

INDUSTRY OVERVIEW

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SOURCE OF INFORMATION

We engaged Frost & Sullivan, an independent market research consultant, to conduct an analysis of, and to prepare a report on, the artist management market, music market and pan-entertainment market in the PRC for use in this document, for a fee of RMB980,000. The information from Frost & Sullivan disclosed in the document is extracted from such commissioned report, and is disclosed with the consent of Frost & Sullivan. Frost & Sullivan is an independent global consulting firm founded in 1961 in New York and its services primarily include industry consulting, market strategic consulting and corporate training.

Frost & Sullivan conducted (i) primary research, which involved discussing the status of the industry with certain leading industry participants; and (ii) secondary research, which involved reviewing company reports, independent research reports and data based on its own research database. Frost & Sullivan adopted the following primary assumptions while making projections that: (i) global social, economic and political environment shall remain stable in the forecast period; (ii) purchasing power shall continue to rise rapidly in emerging regions and to grow steadily in developed regions; and (iii) related industry key drivers shall drive the market in the forecast period. The Frost & Sullivan report used 2021 as the base year for research.

ASIAN ENTERTAINMENT MARKET AND CHINA’S PAN-ENTERTAINMENT MARKET

Asian Entertainment Market

The Asian entertainment market mainly consists of four sectors, namely drama series, variety programs, digital music and movies. With the digitalization trend and audience’s increasing demand for premium entertainment content, the Asian entertainment market has experienced steady growth, the market size of which expanded from approximately US\$98.3 billion in 2017 to approximately US\$106.8 billion in 2019, at a CAGR of 4.2% between 2017 and 2019. The size of the Asian entertainment market experienced a slight decrease to US\$97.8 billion in 2020, primarily due to the disruption to the movie market resulting from the COVID-19 pandemic. The size of the Asian entertainment market increased to approximately US\$108.2 billion in 2021 along with the gradual recovery from the negative impact of the COVID-19 pandemic. The size of the Asian entertainment market is expected to increase to approximately US\$131.7 billion in 2026 with a CAGR of 4.0% between 2021 and 2026, according to Frost & Sullivan.

In the past several years, the robust development of the Asian entertainment market is mainly driven by the successful establishment and expansion of artist management business, especially in Japan and Korea. The artist management markets in these two countries are mature and highly

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developed. Leading artist management companies in Japan and Korea leverage their expert-level industry experience to select talented candidates and generate continuous income under various monetization models, such as through collaboration with corporate customers and from the audience. In the long run, leading artist management companies in China are expected to be able to collaborate with their foreign peers in mature markets and share such resources and experiences in the artist management industry.

