



A Study on the Profit Model of We Media in China

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Abstract

This study aims to analyze the profit model of We media in mainland of China. Specifically, there are three main research questions. First, what are the main profit models used by We media in China? Second, what are the types that those profit models belong to? Third, how can we evaluate those profit models? Based on the in-depth interview about nine people (three college faculties, three journalists and three employees of We media), this study draws such conclusions. 1. There are totally six profit models used by We media in mainland of China, specifically, advertising, paid reading, membership, profit-sharing model, e-commerce, and derivative service. 2. These six profit models can be divided into four types. Advertising belongs to "direct and high profit", e-commerce belongs to "indirect and high profit", derivative service belongs to "indirect and low profit", the remaining three profit models, paid reading, membership and profit-sharing model belong to "direct and low profit". 3. We can evaluate the profit model of We media through two main aspects. On the one hand, we need to recognize We media's profit models in China are very rich. In other words, We media can make money by many different ways, which is a good condition for We media's improvement. While on the other hand, there is a feature of We media's profit models, which is direct and low profit method accounts for the high level of proportion. It means We media's actual profitability is not very strong, so most of We media can only gain low profit in practice.

Keywords: We media; Profit model; Profit type; Mainland of China

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Introduction

The development of information and communication technologies (ICTs) is very remarkable around the world, especially in mainland of China. Based on the latest technology, many new types of media have been created rapidly, which have taken place the role and status of traditional media to many degrees. According to the annual report of China Internet Network Information Center [1], the total number of internet users in China reached 0.731 billion people and more than 0.695 billion people use the mobile phone to connect to the internet. The world's largest net users' group is the solid foundation for the improvement of those new types of media, especially We media in China. There were more than 12,000 thousand Wechat official accounts by the end of 2016 and some people predict this number might grow to 14,150 thousand by the end of 2017 [2]. These official accounts of Wechat are created by government, media, enterprises and ordinary people, which are the main actor in creating official

accounts. So Wechat official media can be regarded as the typical We media in China. Besides Wechat official accounts, other types of We media have also experienced the rapid increase on other platforms, such as Baidu, Today Toutiao (www.toutiao.com), Tencent and so on. As time goes by, the function and attribute of We media have changed significantly, specifically, people's main aim of creating and managing their own We media is not only for disseminating information but for making money. Managing We media becomes a way of starting a business for many people. For example, "Luoji Thinking", an internet knowledge-based talk show, develops a diversified business model on different internet platforms, including Youku, Wechat and so on. What should be emphasized here is that this We media created an official account in Wechat and the number of fans had reached more than six million that exceeds many Wechat official accounts set by big traditional media organizations and government's departments in 2016 (*Tencent Technology*, 2016). This We media had completed B round financing in 2015 and valued at 1.32 billion

yuan (*Sina News*, 2015). So Luoji Thinking becomes one of the most successful We media in China in recent years.

Witnessing the rapid development of We media and its bright prospects, many enterprises and venture capitals have been investing and even acquiring We media. For instance, China Media Capital announced a plan to invest 0.1 billion yuan to "Wall Street Horizon", a financial We media. Alibaba Group also announced a plan to invest "Day Day Cook", which is an APP providing information about cooking and latest fashion. Meisheng Culture acquired "Tongdao Uncle" by 0.21 billion yuan (The New List, 2017). Besides these investments and acquisitions, there was another investment that attracted great attention. Luoji Thinking connected with other venture capitals to invest "Papi Girl", which is a fast-rising internet funny talk show. After this investment, Papi Girl was valued at 300 million yuan (*Tencent Technology*). According to these cases, it is easy to find that We media with a large number of fans and bright prospects have been favored by enterprises and venture capitals. There is no doubt that, the main aim of enterprises' and venture capitals' investment or acquisitions of We media is making money or so-called increasing profits. At such background, whether We media can create the profit model that brings lasting and steady benefits becomes one of the most important elements for its future development.

