

# **Kondzilla multiplataform world: Innovation in audiovisual business model**

## **O mundo multiplataforma Kondzilla: Inovação no modelo de negócio audiovisual**

***Noel dos Santos Carvalho and Gustavo Padovani***

### **1. Innovation and its impact on network communication**

The concept of innovation per se is opaque. In the popular sense, it appears associated with novelty, inventiveness, discovery and originality. Such uses, mostly advertising ones, do not contain the full meaning of the concept. This originates from the social context and gains operability in the process of production, management, delivery, creation of new markets, methodologies, manufacture or increment of some product or process. In this approach to innovation, there is no obligation between invention and complete originality at all times. As a rule, innovation occurs gradually in a learning process that involves a cycle of trials, errors, successes and applications<sup>1</sup>.

Based on this premise, the article will focus on the application of innovation into the media convergence (JENKINS, 2008) which the audiovisual field is crossed by. The production of audiovisual content has expanded from traditional windows (cinema and television) to digital platforms with more diverse formats, specific niche segmentations and the consumption of the most diverse types of users. This movement that goes through exponential transformations in the digital economy and becomes a fertile field for the analysis of innovation in the social sense will be worked on throughout the text.

---

<sup>1</sup> Authors such as Ries (2012) and Pigneur & Osterwalder (2011) pivot as test cycles and product applications.

When analyzing the Kondzilla brand and its universe, we seek to understand a social phenomenon that emerged on networked platforms, an audiovisual production project initially segmented in video clips. Due to reached audience (Kondzilla is the most-subscribed Brazilian YouTube channel with 59.8 million followers and the seventh in the world), the channel became the biggest occidental music channel (the Indian music channel T-Series<sup>2</sup> is the most-subscribed in the world with 151 million users). In addition to the figures representing something unprecedented within the Brazilian audiovisual market, we seek to interpret the innovation bias, as the intellectual property Kondzilla became a multiplatform world through the fictional series *Sintonia* (Netflix, 2019 -) and its content production portal.

Within this scope selected for the text, innovation is better understood as a social fact with specific ramifications in the field of economics, technology and public policy actions. It emerges from the competitive and evolutionary dynamics intrinsic to the capitalist system. Innovation generates disruptive and incremental transformations that impose itself from the outside into the system and constrains individuals and institutions to act and adapt. For Schumpeter (1997, p. 76), it results from the entrepreneurial action of new combinations of factors of production such as:

- 1) Introduction of a new good - that is, a good that consumers are not yet familiar with - or a new quality of a good.
- 2) Introduction of a new production method, that is, a method that has not yet been tested by experience in the processing industry, which in no way needs to be based on a scientifically new discovery and may also consist of a new way to handle a commodity commercially.
- 3) Opening of a new market, that is, a market in which the particular branch of the manufacturing industry in the country in question has not yet entered, whether that market existed before or not.
- 4) Conquering a new source of supply of raw materials or semi-manufactured goods, again regardless of the fact that this source already existed or had to be created.
- 5) Establishment of a new organization in any industry, such as the creation of a monopoly position (for example, by trust) or the fragmentation of a monopoly position.

The definition above is align with the manufacturing industry of the the dominant sector of capitalism when the economist formulated his theory. Since the World War II, the financialization of capitalism, the growth of the tertiary sector, the intensification of competition and world trade, gradually shifted the axis of capitalism to the activities of service, commerce, finance, research and technological development. The concept of innovation has gained openness and flexibility to embrace new forms of generate wealth.

---

<sup>2</sup> Available at: <https://www.youtube.com/user/tseries> Access on 15.08.2020

In 1992, the first version of the Oslo Manual - Guidelines for the Collection and Interpretation of Innovation Data published by the Organization for Economic Cooperation and Development (OECD)<sup>3</sup> was published. It defines four types of innovation: 1) product innovation; 2) process innovation; 3) organizational innovation; 4) marketing innovation. It presents a broad and pragmatic reflection to guide innovation-oriented practices:

Innovation activities are scientific, technological, organizational, financial and commercial steps that lead, or aim to, to the implementation of innovations. Some innovation activities are innovative in themselves, others are not new activities, but they are necessary for the implementation of innovations. Innovation activities also include R&D that is not directly related to the development of a specific innovation.<sup>4</sup>

Recently sociologists and economists have theorized about innovation in other organizational arrangements such as those in the third sector, art, culture, communication, public services and entrepreneurship<sup>5</sup>. Mazzucatto (2016), for example, draws attention to public policies implemented by National States that act to foster and create the social, institutional and technological bases which innovation systems are possible<sup>6</sup>.

Jacobi & Pinho (2006) point the importance of expanding democratic spaces in enabling innovations in public policies aimed at meeting local social demands through partnerships with social movements, residents' associations and other forms of social organization.

The sociologists Castells & Banet-Weiser (2019) claim that creativity and innovation are associated dynamics and occur in particular sociocultural and institutional contexts. The first emerge from the ability to produce new knowledge or meaning, whatever it may be, the second one from the ability to add value to that creation. Both are not necessarily linked to productive and economic systems and may be related to culture, biodiversity, breeding systems or biology.

---

<sup>3</sup> The Oslo Manual - Guidelines for the Collection and Interpretation of Data on Innovation (2005) has its objectives based on the search for a balance in the application of innovation and its different political and economic markers.

<sup>4</sup> Organization for Economic Cooperation and Development. Oslo Handbook: Guidelines for collecting and interpreting data on innovation. 3. ed. Paris: OECD, 2005, p. 56.

<sup>5</sup> We highlight the work developed at the Institute for Innovation and Public Purpose linked to University College London (UCL) and the L'Innovation Center de Sociologie linked to Mines Paristech. In Brazil, universities have opened up to harbor innovation in their curriculum and courses. INOVA (UNICAMP), AUSPIN (USP) and NIT (UFBA) are some examples of the awareness of innovation for other sectors of society, in addition to industry.

