Korean Webtoons: Explaining Growth

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Introduction

Webtoons, a portmanteau of "web" and "cartoons," are a common element of everyday life and practice in South Korea (hereafter, Korea), with most estimates claiming that one in three people in the entire country read them at least once a day. The Korean government has spotlighted webtoons as one of the fastest growing sectors among the cultural industries, and announced in May 2014 a new public subsidy and investment programs to support and promote webtoon authors.[1] Otherwise known as mobile cartoons, digital comics, *web manhwa* in Korean, and *keitai manga* in Japanese, webtoons are distinguished not only by the language and the site of production, but by the use of the web format to alter, at least in many cases, presentation, through vertical scrolling and use of multimedia visual and sound effects such as flash animation, sound, and touch reaction buttons.

The market for webtoons has grown by roughly fourfold from around ₩10 billion (roughly $10 million USD) in 2009 to ₩42.5 billion (roughly $42 million USD) in 2013. Given that the world comics market in print is declining (8.4% drop in 2012), while digital comics market is increasing at around the same rate (8.8% in 2012), Korea's webtoon growth rates are well ahead of the market trends of other major comics markets such as Japan, U.S., Germany, and France.[2] The success broadcast in 2014 of the live-action TV dramatization of the popular webtoon by Yoon Tae-Ho (Yun T'ae-Ho; 윤태호),[3] *Misaeng* (*Incomplete Life*), along with previous commercial successes with film and TV versions of other webtoon titles, have further fuelled the excitement about the potential for future One-Source Multiple Uses (hereafter, OSMU) benefits. Korea's largest internet search engine and web contents company, Naver, began exporting webtoons to English and Chinese language markets via its Line Webtoons portal in mid-2014, while its main competitor, Daum, released a Chinese version of its webtoons portal in mid-2015.[4] Leading with *Moss* (이끼), another hit title by Yoon Tae-Ho that ran from 2007 to 2009, the U.S. online news portal *Huffington Post* debuted English versions of several Daum Korean webtoon titles in summer 2015. Korean webtoons have also become benchmarked internationally. Even before making a splash in Europe at the 2013 Angoulême International Comics Festival, the third largest comics festival in the world, and the Frankfurt Book Fair, the world's largest book fair, Korean webtoons had inspired the French site Delitoons, which explicitly acknowledges its indebtedness to the "Korean model."[5]

How did webtoons become one of the fastest growing sectors in Korea? The article answers this question by argu-

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1 ） 文化体育観光部「文体部 漫画産業 売上額 1兆 원 目標 中長期 計画 発表」2014.05.28.
2 ） 韓国コンテンツ振興院『2014 漫画 産業白書』(韓国コンテンツ振興院, 2014).
3 ） Korean names are transliterated in the most commonly found Romanization, followed by the McCune-Reischauer version if different, than the Han'gŭl.
4 ）「人気 웹툰 '라인 웹툰'에서 中国語와 英語로 만나자!」『韓国経済』2014.07.02; and "Daum Kakao brings Daum Webtoon comics to major Chinese platforms," *Kakao Press Release*, 2015.04.14.
5 ） Delitoon, a propos: http://www.delitoon.com/a-propos.html. See also, Frédéric Ojardias, "Les webtoons, la BD numérique à la Coréenne," *Mouv*, 2014.03.12

ing that four sets of factors have combined to propel the growth of webtoons. First, digital infrastructure in the form of broadband Internet diffusion and speed and smartphone diffusion produced the necessary conditions for the growth of webtoons. Second, the business model of production and distribution has benefitted from intense domestic competition, leading to constant innovations in OSMU, incorporation of digital and mobile technologies, while dispersing risk and centralizing operations to create low operating leverage. Third, government policies have had some tertiary effects in helping foster the growth of webtoons via support for manhwa courses and programs, investment into the information communications technology infrastructure, support for exhibitions overseas, and new subsidy programs announced in 2014. However, new government subsidies earmarked specifically to foster the webtoon industry have only been announced in the last two years, meaning that the much of the previous innovation and growth have been fostered by the private sector. Fourth, the talents of individual authors and artists remain essential to the success of any webtoon title. Surveys indicate that compelling storytelling and captivating artwork remain the major draws for readers to specific webtoon titles and portals, regardless of whether these are one-person production, collaborations, or studio/team creations.

The emphasis on the multiple sources of the growth means that each of these four components are necessary but not sufficient conditions on their own. Such an argument partially diverges from perspectives that emphasize the innovations in the content or the role of government policies in promoting cultural industries in general or webtoons in particular.[6] As noted above, government policies have played a supporting if tertiary role in the growth of webtoons, and the contents of individual webtoon titles and textual analysis of genres are important, and as an empirical observation, it is useful to note that, for example, in comparison to their French counterparts, Korean webtoons are more systematic in their use of vertical scrolling and web tools.[7] But state policies, interface innovations, or new contents were not singularly or even predominantly responsible for the growth of webtoons, but worked in combination with other factors. It should be noted that this article does not address other questions such as the degree of difference, if any, between *manga*, *manhwa* and comics; the forms and the extent of "Koreanness" of *manhwa* and webtoons as content and format; and space does not allow for in-depth textual analysis of specific titles or the entire oeuvre of a webtoon author or artist. The terms "*manhwa*" and "comics" are used in this article as synonyms for comics originally written and drawn in Korean in print and/or online, and "webtoons" to refer to Korean comics that originally appeared online, even if most of the hit titles are published in print during or after the serialized run of the webtoon.

