

# *Evolution of K-Content Production and Business Models in the Korean Broadcasting Industry*

Konshik Yu

## Article history

Submitted: 10 Dec 2024

Accepted: 31 Aug 2025

Published: 23 Dec 2025

## Abstract

The study is framed within the context of platform capitalism theory and the C-P-N-D (Creation-Production-Network-Distribution) model. Korean broadcasting content has grown from regional popularity in Asia to a global cultural phenomenon, marked notably by the film *Parasite* winning the 2020 Academy Award for Best Picture, the monumental success of the series *Squid Game* in 2021, and the popularity of KPop Demon Hunters in 2025. This study examines the distinctive features of K-content production methods and their role in fueling the Korean Wave (Hallyu). It compares Korean and American drama production systems, highlighting differences in episode formats, script approval processes, and distribution strategies: Korean dramas commonly utilize a mini-series format that enables swift production and near-simultaneous online release, whereas American dramas typically follow a season-based model with syndication. Key characteristics defining K-content include a wholesome and feel-good appeal, deep emphasis on empathy, compelling storytelling, curiosity, the strength of Korean creative talent, glocalised storytelling, the influence of Netflix, and intense domestic competition. Following the advent of global OTT platforms, production practices have evolved significantly, reshaping distribution models, expanding narrative diversity, increasing blockbuster-level investments, enabling multi-season productions, decoupling content scheduling from traditional advertising seasons, shortening episode counts with flexible lengths, broadening global reach, and fostering greater engagement with Hollywood.

## Corresponding author

Konshik Yu

Korean Broadcasting System, South Korea

Keywords: K-Drama, Korean Wave (Hallyu), OTT platforms, Platform Capitalism, Content Production

## 1. Introduction

This study aims to examine how the entry of global OTT(Over-the-Top) platforms has increasingly transformed the production methods and business models of K-content in Korea, and how these changes contributed to the global rise of the Korean Wave (Hallyu) since 2016. While the rise of OTT platforms has introduced investment opportunities and market expansion, the paper also recognizes challenges such as monopolistic tendencies, rising production costs, and risks of creative homogenization. In particular, production environments for K-content underwent major profound transformations in the Korean media landscape for a decade after Netflix launched its Korean service in 2016.

The Korean Wave is considered to have started with the MBC drama *What's Love?* which aired on China's CCTV from June 15, 1997, recording an average viewership rating of 4.35%. *What's Love?* was so popular that it ranked second in China's all-time foreign film viewership ratings. There are many theories about the origin of the term "Korean Wave," but it was first used in Taiwan's *China Times* on December 12, 1997 (Jeong 2019).

Different genres led the Korean Wave during various periods: dramas in the mid-1990s, music in the late 1990s, dramas and movies in the mid-2000s, K-Pop and games in the late 2000s, and dramas and K-Pop after the 2010s. Regionally, it was popular in China and Southeast Asia in the 1990s, Southeast Asia in the early 2000s, Japan in the mid-2000s, Central Asia, West Asia, Southeast Asia, and Japan in the late 2000s, and grew significantly in China in the mid-2010s (Yu 2017). Especially notable milestones include the film *Parasite*'s 2019 Academy Awards sweep (Best Picture and three additional Oscars), the 2022 Emmy wins for the series *Squid Game* (Best Director and Best Actor), and the domestic original musical *Maybe Happy Ending* winning six Tony Awards in 2025, accompanied by the immense success of Sony Animation's *KPop Demon Hunters*. These achievements have consolidated K-content's position as a global media phenomenon.

The K-content industry includes publishing, comics, music, film, games, animation, broadcasting, advertising, characters, knowledge information, content solutions, and performing arts, with the performing arts counted separately (Korea Creative Content Agency 2025).

In 2023, the content industry sales amounted to 111.6 billion USD, an increase of 2.1% (2.2 billion USD) from the previous year, with an average annual increase of 5.0% from 2019 to 2023. It was ranked 8th globally in 2022. By industry, broadcasting recorded high sales at 16.5%, followed by publishing (15.5%), knowledge information (15.3%), games (14.9%), advertising (12.6%), and music (8.2%) (Korea Creative Content Agency, 2025).

The export value of the content industry in 2023 was 13.3 billion USD, an increase of 0.7% (+96.4 million USD) from the previous year, with an average annual increase of 6.8% from 2019 to 2023. By industry, the game industry ranked first in exports with 8,394 million USD, accounting for 62.9% of the entire content industry, a decrease of 6.5% compared to the previous year. Following were the music industry (9.2%), the broadcasting industry (7.9%), the knowledge information industry (5.9%), and the publishing industry (3.7%). The export value of the film industry was 56.3 million USD (0.4%), representing the smallest proportion among the content industries (Korea Creative Content Agency 2025).

Among the broadcasting industries, drama exports were the highest at 386 million USD (87.1%) in 2022, followed by entertainment at 37.2 million USD (8.4%) (Korea Creative Content Agency 2025). This demonstrates that dramas account for a significant portion of video content. Therefore, this paper discusses the production of K-dramas.

The added value of the content industry in 2023 was 40.1 million USD. This represents a decrease of 1.8% from the previous year and a 3.7% increase from 2019 to 2023. By industry, the added value of knowledge information was 7.4 million USD, accounting for 18.4% of the total added value of the content industry, followed by the publishing industry (16.7%), the game industry (15.5%), the broadcasting industry (13.9%), and the advertising industry (10.7%) in that order (Korea Creative Content Agency 2025).

However, since peaking in 2021, Korean broadcasters have dramatically reduced their drama production, resulting in a significant decline in the added value generated by television. The primary driver behind this shift is the environmental change brought about by the entry of global OTT platforms, such as Netflix, into Korea's media marketplace.

