

Digital Distribution and Competition in Asset Management: Evidence from Mutual Fund Livestreaming¹

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Abstract

This paper examines why mutual funds engage in livestreaming, a digital distribution technology in asset management. Using 36,990 hand-collected livestream sessions linked to 7,038 Chinese mutual funds from 2020 to 2024, we show that livestreaming attracts short-term flows and investor attention but does not improve product-level profitability. More intensive livestreaming is associated with lower fund profits because higher management and sales-fee expenses outweigh income gains. Competition helps explain livestream adoption: among index funds tracking the same benchmark, peer livestreaming predicts entry, whereas market concentration predicts intensity. The benefits erode gradually as adoption broadens and content becomes more homogeneous. Livestreaming also helps funds preserve short-term return- and size-rankings. At the fund family level, we find little evidence of meaningful additional costs or profit declines, consistent with shared digital infrastructure and economies of scope. Digital distribution can therefore be privately costly for individual products yet strategically valuable in platform-based asset management competition.

Keywords: Mutual funds, Livestreaming, Digital distribution, Product-market competition, Fund family

JEL Classification: G23, G11, M31, L25, L86

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1. Introduction

Asset managers increasingly compete for retail investor attention through digital distribution channels. Platforms, social media, and embedded transaction interfaces make financial products more visible at the point of purchase, but they also create new forms of non-price competition (Tucker 2014, Roussanov, Ruan et al. 2021, Jiang, Ning et al. 2025) (Tucker, 2014; Roussanov et al., 2021; Jiang et al., 2025). Mutual fund livestreaming provides a useful setting for studying this shift because it combines investor communication, product promotion, and immediate purchase access within the same digital environment (deHaan et al., 2026). Beginning in early 2020, Chinese fund companies rapidly adopted livestream broadcasts that combine product discussion, investor interaction, and direct links to purchase interfaces.¹ The practice persisted after pandemic restrictions were lifted, suggesting that livestreaming is not merely a temporary substitute for offline roadshows but a broader digital distribution technology in asset management.

This paper studies the central economic puzzle created by that persistence. Livestreaming can make funds more salient, reduce investor search frictions, and attract short-term flows, consistent with evidence that search costs, salience, distribution channels, and marketing affect mutual fund flows (Livingston & O'neal, 1998; Sirri & Tufano, 1998; Huij & Verbeek, 2007; English et al., 2011; Chua & Tam, 2020). Yet institutional livestreaming is costly: it requires production teams, compliance review, platform operations, and promotional resources. If livestreaming attracts investor attention but does not improve product-level profitability, why do mutual funds continue to invest in it? We argue that the answer lies in product-market competition, ranking preservation, and organizational scope (Panzar & Willig, 1981; Nanda et al., 2004; Khorana & Servaes, 2012). Digital distribution may be privately costly for individual products while remaining strategically valuable to fund families competing in platform-based markets.

¹ In early 2020, as COVID-19 broke out, the Chinese government adopted lockdown policies to contain the spread of the virus. These policies disrupted traditional offline communication channels between asset management institutions and investors. Fund families therefore turned to online livestreaming to maintain investor communication and distribution activities. In the first month after Tiantian Fund launched its livestreaming platform, more than 40 fund families had started livestreaming online. More detail will be introduced in Section 2.1. (<https://fund.eastmoney.com/a/202006181525484998.html>)

China provides an informative empirical laboratory for this question. Digital wealth platforms are deeply integrated into the mutual fund distribution process, and retail investors can move from financial content to purchase decisions within the same platform environment (Jiang et al., 2025; deHaan et al., 2026). Livestreaming on Tiantian Fund and Eastmoney therefore allows us to observe digital investor engagement at scale and link it to fund flows, costs, profits, rankings, and family-level outcomes. The setting is especially useful for studying how financial intermediaries compete when investor attention, product visibility, and transaction technology are jointly organized by digital platforms.

We combine mutual fund data from the China Stock Market & Accounting Research (CSMAR) database with a novel hand-collected dataset of livestream sessions scraped from Tiantian Fund and Eastmoney. Our sample covers 12,819 funds from 2020 to 2024. The livestream data contain 36,990 sessions; the average session lasts 1.05 hours; 7,038 different funds appear in livestream shopping carts, and each session promotes 6.07 funds on average. These data allow us to study livestreaming at the fund-quarter, index-fund-quarter, and fund-family-quarter levels.

We first document a flow-versus-profit tension. Livestreaming is associated with stronger short-term fund flows and investor attention, but not with higher product-level profitability. In baseline tests, the livestreaming dummy has a negative but statistically insignificant association with net profit, whereas livestreaming intensity is significantly associated with lower fund-level profitability. A decomposition of financial statement items shows that, among non-Top 100 funds, livestreaming is associated with approximately 8% higher management fees and 28% higher sales fees, while income-side gains are insufficient to offset the additional operating and distribution costs. Livestreaming therefore appears to be a costly distribution technology rather than a low-cost attention device, consistent with evidence that marketing and distribution are important, costly determinants of fund size and flows (Sirri & Tufano, 1998; Roussanov et al., 2021).

Competition helps explain why funds adopt livestreaming despite this weak product-level profit effect. We examine a matched sample of index funds tracking the same benchmark,

where products are close substitutes and competitive pressure is easier to measure.² Peer livestreaming activity significantly predicts a fund's decision to start livestreaming, while market concentration is more closely related to livestreaming intensity. In terms of economic magnitude, a 10 percentage-point increase in peer adoption raises the probability of livestreaming entry by 2-3 percentage points. These results are consistent with a competitive response mechanism: when close rivals use visible digital channels to attract investor attention, remaining inactive can become costly even if the technology does not raise standalone fund profits (Tirole, 1988; Scharfstein & Stein, 1990; Khorana & Servaes, 2012; Grullon et al., 2019).

We also show that the private benefits of livestreaming erode over time. In the early years of our sample, livestreaming is associated with positive profitability effects, consistent with novelty, limited competition, and more differentiated content. As adoption broadens, these gains are gradually competed away. Using livestream video transcript-based text similarity, we show that livestream content becomes more homogeneous over time, reducing the marginal attention and persuasion value of additional broadcasts. Livestreaming thus evolves from a temporarily profitable innovation into a more commoditized competitive necessity. This finding aligns with the broader logic that strategic actions can lose private rents as rivals imitate them (Tirole, 1988; Scharfstein & Stein, 1990).

Ranking preservation provides a second reason why funds engage in livestreaming. Livestreaming is associated with better subsequent size ranking and, more importantly, improved short-term return ranking (Brown et al., 1996; Nanda et al., 2004; Del Guercio & Tkac, 2008; Que & Zhang, 2021; Ben-David et al., 2022). This evidence supports a feedback mechanism in which digital engagement attracts attention and buying pressure, improves near-term relative standing, and reinforces future flows through return chasing and ranking-sensitive capital allocation. Because rankings are relative, abstaining from livestreaming may cause a

² As we know the index funds are passively managed funds strictly targeting to a specific public index like NASDAQ in US market or A50 in Chinese market. Thus, the index funds targeting to the same index can be considered as homogenous and their livestream decisions can be seen as exogenous. Thus, we consider the other funds that targeting the same index as direct competitors.

fund to lose flows to rivals, fall behind in size and performance rankings, and enter an adverse feedback loop. The mechanism connects our setting to prior studies showing that mutual fund flows respond strongly to salient recent performance, simple return signals, and relative standing (Sirri & Tufano, 1998; Nanda et al., 2004; Barber et al., 2016; Ben-David et al., 2022).

Findings at the fund-family level reconcile why a costly product-level activity can remain sustainable. At the individual fund level, livestreaming is costly and associated with lower profitability. At the fund-family level, however, we find little evidence of meaningful additional operating costs or profit declines. We also find suggestive evidence that broadcasts covering more funds are associated with more favorable family-level profitability. This pattern implies that funds and fund families may benefit from livestreaming or other digital distribution channels when repeatable resources can be shared across products, for example by promoting more funds in a single livestream or reusing production, compliance, platform operations, and distribution capacity. Hence, livestreaming may be unattractive as a standalone product-level investment but valuable as part of a family-level strategy built on economies of scope and spillovers within the fund family (Panzar & Willig, 1981; Nanda et al., 2004; Khorana & Servaes, 2012; Chen et al., 2020).

Our paper contributes to the literature in three main ways. First, it contributes to research on product market competition in financial intermediation by showing that digital distribution can operate as a strategic response to rival visibility rather than as a standalone marketing input (Tirole, 1988; Scharfstein & Stein, 1990; Khorana & Servaes, 2012; Roussanov et al., 2021) and affect capital allocation and real decisions (Que & Zhang, 2021; Xu et al., 2024). Our setting makes this mechanism visible because index funds tracking the same benchmark are close substitutes, so peer adoption and market structure can be linked to livestreaming entry and intensity.

Second, our findings contribute to studies on mutual fund flows, salience, and return chasing. Prior work shows that flows respond to search costs, salient signals, and recent performance (Sirri & Tufano, 1998; Berk & Green, 2004; Barber & Odean, 2008; Barber et al., 2016; Ben-David et al., 2022). This literature has largely treated salience and ranking as

outcomes to which investors respond, rather than as objects that funds may actively manage through costly communication strategies. We extend work on how investor attention can be actively managed (Zalewska & Zhang, 2020) by showing that funds use a costly distribution technology to manage investor attention and that the strategic value of doing so lies partly in preserving relative size and return rankings. This finding helps explain why funds continue to invest in social-media engagement even when the direct profit effect is weak: these tools help defend economically valuable relative positions and support future flows.

Third, we contribute to the literature on organizational scope in asset management. Prior studies emphasize fund-family spillovers, shared reputation, and family-level strategic resources (Nanda et al., 2004; Khorana & Servaes, 2012; Casavecchia & Ge, 2019). We show that the economics of digital distribution differ sharply across organizational levels: livestreaming is associated with lower product-level profitability, yet it appears sustainable at the family level because production, compliance, platform operation, and promotion can be shared across products.

The remainder of the paper is organized as follows. Section 2 describes the institutional background and theoretical framework. Section 3 presents the data and sample. Sections 4 and 5 present the empirical results. Section 6 concludes.

2. Institutional Background and Hypothesis Development

2.1. Institutional Background

China provides an appropriate setting for studying platform-mediated fund distribution because digital wealth platforms place investor education, product display, compliance disclosure, and transaction functionality within the same interface. Video-based dissemination of mutual fund information dates back to August 2013. Early initiatives, such as the “Money Talent Show,” introduced financial content broadcasting through mass media channels. Several early wealth-management livestreaming platforms, including *Showbee* and *Zhiniu Finance*,³ then emerged.