1. Infrastructural Pre-conditions: Internet and Smartphone Diffusion

Korea's digital infrastructure allows for convenient and fast usage of digital and mobile content and online viewing, with first, high diffusion of broadband, second, fast speed in Internet connection, and third, high levels of smartphone usage, especially among the age groups that read webtoons. This is particularly important for webtoons as the *manhwa* market in Korea is dominated by online access. According to the Korea Creative Content Agency's (hereafter, KOCCA; 한국콘텐츠진흥원) *2014 Cartoon Industry White Paper*, online viewing of comics/*manhwa* accounted for 62% of the total

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6) See for example, Jin Dal Yong, "The Power of the Nation-state amid Neoliberal Reform: shifting cultural politics in the new Korean Wave," *Pacific Affairs*, 87, 1 (2014): 71-92; and 최유남 「웹툰에 나타난 연출의 특징 : 강풀, 강도하, 양영순을 중심으로」 『한국만화애니메이션학회 학술대회자료집』 (2011.12): 17-26.
7) 윤보경 「디지털 화면에 구현된 한국의 웹툰과 프랑스 만화의 차이점」 『만화애니메이션연구』 32 (2013): 91-119.

comics market, while print access totaled 38%. Sites of viewing for webtoons (not print comics) were concentrated in the home and in commute, accounting for 64.4% and 24.2% of accesses respectively.[8] Along with storytelling and famous webtoon artists, convenience of access to content was a key criterion for users, thus making the digital infrastructure a precondition for the growth of webtoons.[9]

First, Korea's broadband diffusion rate is clearly among the highest in the world, and provides the infrastructure for convenient viewing of webtoons in the home. 2014 data shows that Korea has the highest fixed broadband diffusion rates in Asia at 38.78 for every 100 inhabitants 2014 (see Table 1 below).[10] Korea also has the highest rates of Internet access in the home at 98.5%, topping countries such as Japan (96.7), Iceland (96.4), Saudia Arabia (94.0), Denmark (92.7) and Singapore (87.2).[11]

Table 1: Fixed Broadband Connection per 100, selected countries 2014 (Unit: %)

Korea	Taiwan	HK	Japan	Singapore	China	France	UK	US
38.78	31.90	31.25	29.31	27.70	14.38	40.18	37.38	30.37

Source: Adapted from International Telecommunications Union, *Fixed Broadband Subscriptions, 2000-2014*: https://www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx[12]

Second, fast Internet speed allows for more efficient download of webtoons, webtoon viewing applications, smoother use of flash animation, video, and sound effects. There is considerable competition among the six major commercial Internet providers for speed and rates.[13] 2014 data indicates that Korea had the fastest Internet speed in the world at 25.3 Mbit/s (Megabits per second), well ahead of the next several countries, such as Hong Kong (16.3 Mbit/s), Japan (15.0 Mbit/s), Switzerland (14.5 Mbit/s), or Shanghai, the city with China's fastest Internet connection (11.1 Mbit/s).[14]

Third, the smartphone has been the favored interface device for reading or viewing. 2015 KOCCA survey data indicates that smartphone views were either the most or second most popular device for viewing webtoons, with 94.8% of respondents placing smartphones among the first two devices used for access, followed by desktop computers at 59.4%, laptops/notebook computers at 33.2%, and tablets at 12.1%.[15] Korea's diffusion rates for smartphones are high. According to the KT Economic Research Institute's *2015 1st half IT Report*, Korea has a smartphone diffusion rate of 83.0%, 4th in the world after UAE (90.8%), Singapore (87.7%), and Saudi Arabia (86.1%). Other countries with significant consumption of comics have lower diffusion rates for smartphones: Hong Kong (78.9), Taiwan (78.3), China (74.0), U.K. (71.1), U.S. (70.7), Germany (64.7), France (62.0), and Japan (53.9).[16] In contrast to Korea, while Japan accounts for

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8) 한국콘텐츠진흥원『2014 만화 산업백서』(한국콘텐츠진흥원, 2014).

9) 채정화, 한창완, 이영주「웹툰 서비스의 사용편리성과 상호작용적 행위가 서비스 만족과 지불의사에 미치는 영향」『만화애니메이션연구』38 (2015): 259-286.

10) International Telecommunication Union, *ICT Facts & Figures: The world in 2015* (Geneva: International Telecommunication Union, 2015): 5.

11) International Telecommunications Union, *Core Household Indicators*, https://www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx

12) Four European countries, Denmark, France, Netherlands, and Switzerland had broadband diffusion over 40%, and European microstates such as Monaco, Gibraltar, and Lichtenstein also have smartphone diffusion rates over 40%. In 2014, Bermuda had the highest broadband diffusion rate in the world at 53.06.

13) 한국인터넷진흥원『한국인터넷 백서』(한국인터넷진흥원, 2015): 386.

14) Akamai Technologies, *2014 State of the Internet Report* (Akamai Technologies, 2014); and「中国宽带平均网速逼近 8M 大关 上海北京最快」『腾讯科技』2015.10.30.

15) 한국콘텐츠진흥원『웹툰 산업 현황 및 실태조사』(한국콘텐츠진흥원, 2015): 124.

16) KT 경제연구소『2015 년 상반기 모바일 트렌드』(KT 경제연구, 2015): 4.

40.1% of the world's comics market, its indigenous and Japan-only "Galapagos" IT mobile phones, such as those with NTT's iMode, dominate the domestic market, explaining the low diffusion rates for smartphones in the country.[17] Another indication of the near saturation levels of smartphone diffusion is the result from Gallup Korea's 2012-2014 survey, which showed that 90% for Korea's population younger than 50s had smartphones. 99% of people in their 20s had smartphones, 97% for those in their 30s, 92% for the 40s, and 80% for the 50s.[18] As the majority of the webtoon readers are those in their 40s or younger, with those in their teens accounting for 26% of the webtoon readership, those in their 20s 45%, 30s 12%, and 40s and up forming an estimated 17%, the nearly 100% smartphone diffusion rate in the 40s and under demographic means that there is the interface device of choice is held by nearly every individual who regularly reads webtoons.[19]

2. Business Environment: Domestic Competition and Business Models

A second set of factors that have fueled the growth of webtoons stem from the business environment. First, intense domestic competition in this sector that began in the mid-2000s has forced constant innovation and upgrading of content. Second, the model of the platform/portal reduces production costs, disperses risk, provides data for potential OSMU titles, and leads to incubation and discovery of new content. The platform/portal serves as a central hub for inflow and distribution of webtoons content, site of revenue generation, and incubation of further content. This keeps fixed costs low in proportion to variable costs, creating low operating leverage, thereby lower risk, product diversity, and high contents turnover.