<sup>6</sup> The author makes an incisive criticism against the ideological narratives that define innovation as a result of the heroic deeds of the "great geniuses" of entrepreneurship, "garage inventors" etc. For her, it was the State that, historically, took on risky ventures and fostered the creation of new markets necessary to leverage the private sector. (MAZZUCATO, 2016, p. 29)

The authors address the dynamics that occur in the sociocultural and institutional contexts, for the development of creativity and, by extension, innovation as a communicational act. This communication is a social process of interactions with contexts: the cultural context (values, beliefs), the space-time context (material forms of space and time, including the natural environment, which organize and structure social interaction) and the institutional context (political institutions, legal environment) (CASTELLS & BANET-WEISER, 2019, p. 27-28). Creativity then appears as the ability to produce new knowledge or meaning and innovation as a process that, based on creativity, adds value to a product or service.

Technological innovations impacted communication and consequently the forms of social interaction in a disruptive way<sup>7</sup>. On the economic front, they created new channels for exchanging and circulating products and services that became the basis of the digital economy<sup>8</sup>.

In the audiovisual field, they expanded informational communication networks and, contrary to what was believed, caused a monopoly of entire branches of activities related to distribution and exhibition. The traditional production chains of cinema and television have had their costs, routines, division of labor, conventions and hierarchies transformed. The dematerialization of some processes and products had as a consequence, the appearance of new distribution platforms and audiovisual consumption that have their own business models, ways of working, distribution and strategies.

Companies like Google, Facebook, Netflix, Amazon and Uber are structuring themselves and were also responsible for these transformations. They are consequences of a thriving platform capitalism (SNIREK, 2017) today formed by companies that provide services and operate bilaterally, mediating the relationship between supply and demand. On the one hand, they offer services to users, on the other hand they explore the business possibilities from a powerful database consisting of the registration and activity of consumers cataloged according to their tastes, income, age, gender, ethnicity, place of residence, etc.

---

<sup>7</sup> Many scholars have dedicated themselves to studying the impacts of information technologies on social life. We highlight here: BOLTANSKI, Luc & CHIAPELLO, Ève. *O novo espírito do capitalismo*. São Paulo, Martins Fontes, 2009; CASTELLS, Manuel. *A sociedade em rede*. Rio de Janeiro, Paz e Terra, 2009. GLABER, Neal. *Revoluciones tecnológicas y capital financiero*. México DF, Siglo XXI Editores, 2004; SENNETT, Richard. *A cultura do novo capitalismo*. Rio de Janeiro, Record, 2006;.

<sup>8</sup> Digital economy is a concept that emerged in the 1990s anchored by studies that evaluated the growth of a specific technological market on the internet (CARLEY, 2000), as well as the impacts of globalization on a network society with the work of (CASTELLS, 1999). The concept of networks used by Castells and in a good part of his works includes this digital transformation in the sphere of macroeconomics when he mentions that "the new economy is not opposed to the industrial economy, but contains it" (CASTELLS, 1999, p. 149). And of microeconomics when observing that "the network company materializes the culture of the informational / global economy" (CASTELLS, 1999, p. 233).

These systems form networks that grow and become fed by the increasing entry of new users, offering constant modifications and expansions of services in other sectors - since the number of possibilities in this market is huge. On the other hand, these systems also imply negative externalities: barriers to new entrants, artificial valuation of the assets of these companies and the monopoly of entire branches of activities.

In the audiovisual segment, Netflix and YouTube are examples of what we have exposed so far. Even though audiovisual productions of films and fictional series have a relatively high cost to circulate in the windows of conventional distributions (exhibition rooms, open television or conditioned access), when we observe their distribution in the digital environment, we find that the works add the network value it self. This is because, in platform capitalism, data is converted into value that can be monetized. The network of users linked to an intellectual property models the values of investment, production, distribution and purchase of rights that it will have before content platforms.

Our general purpose with this article is to explore the context and the business model that the Kondzilla brand developed on its YouTube channel, whose production of Funk music videos was responsible for making it one of the largest producers of audiovisual content in the country. We will also stop at the *Sintonia* series (Netflix, 2019-) which will be addressed here as an intellectual property coming from the Kondzilla brand and distributed through the Netflix platform.

In the following pages we will argue about: 1) the way in which platform capitalism has changed the audiovisual production chain in an innovative way; 2) the business model around the Kondzilla brand and 3) the formation of a "kondzilla world" as a condition for the alignment of interests between video producers, musicians, advertisers, consumers and users.

## **2. Platform capitalism and its influences in the audiovisual market**

The functioning of any economic system depends on a structured set of shared beliefs and cultural dispositions incorporated in the agents and institutions that promote their engagement. This hypothesis was developed by Max Weber at the beginning of sociology and developed in his classic book: *Protestant ethics and the spirit of capitalism* (1920). He drew attention to the ethos intrinsic to capitalism that educates and creates for itself the economic subjects (entrepreneurs and workers) that it needs. In the same key Chiapello & Boltansky (2009), in a study suggestively entitled *The*

*new spirit of capitalism*, notes that in the current phase of capitalism, individuals guide their actions through engagement in project networks.

In a reticular world, professional activity is made up of a multiplicity of temporary encounters and connections, but reactivated, in different groups, carried out over social, professional, geographical and cultural distances that may be very large. The project is the opportunity and the pretext for the connection. It temporarily brings together very different people and presents itself as a strongly activated network segment for a relatively short period, but that allows to create more lasting bonds, which will remain asleep, but always available. "(CHIAPELLO and BOLTANSKI, 2009, P.135 )

This perception of a connectionist model also finds parallels in the view observed by Manuel Castells (1999), when he describes that global networks “connect and disconnect individuals, groups, regions and even countries, according to their relevance in the achievement of the objectives processed in the network, in a flow of strategic decisions” (CASTELLS, 1999, p. 41).

