

K-pop's Overcrowded Market: Analyzing the Effects of Excessive Debuts on Industry Revenue and Growth

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doi:10.56397/LE.2025.02.05

Abstract

The rapid expansion of K-pop has led to market oversaturation, where an increasing number of group debuts has fragmented revenue, intensified competition, and shortened artist careers. This paper examines the impact of excessive debuts on industry revenue and sustainability, highlighting the concentration of concert revenue among top-tier groups and the financial struggles of mid-tier and rookie artists. Additionally, it explores the decline in creative innovation due to mass production pressures. To address these challenges, the study proposes strategic solutions, including regulating debuts, extending promotional cycles, diversifying revenue streams, and encouraging artistic experimentation to ensure K-pop's long-term growth and global influence.

Keywords: K-pop industry, market oversaturation, revenue fragmentation

1. Introduction

Over the past two decades, K-pop has transformed from a regional music genre into a global phenomenon, generating billions of dollars annually through album sales, digital streaming, concerts, merchandise, and brand endorsements. The international success of groups such as BTS, BLACKPINK, and EXO has fueled an industry-wide expansion, with both major and smaller entertainment agencies racing to debut the next big act. This aggressive expansion, however, has led to an oversaturation of the market, where dozens of new groups debut each year, only for many to fade into obscurity within a short time. The K-pop industry operates under a highly structured and competitive system, where success is largely determined by market visibility, fan engagement, and revenue-generating potential. Agencies invest years in training idols, fine-tuning their performances, and crafting their public images. However, the sheer number of new debuts has created a landscape where artists struggle to stand out, and even talented groups with strong debuts often find themselves overshadowed by more established acts. This phenomenon raises critical questions about the long-term sustainability of the industry. The problem of excessive debuts affects multiple stakeholders, including entertainment agencies, idols, and fans. Companies face increased financial risks as they pour significant resources into groups that may never turn a profit. Artists endure high-pressure environments, grueling promotional schedules, and the looming threat of early disbandment if they fail to gain traction. Fans, on the other hand, are overwhelmed with an endless stream of new acts, making it difficult to maintain loyalty to a single group. Market overcrowding dilutes industry revenue. Unlike earlier generations of K-pop where a handful of groups dominated the charts, the modern industry sees revenue dispersed among a vast number of idols, making it harder for mid-tier and rookie groups to achieve financial success. The trend also affects the quality of K-pop productions, as agencies rush to debut new acts without sufficient time to develop unique musical concepts and sustainable branding. This paper examines the repercussions of excessive K-pop debuts on the industry's revenue and long-term growth. It explores how market fragmentation affects financial sustainability, the implications for artist career longevity, and the broader impact on the quality of music production and fan engagement. It discusses potential solutions to ensure a more balanced and thriving K-pop

ecosystem. By analyzing these issues, this essay aims to provide insight into whether K-pop's rapid expansion is a sustainable business model or a ticking time bomb that threatens its own global success.

2. The Surge in K-pop Debuts

The rapid expansion of K-pop has given rise to an unprecedented number of new idol group debuts each year. Unlike earlier generations, where only a few groups debuted annually under the industry's leading agencies, today's K-pop landscape sees both major entertainment labels and small independent companies debuting dozens of new artists in an attempt to capitalize on the genre's global popularity. While this surge has contributed to K-pop's increased market size and influence, it has also led to intense competition, making it increasingly difficult for rookie groups to gain recognition and sustain long-term careers.

2.1 *The Driving Forces Behind the Surge in Debuts*

The proliferation of new K-pop groups is largely driven by several key factors:

The Globalization of K-pop: The international success of groups like BTS, BLACKPINK, and TWICE has attracted a worldwide audience, encouraging agencies to launch more acts to tap into lucrative overseas markets. Countries such as the United States, Japan, and China have become major consumer bases for K-pop, and companies seek to capitalize on this demand by debuting multilingual groups or subunits specifically targeting these markets. **The Rise of Smaller Entertainment Agencies:** While industry giants like HYBE, SM Entertainment, JYP Entertainment, and YG Entertainment continue to dominate, the barrier to entry for smaller agencies has decreased. Advances in digital streaming, social media marketing, and global fan engagement platforms (such as Weverse and Bubble) allow even lesser-known companies to promote their idols without the need for traditional media exposure. This has resulted in an influx of smaller firms debuting groups, often with limited resources and inconsistent quality. **The Influence of Survival Shows and Fan-Driven Voting Systems:** South Korea's entertainment industry has embraced survival shows as a means of generating hype and pre-debut fanbases for upcoming groups. Programs like *Produce 101*, *Idol School*, and *Girls Planet 999* have produced temporary yet highly popular groups, inspiring agencies to replicate this model by frequently debuting new acts to maintain audience interest. However, while these survival shows initially generate excitement, many of the resulting groups struggle to sustain momentum after their temporary contracts expire. **Corporate Expansion and Profit Incentives:** The K-pop industry is structured around the idol trainee system, where agencies invest significant time and resources into training aspiring artists. To maximize return on investment, entertainment companies debut multiple groups within a short period, hoping that at least one will become profitable. However, this mass-debut strategy leads to an oversaturated market, where only a handful of groups achieve long-term success while many others disband within a few years.