The current market is a duopoly dominated by two major platform providers, Naver/Line Webtoons and Daum Kakao Page. A third company, Lezhin Comics, has seen its revenues and market share increase quickly since its launch in summer 2013 despite having more content behind pay walls than Naver/Line or Daum. The numbers vary depending on the survey, but the KOCCA data for 2015 indicates Naver holds 53.6% and Daum's Kakao Page 37.3% of the webtoon contents market (see Table 2 below).

Table 2: 2015 Webtoon Domestic Market Share   Unit: % (people); N = 461

Firm	Naver	Daum	Nate	Olleh	T-store	Lezhin	Other
Market %	53.6 (247)	37.3 (172)	3.0 (14)	2.0 (9)	0.9 (4)	2.8 (13)	0.4 (1)

Source: Adapted from 한국콘텐츠진흥원 『웹툰 산업 현황 및 실태조사』 (한국콘텐츠진흥원, 2015): 115.

First, the intense domestic competition that preceded the current market structure promoted or necessitated innovation in form and content. In an ironic twist, the origins of webtoons were decidedly grassroots and non-commercial. The first generation of webtoons began as pictorial diaries or visual essays. The tetrarchy of *Marine Blues*, *Snow Cat*, *Pape Popo Memories*, and *Lunapark*, which all began between 2000 and 2006, are often cited as paragons of this

17）「スマホ普及 日本は53％「ガラケー」なお存在感」『日本経済新聞』2014.06.14; and 佐藤仁「携帯電話 ガラケー出荷が7年ぶりに増加 使いやすさと料金で人気」『エコノミスト』93, 15 (2015.04.07): 100-101.
18）Gallup Korea『2012 년 1 월～2014 년 8 월 스마트폰 사용에 대한 조사』(2014): 4.
19）한국콘텐츠진흥원『인포그래픽으로 보는 만화・웹툰 시장』(2014.12.15).

particular this format and genre. These were episodic, without overarching narratives, open to comments, free, and hosted on personal blogs and websites.[20] What most scholars call the second generation of webtoons, planned and produced for large Internet portals, featuring vertical scrolling and some flash animation and other effects in many of the titles, can be traced to March 2002 when Yahoo Korea launched its portal, Cartoon World (카툰세상). Other search engines/portals quickly followed: Daum's Manhwa World (만 화 속 세 상), SK Telecom's Nate Toons, and the mobile/telephone giant KT Corporation's Paran Cartoon all launched in 2003.[21] Naver was a late entrant into the market, starting its webtoon portal, Naver Manhwa in late-2004 and overshadowed by a rival search portal, Empas, which launched an ambitious dedicated "comics engine" or portal, Empas Comics earlier in the year.[22] At the start, Yahoo and Paran had first mover advantages, while the Daum platform released only two titles in 2003, its first year of operation, and Naver three in its first year, 2005.

The digital format allowed for lower fixed costs for portal from the start, since there were no mailing costs for webtoons, and all images could be produced in color from the start, unlike print comics that are mostly produced in black and white to save costs.[23] The various search portals initially targeted webtoons as low cost, diverse content, and loss leaders (as they were all free) to lure and keep visitors to their sites, an attempt to find or create new and uncontested market space, à la the Blue Ocean Strategy.[24] However, the sector quickly became crowded, triggering intense competition for established *manhwa* artists and new webtoons authors.

Amidst this jockeying, the first major webtoon hit emerged, not by an established comics artist but by a first generation webtoon artist who had gained a following as a university student for his drawings on his personal website that he started in 2002. Kang Full (강풀), in his 2003 debut title, *Love Story* (a.k.a *Hello Schoolgirl*; 순정만화) created a new template for using the computer screen without panels or page divisions, combined with an eccentric, humorous, and warm romantic comedy story. It was a major commercial success for Daum, generating 60 million page views in 2003 alone, the publication of print books, a theatrical production, Japanese versions, and eventually, a film that was released in 2008.[25]

The possibilities for digital, mobile, and OSMU production, now armed with an example, triggered further competition. Launched in January 2007, *Mankkik* (만끽) a webzine platform for webtoons was founded by a former editor of *IQ Jump*, the first manhwa weekly magazine in Korea that was founded in 1988. Among its launch features was the exclusive serialization of the webtoon debut of *manhwa* artist Yun T'ae-Ho, who had become an established name since his debut in print form in 1993. Although the platform closed in January 2008 due to financial issues, *Moss* (이끼) would move to Daum in 2008 and even greater popularity and OMSU success. Despite its short lifespan, Mankkik's entry encouraged new publishers such as Korea House and Book Café 21 to turn webtoons into books and print manhwa into webtoons.

This domestic competition and OMSU implications meant that Naver and Daum invested in methods of monitoring

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20) *Marine Blues* http://www.marineblues.net/marine/index1.htm; *Snow Cat* http://snowcat.co.kr/; *Pape Popo Memories* (animated version) http://gall. dcinside.com/board/view/?id=korea_ani&no=32917&page=1 *Lunapark* http://lunapark.co.kr/
21) 한창완, 이승진「디지털 플랫폼에 따른 맞춤만화 모델링 연구」『애니메이션연구』6, 4 (2010): 128-130.
22)「엠파스, 이현세 등 유명 작가 만화 독점연재」『뉴스와이어』 2004.07.01.
23) 정규하, 윤기헌「웹툰에 나타난 새로운 표현형식에 관한 연구」『만화애니메이션연구』 17 (2009): 5-19.
24) W. Chan Kim, and Renée Mauborgne, *Blue Ocean Strategy: how to create uncontested market space and make the competition irrelevant* (Boston: Harvard Business School Press, 2014).
25) 송요섭「웹툰의 발생 과정 탐색과 발전을 위한 제언」『한국정보기술학회지』 10, 4 (2012): 133-135.

