

Vol. 06

The Success and Potential of Global K-Pop Strategies, Demonstrated by HYBE



ABSTRACT

1

This report analyzes the latest trends in the K-pop industry and HYBE's successful strategies regarding global music labels, investors, streaming platforms and international buyers, thereby proposing future partnership and investment opportunities.

2

The worldwide popularity of top K-pop artists, such as BTS and BLACKPINK, continues to fuel the expansion of the K-pop market.

- In 2023, the music industry recorded KRW 12.6842 trillion in revenue, surging by over KRW 3 trillion from the pre-COVID era, and K-pop generated KRW 1.2377 trillion in overseas revenue.
- Rosé's "APT." won a main category (Song of the Year) at the 2025 MTV Video Music Awards, a first for K-pop artists.
- HYBE's KATSEYE (Push Performance of the Year) and Lisa of BLACKPINK (Best K-Pop) also won awards at the same event, reaffirming K-pop artists' commanding presence.

3

The global music market is displaying a shift toward a streaming-centered revenue structure (69.0% of the total), alongside a rebound in concert revenue (50.2%), and K-pop is responding preemptively to such changes.

- Amid the strong performance of YouTube Music (26.8%), Spotify, Apple Music and other global platforms, K-pop is building new fanbases through viral marketing strategies focused on short-form content (TikTok, Reels, Shorts).
- K-pop needs to establish its own global ecosystem using major nations' strategies, including U.S. (copyright/IP-focused revenue models), Japan (combining domestic consumption with social media) and China (AI, virtual idols) as benchmarks.

4

HYBE's distinctive, artist-tailored strategies propose a new success formula for K-pop.

- ILLIT: Entered the Billboard Hot 100 at No. 91 in just two weeks after debut, demonstrating a new model of short-form optimization and pre-debut collaboration with fashion brands. Their debut song, "Magnetic" became the most streamed K-pop song on Spotify in the first half of 2024, with the group's dance challenge going viral on TikTok.
- KATSEYE: A multi-national girl group co-produced by HYBE and Universal Music Group. The entire auditioning process of the group, which took place in 120 countries, was livestreamed for simultaneous global production and expansion. Their second EP debuted at No. 4 on the Billboard 200 and spent 15 consecutive weeks on the chart, demonstrating a horizontal partnership with a major label.
- SEVENTEEN: Built a fanbase of 130 million fans, CARAT, with their self-production system and variety content ("GOING SEVENTEEN"). In the year 2023, the group sold over ten million copies of albums, creating an independent, community-led economy.

5

The government amended the Music Industry Promotion Act to set out the basis for supporting K-pop's global expansion, while the Korea Creative Content Agency is helping discover rookies and expand global networks through projects such as MUSE ON and MU:CON.

ABSTRACT

6

Strategic insights for K-pop investment and partnership

- Three key competitive edges of K-pop, as shown with HYBE: A vertical, integrated ecosystem that brings together platforms, IP and technology (Weverse reaching 100 million users); strategic portfolios tailored to each artist (short-form/co-production/fandom economy); and co-ownership of IP with global labels as equal partners
- Approaches to international buyers: Partnerships that encompass the entire ecosystem rather than simply signing contracts with artists, such as creating regional joint funds (co-investment in new artists and content); collaborative campaigns with brands (fashion and beauty products incorporating K-pop IP); and co-planning of global concerts and festivals, are required.
- The K-pop industry has established itself as a global cultural hub built upon co-creation, co-investment and IP-based lifestyle brands, beyond exporting music, and there has been no better time to create a cultural economy for the future with K-pop.

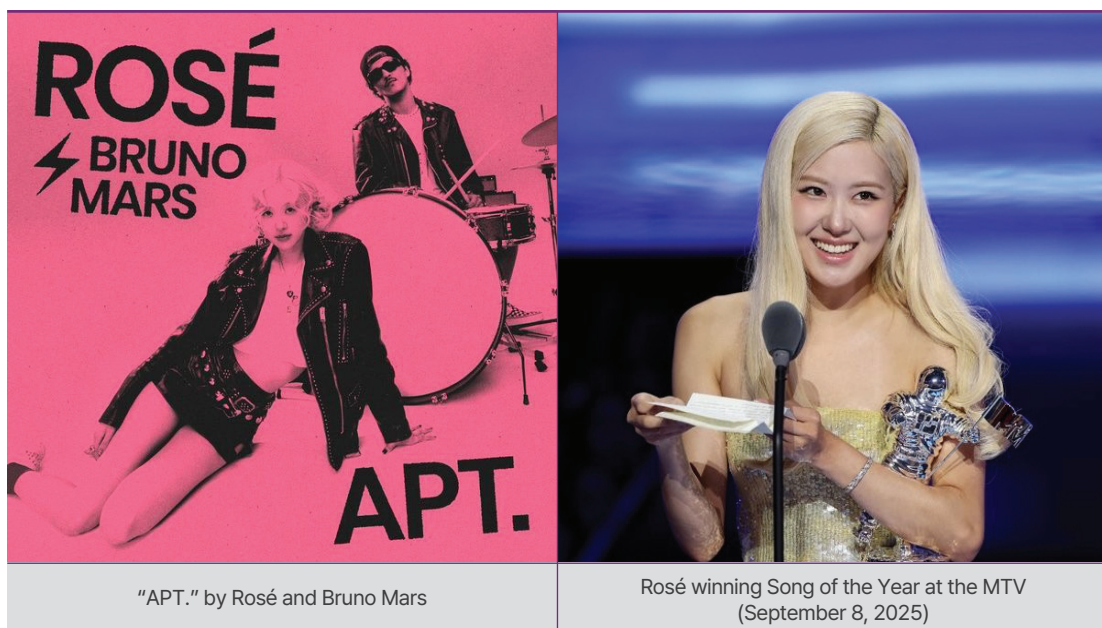
CONTENTS

01	Introduction – K-pop Conquers the Global Stage	1
02	Global Music Market and Opportunities for K-Pop	2
	A. Changes in the Global Music Market	
	B. Current State of the K-Pop Industry and Its Challenges	
	C. South Korea’s Support for K-Pop	
	D. Strategies of Major Music Industries Around the Globe	
03	New Success Models Created by HYBE Artists	10
	A. ILLIT: Entering Global Charts Upon Debut	
	B. KATSEYE: Connecting the World with Multinational Members and Storytelling	
	C. SEVENTEEN: Power of Independent, Fan-Led Growth	
04	Implications and Strategy Proposals	15
	– Future of K-Pop, as Proposed by HYBE	
	A. Aiming at the Global Stage from the Beginning	
	B. Success Formula Varying by Artist	
	C. K-Pop-Style Expansion: From Music to Industry	
	D. Proposals for International Buyers	