2.2 *The Challenges of an Oversaturated Market*

As the number of K-pop group debuts continues to rise, several challenges have emerged:

Fierce Competition for Fan Attention: The K-pop industry thrives on strong fan engagement, but with new groups debuting almost every month, fans are faced with an overwhelming number of choices. In earlier generations, groups like Girls' Generation, BIGBANG, and 2NE1 had fewer competitors, allowing them to cultivate devoted fanbases over time. Today, new idols must compete with both established superstars and other rookies for attention, making it difficult to gain traction. **Shortened Promotional Cycles:** To accommodate the increasing number of debuts, agencies have reduced the promotional lifespan of each comeback. In the past, groups would promote their songs for several months, but now, promotional cycles last only a few weeks before the next wave of debuts takes over. This shift places immense pressure on new groups to make an immediate impact, often leading to unsustainable marketing strategies and excessive reliance on viral moments. **Financial and Emotional Toll on Idols:** The competitive nature of K-pop forces idols to endure rigorous training, strict diets, and mental stress. Many trainees spend years preparing for their debut, only to have their careers end within a short time due to market saturation. The emotional toll of failing to achieve success, combined with the financial burden of unpaid training fees, has led to increased mental health concerns among young idols. **Diminishing Market Differentiation:** With so many groups debuting each year, many struggle to establish a unique identity. Earlier generations of K-pop featured distinctive concepts that set groups apart—EXO's sci-fi lore, 2PM's acrobatic performances, and f(x)'s experimental sound. In contrast, today's new groups often follow similar trends in music, fashion, and choreography, making it harder to stand out. Agencies attempt to differentiate their groups by emphasizing new concepts, but the sheer volume of debuts results in repetitive and overlapping aesthetics.

2.3 *The 2022-2023 Debut Boom*

A prime example of the recent surge in K-pop debuts can be seen in the 2022-2023 period, where an overwhelming number of new acts entered the market. Groups like NewJeans, LE SSERAFIM, IVE, and NMIXX gained significant attention due to strong backing from major agencies, while many smaller-label

groups debuted with limited exposure. Despite the industry’s growing market size, the majority of these rookie groups struggled to achieve financial stability, with some already disbanding within a year.

The surge in K-pop debuts reflects both the industry’s immense global popularity and its unsustainable business practices. While agencies continue to debut new groups in pursuit of financial success, the oversaturation of the market presents significant challenges, including heightened competition, shortened promotional cycles, and increased financial and emotional strain on artists. The industry must find a balance between expansion and sustainability to ensure the long-term success of both idols and entertainment companies. Without strategic intervention, the continued surge in debuts may ultimately weaken the very foundation that has made K-pop a global cultural force.

3. Revenue Fragmentation and Market Saturation

The rapid expansion of the K-pop industry has led to a situation where revenue is increasingly fragmented among a growing number of artists, creating financial challenges for both entertainment companies and idols. Unlike earlier generations, where a few dominant groups controlled the majority of album sales, concert revenue, and brand endorsements, the modern K-pop landscape is filled with dozens of new groups debuting each year, all competing for the same pool of consumer spending. This oversaturation leads to market instability, decreased profitability for mid-tier and rookie groups, and an unsustainable revenue model for the industry as a whole.

3.1 The Shift in Revenue Distribution

Historically, K-pop’s revenue was concentrated among a few highly successful groups. The early 2000s and 2010s saw groups like TVXQ, BIGBANG, Girls’ Generation, EXO, and BTS dominating album sales, merchandise, and concert tours. Their fanbases were large and dedicated, generating high profit margins for their respective agencies.

However, as more entertainment companies entered the industry and debut rates increased, revenue began to be spread across a larger number of artists, leading to several financial issues:

- **Dilution of Fan Spending:** Fans have a limited budget for supporting their favorite idols. Previously, fans would allocate their spending toward a few major groups, but now, they must choose between a growing number of new debuts. This means album sales, concert tickets, and merchandise purchases are divided among more groups, reducing the financial strength of individual artists.
- **Lower Profitability for Mid-Tier and Small Agencies:** While major labels like HYBE, JYP, SM, and YG have the financial backing to sustain their groups through multiple comebacks, smaller companies rely heavily on quick returns from their idol groups. Due to the competitive landscape, rookie groups from these smaller agencies struggle to gain enough traction to generate stable revenue, leading to frequent disbandments or financial losses.
- **Concert Revenue Competition:** With so many groups vying for concert venues and audience attention, the concert industry faces saturation. Only the top-tier groups can consistently sell out large arenas, while mid-tier and rookie groups often struggle to fill smaller venues. The limited availability of high-value concert slots in major cities further reduces opportunities for less popular groups.
- **The Challenge of Brand Endorsements:** One of the key revenue streams for K-pop idols is brand endorsements, but with an overcrowded market, companies have a wider range of choices when selecting ambassadors. This has led to a decline in endorsement fees for lower-tier idols, as brands are no longer reliant on a small pool of high-profile stars to reach their target audience.

These structural shifts have led to significant changes in market share among the major entertainment companies. While the “Big 3” agencies—SM, JYP, and YG Entertainment—once dominated the industry, the rise of HYBE (formerly BigHit Entertainment) has reshaped the competitive landscape. Mid-tier agencies have gained some ground due to digitalization, which allows them to reach global audiences without relying on traditional broadcasting.

The chart below illustrates how the market share of major K-pop agencies has evolved between 2010 and 2024. It highlights HYBE’s dramatic rise, overtaking its competitors to become the leading force in K-pop, while SM, JYP, and YG Entertainment have experienced a decline in their market share. The “Others” category, representing mid-tier and smaller agencies, has also expanded slightly as digital platforms have lowered the barriers to entry.