³ *Showbee* and *Zhiniu Finance* were early Chinese financial livestreaming platforms that emerged in the mid- to late 2010s. *Showbee* focused mainly on real-time market commentary, including A-share market trends, sector rotation, stock-specific analysis, and policy interpretation, with content typically hosted by analysts, financial journalists, or market commentators.

The onset of the COVID-19 pandemic subsequently accelerated the industry's shift online and inaugurated a new era of mutual fund livestreaming. According to our hand-collected Tiantian Fund data, livestreaming activity expanded rapidly after the platform launched its livestreaming function. The number of sessions exceeded 120 in the second month. In 2020, Tiantian Fund hosted 869 livestreams; by 2022, the number had risen to 9,393. Figure 1 Panel A shows that livestreaming continued to increase after China relaxed its zero-COVID policy in December 2022, reaching a peak of 10,957 sessions in 2023. We therefore consider livestreaming as a durable distribution technology rather than a temporary substitute for roadshows. This setting allows us to study not only a local marketing practice but also platform-mediated competition in asset management.

Mutual fund livestreaming is primarily hosted on fintech-based distribution platforms. The ecosystem includes third-party wealth-management applications, online brokerage platforms, financial information portals, and selected short-video channels.⁴ Livestream sessions are typically hosted by fund managers, research analysts, platform-affiliated investment advisers, or external financial commentators. Content typically includes product introductions, market outlooks, portfolio allocation discussions, performance reviews, and investor education about risk and asset allocation. Beyond information dissemination, livestreaming serves as a channel for investor engagement, brand positioning, and client acquisition. To analyze content themes, we use a large language model (DeepSeek) to extract and summarize keywords from livestream titles and descriptions, and we present the keyword cloud in Figure 3. The keyword evidence suggests that livestreams often emphasize market themes and investment narratives. This institutional design is important for our research question because livestreaming combines

Zhinu Finance targeted retail investors through more training-oriented content, including trading techniques, technical indicators, stock selection, and case reviews. Both platforms later lost influence as the industry consolidated and regulatory scrutiny of online financial content and investment advisory activities intensified.

⁴ In the Chinese regulatory framework, fund-related live streaming conducted by asset management institutions is generally confined to licensed and qualified distribution platforms. Typical venues include large third-party wealth management platforms such as Ant Fortune (Alipay) and Tiantian Fund (Eastmoney), as well as platforms operated by licensed financial institutions, including commercial banks and securities firms (e.g., the China Merchants Bank app and platforms affiliated with China Merchants Securities). These platforms possess the required qualifications, such as fund sales licenses (基金销售业务资格) or other securities-related approvals, enabling them to lawfully host fund promotion, investor education, and client communication activities. By contrast, general-purpose live-streaming or short-video platforms that lack financial service qualifications are typically excluded from hosting substantive fund live streams and are used, if at all, only for compliant brand communication or traffic redirection. This reflects Chinese qualification-based regulatory approach to fund information dissemination and investor protection.

information provision, investor engagement, brand positioning, and purchase access in a single digital distribution environment.

Livestreaming formats vary considerably, from solo presentations to moderated dialogues with analysts and panel discussions on macroeconomic or sector themes. A common format pairs a master of ceremonies from the fund family with a professional fund manager or analyst. Although this format may suggest a low entry barrier, competitive pressure has pushed funds toward more professional production. Early livestreams often resembled public video-conference sessions; later livestreams use dedicated studios, higher-resolution cameras, coordinated scripts, and more formal compliance procedures as competition intensifies. In practice, institutional livestreams on licensed platforms such as Tiantian Fund are embedded in a structured interface that integrates content delivery, product information, risk disclosure, and transaction functionality. Viewers can observe real-time commentary, interact through platform modules, and move directly from a livestream to linked fund products in a shopping-cart interface. This design enables a seamless transition from information consumption to purchase. This setting distinguishes institutional fund livestreaming from user-generated entertainment content on platforms such as TikTok, because institutional livestreaming requires specialized equipment and coordinated efforts across content planning, technical production, and compliance review. Livestreaming is therefore not only communication; it is a distribution technology located close to the investor's purchase decision. Consistent with this discussion, Figure 4 illustrates the professionalization of production quality between 2020 and 2024.

Consequently, livestreaming involves material fixed and variable inputs. Fixed inputs include studios, recording equipment, control rooms, and platform-specific production infrastructure. Variable inputs include technical service fees, compliance review, content planning, fund-manager time, host preparation, and post-event operations. The institutionalization of livestreaming therefore raises the central economic question of the paper: whether this technology creates direct product-level value or persists because competitive pressure and organizational scope make non-adoption costly.

2.2. Theoretical Framework

To examine the economic drivers of mutual fund livestreaming, we start from the demand side. Livestreaming may reduce search frictions, increase product salience, and make fund information easier to act on at the point of purchase. Prior research shows that fund flows respond to search costs, distribution incentives, attention, and recent performance (Sirri & Tufano, 1998; Berk & Green, 2004; Barber & Odean, 2008; Christoffersen et al., 2013; Ben-David et al., 2022). Livestreaming may therefore attract short-term investor attention and generate incremental flows. The key issue is that flow gains do not necessarily imply higher profitability, because the technology also requires production, compliance, platform operations, and promotional expenditures.

This tension motivates our first empirical prediction. If livestreaming does not reliably increase fund-level profits, then adoption should be shaped not only by standalone returns but also by competition. In highly substitutable segments, such as index funds tracking the same benchmark, digital communication can serve as a non-price competitive instrument (Tirole, 1988; Khorana & Servaes, 2012). Under this view, a fund's decision to livestream should respond to peer behavior, consistent with strategic mimicry and reputationally motivated herding (Scharfstein & Stein, 1990; Chevalier & Ellison, 1999a; Verrecchia, 2001). We therefore expect peer livestreaming activity to increase a fund's likelihood of entering livestreaming, especially in homogeneous market segments.

Competition alone, however, cannot fully explain why funds continue livestreaming after product-level profitability weakens. A second mechanism is ranking preservation. Because fund flows are sensitive to recent performance, ratings, and relative standing (Sirri & Tufano, 1998; Berk & Green, 2004; Barber et al., 2016; Ben-David et al., 2022), livestreaming may help sustain short-term investor attention, buying pressure, size ranking, and return ranking. Conversely, a fund that remains inactive while close competitors livestream may lose investor attention and relative standing. Therefore, livestreaming may function as a ranking-preservation strategy rather than a direct profit-maximizing tool.

Finally, the economic consequences of livestreaming may differ between the fund level and the fund-family level. At the individual fund level, livestreaming can be costly because it raises management, distribution, and operating expenses. At the fund-family level, however, a single livestream can promote multiple products, and many production, compliance, and platform-related inputs can be shared across funds. This logic is consistent with economies of scope and family spillovers (Panzar & Willig, 1981; Nanda et al., 2004; Khorana & Servaes, 2012). We therefore expect livestreaming to appear less costly when evaluated at the fund-family level than when evaluated fund by fund.

3. Data and Sample

3.1. Mutual Fund Data

Our primary dataset combines mutual fund data from the China Stock Market & Accounting Research (CSMAR) database with hand-collected livestream data. From CSMAR, we obtain fund characteristics, net asset values, financial ratios, expense information, prospectuses, and other operational disclosures from the mutual fund module beginning in May 2020, when livestreaming adoption starts in our sample. The initial sample contains 14,883 funds affiliated with 214 fund families. After excluding Listed Open-Ended Funds (LOFs), Qualified Domestic Institutional Investor (QDII) funds, umbrella funds, ETFs, and closed-end funds where appropriate for the main tests, the final sample contains 12,819 funds.

For the cost and profit analysis, we also collect detailed financial statement items. Chinese regulatory requirements create significant differences between quarterly and semiannual reporting.⁵ The available reporting frequency therefore differs across outcomes. Fund characteristics, flows, and returns can be organized at the quarterly level, whereas the financial

⁵ Chinese regulation rules have different requirements to mutual funds' quarterly report and half-year report. Quarterly reports and semi-annual reports of publicly offered mutual funds in China differ significantly in both disclosure scope and regulatory rigor. Quarterly reports are designed for timeliness and provide high-level, summary information on fund size, net asset value, basic portfolio allocation, and recent performance, without requiring complete financial statements or external audit or review. In contrast, semi-annual reports serve as a more comprehensive disclosure instrument and are subject to higher compliance standards: they include full interim financial statements with detailed notes, in-depth discussions of investment strategy and performance, expanded portfolio holdings disclosure, fund expense breakdowns, and custodian statements. Consequently, quarterly data offer finer time granularity but limited informational completeness, while semi-annual data provide richer and more reliable financial and operational details at the cost of lower frequency.

statement items used to decompose costs and profitability are available semiannually. We linearly interpolate the semiannual financial-report items to quarterly frequency and construct an aggregated panel with flows, performance, costs, profits, and their decompositions.

3.2. Livestreaming Data

We supplement the CSMAR data with hand-collected livestream information scraped from Tiantian Fund, operated by Eastmoney. The data include session titles, descriptions, start and end timestamps, fund-family names, host identifiers and profiles, posters, viewer engagement measures (“likes”), regulatory disclaimers, and shopping-cart links to promoted fund products. The shopping-cart field is central to our design because it identifies the specific funds promoted in each session and allows us to connect livestreaming activity to fund-level flows, costs, profits, and rankings. Following deHaan et al. (2026), we construct a dummy variable, *LivestreamDummy*, which equals one if a fund appears in a shopping cart during a given period and zero otherwise.

The first livestream recorded on Tiantian Fund occurred on May 27, 2020. Our full livestream dataset contains 36,990 sessions and 7,038 funds appearing in shopping carts between 2020 and 2024. The average session lasts approximately 63 minutes, and the average session promotes 6.07 funds. Although individual viewer data are unavailable, industry reports from Jravity (HuanJu), a leading financial livestreaming SaaS provider in China, offer demographic insights. By 2024, the largest audience segment was individuals aged 50 and older (33.19%), followed by those aged 30-49 (27.56%). Younger investors aged 18-24 accounted for only 8.85% of viewership. Female investors represented a majority of the audience (55.46%). Among session formats, interviews generated the highest cumulative engagement, exceeding 40,000 viewership minutes in August 2024.

3.3. Sample Selection and Summary Statistics

We integrate the mutual fund and livestream data into four datasets. The first is a fund-quarter panel used to estimate the relation between livestreaming, flows, returns, and fund-level

outcomes. The second is a matched index fund-quarter panel used to study competition among close substitutes that track the same benchmark. The third is a fund-family-quarter panel used to examine whether livestreaming costs and profitability differ at the organizational level. The fourth is a matched cross-sectional dataset⁶ of funds established after May 2020, used to test how livestreaming before inception influences inception performance. Table I Panel A maps these datasets to the corresponding empirical tests. Because the first mutual fund livestream in our sample occurred in May 2020, we limit the main sample period to 2020Q2-2024Q4. However, because some regression models include leads and lags, the data used in estimation begin in 2020Q1 and end in 2025Q1. Table I Panel B reports summary statistics for 2020Q1-2025Q1. Figure 1 Panel B shows that approximately half of the funds in our sample appeared in livestreams at least once, with 15.5% engaging in digital promotion before formal inception.