According to the statement above, this study aims to make it clear that the profit model and its function of We media in China. A suitable profit model is one of the decision-elements for We media, either its ability to make profit or its sustainable development. According to the wave of investing We media from enterprises and venture capitals, it seems that We media in China have set up the suitable profit model so its profit expectation is wonderful. While considering today's profitability of We media, it is difficult to say that We media have made a good performance about making money. So it is meaningful to explore the real situation of We media's profit models. Specifically, there are three main research questions. First, what are the main profit models used by We media in China? Second, what are the types that those profit models belong to? Third, how can we evaluate those profit models?

Literature Review

The development of We media

Because of the rapid development of the internet, this situation had appeared: news was being produced by regular people who had something to say and show, and not solely by the "official" news organizations that had traditionally decided how the first draft of history would look. The first draft of history was being written, in part, by the former audience [3]. Different from traditional news organizations, this new method or approach to disseminating information can be regarded as We media. And different from traditional journalists who work for big media organizations, those people who resign from media organizations or even are just audiences are seen as so-called "civic journalists". The main values of We media at the beginning of its development can be summed up to two points. The first one is that We media can disseminate information faster than traditional media

organization. For instance, a suicide bombers attack happened in London on 7 July 2005. This event killed the suicide bombers and dozens of others in the subway and on a bus. One photograph captured this event firstly and disseminated this information through the internet. The photo was taken and disseminated by an ordinary people through his mobile phone [3]. The similar cases are increasing significantly today around the world for the improvement and diffusion of social media. The second one is that We media can dig up that information which cannot be found or reported by traditional media organizations. The typical case was Drudge Report differing the U.S. ex-president Clinton's alleged affair with Lewinsky [4]. This explosive news had not been reported by traditional media, while was dig up by a little known We media. After this case, the influence of Drudge Report was increasing rapidly. At the beginning, We media's function was reporting news based on different method from traditional media organizations. While the function of We media was enriching and its influence was improving during the past ten years. With the development and diffusion of social media, i.e., Facebook, Twitter and so on, We media have gained the influential platform and received the rapid grow of fans and audiences. As a result, the status of traditional media has been challenged by We media, many of scholars started to research how to save newspapers and TVs using Facebook and Twitter [5].

The development of We media in China was also remarkable in the past decade. One of the main reasons is that the improvement of diffusion of the internet in mainland of China was very fast during the past ten years, although it started later than Western countries. The first wave of We media's development in China was attributed to the rise of the blog. It was the first time that ordinary people in China received the opportunity to express their own voice to some degree. So many famed persons and ordinary people created their own blog account and disseminated information or expressed their opinions about public affairs, which could be regarded as the development of civic journalism in China [6-8]. The second wave of We media's development in China was based on the appearance and diffusion of micro-blog (or Weibo) before and after 2010. This Twitter-like social media was created by Sina and harvested a large number of fans in a very short time. Many famed people, i.e., authors, actors, professors, entrepreneurs and ordinary people set up their own account of Weibo, disseminating daily information and expressing their opinion about public affairs within 140 words. Of course, this platform becomes a good place for people to cultivate and manage their We media. Meanwhile, this platform becomes a good approach for citizen's political participation in China where people have little chance to take part in offline political activities [9-11]. For example, anti-corruption through Weibo was flourishing in a period of time when the government had not taken actions. The typical process of Weibo anti-corruption is that ordinary people expose corrupt officers to public and influential Weibo users (or so-called "big V") forward this information to more people, than official departments investigate these corrupt officers [12]. So the main function of We media in this time was civic engagement. The third wave of We media's development in China was appearing after the rise of Wechat and other online

media platforms. Comparing to the former two wave of We media's development, the main aim of people setting up and managing We media in the third wave was changing from political and public purposes to profit aims. In other words, people who manage Wechat official accounts or other types of We media in recent 5 years in China were aiming to get commercial interest [13].

