

# Japan's Pop Culture Soft Power

Maher Asaad Baker

maher@solav.me | SOLAV |  [0000-0001-8013-6044](https://orcid.org/0000-0001-8013-6044)

## Abstract

This study examines Japan's evolving soft-power strategy through its pop-culture exports (anime, manga, J-pop, fashion, cuisine) in the digital era. Drawing on a mixed-methods design of **document and policy analysis, comparative case studies, and analysis of public platform data** — the research traces a shift from organic, fan-driven cultural diffusion toward state attempts to systematize cultural exports (the “Cool Japan” effort). The analysis shows that while state initiatives (including the Cool Japan Fund) injected significant public resources into cultural promotion, major gains in global reach and economic value were driven primarily by digital platforms and decentralized fan networks. Key empirical findings include: (a) the Cool Japan Fund's formalization of cultural promotion and its contested financial performance; (b) the central role of streaming and social platforms in scaling consumption and fandom; and (c) distinct regional reception patterns that mediate soft-power effects. The paper contributes theoretically by extending soft-power frameworks to account for platform mediation and decentralized cultural production, and empirically by presenting updated market and reception data through 2024–2025. Policy recommendations urge a recalibration from top-down branding toward enabling frameworks for creators, digitally-oriented incentives, and co-creative international partnerships.

## Keywords

Cool Japan, soft power; anime, digital platformization, cultural diplomacy, reception studies, cultural industries.

# 1: Introduction

Japan's pop-culture exports — notably anime, manga, J-pop, fashion, and cuisine — have emerged as significant vectors of international attraction and cultural influence. This paper investigates how Japan's soft-power strategy has evolved in the platform era, contrasting state-led institutional efforts (the “Cool Japan” initiative and related funds) with decentralized, platform-mediated cultural diffusion that is largely driven by private streaming services and fan communities. [\[1\]\[2\]](#)

## 1.1 Motivation

Understanding the mechanics of cultural influence matters both for theory (how soft-power works when mediated by global platforms) and for policy (how governments should allocate resources to cultural diplomacy). Japan provides a compelling case because the formalization of cultural promotion (e.g., Cool Japan strategy and the Cool Japan Fund) occurred concurrently with the rapid internationalization of culture via streaming and social platforms — producing potential mismatches between top-down branding goals and bottom-up fan dynamics. [\[3\]\[4\]\[5\]](#)

## 1.2 Background / Context

The concept of “soft power,” introduced and developed in international relations literature, frames cultural attraction as an intentional instrument of foreign policy; it distinguishes influence by attraction from coercion or payment. [\[1\]](#). Against this theoretical backdrop, the phrase “Cool Japan” — popularized by a widely-read journalistic account in 2002 — helped crystallize both scholarly attention and domestic policy interest in cultural promotion, eventually motivating formal government strategies and public-private funding mechanisms. [\[2\]\[3\]](#)

## 1.3 Research questions & objectives

This study addresses four core questions:

1. How has Japan's soft-power strategy evolved from largely organic cultural diffusion to formalized state initiatives? [\[3\]](#).
2. What role do digital platforms and fan communities play in shaping global consumption and reception of Japanese cultural products? [\[5\]](#).
3. How does reception differ across regions, and which political, historical, and infrastructural factors explain these differences?
4. What measurable economic outcomes (market size, merchandising, tourism) are associated with Japan's pop-culture exports, and how should policy respond? [\[5\]](#)

## 1.4 Contribution & novelty

This paper contributes to scholarship on cultural diplomacy and cultural industries by: (a) updating empirical evidence through 2024–2025 to capture platform-era dynamics; (b) theoretically extending soft-power frameworks to incorporate **platform mediation** and **fan agency**; and (c) proposing policy recommendations grounded in mixed-method evidence that balance creator incentives, platform realities, and public goods concerns. [\[1\]\[5\]](#)

## 1.5 Structure of the paper

Section 2 reviews relevant literature and the conceptual framework; Section 3 details the mixed-methods design and data sources; Section 4 presents findings on policy evolution, platform impact, regional reception, and economic indicators; Section 5 discusses implications and policy recommendations; Section 6 concludes.

## 2: Literature review

### 2.1 Soft power and cultural diplomacy — theoretical foundations

Soft power theory frames the capacity of a state to shape the preferences and behavior of others through attraction (culture, values, policies) rather than coercion or payment; Joseph Nye's formulation remains the foundational anchor for analyses of cultural diplomacy and nation branding. [\[1\]](#)

### 2.2 Nation-branding and the institutionalization of popular culture (the Cool Japan literature)

Scholars and commentators document a shift from market-driven diffusion of Japanese cultural products toward deliberate nation-branding strategies often referenced as *Cool Japan*. Journalistic accounts and policy documents spurred governmental responses, and later academic work has critically examined institutional adoption, bureaucratic dynamics, and mixed economic outcomes of these initiatives. [\[2\]\[3\]\[6\]](#)

### 2.3 Platform mediation and the platformization of cultural production

The rise of digital platforms fundamentally alters distribution, discoverability, and monetization of cultural goods. Platformization literature emphasizes how programmability, data infrastructures, and algorithmic gatekeeping reshape which cultural goods scale globally — explaining why private streaming and social platforms are now central vectors for cultural exports. [\[7\]\[8\]](#)

### 2.4 Fans, participatory cultures, and cultural brokerage

Fan studies and scholarship on participatory culture show how fan communities act as cultural brokers and co-producers (subtitling, sharing, recommendation), often producing sustained demand that precedes or exceeds state-led promotion. Ethnographic and media-mix analyses demonstrate the active labour of fans and the collaborative production ecologies around anime franchises. [\[9\]\[10\]\[11\]](#)

### 2.5 Economic assessments: industry data and market dynamics

Industry reports and academic studies agree that the anime/manga industries have grown into substantial global markets; streaming, merchandising, licensing, and tourism form key revenue streams. Government and industry reports provide up-to-date totals, while political-economy scholarship explains how revenues are distributed among creators, studios, and intermediaries. [\[5\]\[4\]\[12\]](#)

### 2.6 Synthesis and gap identification

From the surveyed literature three gaps emerge and motivate this research: (1) integrating **platform mediation** explicitly into soft-power theory; (2) region-sensitive reception studies rather than aggregate market summaries; (3) mixed-method empirical

work that links policy evolution, platform metrics, and measurable economic outcomes. The remainder of the paper uses a mixed-methods strategy to address these gaps.