Korea's advanced digital infrastructure and high smartphone penetration have created favorable conditions for the rapid expansion of OTT services (Wei and Cha 2025). Within this landscape, global OTT platforms, especially Netflix, initially played a limited role. However, starting in 2019, Korean drama production entered the era of platform capitalism, marking the emergence of a new paradigm (Park, Kim, and Lee 2023). Armed with vast financial resources and a global distribution network, Netflix and other major platforms have become key agents in reshaping the ecosystem of Korea's media industry (Jin 2023).

The study is framed within the context of platform capitalism theory and the C-P-N-D (Creation-Production-Network-Distribution) model, which provide insights into evolving value chains and power dynamics in the media industry. Platform imperialism refers to the phenomenon in which global OTT platforms exert dominant influence over local media industries, often relegating local producers to subordinate roles and potentially undermining creativity and innovation within the industry (Park et al. 2023; Kim 2022). It mainly explains the threat to local media industries posed by global OTTs, their exclusive ownership of intellectual property (IP), and the resulting inequality and suppression of creativity within the industry. Under the regime of platform capitalism, global OTTs have brought about far-reaching and profound changes in the production methods and business models of K-content. Netflix and similar platforms have presented new opportunities to the Korean media industry, while simultaneously introducing substantial challenges. This paper explores how the entry of global OTTs has transformed the production environment, business models, and production systems of K-content in Korea, and offers recommendations for the sustainable development of K-content in the future.

## 2. Changes in the K-Content Production Environment due to OTT

Since the entry of global OTT services, particularly Netflix's arrival in Korea in 2016, the production environment for K-content has undergone significant transformation. In the initial phase, Netflix was unable to acquire a large volume of K-content, as Korean broadcasters typically retained IP ownership. As a result, only a handful of K-dramas produced by independent production companies, which

held their own IP rights, were available to Netflix.

Inspired by the success of *House of Cards* in the United States, Netflix began producing its own Korean originals. The first Netflix original K-drama, *Kingdom*, achieved explosive popularity, leading to sustained investment and the subsequent production of global hits such as *Squid Game* and *The Glory*. This investment marked the beginning of a fundamental shift in Korea's drama production landscape.

The first and most notable change is the dramatic expansion of production budgets. Large-scale investments in Korean content by global OTT platforms have accelerated the growth of K-drama budgets to unprecedented levels. As part of its strategy to acquire exclusive content, Netflix paid Korean production companies to make original series, such as *Kingdom*, *Extracurricular*, and *Squid Game*. From 2015 to 2020, Netflix spent approximately 700 million USD on over 80 Korean originals (Park et al. 2023), and paid 10.2 million USD per episode for *Squid Game* 2, making the series the most expensive Korean drama in terms of per-episode productions in 2023.

Second, there is a new flexibility in storytelling and format. Netflix allows creators to break free from the “conventional grammar” of broadcast TV dramas, such as rigid scheduling slots and advertising-driven episode lengths, by providing flexibility in the number of episodes and the runtime for each episode. This enables directors and writers to make optimal creative decisions, opening the door for innovative approaches to storytelling (Park, Kim, and Lee 2023).

Third, content diversity and quality have improved. Netflix has fostered the production of a wide variety of high-quality content across genres, greatly enhancing the global competitiveness of Korean content (Kim 2022). The emergence of new genres, such as zombie thrillers, school crime dramas, and suspense series, has been prominent. For example, Netflix's original *Kingdom* is a period drama centered on zombies, while titles such as *Our Blues* and *Mr. Sunshine* address sensitive social issues, including mental health. These works maintain Korean cultural specificity, while also conveying universal messages that resonate with viewers worldwide (Park and Hong 2023). As a result, Netflix originals offer rich genre variety and content depth, winning broad popularity among global audiences (Nam, Ro, and Jung 2023).

Fourth, changes have impacted working conditions and creator agency. Criticism has emerged over Netflix's use of ambiguous union bargaining regulations in the Korean TV industry, which can result in unstable labor conditions (Han 2023). Content creators bear the full burden of story development; yet, Netflix's exclusive IP control means they may not receive profits commensurate with global success (Han 2023; Park, Kim, and Lee 2023). This dynamic can lead to creator fatigue and frustration (Han 2023).

Fifth, there is unprecedented accessibility for global viewers. OTT platforms such as Netflix simultaneously distribute K-content to viewers in over 190 countries, vastly expanding global access. This shift has enabled K-dramas to move beyond existing fan culture and become integrated into mainstream global media trends. Recommendation algorithms expose new audiences to Korean content, while high-quality subtitling services help non-English-speaking viewers enjoy these works (Park and Hong 2023).

Sixth, production budgets in Korea are typically only one-tenth of those in Hollywood, yet they are rising. Blockbusters with budgets of 2 to 3 million USD, four to five times the usual investment for Korean series, are now possible.

Seventh, the traditional norm of ending a series after one season is fading. If successful, Korean drama series often continue for two or three seasons, for example, *Single's Inferno* reached Season 3, while *Kingdom* produced two seasons.

Eighth, drama production is no longer tied to seasonal advertising cycles. While spring and fall have typically been the peak periods for ad-driven blockbuster launches, OTT dramas can be produced regardless of advertising seasons or budget constraints.

Ninth, episode count and length are increasingly flexible. Whereas Korean dramas normally consisted of 16–20 episodes timed to fit broadcast schedules (e.g., 60 or 70 minutes), OTT originals may have just eight episodes and variable runtime per episode.