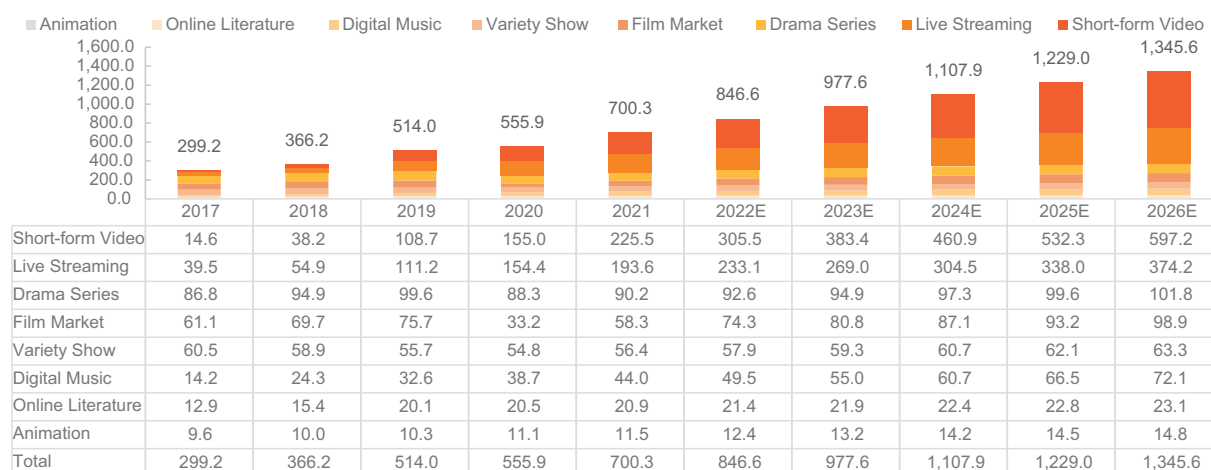
China’s Pan-entertainment Market

China’s pan-entertainment market consists primarily of eight sectors, namely short-form video, live streaming, drama series, variety program, digital music, movies, online literature, and animation.

Market Size

The pan-entertainment market in China has experienced a rapid growth in the past years primarily driven by the increase in per capita expenditure of Chinese urban residents on cultural and entertainment content. The market size increased from approximately RMB299.2 billion in 2017 to approximately RMB700.3 billion in 2021, at a CAGR of 23.7% between 2017 and 2021, according to Frost & Sullivan. By 2026, the total market is expected to reach approximately RMB1,345.6 billion, at a CAGR of 14.0% between 2021 and 2026. The following chart illustrates the actual and forecasted market size of China’s pan-entertainment market in terms of revenue by sector for the periods indicated.

China’s Pan-entertainment Market Size Breakdown by Sector
(RMB in billions, 2017-2026E)



Source: China Internet Network Information Center, China Performing Arts Association, International Federation of the Phonographic Industry, Chinese Musicians’ Association and China Film Administration; experts interviews and desktop research conducted by Frost & Sullivan.

Key Drivers of China’s Pan-entertainment Market

- **Growing demand for diversified entertainment products.** The cumulative effect of rising disposable income level and living standards fueled the residents’ consumption on entertainment activities. Driven by the sustainable growth in the demand for diversified entertainment products, new business opportunities are emerging in the pan-entertainment

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industry in China. The entertainment companies in China proactively explore and cultivate high quality original IPs in entertainment content and IP-related products, to expand their entertainment product offerings and attract more audience. This in turn stimulates the pan-entertainment market in China.

- *Enriched distribution channels and content dissemination forms.* Consumer behaviors in the pan-entertainment industry gradually change along with the proliferation of digital technologies. The internet has become a significant promotion platform for business activities and a major distribution channel in the pan-entertainment industry, due to its unlimited geographical coverage, inclusivity and promptness. Moreover, the emergence of short videos, over-the-top platforms and music streaming platforms has enriched the presentation forms and distribution channels of content products in the pan-entertainment industry, and made online reading and video watching more enjoyable and convenient.
- *People’s inclination to pay for premium entertainment products.* As the purchasing power of Chinese residents grows and their awareness of copyright protection increases, they are more willing and able to pay for the premium or exclusive content and derivative products tailored to their diverse and personalized tastes. Targeting these consumers, a growing number of entertainment companies have introduced various high-quality content products and artist-related merchandise to monetize popular IPs, which drives the growth of the pan-entertainment market in China.