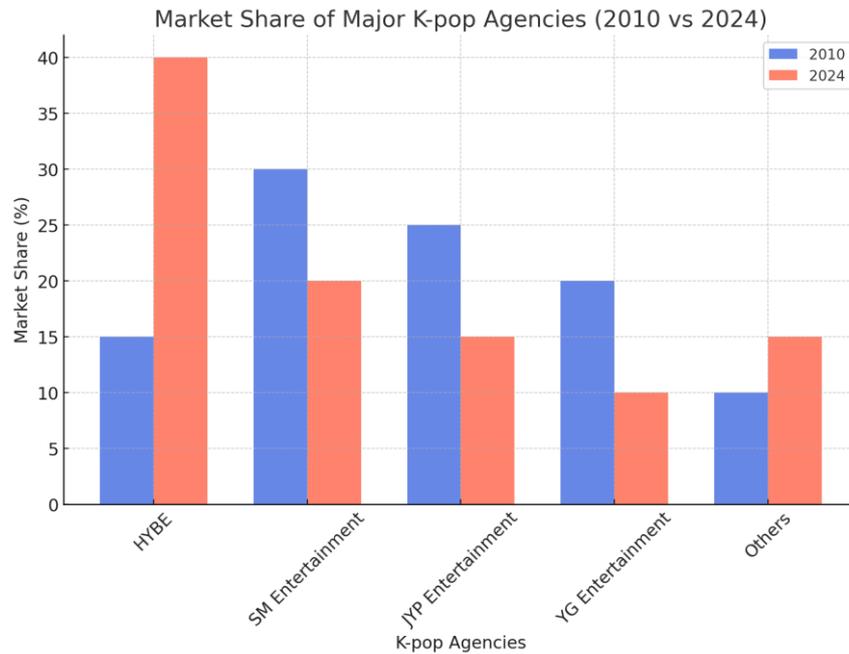


Figure 1. Market Share of Major K-pop Agencies (2010 vs 2024)

Key Observations from the Chart:

- **HYBE's Expansion:** HYBE grew from holding only 15% of the market in 2010 to a dominant 40% share in 2024, largely due to the massive success of BTS, SEVENTEEN, and TXT, along with strategic acquisitions of other labels.
- **Decline of SM Entertainment:** Once the most dominant label, SM's share has dropped from 30% to 20%, as it faced management controversies and rising competition.
- **JYP and YG Losing Ground:** While still influential, JYP Entertainment's market share shrank from 25% to 15%, and YG Entertainment declined from 20% to 10%, despite BLACKPINK's global popularity.
- **Rise of Smaller Agencies:** The "Others" category grew from 10% to 15%, reflecting the increasing presence of independent and mid-tier agencies.

This shift in revenue distribution reinforces two major trends:

- 1) **Industry Centralization** – HYBE's dominance suggests that large agencies are consolidating power, making it harder for smaller companies to break into the market.
- 2) **Increased Competition for Revenue** – With SM, JYP, and YG losing market share, these agencies must diversify their revenue streams and adapt to the evolving music consumption landscape.

As K-pop continues to expand globally, these market shifts will shape the industry's future business strategies, influencing everything from artist promotions and contract structures to investment in new revenue streams.

3.2 The Streaming Economy and Its Impact on K-pop Revenue

The shift from physical album sales to digital streaming has also contributed to revenue fragmentation. While traditional album sales generated higher profit margins, the rise of platforms like Spotify, Apple Music, and YouTube Music has changed the way revenue is distributed.

Lower Per-Stream Revenue: Streaming services pay artists based on the number of plays, but the payment per stream is significantly lower than physical album sales. As more groups debut, the number of available songs increases, but individual earnings per group decrease. Unlike the past, where fans purchased albums outright, streaming revenue is spread across a vast catalog, making it harder for new groups to earn substantial income.

Charting Challenges for Rookie Groups: K-pop's digital charts, such as Melon and Genie, are dominated by established groups with large fandoms. Newer groups find it difficult to break into the charts, which further limits their streaming revenue and exposure. Even if a rookie group produces high-quality music, they often struggle to reach the same streaming numbers as veteran artists, making it difficult to sustain a profitable career.

Global Streaming Trends Favor Established Acts: The globalization of K-pop has led to more international listeners, but they often focus on established acts rather than newer debuts. Groups like BTS, BLACKPINK, and SEVENTEEN consistently dominate global streaming charts, while rookie groups compete for smaller market

shares. This creates a “rich get richer” scenario, where a handful of top-tier groups generate the majority of streaming revenue, leaving less room for newcomers to gain financial success.

3.3 The Impact on the Physical Album Market

Despite the rise of streaming, physical album sales remain a crucial revenue source in K-pop. However, the oversaturation of the market has led to concerns about sustainability:

Mass Production of Albums for Sales Boosting – K-pop companies have increasingly relied on multiple versions of albums, limited edition releases, and photocard incentives to drive sales. While this strategy encourages fans to purchase multiple copies, it also places financial strain on consumers and creates an unsustainable market bubble. **Shorter Album Lifespan** – In the past, albums would remain on the charts for months, but today, new releases are quickly overshadowed by the next wave of debuts. This shortens the lifespan of each album, forcing agencies to release content at a faster pace, which can lead to creative fatigue and declining production quality. **Environmental and Ethical Concerns** – The rise in physical album production has also sparked concerns about waste and sustainability. Many fans purchase albums purely for photocards and special inclusions, leading to a surplus of unsold albums that are later discarded. This raises ethical questions about the industry’s reliance on mass consumerism.

3.4 Financial Sustainability of K-pop Agencies

The financial impact of market oversaturation is also felt by entertainment agencies, which must continuously invest in new groups while managing existing ones. As competition intensifies, agencies face increasing pressure to maximize revenue from existing artists, leading to heavy reliance on concert tours, merchandise sales, and digital fan engagement platforms.

3.4.1 Increased Debut Costs and High Financial Risk

The cost of debuting a new K-pop group is estimated to range between \$500,000 and \$2 million, covering trainee expenses, production costs, marketing, and music video filming. With so many debuts occurring annually, smaller agencies risk financial collapse if their groups fail to gain traction. The oversaturated market makes it increasingly difficult for newer groups to build strong fanbases, leading to frequent disbandments.