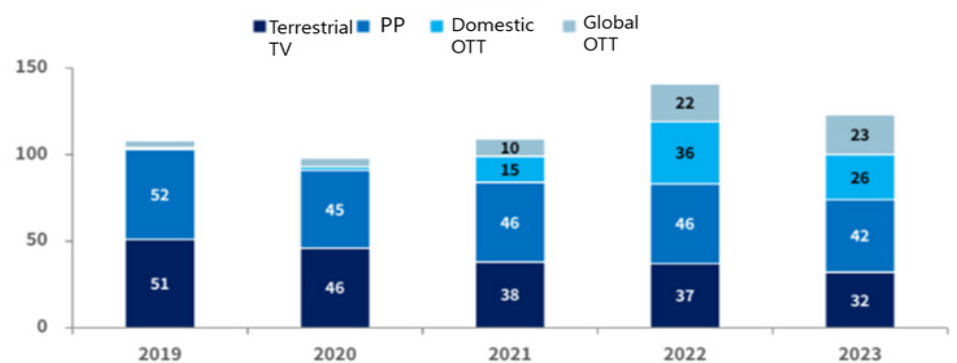
Tenth, products featured in K-dramas are now sold internationally, for instance the traditional Korean hat (“gat”) appearing in period dramas is distributed via Amazon.

Eleventh, Korean production teams’ capabilities are gaining international recognition, with more works debuting in Hollywood, such as CJ ENM’s acquisition of Skydance Television and the production of *The Big Door Prize*.

Twelfth, short-form video content is rising in popularity. As audiences face more viewing options, the consumption of concise, summary videos made by production companies, broadcasters, and viewers themselves has surged.

Lastly, since 2022, overall production has declined. Terrestrial networks and domestic OTT providers have sharply reduced output, largely due to persistent losses exceeding 72 million USD, making such cutbacks unavoidable.

Fig. 1: Annual production of domestic dramas by major platform



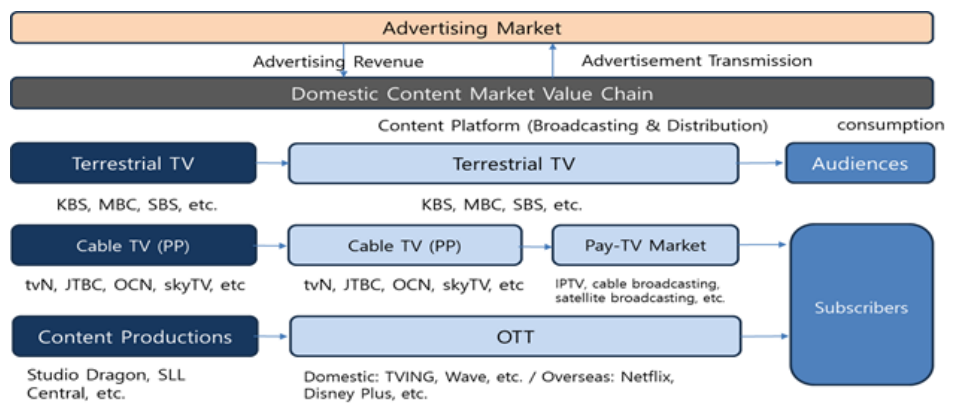
\* As of the time of airing, simultaneous airing is excluded

Source: Han, Bae and Song. (June 13, 2024). p. 10.

### 3. K-Drama Business Model

According to Alexander Osterwalder and Yves Pigneur (2010), a business model is “a logical arrangement of how an organization creates, delivers, and captures value.” Johnson, Christensen, and Kagermann (2008) define a business model as consisting of a customer value proposition and a profit formula, further divided into key resources and key processes. This study will explain the K-drama business model using this framework. Figure 2 illustrates the value chain of K-content, which is similar to the C-P-N-D (Creation-Production-Network-Distribution) model used in the content industry.

Fig. 2: Value chain of the domestic content market



Source: Han, Bae, and Song. (June 13, 2024), p. 5.

The business model of K-drama varies depending on the producer. Production entities are largely divided into broadcasters and production companies. When broadcasting companies take the lead, they either plan and produce the drama themselves or collaborate with an outsourced production company that secures the copyright for a planned drama and promotes it. When production companies are the main agents, they take all the risks involved in production.

K-drama profits usually end within a few months after the drama airs, limiting the potential for generating additional revenue. Historically, the primary method for generating real profits has been through increasing revenue from overseas sales. After *Winter Sonata* was broadcast in Japan in 2002, drama sales increased rapidly, and a similar trend occurred after *My Love from the Star* became popular in China in 2014. However, the Korean Wave cooled down in both countries due to political issues.

Since then, Netflix has expanded the production of high-budget dramas in Korea, allowing domestic production companies to earn about 10% of the production cost. However, without IP rights, it is impossible to generate further profits even if the drama becomes a major success.

### 3.1 K-Drama IP Ownership Types

There are three major forms of K-drama IP ownership. First, broadcast dramas were initially produced entirely by television networks, which retained all the necessary resources, such as writers, directors, and actors. Over time, as various production elements broke away from broadcaster monopolies, outsourced production began to emerge.

The first outsourced production company, Cinetel Seoul, was established in 1984, and KBS's *My Star in the Sky*, produced by Samhwa Networks in 1987, became the first outsourced Korean drama. In 1991, the government announced a minimum of 3% outsourcing rate for drama production (Cho 2013), and this ratio has continued to rise, currently reaching as high as 35% for channels such as KBS2TV.



