

## Why Gangnam Style is the biggest news, brand story of 2012

 By [Lebogang Mnkansi](#) 19 Nov 2012

Through his recent success, 34-year-old, Korean K-pop superstar Psy, has had the president of the United States joke about being able to do his silly horse dance, got him photographed with Ban Ki-moon, and featured on The Ellen DeGeneres Show, teaching Britney Spears and mums across America his Gangnam Style dance. (video)

Let's start at the beginning. First off, what the hell is Gangnam anyway? Gangnam, as it turns out, is a little Sandton, a posh neighbourhood in South Korea's capital city, Seoul. And what is the song about? It's actually a fun dance song that pokes fun of the posh lifestyle of the rich who live in Gangnam.





Who is this Psy? [Psy](#) pronounced "sigh" is the K-pop (K: Korean) sensation whose real name is Jae-Sang Park. Psy has been well known in South Korea for more than a decade; he recently got a spot on one of the Korean TV stations by going into its offices and doing a crazy dance in its corridors.

Why should we care about this South Korean K-pop star? Not only was Psy a global news and entertainment story, he proved that the one-hit wonder can be multimillion dollar business in 2012.

### **Income streams for Psy**

Maybe we should say economic impact, it sounds more appropriate given the scale of the numbers involved. Rocket Boom magazine cites the earnings for Gangnam Style to have reached USD13 to 15 million over the last four months alone. Yep, that's an estimated R110 million!

- As a YouTube partner Psy is expected to earn anything from USD2.5 to USD5 per 1000 views on his YouTube channel. So far, the video has been watched by more than 670 million viewers. Do the math: At more than 670,000,000 unique views divided by 1000 is 670,000 x USD2.50 (R26.10) = R17,487,000. Yep, that's 17 million big ones from one YouTube video.
- Other income streams include appearance fees of USD60 000 (R522,000) per event for product launches, clubs and company events etc. He also got paid USD4 million (R34.8m) at a rate of USD400,000 per advert and has done 10 adverts in the last three months. Psy.com released information on Psy's earnings that indicate that his concert tickets sales have netted him an additional USD4 million (R34.8m).
- So is it a hit? Well, Gangnam Style was number one in 18 countries on iTunes, including America, it topped the UK Top 100 and spent two weeks at number one. It also rose to the US Billboard Top 100 singles staying at number two for two weeks in a row and it still maintains its number one Digital Billboard spot for the last 11 weeks.
- Korean Album sales and digital streaming. Digital sales 2.8 and 2.7 million downloads online streams South Korea. Sadly all this represents is just under USD300,000, but he made way more from appearance fees and concerts.

## **The brand power of Psy's Gangnam Style**

The experts agree that there is no good way to explain the sudden spike in the share price of Korean semiconductor manufacturer DI. Over the last three weeks, the company has rocketed from around USD1.80 to USD5.12 a share. The shift is baffling, considering that nothing has changed financially for the company. The only plausible explanation: DI's main shareholder, however, just so happens to be Park Wo ho, Psy's father.

## **The Gangnam Style effect on tourism**

Lee Charm, head of Korea's Tourism Organisation, was quoted as saying: "If only 1% of them (YouTube viewers) said, 'Hey! What is this place, where is it? I'll go there', that will be already about four to five million people, and so of course we will use that."

## Awards and accolades for Psy

\* Gangnam Style picked up the Guinness world record for the most likes back in October for amassing received 4,911,081 "likes" on the video-sharing website YouTube since being released on 12 July, 2012.

\* Psy took to the podium at Oxford University to discuss his career and global stardom on Wednesday, 7 November, an honour that has been bestowed upon the likes of Mother Teresa, Yoko Ono, and Michael Jackson in the past.

If you're tired of the overemphasis on numbers, I've achieved my object quite honestly. Gangnam Style is hit and global epidemic, to be precise. The point of the emphasis is to put in perspective the sheer opportunity represented by Gangnam Style's success. It's an opportunity to learn how you take a Korean middleweight brand and K-pop sensation and turn him into a global superstar in 16 weeks.

## So what happened here?

The Gangnam Style brand lessons

- Brand identity: Stick to your guns and always represent your brand. Do your thing. Psy didn't have a label, when Gangnam Style was created, but he persevered with his sixth album and publicising his music by any means necessary.
- Collaborate: Use skills and contacts within networks. YG (Yang Hyun Suk) is the collaborator in Gangnam Style his management company YG Entertainment represents Psy. They paid for the video and manage his business affairs. He's also the genius behind K-pop Star sort of a Korean Idols. Scooter Braun The man behind Bieber: Psy's Gangnam Style was already a massive hit at almost 15 million hits on YouTube, when he arrived in the US to seal a deal with the man behind Justin Bieber, Scooter Braun ([@ScooterBraun](#)). The 30-year-old School Boy Records CEO catapulted Gangnam Style from South Korean sensation to US and global superstar by helping him ratchet up appearance: on the biggest TV shows in the US. Gangnam Style's YouTube video went from 15 to 300 million in a matter of two to three weeks after Psy signed with Scooter Braun. This dude was marketing executive for So So Def at 20 years old.
- You don't need TV or radio - you need media integration: YouTube put Gangnam Style on the Asian map, but to create the global phenomenon you need a host of media to work in tandem to support the growth of the branded product or service.

- Ride that wave like there is no tomorrow: There is no guarantee that Psy can repeat the worldwide acclaim that came with Gangnam Style ever again, so it's important to take advantage of the popularity wave and earn the most revenue possible from this window of opportunity.



In reality, I'm not suggesting that this feat will be repeated again; quite honestly this feat is just mind blowing. If you consider that there are 7 billion people on the planet it means that almost 10% of the entire human population have seen this video. What I am saying is that it's a window into the entertainment branding of the future, musicians and content producers should take note and be ready for the consumer of the future.

- Note 1: In the five days that it took to write this article, Gangnam Style YouTube video leaped from 67 million views to 719 million views.
- Note 2: I can only speculate on the true earnings that will arise from Gangnam Style's success, but I endeavoured to deliver the most up-to-date estimations. I even tried to get Schoolboy Records to verify the number, but it seems that it's a new stream they want to leave.

For more, go to [www.kpopstarz.com/psy-gangnam-style](http://www.kpopstarz.com/psy-gangnam-style).

## ABOUT LBOGANG MUKANSI

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