1. Introduction – K-pop Conquers the Global Stage

- Rosé won Song of the Year at the 2025 MTV Video Music Awards (VMAs) with her song “APT.,” a collaboration with Bruno Mars, becoming the first K-pop artist to win a main category at the awards.
 - This accomplishment, which has not been achieved by even BTS or BLACKPINK, demonstrates the world’s recognition of K-pop as mainstream pop.
 - KATSEYE, HYBE’s multinational girl group, also performed on the main stage as the Push Performance of the Year winner at the VMAs, while Lisa of BLACKPINK won Best K-Pop with her song “Born Again,” a collaboration with pop stars such as Doja Cat and RAYE, highlighting K-pop artists’ global presence.

Rosé’s “APT.”: The First K-pop Song to Win Song of the Year at the MTV VMAs



“APT.” by Rosé and Bruno Mars

Rosé winning Song of the Year at the MTV
(September 8, 2025)

*Source: Official X account of the MTV VMAs

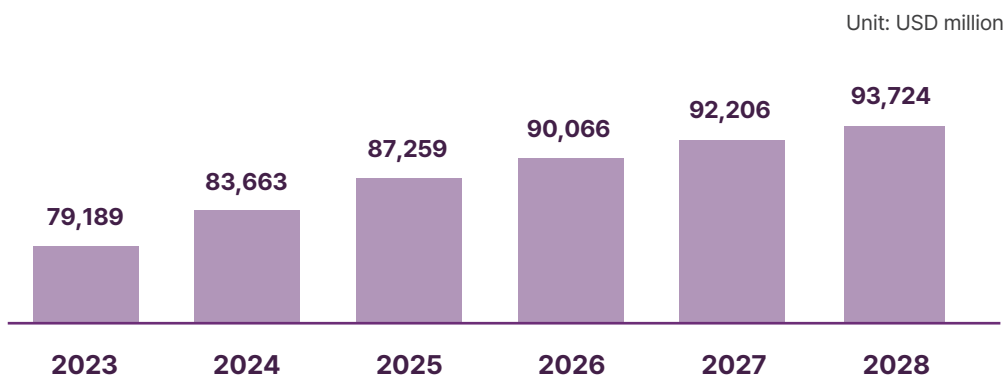
- Nevertheless, an overview of the global music industry reveals certain obstacles to the sustainable growth of K-pop, including its still heavy reliance on the sales of physical albums, largely domestic talent scouting and development and the lack of stable distribution systems in major markets.
 - This report analyzes K-pop’s strategies targeting global markets with a focus on HYBE, exploring in depth the new successful models proposed by the label’s artists such as ILLIT, KATSEYE and SEVENTEEN.
 - Ultimately, it aims to propose investment opportunities for international buyers, potential partnerships and industrial influence regarding various aspects of K-pop, thereby deriving implications for the entire K-music industry.

2. Global Music Market and Opportunities for K-Pop

A Changes in the Global Music Market

- (Global market) According to the 2024 Music Industry White Paper, the size of the global music market in 2023 was USD 79.189 billion, a 17.4% increase from the previous year, and it is forecast to grow 3.4% yearly on average for the next five years, reaching 93.724 billion in 2028.

Size of the Global Music Market (2023 to 2028)

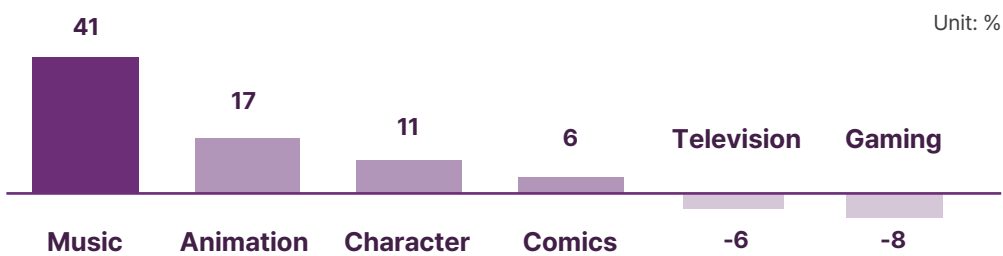


*Source: PWC. (2024). *Global Entertainment & Media Outlook 2024-2028*. (adapted)

- (South Korean market) According to the 2024 Music Industry White Paper, the music industry recorded an estimated KRW 12.6842 trillion in revenue in 2023, increasing by around KRW 3.3 trillion from 2021 during the COVID-19 pandemic.

- In Q1 2025, in particular, the revenue of the music industry grew 41.2% from the same period of the previous year, surpassing the other content industries, including animation (16.5%) and character (10.7%), in growth rate.

Content Industries' Increase/Decrease Rate of Revenue in Q1 2025 Compared to the Same Period of the Previous Year



*Source: Korea Creative Content Agency. (2025). *Q1 2025 Content Industry Trend Analysis Report*. (adapted)

- (Overseas revenue of K-pop) According to the Korea Culture & Tourism Institute, the overseas revenue of K-pop in 2023 is estimated at KRW 1.2377 trillion.
 - By sector, revenue from concerts, exports of album-type products and revenue from overseas streaming services accounted for estimated 47.5%, 31.4% and 21.0%, respectively.
 - In terms of amount, compared to 2022, exports of album-type products increased by KRW 45.2 billion, revenue from overseas streaming services by KRW 50.5 billion, and revenue from overseas concerts by KRW 220.2 billion.