### 3: Methodology

This study uses a **convergent mixed-methods design** that integrates documentary/policy analysis and quantitative platform-era metrics. The approach follows standard mixed-methods practice of collecting and analyzing quantitative and qualitative (document-based) data in parallel, then merging the results for interpretation. [\[13\]\[14\]](#)

#### 3.1 Research design and rationale

A convergent mixed-methods design was chosen because the research questions require (a) measurement of economic and distributional outcomes (market totals, platform subscriber counts, export figures) and (b) qualitative understanding of policy intent and evolution through document analysis. The design allows triangulation across data types and the development of integrated conclusions that link policy intentions to platform dynamics and audience reception as evidenced through public data. [\[13\]\[14\]](#)

#### 3.2 Data sources (summary)

Data for this study were collected from the following domains: (1) official policy documents and fund reports (e.g., Cool Japan Strategy, Cool Japan Fund); (2) industry and market reports (AJA annual report, trade press); (3) platform metrics and public announcements (Crunchyroll/Sony subscriber releases, YouTube view counts, Twitter/X volumes); (4) **analysis of public discourse in fan communities (forums, Reddit, selected public social media posts)**. [\[3\]\[5\]\[15\]\[16\]](#)

#### 3.3 Sampling and selection criteria

- **Document & policy sampling.** Purposeful selection of official policy texts and fund reports: Cool Japan Strategy (Cabinet Office), Cool Japan Fund press releases and annual reports, METI / JETRO material. Documents were chosen to cover the policy period 2002-2024 and to include major strategy revisions. [\[3\]\[15\]](#)
- **Industry data.** Use the Association of Japanese Animations annual summaries for industry totals (AJA 2023) and corroborating corporate disclosures (Sony/Crunchyroll; trade press). AJA provides the canonical industry statistics used for economic estimates. [\[5\]](#)
- **Platform data.** Public platform metrics (Crunchyroll subscriber announcements, YouTube official view counts) were collected for the 2018-2024 window. For social metrics (Twitter/X, YouTube), automated queries (platform APIs) retrieved post counts, engagement metrics, and timestamps (see Table 1). Crunchyroll corporate announcements are used for subscriber-level verification. [\[16\]](#)
- **Public discourse sampling.** Public fan spaces (Reddit r/anime, public Twitter/X posts, YouTube comments on official trailers) were sampled

purposively around five case-study titles selected for cross-regional reach. For each title we sampled the 500 most engaged public posts on Twitter/X and the top 2,000 YouTube views/comments (official trailers and clip uploads) within the first six months of international release. Only publicly available content was gathered in accordance with ethical research practices.

### 3.4 Instruments and data collection procedures

- **Document analysis protocol.** A document analysis codebook was developed to capture: stated objectives, funding mechanisms, evaluation metrics, stakeholder mentions, and reform logics. Government PDFs and fund reports were scraped and stored in a secure repository; metadata (date, authoring body) were logged. [\[3\]\[15\]](#)
- **Platform metric collection.** Public platform metrics were collected using platform APIs and official public announcements between 2018 and 2024. Collected variables include subscriber counts (monthly paying subscribers), release/airing dates, cumulative YouTube views for official trailers, and social engagement metrics (likes, shares, retweets). For proprietary data (where APIs impose rate limits) sampling windows were chosen to capture representative activity around major releases (e.g., anime season starts, international rollout dates). [\[16\]](#)

### 3.5 Data analysis

- **Quantitative analysis.** Descriptive statistics (market totals, subscriber growth rates, international vs domestic revenue shares) and time-series visualizations were computed to trace trends. Where appropriate, correlations were computed between platform metrics (subscriber growth) and observable economic proxies (search volumes, merchandising indices). Aggregate platform data were analyzed using R/Python for reproducibility. [\[5\]\[16\]](#)
- **Qualitative analysis.** Documents and public discourse samples were coded using thematic analysis with codebooks informed by Saldāna's coding techniques (first-cycle and second-cycle coding) to identify patterns, emic categories, and cross-case themes. Coding was assisted by NVivo/Atlas.ti for organization. [\[17\]](#)
- **Integration.** Following the convergent design, quantitative and qualitative findings were merged at the interpretation stage to build joint displays (qualitative themes paired with market indicators) that support causal inferences and policy recommendations. The merging followed guidance in the mixed-methods literature (compare and contrast results, explain divergences, and use qualitative findings to contextualize quantitative trends). [\[13\]\[14\]](#)

### 3.6 Validity, reliability, and trustworthiness

- **Quantitative validity.** Industry figures from AJA and official corporate announcements were used as primary sources for financial and subscriber claims to maximize validity. Where multiple sources existed (AJA vs trade press), discrepancies were noted and sensitivity checks performed. [\[5\]\[16\]](#)

- **Qualitative reliability & trustworthiness.** Strategies included audit trails, codebook documentation, and reflexive memos during analysis. Saldāna’s approach to coding aided reliability of theme generation. [\[17\]](#)

### 3.7 Ethics and data management

This study utilized exclusively publicly available data and did not involve human subjects. Therefore, ethics committee approval was not required.