Study on the profit model of We media

Many pieces of research focused on the economic aspect of media or so-called media economics. Comparing to other products, media is very different for its special qualities not shaped by other products or services. The main feature of media economics is that media firms can operate so-called "dual product" markets or what can be understood as "two-sided markets". It means that there are two different outputs, first, content (i.e., television programmes, newspaper copies, magazine articles, etc) and second, audiences, specifically audiences' attention. The audiences have been attracted by contents provided by media becoming a second product, insofar access to audiences can be packaged, priced and sold to advertisers [14]. Just like traditional media, many We media, according to scholars' summaries, make profit through "two-sided market", specifically, through advertisement. For example, many We media in Medium, a rapid rise online media platform in American and the Hustle, a rising star of media entrepreneurship are making profit mostly rely on advertisement [15,16]. We media are very different from traditional media groups, neither the operation pattern or the content. While according to the profit models, there seems no obvious variance between these two types of media.

Besides U.S., there were many scholars and experts trying to figure out the feature of We media's profit model in China. For instance, there were many studies focused on Wechat official accounts' profit model and its effect. Xu [17] summed up four profit models of We media in Wechat, which were advertisement, paid reading, O2O (online to offline) and e-commerce. The most important profit model is advertising, according to an official report, the total value of internet advertisement reached 15 billion yuan and social media advertisement accounted for 2 billion yuan [17]. Peng and Xie [18] gained the similar results with Xu, but they pointed out there was still a new profit model that was ignored by Xu and other researchers. Specifically, they held the view that the cooperation of We media was also a profit model. According to the explanation of these two authors, cooperation means We media distribute different types of advertisements to suitable platform of We media [18]. While this is just a strategy to maximize the benefits of advertising, so it cannot, in my view, be regarded as a profit model. There were still many studies focused on We media's profit model beyond Wechat. Zeng and Wang [19] pointed out the profit models of We media can be divided into two main types, which are "direct profit model" and "indirect profit model". The first one includes paid reading and advertisement, the second one includes e-commerce and so-called community economy, which has been becoming a popular noun in recent years. It means many fans will be gathered by famed We media, so the We media can make profit through O2O

and other ways. Luoji Thinking is a typical representative that proves the function of community economy. Luoji Thinking held a activity recruiting members when its Wechat official accounts had been set up eight months later. The totally 5,500 quotas had been sold out within six hours. Luoji Thinking also held a series of offline seminars and the ticket's maximum price was up to 13,998 yuan, while fans rush to signed up these activities [19]. It is no doubt that the influence of Luoji Thinking's community economy can be witness very clearly. While this method cannot be used well by unnamed We media, in other words, so-called community economy cannot be used by most We media for them limited size of fans' group [20]. Besides, there were some scholars summed up six profit models of We media in China, specifically, advertising, recruiting insiders, charging for derivative services, charging for copyright, paid reading and e-commerce [21]. According to the statement, there seems many profit models used by We media in China, while whether these profit models can bring considerable effect is still a unsolved question, which is also the main research question of this study.

Methodology

This study is based on nine interviewees (conducted between July 2016 to March 2017) with faculties, journalists and employees of We media in mainland of China about their view and experience of the profit models of We media. First, there are three faculties who had made a lot of academic studies about We media and harvested considerable reputation from Tsinghua University, Communication University of China and Beijing normal University. The main reason why I interviewed these scholars is that they can analyze the profit models of We media through academic and theoretical horizon. Second, there are three experiential journalists from *Economic Observer* and *Beijing Business Today*. These three reporters had made a lot of reports about entrepreneurship, capital market and We media and had their own opinion about the development of We media or so-called starting a content-based business in China. Third, I have interviewed three employees of two famed We media, Luoji Thinking and "Hedgehog community, a fast-rising Wechat official account. These two We media are typical successful representatives about content-based entrepreneurship in China in recent years. As insiders of these two We media, the three interviewees have many first-hand materials and experiences about We media's profit models, so their responses are useful and helpful for this research (Table 1).