Overseas Revenue of K-Pop & Increase/Decrease Rate by Sector

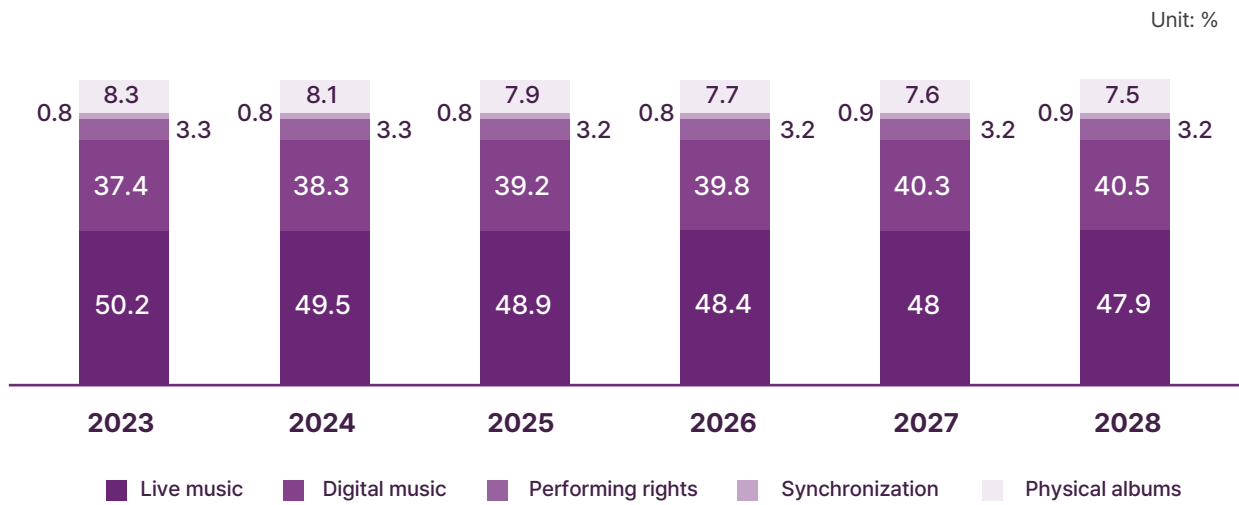
	Overseas revenue of K-pop	Exports of album-type products	Revenue from overseas streaming services	Revenue from overseas concerts
2022	KRW 921.79 billion	KRW 343.66 billion	KRW 209.85 billion	KRW 368.28 billion
	(100%)	(37.3%)	(22.8%)	(40.0%)
2023	KRW 1.23767 trillion	KRW 388.88 billion	KRW 260.33 billion	KRW 588.46 billion
	(100%)	(31.4%)	(21.0%)	(47.5%)
Compared to previous year	+KRW 315.88 billion	+KRW 45.22 billion	+KRW 50.48 billion	+KRW 220.18 billion
Compared to previous year	+34.3%	+13.2%	+24.1%	+59.8%

*Source: Korea Culture & Tourism Institute. (2024). *Trends in the Overseas Revenue of K-Pop Through Data*. (adapted)

- (Trend) As of 2023, the share of the live music sector, which was hit the most by COVID-19, increased significantly to account for 50.2% of the entire music market, displaying a rebound.
 - Furthermore, IFPI's Global Music Report 2025 shows that, as of 2024, streaming took up a substantial 69.0% of the global recorded music revenue.
 - This contributed to revenue generation of the music industry, alongside the expansion of paid music streaming services such as YouTube Music and Spotify.

- Despite the declining demand for physical albums¹⁾, the demand for niche formats like vinyl²⁾ remains steady or is showing signs of recovery.

Breakdown of the Global Music Market by Sector (2023 to 2028)



*Source: PWC. (2024). *Global Entertainment & Media Outlook 2024-2028 Global*. (adapted)

1) Physical albums (CDs, LPs, cassette tapes) that are distinguished from "platform" albums (digital audio).

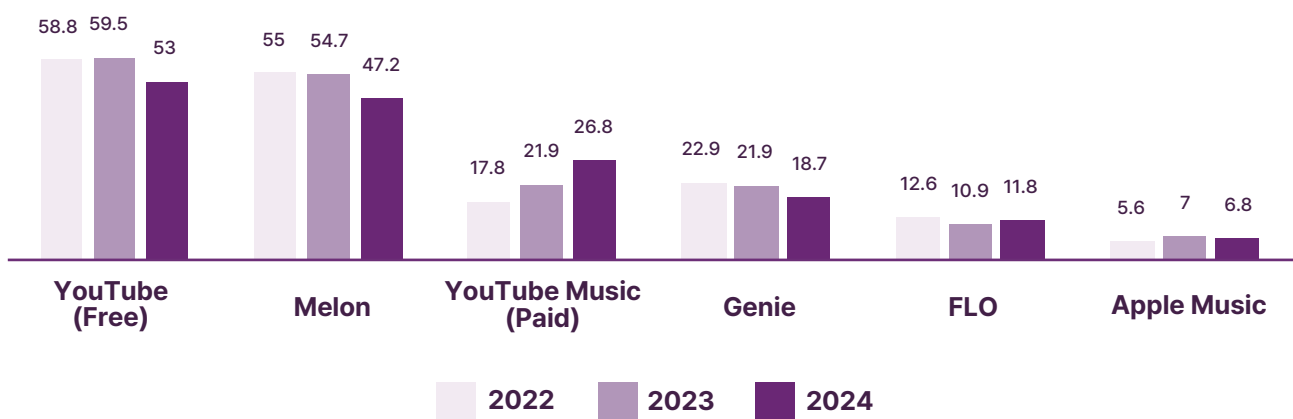
2) Analog music records. In South Korea, they're commonly referred to as an "LP version."

B Current State of the K-pop Industry and Its Challenges

- (Changing consumption patterns) According to the 2024 Music User Survey, the percentage of consumers who listen to music using online video sites (YouTube), streaming services and smartphones has gone up over the past three years, reflecting the simplification of music consumption methods.
 - Short-form content, including TikTok, Instagram Reels and YouTube Shorts, is transforming how music is consumed. Music is no longer reserved for listening but also for watching, and dance challenges focused on specific dance moves, rather than the song itself, have become a must for K-pop groups.
 - Unlike in the past, when most users listened to songs on the top 100 charts of streaming platforms like Melon and Genie, some listeners now opt for personalized playlists created based on their preferences.
- (Increasing presence of global platforms) As of 2024, the usage rate of YouTube Music was 26.8%, ranked third following YouTube (free), 53.0%, and Melon, 47.2%.
 - In particular, YouTube Premium's background play feature now allows users to use the app like a streaming service, which has affected domestic music streaming services such as Melon and Genie.

