



Korean OTT Landscape: A study of contemporary trends and market dynamics in OTT's In South Korea

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ABSTRACT

The Korean entertainment industry popularly recognized by Korean Wave, the global recognition and popularity of Korean music, films and dramas, has redefined itself in dominating the OTT landscape. This study aims to explore the market dynamics in the domestic and global OTT landscape in South Korea, and to investigate the cultural significance of the Korean Wave. Drawing from the existing resources and case study approach, this study will understand the multifaceted phenomenon of the platformization of Korean content in the OTT landscape. The insights from the study concluded that advanced digital infrastructure, international collaboration and global demand have consolidated the growth of the OTT market in South Korea. Moreover, it found that platforms are leveraging the distinctive Korean Wave characterized by Korean cultural elements and compelling narrativity in the production and distribution of Korean content in streaming environments, leading to a seismic shift in the Korean cultural industry.

Keywords: OTT, Korean Wave, streaming cultures, OTT market, Korean entertainment industry

INTRODUCTION

The advancement in digital media technologies has led to sophisticated distribution and communication of entertainment media for consumers across the world. The platformization in the form of emerging OTTs in the entertainment industry has influenced and redefined the content-consuming behaviour of the audience. In this emerging digital culture of OTTs, audiences are leveraging the technical features of these platforms for customization and purchase of video content online. The personalization of video content on OTT has led to an 'On-Demand Culture' in which the content is curated and scheduled as per the preferences and needs of the consumers (Tryon, 2013). The consumer-oriented media environment ushered by OTTs has been further expedited by the intensive use of smartphones and other advanced electronic gadgets offering online streaming content experiences for a wider base of people across social demographics. The emerging 5G technology will exponentially expand the networks and proliferation of OTT platforms, venturing into unexplored terrains among global audiences. This on-demand content culture among consumers besides increasing the amount of content streamed, has led to a global phenomenon of digital market competition within the entertainment industry.

South Korean Cinema, also known as *Hallyuwood* having a rich cultural history has evolved as a thriving industry characterised by compelling narratives and dynamic storytelling. Through distinctive style, complex social issues and striking narratives, films made in Korea involve diverse genres including romance, thriller and dramas. With the advent of OTT platforms in the last decade, filmmakers in Korea have overwhelmingly collaborated with platforms like Amazon, Disney+, and Netflix. Filmmakers and production houses based in Korea are distributing their content; films and web series through OTT platforms which has further widened the space for Korean cinema to reach the international audience. Recognising the distinctive appreciation and audience base of Korean films, the major OTT platforms are increasingly investing in and collaborating with Korean filmmakers. The Korean Oscar-winning movie *Parasite* has been distributed by platforms like Amazon and Hulu and streamed to a global audience. In 2023, the popular OTT platform Netflix announced a whopping investment of \$2.5 billion in Korean TV series, movies and shows¹.

In the last decade, the entertainment media landscape in South Korea has been reshaped by the extensive growth of OTT platforms. The surge in the production and consumption of Korean entertainment content on OTT is a consequence of the

¹ <https://www.reuters.com/technology/netflix-invest-25-bln-south-korea-make-tv-shows-movies-2023-04-25/>

increased usage of smartphones, access to high-speed internet, and growing consumer preferences and attitudes towards on-demand streaming content. Moreover, the growth of OTT content in South Korea has been largely influenced by the foray of both domestic and global OTT giants in the country. These developments have been catalysed by the growing cultures of content creation, Korean cinematic legacy and the expanding digital media landscape in the country. The Korean content acquired by international OTT platforms like Netflix and Disney+ facilitated increased accessibility and engagement among foreign audiences. Most importantly this accessibility has been pushed by the subtitling and dubbing of the Korean content in local languages by these OTTs, making them increasingly watchable in foreign markets. International OTTs have significantly propelled content streaming cultures domestically through direct investments in the productions of Korean movies and dramas. Korean productions involved with OTTs can avail of production funds, produce high-quality content, and distribute and collaborate on the content, globally.

Over the years, the content marketing of Korean cinema has transcended from being completely local and regional and expanded to a global arena for wider audience appeal. While discovering the potential and popularity of legacy cinema in Korea, the Korean content industry is being explored by global OTT platforms for international expansion (Jin et al., 2023). The increased consumption of Korean OTT content has propelled strategic partnerships between these video streaming giants and production houses based in Korea (Davis, 2021). The OTT giant *Netflix* launched its services in South Korea in 2016 with 0.87 million annual subscriptions, reaching a mammoth 7.22 million in 2021². By 2021, *Netflix* had a total of 35 percent OTT market share in South Korea while the popular domestic OTT *Wavve* and *Tving* had 21 percent and 16 percent, respectively in the Korean subscription-based OTT market (Nam et al., 2023). During the Covid-19 pandemic, South Korea witnessed an increased demand and consumption for on-demand streaming content. The environment of isolation and restrictions led to increased preferences among consumers for distinctive foreign streaming content, especially Korean. The period saw an increased demand and consumption of Korean content by the consumers who were confined to their spaces leading to unprecedented interest and investment by domestic and multinational OTT players. These trends propelled a significant growth in the production of entertainment content for OTTs and international OTT players flooded their platforms with Korean movies and dramas. The OTTs have played a substantial role in intensifying the Korean Wave as platforms like *Netflix* have amplified the global expansion and viewership of Korean movies and dramas for international audiences. Korean phenomenal OTT productions like the romantic drama *Crash Landing on You* and iconic shows like *Squid Game* (*Netflix*'s all-time biggest hit)³ have been appreciated for their captivating storytelling and cultural manifestations.