votes and ratings for webtoon titles; extensive market research to develop titles that target different groups based on gender and age; support teams to help professional webtoon artists integrate interactive touch, sound, and visual features into their work; developing new revenue models, such as Page Profit Share, a schedule based on advertising that uses the characters in the webtoon being viewed; and new technologies to overcome the limitations of the smaller mobile screen.[26] Other portals and platforms steadily declined in market share, while new entrants emerged and dissipated. Empas was the first major platform to leave the webtoons market. After losing popular titles such as *The Great Catsby* (위대한 캣츠비) by Kang Doha (Kang Toha; 강도하) to Daum in 2005, it was sold to SK in 2006 and eventually merged with SK's Nate search engine and webtoons platform in 2009.[27] Others such as Yahoo's Cartoon World and Paran Cartoons lagged behind the Big Two. Yahoo Korea's Cartoon World was still 4th in 2010 in the webtoon market as of 2010, but with only 1.4% market share, while Paran Cartoons was not in the top 10 for 2010. When both Yahoo and Paran closed their webtoon platforms in the summer of 2012, and eventually their operations entirely, the impact on the webtoons market was more symbolic than substantive.[28]

Market concentration marked the way for a transition to a pay for view model. Starting in summer 2012, Daum began experimenting with partial pay walls after over ten years of completely free content. Some of the titles would remain entirely free to view, while more popular titles had the first few episodes open for viewing, with the subsequent sets of episodes requiring payment. Observers had expressed concerns that once webtoons and related content were perceived as being free, consumers would resist any pay for view schedules.[29] However, there was ultimately little resistance, and the same model was further cemented by the emergence of a new webtoon-dedicated platform, Lezhin Comics, in the summer of 2013. Lezhin entered the fray armed with a roster of famed webtoon artists, a sizable number of titles, clear pay for view schedules, distribution and OSMU agreements with powerhouse entertainment production and distribution companies such as CJ E&M, and internationalization strategy that featured translations of Japanese digital manga into Korean and Korean webtoons into Japanese.[30] It also initiated new forms in multi-media transfer, launching a Korean webtoon version of the 2014 Japanese drama, *Hirugao: Love Affairs in the Afternoon* (昼顔―平日午後3時の恋人たち) which had been a major hit for Fuji TV.[31]

Table 3: Webtoon Platform First Choices by Age, 2015   Unit = %; N = 461

	Naver	Daum	Nate	Olleh	T-store	Lezhin	Other	Total
10s	12.1	2.6	0.2	0.0	0.0	0.7	0.0	15.6
20s	16.7	7.8	1.5	0.4	0.0	1.3	0.0	27.8
30s	15.2	15.8	1.1	0.9	0.7	0.4	0.4	34.5
40s	9.5	11.1	0.2	0.7	0.2	0.4	0.0	22.1
Total	53.6%	37.3%	3.0%	2.0%	0.9%	2.8%	0.4%	100.0%

Source: Adapted from 한국콘텐츠진흥원 『웹툰 산업 현황 및 실태조사』 (한국콘텐츠진흥원, 2015): 113.

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26) 조은애, 고희창, 모해규 「Scene flow 방식을 이용한 모바일 만화 저작 기법」 『만화애니메이션 연구』 19 (2010): 113-126.
27) 이상민 「웹 만화 [위대한 캣츠비] 의 스토리텔링 구조 분석」 『대중서사연구』 13, 1 (2007): 297-320.
28) 한창완 『만화의 문화 정치와 산업』 (커뮤니케이션북스, 2013): 101.
29) 한창완, 전현지 「웹툰 무료서비스를 통한 만화의 블랙마켓 기능 연구」 『애니메이션연구』 7, 1 (2011): 84.
30) 이진원 「콘텐츠 유료화 성공 모델의 7 가지 공식」 『한국경제매거진』 2014.09.22.
31) 「上戸彩主演ドラマ「昼顔」韓国でウェブトゥーン化 9 月から配信開始」 『産経新聞』 2015.7.27; and 「레진엔터, 日 드라마 '메꽃' 웹툰으로 제작」 *ZD Net Korea*, 2015.09.21.

Table 4: Number of Ongoing and Completed Webtoon Titles, 2014

	Naver	Daum	Nate	Olleh	T-store	Lezhin	Other	Total*
Ongoing	161	135	32	52	19	191	526	1,116
Completed	322	409	88	20	46	92	107	1,084

Source: Adapted from 한국콘텐츠진흥원 『웹툰 산업 현황 및 실태조사』 (한국콘텐츠진흥원, 2015): 73.
*Excludes titles from the U.S. webtoon portal Tapastic included in the original table.

As of 2014, 22 total platforms that include search portals, mobile apps, newspaper portals, webtoon-dedicated websites offered over one thousand on-going titles (Table 4 below).

Second, current business models results in low operating leverage for the portals, meaning that the diversity and the number of titles are high, and a few hit titles can generate large revenues for authors and distributors due to low fixed costs. One scholar has argued that the webtoon platform/portals are the embodiments of the panopticon.[32] Even if the extent of control over the system may not be quite as omniscient as implied by the metaphor, the basic model used by Naver and Daum does use a hub-spoke model that helps centralize operations and flows, which in turn reduces costs for production, distribution, scouting new talent, and diversification of contents. The various webtoon platforms use the Internet's benefits of keeping production and distribution costs low and increasing flexibility. The ratio of fixed costs to variable costs, with low cost and risk incubation of new artists, free market-testing, and dispersed risk, since one hit may generate more than enough revenues to cover for several less popular titles, combined with the no printing costs, and the ability to integrate reader feedback or complaints all provide advantages for the platforms.