Future Trends of the China’s Pan-entertainment Market

- *IP-centered development strategies.* Players in China’s pan-entertainment market are expected to continuously implement the IP-centered development strategies, which emphasize the stable sources of high-quality IPs and the capabilities to operate and diversify their monetization approaches. High-quality IPs can attract a large audience base and thus increase the competitiveness of the market players. Moreover, the high-quality IPs can be monetized in a wide range of forms which maximize their intrinsic commercial value. As a result, owners of high-quality IPs have strong capabilities to obtain investments and resources to develop more quality IPs and outperform their competitors. There is a trend for the market players in pan-entertainment market to adhere to the IP-centered development strategies to further intensify their own competitive advantage in the following years.
- *Extensive and diversified monetization approaches.* Currently, revenue of the pan-entertainment products is primarily generated from advertising, licensing and IP-related and artist-related merchandise. Along with their growing purchasing power, audience in China are willing and able to pay for the premium content and IP-related products, providing new momentum for the pan-entertainment industry. The IP owners or operators will proactively seek new ways to expand their product and content offerings to cater for the evolving needs of the audience, so that the monetization approaches of pan-entertainment content will be further diversified.
- *Cohesive collaboration and synergy effect.* China’s pan-entertainment market consists of diversified sectors, including variety programs, drama series, digital music, movies, short-form videos, live streaming, online literature and animation. The development of these sub-segments is not independent from each other. Specifically, leveraging premium contents, these sub-segments are cohesively evolving and organically integrating with

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each other. For instance, the musical works derived from variety programs could be monetized through digital music platforms; the popular movies could be adapted into drama series; and some contents could be distributed to more audience through short-form videos. The synergy effect from the sophisticated integration among various quality contents is expected to transform the pan-entertainment market into a new stage featured with intercorrelation and symbiosis of value sharing and content linkage, which ultimately contributes to building up an IP ecosystem.

ARTIST MANAGEMENT MARKET IN CHINA

Artist management market in China is a significant part of China’s pan-entertainment market and contributes to the robust development of China’s pan-entertainment market. According to Frost & Sullivan, artist management refers to professional service offered by experienced artist management companies or agencies, focusing on (i) exploring and cultivating artists with potential and talent, (ii) providing professional trainings and management to artists, and (iii) assisting artist to promote their popularity. The typical business model of the artist management companies is mainly to share with their managed artists the income generated from commercial activities, musical works, variety programs, drama series, movies and other business activities.

Artist management companies invest in cultivation and training of their managed artists, and engage these well-trained professionals in commercial activities and content production activities to produce high-quality contents, including digital music, movies, drama series, and variety programs. The premium contents stimulate the audience’s willingness to pay for such premium entertainment content, driving the growth of overall pan-entertainment industry in China.

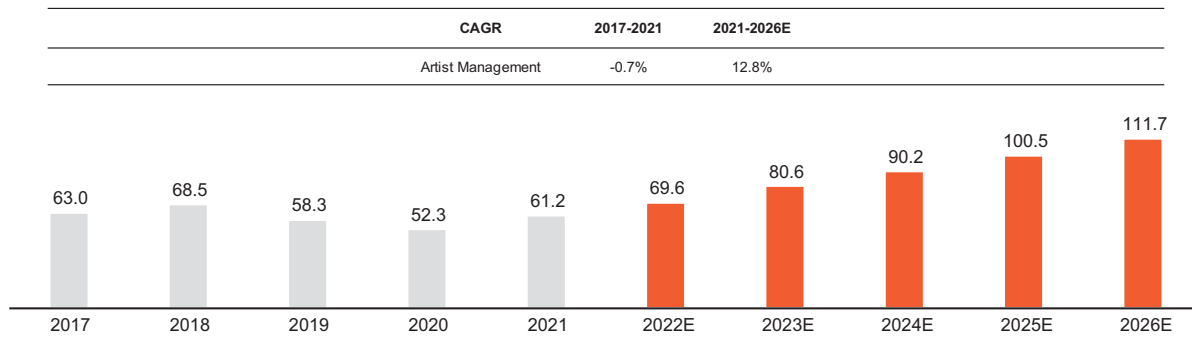
According to Frost & Sullivan, artists management companies can be classified into four categories, namely (i) professional artist management companies, (ii) platform-based artist management companies, such as leading media platforms in China with artist management business, (iii) artist management studios and (iv) content-based artist management companies, such as entertainment content production companies with artist management business. Professional artist management companies explore and cultivate potential artists through systematic and professional training to increase the artists’ popularity and realize their commercial value. Leveraging their substantial market influence, leading media platforms in China also provide artist management services to artists. Artist management studios are established for a specific artist and focus on increasing this artist’s market popularity and maximizing his or her commercial value. Content-based artist management companies manage artists to support the production and distribution of entertainment content, especially drama series and music content.