The strategic collaborations and critical cultural representations through diverse genres within Korean OTT productions are cultivating a cross-cultural exchange and extending the Korean content's reach as a cultural phenomenon. In the parlance of cultural representation, the emergence of OTT films and drama is enabling international consumers to consume distinctive Korean culture, and nuances within social and traditional norms. Such representations are explored through high-quality content which contests the socio-cultural stereotypes and offers depiction that challenges conventional gender roles, societal norms and ideologies.

Scholars like Nam et al. (2023) argue that content streaming is a predominant phenomenon in South Korea and the existing literature still lacks an exploratory understanding of the impact of international OTTs in reshaping the content creation and streaming cultures in the country. This study will focus on understanding the OTT phenomenon in Korea and how the unprecedented content distribution and marketing strategies by platforms have pushed boundaries and expanded the reach of Korean cinema content. The study will explain the foray of global OTTs within the Korean streaming cultures. In this direction, the study will navigate through the case of *Netflix* in the Korean OTT landscape. Furthermore, it will explore the platformization of the Korean cultural industry and the socio-cultural representations within Korean OTT content and how they resonate with contemporary trends in the subscription-based model of content streaming. Moreover, this will necessarily include the new phenomenon characterised by diversity in themes and storytelling within Korean cinema. This study will draw from the theoretical perspectives of "technological determinism" within the OTT landscape, globalisation and "cultural hybridity" in understanding the extension of Korean cinema to diverse cultural audiences through OTT platforms. I argue that this cinematic flow has led to the integration of global cinematic trends and these trends are cultivating a cross-cultural exchange. The study will adopt qualitative methods for the critical analysis of the existing literature, and documentary analysis to draw meaningful insights and conclusions on the subject. The study will adopt a case study method in investigating the penetration of global OTTs in Korean streaming cultures. In this direction, the study will explore the case of *Netflix* within the Korean wave.

Research objectives:

- RO1: To explore the market dynamics in the domestic and global OTT landscape in South Korea.
- RO2: To examine the cultural significance of the Korean Wave in shaping the rise of Korean streaming content.

2.0 LITERATURE REVIEW

The literature review in this study explores the emergence of OTT (Over the Top) platforms as a new socio-technological phenomenon in South Korea. The literature review aims to deliberate on the existing scholarly debates on the themes; of global OTT platforms, production and distribution of streaming content and particularly the booming cultural phenomenon of OTTs in Korea. The discussion involves critical debates on socio-cultural and economic dynamics associated with content creation on OTTs in the context of South Korea. The review of the existing literature will be significant in locating the research gap and

² <https://www.sciencedirect.com/science/article/abs/pii/S0308596123000368>

³ <https://www.dw.com/en/how-south-korean-movies-are-dominating-world-cinema/a-60987822>

establishing the rationale for the study.

The dominance of OTT platforms in the last decade has transformed the entertainment industry and ushered into a digital phenomenon characterised by on-demand content streaming and subscription-based customised audience consumption. The traditional television audience has embraced this paradigm shift within the entertainment industry and is availing the liberty to choose the time, content and genres within a broader spectrum of flooding content which mostly comes from unconventional production entities (Sadana & Sharma, 2021). Prominent OTTs like Netflix and Disney+ have revolutionized the television entertainment market and redefined consumption practices and offered interactive spaces for the audience to manoeuvre across flooding streaming content (Li, 2023).

In the contemporary global entertainment landscape, Over the Top platforms have overpowered the traditional cultural industries by introducing new business models characterized by advanced digital framework, strategic content creation and global outsourcing for maximum attraction for digital natives (Harvey, 2020). The OTT platforms have influenced the conventional norms of content production and distribution in the entertainment industry by replacing the traditional program funding norms with advanced interactive and customized subscription models (). These platforms expand their networks and businesses across territories by adopting strategic tactics like collaborative production, merger and content acquisitions with production partners globally thereby dominating the local and international entertainment markets (Park & Kwon, 2019). In the realm of contemporary digitalization, the increased user dependency on streaming content and consumption patterns influenced the transformation within the practices of content production and distribution in the entertainment industry. These transformations were characterized by the digitalization of the content, content acquisitions and interactive features for customized content consumption (John, 2023). Moreover, scholars like Khorana (2020) and John (2023) have emphasized the significant role of the modern audience in influencing the growth and competition in the OTT landscape. They argue that within the OTT ecosystem, today's audience persistently navigates through the content coming from across the world which relates to their socio-cultural and political interests.