For the main fund-level tests, we exclude closed-end funds, ETFs, QDII funds, and umbrella funds when their structures make the outcomes difficult to compare with ordinary open-end mutual funds. For the competition tests, we separately construct a sample of 496 mutual funds tracking seven benchmark A-share indices: CSI 300, CSI 500, CSI 800, CSI 1000, SSE 50, SZSE 100, and STAR 50, as shown in Table I Panel C. The index-fund sample is useful because funds tracking the same benchmark are close substitutes, making peer behavior and market structure more directly interpretable.

4. Main Findings

4.1. Livestreaming and Fund Flows

We begin by examining the relation between livestreaming and fund flows. Table II presents the results. Following prior mutual fund flow research (Sirri & Tufano, 1998; Barber et al., 2016; Ben-David et al., 2022), we define fund flows using changes in assets under management adjusted for fund returns:

$$Fund\ Flow_t = \frac{AUM_t - AUM_{t-1} \times (1 + Net_Return_t)}{AUM_{t-1}}, \quad (1)$$

⁶ To test how livestream before inception, also called warmup livestream, influence inception performance, we matched new issued funds with warmup livestream and without warmup livestream with following criterions: funds inceptioned at same month, have same investment style, both are equity funds, and both are active funds or passive funds.

where AUM_t represents the net assets under management at the end of period t , and Net_Return_t denotes the net return (net of fees) during period t . We examine the association between fund flows and livestreaming activity using the following OLS regression specification:

$$Fund_Flow_{i,t+1} = \alpha + \beta_1 Livestream_{i,t} + \beta_2 Controls_{i,t} + \epsilon, \quad (2)$$

The vector of controls includes fund size, fund age, recent returns, fee variables, and an indicator for mandatory disclosure periods. The specifications include year-quarter fixed effects and fund fixed effects. Standard errors are clustered at the fund-family level.

Across specifications, the coefficients on the three livestreaming variables, *LivestreamDummy*, *LivestreamCount*, and *FirstLivestream*, are positive and statistically significant at conventional levels. In column (1), the coefficient is 0.138, indicating that funds engaging in livestreaming experience economically meaningful increases in net inflows relative to non-livestreaming funds after controlling for recent performance, fund size, and other standard fund characteristics. The positive association remains when we replace the livestreaming dummy with livestreaming count or the first-livestream indicator, and when we restrict the sample to equity funds in columns (2)-(6).

The control variables behave consistently with the mutual fund flow literature. Fund size enters negatively, indicating lower marginal inflows for larger funds, while recent returns are positively associated with flows. The livestreaming coefficients remain positive after controlling for these standard determinants, suggesting that livestreaming captures incremental investor attention beyond conventional performance chasing (Sirri & Tufano, 1998; Berk & Green, 2004; Barber et al., 2016).

Overall, the results in Table II indicate that livestreaming functions as a digital distribution and investor-interaction channel. It increases visibility and helps convert investor attention into measurable fund flows. This finding supports the attention hypothesis, suggesting that livestreams can attract investor attention and generate incremental capital inflows. It is important because it establishes the demand-side benefit of livestreaming before we turn to the cost and profitability tests. It also links our setting to evidence that search costs, distribution

incentives, and marketing affect mutual fund flows (Sirri & Tufano, 1998; Berk & Green, 2004; Christoffersen et al., 2013; Roussanov et al., 2021).

4.2. Livestreaming and Fund Profitability

We next examine how livestreaming is associated with fund profitability and report the results in Table III. Overall, the results show that livestreaming does not improve fund profits. Instead, more intensive livestreaming is associated with significantly lower net profits.

Columns (1) and (2) use *LivestreamDummy* to capture the extensive margin of livestreaming participation. The estimated coefficients are negative in both specifications but statistically insignificant. Columns (3) and (4) turn to the intensive margin and replace the participation dummy with *LivestreamCount*. In both specifications, the coefficient on *LivestreamCount* is negative and statistically significant at the 1% level. Economically, the estimates indicate that more frequent livestreaming is associated with a significant decline in net profits during the corresponding reporting period. The contrast between the insignificant dummy coefficients and the significantly negative count coefficients suggests that the profitability effect of livestreaming is driven mainly not by whether a fund livestreams or not, but by how intensively it engages in livestreaming activities.

Columns (2) and (4) add interactions between the livestreaming variables and *SizeTop100* to examine heterogeneity across large funds. In column (4), the interaction term is significantly negative, indicating that the adverse profitability effect is stronger among Top 100 funds. By contrast, the interaction term based on *LivestreamDummy* in column (2) is not statistically significant. Taken together, these results suggest that heterogeneity between large and small funds arises mainly along the intensive margin.

The results in Table III are difficult to reconcile with a pure efficiency-based view of livestreaming. If livestreaming primarily improved investor communication or reduced search frictions, the profitability effect should be neutral or positive. Instead, repeated livestreaming is associated with lower net profits, suggesting that operational, compliance, and distribution costs outweigh the direct revenue benefits at the individual fund level. Together, Tables II and

III establish the core empirical tension of the paper: livestreaming attracts flows, but the associated flow gains do not translate into higher product-level profitability.

4.3. Competition as a Driver of Livestreaming

To investigate whether competition helps explain livestreaming adoption, we focus on index funds that track the same benchmark. These funds hold similar underlying portfolios and are close substitutes from the investor's perspective, which makes competitive responses easier to interpret. We use two measures of competition: *CompetitorLivestream_Ratio*, which captures peer adoption within the benchmark group, and *Index_HHI*, which captures market concentration within the benchmark segment (Grullon et al., 2019; Benkard et al., 2021). The measures are defined as follows:

$$CompetitorLivestream_Ratio_{i,t,G} = \frac{NumberOfFundHaveLivestream_{t,G}}{NumberOfFunds_{t,G}} \quad (4)$$

$$HHI_Index = \sum_{i=1}^n Market_Share_i^2 \quad (5)$$

Before turning to the competition tests, Appendix Table II confirms that livestreaming adoption is systematically related to fund characteristics (deHaan et al., 2026). Table IV separates livestreaming behavior into two margins. Panel A studies the extensive margin, using next-quarter *LivestreamDummy* as the dependent variable. Panel B studies the intensive margin, using next-quarter *LivestreamCount* as the dependent variable. Because livestreaming requires initial investments in equipment, personnel, compliance review, and platform-specific operations, Panel B restricts the sample to funds that have already livestreamed at least once. This restriction helps compare funds that have already overcome the entry barrier and reduces the concern that intensity results are driven by unobserved livestreaming capacity.

Panel A shows that peer livestreaming activity predicts subsequent entry. The coefficient on *CompetitorLivestream_Ratio* is positive and statistically significant across specifications. Economically, a 10 percentage-point increase in peer livestreaming adoption is associated with about a 2.9 percentage-point increase in the probability that the focal fund livestreams in the next quarter. By contrast, *Index_HHI* is not significant, suggesting that peer adoption is more relevant for the entry decision than market concentration.

Panel B shows a different pattern for post-entry intensity. Conditional on having livestreamed before, *CompetitorLivestream_Ratio* is not significant, while *Index_HHI* is positive and significant. This suggests that peer adoption mainly affects whether funds enter livestreaming, whereas market structure is more closely related to how intensively funds use livestreaming after entry.

Overall, we interpret this pattern as a competitive-response mechanism rather than as a purely profit-maximizing marketing choice. The positive relation between peer livestreaming and subsequent livestreaming entry suggests that when close competitors use a visible distribution technology to capture investor attention, remaining outside the channel may become less attractive, even if livestreaming does not raise standalone fund profits. This logic is consistent with models in which firms respond strategically to rival behavior and with evidence that mutual fund managers face strong incentives tied to performance and career outcomes (Scharfstein & Stein, 1990; Chevalier & Ellison, 1999b). Conditional on entry, however, livestreaming intensity appears to be shaped more by benchmark-level market structure than by peer adoption itself. Because investor flows respond strongly to salient performance and ranking signals (Sirri & Tufano, 1998; Barber et al., 2016), livestreaming can be valuable as a defensive tool for maintaining attention and relative standing.

5. Further Analysis

5.1. The Dynamic Profitability of Livestreaming

The baseline results show that livestreaming is costly at the individual fund level and does not improve profitability on average. However, this average effect may mask substantial time variation. If livestreaming initially benefited from novelty and relative scarcity, but later became crowded and more homogeneous as adoption spread, its profitability effect should weaken over time.

Table V examines whether the profitability effect of livestreaming changes over time. Columns (1) and (3) report the average relation between livestreaming and fund profits using *LivestreamDummy* and *LivestreamCount*, respectively. Consistent with Table III,

LivestreamDummy is negative but insignificant, while *LivestreamCount* is significantly negative. This again indicates that intensive use of livestreaming is associated with lower average profitability.

Columns (2) and (4) interact the livestreaming measures with year indicators from 2020 to 2024, leaving 2025Q1 as the omitted reference period. The results show substantial time variation. In both specifications, the 2020 and 2021 interaction terms are positive and statistically significant, consistent with positive profitability effects during the early adoption period. The 2022 and 2023 interaction terms become significantly negative, suggesting that the profitability effect reversed as livestreaming became more widespread. The 2024 coefficient is no longer statistically significant in Table V, implying that the estimated effect is close to the 2025Q1 reference period near the end of the sample. Appendix Table III provides a robustness test that interacts the livestreaming measure directly with year indicators without using an omitted reference year. The results are similar for 2020-2023, while the 2024 coefficient becomes significantly positive, suggesting a partial recovery near the end of the sample period.

Figure 8 provides complementary evidence from a quarter-level specification that interacts livestreaming with quarter indicators. The estimated coefficients are positive early in the adoption period, decline over time, turn negative in the middle of the sample, and partially recover near the end. This pattern is consistent with the annual interaction results in Table V and suggests that livestreaming's profitability effect follows a dynamic path rather than a constant average effect.

Figure 9 provides suggestive evidence on a mechanism behind this time pattern. We extracted the transcripts from the livestream videos. Using transcript-based text similarity, we measure livestream content homogeneity within each quarter. Across alternative definitions based on the top 5, 10, 20, 30, and 50 nearest peers, content homogeneity rises over time. As more funds adopt livestreaming, livestreams increasingly converge in content, making it harder for any individual session to generate differentiated attention. The slight decline in content homogeneity in 2024 is suggestive but not conclusive. One possible interpretation is that some fund families began to differentiate livestream content after recognizing the diminishing value

of homogeneous livestreams. We treat this pattern as descriptive and leave a more direct test to future work. This pattern may also help explain the partial recovery in the 2024 coefficients reported in Appendix Table III,⁷ although we interpret this evidence as descriptive.