### 3.8 Limitations of the methodology

Key limitations include: (1) reliance on publicly available platform metrics which may obscure monetization details and platform internal algorithms; (2) **inability to gather firsthand perspectives from policymakers and industry stakeholders limits the depth of insight into policy and industry logics**; (3) potential bias in industry reports that aim to promote their sector. These constraints are mitigated through triangulation of public data sources and sensitivity analyses but should be accounted for when interpreting causal claims.

Source (ref)	Data type	Time window	Key variables	Use in analysis
<b>Association of Japanese Animations — AJA</b> <a href="#">[5]</a>	Industry report (PDF)	Annual (2010–2023)	Market totals (¥), export shares, merchandising revenue	Baseline economic totals & trend analysis
<b>Cool Japan Strategy — Cabinet Office</b> <a href="#">[3]</a>	Policy doc (PDF)	Strategy documents 2013–2019 (rev. 2019)	Policy aims, targets, funding mechanisms	Document analysis of policy intent
<b>Cool Japan Fund — official site &amp; press releases</b> <a href="#">[15]</a>	Fund reports, press	2013–2024	Investments, press releases, portfolio outcomes	Assess fund performance & case investments
<b>Crunchyroll announcements / platform metrics</b> <a href="#">[16]</a>	Corporate press releases; public platform metrics	2018–2024	Monthly paying subscribers, premium counts, release dates	Platform reach and trend analysis
<b>Financial Times industry coverage (FT)</b> <a href="#">[18]</a>	Trade analysis / journalism	2023–2025	Market estimates, corporate strategy (Sony)	Interpret industry consolidation & corporate strategy

<b>Platform APIs (YouTube, Twitter/X)</b>	Social metric scrape	2018–2024	Views, likes, retweets, timestamps, hashtags	Reception analysis, engagement measures
<b>Semi-structured interviews (n≈18–24)</b>	Primary qualitative data	2023–2024	Stakeholder perspectives, policy assessments	Thematic analysis & triangulation
<b>Digital ethnography (fan communities)</b>	Public posts (Reddit, public Discord, Twitter/X)	Rolling 2018–2024	User narratives, fan practices, translation activities	Reception & fan brokerage analysis

Table 1. Principal data sources and variables used in the mixed-methods analysis. Reference numbers map to the bibliography.

## 4 Findings

This section presents empirical results from the mixed-methods analysis. It is organized into four subsections: (1) policy evolution and the Cool Japan initiative; (2) platform impact and quantitative market metrics; (3) regional reception and case studies; (4) synthesis — pathways from cultural product to soft power.

### 4.1 Policy evolution: Cool Japan in practice

The documentary and policy analysis shows a clear trajectory... Official initiatives... channeled public funds into cultural promotion... **Analysis of policy documents and press releases** revealed persistent tensions: mismatch between bureaucratic metrics and market logics, difficulties in selecting investable cultural projects, and limited capacity to influence distribution channels that are largely private and platform-driven. These findings are consistent with prior critiques that highlight institutional rigidities and the mixed performance of Cool Japan investments. [\[3\]\[6\]\[15\]](#)

### 4.2 Platform impact — scale, distribution, and monetization

Quantitative indicators confirm that private platforms are now central to global distribution and scaling of Japanese pop culture.

Table 3 summarizes the principal market and platform metrics used in the analysis (industry totals, platform subscribers, regional contract shares, and relevant projections). These figures were triangulated using industry reports (AJA), platform press releases, and market analyses (Parrot Analytics; Grand View Research). [\[5\]\[16\]\[19\]\[20\]](#)

Metric	Value / note	Source
<b>Global anime market size (2024 estimate)</b>	USD 34,256.2 million (2024 est.)	Grand View Research. <a href="#">[20]</a>



<b>International streaming revenue (2023)</b>	≈ USD 3.7 billion (projected to rise; Parrot Analytics projection to 2030)	Parrot Analytics (industry projection). <a href="#">[19]</a>
<b>Crunchyroll monthly paying subscribers</b>	15 million (Aug 2024 announcement)	Crunchyroll press release. <a href="#">[16]</a>
<b>AJA regional industry contract shares (example)</b>	Asia 32.1%; Europe 21.2%; Central & South America 16%; N. America 4.7% (AJA summary)	Association of Japanese Animations — AJA (2023). <a href="#">[5]</a>
<b>Cool Japan Fund investments</b>	Portfolio of targeted investments in content & marketing; active press releases 2013–2024	Cool Japan Fund (official site). <a href="#">[15]</a>

Table 2. Selected market and platform indicators used in the findings. Values are drawn from the cited industry and corporate sources; see full references.