For both, mediation is elementary to structure social capital and information capital, because with millions of connections being made - between users, groups and companies - those that are best integrated with representations of a certain universe would stand out, validating those that “are local, singular, circumstantial, mobilizable one by one, linked to a mode of knowledge associated with personal experience. ” (CHIAPELLO and BOLTANSKI, 2009, P.145).

The importance of mediation, as pointed out by the authors, became even more accentuated in the following years when observing the consolidation and the emergence of dozens of technology companies such as Google, Facebook, Netflix, Amazon and Uber over the last two decades. These technology conglomerates that interfere in different market segments, grow at an exponential pace and today affect microeconomics and macroeconomics. This transformation has led several authors to coin the concept of "platform capitalism" (GAWER, 2014, LANGLEY and LEYSHON, 2016, SNIREK, 2017, MAZZUCATO, 2018) to describe this social phenomenon.

Such a concept concerns a structure of capital circulation mediated by service networks that connect users to the demanded services, whether physical or not, and thus deliver new forms of value and generate profitability. As Mariana Mazzucato (2018) notes, these networks operate by offering services to users at one end while exploring information catalogs at the other. When working with network users, this process is guided by actions that leave traces that become data (LATOUR, 2009). The platforms specialize in monitoring, organizing and handling data that can be marketed (such as Facebook and Instagram content boosting services) or serve as an impetus for the

company itself to create new assets (such as measuring consumer trends to invest in new ones. works like Netflix). In any of these cases, the notion of a platform is central.

Under the rubric of platform capitalism, we aim to place ‘the platform’ at the centre of critical understandings of digital economic circulation. For us, platform capitalism is a useful signifier for naming an analytical focus on ‘the platform’ which, following José van Dijck (2013), can be thought of as a discrete and dynamic arrangement defined by a particular combination of socio-technical and capitalist business practices. (LANGLEY e LEYSHON, 2016, p.3)

This new configuration in which the mediating platforms make the distribution has definitely impacted the audiovisual sector. The expansion of certain networks created by the number of users registered on YouTube led to the emergence of professional youtubers, audiovisual content production brands and the appearance of networks (IGN, Maker Studios and Paramaker): companies that manage intellectual property and assist the producer to boost your content production. The value of the channel as a brand also follows the same logic of the great digital platforms in which: “the more numerous the number of users, the more valuable it becomes for everyone” (SNIREK, 2017, p.26).

In this context of platform capitalism, Netflix is a platform that extracts value through the subscription system known as SVOD (Subscription Video on Demand) in which the platform user pays to enjoy access to its service: the ubiquitous availability of a catalog audiovisual content without any types of advertising. In addition to content from several distributors, the company also co-produces licensed products, negotiating them, on a lesser scale, for exhibition on the cinema circuit and on television channels.

This extraction of value on platforms, within the audiovisual perspective in which YouTube and Netflix are inserted, can be considered innovative in a Schumpeterian perspective. They innovate in the service of offering a new merchandise and in the creation of new markets (SCHUMPETER, 1991). This phenomenon is proven when we think about the linearity of the audiovisual production chain that prevailed throughout the 20th century and which is now being supplanted by digital platforms in just over a decade of existence<sup>9</sup>.

---

<sup>9</sup> Esse processo foi exponenciado com a pandemia do Covid-19 que obrigou as pessoas de várias regiões do planeta a entrarem em quarentena. O consumo doméstico de entretenimento acelerou a migração do público para as plataformas. Disponível em: <https://www1.folha.uol.com.br/ilustrissima/2020/05/coronavirus-vai-marcar-o-fim-de-uma-era-no-cinema.shtml> Acesso em: 04.04.2020

By adopting a multiplatform strategy, we will demonstrate how the Kondzilla brand creates value in the mediation between two platforms and different ways of audiovisual consumption, adapting to each of them with their content. The brand innovates by making use of the singular connections described by Chiapello and Boltanski (2009) in the digital environment, whose social capital arises through the representation of the universe of the Kondzilla brand in the fictional series Sintonia.

### **3. The Kondzilla brand: an analysis of the business model**

In the early 2000s the collections of the funk group Furacão 2000 – Um Tornado Muito Nervoso Vol.1 and Vol.2 were the first to reach 350 thousand copies sold. These numbers leveraged the genre beyond the periphery and made artists such as Taty Quebra Barraco, Mc Catra, Mc Serginho and Bonde do Tigrão even more popular - without counting the sale of pirated CDs and mp3 downloads that occurred intensely at the beginning of the 2000's<sup>10</sup>.

At the turn of the decade of 2010, Funk shifted its attention to the metropolitan region and the coast of São Paulo. This geographic change in production also caused a greater focus on themes that demonstrated the social rise of young people living on the periphery and celebrating the purchase of cars, expensive clothes and, in the background, enshrine the hedonism of the parties. These thematic bases gave rise to a subgenre of Brazilian Funk known as Funk Ostentação. Names like MC Boy do Charmes, Mc Guime, MC Daleste and Pablo quickly stood out when releasing their clips on YouTube.

With the free availability of videos, the dissemination of this content on other social networks and the monetization of producers, the platform soon also served to visually materialize the lifestyle sung by their MCs. In an analysis of 14 clips of the genre, Abdalla (2014) identified more than 58 different brands of items such as jewelry (378 appearances), glasses (312 appearances) and automobiles (244 appearances). The videoclips also began to be viewed more frequently and in 2012 the funk ostentação had 12 of the 100 most viewed videos<sup>11</sup>.