Taken together, Table V, Appendix Table III, and Figures 8 and 9 suggest that the economic value of livestreaming was front-loaded. Early adopters appear to have benefited from novelty, limited competition, and differentiated content. As more funds entered, livestreaming became more crowded and more homogeneous, reducing the marginal attention value of additional broadcasts while production and promotional costs remained. The decline in profitability therefore reflects both intensified participation and the commoditization of content. In this sense, livestreaming evolved from a temporarily profitable innovation into a competitive necessity whose private rents were gradually competed away.

5.2. Decomposition of Fund Profits

To understand why livestreaming reduces overall fund profitability, we decompose the profit effect into cost-side and income-side components using financial statement items. This exercise identifies whether the negative net effect is driven by higher operating and distribution expenses, insufficient revenue gains, or both.

Table VI decomposes the profitability effect into fee-related costs and income components. Panel A indicates that livestreaming is associated with an increase of roughly 8% in management fees and about 28% in sales fees. The management-fee result is consistent with greater operational and compliance burdens, while the sales-fee result points to higher distribution and promotional spending. The *SizeTop100* interaction terms are significantly negative in both cases, indicating that the incremental cost effect is smaller for large funds. One interpretation is that large fund families can spread production, platform operation, and compliance inputs across more products, reducing the marginal cost borne by any single fund (Panzar & Willig, 1981; Nanda et al., 2004). This interpretation is consistent with the later

⁷ Appendix Table III reports a no-reference interaction specification. The results are similar for 2020–2023 and show a positive coefficient in 2024, suggesting a partial recovery near the end of the sample. Because the 2024 estimate is sensitive to the interaction specification, we interpret this recovery cautiously.

fund-family evidence, but it should be read cautiously because the fund-level interaction captures size as well as organizational scope.

Panel B turns to the income side. Livestreaming has no significant association with $\text{Log}(\text{InvestmentIncome})$, suggesting that the technology does not directly improve core investment earnings. By contrast, *LivestreamDummy* is positively associated with $\text{Log}(\text{InterestIncome})$ and $\text{Log}(\text{OtherIncome})$. These estimates indicate that livestreaming may generate some revenue-side benefits, possibly through larger balances, cash-related income, or ancillary income. The gains, however, are not sufficient to offset the higher cost components documented in Panel A.

5.3. Why Does Livestreaming Persist?

The previous results show that livestreaming is costly at the individual fund level and does not consistently improve profitability. This raises the central question of persistence: why do fund managers continue investing in this digital distribution technology? One explanation is that livestreaming helps preserve economically valuable market positions by sustaining relative size ranking and, at least in the short run, return ranking. This mechanism is plausible because mutual fund flows respond strongly to salient recent performance and ranking signals (Sirri & Tufano, 1998; Berk & Green, 2004; Ben-David et al., 2022).

Table VII examines whether livestreaming is associated with measures of fund standing. Panel A tests whether livestreaming is associated with external ratings and return rankings. Columns (1) and (2) use *SHSE_CompRt3Yr*, where higher values indicate better external ratings. Columns (3) and (4) use $\text{Log}(\text{FundRtnRank})$, where lower values indicate better return-ranking positions. Panel B examines size rankings.

Panel A shows that livestreaming is positively associated with return ratings. In columns (1) and (2), the dependent variable is *SHSE_CompRt3Yr*, the Shanghai Securities three-year composite rating. The coefficients on *LivestreamDummy* and *LivestreamCount* are positive and statistically significant. Funds that livestream, and especially funds that livestream more frequently, tend to receive better subsequent external ratings. Columns (3) and (4) report

robustness checks using the self-constructed ranking measure, $\text{Log}(\text{FundRtnRank})$. The coefficient of -0.199 in column (3) implies that livestreaming is associated with roughly an 18% lower numerical return rank.

Panel B turns to size ranking measures. Columns (1) and (2) use $\text{Log}(\text{FundSizeRank})$ for the full sample. The coefficients on *LivestreamDummy* and *LivestreamCount* are both negative and highly significant. Because lower numerical ranks correspond to better ranking positions, these estimates indicate that livestreaming is associated with an improvement in subsequent size ranking.

Columns (3) and (4) use $\text{Log}(\text{ETFSizeRank})$ in the more homogeneous index-fund subsample. *LivestreamDummy* is not statistically significant, while *LivestreamCount* remains negative and significant. The result suggests that in more homogeneous product segments, simple entry into livestreaming may not be sufficient; ranking maintenance appears to depend more on livestreaming intensity. Appendix Table IV shows that livestreaming is associated with strong returns around the event period followed by return reversals. Thus, the ranking evidence should be interpreted as evidence that livestreaming improves funds' relative position and investor visibility in the short run, rather than as evidence that it improves long-run fund performance.

These results help explain why funds continue livestreaming even when it is not directly profit-enhancing. Livestreaming can generate investor attention and short-term buying pressure, which support fund demand and improve relative standing. Once relative standing improves, investor response may become self-reinforcing because flows are sensitive to recent performance and salient return signals (Barber et al., 2016; Ben-David et al., 2022). Livestreaming therefore supports a dynamic loop: it attracts attention and flows, improves short-run ranking, and makes the fund more visible to subsequent investors.

The same mechanism also operates defensively. Rankings are inherently comparative. If a fund does not livestream while close competitors do, competing funds may attract more attention and inflows, experience stronger short-term demand, and improve their own relative standing. The focal fund can then fall behind even if its fundamentals do not immediately

deteriorate. In this sense, livestreaming is valuable not because it maximizes contemporaneous profits, but because it protects relative standing in a market where flows respond to rankings and recent performance.

5.4. Fund-Family Scope and Shared Digital Distribution Costs

Livestreaming may have different economics at the organizational level because a single broadcast can promote multiple products and because production, compliance, and platform-related inputs can be shared across funds. To examine this possibility, we aggregate the analysis to the fund-family-quarter level.

Table VIII examines the relation between livestreaming and fund-family outcomes. Columns (1) and (2) use *TotalProfit* as the dependent variable, and Columns (3) and (4) use *TotalOperatingCost* as the dependent variable. The key explanatory variables are *FamilyLivestream* and *FundNumPerLivestream*, which capture the number of family livestream sessions scaled by 10 and the number of funds promoted per family livestream, respectively. The interaction term tests whether the economic effect of livestreaming changes when a family spreads a broadcast across more products.

These results reconcile the fund-level and family-level findings. At the individual fund level, livestreaming appears costly because each product bears part of the additional management, operational, and selling expenses associated with livestream activity. At the family level, however, the underlying production team, compliance support, platform operations, and distribution infrastructure can be shared. Column (2) provides suggestive evidence that when a fund family increases livestreaming by 10 sessions and adds one more fund to each livestream, family profit increases slightly, by about 0.3%. Livestreaming may be unattractive as a standalone product-level investment but sustainable as a family-level strategy. This pattern is consistent with economies of scope and with the broader mutual fund literature on family spillovers and shared organizational resources (Latzko, 1999; Nanda et al., 2004; Khorana & Servaes, 2012).

6. Discussion and Conclusion

This study examines digital distribution as a competitive technology in asset management. Using a novel dataset of more than 36,000 mutual fund livestream sessions, we show that livestreaming is best understood not as a simple profit-enhancing marketing innovation but as a strategic response to competition in a market where investor attention, relative ranking, and capital flows are tightly connected. China's platform-based fund distribution environment allows us to observe these mechanisms because investor communication, product information, and transaction interfaces are closely integrated.

The evidence first shows that livestreaming generates meaningful attention benefits. It is associated with stronger short-term fund flows, improved short-run return ranking, and better size-based ranking. These effects matter in a market where investors respond to salient recent performance and relative standing. Livestreaming therefore helps funds remain visible in the cross-section and can create a feedback mechanism in which attention and inflows support ranking, which in turn attracts further investor demand.

At the same time, these benefits do not translate into higher profitability at the individual fund level. Livestreaming is associated with higher management fees and sales fees, while income-side gains are too small to offset the additional operating and distribution-related expenses. The result is central to the paper: livestreaming can succeed as a distribution and attention technology while failing as a product-level profit center.

The profitability effect also changes over time. Early in the adoption cycle, livestreaming appears to generate positive economic value, consistent with novelty effects and first-mover advantages in investor attention. As peer adoption increases, those benefits are competed away. Content also becomes more homogeneous over time, reducing the marginal value of an additional broadcast. Livestreaming thus shifts from a temporarily profitable innovation to a competitive necessity. However, we observe preliminary evidence that more diversified livestream content may be associated with better fund profitability. This evidence requires further investigation and robustness tests using more data and a longer sample period.

The competition tests reinforce this interpretation. Among homogeneous index funds tracking the same benchmark, peer livestreaming activity predicts entry, while market structure is associated with post-entry livestreaming intensity. This separation between entry and frequency suggests that rival behavior pushes funds into the channel, whereas market structure shapes how intensively they use it. The evidence is consistent with strategic mimicry in investor attention rather than with a purely standalone investment decision.

The fund-family results explain why the practice can persist despite weak product-level profitability. While livestreaming is costly for individual funds, we find little evidence of meaningful additional costs or profit declines at the family level. A single livestream can promote multiple products, and the associated production, compliance, and platform inputs can be shared. Our results provide suggestive evidence that fund families may benefit when they exploit the scalability of digital distribution by spreading livestreaming resources across multiple products. The organizational level of analysis is therefore essential: digital distribution may be unattractive fund by fund but strategically sustainable for the family.

Taken together, the paper speaks to a corporate-finance question about how financial intermediaries compete when distribution technology changes the allocation of investor attention. The evidence suggests that digital tools need not raise standalone product profitability to matter. They can persist because remaining outside visible digital channels may be costly in relative terms and because organizational scope changes the economics of adoption.

The broader implication is that digital distribution should be evaluated at both the product and organizational levels. For asset managers, livestreaming and related tools are better viewed as shared distribution infrastructure than as isolated product campaigns. Their value may come from flows, ranking preservation, cross-product visibility, and reusable production capabilities rather than from immediate product-level profits.

For regulators and platforms, the evidence suggests that interactive financial content deserves attention because it sits close to transaction interfaces and can influence short-term flows and relative rankings. This does not imply that livestreaming is harmful; rather, it

highlights the importance of suitability, standardized risk disclosure, performance presentation, recordkeeping, and platform accountability in digital fund distribution.

These implications should be interpreted cautiously because the paper does not estimate welfare effects or investor-level outcomes. The evidence speaks most directly to fund behavior, competition, and organizational economics. Future research could use platform shocks, rule changes, or investor-level data to examine how interactive digital distribution affects investor welfare, disclosure quality, and long-run fund performance.