The outbreak of the Covid-19 pandemic proved to be a game-changer for OTT platforms as people across the world stuck at homes in isolation resulted in an increased consumption of streaming content. The binge-watching phenomenon was complemented by the Affordable subscription, interactive features and diverse flooding content available on OTT platforms (Suresh & Sahu, 2021). The leading OTT platform Netflix became an important mainstream site for cultural content across the world as the platform witnessed flooding audience subscriptions during lockdown and social distancing policies (Jin, 2023). La Monica (2020). During the Covid-19 pandemic, the popularity of Korean movies and shows had a substantial contribution to Netflix's revenue growth of 16 percent (Netflix, 2022).

Historically, Korean movies and dramas have a legacy of distinctive cultural storytelling, rich poignant narratives and unique cinematic artistry which continue to captivate domestic and global audiences (Park, 2021). The global popularity of Korean movies and dramas and their characteristic complex themes and captivating storytelling have attracted OTT platforms that have been investing in their international expansion (Davis, 2021). Global OTT giants like Netflix and Disney+ have entered into strategic partnerships with domestic Korean productions and are making substantial investments in Korean content (Nam et al., 2023). Kim (2022) stated that in South Korea, the foray of International OTT has revolutionized the production and distribution of entertainment content and these trends besides expanding Korean cinema to new horizons have brought drastic changes in the country's media landscape. In South Korea, OTTs are enabling local content producers to amplify the production and distribution of their content to domestic and international audiences, thereby helping them overcome the challenges of competing with hegemonic traditional production houses (Jang & Kim, 2023).

The dissemination of cultural content on these OTT platforms has expanded Korean content distribution and facilitated their extension to a wider audience base across the world H.Y. Ju (2021). The conventional production of dramas and shows in Korea has been substantially altered by OTTs as their vibrant content marketing strategies and international partnerships offered improvised methods of content production, acquisition and delivery (Park et al., 2022). OTT platforms like Netflix have influenced the cultural system in Korea by influencing cultural production (Jin, 2023). This trend is critically seen as a practice of Western control over cultural industries in Asian markets. Park et al. (2022) argued that these emerging practices have consolidated the role of OTTs as primary entities in shaping the flow of popular culture from South Korea which they called "platform imperialism".

For OTTs like Netflix, Korean content distribution plays a significant role in cultivating a growing potential audience base in Asia as Korea continues to dominate the region with consistent cultural production (Jin, 2023). The expansion of global OTT Netflix in Asia has mainly relied on the Korean entertainment industry for rich cultural content. The investment in the production and distribution of Korean content is an integral part of Netflix's strategy in its transnationalisation efforts and maintaining global dominance as a cultural mediator (Meimaridis et al., 2021). The exclusive Korean productions and their distribution to a wider domestic and international subscriber base have proved phenomenal for Netflix's trans-nationalization effort and in fomenting its dominant position in the OTT market, internationally. Jin (2023) argued that there is a substantial willingness among domestic content producers from the television industry and independent productions in South Korea to work with OTTs who offer them funding for quality productions. Such collaboration is seen as an entry point to the global streaming market with global reach as compared to the domestic traditional practices of content distribution.

The OTTs are acquiring domestic content in South Korea to leverage the cultural nuances and export them to a wider global audience who have a craving for original Korean content (Jin, 2023). The consumption practices in the era of OTT validate the classical Uses and Gratification theory as these platforms enable the film and television audience to choose from a diverse array of content based on their preferences and needs. It is also argued that global OTTs are leveraging the success of Korean films and shows to consolidate their role as a cultural mediator on a global scale and tapping the streaming market through cultural

exchange (Meimaridis et al., 2021). The above literature suggests the growth and expansion of the OTT landscape in the Korean context as a multifaceted phenomenon which involves embedded market dynamics, cultural significance and modern-day digital entertainment landscape. The literature suggests that the legacy of the Korean Wave has been amplified in the context of streaming entertainment trends powered by OTTs. These insights from the existing research on the subject will guide the enquiries established for this study.

THEORETICAL FRAMEWORK

The theoretical framework identified for this research study draws from the conceptual perspectives which lie at the intersection of technology, culture and globalization. The framework involves scholarly debates on the phenomenon of globalization in the entertainment industry, the impact of technology on convergence within entertainment, and the evolution of hybrid cultures in popular culture. The classical concept of “technological determinism” suggests that technology within the medium determines and shapes the creation, dissemination and consumption of media content. In this direction, I argue that streaming cultures as an emerging technological phenomenon has led to platformization of entertainment content and these tech-driven platforms are shaping the means and modes of creation, distribution and consumption. Audience engagement and viewing habits are shaped by the technical affordances of these platforms.

