



**THE EFFECTS OF OPERATING COST CONTROL AND UP
OWNER INCENTIVES ON FIRM PERFORMANCE IN BILIBILI
COMPANY**

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**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE DEGREE OF
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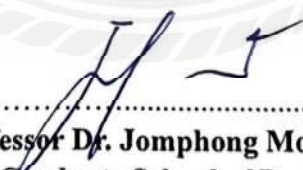
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This Independent Study has been Approved as a Partial Fulfillment of the
Requirements for the Degree of Master of Business Administration

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ABSTRACT

In the highly competitive digital content platform landscape, Bilibili, as a prominent player, faces the challenge of optimizing its operational strategies to enhance firm performance. This involves effectively managing operating costs and incentivizing its UP owners, who are pivotal to its ecosystem.

This study aimed to investigate the impact of Bilibili's operating cost control and UP owner incentives on firm performance, by examining the effects of cost control intensity, cost control precision, UP owner incentive fund amount, and incentive form.

Grounded in Strategic Cost Management Theory and Equity Theory, this study constructed an influencing factor structural model and verified research hypotheses through a quantitative research approach. A questionnaire survey was employed for data collection, with a total of 400 questionnaires distributed to a targeted population of Bilibili users and stakeholders. After screening, 325 valid responses were obtained, yielding an effective response rate of 81.25%. Data analysis was conducted to test the proposed model and hypotheses.

The study revealed that all four factors—cost control intensity, cost control precision, UP owner incentive fund amount, and incentive form—exert a significant influence on Bilibili's firm performance. Higher cost control intensity and precision, along with a reasonable incentive fund amount and optimized incentive form, contribute positively to enhancing firm performance. Based on these findings, this study proposes strategic recommendations to enhance Bilibili's firm performance: (1) Strengthen cost control intensity; (2) Improve cost control precision; (3) Set a reasonable UP owner incentive fund amount; (4) Optimize incentive form.

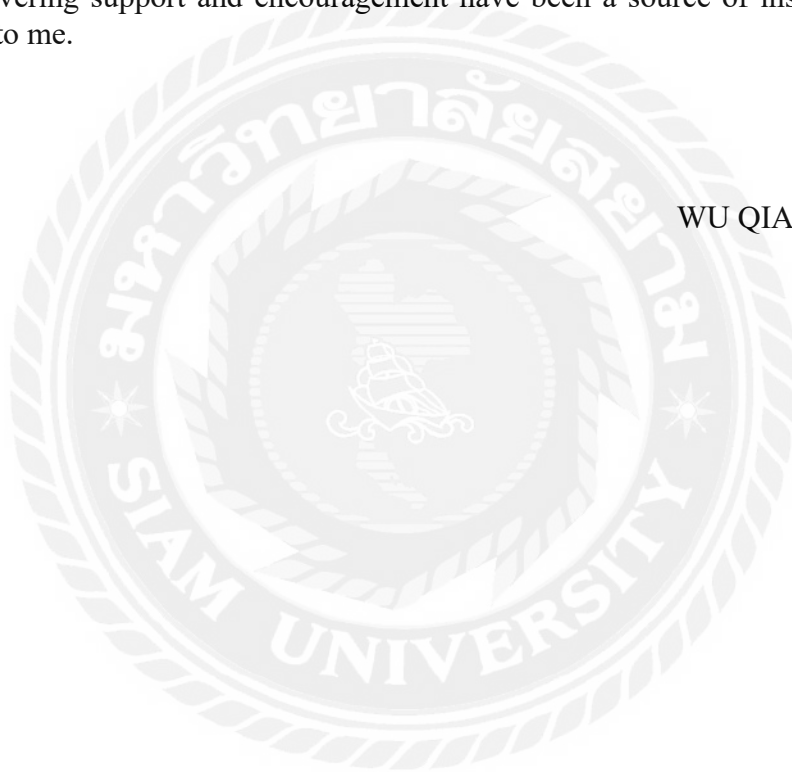
Keywords: Bilibili Company, cost control, UP owner incentives, firm performance

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WU QIANCHUANG

DECLARATION

I, WU QIANCHUANG, hereby certify that the work embodied in this independent study entitled "*The Effects of Operating Cost Control and UP Owner Incentives on Firm Performance in BiliBili Company*" is result of original research and has not been submitted for a higher degree to any other university or institution.

(WU QIANCHUANG)

July 20, 2025



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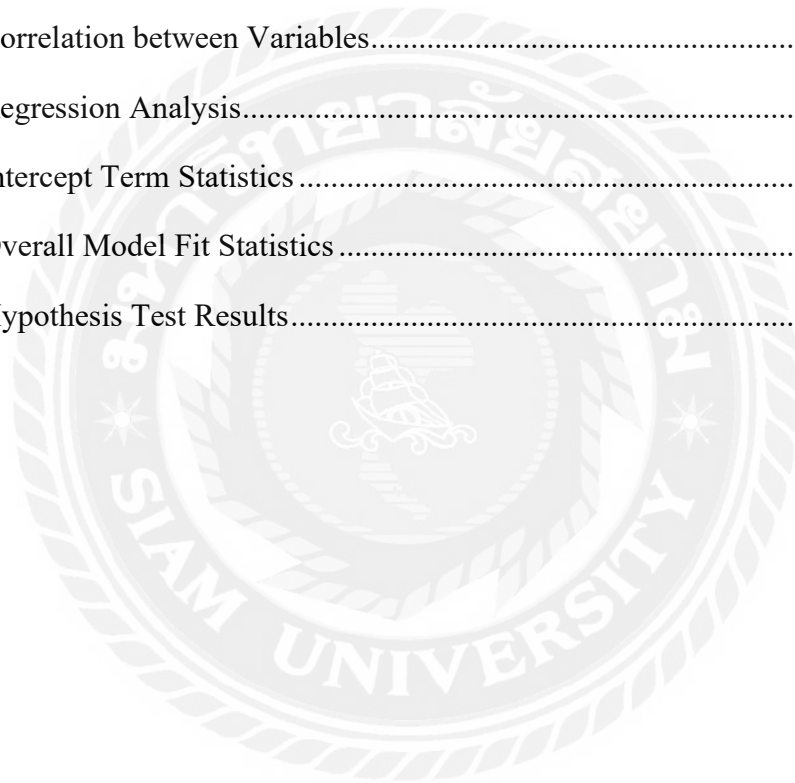
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Chapter 1 Introduction

1.1 Background of the Study

With the rapid advancement of Internet technology and the widespread adoption of smart devices, the digital entertainment industry has been presented with numerous development opportunities. As a crucial component of digital entertainment, video platforms have witnessed a continuous expansion in market size. According to relevant data, the global online video market has maintained a high-growth trend in recent years, with a steadily increasing number of users. User demand for various types of video content has also become increasingly diverse, covering multiple fields such as animation, gaming, film and television, lifestyle, and knowledge (Tsymbal, 2023). Bilibili Company, as a well-known comprehensive video community in China, operates in this dynamic and highly competitive market environment. It faces significant development potential while also enduring competitive pressure from peers and other emerging forms of entertainment.

As the digital entertainment industry develops rapidly, regulatory efforts are also intensifying (Basaran & Ventura, 2022). Relevant government departments have introduced a series of policies and regulations, imposing higher requirements on the quality of video content, copyright protection, and user information security. Bilibili Company needs to allocate more resources to meet these regulatory requirements, which increases operational costs and has a profound effect on the platform's operational model and content management strategies.

During its development, Bilibili Company has continuously expanded its business areas. From its initial focus on animation and gaming content as a video-sharing platform, it has evolved into a comprehensive video community encompassing various businesses such as live streaming, e-commerce, advertising, and membership services. Although business diversification has brought new revenue growth points to the enterprise, it has also led to a sharp increase in operational costs (Nigam & Gupta, 2020). The live streaming business requires substantial investment in technology research and development, server maintenance, and hosting. The e-commerce business involves multiple links, including product procurement, warehousing and logistics, and after-sales service, resulting in relatively high costs. How to effectively control operational costs while expanding the business has become a crucial challenge for Bilibili Company.

UP owners (content creators on Bilibili) are the core resources of Bilibili Company. Their high-quality content attracts a large number of users and forms a unique community culture. The platform encourages UP owners to continuously create high-quality content through incentive plans to maintain the platform's vitality and competitiveness. With the continuous increase in the number of UP owners and the improvement in the professionalism of content creation, incentive costs are also rising.

If operational cost control is not properly managed, the company may reduce the incentive intensity for UP owners, leading to the loss of high-quality UP owners and affecting the platform's content ecosystem and user stickiness (Sharafizad & Coetzer, 2016).

In the video platform market, Bilibili Company faces competition from multiple fronts. On the one hand, traditional video platforms such as iQiyi and Tencent Video dominate the long-form video field with their rich film and television resources and strong financial strength. On the other hand, emerging short-video platforms like Douyin and Kuaishou have attracted a large number of users, especially a high penetration rate among young user groups, with their user-friendly interfaces and fragmented content formats. In this fiercely competitive market environment, Bilibili Company needs to enhance its competitiveness to attract and retain users and increase market share. Firm performance, as an important indicator for measuring an enterprise's operational effectiveness, has drawn market attention. Operational cost control and UP owner incentive strategies directly affect an enterprise's cost structure and revenue sources, thereby having a significant effect on firm performance (Williamson, 2018).

Currently, research on operational cost control and UP owner incentives in video platforms is relatively scarce, and most of it focuses on the theoretical level, lacking in-depth analysis and empirical research on actual cases (Reis et al., 2023). Existing research does not comprehensively explore methods and strategies for operational cost control, nor does it conduct systematic research on the design and optimization of UP owner incentive mechanisms. Additionally, few studies combine operational cost control with UP owner incentives to analyze their combined effect on firm performance. Therefore, it is necessary to research specific enterprises like Bilibili Company to fill the gaps in existing research.

For video platform enterprises such as Bilibili Company, formulating scientific and reasonable operational cost control strategies and UP owner incentive policies to improve firm performance is a current practical issue. By conducting in-depth research on the effect of operational cost control and UP owner incentives on firm performance, enterprises can understand the effects of different strategies, identify existing problems and deficiencies, optimize operational management, improve resource utilization efficiency, and enhance market competitiveness (Karlina et al., 2025). Meanwhile, the research results can also serve as a reference for other similar enterprises, promoting the healthy development of the entire industry.

1.2 Questions of the Study

This study took Strategic Cost Management Theory and Equity Theory as its solid theoretical foundations and focuses on an in-depth exploration of firm performance and its influencing factors. Strategic cost management theory emphasizes the

comprehensive and whole-process management of costs from a strategic perspective to help enterprises gain a lasting competitive advantage. Equity theory focuses on studying employees' perceptions of the fairness of reward distribution and its effect on their behavior and attitudes. Based on these two theories, this study aimed to construct a systematic analytical framework to analyze the influencing factors of firm performance.

In the specific research process, the analysis focuses on four key dimensions: cost control intensity, cost control precision, UP owner incentive fund amount, and UP owner incentive form. Cost control intensity reflects an enterprise's ability and intensity to control costs during its operations, directly affecting the enterprise's cost level and resource utilization efficiency. Cost control precision reflects the degree of refinement in an enterprise's cost management, with precise cost control avoiding resource waste and ensuring that cost inputs match business objectives. UP owner incentive fund amount is an important indicator for measuring an enterprise's economic support for UP owners, with a reasonable fund amount being able to stimulate UP owners' creative enthusiasm. UP owner incentive form includes various methods, such as material incentives and spiritual incentives, and different forms have varying incentive effects on UP owners.

This study delved into the mechanisms by which these four dimensions influence the operational cost control and UP owner incentives of BiliBili Company on firm performance, providing theoretical support and practical guidance for BiliBili Company or enterprises in the entire video industry to optimize operational management and improve firm performance.

1. Does cost control intensity affect the firm performance of BiliBili Company?
2. Does cost control precision affect the firm performance of BiliBili Company?
3. Does UP owner incentive fund amount affect the firm performance of BiliBili Company?
4. Does UP owner incentive form affect the firm performance of BiliBili Company?

1.3 Objectives of the Study

Despite extensive research in academia on Strategic Cost Management Theory, Equity Theory, and firm performance influencing factors, there is relatively little research that combines these three aspects to explore their combined effect on firm performance.

1. To explore the effect of cost control intensity on the firm performance of BiliBili Company.
2. To explore the effect of cost control precision on the firm performance of BiliBili Company.
3. To explore the effect of UP owner incentive fund amount on the firm performance of BiliBili Company.
4. To explore the effect of UP owner incentive form on the firm performance of BiliBili Company.

1.4 Scope of the Study

1.4.1 Research Sample

This study focused on BiliBili Company as the specific subject and conducted an in-depth analysis of the effect of its operational cost control and UP owner incentives on firm performance. In terms of the coverage of research objects, it included all employees of BiliBili Company. Firstly, it covered the company's senior management personnel, including the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and Chief Operating Officer (COO). Secondly, it included the heads of various business departments, including the content operation department head, marketing department head, and technology research and development department head. Thirdly, it encompassed grassroots operational personnel, including content reviewers, data analysts, and customer service staff.

1.4.2 Research Content Scope

In terms of operational cost control, the research focused on two factors: cost control intensity and cost control precision. Cost control intensity involves the control intensity of resource investment in various operational activities, including content procurement, technology research and development, server maintenance, and marketing promotion, examining the measures taken by the enterprise to reduce costs and their implementation effects. Cost control precision focuses on the degree of refinement in the cost allocation and utilization process, analyzing whether the enterprise can reasonably allocate costs to key business links to achieve maximum resource utilization and optimal cost-effectiveness.