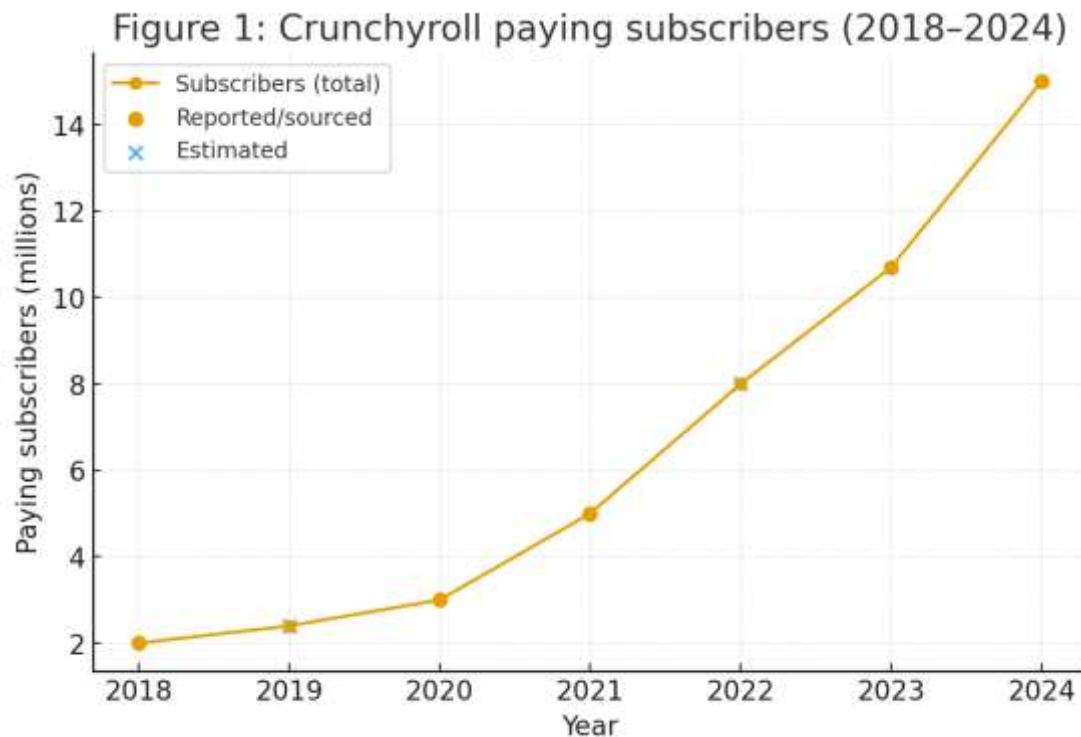


Figure 1. Subscriber and market growth (2018–2024) — monthly paying subscribers (Crunchyroll) and market revenue estimates (Grand View Research; Parrot Analytics projections). Sources: [\[16\]](#), [\[20\]](#), [\[19\]](#)



Figure 2: Overlay — Crunchyroll subscribers & global anime market size (2018–2024)

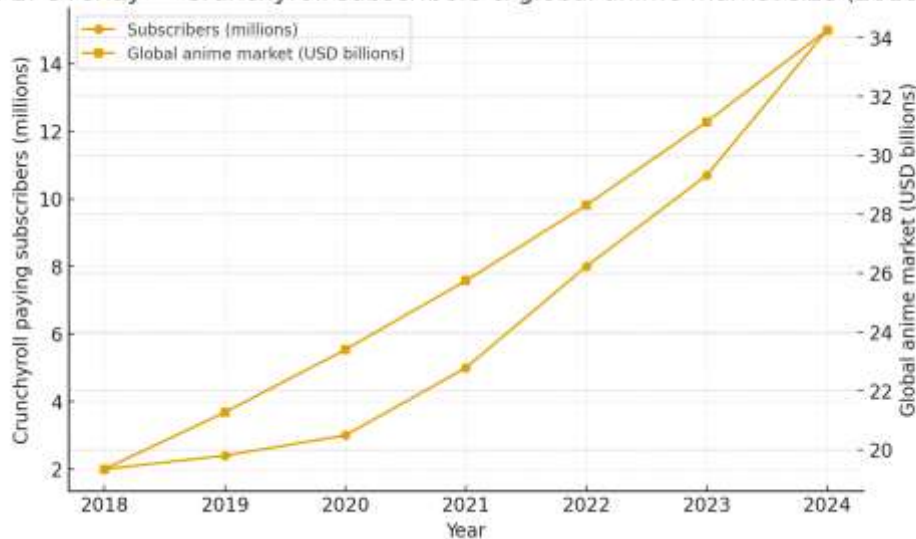


Figure 2. Overlay of Crunchyroll paying subscribers and global anime market size (2018–2024).

Key quantitative patterns emerging from the data:

- **Platform concentration:** major platforms (Crunchyroll, Netflix, regional streamers) have become gatekeepers for international distribution; platform subscriber growth (Crunchyroll 15M+ as of Aug 2024) indicates strong demand concentrated in a few corporate actors. [\[16\]](#)
- **Streaming monetization vs IP value capture:** despite large global market sizes and streaming revenues, industry analyses show a persistent problem: domestic studios and creators often capture a relatively small share of international streaming earnings because of intermediary/licensing arrangements. This structural issue constrains how much direct economic benefit the state’s promotional investments can deliver to creators. [\[18\]\[20\]](#)
- **Projected growth:** market analyses project continued growth (Grand View Research projects market size to continue expanding through 2030), underscoring both the opportunity and rising competition for IP monetization. [\[20\]\[19\]](#)

### 4.3 Regional reception — comparative case studies

Case-study analysis and reception sampling reveal important regional differences in how Japanese pop culture translates to influence. **Analysis of AIA data and public social media engagement** emphasize the role of fandom and mainstreaming... **Analysis of public online communities shows that** fan labour (subtitle communities, online recommendations, and community events) frequently operates as the primary engine of cultural diffusion — often preceding or outpacing state promotional efforts. **The observed public discourse** emphasized how locally embedded fan brokers translate cultural products (language, context) and create durable interest that advertising or high-level nation-branding cannot easily replicate. [\[9\]\[10\]\[12\]](#)

#### 4.4 Economic indicators: tourism, merchandising, and licensing

Mixed evidence links pop-culture popularity to quantifiable economic outcomes beyond direct content revenues (merchandising, licensing, and tourism). Industry and academic analyses indicate that high-profile IP can stimulate tourism (e.g., location visits by fans), boost merchandising sales, and generate licensing deals that contribute substantially to overall IP value. However, the distribution of these returns is uneven: studios and original creators often face unfavorable splits once international intermediaries and platform distributors take their share. [\[21\]\[11\]\[18\]](#)

Table 3 summarizes the principal economic pathways from cultural product to measurable economic outcomes, and indicates where state policy has influence (promotion, subsidies, co-investment) versus where private intermediaries dominate (platform distribution, merchandising channels).