Several limitations remain. Livestreaming decisions may still be endogenous to unobserved managerial expectations, market timing, or promotional opportunities. Although the evidence is consistent with competition, ranking preservation, and scope economies, the current design should be described primarily as documenting associations rather than definitive causal effects. Moreover, because mutual fund livestreaming has formally developed in China for only about five years, we lack sufficient data to examine its long-term effects. Future work could strengthen identification by using exogenous platform changes, regulatory shocks, or quasi-experimental designs.

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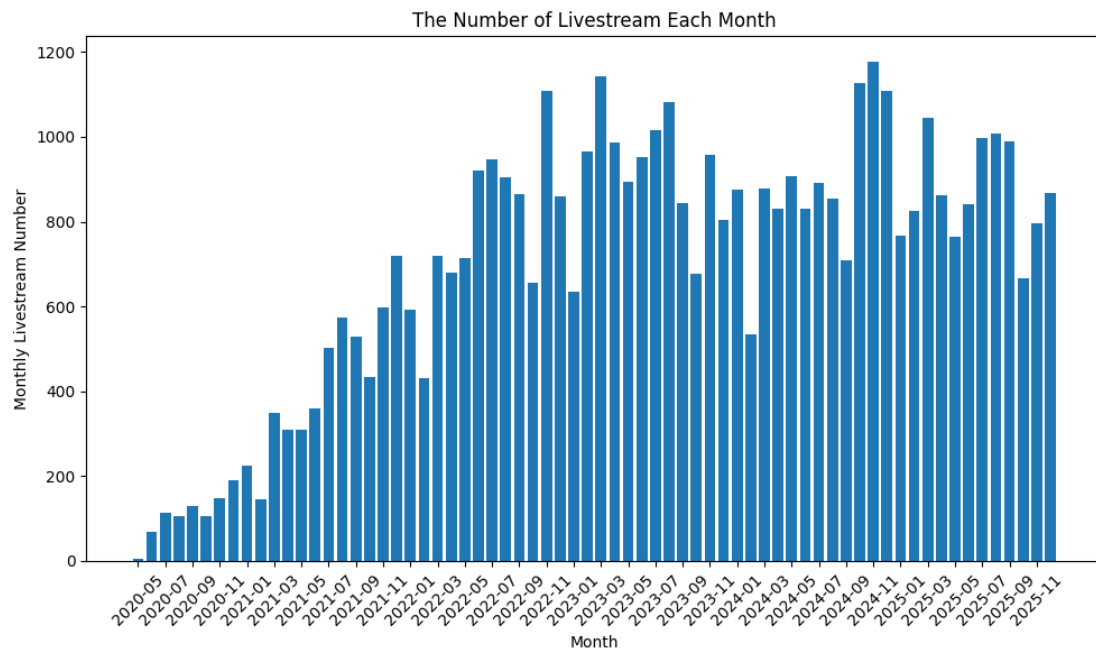
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Figure 1. Summary of Mutual Fund Livestreaming

This figure summarizes mutual fund livestreaming activity. Panel A reports the monthly number of livestream sessions in the extended descriptive sample. Panel B reports the distribution of funds by livestreaming status. The regression sample ends in 2024, while Panel A extends one additional year for descriptive purposes.

Panel A. The Monthly Number of Livestream Sessions



Panel B. Distribution of Mutual Funds by Livestream Status

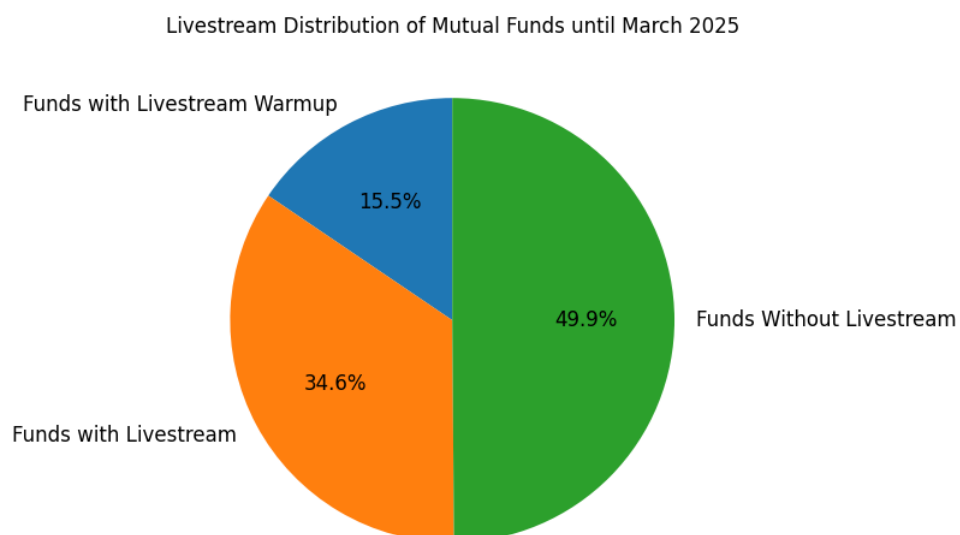


Figure 2. Average Livestream Count by Weekday

This figure reports the distribution of mutual fund livestreaming activity across weekdays. Activity is concentrated on business days, remains high from Monday through Thursday, and peaks around Wednesday and Thursday with an average of nearly 40 livestreams per day. Activity declines on Friday and falls sharply during the weekend, when Saturday and Sunday each record fewer than 10 livestreams per day. The pattern is consistent with fund families aligning digital engagement with standard market operating hours.

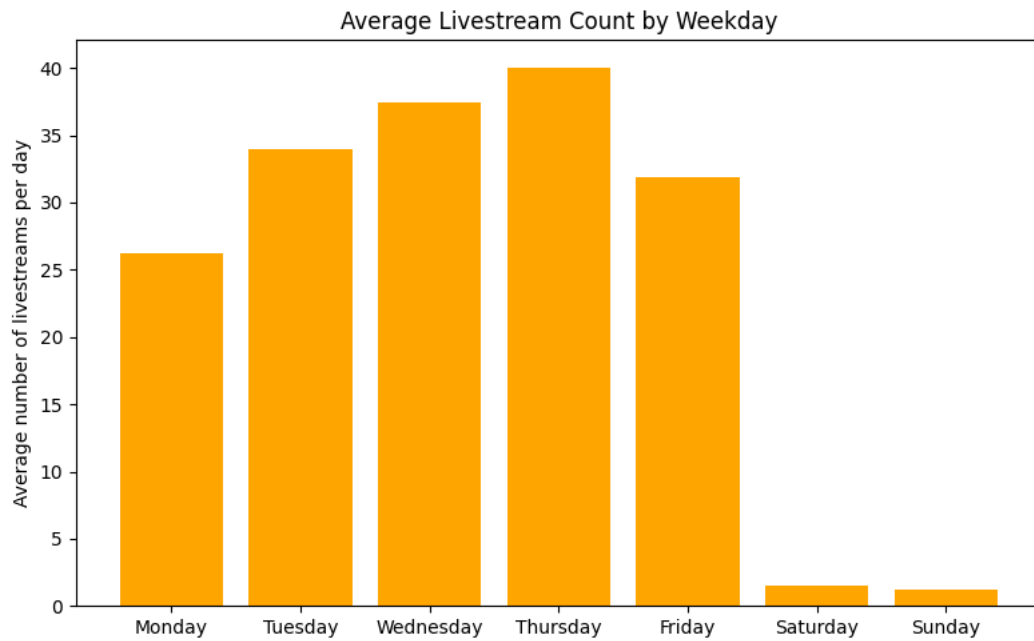


Figure 3. Livestream Content Keywords

This figure presents a word cloud summarizing keywords extracted from the titles and descriptions of roughly 36,000 livestreams. Keywords are generated using DeepSeek with a prompt that instructs the model to extract five key content items. The prompt is: "You are an AI assistant skilled at extracting key information. Ensure that the output contains only concrete details and keywords. Based on the following livestream title and content, extract the five most critical content details of the livestream, separated by commas. Each item may represent a specific theme, sector, or discussion topic. Do not restate the title or mention the fund manager or host. Avoid vague terms such as 'theme' or 'content.' Each item should be as specific as possible and capture the livestream's main highlights or core focus. Do not provide introductions or any additional explanations."

Livestream Keywords - 2020 ~ 2025



Figure 4. Evolution of Mutual Fund Livestream Production Quality

This figure compares randomly selected livestream screenshots from June 2020 and December 2024. The early screenshots show relatively informal production conditions, while the later screenshots show more professional studios, equipment, and operational support. The comparison illustrates the professionalization of fund-family livestreaming over the sample period.

Livestream Screen Shots at Very Beginning



Livestream Screen Shots in Late 2024



Figure 5. Sales Fees and AUM Concentration by Fund Size

This figure reports the share of sales fees and assets under management accounted for by the largest funds from 2015 to 2025. The largest funds account for roughly 75% of sales-fee spending while managing about two-thirds of market assets. The pattern indicates that large funds account for a disproportionate share of marketing and distribution expenditures.

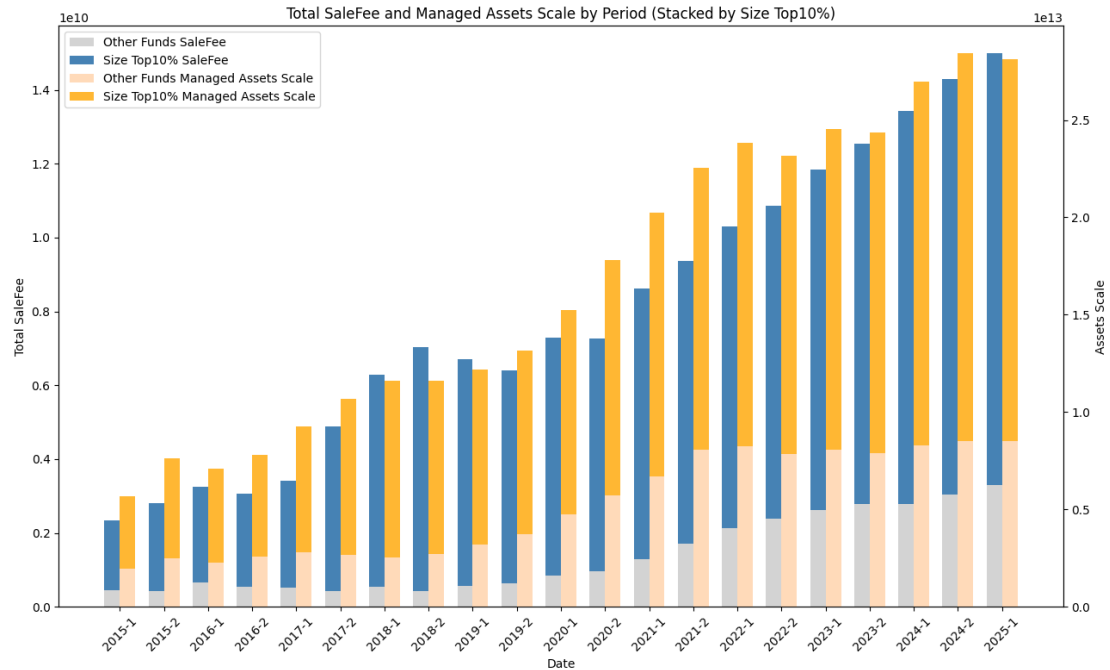


Figure 6. Number of Index Funds by Benchmark

This stacked bar chart reports the quarterly number of index funds by benchmark from 2015 to early 2025. Funds are assigned to benchmarks by matching fund names to index names, including CSI 300, CSI 500, CSI 800, CSI 1000, SSE 50, SZSE 100, and STAR 50.