In terms of UP owner incentives, the research focused on two factors: UP owner incentive fund amount and UP owner incentive form. The incentive fund amount

explores the scale of economic rewards provided by the enterprise to encourage UP owners to create high-quality content, analyzing the effect of different fund amounts on UP owners' creative enthusiasm and content quality. UP owner incentive form includes material incentives (such as cash rewards, gift tips, and business cooperation opportunities) and spiritual incentives (such as honorary titles, traffic support, and platform recommendations), studying the incentive effects of different forms on UP owners and their contributions to firm performance.

In terms of firm performance, both financial performance and non-financial performance were considered. Financial performance is measured through indicators such as enterprise revenue, profit, and cost-profit ratio, reflecting the enterprise's economic benefits under the operational cost control and UP owner incentive strategies. Non-financial performance is evaluated from aspects including user growth, user activity, content quality, and brand influence, examining the enterprise's performance in terms of market competitiveness, user satisfaction, and brand image building.

1.4.3 Research Method Scope

This study adopted a quantitative research method and collected data through questionnaires. The questionnaire design revolved around core variables including cost control intensity, cost control precision, UP owner incentive fund amount, UP owner incentive form, and firm performance to ensure accurate acquisition of relevant information. A total of 400 questionnaires were distributed, and 325 valid questionnaires were recovered, with an effective recovery rate of 81.25%. In terms of data analysis, statistical analysis software was used to process and analyze the questionnaire data. Correlation analysis and regression analysis were employed to verify research hypotheses and construct a structural model of influencing factors to reveal the internal relationships between various factors and firm performance.

1.5 Significance of the Study

1.5.1 Theoretical Significance

This study enriches the theoretical system of online video platform operational management. As an emerging digital entertainment industry, the online video industry has significantly different operational models and business logics from traditional industries. As a representative enterprise in the online video field, Bilibili's unique operational model, including its UP owner centered content ecosystem and diversified community interactions, is typical in the industry. Researching the effect of Bilibili's operational cost control and UP owner incentives on firm performance can help analyze the internal laws and mechanisms of cost management and content creator incentives in

enterprises in this industry.

By analyzing how Bilibili balances operational cost and UP owner incentive investments and the multi-dimensional effect of this balance on firm performance, it can provide rich empirical cases and theoretical bases for the operational management theory of online video platforms. This helps to improve the theoretical framework of the online video industry in terms of cost control, incentive mechanism design, and firm performance evaluation, filling the gaps in existing theories in this field and promoting the continuous development and innovation of online video platform operational management theory.

This study expands the research perspective on firm performance influencing factors. Traditional research on firm performance influencing factors mostly focuses on conventional factors such as financial indicators, market competition, and technological innovation. However, in the digital economy era, enterprises' operational models and value creation methods have undergone profound changes. Especially for platform-based enterprises like Bilibili, which are centered around user-generated content (UGC), UP owners, as key content creators, have an effect on firm performance that cannot be ignored through their incentive measures.

This study incorporates the specific factor of UP owner incentives into the firm performance analysis framework and combines it with operational cost control, an important management tool, to explore their interactions and combined effect on firm performance from a new perspective. This helps to expand the research boundaries of firm performance influencing factors, enrich the theoretical connotations of firm performance research, provide new ideas and methods for subsequent related research, and promote the diversified development of firm performance research.

Researching the effect of Bilibili's operational cost control and UP owner incentives on firm performance can help analyze the complex relationships and interaction mechanisms among various subjects in the platform-based enterprise ecosystem. By revealing the internal connections between cost, incentives, and performance, it helps to understand how platform-based enterprises can coordinate the interests of various subjects within the ecosystem through reasonable resource allocation and policy design to achieve the healthy development of the overall ecosystem. This provides practical bases for the research on platform-based enterprise ecosystem theory and promotes the deepening and improvement of this field's theory.

1.5.2 Practical Significance

This study provides a reference for Bilibili Company's strategic decision-making. For Bilibili Company itself, the research results have important strategic guiding significance. By analyzing the effect of operational cost control and UP owner

incentives on firm performance, the company's management can clearly understand the changes in firm performance under different cost inputs and incentive strategies, thereby formulating more scientific and reasonable operational strategies.

In terms of operational cost control, the company can optimize its cost structure and reasonably allocate resources according to the research results, avoiding unnecessary cost waste and improving resource utilization efficiency. In terms of UP owner incentives, the company can design more precise and effective incentive policies according to the needs and creative characteristics of different types of UP owners, improving UP owners' creative enthusiasm and loyalty, stabilizing the content creation team, thereby enhancing the platform's content quality and competitiveness, and ultimately achieving sustainable growth in firm performance.

This study helps other enterprises in the online video industry improve their operational management levels. Bilibili has high visibility and influence in the online video industry, and its operational model and management experience have certain reference values for other enterprises in the industry. Through in-depth analysis of Bilibili, this study summarizes successful experiences and lessons in operational cost control and UP owner incentives, providing valuable practical references for other online video enterprises.

Other enterprises can learn from Bilibili's experience in combination with their actual situations, optimize their operational cost management systems, design UP owner incentive mechanisms suitable for their enterprises, and improve their operational efficiency and management levels. This helps to promote the healthy development of the entire online video industry, enhance the industry's overall competitiveness, and drive the industry towards a more standardized and professional direction.

This study provides decision-making bases for investors and stakeholders. For investors and stakeholders, understanding an enterprise's operational status and performance is an important basis for making investment decisions and evaluating cooperation relationships. The analysis in this study on the effect of Bilibili's operational cost control and UP owner incentives on firm performance can provide investors and stakeholders with comprehensive and in-depth information on the enterprise's operations.

Through the research results, investors can more accurately assess Bilibili's investment value and development potential and make wiser investment decisions. Other stakeholders, such as partners and suppliers, can also adjust their cooperation strategies according to the enterprise's operational performance and strategic direction to achieve mutual benefit and win-win results with the enterprise. This helps to enhance investors' and stakeholders' confidence in the enterprise and promote the enterprise's sustainable development.

This study promotes the healthy development of the digital content industry. Against the backdrop of the vigorous development of the digital content industry, online video platforms, as important dissemination channels and creation platforms for digital content, have a significant effect on the development of the entire industry. As a representative enterprise in the digital content industry, Bilibili's rationality in operational cost control and UP owner incentive policies not only affects its performance but also influences the enthusiasm and creative quality of digital content creators, thereby affecting the ecological balance and development vitality of the entire digital content industry.

Through case analysis of Bilibili, this study provides practical examples of operational cost management and creator incentives for enterprises in the digital content industry, helping to guide enterprises to establish correct business philosophies, pay attention to cost-benefit balance, stimulate creators' creative enthusiasm, and improve the quality and diversity of digital content. This is conducive to creating a good ecological environment for the digital content industry, promoting the healthy and sustainable development of the digital content industry, and providing society with more high-quality digital cultural products and services.

1.6 Definition of Key Terms

Firm performance refers to an enterprise's operating efficiency and operator performance during a specific operating period. It comprehensively reflects an enterprise's competitiveness, profitability, asset operation level, development ability, and other aspects in the market. It is a concentrated reflection of an enterprise's operating results and is usually used to measure the degree of achievement of an enterprise's strategic goals and the effectiveness of its overall operations.

Cost control intensity refers to the intensity and effectiveness of various management measures and control methods adopted by an enterprise during its production and operation processes to achieve cost goals. It reflects an enterprise's emphasis on cost control and the efforts and resource investments made in cost control, representing an enterprise's ability to manage costs and reduce unnecessary expenses.

Cost control precision refers to an enterprise's ability to accurately predict and effectively control the time, amount, and scope of cost occurrence during the cost control process. It emphasizes that cost control should not only have intensity but also precision, being able to identify cost drivers, reasonably allocate cost resources, avoid unreasonable cost allocation and waste, and ensure that cost control is within the established goals and scope.

UP owner incentive fund amount refers to the total amount of financial rewards provided by a video platform (such as Bilibili) to encourage UP owners to create

high-quality content, improve their creative enthusiasm, and loyalty. It is a direct economic return for the platform's recognition of UP owners' creative value and an important component of UP owner incentive system.

UP owner incentive form refers to various specific incentive methods and means adopted by a video platform to encourage UP owners. In addition to the aforementioned financial rewards, it also includes non-financial incentive measures. The diversity and targeting of UP owner incentive form can better meet the needs of different UP owners and improve the incentive effect.



Chapter 2 Literature Review

2.1 Introduction

This chapter systematically reviews the major literature related to Strategic Cost Management Theory, Equity Theory, and factors influencing firm performance, laying a theoretical foundation for the variable relationships and research hypotheses in this study. The literature review covers key elements affecting firm performance, specifically including variables such as cost control intensity, cost control precision, UP owner incentive fund amount, and UP owner incentive form. By conducting a comprehensive review of existing literature, this chapter not only provides theoretical support for each variable in the research model but also helps clarify the relationships among these variables, thereby offering a basis for subsequent hypothesis testing.

2.2 Literature Review

2.2.1 Strategic Cost Management Theory

Strategic Cost Management Theory originated in the 1980s. Amit (1986) proposed the concept of strategic management accounting in his research, emphasizing the integration of management accounting with strategic management to provide relevant information for enterprise strategic decision-making, laying the foundation for the development of Strategic Cost Management Theory. Subsequently, Freedman (1993) conducted a preliminary exploration of strategic cost management from the perspective of a firm's competitive position in the market. He argued that strategic cost management involves analyzing cost data of the enterprise itself and its competitors to provide decision support for managers in formulating strategies, opening up a new way of examining cost management from a strategic perspective.

Chi (1994), in his classic works *Competitive Advantage and Competitive Strategy*, proposed the value chain analysis tool, which constructs the core framework for Strategic Cost Management Theory. Kochhar (1996) pointed out that an enterprise's value chain consists of a series of interrelated value activities, including primary and support activities. By analyzing and controlling costs at each link in the value chain, enterprises can identify activities with cost advantages and differentiation, thereby formulating effective competitive strategies. Palowski (2011) further expanded the theoretical system of strategic cost management. He defined strategic cost management as "the managerial use of cost information in one or more stages of strategic management" and elaborated on the model of strategic cost management, which includes three main parts: strategic positioning analysis, value chain analysis, and cost driver analysis, making the theory of strategic cost management more systematic and comprehensive.

As research progressed, scholars began to focus on how strategic cost management could better integrate with enterprise strategy. Marzo (2010) proposed a dynamic matching model between strategic cost management and enterprise strategy. He argued that enterprises should flexibly adjust their cost management strategies according to different strategic stages and competitive environments to achieve synergistic development between cost management and enterprise strategy. Under a cost leadership strategy, enterprises should focus on reducing costs through large-scale production and supply chain optimization. Under a differentiation strategy, enterprises need to control costs while ensuring product quality and distinctiveness. Jeong and Park (2019) proposed Activity-Based Costing (ABC), which provides strong support for the integration of strategic cost management and enterprise strategy. ABC enables enterprises to more accurately understand the root causes of costs by allocating costs to specific activities, thereby providing a basis for formulating targeted strategic cost management measures.

Oybekovna (2025) conducted in-depth research on the strategic cost management practices of multinational enterprises. Multinational enterprises face numerous challenges in implementing strategic cost management, such as cultural differences, tax policy differences, and exchange rate fluctuations across different countries and regions. To address these challenges, multinational enterprises need to establish a global cost management network, strengthen information communication and coordination with local subsidiaries, and achieve global optimal cost allocation (Duçi, 2021; Williamson, 2018).

In recent years, as the concept of sustainable development has become increasingly popular, scholars have begun to combine Strategic Cost Management Theory with sustainable development concepts for research. Giustiziero (2020) proposed that strategic cost management should not only focus on short-term economic benefits but also consider the long-term sustainable development of enterprises. When implementing strategic cost management, enterprises should pay attention to cost investments in environmental protection, social responsibility, and other aspects (Duçi, 2021). By adopting clean production technologies and improving resource utilization efficiency, enterprises can reduce their environmental and social costs, achieving a win-win situation between economic and social benefits. By investing in research and development of renewable energy technologies, although enterprises may increase costs in the short term, it not only helps reduce dependence on traditional energy sources and lower energy costs but also enhances the enterprise's social image and sustainable development capabilities.

2.2.2 Equity Theory

Varian (1974) proposed Equity Theory, which focuses on individuals' perceptions of the relationship between inputs and outputs and the effect of these perceptions on

their work attitudes and behaviors. Vismara (2016) pointed out that employees weigh their "outputs" (such as salary, benefits, recognition) against their "inputs" (such as effort level, skill level, working hours). At the same time, they compare the ratio of their inputs to outputs with that of others. When employees perceive that their input-output ratio is equal to that of others, they feel a sense of fairness, which leads to a positive work attitude and high work enthusiasm. Conversely, if they feel unfair, they may develop negative emotions, affecting work efficiency and quality. In the context of Bilibili Company, UP owners, as content creators, compare the creative effort, time, and creativity they invest with the incentives (such as financial rewards, traffic support, and honor recognition) they receive from the platform. They also compare their input-incentive situations with those of other UP owners. This process of fairness perception directly affects their creative behavior and performance on the platform.

Numerous scholars have expanded and deepened the application of Equity Theory in the field of organizational behavior based on Adams's work. Guidolin (2006) emphasized the complexity of fairness judgments, pointing out that individuals not only engage in social comparisons but also consider procedural fairness. In the operation of Bilibili Company, UP owners not only focus on the fairness of incentive outcomes but also on whether the incentive allocation process is fair and transparent. When the platform selects outstanding UP owners and awards them, if the selection criteria are unclear and the selection process is not open, even if the final reward amount is reasonable, UP owners may still feel dissatisfied due to perceived procedural unfairness, thereby affecting their creative enthusiasm. Magin (2014) indicated that a sense of fairness affects employees' trust and commitment to the organization. For UP owners on the Bilibili platform, when they perceive fair incentive treatment, they are more willing to trust the platform, develop a stronger sense of belonging and loyalty, and thus more actively create high-quality content for the platform, enhancing firm performance.