3.4.2 Overreliance on Fan-Driven Revenue

K-pop agencies have become increasingly dependent on direct fan spending, including album purchases, concert tickets, fan meetings, and exclusive content subscriptions. However, with so many groups competing for fan loyalty, agencies risk losing revenue if they fail to maintain audience interest. Among these revenue streams, concert revenue has become one of the most significant sources of income, but it is also one of the most competitive markets in K-pop today.

3.4.3 Concert Revenue Concentration in Top-Tier Groups

With the increasing number of K-pop groups debuting each year, more artists are entering the concert market, creating intense competition for venues, ticket sales, and sponsorship deals. However, despite the growing number of groups holding concerts, the majority of revenue still flows to a handful of top-tier acts that have the strongest fanbases and global appeal. The chart below illustrates the relationship between the number of K-pop groups holding concerts and total industry revenue from concerts between 2015 and 2024.

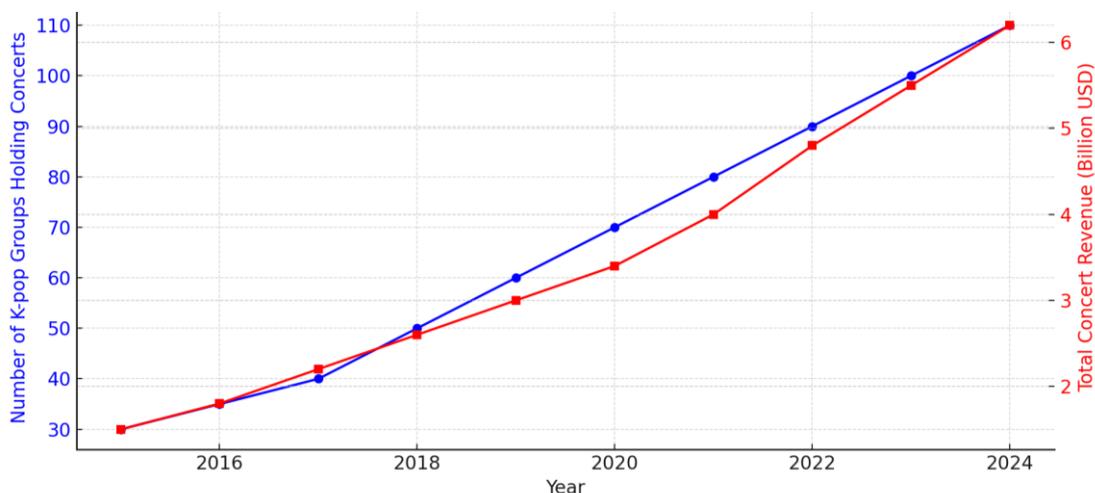


Figure 2. K-pop Concert Revenue vs. Number of Participating Groups (2015-2024)

The Risks of Relying Too Much on Concert Revenue

While concert tours generate billions of dollars annually, they also pose financial risks for agencies that heavily rely on them:

- **High Production Costs:** Staging a concert requires significant investment in venue booking, stage design, equipment rental, security, and promotional activities. If ticket sales underperform, agencies may struggle to recover their investment.
- **Venue Saturation:** With dozens of groups competing for concert venues, securing premium locations in major cities has become more difficult. Rookie and mid-tier groups often have to settle for smaller venues, limiting their profit potential.
- **Unstable Revenue Streams:** Unlike album sales or digital streaming, concert revenue is seasonal, fluctuating based on tour schedules and external factors like travel restrictions or economic downturns.

As the competition for live performance revenue intensifies, K-pop agencies must explore alternative revenue models to sustain financial stability rather than depending entirely on concerts.

3.5 Potential Solutions for Market Stabilization

To address the challenges of revenue fragmentation and market saturation, the K-pop industry must consider implementing sustainable business strategies:

Limiting the Number of Annual Debuts: Entertainment companies should focus on developing existing groups rather than debuting new ones at an unsustainable rate. This would allow for better resource allocation and increase the chances of long-term success. **Diversifying Revenue Streams:** Agencies should explore new ways to generate income beyond traditional album sales and concert tours, such as expanding into digital content, licensing, gaming, and metaverse experiences. **Supporting Mid-Tier and Rookie Groups:** Instead of focusing solely on top-tier groups, agencies should create more opportunities for mid-tier artists through strategic marketing, overseas promotions, and collaboration projects. **Enhancing Digital Engagement:** With the rise of global streaming, companies should optimize their digital strategies to increase revenue through streaming platforms, NFT content, and virtual events.

Revenue fragmentation and market saturation pose significant challenges to the long-term financial stability of the K-pop industry. While the influx of new groups has expanded the industry's reach, it has also created an unstable revenue distribution model that disproportionately favors top-tier artists while leaving many rookie groups struggling to survive. Unless entertainment companies adopt sustainable strategies, the industry risks diluting its profitability, exhausting its fanbase, and ultimately damaging the global reputation of K-pop as a leading entertainment powerhouse.

4. Shortened Career Lifespans and High Turnover Rates

The rapid expansion of the K-pop industry has dramatically shortened the career lifespans of idols, leading to an alarmingly high turnover rate. While K-pop has always been known for its intense competition, the rise in the number of debuts each year has made it increasingly difficult for groups to sustain long-term careers. Many artists spend years training under harsh conditions, only to debut in a group that disbands within a few years due to financial struggles, low public recognition, or mismanagement. The K-pop industry, once dominated by groups that lasted for a decade or more, now sees a significant portion of rookies fade into obscurity before even completing their first contract cycle.