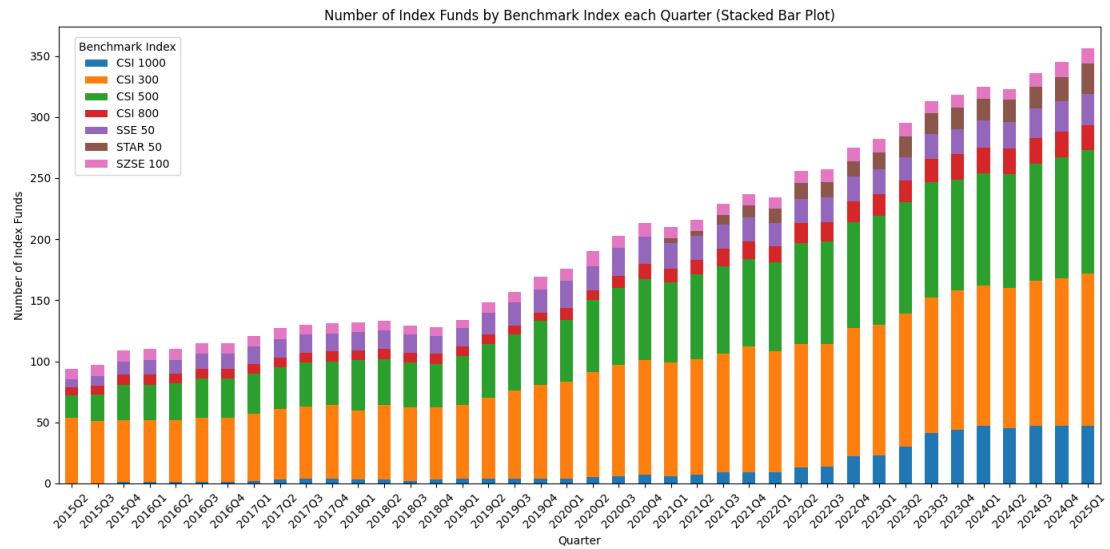


Figure 7. The Quarterly HHI of Index Funds by Benchmark Index

This figure reports the quarterly Herfindahl-Hirschman Index (HHI) for index funds tracking each selected benchmark. Higher HHI values indicate greater concentration and lower measured competition within a benchmark segment. The figure suggests that the SSE 50 segment has the highest concentration among the selected benchmarks.

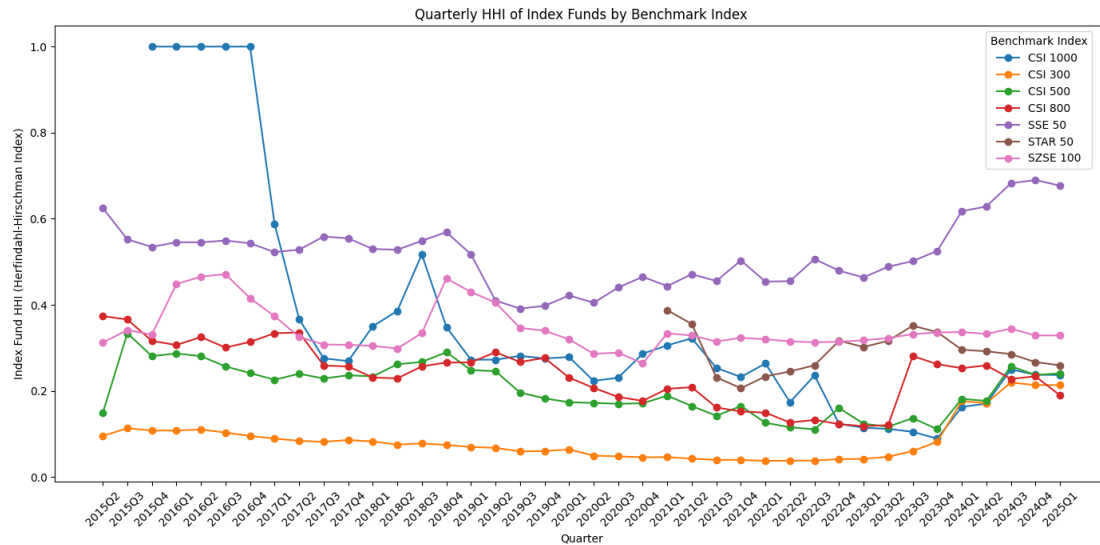


Figure 8. Time-Varying Association between Livestreaming and Fund Profits

This figure plots quarter-specific interaction estimates from an OLS specification that interacts livestreaming with quarter indicators, with year-quarter and fund fixed effects. The specification includes a full set of quarter-by-livestream interactions rather than estimating effects relative to a single omitted event quarter. The estimates are positive early in the sample and decline in later periods, consistent with front-loaded gains from early livestream adoption. The regression controls for past fund flows, the logarithm of total operating costs, past returns, and fund size. Standard errors are clustered at the fund level.

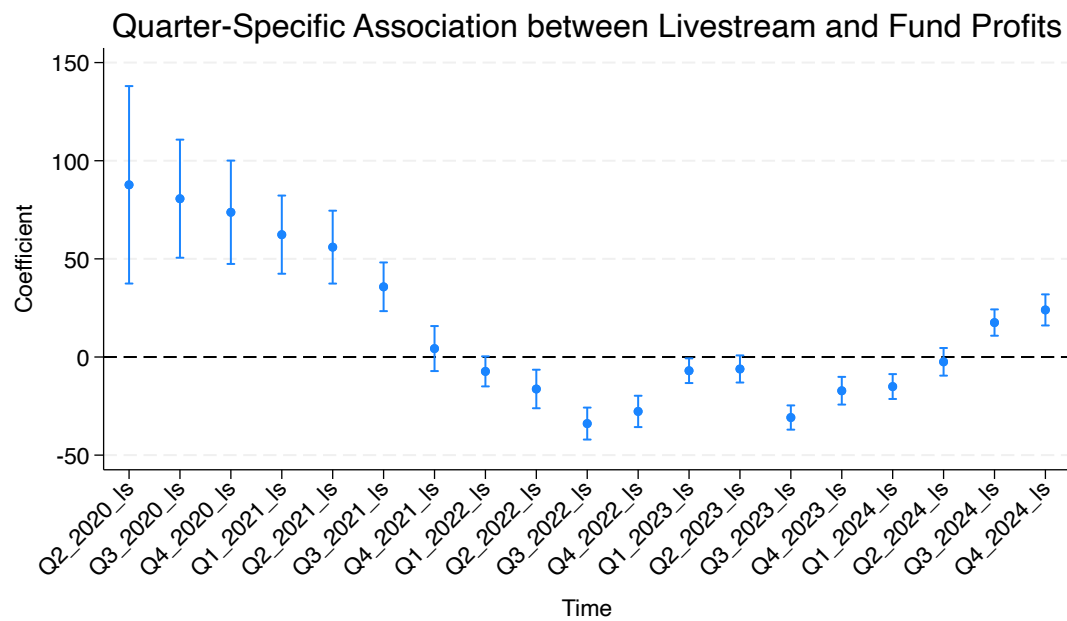


Figure 9. Quarterly Distribution of Livestream Content Homogeneity

This figure reports the quarterly distribution of livestream content homogeneity. For each livestream, we construct a transcript-level text representation using TF-IDF based on Chinese character 2- to 3-grams and measure pairwise content similarity using cosine similarity. We define homogeneity as the average similarity between a focal livestream and its most similar peer livestreams within the same quarter. The five panels report alternative measures based on the top 5, 10, 20, 30, and 50 nearest peers, respectively. In each panel, the vertical line denotes the 10th to 90th percentile range, the box denotes the interquartile range, the red dot marks the median, and the orange line traces the quarterly mean. Higher values indicate greater similarity between a livestream’s content and that of its closest peers.