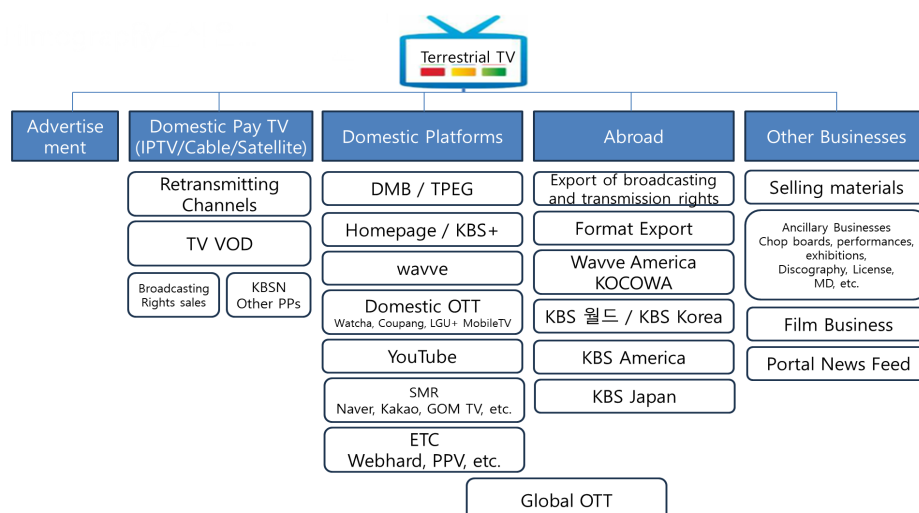
Table 1: Proportion of purely outsourced production programs

KBS1TV	KBS2TV	MBC, SBS	EBS
19% or more per semester	35% or more per semester	30% or more per semester	30% or more per semester

Source: Notice on Programming of Broadcast Programs, etc.

Broadcasters invest production budgets to acquire copyright ownership, which serves as the foundation for their content business and revenue generation. As depicted in Figure 3, sources of income include advertising, domestic paid-TV sales (such as retransmission and broadcasting rights), domestic platform sales (including local OTT services, YouTube, and SMR), overseas sales (covering broadcasting rights, transmission rights, and format licensing), and other channels, such as live performances, publications, and film adaptations.

Fig. 3: Income Window for KBS Dramas



Source: Compilation of internal data.

Table 2: Revenue Generation Status of *Dae Jang Geum*

(USD in million)							
Advertis- ing	Over- seas Sales	Internet Ser- vices and Mo- bile Games	Merchandis- ing	Perfor- mances	Publica- tions	Tour- ism	Total
18.0	9.1	1.1	2.2	0.4	0.9	2.0	33.6

Source: Ko (2009, p. 29.)

Until the early 2010s, dramas functioned as a cash cow for broadcasters. However, since 2020, soaring production costs have rendered dramas increasingly unprofitable for broadcasting networks. When broadcasters face financial difficulties, they often sell broadcasting rights at low prices; notable examples include KBS's *Boys Over Flowers* (2008) and *Sungkyunkwan Scandal* (2010).

Secondly, in cases where the production company holds the IP, producers

generally prefer to retain IP rights, especially when casting Hallyu stars or producing works by top writers. When a production company owns the IP, the broadcaster typically signs a contract allowing three broadcasts over two years. The production company, apart from receiving modest revenue from broadcasting-rights sales, must directly oversee distribution, which was formerly handled by the broadcaster. Internationally, distribution is usually managed through a licensing agency.

If the production company retains the IP and the drama achieves success, it can generate far greater revenue than if the IP had been transferred to the broadcaster. *Boys Over Flowers* stands out as a prime example, continuing to generate returns long after its initial release due to its enduring popularity. However, this approach entails considerable risk for smaller producers. If a drama does not perform well, they may incur significant losses or even face bankruptcy.

Thirdly, joint investment structures are also employed. In accordance with Article 43 of the *Framework Act on Promotion of Cultural Industries*, specialized cultural-industry companies may be established for drama production. These companies manage assets for specific cultural projects and distribute profits to investors, employees, and shareholders. The major advantage is that, if over 90% of profits are distributed, those dividends are exempt from corporate tax.

An example is KGCS (KBS Global Content Syndication), a cultural-industry company established with 7.2 billion USD in capital, which has produced numerous dramas. One representative case is *Descendants of the Sun* (2016), jointly financed by KBS and NEW on a 50:50 basis, with profits and business activities shared equally between them. To date, the company continues its operations, generating ongoing returns without liquidation.

### 3.2 Changes in K-Drama IP Ownership due to Global OTT

The entry of global OTT platforms has triggered fundamental changes in the traditional K-drama business model, particularly concerning IP rights.

First, issues of IP acquisition and exclusivity have come to the fore. Netflix generally secures most IP rights when investing in Korean original series, adopting a contract model that grants the platform dominant control (Park et al. 2022). As a result, Korean production companies struggle to capture revenues proportional to their content's global success, with limited opportunities for ancillary business and secondary monetization. For instance, despite the worldwide success of *Squid Game*, Netflix's ownership of the IP meant that Korean producers did not receive income commensurate with its international impact (Nam et al. 2023).

Second, there has been a transition from export-oriented revenues to platform dependency. In the past, the primary business model for K-dramas relied on advance sales of broadcasting rights to Asian markets, such as Japan and China. However, deteriorating Korea-Japan relations and China's ban on Korean content have shrunk these markets, leading Korean studios to increase reliance on global OTT platforms like Netflix. While this multiplies overseas channels for Korean content, it simultaneously raises concerns over deepening dependence on global platforms (Kim 2022).

Third, apprehensions have grown about platform imperialism and the marginalization of Korean production companies. Netflix's aggressive content strategy risks steering the Korean media industry toward platform imperialism (Park et al. 2023; Kim 2022). By relying on the immense capital of global OTT platforms,



Korean producers may ultimately be relegated to the role of subcontractors, raising fears about weakening innovation and independence, and about a narrowing of creative expression to fit platform preferences (Kim 2022).