Six Most Used Music Streaming and Download Services

Base: Users of music streaming and download services, Unit: %



*Source: Korea Creative Content Agency. (2024). 2024 Music User Survey. (p. 144). (adapted)

- Global streaming services such as Spotify and Apple Music are especially popular among Korean listeners in their teens and 20s for their offering of music by various foreign artists and AI algorithm-based music recommendation.

Usage Rate of Domestic/International Services by Age

Base: Users of music streaming and download services, Unit: %

Classification	Total	Age					
		Teens	20s	30s	40s	50s	60s
Domestic services	48.9	43.7	44.9	50.7	57.5	48.7	45.3
International services	51.1	56.3	55.1	49.3	42.5	51.3	54.7

*Source: Korea Creative Content Agency. (2024). 2024 Music User Survey. (p. 143). (adapted).

- (K-pop crisis theory) Despite the external growth of the K-pop market, it still faces limitations such as a skewed focus on large agencies and fundamental structural vulnerabilities
- (Reliance on large agencies) The average cost of producing a K-pop artist has increased gradually and now averages an estimated KRW 3 to 5 billion, and creating a music video costs around KRW 300 to 400 million.
 - Due to the difficulty in entering the mainstream market without substantial capital or investment, the industry is largely led by major agencies such as SM, YG, JYP and HYBE. In some cases, even the largest agencies tend to rely on a limited number of artists when it comes to generating revenue.
- (Fandom-focused music) While some artists are topping Billboard charts in the U.S. or selling millions of copies of albums, some struggle even with landing in top spots on major streaming charts in South Korea.
 - This reflects K-pop's transformation from "music for all" to a strategic business focused on gigantic fandoms, constantly resulting in negative outcome such as blindly purchasing albums in bulk to secure top spots on the chart and unfair tying practices using random photo cards.

C South Korea's Support for K-Pop

- (Legislation) The Music Industry Promotion Act ("Music Industry Act"), which sets out matters required to promote music-related industries, including recorded music, music files, music videos and sheet music, was enacted in October 2006 to facilitate the development of such industries, improve the public's cultural life and contribute to the growth of the national economy.
- 13 partial amendments (5 passed in plenary sessions) were proposed by the 21st National Assembly, and 10 partial amendments (5 passed in plenary sessions) by the 22nd National Assembly³⁾. Among the passed ones, those related to promoting the music industry are as follows.
 - Bills by Rep. Il-jong Seong (2103133) and Rep. Seung-soo Kim (2103881): To clarify the basis for the government to support the global expansion of the live music sector
 - The amendments allowed K-pop companies to cover part of their expenditures on overseas concerts and marketing with government funding, which, in particular, helped lower the barriers for small and mid-sized agencies to enter the global market.
- (Government & public institutions) The Korea Creative Content Agency implements support programs for different fields of the music industry, including for producing and promoting online content, album production and entering overseas markets.
 - (MUSE ON) A project that began in 2019 to discover promising rookie musicians. The chosen artists enjoy benefits such as releasing physical/digital albums and performing on MUSE ON Live Week (MUSE ON Day) and festivals.
 - (MU:CON) The largest global music and entertainment fair in South Korea, which aims to help the music industry at home and abroad establish networks and support outstanding Korean musicians in entering the global market, facilitating business exchanges.
 - These support programs largely focus on discovering new talent and networking, which makes them more helpful for artists from small and mid-sized agencies than for large ones that have already entered the global market.

3) As of October 22, 2025

D Strategies of Major Music Industries Around the Globe

- (U.S.) Amid the dramatic growth of the digital music market, the revenue model of “copyright catalogs”⁴⁾ is drawing attention. Popular songs come in various genres, including pop, hip-hop and R&B, and collaborations also frequently go viral.
 - (Government/organizations) Grants offered by the National Endowment for the Arts (NEA), assistance in resolving copyright conflicts (U.S. Copyright Office (USCO)), collection and distribution of royalties (Mechanical Licensing Collective (MLC)) and other efforts to protect licensing rights and interests in the music industry
 - (Production companies) Include Universal Music Group, Sony Music and Warner Music, many of which now actively seek opportunities to collaborate with K-pop companies.⁵⁾

- (Japan) There has been growing support for the music industry’s global expansion and collaboration, in addition to changes in strategies, such as reaching out to overseas fans via social media
 - (Government/organizations) Implementing a verification system that rates physical and digital music (Recording Industry Association of Japan), expanding international music exchange programs (Nippon Music Foundation), the Cool Japan project
 - (Production companies) Include Sony Music, Avex Inc., Universal Music Japan and Pony Canyon. Avex, in particular, held an extensive global auditioning program in collaboration with Korea’s YG Entertainment.
 - (Platforms) Streaming platforms are largely overseas-based, such as Spotify, Amazon Music and YouTube Music. Japanese services include Line Music and Pokekara.

- (China) The AI-powered creation of music, album covers and music videos reflects increasing usage of technology, and short-form platforms are frequently used to promote music. Virtual idols are also gaining popularity.
 - (Government/organizations) Media management/supervision (National Radio and Television Administration), copyright management through systems such as collective copyright management (National Copyright Administration of China, Music Copyright Society of China), campaigns promoting cultural tourism (Ministry of Culture)
 - (Production companies) Companies such as Sony Music and Taihe Music are working to discover new musicians through the New Generation Musician project and the Young Star Music project.
 - (Platforms) Platforms owned by Tencent Music Entertainment Group, including Kugou Music, QQ Music and Kowo Music own large numbers of users. Tencent Music also signed a license agreement for digital music distribution with JYP entertainment, which reflects its interest in overseas markets.

4) The sale of musical copyrights by the copyright holder, for example, the musician or the composer, to another party.

5) Geffen Records of Universal Music Group’s collaboration with HYBE to form KATSEYE (2023) Columbia Records of Sony Music managing the global expansion of IVE, including in the U.S., in collaboration with Starship (2023)

-
- (Implications) Based on the cases in other major nations, the following policymaking approaches are considered necessary for South Korea.
 - (U.S.) As the world's largest digital music market, the nation has a well-designed ecosystem to protect the industry with a focus on copyrights, revenue structure and platforms.
 - Diversification of revenue models based on intellectual property, not just exports, and stronger expertise in copyrights and licensing are required.
 - (Japan) Japan expanded its market through public-private efforts to export its culture and utilize social media platforms, building a sustainable model centered on domestic fandom.
 - Its commitment to building a lasting ecosystem upon domestic fans' support contrasts with Korea's reliance on overseas fandom and large agencies, and therefore provides a reference point for stabilizing domestic demand for K-pop.
 - (China) China is incorporating technologies such as AI and virtual idols to accelerate the development of its music industry, in addition to managing copyrights and controlling digital content.
 - Efforts to combine creator-friendly regulations with the use of technology and IP-based models are required to reinforce the competitiveness of K-pop content featuring AI and the metaverse.