Many scholars have explored the close relationship between Equity Theory and incentive mechanisms. Yang et al. (2022) pointed out that effective incentive mechanisms must be based on fairness. Only when employees perceive that incentive allocation is fair can incentive measures truly work. In the incentive system for UP owners at Bilibili Company, if the allocation of incentive fund amounts and UP owner incentive forms cannot make UP owners feel fair, then even if a large amount of funds is invested in incentives, the expected results may not be achieved. If the platform excessively favors incentive resources towards top UP owners while ignoring the contributions of small and medium-sized UP owners, the latter may reduce their creative input or switch to other platforms due to perceived unfairness. Paauwe (2022) found a significant positive correlation between a sense of fairness and work performance, and that a sense of fairness plays a mediating role between incentive mechanisms and work performance. This indicated that by constructing a fair UP owner incentive mechanism, Bilibili Company can enhance UP owners' sense

of fairness, thereby improving their creative performance and ultimately promoting the overall performance of the enterprise.

With the development of the Internet, the application of Equity Theory in the context of online platforms has gradually attracted attention. Some scholars have begun to study users' perceptions of fairness and their effects on online platforms. On video-sharing platforms like Bilibili, UP owners, as an important user group, have unique perceptions of fairness. Eslami et al. (2019) found that users on online platforms pay more attention to information transparency and interaction fairness. For the Bilibili platform, promptly disclosing information about adjustments to incentive policies and engaging in good interaction and communication with UP owners to let them understand the basis and process of incentive allocation can enhance their sense of fairness. On online platforms, social interaction is more convenient and widespread, and UP owners can easily compare themselves with other UP owners of the same type and fan base. Therefore, Bilibili Company needs to pay more attention to the fair design of the incentive system to avoid conflicts and unhealthy competition among UP owners due to unfair incentives, thereby maintaining a good platform ecosystem and enhancing firm performance.

Zhang's (2024) survey of UP owners on the Bilibili platform found that UP owners' satisfaction with incentive fairness affects their content creation frequency and quality. When UP owners perceive that incentive allocation is fair and reasonable, they are more willing to invest more time and effort in creation and will try to innovate content forms to attract more fans and traffic, thereby increasing their influence and earnings on the platform. Conversely, if UP owners feel unfair, they may reduce their creative input. Deng et al. (2021) believed that Bilibili Company could improve incentive fairness by optimizing incentive algorithms and establishing a diversified incentive evaluation system. The enterprise can consider multiple dimensions, such as UP owners' creative quality, fan interaction, and content innovation for incentive allocation, rather than just relying on video play counts (Gul & Guneri, 2021). This can make incentives fairer and more reasonable, stimulate UP owners' creative enthusiasm, and thus enhance the enterprise's performance level.

2.2.3 Firm Performance

Schwartz (2011) proposed that firm performance is the effective output of an organization at different levels to achieve its goals, covering various aspects such as business results, operational efficiency, and social contributions. This view established a broad framework for firm performance research, guiding subsequent scholars to analyze firm performance from multiple dimensions. Firm performance is not only reflected in financial aspects such as revenue growth and profit acquisition but also includes non-financial achievements in content ecosystem construction, user community activity, etc. These achievements collectively reflect the effectiveness of

the company's overall operations and the degree of goal achievement.

As research on firm performance deepened, scholars began to focus on constructing a scientific and reasonable evaluation index system. Mastilak and Matherly (2019) divided firm performance evaluation indicators into four dimensions: financial, customer, internal business processes, and learning and growth. They braked through the traditional evaluation method dominated by financial indicators and emphasized the importance of non-financial indicators for the long-term development of enterprises. The financial dimension can focus on advertising revenue and membership subscription revenue. The customer dimension can examine the number of users, user retention rate, and user satisfaction. The internal business processes dimension can analyze content review efficiency and platform technology stability. The learning and growth dimension can focus on employee training investment and technological innovation investment. Through a comprehensive evaluation of these four dimensions, firm performance can be measured more comprehensively and accurately.

Numerous scholars have studied the factors influencing firm performance from different angles. Abdullah Saif (2018) pointed out that industry competition structure, suppliers' bargaining power, buyers' bargaining power, the threat of new entrants, and the threat of substitutes all affect firm performance. In the online video industry, competition is fierce, with not only traditional video platforms like iQiyi and Tencent Video but also short-video platforms like Douyin and Kuaishou posing challenges. In terms of suppliers, UP owners' bargaining power affects the platform's costs and content quality. Buyers, i.e., users, whose changing demands and preferences directly effect the platform's revenue.

The effect of operational cost control on firm performance has always been a focus of scholars. Tariah's (2019) research showed that effective operational cost control can improve an enterprise's profitability and resource utilization efficiency, thereby enhancing firm performance. Operational costs include content procurement costs, server bandwidth costs, and marketing costs. The effect of UP owner incentives on firm performance has gradually received attention. Mulder et al. (2023) found that reasonable UP owner incentive policies can stimulate UP owners' creative enthusiasm and creativity, increase the quality and quantity of content, attract more users, enhance platform user activity and stickiness, and ultimately promote firm performance improvement. By establishing creation incentive plans and hosting creation competitions, the company provides UP owners with incentives in terms of funds, traffic, and honors. When UP owners perceive fair and reasonable incentives, they are more willing to invest time and effort in creation, produce more high-quality content, attract more user attention and interaction, increase platform traffic and advertising revenue, and have a positive effect on firm performance (Costanza et al., 2017). Conversely, unreasonable incentive policies may lead to the loss of UP owners, a decline in content quality, and thus affect firm performance.

With the rapid development of Internet technology, new trends have emerged in firm performance research. Some scholars have begun to focus on the effect of digital technologies on firm performance. The application of big data and artificial intelligence technologies can enable precise analysis of user behavior, providing support for operational decision-making and optimizing operational cost control. Big data and artificial intelligence can also provide personalized creation suggestions for UP owners based on user needs, improving content quality and targeting, and enhancing firm performance (Mulder et al., 2023; Oybekovna, 2025). Corporate social responsibility and sustainable development have also increasingly become important factors affecting firm performance. By actively fulfilling social responsibilities, conducting public welfare activities, and paying attention to environmental protection, companies can enhance their social image and brand value, attract more users and partners, and have a long-term positive effect on firm performance.

2.2.4 Cost Control Intensity

Diefenbach et al. (2018) pointed out that cost control intensity refers to the intensity and effectiveness of a company's comprehensive planning, precise adjustment, and strict supervision of various cost expenditures during its operations. For Internet video platforms, a strong cost control intensity is a core element to ensure corporate profitability and sustainable development. The operation of such platforms involves multiple complex aspects, including content procurement, technological research and development, marketing promotion, and server maintenance, each of which incurs substantial cost expenditures. Insufficient cost control intensity can easily lead to cost overruns, resulting in unnecessary expenses and waste, and subsequently squeezing profit margins. This not only affects the company's current financial performance but also weakens its competitiveness in the market, placing it at a disadvantage against competitors and hindering the achievement of long-term and stable development goals.

Through large-scale empirical research, Kanas et al. (2015) has found a significant and close positive correlation between a company's cost control intensity and its performance. When a company actively strengthens its cost control intensity, it can effectively reduce operating costs from multiple dimensions. In terms of content procurement, by optimizing procurement strategies and establishing long-term and stable cooperative relationships with suppliers, the company can negotiate more favorable price terms and cooperation conditions, thereby lowering content procurement costs. In the technological research and development process, rational planning of R&D resources and avoiding excessive investment and redundant development can enhance R&D efficiency and reduce R&D costs. These cost-reduction measures enable the company to achieve higher profits at the same revenue level, thereby significantly improving its financial performance. Good cost

control also helps enhance the company's market value, attracting more investors' attention and favor.

From the perspective of operational stability, Major et al. (2021) believed that an appropriate cost control intensity plays a crucial role in maintaining a company's operational stability. In today's complex and volatile market environment, platforms face numerous uncertainties, such as fluctuations in market demand, strategic adjustments by competitors, and rising raw material prices. In the face of these challenges, a strong cost control capability enables the company to better cope with the pressure of rising costs. Taking server bandwidth costs as an example, with the increase in platform users and video traffic, server bandwidth costs continue to climb. By strengthening cost control intensity, the company can adopt more advanced technological means to improve the utilization rate of server resources, optimize network architecture, and reduce the cost per unit of traffic, thus ensuring the stable operation of the platform. This avoids service interruptions or quality degradation due to excessive costs, safeguards user experience, and lays a solid foundation for the long-term stability of firm performance.

Mutiara & Hexana (2024) emphasized that a company's cost control intensity should be deeply aligned with its strategic planning. When formulating cost control strategies, the company must fully consider its strategic objectives and development direction. If a company plans to expand into overseas markets, it needs to conduct comprehensive and detailed planning in terms of cost control. On the one hand, it should reasonably arrange marketing promotion costs, select suitable promotion channels and methods for the target market, improve promotion effectiveness, and avoid blind investment and resource waste. On the other hand, it should pay attention to localization operation costs, including costs related to local team building and content localization production. Through such coordinated cost control intensity, the company can effectively control costs while achieving its strategic objectives, avoid affecting the effectiveness of market expansion due to excessive cost control, ensure the smooth implementation of strategic planning, and promote the continuous improvement of firm performance.

Nighswander (2023) pointed out that a company's cost control intensity needs to be dynamically adjusted according to changes in the market environment and the company's development stage. In the early stages of platform development, to rapidly attract users and expand market share, the company may need to appropriately relax its cost control intensity and increase investment in marketing promotion and content (Bedeir, 2023). At this stage, the focus is on enhancing the platform's popularity and user stickiness by providing rich and high-quality content and a good user experience to attract users. However, when the platform enters the maturity stage, user growth stabilizes, and market competition becomes more intense. At this point, it is necessary to strengthen cost control intensity, optimize the cost structure, and improve operational efficiency. The company can conduct an in-depth analysis of various costs

through refined management, identify cost-reduction opportunities, and take corresponding optimization measures. By dynamically adjusting cost control intensity in this way, the company can better adapt to market changes and achieve continuous optimization of firm performance.

2.2.5 Cost Control Precision

Famodu and Ingram (2008) conducted a comprehensive and in-depth interpretation of the connotation of cost control precision, which refers to the degree to which a company can accurately predict costs, reasonably allocate resources, and effectively control cost deviations during the cost control process. Accurately measuring cost control precision is of great importance. Cost control precision can be evaluated using key indicators such as cost budget execution rate and cost variance rate. The cost budget execution rate reflects the degree of difference between actual costs and budgeted costs. By analyzing this indicator, the company can understand the implementation situation of cost control measures and promptly identify the reasons for cost overruns or savings. The cost variance rate measures the degree of difference between actual costs and target costs, helping the company assess the accuracy and effectiveness of cost control. Through the comprehensive application of these indicators, the company can comprehensively and objectively evaluate the effectiveness of cost control measures, promptly identify problems in the cost control process, and take corresponding improvement measures to enhance the precision of cost control.

Through empirical research, Eichhorn et al. (2025) found that improving a company's cost control precision contributes to the optimal allocation of resources. Precise cost control enables the company to have a clearer understanding of the cost requirements and benefits of various business activities. In terms of content procurement, by conducting a detailed analysis of the cost-effectiveness of different types of content, the company can precisely determine the focus and investment proportion of content procurement. For content types with a wide audience and strong profitability, the company can appropriately increase procurement investment, while for niche content with weak profitability, the company can reduce procurement or make optimization adjustments. In the technological research and development process, precise cost control can allocate R&D resources reasonably according to the priority and expected benefits of projects, avoiding resource waste and inefficient use. Through such optimal resource allocation, the company can improve resource utilization efficiency, concentrate limited resources on the most value-generating links, and thereby enhance operational performance.

Sundaresan and Yazhini (2017) explored in depth the close relationship between cost control precision and the scientific nature of corporate decision-making. Accurate cost information is an important basis for a company to make strategic and

operational decisions. When cost control precision is high, the company can obtain more reliable and detailed cost data, enabling it to more accurately assess the cost-effectiveness of different decision-making options. When deciding whether to launch a new business project, precise cost control can provide a comprehensive cost forecast for the project, including early R&D investment, marketing promotion expenses, and operational costs, as well as a reasonable assessment of the project's expected returns (Juniarti et al., 2022). By comparing and analyzing the cost-effectiveness of different decision-making options, the company can select the optimal option, reduce decision-making risks, and improve the scientificity and accuracy of decision-making. This helps the company allocate resources reasonably, avoid blind investment and decision-making errors, and thereby enhance overall firm performance.

The company needs to clarify the scope and methods of cost accounting for various items and strengthen the collection, organization, and analysis of cost data to ensure the accuracy and timeliness of cost data. Introducing advanced cost management tools and technologies is crucial for the company. Technologies such as big data analysis and artificial intelligence can help the company conduct in-depth mining and analysis of massive cost data, improving the accuracy of cost prediction and control. By establishing cost prediction models, the company can predict cost change trends in advance and take timely adjustment measures. Strengthening internal communication and collaboration within the company is also essential. Different departments should establish an effective information-sharing mechanism to ensure consistent goals and collaborative cooperation in the cost control process. By implementing these strategies, the company can gradually improve the precision of cost control, enhance its cost management level, and improve performance (Marzo, 2010; Nigam & Gupta, 2020).

Ding et al. (2021) believed that in the fiercely competitive online video industry environment, high cost control precision can bring significant competitive advantages to a company. Precise cost control enables the company to reduce operating costs while ensuring service quality. In content production, through precise cost control, the company can optimize the production process, improve production efficiency, reduce production costs, and at the same time ensure content quality and creativity. In marketing promotion, precise cost control can formulate personalized promotion strategies according to the characteristics and needs of different user groups, improve promotion effectiveness, and reduce promotion costs. This enables the company to provide more cost-effective products and services, attract more users, and increase market share. Lower costs and higher profitability also enhance the company's risk resistance ability, enabling it to maintain a stable development trend in competition and achieve continuous growth in firm performance.