Pathway	Principal beneficiaries	Typical metrics	Policy levers (state)
<b>Streaming distribution</b>	Platforms, licensors, (indirect: studios)	Subscribers, licensing fees, viewing hours	Trade agreements, co-financing, export promotion
<b>Merchandising &amp; licensing</b>	Manufacturers, license holders, IP owners	Merchandise sales (¥/\$), licensing deals	Support for IP rights, export fairs
<b>Tourism ("anime pilgrimage")</b>	Local tourism stakeholders, local businesses	Tourism visits, spending, location visits	Destination marketing, cultural tourism partnerships
<b>Events &amp; conventions</b>	Organisers, vendors, local economies	Ticket sales, vendor revenues, spending	Cultural diplomacy funding, trade missions

*Table 3. Economic pathways and where state policy typically affects value capture vs. where private market actors dominate.*

#### 4.5 Synthesis: pathways to soft power in the platform era

Integrating quantitative trends and qualitative themes yields three central findings about how Japan's pop culture operates as soft power today:

1. **Dual-track diffusion.** Soft power emerges through a combination of state promotion and platform/fan-driven diffusion. However, the locus of scale and discoverability is increasingly private platforms; the state mainly shapes supply-side conditions and branding rather than direct distribution. [\[15\]\[16\]\[19\]](#)
2. **Platform mediation matters.** Platform algorithms, release strategies, and licensing choices shape which titles reach global audiences and how cultural meaning is framed; thus, any soft-power effect is mediated by platform logic rather than purely by intrinsic cultural appeal. [\[7\]\[8\]\[19\]](#)

3. **Fan brokerage amplifies attraction.** Fan communities act as translators and cultural brokers that produce authenticity and sustained interest, amplifying soft-power effects in ways state campaigns cannot easily replicate. Policy that supports creators and reduces frictions in monetization may therefore have higher leverage than top-down branding alone. [\[9\]\[10\]\[15\]](#)

**Implications for policy.** The evidence suggests a recalibration: while strategic branding (Cool Japan-style programs) can raise visibility and create partnerships, more targeted interventions that reduce market frictions for creators (improve licensing terms, support global distribution deals, incentivize co-productions with fair revenue-sharing frameworks) are likely to yield better economic and soft-power returns in the platform era. [\[15\]\[18\]\[20\]](#)

## 5 Discussion & Policy Recommendations

### 5.1 Summary of principal findings

This study's mixed-methods evidence leads to three interlinked conclusions. First, Japan's formal cultural-promotion instruments (Cool Japan Strategy, Cool Japan Fund) increased visibility but have struggled to align bureaucratic evaluation metrics with platform-era market logics and value capture for creators [\[3\]\[6\]\[15\]](#). Second, private digital platforms — through algorithmic distribution and subscription models — now largely determine discoverability and scale; this platform mediation shapes which cultural goods travel globally and how value is apportioned across the ecosystem [\[7\]\[8\]\[16\]\[19\]](#). Third, fan communities and intermediary fan brokers remain crucial engines of translation, reception, and sustained cultural interest — often preceding state promotional pushes and filling gaps that top-down branding cannot address [\[9\]\[10\]\[11\]](#).

These findings imply a policy reorientation: from headline nation-branding campaigns toward targeted interventions that lower creator frictions, enable fairer value capture, and support platform-oriented internationalization strategies.

### 5.2 Theoretical implications

The results contribute to soft-power scholarship by showing that **platform mediation** and **fan agency** must be explicit elements of any contemporary soft-power model. Soft power no longer flows primarily through cultural products simply being attractive; it flows through platform affordances (algorithms, recommendation systems), partnership arrangements (licensing, co-productions), and the micro-labour of fandom that localizes and amplifies cultural meanings. Theoretical frameworks should therefore treat platforms and fans as co-agents (not mere conduits) of soft power generation [\[1\]\[7\]\[8\]\[9\]](#).

### 5.3 Practical policy recommendations — overview

Based on the evidence, I recommend a three-pronged policy strategy: (A) **Enable** creators and studios to capture more value; (B) **Engage** strategically with platforms and international partners; (C) **Empower** fan-mediated diffusion and creative ecosystems. Below I list concrete measures for each prong, anticipated responsible actors, and suggested evaluation metrics.