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Market Size

The following chart sets forth the actual and forecasted size of the artist management market in China in terms of revenue generated by artist management companies for the periods indicated.

Size of Artist Management Market, China
(RMB in billions, 2017-2026E)



Source: NRTA, China Film Administration; experts interviews and desktop research conducted by Frost & Sullivan.

The market size of the artist management industry in China experienced a moderate growth at a rate of 8.8% from approximately RMB63.0 billion in 2017 to approximately RMB68.5 billion in 2018. The market size decreased to approximately RMB58.3 billion in 2019, mainly due to the specific requirements imposed by the regulatory authorities at the end of 2018 on the proportion of artists’ salaries in the total investment in movies and drama series. In the long run, however, such regulatory requirements are conducive to the balanced development of the market. Moreover, the outbreak of COVID-19 in 2020 temporarily affected artists’ work arrangement, such as the filming of movies, drama series and other TV programs, as well as offline promotion activities. As a result, the market size of the artist management industry in China decreased to approximately RMB52.3 billion in 2020. In 2021, the artist management industry gradually recovered from the pandemic of COVID-19. Meanwhile, fueled by the continuous development of professional artist management systems, the increasing demand for talented artists by content production companies, as well as diversified monetization channels, the market size of the artist management industry in China increased to approximately RMB61.2 billion in 2021.

According to Frost & Sullivan, the size of the artist management market in China is expected to reach approximately RMB111.7 billion by 2026, at a CAGR of 12.8% between 2021 and 2026, fueled by the development of professional artist management systems, proliferation of digital channels to compete for audience as well as diversified monetization channels.

Key Drivers of Artist Management Market in China

The primary drivers for the artist management market in China include the following:

- *The prosperity of the entertainment industry in China.* The cumulative effect of rising disposable income level and continuous urbanization fueled the residents’ consumption on entertainment activities. The audience, especially the young audience, of entertainment programs have increased their spending in concerts, performing events, consumer products and business activities that involve the artists they adore. Entertainment companies proactively invest resources in developing and nurturing communities for their target

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audience to actively and positively interact with their adored artists. To reinforce the audience’s affinity to the artists and such communities, these entertainment companies also explore to collaborate with consumer product brands to produce artist related merchandise. All these in turn fuel the market growth in the artist management market in China.

- *Artists’ increasing demand for professional artist management companies.* It is essential and critical for talented artists to obtain professional and systematic career management to achieve a greater success in their career. On one hand, the professional training programs, including expertise improvement courses, personal marketing plans and career guidance, effectively enhance the artists’ professional competency and reinforce their competitive edges. On the other hand, compared to independent artists, the talent associated with professional management companies or agencies have more advantages in competing for the limited resources in the entertainment industry. Therefore, the increasing demands for professional and systematic management from potential and existing artists give rise to the market growth in the artist management industry in China.
- *Engagement of diversified market players.* Certain established entertainment content production companies have accumulated rich experience in artist management business and more entertainment content production companies are entering the artist management market. These companies nurture their internal talent pool to better manage the costs for the performance of artists and reinforce their competitive advantages. By executing such strategy, they can produce contents in a flexible manner within their budget, improve the expertise of their own talent and strengthen their marketing capabilities. Meanwhile, some well-established media platforms have recently begun to step into the artist management market to enhance their competitive edge, aiming to lay a solid foundation for further development of their businesses. The diversification of artist management companies in the market accords with the growing demand for comprehensive and personalized artist management services, which finally benefits professional artist management companies and promotes their business growth.