<sup>10</sup> Available at: <https://www1.folha.uol.com.br/fsp/ilustrad/fq0902200106.htm> Access on: 01.03.2020

<sup>11</sup> Available at: <http://g1.globo.com/musica/noticia/2012/08/funk-paulista-vira-moda-no-youtube-com-carros-motos-e-notas-de-100.html> Acesso on: 20.04.20



This current scenario has as one of its main protagonists, the businessman Konrad Dias, creator of the Kondzilla brand. Coming from Guarujá (coastal city of São Paulo) at the age of 18 he decided to buy a Canon EOS 5D camcorder and abandon his job as a web designer. He moved to São Paulo in order to start courses in cinema and marketing and at the age of 23 he decided to act in the music segment on YouTube, producing clips for emerging artists in the funk ostentação. His second video *Megane*<sup>12</sup> by Mc Boy do Charme, had 1 million views in 28 days and his second video, *Tá Patrão*<sup>13</sup>, performed by MC Guimê, reached 1 million views in 14 days. Realizing that his videos yielded profitable views, Kondzilla launched his official channel on March 21, 2012 and made the debut of the first clip called *Segue o Fluxo*<sup>14</sup> composed by MC Nego Blue.

Today this same channel is divided into other smaller channels (such as *Funkadão*<sup>15</sup> and Portal Kondzilla<sup>16</sup>). Kondzilla established itself as the largest YouTube channel in Brazil, the 2nd largest music channel in the world and the 4th largest channel in the world - in addition to obtaining the record for the first and only Brazilian video to surpass a billion plays with the song *Bum Bum Tan Tan* by MC Fioti<sup>17</sup>.

YouTube currently uses a monetization system based on an average obtained from the number of views of the videos, the number of subscribers to the channel and the videos published. To level the payment in CPM (*Cost Per Thousand*), for every 1000 views, depending on the three factors mentioned, the payment amounts vary between \$ 0.25 and \$ 4.50 dollars. With these data, a calculation estimated by the company Sambatech in 2017 on the channel, estimates that the turnover is between \$ 234,000 to \$ 3,900,000<sup>18</sup>.

In 2017, the project also became a record label to manage music careers for artists called Kondzilla Records<sup>19</sup>. On the website of the Kondzilla brand, it is also notorious to display an index with 503 Brazilian and international artists who have already recorded clips by the producer. The vast majority of Funk artists, but also artists from other genres such as pop (Angel K), backcountry

<sup>12</sup> Available at: <https://www.youtube.com/watch?v=r2wUIRkpOVw> Access on: 20.04.20

<sup>13</sup> Available at: <https://www.youtube.com/watch?v=NGJDJz3Bv3s> Access on: 21.04.20

<sup>14</sup> Available at: <https://www.youtube.com/watch?v=NGJDJz3Bv3s> Access on: 21.04.20

<sup>15</sup> Available at: <https://www.youtube.com/user/KondZillaApresenta/about> Access on: 21.04.20

<sup>16</sup> Available at: <https://www.youtube.com/channel/UCBkXV7dgFRUaDOK2saJooxA> Access on: 21.04.20

<sup>17</sup> Available at: <https://kondzilla.com/m/confira-tudo-o-que-rolou-na-kondzilla-records-em-2018/#materia> Access on: 21.06.2019

<sup>18</sup> Available at: <https://sambatech.com/blog/insights/quanto-ganha-um-youtuber/> Access on: 08.05.20

<sup>19</sup> Available at: <https://kondzilla.com/m/kondzilla-records-em-2017/#materia> Access on: 29.04.20

(Wesley and Diogo) and rock (Vespas Mandarinas). Structured as a content portal, the site is also fed with diverse news about the universe of Funk, football and youth behavior: which corroborates to the idea of building a universe with which the brand's clips are aligned.

The adoption of compliance rules in 2017, aiming at reaching a wider audience, removed from its production clips that involved weapons, drugs, objectification of women, violence and dirty words. These are the rules that, for example, guide the lyrics changes of the hit *Deu Onda* do MC G15 - the original lyrics "meu pau te ama" ("my dick loves you") became "meu pai te ama" ("the father loves you").

This marketing option, at first, demonstrated that the Kondzilla channel was losing half of its views to competitors (YouTube Channel GR6), funk artists with their own channel and due to the decentralization of funk production on the Rio-São Paulo axis to other cities in Brazil (like the Brega-Funk scene in the northeast<sup>20</sup>). However, after three years, the brand increased the number of followers by 25 million, managed to create new products and increased the participation of brands in its content<sup>21</sup>.

As shown by a study by Mello and Vieira (2019, p.4) on another major Brazilian music and dance channel, FitDance, it is possible to observe that on the Kondzilla channel the brand is the company's main asset. The reach and size of the audience also created new demands in which the channel's brand obtains a much greater power of negotiation and penetration in other platforms.

Another important point for getting closer to brands is the media. The brand has resources to invest in media, whether digital or traditional. In the commercial for LG, Kevinho appeared on TV all the time. How much does an insertion cost? I don't have 20 million for insertion in Globo, but the brand does. Right now, for example, KondZilla is in every subway in São Paulo with the debut of Sintonia, I would never have recourse to that<sup>22</sup>.

All of these numbers add an ever higher value to Kondzilla's intellectual property: factors directly proportional to his bargaining and billing power. As Ramzi notes, the uses of intellectual property "are strategic and their respective value constantly changes in relation to other rights" (RAMZI et al, 2008 p.64). The active value of the brand resides in the largest segmented audience

---

<sup>20</sup> Available at: <https://g1.globo.com/pop-arte/musica/noticia/2019/06/04/kondzilla-em-queda-por-que-o-canal-de-funk-perdeu-audiencia-e-a-lideranca-nas-paradas.ghtml> Access on: 09.05.20

<sup>21</sup> Available at: <https://economia.uol.com.br/noticias/redacao/2019/08/12/marcas-ampliam-presenca-na-fabrica-de-conteudo-de-kondzilla.htm> Access On: 15.08.20

<sup>22</sup> Available at: <https://www.meioemensagem.com.br/home/midia/2019/08/09/sempre-foi-feeling-agora-e-sobre-dados.html> Access On: 09.05.20

in Brazil for an online platform, but the Kondzilla brand is recognized as intellectual property, from its clips and the referential world that is built by its artists through its lyrics, aesthetics and melodies.