3. New Success Models Created by HYBE Artists

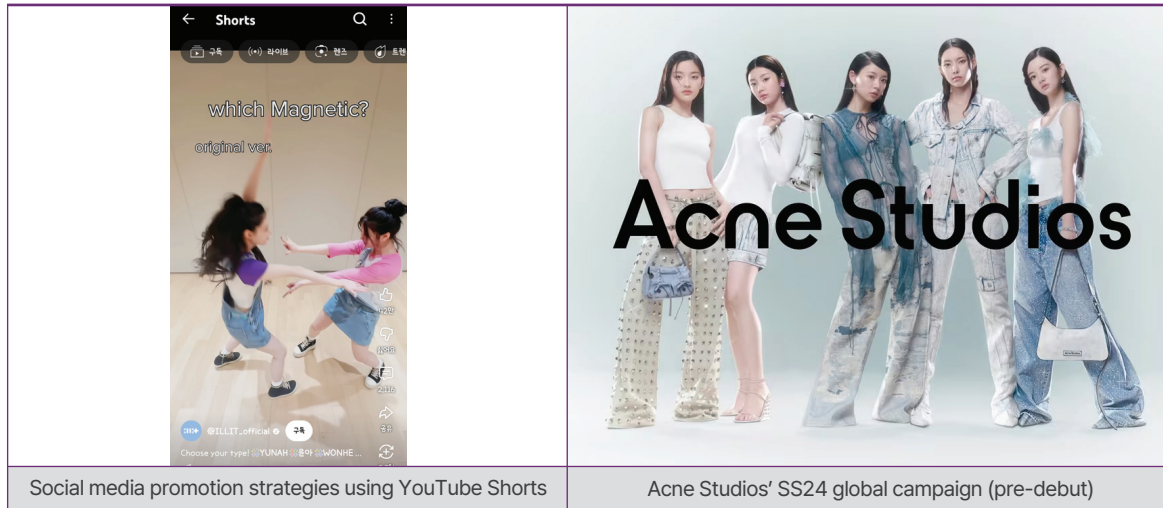
- As discussed in Section 2, today's K-pop industry faces structural challenges, as well as changes in the global market. In such a situation, HYBE proposes fresh approaches for the industry with its expansive business models that combine music with platforms, IP and technology.
 - In particular, HYBE artists such as ILLIT, KATSEYE and SEVENTEEN are responding to the changing global market with varying strategies, which draw attention as exemplary cases of K-pop's global expansion.

A ILLIT: Entering Global Charts Upon Debut

- (Achievement) ILLIT, which debuted in March 2024, entered the Billboard Hot 100 (No. 91 as of April 20, 2024) with their debut song "Magnetic," a first for new K-pop groups, garnering attention in the global music market.
 - The song also entered Spotify's global top 10 chart only two weeks after release, proposing a new success model built upon digital platforms and fan engagement, instead of conventional promotional campaigns.
- (Concept) ILLIT's identity is characterized by emotional honesty and expressing one's thoughts and everyday lives as they are, developing a story of teenage girls who are fascinatingly straightforward and unpredictable.
 - (Strategy) The group's approach, distinguished from conventional concepts like well-designed universes or the "girl crush," allowed ILLIT to feel as friendly and relatable as friends or younger sisters to fans.
- (Optimized for short-form) Their debut song, "Magnetic" became the most streamed K-pop song overseas in the first half of 2024,⁶⁾ with its catchy melody and easy dance moves going viral on short-form platforms like TikTok and Instagram, causing a dance challenge boom.
 - (Strategy) "Almond Chocolate," ILLIT's debut single in Japan, came with a sped-up version aimed at short-form platforms, and the track spent three consecutive weeks in the top 10 on TikTok's weekly music chart in Japan.
- (Brand collaboration and early exposure) Even before their debut, ILLIT appeared on major fashion week events and global brands' campaigns (including Acne Studios' SS24 global campaign), letting themselves known before their music.
 - Such a pre-marketing strategy in collaboration with fashion and brands is clearly distinguished from conventional debut campaigns by new K-pop groups, which focus on music, and accelerated the formation of a global fanbase.

6) According to Spotify's "2024 South Korean Music Global Impact List" (January 1 to June 30, 2024)

ILLIT: Entering Global Charts Upon Debut



Social media promotion strategies using YouTube Shorts

Acne Studios' SS24 global campaign (pre-debut)

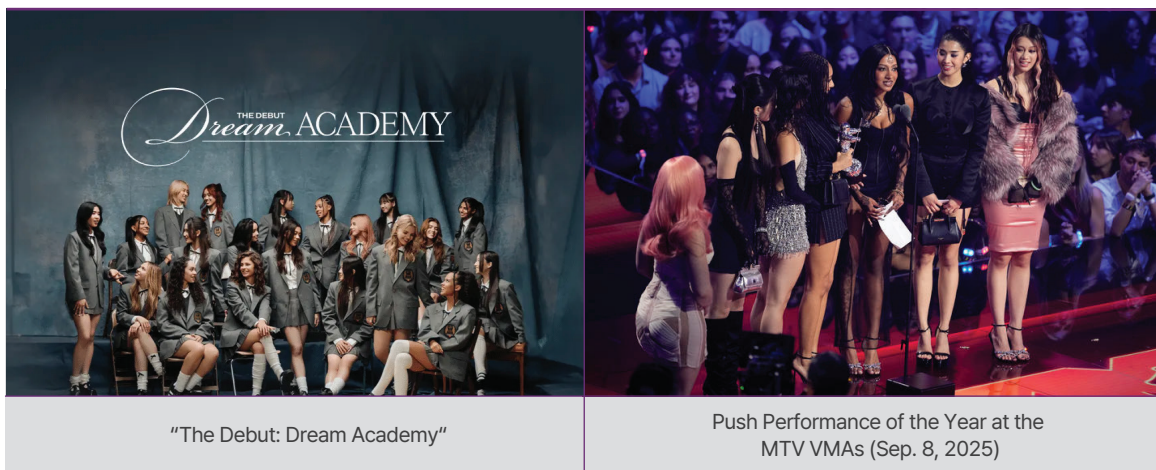
*Source: Official YouTube of ILLIT, Belift Lab