The business model for K-dramas now encompasses diverse patterns. However, with rapidly rising production costs, both production companies and broadcasters are shouldering heavier financial burdens, and the share of IP rights allocated to production entities is increasing, even in broadcaster-led models.

## 4. Changes in the K-Content Production Process

### 4.1 Characteristics of K-Content Production Process

K-content production originally adopted the American system when Korean TV broadcasting began in the 1960s, but the production processes have undergone significant changes since the 1980s. The most notable distinction is that Korean dramas are typically produced in the form of mini-series, while the U.S. follows a season-based system. Because Korea does not use a season system, new dramas are continually produced. In contrast, the U.S. produces and airs only one season per year, for example *Law and Order*, which started in 1990, briefly went on hiatus, and continued for up to 26 seasons (Yu 2013).

In Korea, scheduling decisions for new dramas are made after reviewing scripts, whereas in the U.S., commissioning depends on the success of a produced pilot episode. Prior to the introduction of the 52-hour workweek regulation in 2018, Korean broadcasters could greenlight a new drama with only one or two scripts, but since then, at least four scripts are required. In the U.S., only one script is used, since production begins with the pilot.

The standard number of episodes per season is typically 16 in Korea, compared to approximately 22 in the U.S. Korean writers and directors generally oversee all episodes uniformly, whereas in the U.S., different teams handle individual episodes. Both production companies and studios can produce content in Korea, but in the U.S., production is primarily conducted within studios.

Regarding IP ownership, in Korea, either broadcasters or production companies hold IP rights, whereas in the U.S., studios retain ownership and generate revenue through those rights (Yu 2013).

Table 3: Differences in Korean and American Drama Production

	Korean Dramas	American Dramas
Production Format	Mini-series	Season-based system
Programming Confirmation	After reading the script	After reviewing the produced pilot
Number of Scripts Required	4 basic scripts (post-2018)	1 script (pilot)
Standard Number of Episodes	16	Around 22
Creative Roles	Same writer and director for all episodes	Different teams for each episode
Pilot System	No	Yes
Production Entities	Production companies and studios	Only studios

IP Ownership	Broadcasters or production companies	Studios
Distribution	Simultaneous with broadcast	Syndication after 5 years

Distribution methods also differ significantly between Korea and the United States. In Korea, dramas are distributed online almost simultaneously with their broadcast, and most revenue streams, such as advertising, product placement, sponsorship, broadcasting rights, cable sales, and overseas sales, are secured before airing. This makes elements like the script and casting critically important. If a drama gains popularity during its broadcast, sales to countries where the rights were not initially sold can increase after the broadcast.

In contrast, in the U.S., dramas are not widely distributed domestically outside platforms such as Hulu or the network's own OTT service, as networks prioritize maximizing advertising revenue during the original broadcast.

Korean production companies must generate profits from every drama they produce. However, American studios rely on a season-based system to create revenue. Typically, significant profits are not realized until around the second season, with major earnings beginning from the third. After approximately five years, studios also generate additional revenue through syndication. It is even said that if a show continues through a fifth season, its showrunners can earn copyright income sufficient to support up to three generations.

#### 4.2 Changes in the K-Drama Production System

Global OTT platforms have brought significant changes to the production system of K-dramas. First, the spread of pre-production systems has been prominent. Traditional Korean drama production relied heavily on “live scripts” and last-minute live filming, leading to frequent script changes and potential declines in production quality, sometimes resulting in on-air errors. However, with the introduction of the 52-hour workweek in 2019 and the adoption of Netflix's pre-produced content model, pre-production has become the standard practice. Especially as viewers prefer the binge-watching format, in which entire series are consumed at once, Netflix consistently has employed pre-production. This shift has allowed production companies to work in more stable and less pressured environments.

Second, there have been changes in episode length and storytelling methods. Previously, Korean dramas typically consisted of 16 to 20 episodes, with cliffhangers at the end of each episode to maintain audience anticipation. Netflix introduced flexibility in episode count and running times, producing shorter series of six to eight episodes, such as *Kingdom* and *Sweet Home*. The reduction in episode count has facilitated more directors from the film industry in transitioning to drama production. Moreover, with binge-watching becoming the dominant viewing style, the pressure to include cliffhangers at episode endings has lessened, resulting in shifts in storytelling approaches (Park et al. 2023).

Third, the development process has been strengthened, and opportunities for emerging creators have expanded. Traditionally, Korean TV broadcasters tended to select production companies centered around top-tier writers, directors, and actors. This tendency still remains strong. However, Netflix has successfully collaborated with smaller production companies with solid story ideas, such as those behind *School Tales* and *Extracurricular*, reducing dependence on star power and offering

competitive opportunities to emerging creators (Kim 2022).

Fourth, rapidly rising production costs have increased dependence on Netflix. Netflix's substantial investments in dramas have driven the labor costs of top-tier writers, directors, and actors to soaring levels. This escalation in production budgets has created a vicious cycle, making production companies more reliant on Netflix (Kim 2022).

## 5. Key Characteristics of K-Content

K-dramas have gained immense popularity globally beyond their success in East Asia, where the Korean Wave originally flourished. Douglas Mendoza, Programming Director at WIPR TV in Puerto Rico, once expressed his surprise and admiration for the exceptionally high production quality of Korean dramas during a meeting with the author in 2017.

According to FlixPatrol data, the number of K-content titles ranked among the global top 100 has steadily increased: 16 titles in 2022, 18 in 2023, and 19 in 2024. In 2024, notable rankings include *Queen of Tears* at 11th place, *Mom's Friend's Son* at 17th, and *Now, We Are Breaking Up* at 24th. This growing presence positions K-content as a dominant force internationally, ranking highest among all countries except the United States.