In previous generations, successful idol groups could expect to enjoy a relatively long career. Groups like Girls' Generation, BIGBANG, and TVXQ had the time and resources to develop strong fanbases, ensuring their continued relevance. However, today's market saturation forces rookie groups to achieve near-instant success or risk being sidelined in favor of newer acts. Agencies, eager to maximize profits, often debut multiple groups within a short period, creating internal competition even among their own artists. This short-term focus results in high disbandment rates, as companies quickly abandon underperforming groups to redirect resources to newer projects.

For many idols, the pressure to succeed in such a competitive industry takes a severe toll on their mental and physical well-being. The demanding nature of the idol lifestyle—long practice hours, strict diet regimes, and relentless promotional schedules—leaves little room for rest or recovery. Idols are expected to maintain a flawless image while constantly improving their skills to stay relevant. When a group fails to generate significant revenue, members are often forced into early contract terminations or silent disbandment, with little to no public acknowledgment from their agencies. This practice not only damages the careers of young idols but also contributes to an unstable work environment within the entertainment industry.

The short career spans of K-pop idols are further exacerbated by shifting fan loyalty. With a constant influx of

new groups, fans are presented with more options than ever before. In previous generations, fans would dedicate themselves to a single group, supporting them through multiple album releases and concert tours. Today, however, the rapid turnover of idols has made it difficult for fans to form deep connections with any one group. When a new act debuts, attention is often diverted away from existing groups, accelerating the decline of rookie and mid-tier idols who struggle to maintain a stable fanbase. This phenomenon creates a cycle where only the most commercially successful groups are able to thrive, while the majority of new debuts are quickly forgotten.

The impact of high turnover rates extends beyond individual artists and affects the industry as a whole. The constant debut-disband cycle creates an environment of uncertainty, making it difficult for agencies to plan long-term strategies. Even companies with successful groups must continuously debut new acts to keep up with industry trends, leading to oversaturation and diminishing returns. The instability of idol careers discourages young trainees from pursuing long-term careers in K-pop, as they are increasingly aware of the high risks involved. Many former idols, after experiencing short-lived careers, struggle to transition into other fields, with limited career opportunities outside of the entertainment industry. Some attempt solo careers, while others move into acting, modeling, or content creation. However, for many, the lack of financial stability and the abrupt end of their idol careers leave them in a precarious situation.

To address these issues, entertainment agencies must shift their focus from rapid debuts to sustainable artist development. Rather than debuting multiple groups in quick succession, companies should invest in nurturing their existing artists, providing them with adequate promotional opportunities and long-term career planning. Implementing structured support systems, such as mental health counseling and career transition programs, can help idols navigate the challenges of the industry. Regulating the number of annual debuts and extending promotional cycles can create a more stable environment, allowing groups to develop lasting careers rather than being treated as disposable assets.

If the current trend of shortened career spans and high turnover rates continues, the K-pop industry risks damaging its own long-term viability. While the rapid debut cycle may generate short-term profits, it ultimately weakens the foundation of the industry by creating an unstable workforce and discouraging sustained fan engagement. For K-pop to maintain its global success, the industry must evolve beyond its current high-risk model and prioritize the longevity and well-being of its artists. Only by implementing sustainable business practices can K-pop ensure a future where idols are given the opportunity to thrive rather than being forced into premature retirement.

5. Declining Quality and Innovation: The Cost of Oversaturation in K-pop

The rapid expansion of the K-pop industry has led to a noticeable decline in the quality and originality of music production, choreography, and group concepts. While K-pop has always been known for its cutting-edge music, high-performance standards, and visually striking aesthetics, the sheer number of debuts each year has created an environment where creativity is often sacrificed in favor of mass production. Agencies, eager to capitalize on the genre's popularity, prioritize quick returns over long-term artistic development, resulting in an industry filled with repetitive sounds, formulaic concepts, and diminishing innovation.

5.1 Over-Reliance on Trends and Recycling of Concepts

One of the most apparent signs of declining innovation in K-pop is the industry's heavy reliance on trends rather than originality. In previous generations, groups were known for having distinct musical identities—BIGBANG was recognized for their experimental fusion of hip-hop and electronic music, 2NE1 brought a bold, rebellious image, SHINee set trends in vocal and dance experimentation, and EXO introduced science-fiction-inspired storytelling. However, as the number of debuts has skyrocketed, many new groups follow pre-established templates rather than forging their own unique artistic identities.

For example, the “girl crush” concept, initially popularized by BLACKPINK, has been excessively replicated by newer girl groups, leading to a saturation of similar sounds, outfits, and attitudes. Likewise, the “dark, mysterious” concept frequently used by boy groups like VIXX has been copied by many acts, diluting its impact. This over-reliance on proven formulas prevents new groups from standing out and contributes to creative stagnation. Instead of pushing the boundaries of K-pop's musical landscape, agencies focus on what has worked before, leaving little room for innovation.

Musical composition in K-pop has become increasingly homogenized. Many groups work with the same group of producers, often from Swedish or American songwriting teams that create tracks optimized for international appeal rather than artistic distinction. While this has helped K-pop gain a foothold in global markets, it has also led to a decline in musical variety. Instead of experimenting with new genres or sounds, agencies commission tracks that fit into the current global pop mold, resulting in music that sounds increasingly similar across different groups.

5.2 Production Fatigue and Decreasing Choreographic Innovation

Another consequence of the industry's oversaturation is the immense pressure placed on songwriters, producers, and choreographers to continuously generate fresh content at an unsustainable pace. The industry's fast turnaround time demands that production teams work under tight deadlines, churning out multiple songs and performances for different groups in rapid succession. This constant output leads to creative fatigue, making it difficult for producers to maintain originality.