The OTTs have enabled constant interactions among cultures in domains of production, talent, distribution, and most importantly consumption of streaming content. In this direction, the study draws from the theory of “cultural hybridity” which posits that the popularity of Korean content in the OTT landscape has ushered into cultural exchange leading to the hybridisation of Korean culture and foreign cultures. The perspectives in the theoretical framework identified for this study contain some of the relevant theories and concepts which are significant in developing a comprehensive understanding for analysing the convergence of streaming technology, cultural hybridization and globalization in the Korean OTT landscape. These concepts besides guiding the rationale of this study will enhance the theoretical contribution of this study.

KOREAN WAVE IN OTT LANDSCAPE

Hallyu or Korean Wave, which encompasses the global recognition and popularity of Korean music, films and dramas, has gained momentum in the last decade expanding its fame in the global arena. Since the early 2000 Korean popular culture has witnessed domestic success with dramas like *Winter Sonata* becoming a sensation attracting the attention of global audiences to Korean content. The Korean Wave got a significant impetus with the beginning of OTT service in the country facilitating the dissemination and influence of Korean films and dramas within a growing audience base. One of the major reasons for the growth of the OTT streaming market in South Korea is the cinematic legacy and global fame of Korean popular culture which attracted foreign investments and consolidated the subscription-based video streaming services. Earlier in 2020, to promote local content creation, the government in South Korea officially allocated an investment of 1.4 billion USD. These efforts are seen as a manifestation of South Korea’s soft power and how the country is strategically cultivating an international streaming market and attracting millions of viewers from across the world with their original cultural content (Yonhap, 2020).

The advent of digital platforms in South Korea facilitated the emergence of local OTT and the emerging practices of domestic online video sharing transformed the media and entertainment landscape in the country forever. The growth of domestic OTTs in South Korea was a direct consequence of digital penetration across the country and these local online platforms “contributed to expediting the shift characterized by cord-cutting consumption of cultural content” (Jin et al., 2023, p.411). Earlier in 2011, the two major Channels in South Korea Munhwa Broadcasting Corporation and Seoul Broadcasting System established the platform POOQ which offered real-time content streaming on their six channels to be consumed through smartphones and other gadgets by the Korean internet. Domestic Korean OTTs like *Wavve*, *Watcha* and *Tving* allowed entry-level production entities to offer a diverse range of exclusive content for Korean audiences. The local OTT platforms in South Korea leveraged the growing interpenetration and consumption in the country and monetized the domestically produced movies, shows and drama serials through user subscriptions. The emerging content streaming trend in the country allowed telecommunication companies, broadcasters and production houses to launch their collaborative and independent OTT platforms (Jin et al., 2023). Korea’s national broadcaster the Korean Broadcasting System joined this collaboration as a stakeholder. Similarly, the South Korean wireless telecommunications operator SK Telecom launched its video streaming app *Oksusu* on mobile.

The emergence of domestic OTTs in South Korea as a cultural phenomenon has been mainly attributed to the increased penetration of the internet and intensive consumption of content over smartphones by Koreans. Moreover, in the wake of access to high-speed internet connections, this trend was significantly pushed by the growing user preferences for on-demand streaming services. The Korean traditional broadcast market in the form of Pay TV was run by satellite broadcasters, cable networks and Internet protocol television services. The OTT phenomenon in South Korea started when the existing Internet protocol television service providers started online video services like *Afreeca TV* and *Pandora TV* (Nam et al., 2023). In the beginning, the OTT market couldn’t flourish much as consumers were customized to the delivery and payment patterns provided by the IPTV services. To compete with the global OTT platforms, the regional OTT platforms in Korea like SK Telecom (*Oksusu*) and POOQ merged in 2019 to launch an exclusive OTT brand *Wavve* having 14 million subscribers (Kim, 2019). The merger of local conglomerates into the establishment of OTTs like *Wavve* was a response to the penetration of global OTTs in the Korean market and local OTTs took advantage of the increased influence of Korean content in the international arena.