We media's Profit Models and Its Types

We media's profit models

Advertising: Advertising is the most important profit model for traditional media and We media, even though there are a lot of differences between these two types of media. Just taking Wechat official accounts as an example, according to the annual report of *The New List*, the number of advertising transaction grew by 67 percent and the total income's growth reached more than 158 percent in 2016 [2]. Some famed We media's advertising earning has already exceeded traditional big media organizations.

Table 1: The coding of 10 interviewees.

Coding no.	Institution	Interviewing method
A1	Tsinghua University	E-mail
A2	Communication university of China	E-mail
A3	Beijing normal University	Face to face
B1	<i>Economic Observer</i>	Face to face
B2	<i>Economic Observer</i>	Face to face
B3	<i>Beijing Business Today</i>	Face to face
C1	Luoji Thinking	Mobile phone
C2	Hedgehog Community	Face to face
C3	Hedgehog Community	Face to face

I think advertising is an important way for We media to make profit. Just taking “Qipa talk show” as an example, its total advertising revenue was 50 million yuan in the first season, this number grew at more than 100 million yuan in the second season, while the total advertising revenue, according to relative news, has reached more than 300 million in the third season. This number is exceeding many traditional media (A1, 2016).

According to my experience, advertising is still the main method for We media to make profit [...] other methods, you know, such as O2O, e-commerce and so on can be only successfully used by famed We media, including Luoji Thinking and “Wu Xiaobo’s Channel” and so on (B1, 2016).

Advertising is not the main way for Luoji Thinking to make profit. We basically do not rely on advertising to make money. But advertising, as my experience, is the irreplaceable method for some small We media to make profit (C1, 2016).

Paid reading: There is a big discussion about if paid reading can be used in the Chinese context. In the past two or three years, some We media and traditional media started to test the profit model of paid reading. Luoji Thinking offered “Li Xiang Business Report”, “The Road to Wealth Freedom” and other paid reading contents at APP named “Get”. These products have gained good sales. While according to the annual report of *The New List*, there were only 29.5% net users had ever purchased text and video products online, and there are only less than 20% net users had ever purchased paid products for two to four times, while percentage had declined at less than 2% who had ever purchased paid products for more than five times [22]. So it seems difficult to say that paid reading is a sustainable profit model for We media.

Swatman et al. have pointed out net users are accustomed to getting free content through the internet, Chinese net users are not an exception. At such background, when many people illustrate the meaning of internet spirit, they also put “free” at the first place. So I think this situation is not good for the development of the profit model of paid reading in China (A1, 2006).

Well, you know, it is very difficult to development paid reading in our country because we have ignored the importance of protecting copyright for a very long time. Nowadays, few people have recognized the meaning and value of copyright, most people are accustomed to getting free books, materials and other things they needed from the internet. So it is almost impossible, in my view, to encourage them paid reading (A2, 2017).

Yes, we have offered a series of paid reading products and they sell well [...] but this revenue’s role is not very important to us in practice (C1, 2016).

We have not offered any paid reading products and we will not offer such product in a short time because I personally don’t think it is a good idea or method to make profit depended on paid reading. Not long ago, you know, People’s Daily has given up paid reading [...] well, maybe things will change in the future, but now, I still think paid reading is not suitable, at least, for Hedgehog Community (C2, 2016).

Membership: Membership is such a profit or business model that between paid reading and free reading [21]. Specifically, if the users are the members of We media, they needn’t to pay for reading the content. While if the users have not become the members of We media, they have to pay for reading. Besides free of reading, member can also enjoy other benefits such as attending offline activities, getting the exclusive contents and so on. The most typical case of membership of We media was held by Luoji Thinking in 2013. The totally 5,500 quotas had been sold out within 6 hours, which lead Luoji Thinking to earn more than 1.6 million yuan [19]. Witnessing the membership’s success of Luoji Thinking, many other We media started to use membership to make profit in recent years.