2.2.6 UP Owner Incentive Fund Amount

Myers (1977) elaborated in depth on the principles of fairness, incentive, and sustainability that a company should follow when determining UP owner incentive fund amount. The fairness principle requires that the allocation of incentive fund amounts must be based on objective and just standards, taking into comprehensive consideration various factors such as the UP owner's creation quality, fan base, content influence, and update frequency. Only by ensuring that different UP owners receive incentives commensurate with their contributions can their creative enthusiasm and sense of belonging be stimulated. The incentive principle aims to fully mobilize the UP owners' creative enthusiasm and creativity by setting an appropriate incentive fund amount. The incentive amount should be attractive enough to make the UP owners feel that their efforts have been recognized and rewarded, thereby encouraging them to create higher-quality content. The sustainability principle emphasizes that when setting the incentive fund amount, the company should fully consider its own financial situation and development strategy. The investment in incentive funds should not impose a burden on the company's long-term development. It is necessary to ensure that the company can achieve profitability and sustainable development while incentivizing UP owners, laying a solid foundation for future development.

Through empirical research, MacLeod et al. (2025) found that the company's incentive fund amount has a significant effect on the UP owners' creative behavior. When the incentive fund amount is high, UP owners will feel stronger economic incentives and are thus more willing to invest more time and energy in creation. They will actively explore new content forms and themes, continuously improve their creative level and innovation ability to enhance the quality and attractiveness of their works. A high incentive fund amount can also attract more excellent creators to join the platform, enriching the platform's content ecosystem. These newly joined UP owners bring different creative styles and perspectives, injecting new vitality into the platform and further enhancing the platform's user attractiveness and activity. The increase in user activity will bring more advertising revenue and membership subscription revenue, thereby positively promoting firm performance.

Fama and Jensen (2021) believed that the company's incentive fund amount should be adjusted in a timely and effective manner according to the dynamic changes in the market environment and the UP owners' actual performance. As the platform develops and market competition intensifies, the UP owners' creative costs and market demands will continue to change. With technological progress, the costs of creative equipment and software may rise, and users' requirements for content quality and diversity will also increase. The company needs to establish a scientific dynamic adjustment mechanism and regularly evaluate market conditions and UP owners' performance. Based on factors such as the UP owners' improvement in creative quality, growth rate of fans, and degree of content innovation, the incentive fund

amount should be adjusted promptly. For UP owners with excellent performance and potential, the incentive amount can be appropriately increased to encourage them to maintain their creative enthusiasm. For those with poor performance or low creative motivation, the incentive amount can be reduced, or other forms of incentives can be provided to prompt them to improve their creativity. Through such a dynamic adjustment mechanism, the company can ensure the effectiveness of incentives while reasonably controlling incentive costs, achieving a win-win situation for the company and UP owners, and promoting the continuous improvement of firm performance.

Patrick (2020) emphasized that when setting UP owner incentive fund amount, the company must attach great importance to balancing the relationship between incentive costs and corporate benefits. Although a high incentive fund amount can attract and incentivize UP owners in the short term, improve content quality and platform activity, it will increase the company's operating costs and squeeze profit margins, hurting the company's long-term development. On the contrary, a low incentive fund amount may not fully mobilize the UP owners' enthusiasm, leading to a decline in content quality and user loss, thereby affecting the company's market competitiveness. The company needs to conduct a comprehensive cost-benefit analysis, comprehensively consider the benefits and costs brought by the investment in incentive funds, and determine a reasonable range of incentive fund amounts. Within this range, it should be able to incentivize UP owners to create high-quality content while ensuring the maximization of the company's cost-effectiveness and achieving stable growth in firm performance.

Engel et al. (2022) pointed out that UP owners are diverse, covering numerous fields such as games, anime, lifestyle, knowledge, and technology. Different types of UP owners have different creative characteristics and audience groups, and their creative costs and values also vary significantly. Game UP owners may need to invest more time and funds in purchasing gaming equipment and conducting game testing. Knowledge UP owners need to spend more energy on content research and organization. Therefore, when setting the incentive fund amount, the company should adopt a differentiated strategy and provide different amounts of incentives based on factors such as the UP owners' type, creative difficulty, and market value. For UP owners with high creative difficulty, high market value, and a wide audience, the incentive fund amount can be appropriately increased to encourage them to create more influential and commercially valuable works. For UP owners in niche fields, although their audience is relatively small, their creations also have a certain uniqueness and value. The company can provide appropriate incentives to support their creation and development. Through such a differentiated incentive strategy, the company can more precisely incentivize various types of UP owners, improve the utilization efficiency of incentive funds, promote the diversified development of platform content, and enhance firm performance.

2.2.7 UP Owner Incentive Form

Connelly et al. (2011) conducted a systematic classification and in-depth characteristic analysis of common UP owner incentive forms. The prevalent UP owner incentive forms mainly include monetary rewards, traffic support, honorary recognition, and training opportunities.

Monetary rewards are one of the most direct and effective incentive methods. They can meet the economic needs of UP owners and provide material support for their creations. Whether used for purchasing creative equipment, covering production costs, or improving living conditions, monetary rewards can, to a certain extent, stimulate the creative enthusiasm of UP owners (Sharafizad & Coetzer, 2016).

Traffic support helps increase the exposure of UP owners' works, enabling them to attract more fans and followers. In the Internet era, traffic represents influence and commercial value. Traffic support allows outstanding works to be more widely disseminated, enhancing the popularity and influence of UP owners.

Honorary recognition can strengthen UP owners' sense of achievement and belonging. By presenting awards and certificates, it acknowledges and approves the creative achievements of UP owners, inspiring their creative pride and sense of responsibility.

Training opportunities contribute to improving the creative abilities and professional levels of UP owners. Through organizing various training courses, lectures, and exchange activities, UP owners can learn the latest creative techniques, industry trends, and operational experience, continuously enhancing their overall qualities.

Companies can comprehensively utilize multiple UP owner incentive forms according to the different needs and development stages of UP owners to achieve the best incentive effects.

Saputra and Wijayati (2023) discovered through questionnaires that a diverse range of UP owner incentive forms can significantly enhance the satisfaction and loyalty of UP owners. When companies offer a rich variety of incentive options, UP owners can select the incentive methods that suit their actual needs and preferences, thereby feeling the company's attention and respect. For novice UP owners, training opportunities may be more appealing as they can improve their creative abilities through learning and adapt more quickly to the platform's development. For UP owners with a certain fan base, traffic support and monetary rewards may be more crucial as they hope to further expand their influence and realize commercial value through these incentives. Meeting the different needs of UP owners can strengthen their identification with and sense of belonging to the platform, boosting their creative

enthusiasm and loyalty. Loyal UP owners are more willing to stay on the platform for long-term creation, contributing high-quality content, forming a favorable creative ecosystem, and ultimately having a positive effect on firm performance.

Liu et al. (2019) believed that with the rapid development of the Internet industry and the continuous changes in the needs of UP owners, companies need to innovate UP owner incentive forms to achieve personalized incentives. In addition to traditional incentive methods, companies can explore some new UP owner incentive forms, such as collaborating with brands to launch exclusive creative activities. By partnering with well-known brands, companies can provide UP owners with unique creative themes and resource support while offering corresponding incentives. This not only sparks the creative inspiration of UP owners but also enhances the commercial value of their works. Companies can also provide opportunities to participate in offline activities, such as organizing UP owner meet-and-greets and industry seminars, allowing UP owners to exchange experiences and expand their networks with other creators, thereby strengthening their sense of belonging and industry identity. Establishing an exclusive community for UP owners is also an innovative UP owner incentive form. In this community, UP owners can share creative insights, learn from each other, and provide mutual support, creating a positive creative atmosphere. By tailoring personalized incentive plans for UP owners based on factors such as their creative styles and fan characteristics, companies can improve the pertinence and effectiveness of incentives, stimulate the creative enthusiasm of UP owners, enhance the content quality and user experience of the platform, and promote the improvement of firm performance (Uddin, 2019).

Yang et al. (2019) pointed out that a company's UP owner incentive forms not only directly influence the creative behaviors of UP owners but are also closely related to the shaping of the company's brand image. Reasonable UP owner incentive forms can convey the company's values and cultural concepts, demonstrating the company's support for and respect for creators. By organizing public welfare creative activities and providing incentives, companies can establish a positive, progressive, and socially responsible brand image, attracting more users and partners who share the same values (Liu et al., 2019). For example, companies can initiate public welfare creative activities on themes such as environmental protection and education, encourage UP owners to create relevant content, and reward and promote outstanding works. Such activities can not only enhance the company's social visibility.

2.3 Introduction to Bilibili Company

Bilibili Company, as a highly influential cultural community and video platform for the younger generation in China, holds a unique and significant position in the internet sector.

Bilibili Company has set its core objective as building a vibrant and creative online space. It has established a stage for a vast number of users, particularly the young demographic, to share, communicate, and create. Here, users can upload their meticulously crafted video content across a wide range of fields, including animation, gaming, music, dance, and knowledge popularization, meeting the diverse interests of different users.

The company places great emphasis on user experience and continuously optimizes platform functions and services. On the one hand, Bilibili Company employs advanced technological means to ensure smooth video playback and high-definition picture quality, providing users with an ultimate audio-visual experience. On the other hand, it actively fosters a healthy, harmonious, and positive community atmosphere. The company has formulated strict community guidelines to combat inappropriate content and behaviors, ensuring that users can interact and communicate in a safe and friendly environment.

Bilibili Company also attaches great importance to the cultivation and motivation of creators. It has launched a series of incentive programs for UP masters (video creators), offering excellent creators financial support, traffic assistance, and professional training resources. These measures help creators enhance their creative abilities and achieve personal value. This initiative has not only attracted a large number of high-quality creators to join the platform but also significantly enriched the platform's content ecosystem, making Bilibili a treasure trove brimming with creativity and wonderful content.

In terms of business operations, Bilibili Company actively explores diversified profit models. In addition to traditional advertising revenue, it has achieved steady revenue growth through various means such as offering membership services, engaging in e-commerce, and conducting game joint operations. The company actively collaborates with various brands and institutions to organize online and offline events, further enhancing its brand awareness and influence and expanding its business development space.

With its unique community culture, rich content resources, excellent user experience, and innovative business model, Bilibili Company has stood out amidst fierce market competition. It has become a shining star in China's internet industry, continuously leading the cultural trends and development directions of the younger generation.

2.4 Conceptual Framework

This study combined Strategic Cost Management Theory, Equity Theory, and research on the influencing factors of firm performance for analysis. Based on an

examination of relevant research findings, this study proposed a model of the influencing factors of firm performance. The model divides the influencing factors of firm performance into four dimensions: cost control intensity, cost control precision, UP owner incentive fund amount, and UP owner incentive form. The model is shown in Figure 2.1.

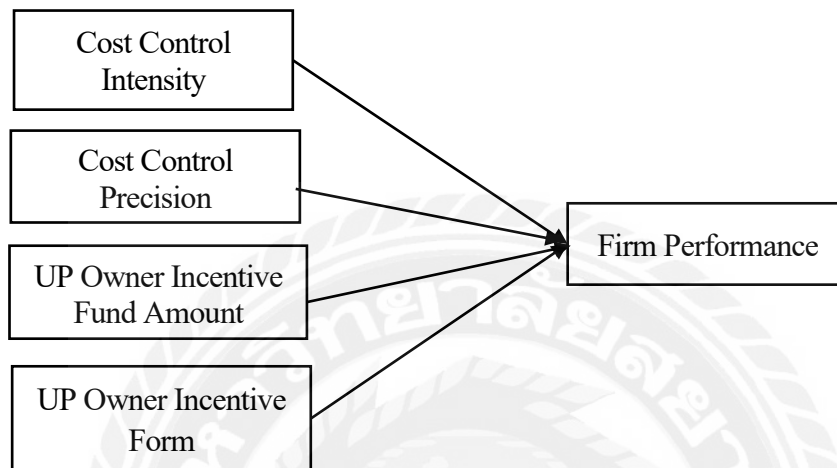


Figure 2.1 Conceptual Framework

Chapter 3 Research Methodology

3.1 Research Design

This study employed a quantitative research methodology to investigate the factors influencing the firm performance of BiliBili Company. It was based on a questionnaire survey method, focusing on examining the relationships between cost control intensity, cost control precision, UP owner incentive fund amount, UP owner incentive form, and firm performance. Data collection was conducted using a structured questionnaire with a 5-point Likert scale (1 = strongly disagree, 5 = strongly agree).

Descriptive statistics were calculated including mean and standard deviation to present the demographic characteristics of the sample and the data distribution patterns of the core variables. Correlation analysis utilized Pearson correlation coefficients to test the strength of associations between variables. Multiple regression analysis constructed regression models to evaluate the effects of cost control intensity, cost control precision, UP owner incentive fund amount, and UP owner incentive form on firm performance. To ensure the scientific rigor of the research methodology, SPSS software was used to conduct reliability and validity tests on the questionnaire before data analysis, ensuring the reliability of the measurement tools. The research design emphasized systematic verification to reveal the influencing mechanisms of firm performance.

3.2 Population and Sample

This study focused on all employees of BiliBili Company. As a well-known domestic short-video enterprise, BiliBili boasts a large and diverse workforce, with employees differing in terms of age, gender, job position, work tenure, and many other aspects. These differences endow the employee group with rich characteristics. Researching all employees of BiliBili helps to comprehensively and in-depth understand the overall status of the company's human resources, employee needs, and potential issues, providing a scientific basis for the company's management decisions and human resource planning.