The incubation system for new artists is maintained by low-risk, high reward systems that are called "leagues." Amateur artists, defined as those without contracts with the portal or comics agencies that often serve as scouting and recruiting intermediaries, can participate directly in online competitions. Winners are selected by reader voting, in essence assuring a following once the title becomes serialized. Naver's Challenge Corner and Daum's Webtoon League are the two largest of such forums, with an estimated 80% of Naver's webtoon artists recruited through the competitions. One of the biggest hits on Naver is *Tower of God* (신의 탑) by SIU (penname of Lee Chong-Hwi; 이종휘), who himself beat the odds to become one of the 0.03 of around 120,000 aspiring webtoons artists who upload some 80,000 titles every month to obtain professional contracts. While SIU did not win a competition, through the user uploaded corners in the platform, he released his webtoon without much reaction for six months, before Naver approached him about a contract and support.[33] Thus, a wide array of aspiring and professional webtoon authors can be mobilized and pushed towards target consumers, with diverse spread of content, storylines, genres, and artwork to cater to various target demographics.

The pay for view model applied by Lezhin and also to varying degrees by both Naver and Daum is one that converges more with traditional publishing, in that scouts, agencies, and editors become more involved in the process of planning, production, and distribution, and contracts with authors and artists are arranged beforehand, even if the pricing might be determined by the authors. Variable costs could rise, cutting into operating margins, but has thus far resulted in high quality titles and also more restricted, adult-only titles that depict explicit sex or violence that would not

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32) 박석환 「포털웹툰 플랫폼의 산업규모와 운영정책 모델 연구」 『애니메이션연구』 10, 2 (2014): 145-162.
33) 임지선 「0.03%의 확률 …'신의 탑' 쌓은 '신의 손'」 『한겨레』 2013.10.17.

pass the state censoring body on a free access platform.[34] The Korea Communications Standards Commission (KCSC; 방송통신위원회), did in fact block Lezhin for two days, accusing it of distributing obscene material in March 2015.[35]

Aside from fees per month per title, authors and artists receive a proportion of the advertisement revenue, share of the click-throughs on the Page Profit Share advertisements, royalties from use of characters in other ads and sales of any print editions, remake rights for film, TV, or theatre, product placement ads in the webtoon itself, and others. Larger proportions of the secondary or OSMU arrangements go to the copyright holders than the initial upload of the webtoons, with agencies usually negotiating specific terms on behalf of authors. Some agencies, such as Nulook Media (누룩미디어) are cooperatives with big stars that can negotiate for favorable terms, while many other agencies have little leverage when negotiating on behalf of new authors or artists.[36]

Another key element of the low leverage high margins model has been OSMU. Secondary or tertiary production is hardly new or unique to Korea, as the proliferation of comics turned into Hollywood films would attest. In fact, Tezuka Osamu's manga series *Astro Boy*（鉄腕アトム）, which began in 1952, had multiple cross-media adaptations, including a live action black and white TV version in 1959 and an animation series in 1963, among several other adaptations. But the OSMU strategy, especially sales overseas, generates the highest revenues for authors and platforms. Starting with the release of the film version of Kang Full's webtoon *Apartment* (아파트) in 2006, some 50 titles have already been released in cross-media form, whether as films, musicals, theatre productions, animations, TV dramas, or Internet dramas, with another 23 titles whose OSMU rights have been sold. The films have varied in success, although there has been a general trend towards increasing audience numbers despite concerns that viewers would already be familiar with the story, and thus, stay away from the film adaptations. *Apartment* was considered something of a disappointment with around 660,000 viewers for the domestic box office. In fact, six of Kang Full's ten webtoons have been made into films, although with uneven box office results. The 2012 film adaptation of Kang's *26 Years* (26년) was financed through crowd-funding and resulted in the largest domestic box office for one of his works, drawing 3 million viewers into cinemas.[37] Some other already converted titles include *The Great Catsby*, which was made into a musical and a TV drama in 2007, The film version of *Moss*, directed by Kang Woo-Sok (강우석), was released in 2010, drawing 3.3 million viewers to the domestic box office.[38] The same director helmed another webtoon adaptation to film in 2013, *Fists of Legend* (전설의 주먹). *Secretly, Greatly* (은밀하게 위대하게) a hit webtoon by the artist Hun on Daum when serialized 2010-2011, was released in 2013 with rising star Kim Soo-Hyun (Kim Su-Hyŏn; 김수현) as the lead, and turned into a major box office success, drawing 7 million audiences domestically. The TV drama version of the webtoon *Misaeng*, broadcast on the cable network tVN in late-2014, became the biggest OMSU hit yet, and created renewed interest in the original webtoon by Yoon Tae-Ho.[39] Adapting and updating older Korean *manhwa* classics into contemporary webtoons is another retrofitting project for OMSU in the works.[40]

Global OSMU furthers the OSMU model, essentially using the same digital contents in translation.[41] Aside from

34) 윤기헌, 정규하, 최인수, 최해솔「웹툰 통계 분석을 통한 한국 웹툰」『만화애니메이션연구』 38 (2015): 189.
35) 정광영 「방송통신심의위원회, 레진코믹스 음란성 여부 재심의 , 통신소위 안건 재상정」『아주경제』 2015.04.26.
36) 한국콘텐츠진흥원 『웹툰 산업 현황 및 실태조사』 (한국콘텐츠진흥원, 2015): 35.
37) 홍정원「26년 금주 300만 돌파, 이미 강풀 원작영화 중 최고 흥행」『중앙일보』 2012.12.18.
38) 한창완, 홍난지「웹툰의 영화화를 위한 스토리텔링 연구 - 웹툰〈이끼〉의 스토리텔링을 중심으로」『한국콘텐츠학회논문지』 11, 2 (2011): 186-194.
39) 이승진「만화 OSMU 진화확장모델 연구: 윤태호 '미생' 을 중심으로」『애니메이션연구』 11, 2 (2015): 70-84.
40) 한창완「디지털만화의 융합화가 갖는 만화장르의 사회문화적 대안성 연구」『애니메이션연구』 7, 4 (2011): 182-197.