B KATSEYE: Connecting the World with Multinational Members and Storytelling

- (Localizing K-pop) KATSEYE is a six-member girl group formed through "The Debut: Dream Academy" (2023), a project in which contestants from over 120 countries competed.
 - The project was livestreamed on multiple platforms, including YouTube, TikTok, Weverse and Instagram, from beginning to end, creating an interactive audition format where fans across the globe influence the competition's results.
 - This led to the formation of fan communities in the U.S., South America, Southeast Asia and more even before the group's debut. The project also marked a transition from "Korea-based production → global expansion" to "global co-production → entering multiple markets," signaling the K-pop industry's entry into the global production era.
- (Diversity and inclusivity) KATSEYE consists of members of diverse races and nationalities, including the Philippines, Switzerland, the U.S. and South Korea.
 - (Minimizing language and cultural barriers) The members can also speak a range of languages, including English, which allows for smoother communication with international fans and minimal language and cultural barriers in global promotion and media campaigns. The event served as a credible platform for buyers interested in the Chinese market to meet outstanding K-character companies validated and supported directed by the South Korean government.
 - (Effect) Instead of limiting themselves to certain countries or cultures, the group has various aspects that global fans can identify with and relate to, which also aligns with today's global trends.

- (Musical identity) KATSEYE's music combines trendy pop sounds with high-quality performances and visual elements that are unique to K-pop, a result of synergistic collaboration between top U.S. producers and K-pop's sophisticated production system.
 - (Achievement) The group won Push Performance of the Year at the 2025 MTV Video Music Awards, and their second EP, "Beautiful Chaos,"⁷⁾ spent 15 consecutive weeks on the U.S. Billboard 200 after debuting at No. 4.
- (Global Partnership) KATSEYE is a global girl group co-produced by HYBE and Geffen Records of Universal Music Group, and the entire process encompassing planning, production, distribution and promotion, not just signing contracts, proceeded based on the two companies' collaboration.
 - In this case, HYBE shared the IP ownership, risks and revenue models with a major global label as equal partners, an example that may change the standardized co-production process of K-pop in the North American and European Markets.

KATSEYE: Connecting the World with Multinational Members and Storytelling



"The Debut: Dream Academy"

Push Performance of the Year at the MTV VMAs (Sep. 8, 2025)

*Source: HYBE, AFP

7) The EP debuted on the Billboard 200 at No. 4 on July 12, 2025, since which it has spent 15 consecutive weeks on the chart (No. 30 as of October 18, 2025).

C SEVENTEEN: Power of Independent, Fan-Led Growth

- (The original self-producing idol) Since their debut in 2015, SEVENTEEN has drawn attention with their self-production system, in which the members participate in songwriting, choreography and content production, challenging the conventional conception that K-pop groups are “made.”
 - (More members, better performance) SEVENTEEN is a large group that consists of 13 members, who are divided into three units, Hip-Hop, Vocal and Performance. This unique structure allows the group to showcase their respective area of specialization, in addition to performing as a group, setting themselves apart from other idols.

- (Independent, fan-led growth enabled by CARAT) SEVENTEEN's official fan club, CARAT, has around 1,300 members as of 2025, and the group has over 50 million global followers on social media and online communities.
 - (Building a community) The group's fans voluntarily take part in concerts, merchandise design, donations and voting, building their own community and ecosystem on Weverse, HYBE's platform for fans.


- (Global influence) SEVENTEEN attracted hundreds of thousands of spectators with their world tour “Follow” from 2023 to 2024, which spanned 20 shows in 9 countries, including Seoul, Tokyo and Bangkok. The tour was followed by the “Follow Again” concerts in Incheon (March 30 to 31, 2024), where 36% of the audience were foreigners, reflecting the group's worldwide popularity.
 - (Achievement) As of 2023, the group's 10th mini album, “FML,” sold over 4.55 million copies, and their 11th mini album, “SEVENTEEN HEAVEN,” which was released in the second half of 2023, sold more than 5.09 million copies during the release week alone.⁸⁾ As a result, the group sold over 10 millions of copies of albums in the year 2023.

- (Content diversification) SEVENTEEN's owned variety series “GOING SEVENTEEN”⁹⁾ steadily gain over a million views, strengthening the group's interactions with fans also in non-music areas.
 - The series has performed better in views and session duration than externally produced unscripted shows, serving as an exemplary case of “independent viral campaigns” promoted by fans. SEVENTEEN's self-narrative, which grew within its fan communities, highlights its evolution from a “made” idol group to an independent IP brand.

8) Based on Hanteo Chart (October 13, 2023 (release date) to October 30, 2023)

9) SEVENTEEN's video content that has been regularly released since 2017. It is uploaded every Wednesday at 9:00 p.m. on YouTube and Weverse.

SEVENTEEN: Power of Independent, Fan-Led Growth



SEVENTEEN's owned content
"GOING SEVENTEEN"

Album Chart

2023

Search Album

● 음원정보, 발매일자, LP, CD, USB, K/T, Platform Album, 음, 음원만, 언플러그드, 노드
● 저작권 사용권 신청권 보유 | K/T: 100만 이상 누적 판매량 달성

Ranking System : Album distribution volume (Shipments + Returns) (GAE, LP, CD, USB, K/T, Platform Album, etc.)
● New! entered | ●↑: Jumped up over 100 ranks

Weekly Monthly First Half Yearly 2023

Rank	Album/Artist	Sales	Distribution
1	10th Mini Album 'FML' 세븐틴	5,546,930	YG PLUS
2	***** (5-STAR) Stray Kids (스트레이 키즈)	5,246,998	Dreamus
3	11th Mini Album 'SEVENTEENTH HEAVEN' 세븐틴	4,807,288	YG PLUS

SEVENTEEN's albums sold over 10 million copies,
according to 2023 Album Chart by Circle Chart**

*Source: HYBE, official YouTube channel of SEVENTEEN

**No. 1: 10th Mini Album, "FML" (about 5.55 million copies), No. 3: 11th Mini Album, "SEVENTEEN HEAVEN" (about 4.81 million copies)

