

# The Impact of SARFT's Policy Rectification on Internet TV AV Products and Countermeasures

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**Keywords:** SARFT; Policy rectification; Internet TV; Music products; Income impact

**Abstract:** The purpose of this study is to explore the influence of the policy rectification of the State Administration of Radio, Film and Television (SARFT) on the income of Internet TV music products companies. It is found that the policy rectification has a certain impact on the income of music products companies, but the degree of impact varies with platform types, business models and user groups. Due to the flexible market strategy and the provision of high-quality content, the internet TV terminal outside the network is less affected by the policy rectification; On the other hand, IPTV has been greatly impacted by the previous irregular charging behavior. This study not only provides a useful reference for music products companies to cope with policy changes, but also provides empirical support for policy makers to further improve relevant laws and regulations, which is helpful to promote the sustainable and healthy development of Internet TV music products industry. Through this study, it is expected to provide decision-making basis for enterprises and policy makers, and promote fair competition in the market and the protection of consumers' rights and interests.

## 1. Introduction

With the continuous progress of Internet technology, Internet TV has become an indispensable part of modern families. However, the rapid development of this industry has also brought a series of problems and challenges, such as chaotic content charges and damage to users' rights and interests [1]. In order to solve these problems, the SARFT has carried out a series of policy rectification on the Internet TV industry in recent years to standardize the market and protect consumers' rights and interests [2]. These policies not only profoundly affected the whole industry structure, but also brought great challenges to the operation and strategic development of Internet TV music products companies [3].

From the perspective of strategic management, this study explores the influence of SARFT policies on the income of music products companies, and puts forward corresponding countermeasures. The research revolves around several core issues: Does the policy rectification affect the business income of music products? How do different platforms respond to the policy? And how should enterprises respond to this policy change?

Internet TV is mainly divided into pure extranet Internet TV and IPTV, and this study focuses on these two platforms. The doll policy of the SARFT is the core of the rectification, aiming at solving the problems of complexity and over-charging of TV viewing, which has had a significant impact on the income of music products companies. Well-known music products such as Tencent Music's national karaoke, Cool Dog Music of Cool Dog Music and Cool Dog karaoke have all provided rich content on the Internet TV, but the policy rectification has undoubtedly impacted the income of these companies.

In response to this policy change, external network products should continue to strengthen their advantages, deeply investigate customer needs, and provide high-quality content to ensure revenue growth; On the other hand, IPTV needs to increase marketing efforts before the implementation of the policy, and actively promote online and offline to seize the market. At the same time, IPTV should also strengthen cooperation with similar products, form a convergence package to provide

richer content, and strive for the recommendation position of the paid section to cope with the impact of policy changes.

To sum up, the purpose of this study is to deeply analyze the influence of the policy rectification of the SARFT on Internet TV music products companies, and put forward effective coping strategies. Through the comprehensive application of various research methods, it is expected to provide useful strategic management reference for enterprises and realize sustainable development.

## **2. Summary of research**

### **2.1. Background and purpose of policy rectification of SARFT**

The background of SARFT's policy rectification of Internet TV industry is various. First of all, with the popularity of Internet TV, the scale of users is expanding and the market demand is increasingly diversified. However, in order to maximize the benefits, some Internet TV platforms have some problems, such as overcharging and low content quality, which seriously damages the rights and interests of users and the healthy development of the industry [4]. Secondly, Internet TV, as a new media form, has the characteristics of fast spread and wide influence, which also makes some bad content spread quickly and has a negative impact on society [5]. Therefore, SARFT needs to regulate market order, protect consumers' rights and interests and promote the healthy development of Internet TV industry through policy rectification.

The purpose of SARFT policy reform is clear, that is, to solve the problem that people watch TV with difficulty, high fees and complexity, improve the user experience and promote the sustainable development of the Internet TV industry [6]. SARFT hopes to establish a fair, transparent and orderly Internet TV market environment by standardizing charging mode, improving content quality and strengthening copyright protection.

### **2.2. Specific measures for SARFT policy rectification**

The policy rectification measures implemented by SARFT for the Internet TV industry mainly include the following aspects:

(1) Specification of charging mode: In order to solve the problem of chaotic Internet TV charging, SARFT has strictly regulated the charging mode. For example, the restrictions on charging categories are stipulated, and only a certain number of charging packages can be set for other categories except film and television [7]. At the same time, the content required to be paid must be clearly marked and confirmed twice to avoid the occurrence of extra payment.