Future Trends of Artist Management Market in China

- *Talent-centered and market-oriented players to stand out.* The Chinese artist management market is undergoing periodic fluctuations due to the implementation of more stringent regulatory policies. Such enhanced supervision will ultimately guide the market to a standardized and rational stage of development. Professional artist management companies adopt talent-centered and market-oriented business strategies. They would be more likely to outperform players who cannot adapt to the ever-changing environment in competition for market recognition and audience satisfaction. Professional artist management companies will continuously provide customized services across many aspects such as casting, training and marketing, to fully exploit their artists’ potential and thus build up their market reputation. Meanwhile, professional artist management companies will actively keep track of the audience’s changing preferences and tastes to effectively market their artists, aiming to secure more commercial opportunities for artists.
- *Audience’s rational evaluation of artists.* Along with the standardization of the artist management market in China, the evaluation of artists gradually returns to rationality. Both the market and audience would value performance and professionalism of the artists

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and quality of the content. They place an emphasis on the essential specialized skills and professionalism of the artists during the process of casting and bidding. The market and audience also expect artists with expertise to play a positive role in guiding their followers. Such rational evaluation of artists helps create a sustainable competition environment in the artist management industry.

- *Integrating diversified resources to discover and manage artists.* The channels for discovering potential artists tend to be diversified along with the rise of short-form video and live broadcasting platforms. The artist management companies can approach a greater number of potential artists at a lower cost through these free and open channels. Meanwhile, an increasing number of artist management companies actively cooperate with art institutes and academies to offer systematic and professional training courses, aiming to incubate and excavate potential artists at a relatively early stage. Moreover, a number of artist management companies seek cooperation horizontally with other market players to jointly manage artists and trainees, which could optimize the synergy effect, utilize resources reasonably, reduce operating costs and maximize investment returns. The artist management companies also collaborate closely with media platforms, short video platforms, social media platforms and high fashion brands to get wide media coverage for the artists, increase their public exposure and enhance their market influence.

Entry Barriers of China’s Artist Management Market

The entry barriers of the artist management market in China consist of:

- *Professional expertise.* Along with the further development of China’s artist management market, the one-stop providers of integrated artist management services, including but not limited to the professional training and customized career path plans, become increasingly popular for talented artists and more competitive in the artist management market. Experienced market players usually have substantial practical experience in various aspects, and some large-scale companies have established their own in-house professional teams to effectively protect artists’ interest and public image.
- *Industry knowledge.* Market experience, including the capability to cooperate with other market players to promote artists, the ability to identify talented artists, and the keen insight to follow the latest market trends and audience preferences, is extremely critical for artist management companies to outperform their competitors.
- *Integration of resources.* The ability to integrate and coordinate resources is an essential competitive edge for experienced artist management companies. Artists who cooperate with such companies can get more publicity and achieve greater influence on the audience through various entertainment content and distribution channels. Experienced artist management companies have great advantages in coordinating resources among domestic and international brands, content producers, media platforms and music service providers and are more likely to secure opportunities for their artists, which brings great challenges for new entrants in attracting and retaining talented artists.
- *Brand image.* Certain companies in China’s artist management industry have established solid reputation and been widely recognized by the market and audience. Under such circumstance, talented artists and artist candidates are more likely to cooperate with these well-established artist management companies to achieve a successful career. In addition, the brand effect empowers these well-established companies to acquire opportunities of

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different business projects including production of musical works, variety programs, drama series and movies, and participation in endorsement deals and other commercial events. The existing market players normally accumulate their competitive edges in brand image over time, which inevitably poses an entry barrier for new entrants.

Competitive Landscape of Artist Management Market in China

According to Frost & Sullivan, the artist management market in China is highly competitive and fragmented. There were more than 1,200 players in this market as of December 31, 2021, including certain large entertainment content production companies with artist management business, according to Frost & Sullivan. The size of China’s artist management market was approximately RMB61.2 billion in 2021. The top five artist management companies generated an aggregate revenue of RMB3.4 billion in 2021, representing approximately 5.5% of the total market share for the same year.