#### **4. Convergence of worlds: Kondzilla and Netflix**

In the book *Art Worlds* (2010), Howard Becker uses the notion of the world to define a physical or symbolic space built by the actions of individuals who relate, organize, produce and consume in an organic movement that is reframed according to new actions and events. For the author, an art world is composed of “real people who try to carry out tasks, to a great extent joining other people who do other things that will be useful for their projects” (BECKER, 2010, p.307) .

The art world, therefore, results from a collective action that is complex, full of vectors that promote interaction and that can result in the unusual. When drawing attention to the consensus, Becker does not think of a system located outside the relations between the agents that he operates to constrain the action. On the contrary, cohesion is built on the real interaction between individuals and on the basis of “the best that each one managed to obtain from this situation and, therefore, that which everyone, in fact, is in agreement” (BECKER, 2010, p. 307).

The author notes that the art world is governed by conventions that contribute to the cohesion of actions. They enable the production and circulation to be recognized by the agents involved and, consequently, increase “even more the likelihood of your choice being unanimous in the future and so on” (BECKER, 2010, p.70). Conventions consolidate the diversity of actions that make up the art world. In addition to cohesion, they make the production practices of works visible, planable, reproducible and transparent. Nor are they fixed barriers to innovators who, for the most part, operate innovations incremental to previous conventions.

Innovation is intrinsic to the art world, which is governed by intense dispute between artists and untiring search for originality. Breaking with a convention established in an art world is never entirely disruptive, as the new conventions are only effective when they become popular and are accepted by practitioners in the art world. Otherwise, there is no possibility of taking them forward.

In essence, History reports on the achievements of the winners. And the history of art tells of the innovations that brought about institutional victories, those that managed to create around it the whole apparatus of an art world, that mobilized enough people to cooperate regularly and that managed to promote new ideas. Changes that fail to win over an existing cooperation network or create another have no future. (BECKER, 2010, p.249)

It is well known that the set of practices around the video producer Kondzilla comes close to the notion of the world as proposed by Becker. The producer and the website have a cooperation network of artists from the so-called funk ostentation and the like who work collaboratively in order to give visibility to their productions. These actions captured the importance of the aesthetics of music videos for young audiences, as well as perceived the exponential growth of YouTube as the new place of consumption of Brazilian music for young people from the peripheries.

These factors combined make up a collective action system structured in a model of conventions that we can call a “Kondzilla world”. In it, the strategies of its participants (musicians, producers, audience, users of the platform, etc.) aim to add value to their work as the channel started to serve a larger network of artists and, consequently, went through an increase in the number of subscribers and video views.

Kondzilla was transformed into a brand in line with our definition of innovation since it created an innovative series of processes: first a new production method, then it allowed the brand to manage the career of funk artists and the financial return for artists. Unlike the phonographic industry of the past, in which agency depended on the label's negotiation with radio stations, television channels (open and closed) and other means, the Kondzilla channel delivers the full distribution service and still operates within the logic of platform to generate value for the business produced.

The production of hundreds of annual Funk clips for YouTube on the Kondzilla channel enabled transmutations in its business model and promoted the movement of the brand to different universes of production of multiplatform content. The testimony of the director and creator of the brand, Konrad, makes clear some of the objectives of the channel.

Today I don't know how to define what I do: I'm a businessman, I'm a stage director, I'm a communication guy today. I want to talk to all the young people from the periphery, I want to, I will work for that and I will be the greatest communicator to the young people from the periphery. And making that connection, not just the funk dance, all this culture, all the behavior of this type of audience. (...) Today I see myself with this role of also representing a group, so I have to be very careful with that. If I say something silly or make a mistake, I will end up burning the image of a tribe, a group, a community or whatever the definition of this type of audience<sup>23</sup>

These broad objectives of becoming a contemporary communicator for “all young people from the periphery” exposed by Konrad, have their idea based on a representable world with certain

---

<sup>23</sup> Available at: [https://www.youtube.com/watch?time\\_continue=56&v=KSxoqda1a9A](https://www.youtube.com/watch?time_continue=56&v=KSxoqda1a9A) Access on: 21.06.20

forms of life and social organizations. It is a movement in which a producer looks at society in order to organize it, finds a pattern in these users and verifies how each one manifests himself and ends up feeding this world with his works, images and speeches.

Here again Becker's sociology (2010) helps us to understand the interaction between video producers, music, clips, advertisers, consumers, users, etc. Cohesion occurs because the producer is also a user of the representation and participant in the community of users of what is produced. We are not here in a context where a professional communicator speaks to an audience with whom he has no ties of belonging. Here the roles of producer and user are interwoven in such a way that communication gains a sense of representation. The issue, therefore, is not just to mediate, but to have legitimacy among the various users / producers in the world of Funk.

Talking about society in general involves an interpretive community, an organization of people who routinely make standardized representations of a particular type ("producers") to others ("users") who use them routinely for standardized purposes. Producers and users have adapted what they do to what others do, so that the organization of making and using is, at least for some time, a stable unit, a world. (BECKER, 2007, p.110)

The Kondzilla world presents itself as an intellectual property in constant expansion. Director Konrad's speech demonstrates how this multiplatform strategy of being present on Spotify and Netflix is on the brand's horizon in its project to make "the biggest behavior platform for young people from the periphery"<sup>24</sup>. The negotiation with Netflix is a way to expand the universe of the brand to another niche market, thus enabling the adhesion of a new audience that may not want to consume the songs, but be interested in the narratives presented and their universe.

Thinking about this structure, the production of the series for Netflix is, simultaneously, a business with great potential for both. On the one hand, the American company has penetration in more than 190 countries and an audience with more than 150 million paying subscribers and, in some of its projects, seeks investment in productions that already have a built fan base. Kondzilla, meanwhile, has almost 60 million subscribers to its YouTube channel who consume its content unrestricted and do not pay for that consumption.