The shift marked the decline of audience and revenue within the local broadcasting industry as more and more Korean online users resorted to the consumption of domestic OTT content (Noh, 2023). A significant chunk of traditional Korean

broadcasters reduced their conventional productions for their channels and instead started surviving by supplying produced programmes to domestic and international OTT platforms. The popular local OTT *Wavve* was launched in the wake of increased demand for Korean content in the international market and consolidated its role in competing with the global OTTs penetrating South Korea (Shin & Lee, 2019). The domestic Korean OTT *Wavve*, *Tving*, and *Watcha* restructured the Korean cultural industries by expanding their market share through increased production and user base in the domestic market. The local video streaming market in Korea witnessed an annual growth of 26.3 percent since 2014 (Suh & Nam, 2020). In 2020 domestic platforms like *Wavve* and *Tving* crossed the \$700 million market revenue (Lim, 2021). In the initial years of the dominance of local OTTs, 22 percent of the audience used domestic streaming content while only 12 percent used foreign content streaming services. Industry experts saw the expansion of local creative content streaming as a survival tactic to check the growing influence of global OTTs like Netflix. In the context of the evolving media and entertainment industry in South Korea, such strategies have been manifested through the collaboration of these domestic OTTs with foreign players (Yonhap 2020). According to the market research report prepared by Spherical Insights, from the year 2023 to 2033, the CAGR of the South Korean OTT Media market is forecasted to reach 5.3%⁴.

For domestic OTTs, the South Korean government imposes tax breaks between 3 to 10 percent on production costs. In 2023 the South Korean government came up with a five-year plan which involved monetary assistance, tax breaks, and standardised regulations to promote the OTT media services sector in the region. The dominance of domestic OTT *Wavve* was overtaken by Netflix in 2019 and the global OTT giant reached a staggering market share of 40 percent in 2020, reducing *Wavve*'s share to just 21 percent (Park, 2021). In fact, in 2021, 32 percent of the Korean audience consumed streaming content from global OTT platforms while only 23 percent availed of domestic OTT services (Lim, 2021). The success of global OTTs in Korea triggered a platform streaming war in Korean popular culture with domestic OTTs focusing more on the production of original content for Hallyu fans (Samuel & Mitchell, 2022). The increased relevance of global OTTs in the Korean market is attributed to the intensive distribution and extension to a wider international audience base. However, this trend has seen a potential challenge for Korean cultural industries as the rampant content production by international OTTs has led to platform imperialism in Korean popular culture.

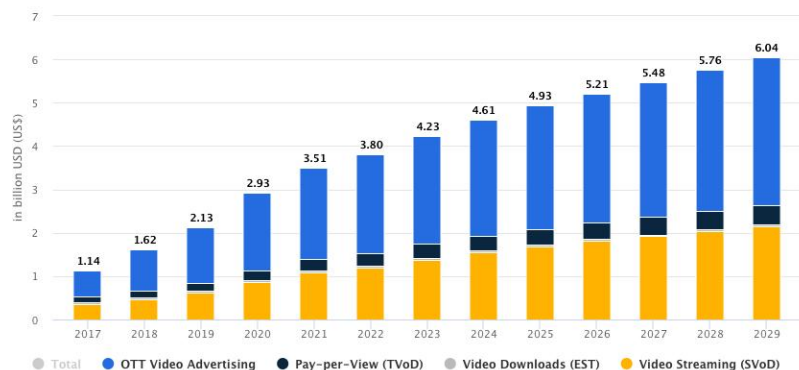


Figure 1: Revenue in the OTT Video market in South Korea

Source: <https://www.statista.com/>⁵

In the evolving OTT market landscape globally, there has been a huge demand for Korean content which has established a competitive streaming environment. The OTT market in Korea is expected to reach a whopping revenue of 4.60 billion USD in 2024. According to German data platform, Statista the Korean OTT market is predicted to reach a market volume of 6.04 billion by 2030 touching new heights with a 5.60 percent annual growth rate from the years 2024 to 2029 (Statista, n.d.-b). The rapid expansion of the OTT subscriber base in South Korea is a direct result of the sophisticated networks of high-speed internet and increased smartphone usage in the country. The market value of the OTT industry in South Korea is multiplying with 114.1 percent user penetration in 2024 and is projected to reach a mammoth 66.0 million users by 2029 (a 128.5% increase in the penetration) with 114.1 user penetration in 2024 (Statista, n.d.-b). The phenomenal surge in the OTT market size in South Korea draws from the popularity of the Korean Wave and increased demand for Korean content in the contemporary streaming culture across the globe.

In the contemporary Hallyu cultural industries, global OTTs have consolidated their role as content creators and distributors by developing new business models which complement the existing market dynamics in the entertainment industry. In South Korea, global OTTs are collaborating with domestic players to dominate the content streaming market by venturing into original programming. Secondly, such collaborative productions are executed through acquisitions and licensing. Moreover, these OTTs by outsourcing the domains of content creation to local streaming entities and production houses through subcontracting. Such business strategies in Korea have enabled these regional OTTs to produce and distribute the original Korean content with domestic resources. In conclusion, the Korean Wave has been significant in the consolidation of the OTT market in South Korea by giving rise to a substantial domestic platform in the region. However, the popularity of Korean content including films, dramas and music having a global appeal has attracted international OTT platforms to invest in domestic production and distribution.

