition Law, the Law on the Protection of Consumer Rights and Interests and the E-commerce Law in relevant aspects. At present, in the unfair competition behaviors stipulated in the Anti-unfair Competition Law of the Republic of China (amended in 2019), only Article 12 is related to the Internet, only the technical means used when operators use the Internet to engage in unfair competition, while other improper behaviors are not involved, and other legislation should be improved as soon as possible. In addition, but also to increase the violation of the "Anti-Unfair Competition Law” fines, so that the web celebrity economy standardized operation.
2. The strengthens regulation over government departments

Increase government supervision and management to restrict the behavior of web celebrity. At present, there are the Regulations on the Management of Internet Live Broadcast Services and the Code of Conduct of Online Live Broadcast Marketing issued in 2016 and the guidelines recently issued by the State Administration for Market Regulation on Strengthening the Supervision of Online Marketing Activities in Live Broadcast. But the introduction of the problems of the current web red economy is far from enough. The virtuality of the Internet, the intersection of Internet technology and the interdependence between various Internet industries not only combine various industries organically through the Internet, but also make it more convenient to implement interference and disruptive behaviors among various industries. With the help of the Internet, web celebrity economic industry regulation become more difficult, so to strengthen the government in the process of the operation of the main body, mainly for the platform, merchants and web celebrity three supervision, standardize their behavior, to reduce social supervision and management costs, improve the efficiency of web celebrity economic operation.

C. Control of negative externalities

1. Regulates the web celebrity industry

For the web celebrity industry as a whole, the main problem is that the overall quality of BBB 1 is low, education is generally not very high, although some web celebrity BBB 1 have high education, such as pap i sauce, Li Jiaqi, Li Xueqin, etc. But throughout the whole web celebrity industry, high quality web celebrity few, in the face of existing problems, can take web celebrity practitioners web celebrity license, improve the quality of web celebrity practitioners, by set up some courses about Internet practitioners and learn live marketing code of conduct, live service management regulations and other documents and the People's Republic of China advertising law, the e-commerce law, the people's Republic of China against unfair competition law and other related laws. Through learning, to improve the quality of web celebrity itself, in addition to pay attention to the specialization of content, further strengthen the web celebrity incubation company of all walks of life, constantly strengthen the professional, promote the web celebrity industry "hundred flowers, hundreds of thought", in order to achieve the vigorous development of BBB 1 industry.

2. Controls of web celebrity individuals

For the control of personal Internet celebrity, it is necessary to standardize the behavior and guide BBB 1 to infect fans with their own talents. In addition, web celebrity should abide by the principle of honesty and credit when promoting goods to their fans, and cannot use their trust in them to recommend those goods with quality problems, or three no products. In addition, when recommended goods, should not be in "the cheapest, best use" and other tempting words to misleading fans to buy, when fans buy goods in web celebrity studio, web celebrity should also bear certain responsibility, cannot shirk, also actively assist fans to return, solve the demand of fans for commodity after-sales, to improve fans shopping experience, promote the development of high quality.

CONCLUSION

The emergence of web celebrity economy has promoted the development of the whole society to a certain extent, especially the arrival of BBB 14.0 era, everyone can become web celebrity. But the problems exposed in the development of web celebrity economy also emerge, web celebrity economy is based on the Internet, there are insufficient supervision for Internet supervision, insufficient punishment and blank laws and regulations, this article is just unfair competition and negative external economic operation process is a brief analysis, and put forward to regulation of web celebrity industry, by perfecting the relevant laws and regulations, strengthen government control and social regulation to solve these problems in the process of web celebrity economy. However, the problems faced in the operation and solutions of web celebrity economy involved in this paper are only a simple understanding and summary of the web celebrity red industry and BBB 1 economy, and there are still many imperfections.

References

that directly or indirectly introduce their promoted commodities or services through a certain media and forms.


[15] According to the "online survey report of live e-commerce shopping consumer satisfaction" organized by the China Consumers Association in February 2020, in terms of consumers' cognition of anchors, 38.5% of consumers think that anchors are operators, 30.8% of consumers think that anchors are not operators, and 30.7% said they do not know what role of anchor is.

[16] Article 7 of the Interim Measures for the Administration of Internet Advertising: Internet advertising should be identifiable and significantly marked as "advertising", so that consumers can distinguish it as advertising.

[17] Article 38 of the Advertising Law of the People's Republic of China: an advertisement spokesperson recommends or proves the goods and services, based on the facts, in accordance with the provisions of this Law and relevant laws and administrative regulations, and shall not recommend or prove the unused goods or services they have not received.