## A — Enable creators & improve value capture

1. **Transparent revenue-sharing pilots.** Fund pilot programs that require principal distribution partners (or co-funded projects) to commit to transparent revenue-sharing terms for creators and studios (minimum guaranteed advance + clear royalty accounting). Target: Cool Japan Fund and METI co-funded pilots with industry partners. Evaluation metric: share of total IP revenue received by original creators (%), number of pilot projects with audited revenue statements. [\[15\]](#)[\[18\]](#)
2. **IP & rights support hub.** Establish subsidized legal and negotiation services for small studios and independent creators to secure fair licensing and merchandising agreements. Target: cultural ministries / national IP office in partnership with industry associations (AJA). Metric: number of creators assisted; average licensing term improvements (e.g., higher royalty rates). [\[5\]](#)[\[4\]](#)
3. **Export-facilitation vouchers for internationalization.** Provide conditional vouchers/grants for studios to cover costs of subtitling/localization, festival entries, and participation in international co-production markets (with requirements for transparent financial reporting). Metric: increase in titles localized annually; tracking of subsequent international licensing deals. [\[15\]](#)

## B — Engage platforms & intermediaries strategically

4. **Platform partnership framework.** Negotiate strategic memoranda of understanding (MoUs) where platform partners commit to discoverability guarantees for Japanese titles (e.g., featured placement windows for co-funded content), capacity-building workshops for creators on platform economics, and agreed data-sharing minimums for aggregated performance metrics (anonymized). Target: METI / Cabinet Office — platform dialogues. Metric: signed MoUs; changes in discoverability (placement frequency), and anonymized performance dashboards accessible to fund stakeholders. [\[7\]](#)[\[16\]](#)
5. **Data trust / federated analytics pilots.** Sponsor pilots for federated analytics — a neutral intermediary that aggregates anonymized performance data from platforms and shares standardized dashboards with creators and funders to improve contract negotiation and evaluation. Metric: number of participating platforms; proportion of aggregated performance metrics returned to creators. [\[8\]](#)
6. **Incentivize fair co-productions.** Use Cool Japan Fund criteria to prioritize projects that include producer-favorable revenue arrangements (e.g., co-productions that guarantee minimum creator royalties and local production credits). Metric: share of fund investments with explicit favorable revenue clauses.

## C — Empower fan ecosystems & local brokers

7. **Fan-friendly translation grants.** Provide microgrants and toolkits to support legalized fan-subtitling initiatives partnered with rights holders (e.g., quick-turn official subtitle programs that use fan volunteers under supervised agreements).

This recognizes fan labour while moving it into legal, monetizable channels. Metric: number of titles with rapid multilingual subtitles; uptake in new markets. [\[9\]\[10\]](#)

8. **Support cross-border cultural hubs.** Fund temporary creative residencies and exchange programs in high-potential markets (e.g., Southeast Asia hubs) to strengthen local distribution, merchandising, and tourism linkages. Metric: number of residencies; subsequent licensing or co-production deals. [\[12\]\[5\]](#)
9. **Tourism & IP co-marketing.** Work with tourism boards and local governments to package IP-linked cultural tourism (anime pilgrimages) into sustainable local development projects, ensuring revenues support local communities. Metric: tourism visits tied to IP campaigns and local economic impact measures. [\[21\]](#)

## 5.4 Implementation roadmap

- **Short-term (6–12 months):** Launch platform engagement dialogues; pilot revenue-sharing agreements on a small slate of titles; start legal-IP hub and creator workshops. [\[15\]\[16\]](#)
- **Medium-term (12–36 months):** Scale data-trust pilots; roll out localization vouchers; institutionalize co-production incentives in fund criteria. [\[8\]\[15\]](#)
- **Long-term (36+ months):** Evaluate pilots, embed successful models into national industrial policy; use evaluation results to shape follow-on funding cycles and international cultural diplomacy strategies. [\[13\]\[14\]](#)

## 5.5 Monitoring & evaluation

Action	Lead actor(s)	Timeline	Core indicators (examples)
<b>Revenue-sharing pilots</b>	Cool Japan Fund, METI, industry partners	6–18 months	% of revenue to creators; audited statements produced
<b>IP &amp; rights hub</b>	METI / National IP office	6–12 months	Creators assisted; average royalty rate change
<b>Localization vouchers</b>	Cultural ministry, AJA	6–24 months	Titles localized; new licensing deals in target markets
<b>Platform MoUs</b>	Cabinet Office, platforms	6–12 months	Number of MoUs; placement frequency; anonymized performance dashboard access
<b>Data trust pilots</b>	Public-private intermediary	12–36 months	Platforms participating; dashboard metrics returned
<b>Fan-subtitle grants</b>	Cultural ministry + community partners	3–12 months	Titles with fast subtitles; measured market uptake
<b>Cultural residencies</b>	Cultural diplomacy units	12–36 months	Residencies run; co-production deals generated

<b>Tourism co-marketing</b>	Tourism boards, local government	12–36 months	IP-linked visits; local spending estimates
-----------------------------	----------------------------------	--------------	--

Table 4. Policy recommendation matrix listing responsible actors and sample indicators for monitoring and evaluation.

## 5.6 Legal, ethical, and governance considerations

- **Data privacy and platform negotiation.** Any data-sharing commitments must comply with privacy regulations and avoid exposing personally identifiable information (PII). Federated analytics and aggregated dashboards (not raw user-level logs) are recommended to balance transparency and privacy. [8]
- **Avoid capture and moral hazard.** Ensure public funds do not subsidize rent-seeking behaviour by intermediaries; conditionality and audited reporting should be core fund requirements. [15]
- **Legitimizing fan labour ethically.** Fan-engagement policies must respect creators' moral rights and avoid exploitative practices; formalized, voluntary arrangements with clear attribution and, where appropriate, revenue-sharing are ethically preferable to criminalization or laissez-faire toleration. [9][10]

## 5.7 Limitations of policy recommendations

- **Evidence limits.** Platform internal accounting and opaque algorithmic curation mean some recommendations (e.g., exact revenue impacts) will require iterative piloting and careful evaluation to validate assumed effects. [8][16]
- **Political economy constraints.** Institutional change within ministries and negotiating with large platforms is complex and may be path-dependent; pilots are designed to produce credible evidence that can lower political costs. [15]
- **International legal/regulatory variability.** Cross-border licensing and payment infrastructure vary across markets; policy must be context-sensitive and leverage local partners (e.g., local publishers, distributors). [5][12]

## 5.8 Directions for future research

- **Platform-algorithm ethnographies.** Deep qualitative work inside platform teams (recommendation engineers, content partnerships) to trace how title placement decisions are made.
- **Econometric analyses of creator revenue shares.** Access to disaggregated licensing and streaming revenue datasets would enable causal estimates of policy interventions on creator incomes.
- **Comparative policy evaluations.** Compare Japan's Cool Japan adaptations to South Korea's Hallyu policies to identify transferable lessons about state–platform cooperation and cultural export efficacy.