Table 4: K-content of Netflix Top 100

2024 (19)		2023 (18)		2022 (16)	
Rank	Title	Rank	Title	Rank	Title
11	Queen of Tears	6	The Glory	9	All of Us Are Dead
17	Love Next Door	9	King the Land	11	Extraordinary Attorney Woo
24	When the Phone Rings	27	True Beauty	15	Business Proposal
26	Miss Night and Day	30	My Demon	23	Alchemy of Souls
30	Doctor Slump	31	Physical: 100	33	Young Lady and Gentleman
46	Parasyte: The Grey	37	Strong Girl Nam-soon	45	Twenty Five Twenty One
54	Hierarchy	47	Destined with You	51	Little Women
55	The Atypical Family	54	Doctor Cha	53	Money Heist: Korea - Joint Economic Area
68	My Demon	57	Bloodhounds	55	Money Heist: Korea - Joint Economic Area
69	Physical: 100	64	Crash Course In Romance	75	Narco-Saints
75	The 8 Show	66	Mr. Queen	76	Forecasting Love and Weather
97	A Killer Paradox	67	The Good Bad Mother	80	Shuroop
106	Welcome to Sam-dal-ri	77	Mask Girl	89	Tomorrow
108	True Beauty	86	Celebrity	92	Happiness
112	Captivating the King	89	Black Knight	93	Our Blues

113	Gyeongseong Creature	90	The Uncanny Counter		
119	Bequeathed	95	See You in My 19th Life		
133	Single's Inferno	96	Castaway Diva		
144	BITCH X RICH				

Kwon et al., in their study on the success factors of dramas, stated that “the creation of attractive characters is a prerequisite for ensuring the audience’s interest in dramatic situations, and when characters’ unique personalities are combined with a novel and structurally sound storyline, the drama not only achieves high viewership ratings but also attains artistic excellence.” Additionally, experts identified the core factors necessary for success in terms of ratings as follows: content completeness (theme, message, story composition) ranked highest, followed by the importance of human-resource composition (capabilities of producers and writers, effective networking among staff), and finally programming factors (preceding and succeeding time slots, counter-programming) (Kwon, Park, Yoon, and Kim 2009).

It may be more appropriate to evaluate these characteristics through the eyes of overseas scholars. In an interview with Bae (2024), Sam Richards stated that the factors enabling Korea to emerge as the center of world pop culture in such a short period of time were “the high quality and attractiveness of Korean cultural content, evoked human emotions and empathy,” and a “special value deeply rooted in Korean traditional culture.” He also highlighted “the concept of ‘wholesomeness’ as a contributing factor to the success of Korean content. Korean dramas often focus on themes of family, friendship, and overcoming challenges, providing a sense of comfort and positive emotions for viewers compared to shows in other countries that might heavily rely on violence or explicit content” (Richards 2022).

This perspective aligns with *IndieWire*’s reaction when the remake of *The Good Doctor* was broadcast in the United States. The publication described it as “Warm Bath TV”: solid storytelling that makes viewers feel good, particularly in a world where they’re constantly being assaulted by distressing headlines” (Schneider 2017).

Peri Luigi Sacco (2022) argued that “showing what happens in a specific place, Korea, attracted greater attention and provided added value.”

Netflix’s co-CEO Ted Sarandos remarked how “[i]t’s amazing that our love of stories is having a positive impact on the world’s interest in Korea,” attributing this success to “the storytelling skill of Korean creators” (Korea Creative Content Agency 2023).

Adam Steinman (2022) pointed out that the global success of Korean romantic comedies played an important role in changing the preferences of Western audiences. He noted that “[v]iewers are increasingly seeking out stories that offer a blend of romance, humor, and emotional depth, a niche that Korean rom-coms excel at filling.”

Korean content appears to follow the law of MAYA (Most Advanced Yet Acceptable), mentioned in Derek Thompson’s book *Hitmakers* (2017). According to this principle, people are attracted to products that are both bold and easy to understand, preferring those they can easily accept.

Korean content has skillfully utilized glocal storytelling strategies while achieving global success. This strategy includes a local foundation and universal empathy. Netflix’s distribution of Korean content to 190 countries around the world and the

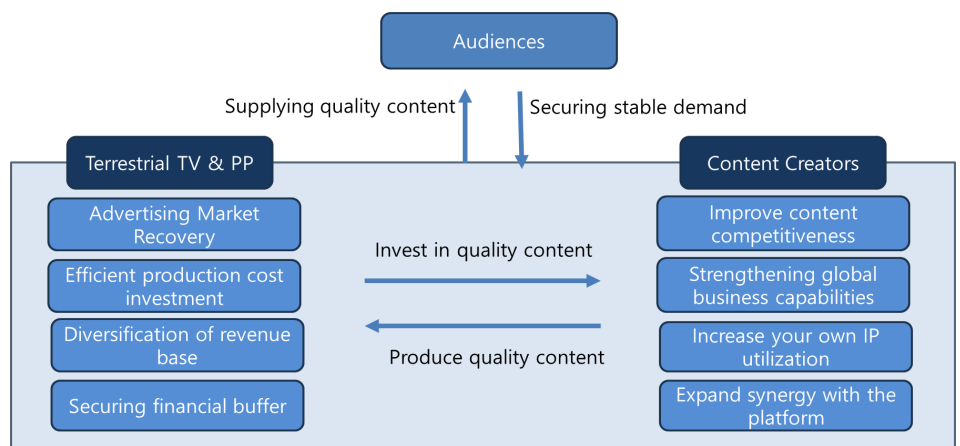
provision of subtitles and dubbing in 20 to 30 languages are also major factors that have helped Korean content gain worldwide popularity.