4. Implications and Strategy Proposals – Future of K-Pop, as Proposed by HYBE

A Aiming at the Global Stage from the Beginning

- (Simultaneous market entry) The K-pop industry is moving away from the conventional staged process of domestic validation → global expansion toward simultaneous market entry, or a parallel launch model.
 - (Real-time feedback system) Building a data-based management system that collects feedback from multiple markets in real time for immediate application to content expansion strategies
 - (Target-tailored planning) Aiming for localization from the early planning stage through analysis of each region's cultural codes and consumption patterns
- (Global IP strategy) HYBE views artists as no longer just musicians but intellectual property assets that can generate long-term revenue.
 - (Preemptive brand building) Building an early fanbase with pre-debut strategies that build brand awareness in collaboration with global fashion/beauty brands before releasing music
- (Global platforms) Collection/analysis of fan behavior data through owned platforms like Weverse to formulate strategies tailored to different regions and age groups
- (Combining universal emotion and fan participation) HYBE engages fans beyond borders with its "universal emotion with local touch" approach.
 - (Emotion-centered planning) Centering content design on emotional keywords shared by Gen Zers around the globe (self-expression, authenticity, desire for participation)
 - (Interactive content structure) Offering music as interactive experience, not just for listening, by taking into account social media memes and short-form challenges from the planning stage

B Success Formula Varying by Artist

- (K-pop as strategic portfolios) Conventionally, the K-pop industry achieved growth by repeating the set success formula consisting of universes, performances and music videos.
 - HYBE broke away from this pattern by establishing a strategic portfolio model that sets different goals for each artist to fit a specific market, age group and content consumption pattern.
 - This reflects a shift away from repeating a fixed success formula toward a systemic approach of data-based consumption analysis → distinctive fan engagement → global launch.

- (① Focus on spreading content: ILLIT) A production method optimized for creating buzz on short-form platforms.
 - (Key strategy) Catchy melodies and easy dance moves that encourage fans to spread the content
 - (Implication for the industry) Demonstrated the shift of K-pop's focus from television and distribution to a fan- and algorithm-oriented digital economy, allowing for more efficient global expansion that requires relatively low production costs

- (② Focus on co-production: KATSEYE) Overcoming entry barriers to new markets through a horizontal partnership with a major global label
 - (Key strategy) Carrying out the entire process spanning planning, production distribution and promotion on a collaborative basis to share IP ownership, risks and revenue
 - (Implication for the industry) Laid the structural foundation for Korean producers to collaborate with global labels as equal partners while proposing new global standards for K-pop production

- (③ Focus on communities: SEVENTEEN) Establishing an independent, fan-led growth structure
 - (Key strategy) Creating a fan-led cycle, or a "fandom economy loop," by continuing and reinforcing interactions with fans through self-production and owned variety content
 - (Implication for the industry) Proposed potential expansion of the content business into a community-based economy, demonstrating K-pop groups' evolution from a "made" idol to an independent IP brand.

C K-Pop-Style Expansion: From Music to Industry

- (Building a vertical, integrated ecosystem for the industry) HYBE has established a vertically integrated value chain that spans planning, production, platforms and IP business.
 - (Virtuous cycle) Creating an integrated management system of "collecting fan data via the Weverse platform (over 100 million members as of 2024) → preference analysis → customized content creation → generating additional profits from merchandise, membership, concerts and more"
 - (Implication for the industry) Demonstrated how shifting the focus from music to content can maximize profits from non-music sectors

- (IP-based expansion into lifestyle brands) Music IP can be expanded into television, fashion, gaming, technology and other industries to diversify the artist's influence.
 - (Example) SEVENTEEN's reality series "In the SOOP" and their transformation into a lifestyle brand through collaboration with fashion brands
 - (Incorporating technology) Incorporating technologies such as AI and virtual reality for virtual fan meetings and AI chatbots to overcome constraints of time and space while extending the lifespan of IP

- (Global networking based on inter-industry convergence) The K-pop industry has evolved from an exporter to a multi-industry ecosystem that generates value with global markets and industries.
 - (Implication for the industry) K-pop has become a key hub for global creative industries that creates opportunities for multi-industry partnerships.

D Proposals for International Buyers

1) Structural Evolution of the K-pop Ecosystem: Opportune Time to Collaborate

- K-pop is no longer just a genre of music but an established growth engine for the global cultural industry.
 - The Korean music industry has made innovative changes to its system, leading to the worldwide success of major companies such as HYBE, JYP, SM and YG and making K-pop an end-to-end ecosystem that attracts global music companies seeking collaboration opportunities.
 - International buyers can now directly join the ecosystem of the Korean music industry, where production, distribution, investment and technology all come together, rather than simply signing a contract with a single company.
 - In particular, new artists and labels, who lack experience with entering global markets, can gain a foothold in the target market much faster using the co-production system of K-pop.

2) Co-Creation and Data-Based Decision Making

- The K-pop industry has successfully introduced the concepts of co-creation and data-based decision making to the global market.
 - (Co-creation model) It has evolved into a system that allows participation of foreign brands and production companies from the artist planning stage and shares IP ownership.
 - (Data usage system) The fan data acquired via platforms such as Wevers and Dear U Bubble makes it possible to predict consumer reaction, personalize marketing and design global campaigns.

3) Fan-Focused Interactive Content and Distribution

- (Fan-media strategy) With its HYBE Media Studio, HYBE has built a business model that creates fan-interactive content focused on artists, allowing fans to communicate and share experience with one another instead of simply listening to music.
 - (Creating interactive content) Weverse, a global fan community, provides access to fans' conversations and feedback, which are used by HYBE to design stories, performances and release strategies and provide more high-quality content starring artists.
 - This participative distribution system can also be utilized for international collaboration, prompting fan-led, independent promotion.

Global Spread of the Fan-Media Strategy

Q. The fan-media strategy using artists' IP is creating a new revenue model. What makes this model appealing to international partners, and what kind of collaboration do you expect in the future?

A. ... When working with international partners, we analyze the characteristics of each platform and how fans use them in detail, designing ways for us to offer the most fan-like experience on that specific channel. We also have in-depth discussions about the format and release date of the content, fan events and other details and create a synergy by combining the unique technical and cultural strengths of our partner with the independent energy of fan communities. This is what HYBE calls a participative distribution system, where the platform, artists and fans boost the content together.