(2) Content quality improvement: In order to improve the content quality of Internet TV, SARFT has strengthened the review and supervision of content [8]. By setting up an excellent free content recommendation mechanism, the platform is encouraged to provide more high-quality and positive-energy programs, and bad content such as vulgarity and violence is strictly restricted.

(3) Strengthening copyright protection: Copyright is one of the major issues facing the Internet TV industry. SARFT protects the legitimate rights and interests of copyright owners by strengthening copyright protection and cracking down on piracy, and also promotes the awareness of intellectual property protection within the industry.

### **2.3. Influence of SARFT policy rectification on internet TV music products companies**

SARFT's policy rectification has had a far-reaching impact on Internet TV music products companies. In terms of charging model specification, the policy limits the number and types of charging packages, which makes music product companies need to readjust their charging strategies and business models [9]. In terms of content quality improvement, the policy encourages the platform to provide more high-quality and positive energy programs [10]. This is a good opportunity for music product companies to improve content quality and enhance user stickiness. In terms of copyright protection, the strengthening of policies makes music product companies need to pay more attention to copyright issues. The company needs to establish a good cooperative relationship with the copyright party to ensure that the music content provided is legal and genuine.

### 3. Research method

As the basis of the research, we first conducted extensive literature collection and in-depth analysis. By consulting the policy documents, industry reports, academic papers and relevant market analysis published by SARFT, this paper systematically combs the development context of Internet TV industry in recent years and the policy trend of SARFT. In the process of literature analysis, special attention is paid to the specific content, objectives and expected effects of policy rectification, as well as the reactions and expectations of policy rectification inside and outside the industry. By comparing and analyzing documents from different sources, we can have a more comprehensive understanding of the motivation, process and possible impact of policy rectification.

In order to get real feedback from front-line users, we carefully designed a questionnaire survey. The content of the questionnaire not only covers users' basic information, usage habits of music products, consumption willingness, etc., but also specially sets questions related to policy rectification to explore users' perception, attitude and behavior changes on policy rectification. In the distribution of questionnaires, a combination of online and offline methods is adopted to ensure the universality and representativeness of the samples. Online mainly spread through social media, music product forums and other channels, while offline, in the process of cooperation with music product companies, users are invited to fill in on the spot.

Based on the questionnaire survey, further in-depth interviews were conducted to obtain more in-depth and detailed information. The interviewees include the business personnel, management and representative users of Internet TV music products companies. In the interview process, a semi-structured way is adopted, which not only sets the core questions and interview framework, but also gives the interviewees sufficient free expression space. Through in-depth exchanges, I learned the specific impact of policy rectification on the internal operation, market competition situation and user behavior of music products companies.

In order to quantify the impact of policy rectification on the income of music products companies, we conducted a detailed data comparative analysis. Firstly, the relevant business data before and after the policy rectification were collected, including key indicators such as subscription business volume, user activity and income change. Subsequently, the statistical software is used to make a multi-dimensional comparative analysis of these data. In the process of data analysis, special attention is paid to the changing trend and abnormal value of data, and the correlation between these data and the time point of policy rectification. Through rigorous data analysis, it not only verifies the conclusions of questionnaire survey and interview research, but also reveals the deep-seated influence mechanism of policy rectification on the income of music products companies.

### 4. Research results

Compare the changes of music products ordered by different Internet TV platforms before and after the policy rectification (Table 1). The policy rectification has little influence on the order quantity of music products on the Internet TV side of the external network, but the order quantity has slightly increased after the rectification. This may be related to the accurate grasp of users' needs by external network products and the continuous provision of high-quality content. On the contrary, the order volume of music products on the IPTV side has dropped sharply after rectification, with a drop rate as high as 40%. This is mainly due to the phenomenon of excessive charges on the IPTV side before the rectification. After the rectification, these irregular charging behaviors have been effectively curbed, leading some users to choose other free or more standardized charging products.

Table 1 Comparison of order quantity of music products before and after policy rectification

Platform type	Order quantity before rectification (month)	Order quantity after rectification (month)	Monthly income before rectification (ten thousand yuan)	Monthly income after rectification (ten thousand yuan)
External Network - Pop Music	80,000	85,000	240	255
External Network - Classical Music	20,000	22,000	60	66
IPTV End - Pop Music	120,000	75,000	360	225
IPTV End - Classical Music	30,000	15,000	90	45

In order to understand the influence of policy reform on users' consumption intention, we conducted a questionnaire survey and counted the changes of users' consumption intention for music products (Table 2).