This study selected 400 employees as the research sample, with several considerations for choosing the number 400. On the one hand, from the perspectives of research cost and efficiency, conducting a comprehensive survey of all employees required substantial human, material, and time resources. Selecting a certain number of samples enables the research task to be completed within a reasonable time frame at a relatively low cost. After a comprehensive evaluation, a sample of 400 ensured that the research had a certain scale without making the research process overly cumbersome and time-consuming. On the other hand, from a statistical perspective,

under certain conditions, when the sample size reaches a certain level, the statistical characteristics of the sample can better reflect those of the population. According to relevant statistical theories and experience, a sample size of 400 can, to some extent, meet the requirements for data accuracy and reliability in this study, allowing the research results based on the sample to be generalized to the population to a certain extent.

To ensure sample representativeness, this study adopted a random sampling method. It randomly selected 400 employees from all employees as the research sample. Throughout the sampling process, each employee had an equal chance of being selected, thereby ensuring the randomness and objectivity of the sample. This random sampling method can, to some extent, reduce the influence of human factors on sample selection, avoiding sample bias caused by subjective preferences or specific purposes. For example, it prevents the over-selection of employees from a particular department or job position due to the researcher's personal preferences or the deliberate exclusion of certain specific groups due to external factors. Through random sampling, the sample can better reflect the characteristics and distribution of the population, thereby enhancing the reliability of the research results and making the research conclusions drawn from this sample more convincing and applicable.

3.3 Hypothesis

This study aimed to verify the effects of cost control intensity, cost control precision, UP owner incentive fund amount, and UP owner incentive form on firm performance, providing theoretical support and practical guidance for improving firm performance. Therefore, this study proposed the following hypotheses:

H1: Cost control intensity has a significant effect on the firm performance of BiliBili Company.

H2: Cost control precision has a significant effect on the firm performance of BiliBili Company.

H3: UP owner incentive fund amount has a significant effect on the firm performance of BiliBili Company.

H4: UP owner incentive form has a significant effect on the firm performance of BiliBili Company.

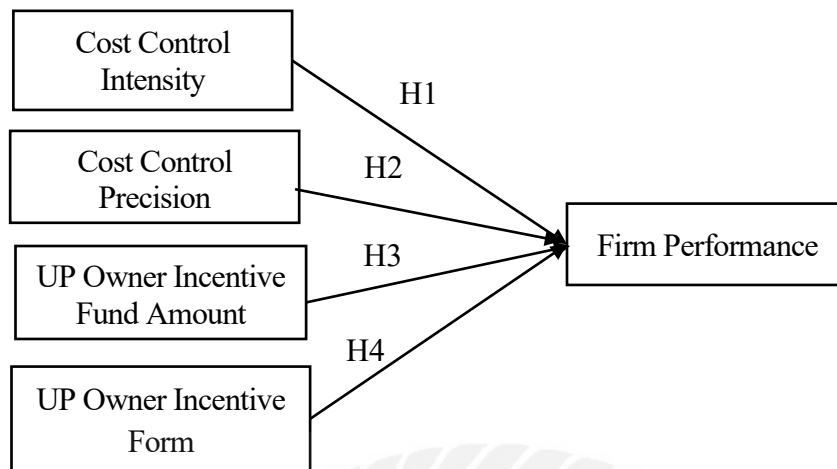


Figure 3.1 Hypotheses

3.4 Research Instrument

To investigate the effect of Bilibili Company's operational cost control and UP owner incentives on firm performance, with cost control intensity, cost control precision, UP owner incentive fund amount, and UP owner incentive form as independent variables, and firm performance (financial and non-financial performance) as dependent variable, a 5-point Likert scale (1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree) was used to measure company employees. Cost control intensity is assessed through 5 items regarding the enforcement of cost control in operational activities such as content procurement and technological research and development; cost control precision is evaluated through 5 items centered on the precise allocation of costs in areas like content procurement and technological research and development; UP owner incentive fund amount is measured through 5 items concerning aspects such as stimulating creativity and matching with achievements; UP owner incentive form is gauged through 5 items regarding the effects of material and spiritual incentives as well as commercial collaborations; firm performance is designed with 10 items, including 5 items on financial performance based on financial indicators such as revenue growth and profit enhancement, and 5 items on non-financial performance based on aspects such as user growth and content quality optimization.

The questionnaire survey consists of 34 items and is divided into two main sections:

The first section contains 4 items, mainly focusing on the personal basic information of the respondents, including age, gender, job position, and work tenure.

The second section comprises 30 items, primarily targeting the factors influencing firm performance. It sets corresponding items for cost control intensity, cost control precision, UP owner incentive fund amount, UP owner incentive form, and factors influencing firm performance, as detailed in Table 3.1.

Table 3.1 Measurement Items

| | Influencing Factor | Measurement Item | NO. |
|--------------------------|------------------------|---|-----|
| Operational Cost Control | Cost Control Intensity | The company conducts strict budget reviews and enforces them rigorously during content procurement to prevent overspending. | 1 |
| | | During the implementation of technological research and development projects, the company exercises strict resource control to eliminate waste. | 2 |
| | | In terms of server maintenance, the company maintains strong control over resource investments to ensure reasonable costs. | 3 |
| | | In marketing and promotion activities, the company is capable of exercising strong cost control to guarantee a favorable return on investment. | 4 |
| | | Cost control measures for various operational activities are implemented effectively with great intensity. | 5 |
| | Cost Control Precision | Content procurement costs are precisely allocated to different types and requirements of content. | 6 |
| | | Technological research and development costs are precisely allocated to key projects and important technological modules. | 7 |
| | | Server maintenance costs are precisely invested to ensure the stable operation of key businesses. | 8 |
| | | Marketing and promotion costs are precisely utilized in effective channels and target user groups. | 9 |
| | | The company's overall cost allocation is refined, enabling the maximization of resource utilization. | 10 |
| UP Owner Incentive | UP Owner Incentive | The amount of UP owner incentive fund provided by the company can fully stimulate | 11 |

| | | | |
|------------------|---------------------------|---|----|
| | Fund Amount | their creative enthusiasm. | |
| | | The current amount of incentive funds enables UP owners to invest more energy in creating high-quality content. | 12 |
| | | The amount of incentive funds matches the creative achievements of UP owners, resulting in significant motivational effects. | 13 |
| | | Adjustments to the fund amount can promptly reflect the creative value of UP owners and market changes. | 14 |
| | | The overall amount of incentive funds is highly attractive to UP owners, helping to stabilize the creative team. | 15 |
| | UP Owner Incentive Form | Material incentives (such as cash) have a significant positive effect on enhancing the creative enthusiasm of UP owners. | 16 |
| | | Spiritual incentives (such as honors) can enhance the sense of belonging and creative motivation of UP owners. | 17 |
| | | Commercial cooperation opportunities, as a form of UP owner incentive, are well-received by UP owners and have significant effects. | 18 |
| | | Traffic support and other forms of UP owner incentives can effectively increase the exposure of UP owners' content. | 19 |
| | | A combination of various UP owner incentive forms comprehensively meets the different needs of UP owners. | 20 |
| Firm Performance | Financial Performance | After implementing operational cost control and UP owner incentives, the company has witnessed significant revenue growth. | 21 |
| | | Under cost control and incentive strategies, the company's profits have achieved steady growth. | 22 |
| | | The cost-profit ratio has shown an upward trend after the company's operational strategy adjustments. | 23 |
| | | The company's capital turnover efficiency has improved due to the optimization of operational strategies. | 24 |
| | | The company's overall financial condition has become healthier and more stable after implementing operational initiatives. | 25 |
| | Non-financial Performance | After implementing operational cost control and incentives, the platform has witnessed | 26 |

| | | | |
|--|--|---|----|
| | | significant growth in user numbers. | |
| | | User activity has increased after the company's strategy adjustments. | 27 |
| | | The quality of platform content has been noticeably optimized due to the company's operational initiatives. | 28 |
| | | The company's brand influence has further expanded in the market. | 29 |
| | | User satisfaction and loyalty towards the company have continuously improved. | 30 |

3.5 Reliability and Validity Analysis of the Scale

3.5.1 Questionnaire Reliability Analysis

Table 3.2 Reliability Evaluation Criteria

| Cronbach's Alpha Value | Reliability |
|------------------------------|---------------------|
| Cronbach's Alpha < 0.6 | Unreliable |
| 0.6 < Cronbach's Alpha < 0.7 | Moderately Reliable |
| 0.7 < Cronbach's Alpha < 0.8 | Relatively Reliable |
| Cronbach's Alpha > 0.8 | Highly Reliable |

Reliability refers to the degree of consistency in measurement results. It reflects the stability of a measuring instrument across different time points or samples, that is, whether consistent results can be obtained for the same measurement object under similar conditions. To this end, this study employed Cronbach's Alpha coefficient, which is widely used in questionnaire analysis, to evaluate the internal consistency of the entire questionnaire and its sub-items. Cronbach's Alpha is a reliable method for reliability testing, capable of assessing the degree of intercorrelation among a set of items. Generally, when the Cronbach's Alpha coefficient is above 0.7, the reliability of the measuring instrument is considered satisfactory; if the coefficient approaches or exceeds 0.8, it indicates that the questionnaire has excellent internal consistency.

In this survey, the questionnaire covers four dimensions of firm performance including covering measurement items related to cost control intensity, cost control precision, UP owner incentive fund amount, and UP owner incentive form. Each dimension included several items aimed at comprehensively capturing respondents' perspectives on factors influencing firm performance. Cronbach's Alpha coefficients were used to test the internal consistency of these dimensions one by one, with specific judgment criteria outlined in Table 3.2.

Table 3.3 Variable Reliability Test

| Variables | Cronbach's Alpha | N of Items |
|--------------------------------|------------------|------------|
| Cost Control Intensity | 0.857 | 5 |
| Cost Control Precision | 0.862 | 5 |
| UP Owner Incentive Fund Amount | 0.847 | 5 |
| UP Owner Incentive Form | 0.863 | 5 |
| Firm Performance | 0.842 | 10 |
| Total | 0.853 | 30 |

The overall Cronbach's Alpha coefficient of the questionnaire was 0.853, and the Cronbach's Alpha coefficients of each dimension were all greater than 0.8, indicating that the scale was highly reliable.

3.5.2 Questionnaire Validity Analysis

Table 3.4 KMO and Bartlett's Test

| | | |
|---|--------------------|-------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | | 0.877 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 4352 |
| | df | 346 |
| | Sig. | 0.000 |

In this study, the reliability assessment met the requirements, and the validity of the questionnaire was evaluated. To verify the validity, KMO (Kaiser-Meyer-Olkin) measurement results are typically used in conjunction with Bartlett's test of sphericity. If the recorded KMO measurement coefficient is greater than 0.8, it indicates that the questionnaire in question is suitable for data analysis. If the KMO value falls between 0.6 and 0.8, the overall findings of the questionnaire study are generally satisfactory.

The KMO value of the scale was 0.877, and the results of Bartlett's sphericity test showed $p < 0.001$, fully rejecting the null hypothesis of Bartlett's sphericity test and meeting the conditions for factor analysis.

3.6 Data Collection

This study adopted a quantitative research method, aiming to conduct an in-depth exploration of the effect of BiliBili's operating cost control and UP owner incentives on firm performance through systematic data collection and analysis. The research focused on BiliBili's employees, who, as direct participants in the company's operations, have an intuitive understanding of the implementation effects of cost control measures and internal management processes. The data collection period was set from May 2025

to June 2025. The questionnaires were mainly distributed and collected using the online platform Wenjuanxing. To ensure the representativeness and diversity of the sample, the questionnaire distribution strategy took into account different genders, ages, educational levels, and work experience.

A total of 400 questionnaires were distributed to Bilibili's employees. During the questionnaire recovery process, the research team conducted strict checks to eliminate invalid questionnaires. Invalid questionnaires mainly included those that were incomplete or had inconsistent answers. After careful screening, 325 valid questionnaires were finally obtained, with an effective rate of 81.25%.

3.7 Data Analysis

3.7.1 Descriptive Statistics

Descriptive statistical analysis focused on conducting an in-depth exploration of personal background information, aiming to gain a comprehensive understanding of the distribution characteristics of the demographic data of Bilibili Company employees. In this study, the background variables involved age, gender, job position, and work experience.

3.7.2 Factor Analysis

To investigate the factors influencing firm performance, exploratory factor analysis was conducted on the survey data using SPSS. After verifying that the data were suitable for analysis, common factors were extracted, and the factor loading matrix was rotated to ultimately identify several common factors, covering aspects of operational cost control, UP owner incentives, and firm performance. Moreover, each factor aligns well with firm performance theories, providing a theoretical basis for improving firm performance.

3.7.3 Multiple Regression

Based on the preliminary analysis, multiple regression was employed to explore the quantitative relationships between various influencing factors and firm performance. With firm performance set as the dependent variable, the factors derived from factor analysis were treated as independent variables. After verifying that there was no severe multicollinearity, the stepwise regression method was used to determine the model.

Chapter 4 Findings and Discussion

4.1 Findings

4.1.1 Demographic Characteristics of Participants

This study analyzed the data collected from employees of Bilibili Company. Conducting statistical descriptions of age, gender, job position, and work experience, it revealed the basic characteristics of the sample employees, providing fundamental background information for subsequent in-depth research on the relationships among operational cost control, UP owner incentives, and firm performance. A total of 325 valid questionnaire data were collected from employees of Bilibili Company for this study.

(1) Age Distribution

The age distribution of the sample employees exhibits certain characteristics. The age group of 33 - 37 years old has the largest number of employees, with 104 employees, accounting for 32.0%, making it the main force in the sample. This is followed by the 28 - 32 age group, with 77 employees, representing 23.7%. The 23 - 27 age group has 56 employees, accounting for 17.2%. The number of employees in the 18 - 22 and 38 - 42 age groups is relatively small, with 33 and 35 individuals, respectively, making up 10.2% and 10.8%. The age group of over 42 years old has the fewest employees, only 20 individuals, accounting for 6.2%.