the example of the Japanese TV drama turned into a webtoon on Lezhin, Line Webtoons releases English and Chinese version one week after the Korean one, while Daum has allied with specific partners in North America to recycle their webtoons. For example, Daum and Marvel Comics launched in fall 2014, *Avengers: Electric Rain*, a Marvel title but drawn in manhwa or webtoon style, with a new Korean character developed by webtoon artist Ko Yong-Hun (Ko Young-Hoon; penname Nasty Cat; 고영훈). Daum, through intermediary agencies, has released official English-language version of several of its major webtoon titles in serialized form on *Huffington Post*. As noted above, *Moss* debuted in August 2015, with translations provided by the team of Bruce and Ju-Chan Fulton, renowned for their English translations of Korean literature.[42] Same-time export of translated webtoons and subtitled TV dramas based on webtoons has also become common for the China, Taiwan, and Hong Kong markets.[43]

There remain issues with the model, such as sustainable and appropriate payment to the non-star authors and the actual distribution of payments from pay for view. The partial paywalls now used by the major platforms do return fees to artists and authors, but one of the under-analyzed issues, especially with the proliferation of smartphones as the main interface device for webtoons, is the fact that Google and Apple take around 30% of every transaction on Google Play and the App Store. The distribution company takes around 40-50%, and the remaining 20-30% goes to the copyright holder, usually the author or the artist.[44]

3. Tertiary Support: Government Policies

While private sector innovations and initiatives have been instrumental in the growth of the webtoon industry, government policies have provided indirect support for the growth of webtoons via planning and investment in digital infrastructure, the establishment of associations and agencies devoted to studying and promoting digital contents, helping fund animation, manhwa, and webtoons festivals domestically and exhibitions overseas, and tracking and reducing piracy of content.

There are numerous national and municipal agencies that support digital contents, manhwa, and webtoons, such as the Korea Creative Content Agency (KOCCA ; 한국콘텐츠진흥), Korean Electronic Publishing Association (KEPA; 한국전자출판협회) (not to be confused with the Korea Publishing Association 대한출반문화협회, which is an industry association), run under the auspices of the Korea Ministry of Culture, Sports, and Tourism. Korea Internet & Security Agency (KISA; 한국인터넷진흥원) is an unit that operates within the Ministry of Science, ICT, and Future Planning to promote safe Internet use and cyber security. Bucheon City (Puch'on; 부천) has been active in promoting a manhwa cluster that includes the Korea Manhwa Contents Agency (KOMACON; 한국만화영상진흥) established in 1998, the Korea Manhwa Museum (한국만화박물관) opened in 2001, and Bucheon International Comics Festival (부천국제만화축제), also started in 1998. These and other agencies collect relevant data, analyze trends, provide recommendations for government policy, promote contents, and in some cases, such as KOCCA, provide loans to start-ups interested in producing cultural contents.[45]

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41) 성승창, 김재필『웹툰, 1 조원 시장을 꿈꾸다』(KT 경제경영연구소, 2015): 4-5.
42) 남은주「윤태호의 '이끼' 등 한국 웹툰, 미국 독자 만난다」『한겨레』2015.02.16.
43) 鍾樂偉「韓劇《錐子》反映韓國工運」『香港經濟日報』2015.11.02.
44) 남은주「모바일 불로소득」『한겨레』2015.05.17.
45) 한국콘텐츠진흥원「한콘진 -IBK 기업은행 콘텐츠 스타트업 금융지원 나선다」2015.02.12 http://www.kocca.kr/cop/bbs/view/B0000138/1824511. do?menuNo=200831

Indirect government support for webtoons can also be traced through its attempts to support *manhwa* that began in the 2000s. National funds were indirectly involved when the first Manhwa Department was established in Korea at Kongju National University in 1990,[46] but it was not until 2002 that official policies to promote manhwa were announced. During the 1990s, weekly comics magazines based on Japanese publishing models proliferated, serving as print platforms for Korean artists and official translations of Japanese *manga*.[47] But sales dropped precipitously after the financial crisis of 1997 and the enactment of the Youth Protection Law in the same year that imposed strict censorship on youth-oriented contents.[48] Inspired by the Korean Wave in China and Japan, in 2002 the Korean government established a 5-year *Manhwa* Plan to help revive the comics industry as a part of its national branding strategy. The 2nd 5-year plan was announced in 2008, with the goal of continuing to promote the training of animation and manhwa artists, export of such content, and to crack down on piracy.[49] The 2013 3rd plan has triggered a series of policies to promote *manhwa* and webtoons.[50] In 2014, the Ministry of Culture, Sports, and Tourism announced grants to be given to 30 webtoon artists averaging around ₩6 million (roughly $6000 USD) per person, and support for education programs to train webtoon artists and story developers. The Ministry also announced that it aimed to increase manhwa and webtoon sales to ₩1 trillion by 2018.[51]

The government's other goal was to reduce pirate or illegal websites from 10% of total market in 2013 to 5% of the market by 2018. In 2013, manhwa sales totaled an estimated ₩757 million, of which illegal market accounted for ₩81 million.[52]

Thus, as noted in the previous section, most of the actual production, interface, and distribution innovations came from the private sector, and many of the webtoon artists who debuted in print manhwa in the 1990s were not directly affected by the emergence of government support for comics and webtoons in the 2000s and 2010s. Consequently, it would be difficult to allocate a central role to state policies in the growth of webtoons. However, government policies have had indirectly fostered growth through infrastructural support, research and analysis, emerging support for training of future webtoon artists and authors, and grants for some artists. Some of the current webtoon artists did in fact graduate from, or at least study in, animation and comics or visual design departments at their university alma maters, for example, Yang Youngsoon (Yang Yŏng-Sun 양영순), Ha Il-Kwon (Ha Il-Kwŏn; 하일권), Cho Seok (Cho Sŏ; 조석), and Soonkki (순끼), among others.

4. Core Content: Individual Artists and Authors

Webtoons, as is the case for comics in general, are neither singular works of popular art or just monetizable commodities.[53] While the digital infrastructure, business models, and new forms of interface are all important in accessing

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46) 한창완 「만화애니메이션전공 대학교육에 대한 분석 및 대안연구: 1996 년 -2006 년 동안의 취업현황을 기반으로」 『애니메이션연구』 4, 1 (2008): 153-168.