---

<sup>24</sup> Available at: <https://www1.folha.uol.com.br/ilustrada/2018/09/proprietario-do-4o-canal-de-youtube-do-mundo-kondzilla-grava-serie-da-netflix.shtml> Acess On: 09.04.20

## 5. Sintonia: building the funk world on multiplatforms

The Kondzilla brand partnered in 2018 with the Netflix platform to produce the Sintonia series. Co-produced with Brazilian producer Los Lobos and directed by a few episodes by Konrad Dias himself, the series addresses the Funk universe through three characters who grow up together on the periphery. The protagonist of the series is MC Doni: a young man who tries a successful career and is played by a Funk artist (MC Jottapê, whose career includes 7 clips produced by the Kondzilla channel). Nando (Christian Malheiros) is a colleague of Doni's who chooses to associate with organized crime and Rita (Bruna Mascarenhas) plays a young rebel who loses everything, but finds shelter in her church.

In the world of tuning, young people are always connected: the cellphone is a central figure in which all the characters use, talk, discuss and plan their actions. It is precisely by this means that MC Doni "leaks" his first song to a music producer and an emerging artist, MC Dondoka (Leilah Moreno), that steals his beat to make her own song. Through this conflict, MC Doni reaches the label and negotiates with the artist so that they can form a partnership. The process of recording the song, the difficulty of booking shows, reconciling schedules and leaving the old job that supports Mc Doni (and pleases his evangelical family) are also ways to demonstrate and consolidate this universe of emerging artists who leave the periphery for stardom - a reality for many artists on the Kondzilla channel.

The Funk party on the periphery is the meeting point for the three characters. The narrative arc of the protagonist MC Doni is the main guide to the *Sintonia* world. Its action organizes the narrative in the encounter with other artists, in the participation in TV programs, in the shooting of clips, in the relations with the money of the shows, etc. All of these events refer to the visual universe of Kondzilla's clips. Although the rules of compliance on YouTube removed sex, violence and drugs from the channel, the series addresses these issues more explicitly.

All of these aspects enable the creation and reference to the social and imaginary universe of funk, present in the songs of the Kondzilla channel. Following the trail opened by Umberto Eco (2002), every fictional space adopts in its structure a referential starting point (a book, films, disc or other type of work), thus creating a possible world in the imaginary in which "development of events is not effective, but precisely, possible, it must depend on the propositional attitudes of someone who confirms it, believes in it, dreams about it, desires it, predicts it and etc. " (ECO, 1979, p.181)

Sintonia works on the fictional construction of this possible world by building - through the soundtrack, montage and visual design - the imaginary of the funk universe. According to literary critic Marie-Laure Ryan (2012):

For a world to be possible, it must be linked to the actual world by a relation of accessibility. The boundaries of the possible depend on the particular interpretation given to this notion of accessibility. The most common interpretation associates possibility with logical laws: every world that respects the principles of non-contradiction and of the excluded middle is a possible world.

In the universe of networks on digital platforms, the construction of this possible world becomes even more effective through participatory culture, since any subject inserted in it can produce new content through images, texts, audios and remixes of images - prolonging the life of the represented world. Becker already observed this development in the digital world when he mentioned that producers are obliged to deal with other instances, since these users “actively participate in the process, choosing what they should pay attention to and interpreting what they find, regardless of the producers' intentions.” (BECKER, 2007, p.119 and p.120).

With the culture of media convergence, the production of a multiplatform universe like Sintonia is, at the same time, a market strategy in which the brand seeks to be present and create new affections, adapting its content to a transmedia strategy in which each platform makes its distinct contribution to a part of the narrative (Jenkins, 2008).

In this sense, the value of the intellectual property of the Kondzilla brand assumes a crucial role in the distribution and consumption of Tuning. In addition to making the series available on Netflix on August 8, the channel published the first episode of the series in full for three days<sup>25</sup>. By adopting this freemium<sup>26</sup> distribution model, the Kondzilla channel provides a notification inviting its millions of subscribers to watch the first episode and conditioning them to migrate to Netflix to see the full series.

In addition to this strategy, a week after its debut, the clip for the song *Te amo Sem Compromisso* by MC Doni was released on the Kondzilla channel. The clip has several allusions

---

<sup>25</sup> Disponível em: <https://www.correiodopovo.com.br/artegenda/netflix-libera-primeiro-epis%C3%B3dio-de-sintonia-no-youtube-1.357784> Acesso 12.05.20

<sup>26</sup> The freemium model can be defined as “a business model where a service or product is offered free of charge, but a premium version, containing additional features, characteristics or services, is charged” (WAGNER, BENLIAN & HESS, 2014). The first episode of Tuning is a part of the free product, but to watch a whole series, the user must be a Netflix subscriber.

to the series narrative, as well as direct links to watch the first season. On the same day, in addition to the clip, an album with the series track was released with five songs by the characters Mc Doni and Mc Dondoca on Spotify. According to data released by Netflix, this was the second best debut of a series in Brazil<sup>27</sup>.

## 6. Final Considerations

Our article sought to shed light on how the Kondzilla platform is innovative from the point of view of production, distribution and value generation. We take as a social substrate the social and technological transformations brought about by the outbreak of the network society and its consequences. Studies in this field have been relatively successful in demonstrating the social and economic effects of societies organized in networks and the role of technologies in this process.

Evidently a multitude of observable and investigable clippings were left out on a platform that mobilizes about 60 million users. More accurate work with empirical studies on a social phenomenon of this dimension should mobilize scientific concepts and methodologies from other areas of knowledge, thus contributing to the understanding of this phenomenon in progress.

Our approach was guided by reflections on the definitions of innovation made by economists and sociologists. From them we can make some assertions as final considerations and that can be developed by subsequent studies.