⁴ <https://www.sphericalinsights.com/reports/south-korea-ott-media-services-market>

⁵ <https://www.statista.com/outlook/amo/media/tv-video/ott-video/south-korea>

These trends in Korea are redefining the media and entertainment landscape in the country as these streaming platforms are strategically investing in a diverse range of exclusive programming to cater to Hallyu fans across the world. OTT subscribers in the case of Korean media and entertainment landscape are drawn by the compelling storytelling,

iconic characters and cultural narratives which characterize the popular Korean streaming content in the OTT arena.

RIDING THE KOREAN WAVE- THE CASE OF NETFLIX

The phenomenal success and worldwide appreciation of blockbuster Korean shows like *Squid Game* and *The Glory* on Netflix redefined the impact of the Korean Wave in the global entertainment industry. In the context of sophisticated digital infrastructure in Korea characterized by high-speed internet, advanced telecommunication networks, and high consumer standards, global OTTs like Netflix started investing in the Korea fertile market (Lee, 2019). The entertainment legacy associated with Hallyu and the Korean Wave is being leveraged by Netflix and Korea is seen as a potentially valuable market by Netflix for expanding its market dominance and original content creation. For the streaming giant South Korea, besides having huge potential for content creation, has emerged as an intensive content consumption market (Lee, 2016). Netflix strategically leveraged the global popularity of Hallyu content and to tap the Korean content market started funding and producing Korean movies and shows. As early as 2017, Netflix invested 50 million USD in the production of the Korean adventure feature film *Okja* and the post-release period saw a multiplication of its subscribers from 70,000 to 200,000 (Kim & Oh, 2020). This huge investment in Korean streaming content was double the total Netflix production investment since the beginning of its operations in the country in 2016. Ted Sarandos stated, “We were able to make this decision because we have great confidence that the Korean creative industry will continue to tell great stories”⁶. Netflix opened its office in South Korea in 2020 and later in 2021 it planned to establish two facilities for content production which according to the platform is an “example of our continued commitment to investing in Korea’s creative ecosystem” (Bing & Ko, 2021).

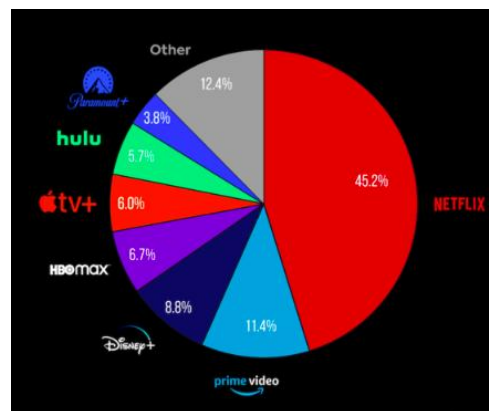


Figure 2: OTT market share in Korea

Source⁷

There is also a precarious phenomenon of streaming wars between local video streaming players like *Wavve*, *Tving* and *Watch* and international streaming giants like Netflix. These streaming wars are mainly based on factors like dominance in the OTT market, size of subscriber base and most importantly revenue generation. This phenomenon can be understood from two perspectives; the formation of domestic OTT collaborations and the expansion of the Korean entertainment industry through international OTTs. While domestic media conglomerates have formed local OTTs like *Wavve*, the Korean entertainment industry shows a strong inclination to OTTs like Netflix to expand foreign audiences and export Korean streaming content. This emerging OTT phenomenon in South Korea is directly influenced by Netflix as the platform has deeply intervened with the dominant production entities in the country for the OTT content creation, production and distribution. In 2023, the Chief executive of Netflix Ted Sarandos met South Korean President Yoon Suk Yeol and announced an ambitious investment of 2.5 billion USD in the production of Korean content for a period of the next four years (Lee, 2023).

The global popularity of Korean shows on Netflix can be understood from the fact that in 2020 the platform gained 2.3 million subscribers and around 500,000 consumers were from South Korea and Japan only (Shin et al. 2020). In fact, in the same year, 10 Korean shows were listed in Netflix’s top 100 series. Between the years 2015 to 2020, Netflix streamed around 80 Korean movies and web series with an investment of \$700 million⁸.