47) Yamanaka Chie, "Manhwa in Korea: (Re)nationalizing Comics Culture," in Jaqueline Berndt, and Bettina Kümmerling-Meibauer, eds., *Manga's Cultural Crossroads* (New York: Routledge, 2013): 85-99; and 金成玟 『戦後韓国と日本文化：「倭色」禁止から「韓流」まで』 (岩波現代全書, 2014).

48) 박성식 「한국 문화산업의 현황과 전망, 장르만화를 중심으로 디지털콘텐츠와 문화정책」 『디지털콘텐츠와 문화정책』 3, 3 (2008): 101-117; and 윤기헌, 김병수 「한국, 일본의 만화표현의 자유 규제 연구」 『만화애니메이션연구』 14 (2008): 1-13.

49) 김병수, 윤기헌 「한국의 만화산업 발전 정책에 관한 연구」 『만화애니메이션연구』 12 (2007): 1-12.

50) 김병수, 이원석 「3 차 만화산업중장기발전계획 수립과 전문인력양성정책」 『만화애니메이션 연구』 32 (2013): 189-220.

51) 문화체육관광부 「대중문화산업과 문체부, 만화산업 매출액 1 조 원 목표 중장기 계획 발표」 2015.05.28 http://www.mcst.go.kr/main.jsp

52) 한병준, 김태현, 강호갑, 조성환, 이근영 「북스캔 만화 저작물 식별 시스템에 관한 연구」 *Journal of IIBC*, 14, 1 (2014): 131-137.

and appealing to readers, recent surveys indicate that perhaps not surprisingly, respondents felt that good stories were the most important factor in determining which specific platform or portal to use. A roster of favorite artists, and regular updates of content were also considered important, more so than the number of titles and interactive features (e.g. ease of posting comments).[54] Given that webtoons are still stories and art, albeit with minimal dialogue, the structure and the sequence of the storytelling, distinctive and compelling art styles, and layers of meaning, are generally necessary elements for popularity, regardless of the scale, scope, and speed of the infrastructure or production and distribution model.

This system, in essence, allows for a large number of titles that are not viewed that widely, covered by the top-rated titles in each genre. This is a pattern consistent with the industry structure of the market for films, books, and television shows. The concentration of popularity in select titles highlights the importance of artistry and finesse in storytelling and artwork, and is also reflected in the pay scales. The platforms all classify artists and authors into three groups: rookies, middle class, and stars, with the ratios breaking down to 30% rookies, 50% middle class, and 20% stars. The pay rates per title or series varies by group, past track record, current reader ratings, numbers of views, and frequency of issue (usually once or twice a week). The top artists can receive around ₩5-6 million per month (roughly $5-6,000 USD), for a twice a week title, but the vast majority or artists and authors with one to three years experience as professionals receive anywhere from ₩120,000 to ₩320,000 (roughly $1,000 to 3,000 USD) per month. The largest sums came from re-make or adaptation rights for other media, which ranged in sum from ₩50 million to ₩100 million (roughly $50,000-100,000 USD).[55] According to one survey, artists earning ₩10 million ($10,000 USD) for annual income represents 47.2% of all artists on the two major portals, and those earning over ₩40 million ($40,000 USD) per year, which is around the average gross income per capita in Korea, constitute only the top 7.7%.[56] The amateur authors and artists who upload their content in the leagues or in user upload corners do not receive remuneration, unless scouted for regular serialization. Number of views and reader ratings allow platform editors to select with more data specific amateur titles for elevation to the curated corner, which in turn attracts more views. This usually then results in a contract and regular serialization.

The relatively low cost of market entry, compared to directing a film or a TV show, has fostered a degree of variety in content and form, in terms of narrative, artwork, genres, formats, and integration of interactive or mobile technologies, and in the backgrounds and trainings of authors and artists. Aside from visual diaries or everyday webtoons, the usual genres, such as romance, romantic comedy, horror, mystery, thriller, educational, historical drama, and sports are all represented in the roster of titles on the major platforms.

In addition to the authors who rose up through the league tables, such as SIU (*Tower of God*), or Lee Chae-Un (Yi Ch'ae-Ŭn; 이채은) known for her series *Trump* (트럼프), other artists and authors debuted as professionals in the first or second generation webtoons. Some of the more notable names that fit into this category include Ha Il-Kwon, who debuted on Paran in 2006 with *Sambong Barber Shop* (삼봉이발소), Jung Pil-Won (Chŏng P'il-Wŏn; 정필원) who debuted with *Rainbow Fish* (마음이 만드는 것) on Daum in 2008, Joo Ho-Min (Chu Ho-Min; 주호민), and others. Several young

53) The point, at least as it relates to comics, is made for example in, Bart Beaty, *Comics Versus Art* (Toronto: University of Toronto Press, 2012); and Jared Gardner, *Projections: Comics and the History of Twenty-First-Century Storytelling* (Stanford: Stanford University Press, 2012).
54) 한국콘텐츠진흥원『웹툰 산업 현황 및 실태조사』(한국콘텐츠진흥원, 2015): 117.
55) 한국콘텐츠진흥원『웹툰 산업 현황 및 실태조사』(한국콘텐츠진흥원, 2015): 74, 79.
56) 김재필, 성승창, 홍원균『웹툰 플랫폼의 진화와 한국 웹툰의 미래』(KT 경제경영연구소, 2013): 14.