In China, we compete with other professional artist management companies, platform-based artist management companies, content-based artist management companies and artist management studios. Platform-based artist management companies focus on providing quality and diverse content on their platforms to increase the number of subscribers. Content-based artist management companies focus on the production and distribution of premium content. These two types of artist management companies operate artist management business and cultivate their own managed artists in order to supplement their core businesses. In contrast, the core business of professional artist management companies is to identify, train and promote talented trainees to become established artists leveraging their professional artist training and operation capabilities and rich industry resources. The revenue scale of the artist management business of the platform-based and content-based artist management companies is normally smaller than that of professional artist management companies. As a result, in terms of revenue generated from the artist management business in 2021, among all the artist management companies in China, we ranked first with a market share of approximately 1.9%. The following table sets forth the top five artist management companies in China in terms of revenue generated from the artist management business in 2021, which are all professional artist management companies.

Top Five Artist Management Companies in China in Terms of Revenue in 2021

<u>Ranking</u>	<u>Company</u>	<u>Identity and Background</u>	<u>Revenue of Artist Management Business (RMB in millions)</u>	<u>Market Share</u>
1	Our Company	A culture and entertainment platform comprising three complementary businesses of artist management, music IP production and operation, and pan-entertainment business, with 69 managed artists as of the Latest Practicable Date	1,174.8	1.9%
2	Company A	A diversified entertainment company which used to be listed on the NEEQ and currently is an associated company of an A-share listed company, focusing on movie and drama series production and artist management, with approximately 25 managed artists, who are mainly actors, as of December 31, 2021	800.0	1.3%

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Ranking	Company	Identity and Background	Revenue of Artist Management Business (RMB in millions)	Market Share
3	Company B	A private professional culture company integrating large-scale performance arts, trainee cultivation, artist management and corporate image and cultural planning, with approximately 25 to 30 managed artists, who focus on singing and dancing, as of December 31, 2021	550.0	0.9%
4	Company C	A private entertainment company focusing on the cultivation of the new artist culture via the internet and social media, with approximately 150 to 180 managed artists, who focus on singing and dancing, as of December 31, 2021	450.0	0.7%
5	Company D	A private integrated pan-entertainment company covering artist management, movies and drama series investment and production, incubation of trainees, concert production and entertainment marketing, with approximately 12 to 15 managed artists, who are mainly actors, as of December 31, 2021	400.0	0.7%

Source: Experts interviews conducted by Frost & Sullivan.

MUSIC MARKET IN CHINA

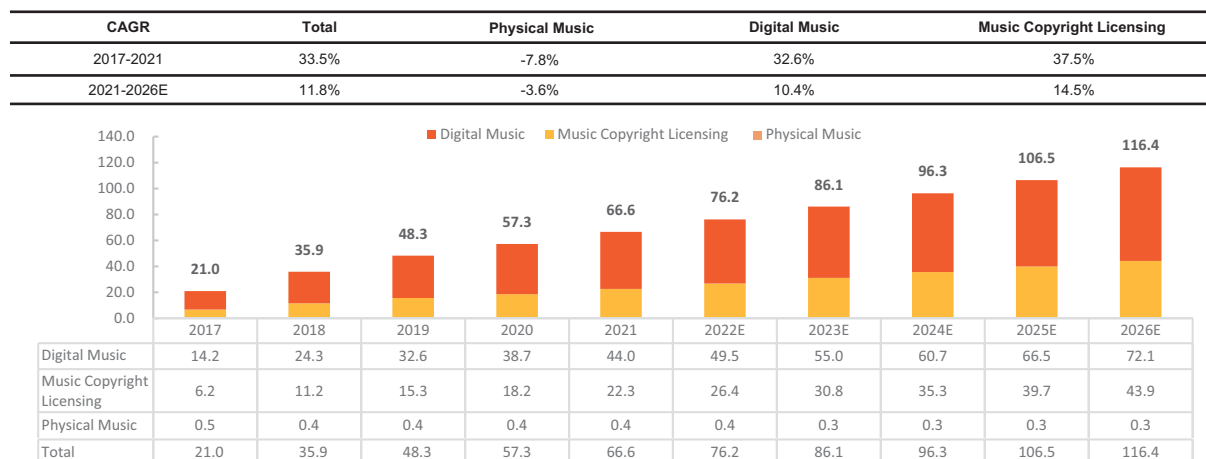
The music market in China consists of music copyright licensing market, digital music market and physical music market. Music copyright refers to a legal right created by the law of a country which grants the creator of an original piece of music exclusive rights for its use and distribution. Music copyright owners acquire income from royalties and fees collected during the process of music content creation and distribution. Digital music refers to the music stored on and downloaded from music streaming platforms in the form of data. Digital music is convenient, and music in the digital form can maintain high quality over time. Physical music takes the form of physical music albums, cassettes and other physical forms.