The first is that the innovation in this article must be thought of in conjunction with Becker's (2010) definition of "Art Worlds". For us, the Kondzilla brand created a world of its own using the pre-existing world of the Funk Ostentation genre. Evidently there are other worlds of Funk that are represented by the subgenres to which they belong. For example, after Kondzilla Funk 150bpm and Brega Funk were created, which structured their own platforms and networks. But also, many of its artists also were produced with Kondzilla.

The creation of this world has potentiated a new trend in music consumption, by centralizing the aesthetic quality and potential of engagement of users in video clips in the channel, thus becoming a reference standard for several new and established artists in the Funk world. At the same time, Kondzilla created an offer of musical audiovisual content with a passive and scalable

---

<sup>27</sup> Available at: <https://entretenimento.uol.com.br/noticias/redacao/2019/10/16/netflix-sintonia-tem-segunda-melhor-temporada-de-estreia-no-brasil.htm> Access On: 12.05.20



income paid by YouTube and, with that, opened new businesses to manage careers, sell spaces for brands and other licenses.

From a sociological perspective, the brand functions as the materialization of a space - in a network - for socialization, interaction and cultural exchanges circumscribed to the young inhabitants of the peripheries of large cities. The world of Funk is formed by cultural networks between groups of people with ages, classes and ethnicities. As in all cultures, with lesser or greater intensity, these are also affected by political tensions. Platforms transform these prolific forms of culture and interaction into homogeneous users and audiences. Thus, dehydrated from contradictions and sanitized, they are unable to offer "danger" and become accessible to a wider middle class audience..

This management of the symbolic - such as, for example, the adoption of compliance rules - increases the exchange value of the platform. The next step is to license this public / users at retail from intellectual property rights contracts. This is the essence of the innovation of the business model of the Kondzilla platform: building and retaining an audience that easily identifies new products and brands on the platforms associated with the website.

The second inference is the extension of this lucrative business model. The "packaging" of the culture in its public / user form is negotiated in different formats for each platform. The Sintonia series made for Netflix is the latest example of this trend. Through the series, the Kondzilla brand inferred a new market carrying with it the value of its image and music circulation networks (YouTube, Kondzilla, Spotify). These interconnected negotiations between platforms, increase the number of users linked to the brand in all of them. At another level of analysis, these actions also corroborate the endogenous growth logic of the platforms when exploring the concentration of products and services offered, as well as the growth of this market's monopoly.

The third inference, of a more general nature, refers to the dialogue between the concepts of the new spirit of capitalism described by Chiapello & Boltansky (2009) and Castells' network society (1999). We seek to describe the dynamic environment that has affected microeconomics and macroeconomics worldwide. This context gave rise to the emergence of a digital economy responsible for affecting the most diverse market segments, including the one that is essential for the text: the audiovisual.

In the evolution of this digital economy, large conglomerates of technology have emerged responsible for creating platform models that concentrate users, their data and their actions in a network, creating another phenomenon called by some authors as platform capitalism (GAWER, 2014, LANGLEY and LEYSHON, 2016 , SNIREK, 2017 and MAZZUCATO, 2018). Addressing this concept is fundamental, as the business model created by Kondzilla would not be possible without the existence of a content distribution platform such as YouTube.

Like any market in which a brand acquires a larger share of its segment, actions emerge that try to mitigate the space of new entrants, mainly, in an environment as fluid and dematerialized as the digital one. A Funk channel like GR6, for example, already has 30 million subscribers, is the sixth largest channel in Brazil and its growth indicates a public rivalry with Kondzilla in a few years.

With the domination of the Brazilian music market on YouTube by the Kondzilla channel, a funnel is created, in which new Funk artists compete for the participation of this network through the possibility of obtaining visibility on the channel through the video clip. With this centralization in the channel, added to its operating rules, it ends up creating aesthetics and standardized production models, which can domesticate and reap the cultural diversity of these projects.

The logic of platform capitalism standardizes the forms of monetization in environments such as Youtube and Spotify. This standardization encourages a homogeneous remuneration model that favors companies and content producers with larger structures, making new entrants often have to participate into them to start their activities. Even though the exponential growth of a channel is a possibility for any new user due to the ability to create networks, this ambivalent character of the platform market, allows for more intense and compulsory content creation rules to revert in gains for its creator .

Anyway, in the analysis present in the text, it was possible to observe how the emergence of a new consumer culture stimulated by the logic of platforms, changes the entire production chain and the audiovisual economy in its classic conception. The flow between audiovisual platforms allows the Kondzilla brand to launch its products while ignoring traditional windows such as cinema and television. These are audiovisual productions that do not depend on local forms of financing such as public policies, but on the direct injection of capital from the largest American audiovisual producers and distributors - something unthinkable until a few years ago.

From our empirical observation, it cannot be deduced that we must extinguish the role of state public policies to induce cultural and audiovisual production. On the contrary, as we stated above, innovation is the result of heavy and constant investments in science, technology and social structure made by National States. If Kondzilla's business model is commercially sustainable, it is important to point out that it owes everything to a telecommunications network created and maintained by companies and technologies only viable from large public investment. In addition, the content produced and distributed by the platforms in general serves a specific segment of the public.

The multiplicity of contents - which is a condition for a rich, democratic and diverse society - requires other formats that are not always commercially viable, but fundamental for the construction of the country's culture. It is in this place that the State is even more necessary as an innovation driver. What we tried to highlight was an epiphenomenon in the audiovisual field of the innovations that took place in the communicational, technological and economic spheres. public policies within the processes.

**Noel dos Santos Carvalho**

*Professor at Multimedia Post-Graduate Program / UNICAMP*

*PhD in Sociology / USP*

*ORCID: <https://orcid.org/0000-0002-4948-9084>*

*E-mail: [noelsantoscarvalho@yahoo.com.br](mailto:noelsantoscarvalho@yahoo.com.br)*

**Gustavo Padovani**

*PhD Student in Multimedia / UNICAMP*

*ORCID: <https://orcid.org/0000-0001-7505-4300>*

*E-mail: [guspado@gmail.com](mailto:guspado@gmail.com)*

Received on: May 31, 2020.