female webtoon writers and artists have emerged, mainly concentrated in the romantic comedy, romance, and everyday diary genres, among them 232, known for her title *Love Revolution* (연애혁명); Soonkki (순끼), *Cheese in the Trap* (치즈 인더트랩); Kim Jin (김진) *Nice Jin Time* (나이스진타임); Suh Na-Rae (Sŏ Na-Rae; 서나래) *Story of Narm's Life* (낢이 사는 이야기); Jung Da-Jung (Chŏng Ta-Chŏng; 정다정) *Turn it around! Nonesense Cooking* (역전! 야매요리); and Myoni (묘니), *Sikeum Saekeum* (시큼새큼). Teams of authors and artists also have produced hit titles. For example, *Dieter* (다이어터), a comedy based on the central characters struggles with weight issues, diets, and exercise, was created by Studio Caramel, the duo of Caramel (art) and Neonbi (story). Likewise, *Girls of the Wild* (소녀 더 와일즈) is a collaboration between an artist and a writer, Hun and Zhena. One of the more aesthetically notable collaborative works was *Peak*, based on writer Hong Sungsoo's own (Hong Sŏng-Su; 홍성수) experiences in a mountain rescue team, and rising star illustrator Lim Kanghyuk (Im Kang-Hyŏk; 임강혁), who had been acclaimed for his artwork in a previous solo title, *Superwoman*.[57]

Established *manhwa* writers have also published webtoons to varying degrees. Some publish in digital form occasionally, such as Huh Young-Man (Hŏ Yŏng-Man; 허영만), a doyen among *manhwa* artists, who debuted with three titles in 1974 and authored numerous hits subsequently, and wrote two webtoons, *Kkol* (꼴; 2005-7) and *The Warrior Who Did Not Get Off His Horse* (말에서 내리지 않는 무사; 2010-12), both for Daum. Pak Sung-Woo (Pak Sŏng-Wu; 박성우), a noted manhwa artists who has had several serialized manga titles in Japan debuted in webtoon form in 2014 with *Märchen- The Embodiment of Tales* (마루한 – 구현동화전) on Naver. Others have switched to webtoons as their primary medium: Kang Dong-Ha, perhaps best known for his webtoons *The Great Catsby, Romance Killer* (로맨스 킬러), and *Kubrick* (큐브릭) had debuted as a *manhwa* artist in the 1980s. Yang Youngsoon, who had become a famous *manhwa* artist in the 1990s through comedies, diversified into several different genres, including fantasy and science fiction, following his switch to webtoons in 2004 on Paran with *1001*. Arguably the most famous webtoon artist, Yoon Tae-Ho, also debuted as a manhwa artist in the 1990s.

Despite the great variety in backgrounds and genres, titles that provide a range of distinctive characters, integrate reader feedback and observations on socio-economic trends into a well-crafted story are still very rare. In other words, titles like *Moss* and *Misaeng* are more exceptions or outliers than the rule. Yoon has often described in interviews the painstaking planning and preparations that he and his team required for *Moss* and *Misaeng*, drawing up long and detailed character charts, composition and framing of each panel or image, bubble positioning, color schemes, perspectives, scrolling speed, and other elements. There are other titles that have significant issues, despite their popularity and high viewer numbers, with pacing, story development, excessive number of filler episodes or panels/cuts, and consistency in quality of artwork, and do not match the investment of time and energy required to produce the type of work Yoon has become known for.

Thus, the unbridled celebration of commercial possibilities of OSMU can often also overlook systematic effort and talent required to generate a compelling webtoon title, and the wide variance in aesthetic and narrative quality with many of the film or TV adaptations and/or their original webtoons. Kang Full's webtoons have all been commercial successes, but the six film adaptations have been mixed bags in commercial and artistic terms. The issue is not with merely the degrees to which an adaptation was faithful to the original text but the amount of pointless filler, acting, pacing,

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57）The credits for *Peak* are reversed and incorrect in the English-language version on *Huffington Post*.

and others. Emphasis on ease of production and minimizing risk and cost can lead to deterioration in quality or simply adapting a webtoon based on popularity rather than any assessment of its narrative or aesthetic elements.

Moreover, if handful of titles, such as *Bong-Chon Dong Ghost* (봉천동 귀신) by Horang went viral on the Internet in 2011 due to its effective use of java script triggers to create a automatic scroll-down, or jump scare effect, simulating a frame-by-frame animation, most webtoons actually do not incorporate such flash or interactive elements into compelling narratives. The story and the art remain more important than such interactive features, and Korean webtoons are not pushing at the theoretical boundaries of the never-ending digital page outlined in Scott McCloud's notion of the "infinite canvas," or the multi-directional narrative possibilities of hypercomics.[58]

Conclusion

Webtoons in Korea have grown quickly since their inception in the early-2000s. In 2010, they formed only 7.1% of the entire monetary value of the market for comics in Korea, but the estimates for the 2015 share project a 35.6% share, a five-fold increase in five years.[59] Thus, while webtoons have not yet come to dominate the economics of the comics industry Korea as is often portrayed, they are the fastest growing sector in digital contents, and has become ubiquitous in everyday life, both during commutes and inside the home as accessible forms of entertainment, information, and education. While some of the more operatic claims about the uniqueness or the innovative nature of webtoons in Korea should be taken with a grain of salt, the medium has grown with a rapidity that few, if any, predicted.

This article argued that there are four necessary sets of factors that have fuelled the growth of Korean webtoons, all of which were not sufficient conditions in isolation. First, the digital infrastructure of broadband Internet, mobile access, and smartphones create the preconditions required for the diffusion of webtoons. Second, the business model has resulted in innovations stemming from domestic competition, and low operating leverage based on risk dispersion and low fixed costs. Third, while tertiary, government policies have had indirectly supported webtoons through research, analysis, and subsidies. Fourth and most importantly, the efforts of individual authors and artists, especially those with a track record and training, result in a handful of hits each year in a diverse range of storylines, genres, and styles of art. The current roster of webtoon titles tend to cluster towards the mundane rather than the sublime, meaning that artwork and storytelling remain the key ingredients for the success of this particular medium as both art and commerce.

58）Scott McCloud, *Reinventing Comics: How Imagination and Technology Are Revolutionizing an Art Form* (New York: William Morrow, 2000).
59）김재필, 성승창, 홍원균『웹툰 플랫폼의 진화와 한국 웹툰의 미래』(KT 경제경영연구소, 2013): 6.