Membership is a new profit model for We media, but it is too early to say this model will be a main way for We media to make money (A3, 2016).

Membership has been discussed frequently in recent two to three years. Some people think it is a good way for We media to keep away from traditional profit models. But there is criticism about membership. For example, some people complain what they get from Li Xiang Business Report when they became members of Luoji Thinking is very similar to the precious content. In other words, it makes no sense for them to pay the membership fee (B3, 2016).

The membership of Luoji Thinking has been discussed widely and everyone was amazed at we selling 160 million yuan just using 6 hours. But in the second year, this number reached 800 million. Of course, we will continue to do this (membership), but it is still not the main profit method for us (C1, 2016).

Profit-sharing model: Profit-sharing model means big media platforms, i.e., Today Toutiao, Tencent, Baidu, provide copyright fee and subsidy to We media. The main purpose of these big

corporations providing profit to We media is encouraging them to produce good text and video contents so that audience can be absorbed to these online platforms and audience's attention will bring a lot of advertising and profit. At such background, many big corporations offer a lot of money to reward We media, for instance, both of UC browser and Today Toutiao offer more than 1 billion yuan to encourage We media's content production [22]. It seems that many We media can get benefits through profit-sharing model.

It is a truth that many small and medium We media can make benefits from profit-sharing model. These We media cannot make considerable incomes from advertisement, let alone e-commerce and so-called community economy. While comparing to the number of We media, platforms' subsidy is very limited, in other words, it is impossible that all of the We media can rely on this profit model (A2, 2017).

According to my experience, it is difficult for many nameless We media to gain high benefits from the profit-sharing model. And considering the total subsidy, these famed We media also cannot gain enough benefit from this profit model (B2, 2016).

I think this profit model (profit-sharing) will lead to the situation that We media are kidnapped by online platforms. The main difference or characteristic of We media is breaking the model of centralization, which is the main feature of traditional media organization. While because of profit-sharing model, We media are organized together, which is similar with traditional media group (C3, 2016).

E-commerce: It was not popular that We media set and managed the platform of e-commerce in two or three years ago. While this situation has changed since 2016, many We media started to build their own platform of e-commerce. *The New List* [22] had investigated 5,269 We media and found there were 718 We media having their own e-commerce's platform. Only few We media can get spectacular benefits from the e-commerce, even though many We media have built their own online platform. According to the relative report, there are only 23.9 percent customers often do the consumption through We media's e-commerce platform; there are 38.3 percent customers do the consumption through the We media's e-commerce platform occasionally; there are up to 37.8 percent customers have never done the consumption through any We media's e-commerce platform [22]. So it might be difficult for We media getting benefits from the profit model of e-commerce.

There are some successful cases such as "Li Bei Ka", a We media offering fashion information and relative things. While there is a big problem for We media to do e-commerce. It is that most of the succeed We media are related to fast fashion agents, which is changing fast and needed timely attention. So these succeed We media are very possible replaced by other similar ones, as a result, their e-commerce is also not stable (A3, 2016).

There is no doubt, e-commerce can bring high level of benefit to We media. While this profit model's access threshold, at least as

my opinion, is the highest one among all of profit models. Because We media need to build close tie with audiences. What's more, high number of fans is the basic condition. These We media, i.e., Wu Xiaobo's channel and Luoji Thinking having more than 10 million fans can gain huge benefits from e-commerce. While there are some minority We media, which cannot gain spectacular benefits from e-commerce, even though these We media have a close relationship with audiences (B1, 2016).

E-commerce is the main method of Luoji Thinking to make profit. In the last year, our sales was more than 100 million yuan only based on 60 types books online. You know, this results exceeded the maximum earning of many traditional media. While I wanna pointed out there is a basic requirement of We media that aim to start e-commerce, which is enough fans. As you know, there are many We media try to build e-commerce platform but many of these We media cannot gain expected benefit, the most important reason is that these We media have no enough fans and influences (C1, 2016).