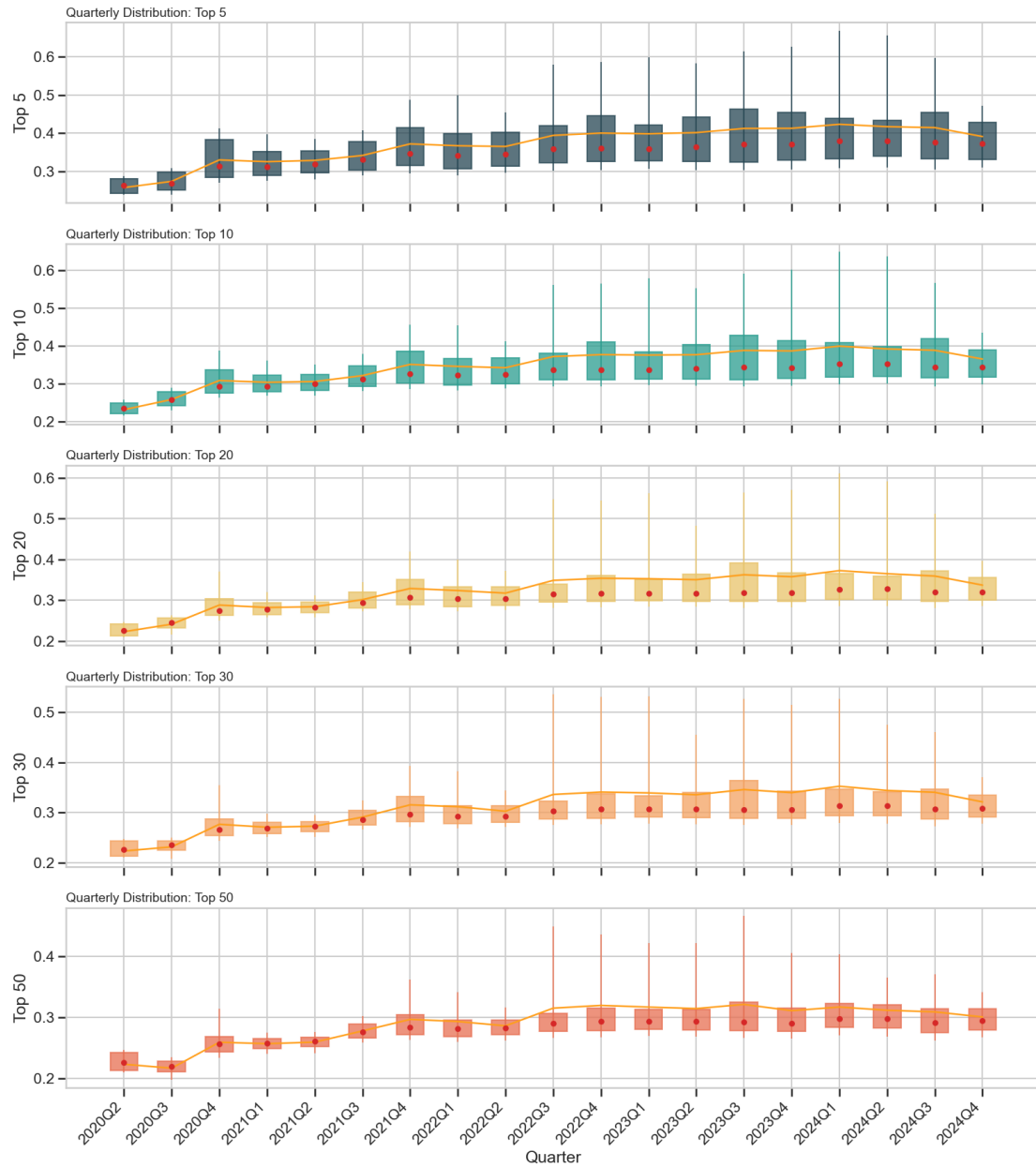


Table I. Summary Statistics

This table reports summary statistics for the empirical samples. Panel A maps each constructed panel dataset to the corresponding empirical tests. Panel B reports summary statistics for the main variables. The summary statistics sample spans 2020Q1 to 2025Q1. Panel C reports the number of funds and observations for the selected benchmark-index sample.

Panel A. Data Panel Summary

Result Tables in Article	Data Type	Main Key	Time period	Time frequency	Sample Range
<u>Table. II. III. V. VI</u> <u>Table. VII. A</u> <u>Table. VII. B. Col 1,2</u> <u>Appendix II.A, III. IV</u>	Panel data	Fund-YearQuarter	2020Q2 - 2024Q4 (2025Q1)	Quarterly	Exclude LOF, QDII, Umberlla, ETF and Closed Funds
<u>Table. VII. B. Col 3,4</u> <u>Table. IV.</u> <u>Appendix II.B</u>	Panel data	IndexFund-YearQuarter	2020Q2 - 2024Q4	Quarterly	Index Funds tracking CSI 300, 500, 800, 1000, SSE 50, STAR 50, SZSE 100 Indexes
<u>Table. VIII.</u>	Panel data	FundFamily-YearQuarter	2020Q2 - 2024Q4	Quarterly	Full Sample
<u>Appendix V.</u>	Cross Section	Fund	2020/05 - 2024/12	-	Funds established after May 2020, livestream before inception, with matched funds Matched by: Incepted at same month; same investment style; <i>IsEquityFund</i> , <i>IsActiveOrPassive</i>

Panel B. Summary Statistics

	N	mean	Within std	25%	median	75%
<u>Fund-YearQuarter Variables</u>						
<i>Past_Return</i>	163,963.00	1.44	10.44	-2.16	1.22	3.16
<i>LoadsFee</i>	177,364.00	0.01	0.01	0.01	0.01	0.01
<i>ManagementFee</i>	177,364.00	0.21	0.12	0.07	0.17	0.30
<i>ServiceFee</i>	177,364.00	0.04	0.02	0.03	0.05	0.06
<i>FundSize</i>	177,364.00	19.99	1.89	18.70	20.07	21.31
<i>Disclosure</i>	177,491.00	1.89	0.83	1.00	2.00	2.00
<i>LivestreamDummy</i>	177,491.00	0.13	0.34	0.00	0.00	0.00

<i>LivestreamCount</i>	177,491.00	1.17	5.92	0.00	0.00	0.00
<i>SizeTop100</i>	177,491.00	0.01	0.11	0.00	0.00	0.00
<i>Log(FundRtnRank)</i>	163,963.00	7.99	1.02	7.58	8.27	8.70
<i>SHSE_CompRt3Yr</i>	64,213.00	2.99	1.25	2.00	3.00	4.00
<i>Log(FundSizeRank)</i>	177,364.00	8.06	1.02	7.66	8.35	8.77
<i>NetProfit</i>	162,797.00	18.71	122.03	-4.23	5.45	34.61
<i>Fund_Flow</i>	167,225.00	0.03	0.45	-0.10	-0.02	0.01
<i>Log(InvestmentIncome)</i>	104,519.00	16.32	2.07	15.11	16.58	17.73
<i>Log(InsterestIncome)</i>	166,070.00	12.63	2.76	10.69	12.18	14.04
<i>Log(OtherIncome)</i>	124,579.00	10.06	3.53	8.40	10.70	12.44
<i>Log(ManagementFee)</i>	165,978.00	14.26	1.88	13.17	14.38	15.54
<i>Log(SaleFee)</i>	105,191.00	10.93	3.17	9.54	11.38	12.96
<i>Log(TotalOperatingCost)</i>	165,966.00	14.97	1.76	13.83	15.07	16.19

IndexFund-YearQuarter Variables

<i>Past_Return</i>	6,278.00	1.89	11.46	-7.17	0.27	9.43
<i>LoadsFee</i>	6,798.00	0.01	0.01	0.01	0.01	0.01
<i>ManagementFee</i>	6,798.00	0.18	0.12	0.12	0.12	0.25
<i>ServiceFee</i>	6,798.00	0.04	0.02	0.03	0.03	0.05
<i>FundSize</i>	6,798.00	19.69	1.84	18.32	19.57	21.02
<i>Disclosure</i>	6,799.00	1.92	0.84	1.00	2.00	2.00
<i>LivestreamCount</i>	6,799.00	2.31	9.55	0.00	0.00	0.00
<i>LivestreamDummy</i>	6,799.00	0.21	0.41	0.00	0.00	0.00
<i>FirstLivestream</i>	6,799.00	0.04	0.20	0.00	0.00	0.00
<i>AfterFirstLivestream</i>	6,799.00	0.44	0.50	0.00	0.00	1.00
<i>CompetitorLivestream_Ratio</i>	6,799.00	0.20	0.11	0.12	0.21	0.26
<i>Index_HHI</i>	6,799.00	0.17	0.12	0.07	0.15	0.22
<i>ETFSIZERank</i>	6,798.00	43.28	34.84	13.00	34.00	70.00
<i>Log(ETFSIZERank)</i>	6,798.00	3.28	1.16	2.56	3.53	4.25

FundFamily-YearQuarter Variables

<i>FundNums</i>	3,711.00	2.96	1.56	1.79	3.14	4.19
<i>FundFamilySize</i>	3,710.00	23.69	2.48	22.04	24.08	25.45
<i>FundFamilyAge</i>	3,711.00	12.86	7.89	6.50	11.21	18.99
<i>FamilyPastReturn</i>	3,578.00	1.01	0.07	0.99	1.01	1.03
<i>FamilyLivestream</i>	3,711.00	8.46	17.92	0.00	1.00	10.00
<i>FundNumPerLivestream</i>	1,884.00	4.79	3.96	2.00	3.47	6.07
<i>TotalProfit</i>	3,594.00	19.80	2.56	18.20	20.06	21.70
<i>NetProfit</i>	3,594.00	19.80	2.56	18.20	20.06	21.70
<i>TotalOperatingCost</i>	3,594.00	18.55	2.32	17.04	18.94	20.17

Matched Fund Cross-Section Variables

<i>WarmupLivestream</i>	4,894.00	0.50	0.50	0.00	0.50	1.00
<i>ManagementFee</i>	4,839.00	0.23	0.12	0.12	0.25	0.38
<i>ServiceFee</i>	4,839.00	0.06	0.03	0.03	0.05	0.07
<i>LoadsFee</i>	4,839.00	0.01	0.01	0.00	0.00	0.01
<i>Log(ManagerPerformance)</i>	4,894.00	0.04	0.12	-0.03	0.02	0.09
<i>Log(PurchaseHouseholders)</i>	4,836.00	8.27	2.18	7.17	8.44	9.65
<i>Log(AvgHouseholderBuy)</i>	4,836.00	10.35	2.17	9.13	10.52	11.36
<i>Log(InceptionTNA)</i>	4,894.00	18.63	2.51	17.54	19.03	20.11
<i>Log(ManagerSize)</i>	4,893.00	21.75	1.68	20.78	21.95	22.88
<i>passive</i>	4,894.00	0.25	0.43	0.00	0.00	1.00

Panel C. Number of Mutual Funds Tracking Different Indexes

Indexes Tracked by Mutual Funds	# of Master Funds	# of Master Funds-Quarter
	Records	records
CSI 300	165	4247
CSI 500	139	3403
CSI 800	41	686
CSI 1000	61	886
SSE 50	32	897
STAR 50	33	386
SZSE 100	25	589

Table II. Livestreaming and Fund Flows

This table examines the relation between livestreaming activity and fund flows using fund-quarter panel regressions. The dependent variable is quarterly fund flow. The sample is divided into two subsamples by fund type, and each set of columns reports estimates for one subsample. Within each subsample, Columns (1)-(3) separately use *LivestreamDummy*, *LivestreamCount*, and *FirstLivestream* as the main explanatory variable. All specifications include controls for past returns, fund size, fees, and disclosure, as well as year-quarter and fund fixed effects. Standard errors are clustered at the fund-family level. The definitions of all variables are in the Appendix Table 1. The *t*-statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