Additionally, Korea boasts a highly competitive broadcasting environment, with 141 new drama titles produced in 2022. This provides an average of fifty-two new episodes per week, offering viewers a wide variety of options. Unlike other countries, Korea airs episodes twice a week. This competitive environment forces broadcasters to constantly innovate and produce high-quality content to capture audiences' attention.

## 6. Conclusion

As discussed thus far, the K-content business is undergoing significant transformations in the OTT era. Most notably, declining broadcast viewership has caused a sharp drop in advertising revenue, necessitating the discovery of new funding sources or an innovative restructuring of production systems. Leading media companies, such as CJ ENM's Studio Dragon, JTBC's SLL JoongAng, KBS's Monster Union, SBS's Studio S (drama) and Studio Prism (variety), and MBC's Most 267, are transitioning into a studio system to respond to these industry changes.

Fig. 4: Virtuous-Cycle Structure of the Korean Media and Content Industry



Source: Han, Bae and Song. (June 13, 2024), p. 16.

The traditional broadcast advertising market centered on legacy media is unlikely to avoid a downward trend in the future. To overcome this, concerted efforts from the media industry and regulatory authorities are essential, with an urgent need to diversify revenue sources beyond conventional advertising. Introducing new advertising sales methods that reflect the effectiveness of digital ads, aligned with changing consumer media consumption patterns, as well as expanding sales programs based on these methods, is critically needed.

Furthermore, because the broadcasting industry operates under strong legal and institutional regulations, and government policy directions significantly influence broadcasters' business environments, the government's role in strengthening industry competitiveness is vital. Institutional support must ensure that domestic broadcasters secure sufficient capital to compete with global media corporations. Advertising regulations should also be reviewed to facilitate expanded revenue bases and diversified income streams.

Recently, the Netflix original series *KPOP Demon Hunters* achieved global hit status, demonstrating that K-content plays a significant role in streaming advertising in the U.S. market. The 2024 Variety report *Entertainment Everywhere* highlights K-content as a major contributor to the “content across continents” category for TV and movies. Disney+ has also announced ambitious plans to expand its Korean content lineup. The global popularity of K-content remains a persistent phenomenon.

Based on the above discussion and the dominant position of the global OTT platform Netflix in the Korean content market, this paper proposes sustainable development strategies for K-content. First, strengthening the acquisition and utilization of IP rights is crucial. Currently, Korean producers creating Netflix originals are compelled to relinquish IP rights in accordance with Netflix’s requirements. This results in lost opportunities for long-term, IP-based business and revenue expansion. Therefore, Korean content producers should build business models that secure their own IP and utilize it in a variety of ways.

Second, reinforcing and integrating domestic OTT platforms is necessary. To compete against global OTT platforms, Korean OTT services must strengthen their competitiveness. Although Tving and Wavve planned a merger in 2023, it has yet to materialize. Through integration, they should expand their market share by producing differentiated original content and improving the user experience.

Third, cooperation among Asian countries sharing cultural affinities is vital. Strategies to discover and secure original IP in markets such as Indonesia, Thailand, and India should be pursued. Priority should be given to cultural compatibility to appeal not only to Korean audiences but also to global viewers.

Fourth, continued governmental support and policy responses are essential. The Korean government provides financial and policy support to nurture the domestic OTT sector, such as expanding production tax credits up to as much as 30%. These policies aim to strengthen the domestic creative ecosystem and counteract so-called platform imperialism.

Fifth, to reduce dependence on global platforms, Korean content producers need to develop and produce content capable of achieving economies of scale. Content that embeds social awareness and universal messages resonates with global audiences, further fortifying the transnational cultural power of K-dramas.

In conclusion, while global OTTs in the era of platform capitalism offer many opportunities for K-drama production methods and business models, they also pose serious challenges in the form of “platform imperialism.” For K-dramas to move beyond being mere subcontractors and become sustainable growth engines, it is imperative to actively pursue IP acquisition, strengthen domestic platform competitiveness, foster transnational collaboration, and secure proactive governmental support.