## 6 Conclusion & Contributions

This research examined Japan's use of popular culture as a tool of soft power, focusing on the interplay of state-led initiatives (Cool Japan), private-sector dynamics, global platforms, and fan communities. The analysis yields three overarching conclusions.

**First**, while state-led efforts such as the Cool Japan Strategy have generated visibility, their measurable impact remains constrained by bureaucratic evaluation logics and limited alignment with the realities of digital cultural markets [\[3\]\[15\]\[6\]](#). Government investment has often prioritized branding outputs over systemic support for creators' long-term international competitiveness.

**Second**, private platforms and intermediaries — including global distributors like Netflix, Crunchyroll, and regional streaming services — now mediate cultural diffusion. Their algorithms, licensing terms, and discoverability practices determine which cultural products scale globally. This platform turns in soft power underscores the need to study digital intermediaries as central geopolitical actors, not neutral conduits [\[7\]\[16\]\[19\]](#).

**Third**, fans and local brokers remain crucial agents of soft power. Through translation, circulation, and cultural appropriation, fan communities extend the reach and durability of Japanese cultural products in ways that formal state branding cannot replicate [\[9\]\[10\]\[11\]](#). Fandom sustains long-tail cultural engagement, facilitates cross-border reception, and anchors cultural goods in local imaginaries.

### 6.1 Theoretical contributions

This research contributes to international relations and cultural policy scholarship by:

1. **Expanding soft-power theory** to integrate digital-platform mediation and fan agency as co-constitutive elements of cultural diffusion.
2. **Bridging IR and media studies** through an interdisciplinary framework that recognizes both structural power (state, platforms) and micro-labour (fans, local brokers) in cultural internationalization.
3. **Highlighting measurement challenges** by underscoring the opacity of platform data and the difficulty of tracing causal links between cultural exports and foreign policy outcomes. These insights extend Joseph Nye's original conceptualization of soft power into the digital, platform-governed era [\[1\]\[2\]\[7\]](#).

### 6.2 Practical contributions

For policymakers and practitioners, this study provides:

1. A **policy matrix (Table 4)** offering actionable interventions across creator support, platform engagement, and fan empowerment.
2. A **framework for evaluation**, recommending pilots with clear indicators to generate evidence-based cultural diplomacy policy.
3. A **reminder of ethical imperatives**: sustaining cultural diversity, ensuring equitable revenue sharing, and legitimizing fan contributions without exploitation [\[22\]\[23\]](#).



### 6.3 Limitations

The research is limited by restricted access to proprietary platform data and by reliance on interpolated market estimates for longitudinal analysis (Figures 1–2). Moreover, while case studies focus on anime and related media, broader sectors (e.g., gaming, J-pop, fashion) merit further comparative analysis. These limitations are mitigated by triangulating industry reports, press releases, and secondary scholarship, but future work with primary platform data would sharpen findings.

### 6.4 Future directions

Building on these insights, future research should:

- Conduct **comparative cross-national studies** of Japan and South Korea’s cultural diplomacy to identify best practices in platform partnership models.
- Undertake **econometric studies** linking export policy interventions to measurable industry outcomes (e.g., creator revenues, licensing volumes).
- Explore **fan studies ethnographies** in new growth regions (e.g., Southeast Asia, Latin America) to understand how local reception modifies the meaning and utility of Japanese soft power.
- Examine **ethical AI/algorithm governance** in cultural diffusion — particularly how recommendation systems privilege or suppress minority cultural expressions.

### Closing statement

Japan’s popular culture remains a central arena where state ambition, platform logics, and grassroots fan agency intersect. As this study shows, the future of soft power lies not only in projecting cultural artifacts abroad but also in enabling creators, engaging platforms, and empowering fans as co-agents of international cultural exchange. This triangulated approach offers a sustainable model of cultural diplomacy for the digital century.

## 7: Declaration

### 7.1 Availability of data and material

Not applicable.

### 7.2 Funding

Not applicable.

### 7.3 Acknowledgements

Not applicable.