This age distribution reflects that Bilibili Company's workforce is mainly composed of young and middle-aged employees, with a relatively large proportion of employees in the career advancement and stability stages. Young and middle-aged employees generally possess strong work capabilities and innovative spirits. They are likely to be more proactive in adapting to and implementing the company's operational cost control measures and more receptive to new UP owner incentive strategies, playing a crucial role in promoting firm performance.

(2) Gender Ratio

In terms of gender, there are 195 male employees, accounting for 60.0%, and 130 female employees, accounting for 40.0%. The number of male employees significantly exceeds that of female employees, which may be related to the characteristics of the Internet industry in which Bilibili Company operates, where there is a relatively large demand for male talent in technical and operational positions. Gender differences may have varying effects on the implementation of operational cost control and UP owner incentive strategies, such as in communication styles and work styles. Therefore, the company needs to take these factors into account when formulating relevant strategies.

(3) Job Position Distribution

From the perspective of job positions, the number of employees in operational positions is the largest, with 87 individuals, accounting for 26.8%. Marketing positions follow closely, with 73 employees, representing 22.5%. Technical positions have 58 employees, accounting for 17.8%. Content creation positions have 47 employees, making up 14.5%. Functional positions have 31 employees, accounting for 9.5%. Management positions have 23 employees, representing 7.1%. The number of employees in other positions is the smallest, only 6 individuals, accounting for 1.8%.

The relatively high proportion of employees in operational positions is closely related to BiliBili Company's core business as a content operation platform. Operational employees are directly involved in the company's daily operational activities and play a key role in controlling operational costs and implementing UP owner incentive strategies. Marketing employees are responsible for market promotion and brand building, having a significant effect on enhancing the company's visibility and attracting UP owners. Technical employees provide support for the stable operation and technological innovation of the company's platform, serving as the foundation for ensuring the effective implementation of operational cost control and incentive strategies.

(4) Work Experience Distribution

In terms of work experience, the number of employees with 3 - 5 years of work experience is the largest, with 97 employees, accounting for 29.8%. This is followed by employees with 5 - 10 years of work experience, with 88 employees, representing 27.1%. Employees with 1 - 3 years of work experience number 74, accounting for 22.8%. Employees with over 10 years of work experience make up 42 employees, making up 12.9%. The number of employees with less than 1 year of work experience is the smallest, only 24 employees, accounting for 7.4%.

The distribution of work experience indicates that a relatively large proportion of employees in BiliBili Company have certain work experience. These employees have a deeper understanding of the company's business processes and culture and can play an important role in the implementation of operational cost control and UP owner incentive strategies. Meanwhile, the relatively small proportion of newly hired employees (less than 1 year) suggests that the company may place more emphasis on employee stability and experience accumulation in talent recruitment and training.

Through the above analysis of the characteristics of the employee sample at BiliBili Company, important background information and reference bases are provided for subsequent in-depth research on the relationships among operational cost control, UP owner incentives, and firm performance, as shown in Table 4.1.

Table 4.1 Descriptive Statistical Analysis of Participants

| Variables | Options | Number of People | Percentage% |
|-----------------|---|------------------|-------------|
| Age | A. 18 - 22 years old | 33 | 10.2 |
| | B. 23 - 27 years old | 56 | 17.2 |
| | C. 28 - 32 years old | 77 | 23.7 |
| | D. 33 - 37 years old | 104 | 32.0 |
| | E. 38 - 42 years old | 35 | 10.8 |
| | F. Over 42 years old | 20 | 6.2 |
| Gender | A. Male | 195 | 60.0 |
| | B. Female | 130 | 40.0 |
| Job Position | A. Technical (e.g., software development engineer, test engineer, operation and maintenance engineer, etc.) | 58 | 17.8 |
| | B. Operations (e.g., user operations, content operations, event operations, etc.) | 87 | 26.8 |
| | C. Marketing (e.g., market promotion, brand planning, business cooperation, etc.) | 73 | 22.5 |
| | D. Content Creation (e.g., video creator, animation production, copy editor, etc.) | 47 | 14.5 |
| | E. Functional (e.g., human resources, finance, administration, legal affairs, etc.) | 31 | 9.5 |
| | F. Management (e.g., department manager, project leader, senior management, etc.) | 23 | 7.1 |
| | G. Others | 6 | 1.8 |
| Work Experience | A. Less than 1 year | 24 | 7.4 |
| | B. 1 - 3 years | 74 | 22.8 |
| | C. 3 - 5 years | 97 | 29.8 |
| | D. 5 - 10 years | 88 | 27.1 |
| | E. Over 10 years | 42 | 12.9 |
| Total | | 325 | 100.0 |

4.1.2 Correlation Analysis

Table 4.2 Correlation between Variables

| | Cost Control Intensity | Cost Control Precision | UP Owner Incentive Fund Amount | UP Owner Incentive Form | Firm Performance |
|--------------------------------|------------------------|------------------------|--------------------------------|-------------------------|------------------|
| Cost Control Intensity | 1 | | | | |
| Cost Control Precision | .647** | 1 | | | |
| UP Owner Incentive Fund Amount | .665** | .652** | 1 | | |
| UP Owner Incentive Form | .637** | .655** | .654** | 1 | |
| Firm Performance | .665** | .672** | .647** | .642** | 1 |

*. Correlation is significant at the 0.05 level (2-tailed). **. Correlation is significant at the 0.01 level (2-tailed).

From the perspective of data correlation, cost control intensity, cost control precision, UP owner incentive fund amount, and incentive form of BiliBili all show a significant positive correlation with firm performance. Among them, the correlation coefficient between cost control intensity and firm performance is 0.665, indicating that strengthening cost control intensity can to a certain extent promote the improvement of firm performance. The correlation coefficient between cost control precision and firm performance is as high as 0.672, highlighting that precise cost control has a more prominent positive effect on firm performance. The correlation coefficient between UP owner incentive fund amount and firm performance is 0.647, suggesting that reasonably increasing the incentive fund amount helps improve firm performance. The correlation coefficient between incentive form and firm performance is 0.642, meaning that optimizing the incentive form can also have a positive effect on firm performance. Overall, these four factors are interrelated and jointly have a positive effect on firm performance.

4.1.3 Multiple Regression Analysis

Table 4.3 Regression Analysis

| Item | Unstd. B | Std. Beta | t | Sig. | VIF |
|--------------------------------|----------|-----------|------|-------|------|
| Cost Control Intensity | 0.463 | 0.461 | 3.84 | 0.000 | 1.14 |
| Cost Control Precision | 0.578 | 0.572 | 3.75 | 0.000 | 1.11 |
| UP Owner Incentive Fund Amount | 0.544 | 0.534 | 6.63 | 0.000 | 1.13 |
| UP Owner Incentive Form | 0.537 | 0.541 | 6.42 | 0.000 | 1.19 |

Table 4.4 Intercept Term Statistics

| Intercept term | Unstd. B | t | Sig. |
|----------------|----------|------|-------|
| C | 2.452 | 8.80 | 0.000 |

Table 4.5 Overall Model Fit Statistics

| Intercept Statistic | Value |
|---------------------|----------|
| F | 54.23*** |
| Durbin-Watson | 1.585 |
| R Square | 0.657 |
| Adjusted R Square | 0.667 |

From the data analysis model with firm performance-related indicators as the dependent variable, the t-value of the constant term C is 8.80, and the significance level (Sig.) is 0.000, indicating its high significance in the model. The Beta values of the four independent variables—cost control intensity, cost control precision, UP owner incentive fund amount, and incentive form—are 0.461, 0.572, 0.534, and 0.541, respectively, and their t-values are 3.84, 3.75, 6.63, and 6.42, respectively, with all significance levels being 0.000. This shows that these four factors all have a significant effect on firm performance. Meanwhile, the variance inflation factor (VIF) values of each variable are at a relatively low level (1.11 - 1.19), indicating that the model does not have a serious multicollinearity problem. The F-value of the model is 54.23***, further verifying the overall significance of the model. In addition, the R-square is 0.657, and the adjusted R-square is 0.667, indicating that the model has a relatively strong explanatory power for the dependent variable, that is, these four factors can better explain the changes in firm performance. The Durbin-Watson value is 1.585, close to 2, indicating that there is no obvious autocorrelation in the residual sequence.

Therefore, according to the results of the data analysis, cost control intensity has a significant effect on the firm performance of BiliBili Company, which supports Hypothesis 1. Cost control precision has a significant effect on the firm performance of BiliBili Company, which supports Hypothesis 2. UP owner incentive fund amount has a significant effect on the firm performance of BiliBili Company, which supports Hypothesis 3. UP owner incentive form has a significant effect on the firm performance of BiliBili Company, which supports Hypothesis 4.

4.2 Discussion

4.2.1 Cost Control Intensity Has a Significant Effect on the Firm Performance of Bilibili Company

In the operational environment of Bilibili Company, cost control intensity is one of the key factors affecting firm performance. In terms of content procurement, if the company can strongly control procurement costs, for example, by negotiating with suppliers for more favorable prices and strictly screening procurement content to avoid unnecessary expenses, it can effectively reduce operational costs while ensuring content quality. In technological research and development, strong cost control can ensure that resources are concentrated on key projects, avoiding resource dispersion and waste, improving research and development efficiency, and thus shortening project cycles. This enables products to be launched on the market more quickly, increasing revenue. Server maintenance, as a continuous cost expenditure, can be optimized through strict cost control intensity to reduce energy consumption and maintenance costs while ensuring the stable operation of the platform, enhancing user experience, indirectly promoting user growth and activity, and having a positive effect on firm performance. In marketing and promotion activities, a high cost control intensity means that the company can accurately target the audience and select cost-effective promotion channels, avoiding blindly investing large amounts of funds and improving the marketing input-output ratio, directly enhancing financial performance. Overall, cost control intensity can have a significant positive effect on firm performance through strict control in various aspects.

However, cost control intensity is not the higher the better. Excessive emphasis on cost control may lead to some negative effects. In content procurement, if the budget is overly compressed to reduce costs, low-quality content may be procured, affecting the platform's content quality and user attractiveness, and ultimately leading to user churn and harming firm performance. In technological research and development, overly strict cost control may limit the investment in research and development resources, affecting innovation capabilities and technological upgrades, causing the company to fall behind in the fierce market competition. In server maintenance, if necessary, maintenance investments are reduced to save costs, server failures may occur frequently, affecting the normal operation of the platform and reducing user satisfaction. In marketing and promotion, excessive cost control may result in insufficient promotion efforts, failing to reach target users, and affecting the market promotion effect of products. Therefore, Bilibili Company needs to find a balance between cost control intensity and firm performance to achieve sustainable development.

Compared with other video platforms, Bilibili Company has its unique characteristics in terms of cost control intensity. Since its user group is mainly young

people who have high requirements for content quality and innovation, the company needs to be more cautious in cost control. Some competitors may attract users through large-scale marketing investments and low-price strategies, while Bilibili Company needs to improve operational efficiency through precise cost control while ensuring content characteristics. This difference makes the effect of cost control intensity on the firm performance of Bilibili Company unique, requiring in-depth analysis in combination with its own business model and market positioning.

As market competition intensifies and user needs continue to change, Bilibili Company needs to optimize cost control intensity. On the one hand, it can use big data and artificial intelligence technologies to achieve accurate prediction and dynamic adjustment of operational costs, improving the scientificity and effectiveness of cost control. On the other hand, it should strengthen cooperation with suppliers and partners to reduce procurement costs and transaction costs by establishing long-term and stable cooperative relationships. Bilibili Company also needs to focus on cultivating employees' cost awareness and create a good atmosphere of participation in cost control to better leverage the positive effect of cost control intensity on firm performance.

4.2.2 Cost Control Precision Has a Significant Effect on the Firm Performance of Bilibili Company

Cost control precision is crucial for the firm performance of Bilibili Company. In terms of content procurement cost allocation, precise cost control can reasonably allocate funds according to factors such as the audience needs, market value, and creation cost of different types of content. For popular themes and high-quality content, Bilibili Company can appropriately increase investment to attract more users, improve platform traffic, and user activity. For some niche but potentially valuable content, the company can also provide certain support to enrich the platform's content ecosystem and meet the needs of different users, thereby enhancing user satisfaction and loyalty and having a positive effect on firm performance.

The precise allocation of technological research and development costs is key to improving firm performance. Bilibili Company can concentrate resources on key projects according to the priority and strategic importance of technological research and development projects. For example, the company can increase investment in core areas such as video encoding technology and recommendation algorithms to improve the smoothness of video playback and the accuracy of recommendations, enhance user experience, and attract more users to use the platform. For some non-core research and development projects, the company can appropriately reduce investment or outsource them to reduce research and development costs and improve resource utilization efficiency, thereby enhancing the company's financial performance.

The precise allocation of server maintenance costs is directly related to the stable operation of the platform and user experience. Bilibili Company can understand the resource demands of different business modules for servers through real-time monitoring and analysis of server usage, and allocate server resources reasonably. During peak hours, more resources can be allocated to core businesses such as video playback to ensure that users can watch videos smoothly. During off-peak hours, the company can optimize and maintain servers to reduce energy consumption and maintenance costs. This precise cost control can improve server utilization efficiency, reduce failure rates, enhance user satisfaction, and have a positive effect on firm performance.

The precise use of marketing and promotion costs is an important means to improve firm performance. Bilibili Company can select appropriate marketing channels and promotion methods according to the characteristics and needs of different user groups. For young user groups, the company can conduct precise marketing through social media platforms and anime exhibitions to improve marketing effectiveness. According to the feedback data of marketing activities, the company can timely adjust marketing strategies and investments to avoid resource waste. Through precise marketing and promotion, Bilibili Company can improve brand awareness and user conversion rates, increasing the company's revenue and profits.