## References

- Cho, Junsang. 2013. 방송프로그램 외주제작제도의 쟁점 및 개선방안 [Issues and Improvement Plans for the Broadcast Program Outsourcing Production System] [in Korean]. Seoul: National Assembly Legislative Investigation Office. [https://www.nars.go.kr/brdView.do?cmsCd=CM0019&brd\\_Seq=9966](https://www.nars.go.kr/brdView.do?cmsCd=CM0019&brd_Seq=9966)
- Han, Benjamin M. 2023. “Is Netflix Riding the Korean Wave or Vice Versa? Netflix Korea and Platform Creativity.” *International Journal of Communication*, 17 (2023), 6934–6951. Retrieved from: <https://ijoc.org/index.php/ijoc/article/view/20720/4395>
- Han, Hyeon-Su, Seong-Jin Bae, and Jong-Hyu Song. 2024, June 13. 방송광고시장 침체와 콘텐츠 투자부담 심화의 이중고에 직면한 미디어 업계 [Media Industry Facing a Double Whammy of a Depressed Broadcast Advertising Market and Increased Content Investment Burden] [in Korean]. *Korea Ratings Issue Report Corporate*. [https://www.korearatings.com/cms/frCmnCon/index.do?MENU\\_ID=530#none](https://www.korearatings.com/cms/frCmnCon/index.do?MENU_ID=530#none);
- Jung, Gil-Hwa. 2019. Facebook. Retrieved from: <https://www.facebook.com/share/p/8hcDfq9oD6MMhiDV/?mibextid=oFDknk>
- Jin, Dal Yong. 2023. “Netflix’s Effects on the Korean Wave: Power Relations between Local Cultural Industries and Global OTT Platforms.” *Asian Journal of Communication*, 33(5), 452–469. <https://doi.org/10.1080/01292986.2023.2232368>
- Johnson, Mark W., Clayton. M. Christensen, and Henning Kagermann. 2008. “Reinventing Your Business Model.” *Harvard Business Review*. Retrieved from: [https://www.kth.se/social/files/546b8d4cf27654577c218c4c/Johnson+et+al+\(2008\).pdf](https://www.kth.se/social/files/546b8d4cf27654577c218c4c/Johnson+et+al+(2008).pdf)
- Kim, Taeyoung. 2022. “Cultural Politics of Netflix in Local Contexts: A Case of the Korean Media Industries.” *Media, Culture and Society*, 44(8), 1508-1522. <https://doi.org/10.1177/01634437221111917>
- Ko, Jeong Min. 2009. “The Study on the Economic Effect of Drama ‘Dae Jang Gum’.” [in Korean]. *Journal of Cultural Industry Studies*, 9(1), 19-35.
- Korea Creative Content Agency 2025. 2023년 기준 콘텐츠산업조사 [2023 Content Industry Statistics] [in Korean]. *Korea Creative Content Agency*. <https://www.kocca.kr/kocca/bbs/view/B0158948/2009343.do?searchCnd=&searchWrd=&cateTp1=&cateTp2=&useYn=&menuNo=204156&categorys=0&subcate=0&cateCode=&type=&instNo=0&questionTp=&ufSetting=&recovery=&option1=&option2=&year=&morePage=&qtp=&domainId=&sortCode=&pageIndex=1>
- Kwon, Ho-Yeong, Woo-Jin Park, Seok-Jin Yoon, and Suk Kim. 2009. 드라마 성공요인 분석 [Analysis of the Success Factors of Dramas] [in Korean]. *Korea Creative Content Agency*. <https://www.kocca.kr/kocca/bbs/view/B0000147/1200870.do?searchCnd=&searchWrd=&cateTp1=&cateTp2=&useYn=&menuNo=204153&categorys=0&subcate=0&cateCode=&type=&instNo=0&questionTp=&ufSetting=&recovery=&option1=&option2=&year=&morePage=&qtp=&domainId=&sortCode=&pageIndex=153>
- Nam, Jinyoung, Dan Ro, and Yoonhyuk Jung. 2023. “Netflix’s Presence: Investigating Content Producers’ Understanding of Netflix in the Korean Media Industry.” *Telecommunications Policy*, 47(4). <https://doi.org/10.1016/j.telpol.2023.102525>
- Osterwalder, Alexander, and Yves Pigneurand. 2010. *Business Model Generation: A Handbook for Visionaries, Game Changers and Challengers*. Hoboken, NJ:

Wiley.

- Park, Ji Hoon, Kristin April Kim, and Yongsuk Lee. 2023. “Theorizing the Korean Wave: Netflix and Platform Imperialism: How Netflix Alters the Ecology of the Korean TV Drama Industry.” *International Journal of Communication* 17, 72-91. <https://ijoc.org/index.php/ijoc/article/view/18468>
- Park, Sojeong, and Seok-Kyeong Hong. 2023. “Reshaping Hallyu: Global Reception of South Korean Content on Netflix.” *International Journal of Communication*, 17, 6952–6971.
- Park, Seoyeon, Hyejin Jo, and Taeyoung Kim. 2023. “Platformization in Local Cultural Production: Korean Platform Companies and the K-Pop Industry.” *International Journal of Communication*, 17, 2422-2443. Retrieved from: <https://ijoc.org/index.php/ijoc/article/view/20785>
- Richards, Sam. 2022. “K-Content: The Charm and Future of Hallyu.” 2022 *Global Content Conference* by Korea Creative Content Agency. Retrieved from: [https://www.youtube.com/watch?v=CW6qF\\_co84wandt=2152s](https://www.youtube.com/watch?v=CW6qF_co84wandt=2152s)
- Sacco, Pier Luigi. 2022. Keynote Speech during the 1st K-Culture Conference, April 27. *Korea Tourism Organization*. Retrieved from: <https://www.youtube.com/watch?v=7BSzza3vXx8andt=2508s>
- Schneider, Michael. 2017. “‘The Good Doctor’ Phenomenon: Creator David Shore Says He Couldn’t Have Made This Show a Decade Ago, but Now It’s a Hit.” *IndieWire*, November 6. <https://www.indiewire.com/features/general/the-good-doctor-david-shore-freddie-highmore-abc-ratings-1201894796/>
- Steinman, Adam. 2022. “What American Studios Think of Korean Broadcast Content.” 2022 *Global Content Conference* by Korea Creative Content Agency. Retrieved from: [https://www.youtube.com/watch?v=CW6qF\\_co84wandt=4739s](https://www.youtube.com/watch?v=CW6qF_co84wandt=4739s)
- Thompson, Derek. (2017). *Hit Makers: The Science of Popularity in an Age of Distraction* New York: Penguin Press.
- Wei, Mengzhen and Seungjae Cha. 2025. “Korean OTT Landscape: A Study of Contemporary Trends and Market Dynamics in OTT’s in South Korea.” *Mediterranean Archaeology and Archaeometry*, 25(2), 232-241.
- Yu, Konshik. 2013. 미드와 한드, 무엇이 다른가: 미국과 한국의 드라마 제작 환경 [What are the Differences between American and Korean TV Drama Series?] [in Korean]. Paju-si, Gyeonggi-do: Hanul Academy.
- Yu, Konshik. 2017. 한류의 성장: K-드라마와 K-Pop을 중심으로: 국민과 함께한 KBS 20년:1997-2017 [The Growth of Hallyu: Focusing on K-dramas and K-pop. 20 Years of Broadcasting with the People: 1997-2017.] [in Korean] *KBS Broadcasting Research Institute*.