Derivative service: Derivative service means We media or their holders make profit in other approaches relying on their influence. For example, Luo Zhengyu, the holder of Luoji Thinking, make high profit through speech activities such as a series of speech called "Time Friends". There is another typical representative, Wu Xiaobo, the holder of Wu Xiaobo's Channel, also hold a series of seminars about company's restructuring. He had held a seminar in Shanghai August 2015 and the price of ticket up to 9,800 yuan [21]. While the limitation of this method is very obvious that both of We media and its holder should enjoy high level of influence among their audience. Otherwise, derivative service cannot bring spectacular benefit to We media.

Derivative service, with loose standard, is a profit model of We media. But if you observe this method carefully, you will find the problem [...] In fact, it is very difficult for many We media's holders to make profit through this approach for their limited influence among audience. There are only a few We media's holders can practice this model (A2, 2017).

Derivative services such as offline speeches and seminars, are belonging to attention economy to some degrees. Why audiences willing to spend so much money on these speeches and seminars? I think the most important reason is not relying on the content of speeches or seminars, but relying on the influence of We media and its holders. So it is difficult for many unnamed We media to follow this profit model (A3, 2016).

As you mentioned, Luoji Thinking has held many offline speeches every year and all of the tickets are selling well. But the main purpose of these offline activities is closer ties to the audience, rather than making money. In fact, comparing with other profit model, the tickets' revenue is not very high (C1, 2016).

The types of We media's profit model

In order to analyze these profit models deeply, I wanna classify them based on the typology. According to the content of the in-depth interview, all of the profit models can be classified based

on two indicators, which are the method of profit and the level of profit. Specifically, there are two types of profit's method, direct profit, and indirect profit; there are also two types of profit's level, high profit and low profit. They form a two-dimensional axis. The four quadrants are "direct and high profit", "indirect and high profit", "indirect and low profit", "direct and low profit". So all of the six profit models of We media can be divided into these four quadrants. First, advertising is the main method of We media to make money. According to the attribute of advertising, it can be regarded as direct profit and the level of profit made by advertisement is relatively high. So the first profit model can be seen as "direct and high profit". Second, paid reading, with no doubt, belongs to direct profit, while the total profit earned by this method is not very high, which can be proofed by the content of the in-depth interview. So the second profit model, I mean paid reading, can be regarded as "direct and low profit". Third, the model of membership also belongs to direct profit, which is similar to paid reading. And the level of profit made by this model is also not very high. Overall, the model of membership belongs to "direct and low profit". Fourth, considering the attribute of profit-sharing model, it can be regarded as direct profit. And just like these interviewees' opinion, there are few benefits that We media can get through profit-sharing model for the limitation of capital. So this model can be seen as "direct and low profit". Fifth, e-commerce is not getting benefit through We media itself, while gaining high profit through selling goods online based on the influence of We media, so this model can be regarded as "indirect and high profit". Sixth, there is no doubt, derivative service is an indirect-profit model. And comparing with advertising and e-commerce, the total benefit made by this method is limited. So derivative service can be regarded as "indirect and low profit" (Figure 1).

Evaluating the We Media's Profit Model

We Media's profit models are very rich

There are totally six main profit models used by We media in

High profit	Low profit
E-commerce	Advertising
Indirect profit	Direct profit
Paid reading	Membership
Derivative service	Profit-sharing model

Figure 1 The types of We media's profit models.

China. And there might be some other profit models, ignored by this study, used by some unnamed We media but having huge potential. Comparing with traditional media's profit method, We media's approaches are richer and wider, so We media show the stronger vitality in many aspects than traditional media. What's more, these profit models encourage many people to join in this field, I mean starting a business through We media, and excite them to explore more profit models. In this extent, we should give a positive evaluation to We media's profit models.