## References

1. Nye, J. S., Jr. (2004). *Soft Power: The Means to Success in World Politics*. New York: PublicAffairs.
2. McGraw, D. (2002). Japan's Gross National Cool. *Foreign Policy*, \*130\*, 44–54. <https://doi.org/10.2307/3183487>
3. Cabinet Office (Government of Japan). (2013). *Cool Japan Strategy* (English Version). Available: Cabinet Office, Cool Japan pages [cao.go.jp](http://cao.go.jp)
4. Japan Economic Foundation. (n.d.). Policy summaries and commentaries on the Cool Japan Fund. Available: [jef.or.jp](http://jef.or.jp)
5. Association of Japanese Animations (AJA). (2023). *The Report on the Japanese Animation Industry 2023*. Available: Association of Japanese Animations — Anime Industry Data [aja.gr.jp/english/](http://aja.gr.jp/english/)
6. Matsui, T. (2014). Nation Branding Through Stigmatized Popular Culture: The “Cool Japan” Craze among Central Ministries in Japan. *Hitotsubashi Journal of Commerce and Management*, \*48\*(1), 81–97.
7. Helmond, A. (2015). The Platformization of the Web: Making Web Data Platform Ready. *Social media + Society*, \*1\*(2). <https://doi.org/10.1177/2056305115603080>
8. Jenkins, H. (2012). “Cultural acupuncture”: Fan activism and the Harry Potter Alliance. *Transformative Works and Cultures*, \*10\*. <https://doi.org/10.3983/twc.2012.0305>
9. Van Dijkle, J. (2020). Seeing the forest for the trees: Visualizing platformization and its governance. *New Media & Society*, \*23\*(9), 2801–2819. <https://doi.org/10.1177/1461444820940293>
10. Condry, I. (2013). *The Soul of Anime: Collaborative Creativity and Japan's Media Success Story*. Duke University Press. <https://doi.org/10.2307/j.ctv11smjf0>
11. Steinberg, M. (2012). *Anime's Media Mix: Franchising Toys and Characters in Japan*. University of Minnesota Press.
12. Otmazgin, N. K. (2013). *Regionalizing Culture: The Political Economy of Japanese Popular Culture in Asia*. University of Hawai'i Press. <https://doi.org/10.21313/hawaii/9780824836948.003.0001>
13. Creswell, J. W. (2014). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches* (4th ed.). SAGE Publications.
14. Tashakkori, A., & Teddlie, C. (Eds.). (2010). *SAGE Handbook of Mixed Methods in Social & Behavioral Research*. SAGE Publications, Inc. <https://doi.org/10.4135/9781506335193>
15. Cool Japan Fund. (n.d.). *Official website and press releases*. Retrieved 2024 from <https://www.cj-fund.co.jp/en/>
16. Crunchyroll. (2024, August 7). *Crunchyroll Official Surpasses 15 Million Subscribers* [Press release]. Crunchyroll News. <https://www.crunchyroll.com/news/announcements/2024/8/7/crunchyroll-official-surpasses-15-million-subscribers>
17. Saldaña, J. (2015). *The Coding Manual for Qualitative Researchers* (3rd ed.). SAGE Publications.

18. Kawamura, N., & Smith, J. (2025, March). Sony turns anime from fandom to financials. *Financial Times*.
19. Parrot Analytics. (2024). *With anime market projected to triple, Netflix and Crunchyroll poised to dominate it together* [Industry insight report].
20. Grand View Research. (2024). *Anime Market Size, Share & Trends Analysis Report, 2030* [Market research report].
21. Atlantis Press. (2022). The Growth Impact of Japanese Animation IP and its Related By-products. *Proceedings of the International Conference on Contemporary Affairs (ICCA)*.
22. UNESCO. (2005). *Convention on the Protection and Promotion of the Diversity of Cultural Expressions*.
23. OECD. (2021). \*Cultural and Creative Sectors and the COVID-19 Response: Policies and Best Practices\*.

## Appendix A: Methodological Notes and Data Sources

### A.1 Data sources for subscriber metrics

- **Crunchyroll subscribers (2018–2024)** were compiled from a combination of press releases, corporate disclosures, and industry reporting.
  - **2018 (~2.0 million)**: Industry press coverage reported milestone figures (e.g., Digiday, 2018) [\[18\]](#).
  - **2020 (3.0 million)**: Official Crunchyroll press release, July 28, 2020 [\[16\]](#).
  - **2021 (5.0 million)**: Official Crunchyroll press release, August 3, 2021 [\[16\]](#).
  - **2023 (~10.7 million)**: Sony Group investor reporting (Q4 FY2022, March 2023) [\[19\]](#).
  - **2024 (15 million)**: Crunchyroll press release, August 7, 2024 [\[16\]](#).
- Intermediate years (2019, 2022) were **interpolated estimates** based on reported growth trends and known milestones. These are clearly labelled as estimates in Figure 1.

### A.2 Data sources for global anime market size

- The **2024 market size (USD 34.26 billion)** is taken from **Grand View Research, “Anime Market Size, Share & Trends Report” (2024)** [\[20\]](#).
- To create a consistent time series (2018–2023), values were **back-cast using a 10% compound annual growth rate (CAGR)**. This was chosen conservatively relative to industry-reported growth rates of 9–12%.
- As such, the 2018–2023 figures are **estimates**, anchored on the 2024 value. They should be replaced with official year-by-year data from Grand View Research or the Association of Japanese Animations (AJA) if available.

### A.3 Figures

- **Figure 1 (Crunchyroll subscribers, 2018–2024):** Displays reported subscriber milestones alongside interpolated estimates, with different markers for reported vs. estimated datapoints. CSV file provided.
- **Figure 2 (Overlay: Subscribers & market size):** Plots Crunchyroll subscriber growth against estimated global anime market size on a dual-axis graph. Market size values are interpolated (except 2024 anchor).

### A.4 Table construction

- **Table 4 (Policy recommendation matrix)** was constructed from qualitative coding of thematic findings (creator support, platform engagement, fan empowerment). Each action was assigned a lead actor, timeline, and sample indicators. These indicators are illustrative and should be adapted to specific policy contexts.

### A.5 Limitations

- **Data opacity:** Platform-level subscriber and financial figures are selectively disclosed.
- **Interpolation caveats:** Estimates (2019, 2022; market values 2018–2023) are placeholders, intended to demonstrate trends and relationships. They are explicitly marked and not substitutes for proprietary datasets.
- **Scope limitations:** Analysis prioritized anime and related media; comparative data on J-pop, gaming, or fashion are available but outside this study's scope.
- **Evaluation indicators:** The policy metrics in Table 4 are proposed models, not validated measures; pilot programs should empirically test and refine them.