To expand its market and tap the Hallyu audience globally, Netflix has been collaborating with domestic productions, artists, directors and domestic OTT platforms to take a lead in the global streaming market. Netflix’s strategic partnerships in Korean content production and distribution have set a new transformative paradigm in the Korean entertainment market. In 2019,

⁶ <https://www.reuters.com/technology/netflix-invest-25-bln-south-korea-make-tv-shows-movies-2023-04-25/>

⁷ <https://koreajoongangdaily.joins.com/2022/05/06/business/industry/Korea-OTT-Paramount/20220506182208833.html>

⁸ <https://techcrunch.com/2023/04/25/netflix-earmarks-2-5b-for-original-content-in-south-korea/#:~:text=Netflix%20has%20introduced%20more%20than,to%20South%20Korea%20in%202021.>

Netflix will collaborate with South Korean leading media company JoongAng Tongyong Broadcasting Company (JTBC) on a content distribution and licensing deal for years to come. The agreement allowed Netflix to operate the streaming of TV shows produced by JTBC throughout the world. Netflix on its official website while reflecting on the JTBC deal, stated that "The love for Korean culture, especially around Korean stories in TV drama format, from the world's fans is also deepening-Together with Netflix, the compelling 'Made in Korea' stories with diversity and depth is creating joy for the audiences in Asia and beyond."⁹. Netflix's collaboration with JTBC led to the international streaming of the company's shows to the international arena. Netflix obtained the rights to JTBC's drama series, "*Man x Man*" and streamed it to millions of subscribers in several languages, globally.

Netflix's partnership with South Korean entertainment company CJ Entertainment and Media and its undertaking, Studio Dragon marked the foray of its foray into Korean streaming content production¹⁰. Under this deal, Netflix stated that the company recognized the popularity and glory of Korean story-telling and quality productions and in this direction will utilize the content creation prowess of Korean media partners in exporting rich Korean content through its borderless streaming platform. The deal saw the international streaming Of Korean hits from Studio Dragon like *Stranger* and *Mr. Sunshine*. Netflix entered into a strategic content production agreement with domestic entertainment companies in South Korea which consolidated its influence in controlling the local content in the country. The company's decision to produce original content in South Korea marked a significant shift in the Korean entertainment landscape as it enabled the OTT giant to directly produce a diverse genre of high-quality shows, movies and documentaries. Netflix announced to investment of 500 million USD for the production of original Korean shows and movies¹¹. Between the years 2021 to 2023, Netflix produced 74 Korean originals with 34 productions in the year 2023 alone (Statista, 2023).

Netflix invested across genres of Korean productions in dramas, shows, films and documentaries. The Netflix originals like the Korean drama *Squid Game* and the movie *Okja* became blockbusters and emerged as a cultural phenomenon, captivating millions of Hallyu fans globally. These original productions manifest a fusion of gripping storylines, immersive narratives and subtle social commentary which characterize the traditional Korean Wave. The movie *Okja* created by Netflix with an investment of 60 billion Won was directed by Oscar-award-winning Korean director Bong Joon-ho and features a compelling narrative on social consciousness. The movie adopted a critical approach in addressing the precarious issues of environmentalism and capitalism through the Korean conventional storytelling genre. Similarly, Netflix produced the web series '*Squid Game*' which became a global sensation and manifested itself as a Korean cultural phenomenon. The web series created by South Korean director Hwang Dong-hyuk for Netflix is a gripping survival series which earned a whopping 900 million USD becoming Netflix's greatest show ever. *Squid game* symbolizes a phenomenal shift in the Korean entertainment industry as it manifests the blend of modern cinematic themes with sociocultural commentary in the context of Korea. The show marked a paradigm shift in Korean content production as Netflix crafted a market-oriented genre in which survival-themed narratives were ingrained in the critical cultural elements and compelling visualisations. The phenomenal success of Korean shows like *Squid Game* has played a substantial role in consolidating Netflix's role as a cultural mediator and influential platform in the international carrier of the Korean Wave.

In the realm of Korean content, Netflix has shifted to aggressive production and commissioning creation of original Korean content. The platform has strategically leveraged the cultural influence of Korean pop culture and capitalized on the global demand for Korean content. This trend involves localisation efforts for strategic content creation and distribution for the consumption of the platform's huge audience base across contents

PLATFORMIZATION OF THE KOREAN CULTURAL INDUSTRY

The dissemination of the Korean wave in the OTT landscape manifests a seismic shift in the Korean cultural industry. The domineering phenomenon of Korean streaming content represents a cultural phenomenon which is characterized by the use of streaming cultures in amplifying the unique Korean cultural elements and compelling narrativity. While OTTs have refined the modes of content delivery, there are emerging debates which stem from the issues related to the impact of OTTs in reshaping the form and function of cultural industries in South Korea. The cultural representation associated with Korean streaming content manifests the conceptual phenomenon of cultural specificity. The popularity and global recognition of Korean OTT content draw its credibility from engaging the cultural elements and narratives which are innate to the Korean sociocultural spectrum. Popular OTT shows like *Squid Game* represent the inherent cultural elements in Korean popular culture and the usage of such cultural nuances is effective in attracting audiences as they resonate with their perceptions and experiences of living within and outside South Korea. Korean dramas like *Queen of Tears*, *King of the Land* and *Crash Landing on You*.

Castaway Diva and Doctor Cha showcase traditional Korean familial relationships, traditional values and societal complexities. These representations in streaming content are amplifying the Korean Wave and disseminating the intricacies of Korean identity and life to a wider audience base than ever.