Bilibili Company faces challenges in data acquisition and analysis, and needs to establish a complete data collection and analysis system to understand the costs and benefits of various business activities. The changes in the market environment and the diversity of user needs also pose difficulties for cost control precision. The company needs to continuously adjust and optimize cost control strategies to adapt to market changes. Through long-term tracking and analysis of the relationship between cost control precision and firm performance, Bilibili Company can find that precise cost control can bring sustained competitive advantages to the company and improve its market competitiveness and profitability.

4.2.3 UP owner incentive Fund Amount Has a Significant Effect on the Firm Performance of Bilibili Company

UP owner incentive fund amount is an important factor affecting the firm performance of Bilibili Company. An appropriate amount of incentive funds can stimulate the creativity and enthusiasm of UP owners. When the company provides relatively generous economic rewards to UP owners, they are more willing to invest more time and energy in creating high-quality content. Some top UP owners will continuously explore new creation themes and forms to obtain higher incentive funds, improving the quality and innovation of content, and attracting more user attention and subscriptions. This can not only increase the platform's user traffic but also improve user activity and loyalty, having a positive effect on firm performance.

The incentive fund amount is closely related to the creation quality of UP owners. A higher incentive fund amount can attract more excellent creators to join the Bilibili platform and improve the overall content level of the platform. For existing UP owners, sufficient financial support enables them to purchase better creation equipment and hire professional teams, thereby improving the production quality of content. High-quality content is the core competitiveness for attracting users, which can enhance the platform's brand image and user reputation, and thus promote the company's market expansion and revenue growth.

From the perspective of financial performance, a reasonable incentive fund amount can bring good investment returns. Although increasing investment in incentive funds will increase the company's costs, if it can attract more users and advertisers by motivating UP owners to create high-quality content, thereby increasing advertising revenue and membership revenue, it can improve the company's profit level in the long run. Some popular UP owners' videos have high play counts and can attract a large number of advertising placements, bringing considerable advertising revenue to the company. Therefore, the company needs to find a balance between the incentive fund amount and corporate financial performance to maximize cost-effectiveness.

However, the incentive fund amount is not the higher the better. Excessive incentive funds may lead UP owners to pursue economic interests and ignore content quality and innovation. Some UP owners may create low-quality and sensational content to quickly obtain high rewards, which will not only damage the platform's image but also lead to user churn. In addition, excessive incentive funds will also increase the company's cost pressure and affect its profitability. Therefore, Bilibili Company needs to reasonably determine the incentive fund amount according to the platform's development stage and market demand to ensure the maximization of incentive effects.

Compared with other video platforms, Bilibili Company needs to consider its unique user group and content ecosystem when determining UP owner incentive fund amount. Since its users are mainly young people who have high requirements for content innovation and interest, the company needs to place more emphasis on rewarding innovative content when incentivizing UP owners. The platform's content covers multiple fields such as anime, games, and life. The company can formulate differentiated incentive fund policies according to the characteristics and market demand of different fields to improve the targeting and effectiveness of incentives and thus enhance firm performance.

4.2.4 UP owner incentive Form Has a Significant Effect on the Firm Performance of BiliBili Company

UP owner incentive form has multiple effects on the firm performance of BiliBili Company. Material UP owner incentive forms, such as cash rewards, gift tips, and business cooperation opportunities, can directly meet the economic needs of UP owners and stimulate their creative motivation. Cash rewards can provide UP owners with actual economic benefits and improve their living standards, making them more willing to invest in creation. Gift tips are immediate feedback that can make UP owners feel recognized and supported by users and enhance their sense of creative achievement. Business cooperation opportunities provide UP owners with broader development space. Through cooperation with brands, UP owners can obtain more resources and exposure opportunities, improve their popularity and influence, and at the same time bring business cooperation revenue to the company, having a positive effect on firm performance.

Spiritual UP owner incentive forms, such as honorary titles, traffic support, and platform recommendations, can meet the psychological needs of UP owners and stimulate their creation enthusiasm and sense of belonging. Honorary titles are recognition of UP owners' creation abilities and contributions, which can improve their social status and reputation and enhance their self-confidence and creation motivation. Traffic support and platform recommendations can provide UP owners' content with more exposure opportunities, attract more user attention, and increase their fan numbers and influence. This is a great incentive for UP owners, enabling them to be more actively involved in creation and create more high-quality content for the company, improving platform user activity and loyalty.

Different UP owner incentive forms may have different effects on different types of UP owners. For novice UP owners, material incentives may be more important because they need economic support to purchase creation equipment and improve creation abilities. For UP owners who already have a certain popularity and influence, spiritual incentives may be more attractive as they pay more attention to the embodiment of their reputation and creation value. BiliBili Company can adopt diversified UP owner incentive forms according to the different development stages and needs of UP owners to improve the targeting and effectiveness of incentives and thus better stimulate the creation enthusiasm of UP owners and enhance firm performance.

The combined use of UP owner incentive forms can also produce better effects. Material incentives and spiritual incentives are not independent but can complement and promote each other. When the company provides cash rewards to UP owners while granting them honorary titles and traffic support, UP owners can feel the all-around recognition and support of the company, further stimulating their creative enthusiasm. This combined incentive method can improve UP owners' satisfaction and loyalty,

reduce talent loss, and create long-term value for the company, having a positive effect on firm performance.

As market competition intensifies and user needs change, Bilibili Company needs to innovate UP owner incentive forms. The company can introduce equity incentives and share the company's development achievements. At the same time, it should strengthen communication and interaction with UP owners, understand their needs and expectations, and timely adjust incentive strategies to improve incentive effects. By continuously optimizing UP owner incentive forms, Bilibili Company can better attract and retain excellent UP owners, improve platform content quality and competitiveness, and thus enhance the company's market and financial performance.

Table 4.6 Hypothesis Test Results

| NO. | Hypothesis | Result |
|-----|--|-----------|
| H1 | Cost control intensity has a significant effect on the firm performance of Bilibili Company. | Supported |
| H2 | Cost control precision has a significant effect on the firm performance of Bilibili Company. | Supported |
| H3 | UP owner incentive fund amount has a significant effect on the firm performance of Bilibili Company. | Supported |
| H4 | UP owner incentive form has a significant effect on the firm performance of Bilibili Company. | Supported |

Chapter 5 Conclusion and Recommendation

5.1 Conclusion

This study took BiliBili Company as the core research subject and conducted a systematic and in-depth exploration of the effect of its operational cost control and UP owner incentive measures on firm performance. Relying on Strategic Cost Management Theory and Equity Theory, this research constructed an influencing factor structural model. This model provided a clear theoretical framework for a comprehensive analysis of the key elements and their interrelationships in BiliBili Company's operations, laying a solid theoretical foundation for subsequent research.

This study adopted a quantitative research methodology. Through data analysis, it reveals a close and significant correlation between four key factors—cost control intensity, cost control precision, UP owner incentive fund amount, and incentive forms—and firm performance. Specifically, strengthening cost control intensity can effectively constrain various corporate expenditures at the source, avoid unnecessary resource wastage, thereby reducing operational costs, enhancing profit margins, and ultimately promoting firm performance. Improving cost control precision requires the company to accurately identify the occurrence stages and driving factors of each cost, precisely allocate limited resources to key areas, achieve optimal resource allocation, further enhance operational efficiency and economic benefits, and thus drive firm performance improvement. Reasonably setting UP owner incentive fund amount is crucial for stimulating UP owners' creative enthusiasm. When the incentive fund amount matches UP owners' creative efforts and outcomes, they are more motivated to create high-quality, engaging content, attracting a large number of users, and generating more traffic and revenue for the company, thereby positively effecting firm performance. Optimizing incentive forms can meet UP owners' diverse needs from multiple dimensions. In addition to material incentives, spiritual incentives such as honorary recognition and career development opportunities can enhance UP owners' identification with and sense of belonging to the company, improve their loyalty, stabilize the creative team, provide a strong guarantee for the company's long-term stable development, and thus promote sustained firm performance growth.

This study not only enriches theoretical research on the effect of corporate operational cost control and incentive mechanisms on firm performance but also offers new perspectives and ideas for academic discussions in this field. At the practical level, it also provides highly targeted and actionable reference suggestions for BiliBili Company and other similar enterprises to optimize their operational strategies and enhance firm performance, demonstrating significant theoretical and practical value.

5.2 Recommendation

(1) Strengthen Cost Control Intensity

Bilibili Company should establish a more rigorous, detailed, and comprehensive budget review system. In a content procurement budget review, the company should not only focus on the reasonableness of the total budget but also delve into the budget allocation for each specific procurement item. For different types of content procurement, such as anime, games, films, and television, Bilibili Company should conduct precise assessments based on factors like market popularity, audience size, and fluctuations in copyright costs. In the budget review of technology research and development (R&D) projects, the company should organize a cross-departmental professional team to estimate the resources required for each stage and aspect of the project in detail, avoiding inflated budgets or omissions of important cost items. By improving the budget review mechanism, Bilibili Company can ensure the effectiveness and accuracy of cost control from the source, preventing unnecessary overspending.

During the implementation of technology R&D projects, Bilibili Company should further strengthen resource control processes. It should establish a resource usage ledger to record and track the usage of each resource (such as manpower, equipment, and software) in real time. The company should clarify the approval authority and procedures for resource allocation and changes, ensuring that resource usage aligns with project requirements and cost control objectives. Regular analysis and evaluation of resource usage should be conducted to promptly identify issues of resource wastage or idleness and take corresponding measures for adjustment and optimization, improving resource utilization efficiency and eliminating waste.

Server maintenance is a significant cost component in the company's operations. Bilibili Company needs to optimize server maintenance management. It should reasonably plan server configurations and quantities based on business needs and user traffic, avoiding over-investment or insufficient resources. Advanced server monitoring technology should be adopted to monitor server operating status and performance indicators in real time, enabling early detection of potential problems, timely warnings, and handling. Collaborating with professional server maintenance teams, the company should formulate scientific and reasonable maintenance plans, regularly maintain and service servers, extend their service life, reduce server maintenance costs, and ensure reasonable and stable investment in server resources.

In marketing and promotion activities, Bilibili Company should strictly control costs. It should formulate detailed marketing and promotion budget plans, clarifying budget allocations and input-output targets for each marketing activity. During the activity planning stage, a cost-benefit analysis of different marketing channels and

methods should be conducted to select the most cost-effective marketing approach. Through data analysis, the company can understand user characteristics and conversion rates on different platforms and allocate marketing resources to platforms with high conversion rates. During activity implementation, real-time monitoring of marketing expense expenditures should be carried out to ensure compliance with the budget plan. After the activity, a comprehensive evaluation of marketing effectiveness should be conducted to summarize experiences and lessons learned, providing references for subsequent marketing and promotion activities and ensuring a favorable input-output ratio.

To ensure the effective implementation of strengthening cost control intensity, Bilibili Company needs to establish a comprehensive cost control supervision mechanism. It can set up a dedicated cost control supervision team to regularly inspect and evaluate the cost control situations of various departments. The supervision team should formulate detailed inspection standards and evaluation indicators, comprehensively assessing cost control intensity and the implementation of cost control measures. For departments and employees with excellent cost control performance, the company should provide appropriate rewards and recognition. For those with poor cost control performance, the company should conduct accountability and rectification. By establishing a cost control supervision mechanism, Bilibili Company can create effective constraints and incentives, encouraging all employees to participate in cost control work and improving the company's overall cost control level.

(2) Improve Cost Control Precision

To achieve precise content procurement cost allocation, Bilibili Company needs to conduct an in-depth analysis of different types and demands of content. For popular and high-potential content, such as currently trending anime and popular variety shows, the company can appropriately increase cost investments to secure high-quality copyright resources and attract more users. For niche and long-tail content, the company should reasonably control costs based on its audience and market demand, avoiding excessive investment. Bilibili Company can establish a content procurement cost database, organizing and analyzing historical procurement data to understand cost change trends for different types of content and providing references for subsequent cost allocation. Through precise content procurement cost allocation, the company can improve resource utilization efficiency and achieve the best match between costs and benefits.

In technology R&D, Bilibili Company should precisely allocate costs to key projects and important technology modules. The company should prioritize technology R&D projects based on factors such as strategic importance, market prospects, and technical difficulty to determine the resource investment ratio for each project. For projects with core competitiveness and innovation, the company should

provide sufficient financial and technical support to ensure their smooth progress and success. Within projects, the company should conduct refined cost management for each technology module, allocating R&D costs reasonably based on module functions and importance.

Precise allocation of server maintenance costs is crucial for ensuring the stable operation of key business functions. BiliBili Company should identify the company's key business functions, such as video playback, live streaming, and user registration and login, and precisely allocate server maintenance costs based on their importance and server resource requirements. For servers supporting key business functions, the company should adopt high-quality hardware equipment and advanced technical architectures to ensure server performance and stability. BiliBili Company can establish a dynamic server resource allocation mechanism, adjusting server resource allocation in real time according to business peak and off-peak periods and changes in user traffic, improving server resource utilization efficiency and reducing server maintenance costs.

To improve the efficiency of marketing and promotion cost usage, BiliBili Company should precisely allocate costs to effective channels and target user groups. Through market research and data analysis, the company can understand the characteristics and user coverage of different marketing channels and select channels with high matching degrees with target user groups for marketing and promotion. For young user groups, the company can choose to advertise on social media platforms and gaming platforms. For users in professional fields, the company can conduct promotions on industry forums and professional websites. Using big data technology, the company can create precise user personas, understanding their interests, consumption habits, and other information, and develop personalized marketing plans based on user characteristics to precisely allocate marketing costs to potential target users, improving marketing effectiveness and conversion rates.