*Source: Korea Creative Content Agency WelCon's in-depth interview
 "The Fan-Media Strategy Based on Artist IP: HYBE Media Studio's innovation in content planning and distribution (Hye-seon Jang, Head of Content Business at HYBE Media Studio)"

4) Diversifying Revenue Streams by Expanding the Integrated Value Chain

- K-pop is building an integrated value chain through its convergence with various industries such as fashion, tourism, tech and gaming beyond music.
 - (Inter-industry convergence) Expansion of music IP into different industries, as shown in SEVENTEEN's "In the SOOP", BLACKPINK's collaboration with games (e.g., PUBG: Battlegrounds) and fashion brands and BTS's collaboration with Samsung
 - (Incorporating technology) Promoting business models where technology and content converge, such as AI/VR-powered virtual concerts, AI chatbots and global fan meetings

Insights for International Buyers

- (Creating joint funds) Creating joint funds for different regions, including Asia, Europe and the Middle East, for co-investing in new artists and content
- (Collaborative campaigns with brands) Launching promotions and fashion/beauty products using K-pop IP with local brands for broader global marketing
- (Co-production of concerts and festivals) Co-production of large concert/tourism projects focused on K-pop artists

5) Conclusion: Creating Future Value Through Partnership with K-pop

- The K-pop industry is evolving into an integrated business platform spanning global co-creation, investment and technology incorporation beyond exporting music.
- HYBE and other major companies are building new value chains by working with various industries, such as music, fashion and tech, providing international companies with opportunities for high-quality collaboration.
- The eco-system of K-pop already operates based on the integration of production, distribution and data analysis and is viewed as a stable partnership model that minimizes business risks in the global market.
- Going forward, collaborating with K-pop is expected to become a strategic choice to join a sustainable cultural and business ecosystem instead of simply investing in artists or content, creating new growth opportunities in the global music market.

References

- Korea Creative Content Agency. (2025). Q1 2025 Content Industry Trend Analysis Report.
- Korea Creative Content Agency. (2025). Q4 2024 & Yearly Content Industry Analysis Report.
- Korea Creative Content Agency. (2025). Briefing on Trends in the Global Expansion of Live Music/Exhibit Content and the Content Industry No. 25-3.
- Korean Foundation for International Cultural Exchange. (2025). 2025 Overseas Hallyu Survey.
- Korea Creative Content Agency. (2025, September 15). [Q3/Q4 2025] Analysis of Trends in the Content Industry and Content Business Index (CBI). KOCCA FOCUS, 198.
- International Federation of the Phonographic Industry. (2025). Global Music Report 2025.
- Korea Creative Content Agency. (2024). 2024 Music User Survey.
- Korea Creative Content Agency. (2024). 2024 Music Industry White Paper.
- Korea Culture and Tourism Institute. (2024). Trends in the Overseas Revenue of K-Pop Through Data. KCTI Data Focus, 1.
- Mirae Asset Securities. (2024, April 17). The Future of K-Entertainment. Mirae Asset Securities Equity Research.
- Korea Creative Content Agency. (2023, October 31). The Korean Music Market: What Has Changed and How? KOCCA FOCUS, 159.
- Daishin Securities. (2022). K-pop's Evolution into Global Pop. Daishin Securities Industry Analysis.
- Bit-na Geum. (2025, July 9). ILLIT Enters U.S. Billboard 200 for Three Consecutive Times, Reaffirming Their Position as an "Emerging Artist." Maeil Business Newspaper. <https://www.mk.co.kr/news/entertain/11363361>
- Ha-eun Jeong. (2025, July 2). ILLIT's "Almond Chocolate" Sets a New Record on Oricon's First-Half Streaming Chart in Japan. JTBC. <https://news.jtbc.co.kr/article/NB12252795>
- Seon-myeong Lee. (2024, July 25). ILLIT's "Magnetic" Becomes the Most Streamed K-Pop Song on Spotify in the First Half. Sports Kyunghyang. <https://sports.khan.co.kr/article/202407251047003>
- Hye-min Hong. (2024, April 4). ILLIT Defies Concerns by Building a New Genre. Hankook Ilbo. <https://www.hankookilbo.com/News/Read/A2024040511520001143>
- OSEN. (2025, October 15). KATSEYE Climbs up the U.S. Billboard 200 Again amid Continuing Popularity. The Chosun Ilbo. <https://www.chosun.com/entertainments/music/2025/10/15/IPX3M4UMARU2ORSHR5BXITQMGE/>
- A-yeong Baek. (2025, September 14) KATSEYE Lands in Global Charts Just a Year After Debut, Expanding Their Cultural Influence. iMBC. <https://www.imbc.com/broad/eneews/view.html?idx=476322>
- Seon-myeong Lee. (2025, September 4). "Si-Hyuk Bang Was Right": KATSEYE Set a Billboard Record. Sports Kyunghyang. <https://sports.khan.co.kr/article/202509040942003>
- Hae-min Hong. (2025, September 17). What the Success of KATSEYE Means. Hankook Ilbo. <https://www.hankookilbo.com/News/Read/A2025081309500004732>

References

- Abby Webster. (2025, May 28). Billboard Selects "10 Best Songs from SEVENTEEN's first decade" in Celebration of Their 10th Anniversary. Billboard. <https://billboard.co.kr/editorial/music/article/seventeen/>
- Myeong-joo Lee. (2024, December 16). Achievement of 2024: SEVENTEEN on Their Way to Selling 10 Million Copies for Two Consecutive Years. Dispatch. <https://www.dispatch.co.kr/2313839>
- Joon-Moon Lee. (2024, April 5). Over 20,000 Foreigners Fly to South Korea for SEVENTEEN Concerts. Newstap. <https://www.newstap.co.kr/news/articleView.html?idxno=215102>
- OSEN. (2023, December 28). The First and Best Records Set by SEVENTEEN. The Chosun Ilbo. <https://www.chosun.com/entertainments/music/2023/12/28/M6O55JOYEPVOFPZGOPX7B2Z34Q/>
- Official Website of Circle Chart. <https://circlechart.kr/>
- Official Website of Hanteo Chart. <https://www.hanteochart.com/>
- Official Website of K-Pop Radar. <https://www.kpop-radar.com/>
- Official Website of Weverse. <https://weverse.io/?hl=ko>