Yes, We media's profit models are very rich, even though some of them cannot play an important role in making money. And I think one of the main power that push the considerable number of people starting to build their own We media is the rich profit models (A2, 2017).

Direct profit accounts for the main proportion

There are four profit models belong to the type of direct profit, while only two profit models belong to the type of indirect profit. So direct profit is the main method for We media to make money. Direct profit, to some degrees, means We media can make money in short time. It seems good for We media, especially those We media in the initial stage because those We media are in great request of money. But making money so fast is not good for We media on the whole. First, We media will be anxious to achieve quick success and get instant benefits. As we all know, the quality of content is the most important element for media, especially We media, which need to gain audience's trust through the high quality of text and video contents. If We media are very eager to get profit as soon as possible, they might ignore the importance of content's quality. Second, We media shouldn't be limited to the type of direct profit. Comparing with direct profit, the type of indirect profit is more sustainable and dynamic. Direct profit is the main method for traditional media, while We media should explore more sustainable business model than traditional media, so they shouldn't be limited to the type of direct profit.

As you mentioned, direct profit, too many degrees, is the main type for We media to make money, including advertising, paid reading, membership and so on. Even though this type of profit can bring benefit fast, We media should explore the new type of profit model, I mean indirect profit (A1, 2016).

In fact, I have no idea about the so-called "direct profit" and "indirect profit". But according to your statement, the type of indirect profit is the main method for Luoji Thinking to make money for e-commerce has brought the major income every year. And in this context, I think indirect profit might be more sustainable than direct profit (C1, 2016).

Low profit accounts for the main proportion

There are four profit models belong to the type of low profit model, in other words, only two profit models belong to high profit model. Considering their attribute, it is not difficult to understand the relatively low profit-making capacity of paid reading, membership, profit-sharing model and derivative service. While these two high profit models, advertising and

e-commerce, also can hardly bring high level of benefits in real practice, even though these two models can help We media make high profit in the theoretical context. Especially, We media's e-commerce, according to the relative report, has not experienced rapid development in recent few years. Just like it mentioned above, there are only 23.9 percent customers often do the consumption through We media's e-commerce platforms. And the most important reason why these 23.9% people do the consumption through We media's e-commerce platforms, according to the interview, is there are goods meet customers' needs in online platforms [22-24]. Based on the statement, We media's profitability is not very strong.

In fact, I don't think We media's profitability is very good, even though there are so many famed journalists and other former media workers create and manage their own We media.[...] if we analyze deeply We media's profit models, it is obvious low profit models account for a large proportion (A2, 2017).

To be honest, low profit models account for the high level of proportion. And there are only few We media such as Luoji Thinking, Wu Xiaobo's Channel and Papi Girl can bring high level of profit. While other hundreds and thousands of We media can only gain very limited profit. I think the total number of We media will decrease in the future two or three years (C3, 2016).

Conclusion

First, there are totally six profit models used by We media in mainland of China based on the statement above. Specifically, these six profit models are advertising, paid reading, membership, profit-sharing model, e-commerce and derivative service. Second, these six profit models can be divided into four types. Advertising belongs to "direct and high profit", e-commerce belongs to "indirect and high profit", derivative service belongs to "indirect and low profit", the remaining three profit models, paid reading, membership and profit-sharing model belong to "direct and low profit". Third, we can evaluate the profit model of We media through two main aspects. On the one hand, we need to recognize We media's profit models are very rich. In other words, We media can make money by many different ways, which, with no doubt, is a good condition for We media's improvement. While on the other hand, there is a big limitation of We media's profit models, specifically, direct and low profit method accounts for the high level of proportion. It means We media's actual profitability is not very strong, so many We media can only gain the low level of profit in practice. Overall, We media, the new orientation of media industry, has been experiencing the rapid development in mainland of China since before and after 2015, while it is still an unanswered question whether We media is a sustainable business model in China.

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