Choreography, once one of the most defining elements of K-pop, has also suffered from this production fatigue. While K-pop choreography is still highly demanding and performance-heavy, recent trends show a shift toward more simplistic, TikTok-friendly dance moves designed for virality rather than technical mastery. Earlier generations of K-pop introduced complex, high-energy choreography, such as TVXQ's "Mirotic" and INFINITE's synchronized formations. However, as the number of groups increases, choreographers are often forced to recycle existing movements, resulting in less memorable routines. The emphasis on short, easily imitable dance challenges for social media further limits the room for choreographic experimentation.

The growing dependence on pre-debut survival shows and competition formats has affected K-pop's overall creative direction. While these shows provide exposure for trainees, they often prioritize spectacle over artistic depth. The need to constantly showcase new performances on such programs forces production teams to focus on delivering instant hits rather than investing in long-term creative growth. As a result, many debut songs are crafted to be immediately appealing but lack the depth or musical complexity needed for lasting impact.

5.3 Over-Saturation and the Decline of Album Storytelling

K-pop has historically been known for its strong storytelling elements, with groups often incorporating elaborate lore, interconnected music videos, and conceptual albums. Groups like BTS, EXO, and LOONA gained massive followings by building narratives that extended beyond their music. However, with the increase in new debuts, fewer groups are given the time or resources to develop such ambitious storytelling elements.

Agencies now prioritize single releases over full-length albums, leading to a decline in conceptual storytelling. Earlier generations of K-pop idols would release albums that told cohesive stories, with carefully structured tracklists designed to take listeners on a journey. Today, most groups release mini-albums or digital singles that prioritize title tracks over deep album cohesion. The pressure to continuously release content also means that many albums are rushed, featuring filler tracks that lack the same level of artistic effort as the title songs.

The rapid debut-disband cycle limits the ability of groups to establish long-term artistic growth. Groups that once had the time to experiment with different sounds and evolve creatively over several years are now expected to achieve immediate success. If a group does not generate strong album sales within their first few comebacks, they risk being abandoned by their agencies. This stifles long-term artistic innovation, as groups are not given the freedom to take creative risks.

5.4 The Impact on Global Appeal and Market Longevity

As K-pop continues to expand globally, the decline in quality and innovation presents a potential risk to its long-term appeal. The genre's success has been largely driven by its ability to offer something unique compared to Western pop music—high-quality performances, visually captivating music videos, and strong conceptual storytelling. However, if K-pop becomes too repetitive and predictable, international audiences may lose interest.

The global music industry is constantly evolving, and Western artists are already adopting elements of K-pop's production style, dance-heavy performances, and visually rich aesthetics. If K-pop does not continue to innovate, it risks losing its competitive edge in the global market. For example, while groups like BLACKPINK have successfully maintained international attention, many newer groups struggle to differentiate themselves beyond being "the next version" of an already successful act. This raises concerns about the long-term sustainability of K-pop's global expansion.

Another issue is that as K-pop's creative output becomes increasingly commercialized, artists are often left with little control over their own artistic direction. Many idols have expressed frustration over the lack of creative input they have in their music and branding. Groups like BTS and SEVENTEEN, who have been given more freedom in songwriting and production, have shown that idols can thrive when allowed to contribute to their artistry. However, the majority of newer groups are given little agency in shaping their own musical identity, resulting in a sense of detachment from their work. This lack of personal involvement can affect the depth and sincerity of their performances, making it harder for fans to form strong emotional connections with the music.

5.5 Potential Solutions for Revitalizing K-pop's Innovation

To counteract the decline in quality and innovation, entertainment agencies must shift their focus from mass production to artistic sustainability. One approach would be to reduce the number of annual debuts and invest more in refining the concepts and music of existing groups. Rather than prioritizing immediate marketability, agencies should allow groups to develop distinct artistic identities and give them the creative freedom to explore

different musical styles.

Providing more opportunities for idols to participate in the creative process can lead to stronger artistic direction. Groups that have self-produced elements, such as SEVENTEEN and Stray Kids, have been able to develop unique musical identities that set them apart from the competition. Encouraging idols to contribute to songwriting, choreography, and concept development could foster a more dynamic and diverse K-pop landscape.

The industry could also benefit from shifting away from excessive trend-following and instead focusing on nurturing innovative producers and songwriters. Investing in new talent and allowing for more experimental production techniques can help diversify K-pop's sound and prevent creative stagnation. Rather than relying on the same small pool of international producers, agencies should explore collaborations with artists from a wider range of musical backgrounds.

The declining quality and innovation in K-pop are a direct result of industry oversaturation and the pressure to continuously debut new groups. As agencies prioritize quantity over creativity, the genre risks becoming repetitive, losing the uniqueness that originally set it apart. The over-reliance on existing trends, production fatigue, and the diminishing focus on storytelling all contribute to a less dynamic music industry. If K-pop is to maintain its global dominance, it must refocus on long-term artistic growth, invest in creative development, and allow for more innovation in music production, choreography, and group branding. Only by fostering originality can K-pop continue to evolve and capture the imagination of audiences worldwide.

6. Potential Solutions for Sustainable Growth in the K-pop Industry

The rapid expansion of K-pop has fueled its global success, but the excessive debut of new groups, declining quality, and market oversaturation have created challenges that threaten the industry's long-term sustainability. If the industry continues its current trajectory, it risks financial instability, shortened artist careers, and a decline in innovation. To ensure the future growth of K-pop, entertainment companies must implement strategic reforms that balance commercial success with artistic longevity. This section explores key solutions, including industry regulation, improved artist development, diversified revenue streams, and sustainable promotion strategies.

6.1 Regulating the Number of Annual Debuts

One of the most immediate ways to address the oversaturation problem is to regulate the number of groups debuting each year. Currently, the high turnover rate of idol groups is fueled by agencies debuting new acts in quick succession, leading to fierce competition and the frequent disbandment of underperforming groups. Implementing a more controlled debut schedule can prevent excessive market fragmentation and give rookie groups more time to develop their careers.