Approved on: August 12, 2020.

## References:

ABDALLA, Carla Caires. **Rolezinho pelo Funk Ostentação**: um retrato da identidade do jovem da periferia paulistana / Carla Caires Abdalla. Dissertação de mestrado FGV apresentado Escola de Administração de Empresas de São Paulo da Fundação Getúlio Vargas. p.101 2014.

BANET-WEISER, Sarah & CASTELLS, Manuel. Economia e cultura. In CASTELLS, Manuel (Org). **Outra economia é possível**: cultura e economia em tempos de crise. Zahar, Rio de Janeiro, 2019.

BECKER, Howard. **Falando da sociedade**: Ensaios sobre as diferentes maneiras de representar o social. Editora Zahar. Rio de Janeiro. 2011

\_\_\_\_\_. **Mundos da arte**. Livros Horizonte, Lisboa, 2010.

CARLEY, Kathleen. Organizational Change and E-Commerce: A Computational Organization Science Perspective. In: **Conference on Understanding the Digital Economy: Data, Tools and Research**, May 25-26, Washington, D.C. 1999

CASTELLS, Manuel. **A Sociedade em Rede**. Vol. 1 Ed. Paz e Terra. São Paulo 1999

ECO, Umberto. **Lector in Fabula**. São Paulo: Perspectiva, 2002.

GAWER, Annabelle. Bridging Differing Perspectives on Technological Platforms: Toward an Integrative Framework, *Research Policy* 43(7): 1239–1249. 2014.

JENKINS, Henry. **Cultura da Convergência**. São Paulo: Aleph. 2008

LANGLEY, Paul; LEYSHON, Andrew. **Platform capitalism**: The intermediation and capitalisation of digital economic circulation. *Finance and Society*, 2016

LATOUR, Bruno. **Reagregando o Social**: uma introdução à Teoria do Ator-Rede. Salvador: Edufba, 2012.

OSTERWALDER, Alex; PIGNEUR, Yves. **Business model generation** - inovação em modelos de negócios: um manual para visionários, inovadores e revolucionários. Rio de Janeiro: Alta Books, 2011.

MARK. Jerome A., WALFORT, William H. Multifactor productivity: a new BLS Measure. In: **Monthly Labor Review**, [s.l.]. v.2, n.106, p. 3-15, dez. 1983

MELO, Paulo; VILELA, Vandr . **Gest o de Marketing e Branding**: um estudo da marca Fitdance. 17<sup>o</sup> Congresso de Inicia o Cient fica da FASB, 2019.

RAMZI et Al; **Derechos, c mara, acci n!** Los derechos de propiedad intelectual y el proceso cinematogr fico. Organizaci n Mundial de La Propried Intectual. 2007.

RIES, Eric. **A Startup enxuta**: como os empreendedores atuais utilizam a inova o cont nua para criar empresas extremamente bem-sucedidas. S o Paulo: Lua de Papel, 2012

RYAN, Marie-Laure. **Possible worlds**. Interdisciplinary Center for Narratology, Un. Hamburg, 2012. Dispon vel em: <https://www.lhn.uni-hamburg.de/node/54.html>. Acesso em: 21.02.2020.

SCHUMPETER, Joseph. **Teoria do desenvolvimento econômico**: uma investigação sobre lucros, capital, crédito, juro e o ciclo econômico. São Paulo: Editora Nova Cultural. 1991.

SRNICEK, Nick. **Platform capitalism**. John Wiley & Sons. 2017.

WAGNER, T. M., BENLIAN, Alexander, & HESS, Thomas. Converting freemium customers from free to premium—the role of the perceived premium fit in the case of music as a service. In: **Electronic Markets**, 24(4), 259-268. 2014.

WEBER, Max. **L' éthique protestante et l'esprit du capitalisme**. Paris, Pion, 1964, (1<sup>o</sup> edição: 1920)

## Abstract

The contemporary audiovisual production ecosystem is undergoing modifications that restructure changes in the relationship between content production, distribution and consumption. When inserted in a digital economy environment, audiovisual content has several possibilities to generate value in innovative business models. This article investigates, through the bias of innovation, how a Kondzilla brand managed its business model to build a multiplatform audiovisual world and extract its value for creating fictional series *Sintonia* (Netflix, 2019-)

**Keywords:** Audiovisual. Multiplataforma. Innovation. Business.

## Resumo

O ecossistema de produção audiovisual contemporânea atravessa modificações que reestruturam constantemente a relação entre a realização, a distribuição e o consumo de conteúdos. Ao estar inserido dentro de um ambiente da economia digital, os conteúdos audiovisuais possuem diversas possibilidades de gerar valor em modelos de negócios inovadores. Este artigo investiga, pelo viés da inovação, como a marca *Kondzilla* gerencia seu modelo de negócio para construir um mundo audiovisual multiplataforma e extrair dele valor para criação da série ficcional *Sintonia* (Netflix, 2019)

**Palavras-chave:** Audiovisual. Multiplataforma. Inovação. Negócio.

## Resumen

El ecosistema contemporáneo de producción audiovisual está experimentando modificaciones que reestructuran los cambios en la relación entre producción, distribución y consumo de contenido. Cuando se inserta en un entorno de economía digital, el contenido audiovisual tiene varias posibilidades para generar valor en modelos de negocio innovadores. Este artículo investiga, a través del sesgo de la innovación, cómo una marca *Kondzilla* manejó su modelo de negocio para construir un mundo audiovisual multiplataforma y extraer su valor para crear series de ficción *Sintonia* (Netflix, 2019-)

**Palabras clave:** Audiovisual. Multiplataforma. Innovación. Negocio.