In the global networked phenomenon ushered by OTT content streaming, the Korean Wave has undergone a transformative shift which is characterized by diversity and inclusivity in genre, cultural representation and themes. The entry of global OTTs into the Korean entertainment industry has led to the emergence of cosmopolitanism which manifests the blend of conventional Korean popular culture with international cultural themes. In this direction, the Korean movies and shows in the OTT landscape

⁹ <https://about.netflix.com/en/news/jtbc-netflix-ink-multi-year-deal-for-high-quality-korean-tv-series>

¹⁰ <https://about.netflix.com/en/news/cj-enm-studio-dragon-netflix-announce-a-long-term-partnership>

¹¹ <https://www.ctvnews.ca/entertainment/netflix-to-invest-2-5-billion-in-south-korea-as-k-content-continues-to-dominate1.6370693#:~:text=In%202021%2C%20company%20executives%20said,enthusiastically%20consumed%20by%20fans%20worldwide>

tend to be more progressive and diverse in terms of themes, storytelling techniques, visual aesthetics and character depictions which resonate with global audiences. The incorporation of cultural references and global issues has led to the hybridity of Korean content in streaming cultures. The Start-Up series is a Korean streaming drama featuring a compelling story of young characters who venture into entrepreneurial tryst pursuing tech startups. The series involves a cosmopolitan theme touching upon diverse nuances of modern entrepreneurship in a diverse cultural setting. The cultural proximity as a characteristic of Korean content has significantly attracted global audiences and increased demand for Korean OTT shows. In the OTT landscape, popular Korean streaming shows like Squid Game have moved beyond conventional cultural themes and involve transnational cultural representations. The transnational proximity in Korean OTT content is an important implication of international collaborations on content production, acquisitions and distribution, amplifying global appeal for Korean OTT content. This multinational approach not only adds to the cultural richness but also adds to the authenticity and relatability of Korean films and shows among international audiences.

CONCLUSION

In the realm of the expansion of over-the-top platforms as an emerging trend in the entertainment industry, the Korean Wave is being substantially cultivated and consumed in modern-day streaming culture. The cultural heritage associated with Korean cinema is aided by digital visual infrastructures being packaged and disseminated to a wider audience globally. The research enquiries set for this study identified two major trends in the growing OTT market within South Korea. Firstly, it concluded that within the country, the significant consolidation of the domestic OTT market can be attributed to advanced digital infrastructure and a higher share of the population engaged in digital environments. This significantly involves high smartphone usage among the citizens which is around 81.66% of the total population in the country¹². The country's investment is expanding its digital infrastructure and cutting-edge mobile technology has been leveraged by the domestic OTTs in consolidating their significance among the Korean digital natives. Moreover, the foray of international OTTs into the Korean content market is driven by two factors; the digital infrastructure and online consumption in the country and the legacy of South Korean content in the entertainment industry, globally. The traditional demand for Korean content characterized by compelling narratives, rich content and cultural representation, has attracted international OTTs to tap the entertainment market in the country. Global OTT giants like Netflix are tapping the Korean entertainment industry by entering into strategic partnerships with domestic OTTs and media companies in South Korea. These trends have led to the emergence of new business models international OTT productions are executed by acquisitions and licensing from the domestic entertainment market. Such business strategies in Korea devised by global OTTs are enabling regional production entities to produce and distribute the original Korean content using domestic resources.

Secondly, OTT content has redefined the Korean Wave in streaming cultures which marked a seismic shift in the Korean cultural industry. The emerging phenomenon of cultural consumption through streaming platforms is amplifying the unique Korean cultural elements and compelling narrativity. On the one hand, the cultural representation with the Korean streaming content reflects cultural specificity, this reinvigoration of the Korean Wave is characterized by a transformative shift reflecting diversity and inclusivity in themes, genre, and social representation. Such influences of OTT on the Korean entertainment industry are proving significant in offering rich content which resonates with audiences within and outside South Korea. The fusion of global OTTs and domestic production entities from the Korean entertainment industry has led to the convergence of streaming content which reflects on cosmopolitan manifestations, a blend of conventional Korean popular culture within international cultural themes. The platformization of Korean content in the OTT landscape has taken a more progressive shift in terms of themes, storytelling techniques, visual aesthetics and character depictions which resonate with global audiences. The platformization of the Korean Wave in the OTT landscape despite being a progressive techno-cultural shift, has been critically seen as a phenomenon of "platform Imperialism" where foreign OTTs are generating huge revenues by marketing the streaming content and domestic Korean partners continue to remain underpaid (Mazur et al., 2022). Further research in this direction can delve into dissecting the underlying business frameworks in the Korean landscape to investigate the economic structures of collaboration between global OTTs and domestic entities.

¹² <https://www.statista.com/statistics/321408/smartphone-user-penetration-in-south-korea/>

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