To achieve this, entertainment agencies should prioritize quality over quantity by investing in fewer, well-prepared groups instead of mass-producing idols with limited differentiation. By carefully selecting debut-ready trainees and focusing on unique concepts, companies can reduce redundancy in the market. Industry-wide guidelines could also be introduced to prevent smaller agencies from debuting groups without sufficient financial backing, which would reduce the number of groups that struggle to survive due to lack of proper promotion and management.

Introducing debut quotas—either through self-regulation by major agencies or external regulatory bodies like the Korea Creative Content Agency (KOCCA)—could help control market saturation. This does not mean stifling creativity but ensuring that groups debut with the necessary industry support and promotional opportunities to establish themselves successfully.

6.2 Extending Promotional Cycles for Rookies

A major issue in K-pop's current business model is the short lifespan of promotional cycles, particularly for rookie groups. Newcomers are often given only a brief window to prove their marketability before being overshadowed by the next wave of debuts. This high-speed industry model prevents idols from establishing strong connections with fans and developing distinct musical identities.

To foster more sustainable careers, agencies should extend the promotional lifespan of rookie groups by investing in long-term marketing strategies instead of relying on short-term, viral success. This can be achieved through several approaches: **Longer Promotional Periods** – Rather than rushing into a new comeback every few months, rookie groups should have extended album cycles, allowing them to maximize engagement from their debut release. Prolonged promotional periods also give new groups more exposure on music shows, variety programs, and global platforms. **Gradual International Expansion** – Many companies debut groups with a global audience in mind, but pushing for immediate worldwide recognition can be counterproductive. Instead, agencies should allow groups to establish strong domestic fanbases before attempting large-scale international promotions. By gradually expanding into global markets, rookie groups can build longevity and prevent overexposure. **More Personalized Marketing Strategies** – Rather than relying solely on mass media promotion, agencies should use

targeted fan engagement strategies such as exclusive digital content, behind-the-scenes footage, and interactive online events. This approach helps fans develop a deeper connection with artists and encourages long-term loyalty.

6.3 Focusing on Artist Longevity and Career Transition Planning

The high turnover rate of K-pop idols is partially due to the industry's lack of structured long-term career planning. Many idols debut with the understanding that they have only a limited window to achieve success, and when their group fails to generate enough revenue, they are left with few career options.

Groups that debut through audition survival programs are particularly vulnerable to early disbandment, as they often operate under fixed-term contracts rather than open-ended careers. In contrast, traditionally debuted groups tend to have more long-term stability.

Table 1. K-pop Group Survival Comparison

Group Name	Debut Year	Disband Year	Lifespan (Years)
X1	2019	2020	1
IZ*ONE	2018	2021	3
Kep1er	2022		2
Wanna One	2017	2019	2
SEVENTEEN	2015		9
Stray Kids	2018		6

The table below compares the lifespans of audition survival show groups vs. traditionally debuted groups. It highlights how groups formed through audition shows, such as X1 and Wanna One, tend to disband quickly due to contract limitations, whereas traditional groups like SEVENTEEN have significantly longer careers.

One way to achieve this is through diversified career planning. Rather than focusing exclusively on group activities, agencies should encourage idols to develop skills in acting, hosting, songwriting, producing, and business. Allowing idols to participate in songwriting, choreography, and production—similar to how SEVENTEEN and Stray Kids operate—gives them greater creative control and equips them with skills that extend beyond their idol careers.

Establishing post-idol career transition programs can provide essential support for artists who retire from performing. Many former idols struggle to find career paths after disbandment, leading to financial instability and emotional distress. Agencies should offer mentorship programs, higher education sponsorships, and business investment opportunities to help former idols transition into fields such as music production, management, and content creation. By focusing on long-term career stability, entertainment companies can prevent the industry from losing talented individuals who may otherwise leave due to the high risks associated with short-lived idol careers.

6.4 Diversifying Revenue Streams Beyond Traditional Album Sales

The K-pop industry remains heavily reliant on traditional revenue streams such as album sales, concert tours, and merchandise. However, with market oversaturation, the competition for these revenue sources has intensified. To ensure sustainable growth, agencies must explore new revenue models that are less dependent on physical album sales and live performances.

One promising avenue is digital monetization, including the expansion of online fan engagement platforms like Weverse, Universe, and Bubble. These platforms allow idols to interact with fans through exclusive content, personalized messages, and premium subscription services. By shifting focus toward digital fan experiences, agencies can generate consistent revenue without over-relying on physical sales.

Another area of growth is the integration of K-pop with emerging technologies. The rise of the metaverse and virtual experiences presents new opportunities for artist-fan interactions. Virtual concerts, NFT-based collectibles, and augmented reality (AR) experiences can provide additional revenue streams while allowing international fans to engage with idols without geographical limitations.

Brand collaborations and business ventures are also crucial for diversifying income sources. Instead of depending solely on endorsements, agencies should encourage idols to launch their own fashion lines, beauty brands, or entertainment companies. BLACKPINK's Jennie, for instance, has successfully entered the luxury fashion world, proving that K-pop idols can become influential figures beyond the music industry. By adopting a

multi-faceted revenue model, K-pop agencies can ensure financial sustainability while reducing the pressure to constantly debut new groups as a primary source of income.