The ultimate goal of improving cost control precision is to achieve refined cost allocation and maximize resource utilization throughout the company. BiliBili Company should establish a comprehensive cost management system, integrating cost control into all business processes and departments of the company. By formulating detailed cost budgets and accounting standards, the company can accurately measure and monitor each cost item. Through strengthening communication and collaboration among departments, the company can break down information barriers and achieve resource sharing and optimal allocation. In terms of office space and equipment, the company can improve resource utilization efficiency through reasonable planning and allocation, avoiding redundant construction and waste.

(3) Set a Reasonable UP Owner Incentive Fund Amount

When setting UP owner incentive fund amount, Bilibili Company should fully consider how to stimulate UP owners' creative enthusiasm. The company can understand the creative needs and expectations of different types of UP owners through market research and communication with them. For newly entered UP owners, the company can set a relatively low but attractive incentive fund amount to help them through the initial stage and encourage them to create high-quality content. For UP owners with a certain fan base and creative experience, the company can appropriately increase the incentive fund amount based on their creative abilities and potential, inspiring them to create more influential and high-quality works. The company should adjust the incentive fund amount in a timely manner according to market dynamics and industry competition to ensure that it can always attract and retain excellent UP owners.

The incentive fund amount should match the creative efforts invested by UP owners. The company can establish a scientific, creative effort evaluation system, considering factors such as content creation frequency, duration, and difficulty. For UP owners who invest a large amount of time and effort in creation, such as those who update videos daily or produce complex special effects, the company should provide a higher incentive fund amount to recognize and reward their efforts. For UP owners with lower creation frequencies and less effort, the company should reduce the incentive fund amount. Through this approach, the company encourages UP owners to focus more and create with greater dedication, improving content quality and output.

Creative outcomes are important indicators for measuring UP owners' value. Bilibili Company should determine the incentive fund amount based on UP owners' creative outcomes. Creative outcomes can include various aspects such as video views, likes, comments, and fan growth. The company can establish a comprehensive creative outcome evaluation model, weighting and calculating various data of UP owners to obtain a comprehensive score. Based on the score results, the company can classify UP owners into different levels, with each level corresponding to a different incentive fund amount. For UP owners with outstanding creative outcomes, the company should provide a high incentive fund amount to encourage them to maintain their excellent creative state. For UP owners with average creative outcomes, the company should offer appropriate incentives to encourage them to improve their creative abilities.

The market environment and user needs are constantly changing, and UP owners' creative value and influence will also change accordingly. Bilibili Company should establish a dynamic incentive fund amount adjustment mechanism to reflect UP owners' creative value and market changes. The company should regularly analyze and evaluate UP owners' creative data and market feedback. When it finds that an UP owner's creative value has increased or market influence has expanded, the company should promptly increase its incentive fund amount. Conversely, if an UP owner's

creative quality declines or market attention decreases, the company should appropriately reduce the incentive fund amount. By adjusting the incentive fund amount, the company maintains the effectiveness and targeting of incentives, ensuring that it can continuously attract and motivate excellent UP owners.

The ultimate goal of reasonably setting UP owner incentive fund amount is to stabilize the creative team and attract more excellent creators. Bilibili Company should refer to incentive standards and market levels in the same industry to ensure that the company's incentive fund amount is competitive. The company should formulate a reasonable incentive fund budget based on its financial situation and development strategy. While ensuring the company's economic benefits, the company should try to increase the incentive fund amount to make UP owners feel the company's emphasis and support. The company can also enhance the attractiveness of the incentive fund amount by providing additional benefits and rewards, such as training opportunities and priority for commercial cooperation, improving UP owners' loyalty and sense of belonging to the company, and stabilizing the creative team.

(4) Optimize incentive forms

Material incentives are one of the important means to stimulate UP owners' creative enthusiasm. Bilibili Company should further strengthen the effectiveness of material incentives. In addition to traditional cash rewards, the company can diversify material incentive forms. It can provide high-end creative equipment for excellent UP owners, such as professional cameras, microphones, and computers, to help them improve creative quality. The company can establish a material reward fund, allowing UP owners to use it to purchase creation-related resources such as books, software, and materials. For particularly outstanding UP owners, the company can offer physical rewards such as cars, electronic products, and travel packages. Through diversified material incentive forms, the company can meet UP owners' different material needs and improve the attractiveness and effectiveness of material incentives.

Spiritual incentives can enhance UP owners' sense of belonging and creative motivation. Bilibili Company should focus on enriching the connotation of spiritual incentives. The company should establish a comprehensive honor system, setting up different levels of honorary titles such as "Annual Best UP Owner," "Most Creative UP Owner," and "Popularity Star UP Owner," and publicly recognize and promote UP owners who receive these honors. The company should create a cultural atmosphere within the company that respects and recognizes UP owners' creations, regularly organizing UP owner exchange activities to allow them to interact with each other and share experiences, sense of belonging, and team cohesion. Company management should communicate with UP owners, listening to their opinions and suggestions to make them feel the company's care and attention, improving their creative enthusiasm and loyalty.

Commercial cooperation opportunities are one of the incentive forms highly valued by UP owners. Bilibili Company should diversify commercial cooperation opportunity incentives. In addition to traditional advertising cooperation, the company can expand into more commercial cooperation fields. It can collaborate with brands to carry out joint marketing activities, allowing UP owners to participate in product promotion and sales and providing corresponding rewards based on sales performance. The company can provide UP owners with e-commerce cooperation opportunities, helping them open their stores to sell creation-related peripheral products. The company can engage in cross-industry cooperation with the film, television, and gaming industries, providing UP owners with opportunities to participate in film production and game voice acting, broadening their development space and income channels. Through diversified commercial cooperation opportunity incentives, the company can meet UP owners' different career development needs and improve their dependence on and creative enthusiasm for the company.

Traffic support is an important means to increase the exposure of UP owners' content. Bilibili Company should optimize traffic support incentive strategies. The company should establish a scientific traffic allocation mechanism, reasonably allocating traffic resources based on factors such as UP owners' creative quality, fan numbers, and interaction situations. For newly entered UP owners, the company should provide a certain traffic support period to help them quickly accumulate fans and popularity. For UP owners with high creative quality and great potential, the company should offer long-term traffic support to allow their high-quality content to be more widely disseminated. The company should strengthen the monitoring and evaluation of traffic support effects and adjust traffic support strategies promptly based on the evaluation results to ensure that traffic support can truly motivate UP owners to create high-quality content.

To comprehensively meet the different needs of UP owners, Bilibili Company should achieve the organic combination of multiple incentive forms. Based on different types, creation stages, and development needs of UP owners, the company should formulate personalized incentive plans, flexibly combining material incentives, spiritual incentives, commercial cooperation opportunity incentives, and traffic support incentives. For newly entered UP owners, the company can focus on material incentives and traffic support to help them get started quickly. For UP owners with a certain fan base, the company can increase spiritual incentives and commercial cooperation opportunity incentives to enhance their sense of belonging and career development space. For top UP owners with outstanding creative outcomes, the company can provide comprehensive incentives, including high material rewards, prestigious honorary titles, rich commercial cooperation opportunities, and sufficient traffic support. Through the organic combination of multiple incentive forms, the company can form a complete and effective incentive system, maximizing the stimulation of UP owners' creative enthusiasm and creativity.

5.3 Further Study

Despite the achievements made in this study on the effect of Bilibili Company's operational cost control and UP owner incentives on firm performance, there are still some limitations, providing broad space for subsequent research.

Firstly, the data collection in this study was mainly based on questionnaires. Although the questionnaire design has been carefully considered and a relatively high proportion of valid questionnaires have been recovered, the survey results may still be influenced by subjective factors of the respondents, such as emotional states during answering and differences in understanding of questions. This may affect the accuracy and objectivity of the data to a certain extent. Future research can adopt a combination of multiple data collection methods, such as using interviews to gain in-depth insights into the real thoughts and actual experiences of enterprise managers and UP owners, and utilizing enterprise financial and operational data for more precise quantitative analysis to enhance the reliability and comprehensiveness of research results.

Secondly, this study focused on Bilibili Company, a representative video-sharing platform. Although it has strong representativeness, there are significant differences in operational models, cost control strategies, and incentive mechanisms among enterprises in different industries and of different sizes. Subsequent research can expand the research scope and select multiple enterprises of different types for comparative analysis, exploring the commonalities and differences in the effect of operational cost control and UP owner (or similar creator) incentives on firm performance under different contexts. This can lead to more universal conclusions and provide practical guidance for a wider range of enterprises.

In addition, with the continuous changes in the market environment, ongoing technological innovation, and increasingly diverse user needs, enterprises' operational cost control and incentive mechanisms also need to be constantly adjusted and optimized. Future research can focus on these dynamic change factors, establishing long-term tracking research mechanisms to deeply analyze how enterprises can flexibly adjust their operational cost control strategies and incentive mechanisms according to changes in internal and external environments at different development stages to achieve sustained improvement in firm performance. This can provide enterprises with more forward-looking and timely suggestions to cope with complex and changing market challenges.

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Appendix

Part I :

1. Age

Please select the age range that best describes you:

- A. 18 - 22 years old
- B. 23 - 27 years old
- C. 28 - 32 years old
- D. 33 - 37 years old
- E. 38 - 42 years old
- F. Over 42 years old

2. Gender

Please select your gender:

- A. Male
- B. Female

3. Job Position

Please select the category that best represents your job position:

- A. Technical (e.g., software development engineer, test engineer, operation and maintenance engineer, etc.)
- B. Operations (e.g., user operations, content operations, event operations, etc.)
- C. Marketing (e.g., market promotion, brand planning, business cooperation, etc.)
- D. Content Creation (e.g., video creator, animation production, copy editor, etc.)
- E. Functional (e.g., human resources, finance, administration, legal affairs, etc.)
- F. Management (e.g., department manager, project leader, senior management, etc.)
- G. Others

4. Work Experience

Please select the option that best describes your work experience:

- A. Less than 1 year
- B. 1 - 3 years
- C. 3 - 5 years
- D. 5 - 10 years
- E. Over 10 years

Thank you for taking the time to complete this survey! Your responses are valuable to us and will help us better understand the workforce demographics and preferences.

Part II:

Please judge to what extent you agree with the following statement; choose the most appropriate option, and mark the corresponding number "√." The questionnaire used a Likert scale, ranging from 1 to 5 in which one indicates strongly disagree, two indicates relatively disagree, three indicates neutral, four indicates relatively agree, and five indicates strongly agree

| Measuring Item | Strongly Disagree | Relatively Disagree | Neutral | Relatively Agree | Strongly Agree |
|---|-------------------|---------------------|---------|------------------|----------------|
| Cost Control Intensity | | | | | |
| The company conducts strict budget reviews and enforces them rigorously during content procurement to prevent overspending. | | | | | |
| During the implementation of technological research and development projects, the company exercises strict resource control to eliminate waste. | | | | | |
| In terms of server maintenance, the company maintains strong control over resource investments to ensure reasonable costs. | | | | | |
| In marketing and promotion activities, the company is capable of exercising strong cost control to guarantee a favorable return on investment. | | | | | |
| Cost control measures for various operational activities are implemented effectively with great intensity. | | | | | |
| Cost Control Precision | | | | | |
| Content procurement costs are precisely allocated to different types and requirements of content. | | | | | |

| | | | | | |
|--|--|--|--|--|--|
| Technological research and development costs are precisely allocated to key projects and important technological modules. | | | | | |
| Server maintenance costs are precisely invested to ensure the stable operation of key businesses. | | | | | |
| Marketing and promotion costs are precisely utilized in effective channels and target user groups. | | | | | |
| The company's overall cost allocation is refined, enabling the maximization of resource utilization. | | | | | |
| UP Owner Incentive Fund Amount | | | | | |
| The amount of UP owner incentive fund provided by the company can fully stimulate their creative enthusiasm. | | | | | |
| The current amount of incentive funds enables UP owners to invest more energy in creating high-quality content. | | | | | |
| The amount of incentive funds matches the creative achievements of UP owners, resulting in significant motivational effects. | | | | | |
| Adjustments to the fund amount can promptly reflect the creative value of UP owners and market changes. | | | | | |
| The overall amount of incentive funds is highly attractive to UP owners, helping to stabilize the | | | | | |

| | | | | | |
|---|--|--|--|--|--|
| creative team. | | | | | |
| UP Owner Incentive Form | | | | | |
| Material incentives (such as cash) have a significant positive effect on enhancing the creative enthusiasm of UP owners. | | | | | |
| Spiritual incentives (such as honors) can enhance the sense of belonging and creative motivation of UP owners. | | | | | |
| Commercial cooperation opportunities, as a form of UP owner incentive, are well-received by UP owners and have significant effects. | | | | | |
| Traffic support and other forms of UP owner incentives can effectively increase the exposure of UP owners' content. | | | | | |
| A combination of various UP owner incentive forms comprehensively meets the different needs of UP owners. | | | | | |
| Financial Performance | | | | | |
| After implementing operational cost control and UP owner incentives, the company has witnessed significant revenue growth. | | | | | |
| Under cost control and incentive strategies, the company's profits have achieved steady growth. | | | | | |
| The cost-profit ratio has shown an upward trend after the company's operational strategy adjustments. | | | | | |

| | | | | | |
|--|--|--|--|--|--|
| The company's capital turnover efficiency has improved due to the optimization of operational strategies. | | | | | |
| The company's overall financial condition has become healthier and more stable after implementing operational initiatives. | | | | | |
| Non-financial Performance | | | | | |
| After implementing operational cost control and incentives, the platform has witnessed significant growth in user numbers. | | | | | |
| User activity has increased after the company's strategy adjustments. | | | | | |
| The quality of platform content has been noticeably optimized due to the company's operational initiatives. | | | | | |
| The company's brand influence has further expanded in the market. | | | | | |
| User satisfaction and loyalty towards the company have continuously improved. | | | | | |