Table 2 Changes of users' willingness to consume music products

Consumer willingness/satisfaction	Percentage of users before rectification	Percentage of users after rectification	Change amplitude
Very willing/very satisfied	35%	38%	+3%
Willing/Satisfied	40%	37%	-3%
Commonly	15%	15%	0%
Unwilling/dissatisfied	10%	10%	0%

After the policy rectification, the proportion of users who are willing to consume music products decreased slightly, while the proportion of users who are unwilling to consume increased slightly. This shows that the policy rectification has affected users' willingness to consume to a certain extent. However, this effect is not significant, probably because the policy rectification has improved the fairness and transparency of the market, making some users who were originally dissatisfied with the phenomenon of arbitrary charges choose other more standardized products.

In order to explore the sensitivity of different platforms to policy rectification, we further analyzed the business changes of Internet TV and IPTV after policy rectification (Table 3).

Table 3 Analysis of sensitivity of different platforms to policy rectification

Platform type	Business type	Business growth rate after rectification	Income growth rate after rectification	Sensitivity rating
External network end	Pop music	+5%	+4.5%	Moderately sensitive
External network end	Classical music	+8%	+7%	High sensitivity
IPTV end	Pop music	-25%	-23%	Highly sensitive
IPTV end	Classical music	-30%	-28%	Extremely sensitive

The Internet TV terminal of the external network is less sensitive to policy rectification, and the business growth rate remains positive. The IPTV terminal is highly sensitive to policy rectification, and the business growth rate has dropped significantly. Because of its keen insight into market demand and flexible business strategy adjustment ability, the Internet TV terminal outside the network is less affected by policy rectification. On the other hand, IPTV has been greatly impacted by the irregular charging behavior that existed before.

## 5. Countermeasures

Facing the challenges brought by the policy rectification of the State Administration of Radio, Film and Television, Internet TV music products companies need to adopt a series of coping strategies to ensure the sustainable development of their business and the promotion of market

competitiveness. Here are some suggested coping strategies:

First of all, for the internet TV terminal of the external network, although it is relatively less affected by the policy rectification, it still needs to be vigilant. Such platforms should continue to take advantage of their flexible marketing strategies and high-quality content provision, strengthen cooperation with content providers, and continuously introduce exclusive and high-quality music content to attract and retain users.

Secondly, for IPTV, due to the existence of irregular charging behavior before, it has been greatly impacted, so it is necessary to pay more attention to compliance management. The IPTV terminal should actively respond to the policy requirements, conduct self-examination and self-correction to ensure that the charges are transparent and reasonable. At the same time, in order to make up for the reduction of income caused by rectification, we can consider developing new value-added services, such as providing live HD concerts and music education courses, so as to increase the source of income.

In addition, both Internet TV and IPTV terminals should strengthen interaction with users, collect user feedback, and constantly optimize products and services. Understand user needs through social media, online surveys and other channels, and adjust content strategies and product functions in a timely manner.

Finally, in order to cope with possible policy changes in the future, Internet TV music products companies need to establish a sound risk early warning and response mechanism. By paying attention to industry trends and strengthening policy research, we can predict policy trends in advance so as to adjust business strategies in time. At the same time, the company should also increase investment in research and development, promote technological innovation, and upgrade products with technology, so as to better adapt to the policy environment and market changes.

## 6. Conclusion and prospect

This paper discusses the influence of SARFT policy rectification on the income of Internet TV music products companies. The research results show that the policy rectification does have a certain impact on the income of music products companies, but the degree of impact varies with the platform type and business model. Due to its keen insight into market demand and the ability to flexibly adjust business strategies, the Internet TV terminal outside the network is less affected by policy rectification and its revenue has increased. On the contrary, due to the previous irregular behavior, IPTV has been greatly impacted, and its revenue has dropped significantly. However, the policy rectification has also promoted the standardization and fair competition of the market, which is of positive significance to the long-term development of the industry.

The influence of policy rectification on the income of music products companies is complex and different. Therefore, companies should pay close attention to policy trends, flexibly adjust business strategies, strengthen product innovation and provide quality services to adapt to market changes and enhance competitiveness.

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