6.5 Encouraging More Creative Freedom and Artistic Experimentation

One of the biggest challenges facing K-pop today is the decline in originality due to an oversaturated market. Many new groups follow similar musical and visual trends, leading to a sense of redundancy. To maintain its global appeal, the industry must prioritize artistic innovation by giving idols and producers greater creative freedom. A key solution is supporting self-produced groups. SEVENTEEN, for example, has built a strong brand as a self-producing group, allowing members to actively participate in songwriting, choreography, and production. By granting artists more control over their creative direction, agencies can foster a more diverse musical landscape. Agencies should encourage musical experimentation by collaborating with a wider range of producers and songwriters. Instead of relying on a small circle of international producers who create similar-sounding tracks, K-pop could benefit from working with independent artists and genre-diverse musicians. This would help break the cycle of trend-based music and introduce fresh sounds into the industry. Investing in long-term concept storytelling is another strategy that could revitalize artistic innovation. Groups like BTS and EXO successfully built interconnected narratives across multiple albums, creating a deeper emotional connection with fans. Encouraging new groups to develop unique conceptual identities could differentiate them from competitors and prevent the industry from becoming overly repetitive. By promoting creative diversity, the K-pop industry can prevent stagnation and sustain its reputation as a global leader in music and entertainment.

The future of K-pop depends on the industry's ability to adapt to changing market dynamics while maintaining sustainable growth. By regulating the number of debuts, extending promotional cycles, prioritizing artist longevity, diversifying revenue streams, and fostering creative innovation, entertainment companies can ensure a more balanced and stable industry. Without these reforms, the continued cycle of oversaturation, declining quality, and high turnover rates could jeopardize the long-term viability of K-pop. However, if properly managed, K-pop can continue to thrive as a powerful cultural force, setting new standards in music, performance, and global influence.

7. Conclusion

The meteoric rise of K-pop from a regional music genre to a global entertainment powerhouse has brought both extraordinary success and significant challenges. While the industry's expansion has introduced new musical talent and increased international recognition, the unchecked influx of idol group debuts threatens to destabilize its long-term sustainability. Market overcrowding has led to revenue fragmentation, shortened artist careers, creative stagnation, and an overall decline in industry innovation. If these trends continue unchecked, K-pop risks undermining the very foundation of its global success.

The current business model prioritizes quantity over quality, with entertainment agencies debuting new groups at an unsustainable pace. While this strategy may yield short-term profits, it ultimately weakens the industry's financial stability by dispersing consumer spending across too many competing acts. Fans, who once dedicated years to supporting a single group, now find themselves overwhelmed by an endless stream of new debuts, leading to fragmented fandoms and decreased brand loyalty. The reliance on short-term promotional cycles forces idols to achieve near-instant success or risk being overshadowed by the next wave of newcomers. This system not only places immense pressure on idols but also fosters a disposable culture where many artists are discarded before they have a chance to fully develop their musical identities.

The rapid debut-disband cycle also has profound implications for the mental and financial well-being of K-pop idols. Many trainees spend years preparing for their debuts, only to face career uncertainty if their group fails to generate strong sales within the first few releases. The industry's relentless competition leaves little room for gradual career growth, pushing idols into high-stakes environments where failure often results in premature disbandment. Without structured career transition programs, many former idols struggle to find new opportunities after leaving the industry, leading to emotional distress and financial instability.

The declining quality of K-pop music and performances is a direct consequence of the industry's overproduction. Agencies, under pressure to churn out new acts rapidly, often resort to formulaic concepts and repetitive musical styles. The overuse of similar producers, choreographers, and fashion trends has led to a homogenization of the genre, making it increasingly difficult for groups to stand out. While some groups have managed to carve unique identities, the majority risk becoming indistinguishable in an industry that prioritizes marketability over originality. If K-pop continues down this path, it may lose its innovative edge and struggle to maintain its global influence in an increasingly competitive music landscape.

To ensure the longevity of K-pop, entertainment agencies must adopt sustainable business strategies that balance profitability with artistic integrity. First, regulating the number of debuts and extending promotional cycles would give rookie groups a better chance to establish themselves without being overshadowed by constant

industry turnover. Second, agencies must shift their focus from immediate commercial returns to long-term artist development, providing idols with career stability and opportunities to expand their skill sets beyond singing and dancing. This includes encouraging self-produced music, investing in diversified career pathways, and offering mental health and financial counseling for idols.

Diversifying revenue streams is crucial for reducing dependency on album sales and concert tours. The growing digital economy presents opportunities for innovative fan engagement, such as virtual concerts, exclusive content platforms, and interactive experiences. By leveraging emerging technologies like AI, blockchain, and the metaverse, K-pop can create new forms of entertainment that appeal to a global audience while ensuring financial sustainability.

The preservation of artistic quality and innovation must also become a priority. Encouraging originality in songwriting, choreography, and concept development will help distinguish new acts from one another and prevent the genre from becoming stagnant. Agencies should empower idols with creative freedom, fostering an environment where artists can explore different musical styles and narratives rather than conforming to pre-packaged concepts designed solely for mass appeal. A return to strong storytelling and album cohesion—similar to the narrative-driven approaches of BTS, EXO, and LOONA—could reignite the depth and uniqueness that once defined K-pop.

At its core, K-pop's strength has always been its ability to evolve, adapting to changing audience preferences while setting new global trends. However, for this evolution to continue in a sustainable manner, the industry must recognize the risks associated with overproduction and excessive debuts. The long-term health of K-pop depends on strategic reforms that promote stability, artistic growth, and ethical industry practices. By focusing on quality over quantity, fostering strong artist development, and embracing innovation, K-pop can continue to thrive as a dominant force in the global entertainment industry.

If the industry can successfully navigate these challenges, it has the potential to sustain its growth for decades to come, producing not just fleeting idols but iconic artists with lasting cultural impact. By implementing these necessary changes, K-pop can move beyond the current saturation crisis and solidify itself as a resilient, ever-evolving genre that continues to captivate audiences worldwide.

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