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Market Size

The following chart sets forth the actual and forecasted size of the music market in China in terms of revenue by category for the periods indicated.

Music Market Breakdown by Category, China
(RMB in billions, 2017-2026E)



Source: International Federation of the Phonographic Industry, Chinese Musicians' Association, Music Copyright Society of China and China Audio-Video Copyright Association; experts interviews and desktop research conducted by Frost & Sullivan.

The total size of the music market in China increased from approximately RMB21.0 billion in 2017 to approximately RMB66.6 billion in 2021, at a CAGR of 33.5% between 2017 and 2021. The substantial growth was primarily fueled by the fast expansion of digital music and music copyright markets in China during the same period. According to Frost & Sullivan, the total size of the music market in China is estimated to reach approximately RMB116.4 billion by 2026 with a CAGR of 11.8% between 2021 and 2026.

Music Copyright Licensing

Due to the improved copyright protection environment, the size of music copyright licensing market in China grew exponentially, increasing from approximately RMB6.2 billion in 2017 to approximately RMB22.3 billion in 2021, at a CAGR of 37.5% between 2017 and 2021. As China continues to regulate the licensing and sub-licensing of music content, users will be further required to pay for licensed music content, therefore increasing royalties. The music copyright licensing market is expected to reach approximately RMB43.9 billion by 2026, at a CAGR of 14.5% between 2021 and 2026, according to Frost & Sullivan.

Digital Music and Physical Music

The size of digital music market experienced impressive growth, driven by the audience's increasing willingness to purchase digital music content, increasing from approximately RMB14.2 billion in 2017 to approximately RMB44.0 billion in 2021 at a CAGR of 32.6% between 2017 and 2021. According to Frost & Sullivan, the size of the digital music market may reach approximately RMB72.1 billion in 2026 at a CAGR of 10.4% between 2021 and 2026. In contrast, the size of physical music market decreased from approximately RMB0.5 billion to approximately RMB0.4 billion between 2017 and 2021 as a result of the rapid development of the internet and mobile technologies, and may decrease to approximately RMB0.3 billion in 2026, according to Frost & Sullivan.

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Key Drivers of Music Market in China

The primary drivers for the music market in China include the following:

- *Boom of music content to satisfy diverse demand.* Empowered by various and distinctive listeners’ appetites, the development of the music content supply shows the dynamic in genres and quantity of musical works. Since music genres often appeal to specific cultures, demographics and occasions, the variety of music genres can cater to more daily scenarios such as fitness, driving and social events, leading the industry to boom in the past decades.
- *Digital music as a major contributor.* The shift towards digital music products and services fueled the prosperity of the music copyright operation market, despite decreasing sales of physically distributed music records such as cassettes and CDs. As a typical and popular type of digital music products, digital music albums boom for its real-time and private listening features. The valuable data of the target listeners of these digital albums gathered on various digital music platforms have become increasingly significant for marketing and sales of musical works and music IP-related products.
- *Increasing willingness to pay for premium content.* Along with the enhancement in copyright protection awareness in China, audiences on digital music platforms have become more willing to pay for high quality and personalized music content. To attract and retain their audience, major digital music platforms are dedicated to spending heavily on music contents upon music copyright procurement to maintain their competitive advantages in user stickiness and product differentiation. Moreover, digital music platforms have been striving to improve intellectual property recognition through cultivating users’ purchasing habits, which helps the overall industry prosper.
- *Diversified monetization channels of digital music.* Along with technology innovation and upgrade, various distribution channels such as music streaming platforms and short video platforms popularize and gradually supersede physical record stores, bringing more convenience and accessibility to music consumers. Also, these new distribution channels have restructured and diversified the industry revenue structure with the emerging digital music licensing royalties from sublicensing to drama series and movie production and video game soundtrack.

Future Trends of Music Market in China

- *Differentiated products and services.* The success of the digital music platforms will primarily depend on their capability of anticipating users’ preferences to provide customized online music services and driving users’ engagement. By providing live streaming services, developing online karaoke apps and delivering distinctive music contents, the digital music platforms aim to enhance users’ experience, increase their willingness to pay and improve their stickiness to the platforms.
- *Diversified distribution channels and models.* Nowadays various musician management models emerge. Top musicians with greater bargaining power and autonomy in music production tend to produce their own music content in cooperation with musician management agencies, while some musician management agencies standardize the training process to promote musician groups towards market on a regular basis by variety programs or public performances. Also, independent musicians and bands are growing considerably due to the booming of short video channels and variety music programs,

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since the internet has become a viable vehicle to lower the threshold of self-promotion and self-distribution. Leveraging diversified distribution channels and musician management models, new joiners in the music industry can get more exposure to the public and gain popularity more easily.

- *Integrated value chain.* Top music publishers and distributors tend to participate in the entire value chain of the music market in order to improve cost efficiency. Major music distributors, particularly digital music platforms, generally acquire the copyrights of the entire spectrum of the top listed music through contracting or incubating upstream music content creators. As to the downstream, music publishers and distributors apply multiple monetization models of music copyrights, such as investing in music variety programs and theatrical movies and licensing music IPs to resorts and online games, to increase their revenue.

THE VIRTUAL ARTISTS MARKET IN CHINA

Virtual artists are computer-generated animated figures to be influencers and come out as metaverse characters with augmented reality and virtual reality technologies. Developers use advanced animation and rendering technologies to produce characters with finely detailed facial expressions and body movements. For tasks such as attending live streaming events, the developers typically need to engage human actors. The actors’ movements, sound and expressions are reflected on the virtual artist by using motion capture technology or software. There can be one or more human actors behind a virtual artist. Typically, there is no direct association between the image and identity of the virtual artists and those of the human actors. Virtual artists play various roles such as singers, bands, key opinion leaders/influencers, and broadcasters, which are related to existing IPs, virtual counterparts of human artists, or avatars of consumer brands.

Virtual artists have become prevalent in recent years. Virtual artists can perform alongside real-life artists on stage and to attend talk shows or interviews like real-life artists. Virtual artists have also been invited to promote products on live streaming platforms, similar to what real-life artists and celebrities can do. Virtual artists have been monetized for various commercial activities such as brand endorsements, live broadcasts, live concerts and marketing campaigns.

Through technical methods, artist management companies can make timely adjustments to the public images and professional skills of their virtual artists to capture the latest changes in public taste and market preference and maintain their popularity. The contents performed by virtual artists can be tailored to the needs of brands or the audience. Moreover, virtual artists are more accessible to the audience and can interact with their followers actively. Finally, virtual artists can break through the limitations of time and space, appearing 24/7 on multiple channels. As a result, brands, content producers and media platforms are more inclined to initiate business cooperation with virtual artists.

In the future, as technology advances, virtual artist’s popularity can be further promoted and they possibly interact with people via an avatar.