	(1)	(2)	(3)	(4)	(5)	(6)
Subsample	<i>Full Sample</i>			<i>Equity Funds</i>		
VARIABLES	<i>Fund_Flow_q</i>			<i>Fund_Flow_q</i>		
<i>LivestreamDummy_q</i>	0.138*** (17.38)			0.099*** (11.32)		
<i>LivestreamCount_q</i>		0.004*** (5.45)			0.002*** (4.33)	
<i>FirstLivestream_q</i>			0.174*** (13.81)			0.130*** (7.53)
<i>Past_Return_{q-1}</i>	0.004*** (18.75)	0.005*** (19.20)	0.004*** (18.74)	0.006*** (17.06)	0.006*** (17.45)	0.006*** (17.50)
<i>FundSize_{q-1}</i>	-0.135*** (-28.41)	-0.132*** (-28.45)	-0.129*** (-28.43)	-0.188*** (-21.98)	-0.183*** (-21.41)	-0.178*** (-21.35)
<i>LoadsFee_{q-1}</i>	-1.086 (-0.58)	-1.620 (-0.86)	-2.276 (-1.22)	-8.676*** (-3.09)	-8.781*** (-3.13)	-9.053*** (-3.26)
<i>ManagementFee_{q-1}</i>	0.315** (2.47)	0.337*** (2.66)	0.329*** (2.68)	-0.253 (-1.28)	-0.262 (-1.33)	-0.248 (-1.28)
<i>ServiceFee_{q-1}</i>	-0.954 (-1.57)	-0.873 (-1.47)	-0.735 (-1.27)	1.477 (1.50)	1.637 (1.65)	1.704* (1.73)
<i>Disclosure_q</i>	0.013*** (5.62)	0.013*** (5.70)	0.013*** (5.63)	0.008** (2.46)	0.008** (2.55)	0.008** (2.42)
<i>Constant</i>	2.691*** (26.16)	2.641*** (26.34)	2.577*** (26.49)	3.814*** (21.07)	3.722*** (20.51)	3.619*** (20.42)
Observations	139,308	139,308	139,308	53,204	53,204	53,204
R-squared	0.161	0.156	0.158	0.188	0.182	0.184
Year-Quarter FE	YES	YES	YES	YES	YES	YES
Fund FE	YES	YES	YES	YES	YES	YES
Fund_Family Cluster	YES	YES	YES	YES	YES	YES

Table III. Livestreaming and Fund Profitability

This table examines whether livestreaming is associated with fund profitability. The dependent variable is *NetProfit*. Columns (1) and (3) estimate baseline OLS specifications using *LivestreamDummy* and *LivestreamCount*, respectively. Columns (2) and (4) add *SizeTop100* and its interaction with the corresponding livestreaming variable to test whether the relation differs for large funds. All specifications include the stated controls, year-quarter fixed effects, fund fixed effects, and fund-level clustered standard errors. The *t*-statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

VARIABLES	(1)	(2)	(3)	(4)
	<i>NetProfit_q</i>			
<i>LivestreamDummy_q</i>	-0.611 (-0.41)	-0.541 (-0.36)		
<i>LivestreamCount_q</i>			-0.359*** (-2.72)	-0.337** (-2.55)
<i>LivestreamDummy_q</i> * <i>SizeTop100_{q-1}</i>		-30.500 (-0.32)		
<i>LivestreamCount_q</i> * <i>SizeTop100_{q-1}</i>				-22.016*** (-4.01)
<i>SizeTop100_{q-1}</i>		221.394*** (9.47)		230.549*** (9.89)
<i>Fund_Flow_{q-1}</i>	-1.015 (-1.32)	-1.065 (-1.39)	-0.933 (-1.21)	-1.010 (-1.31)
<i>log(TotalOperatingCost)_{q-1}</i>	-1.916 (-1.63)	-2.119* (-1.85)	-1.929 (-1.64)	-2.125* (-1.86)
<i>Past_Return_{q-1}</i>	4.072*** (43.39)	4.079*** (43.57)	4.074*** (43.48)	4.081*** (43.67)
<i>FundSize_{q-1}</i>	7.806*** (8.13)	7.174*** (7.65)	7.991*** (8.28)	7.350*** (7.81)
<i>Constant</i>	-116.732*** (-9.33)	-102.482*** (-8.85)	-119.918*** (-9.60)	-105.645*** (-9.14)
Observations	133,976	133,976	133,976	133,976
R-squared	0.484	0.489	0.484	0.490
Year-Quarter FE	YES	YES	YES	YES
Fund FE	YES	YES	YES	YES
Fund Cluster	YES	YES	YES	YES

Table IV. Competition and Livestreaming

This table examines whether competition is associated with livestreaming among homogeneous index funds tracking the same benchmark. Panel A studies the extensive margin, using *LivestreamDummy* as the dependent variable in the full selected index-fund sample. Panel B studies the intensive margin, using *LivestreamCount* in the subsample of index funds after their first livestream. The main competition measures are peer livestreaming adoption and benchmark-level HHI. All specifications include controls for past returns, management fees, service fees, load fees, disclosure, and fund size, together with year-quarter, fund, and target-index fixed effects. Standard errors are clustered at the target-index level. The *t*-statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

Panel A. Competition and Livestreaming Entry

VARIABLES	(1)	(2)	(3)
	<i>LivestreamDummy_{q+1}</i>		
<i>CompetitorLivestream_Ratio_q</i>	0.286*** (4.40)		0.285*** (4.92)
<i>Index_HHI_q</i>		0.128 (0.39)	0.121 (0.45)
<i>Past_Return_q</i>	0.002* (2.10)	0.002* (2.36)	0.002* (1.96)
<i>ManagementFee_q</i>	0.233 (0.61)	0.341 (0.79)	0.229 (0.59)
<i>ServiceFee_q</i>	0.169 (0.13)	-0.252 (-0.18)	0.181 (0.14)
<i>LoadsFee_q</i>	-6.658 (-1.44)	-7.358 (-1.53)	-6.524 (-1.42)
<i>Disclosure_{q+1}</i>	-0.001 (-0.27)	-0.001 (-0.18)	-0.001 (-0.27)
<i>FundSize_q</i>	0.023** (2.58)	0.028** (3.51)	0.024** (2.62)
<i>Constant</i>	-0.279 (-1.62)	-0.322 (-1.89)	-0.312 (-1.74)
Observations	5,643	5,643	5,643
R-squared	0.414	0.413	0.414
Year-Quarter FE	YES	YES	YES
Fund FE	YES	YES	YES
TargetIndex FE	YES	YES	YES
TargetIndex Cluster	YES	YES	YES

Panel B. Competition and Livestreaming Intensity

VARIABLES	(1)	(2)	(3)
		<i>LivestreamCount_{q+1}</i>	
<i>CompetitorLivestream_Ratio_q</i>	2.529 (0.33)		1.898 (0.29)
<i>Index_HHI_q</i>		26.804*** (4.42)	26.632*** (3.80)
<i>Past_Return_q</i>	0.106 (1.87)	0.098 (1.59)	0.096 (1.52)
<i>ManagementFee_q</i>	27.320 (1.15)	23.032 (0.78)	21.546 (0.88)
<i>ServiceFee_q</i>	-59.715 (-0.39)	-47.848 (-0.30)	-43.550 (-0.30)
<i>LoadsFee_q</i>	-273.647 (-1.90)	-243.616 (-1.11)	-227.215 (-1.37)
<i>Disclosure_{q+1}</i>	0.807 (1.93)	0.815* (1.99)	0.812 (1.94)
<i>FundSize_q</i>	-0.072 (-0.17)	-0.009 (-0.03)	-0.035 (-0.08)
<i>Constant</i>	4.393 (0.42)	-0.484 (-0.05)	-0.448 (-0.04)
Observations	2,599	2,599	2,599
R-squared	0.495	0.498	0.498
Year-Quarter FE	YES	YES	YES
Fund FE	YES	YES	YES
TargetIndex FE	YES	YES	YES
TargetIndex Cluster	YES	YES	YES

Table V. Time-Varying Profitability of Livestreaming

This table examines whether the relation between livestreaming and fund profits varies over time. The dependent variable is *NetProfit*. Columns (1) and (3) use *LivestreamDummy* and *LivestreamCount* as the main livestreaming variables. Columns (2) and (4) interact these measures with year indicators from 2020 to 2024. The sample includes 2025Q1 solely to provide an omitted reference period for the year-interaction specification; the main regression sample and economic interpretation focus on 2020Q2-2024Q4. The *t*-statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

VARIABLES	(1)	(2)	(3)	(4)
	<i>NetProfit_q</i>			
<i>LivestreamDummy_q</i>	-0.812 (-0.56)	4.358 (1.20)		
<i>LivestreamCount_q</i>			-0.352** (-2.56)	0.324 (1.22)
<i>y2020*LivestreamDummy(Count)_q</i>		70.856*** (6.18)		17.195*** (2.89)
<i>y2021*LivestreamDummy(Count)_q</i>		26.413*** (4.75)		1.216** (2.56)
<i>y2022*LivestreamDummy(Count)_q</i>		-28.018*** (-6.02)		-2.274*** (-6.24)
<i>y2023*LivestreamDummy(Count)_q</i>		-20.321*** (-4.77)		-1.296*** (-4.52)
<i>y2024*LivestreamDummy(Count)_q</i>		2.007 (0.59)		0.322 (1.52)
<i>Fund_Flow_{q-1}</i>	-1.613** (-2.34)	-1.804*** (-2.65)	-1.562** (-2.24)	-1.591** (-2.31)
<i>Log(TotalOperatingCost)_{q-1}</i>	0.584 (0.54)	0.017 (0.02)	0.556 (0.52)	0.161 (0.15)
<i>Past_Return_{q-1}</i>	4.034*** (44.29)	3.915*** (44.26)	4.036*** (44.34)	3.993*** (44.24)
<i>FundSize_{q-1}</i>	7.590*** (8.48)	8.315*** (9.32)	7.773*** (8.66)	8.032*** (8.99)
<i>Constant</i>	-147.104*** (-11.79)	-152.806*** (-12.29)	-150.054*** (-12.04)	-149.392*** (-11.98)
Observations	144,337	144,337	144,337	144,337
R-squared	0.480	0.484	0.480	0.483
Year-Quarter FE	YES	YES	YES	YES
Fund FE	YES	YES	YES	YES
Fund Cluster	YES	YES	YES	YES

Table VI. Decomposition of Fund Profits

This table decomposes the profit effect of livestreaming into cost-side and income-side components using the fund-quarter panel. Panel A focuses on fee-related operating costs. Columns (1) and (2) use $\text{Log}(\text{ManagementFee})$ as the dependent variable, and Columns (3) and (4) use $\text{Log}(\text{SaleFee})$. In each case, the baseline specification includes LivestreamDummy , and the second specification adds the interaction between LivestreamDummy and SizeTop100 . Panel B focuses on income components. Columns (1) and (2) use $\text{Log}(\text{InvestmentIncome})$, and Columns (3) and (4) use $\text{Log}(\text{InterestIncome})$ as the dependent variable. As in Panel A, the odd-numbered columns include only the livestreaming dummy, while the even-numbered columns additionally include the interaction with SizeTop100 . All specifications include past returns and lagged fund size as controls, together with year-quarter and fund fixed effects. Standard errors are clustered at the fund level. The t -statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

Panel A. Decomposition of Fund Fee Costs

VARIABLES	(1) $\text{Log}(\text{ManagementFee})_{q+1}$	(2) $\text{Log}(\text{ManagementFee})_{q+1}$	(3) $\text{Log}(\text{SaleFee})_{q+1}$	(4) $\text{Log}(\text{SaleFee})_{q+1}$
$\text{LivestreamDummy}_{q+1}$	0.077*** (17.66)	0.077*** (17.66)	0.246*** (10.88)	0.248*** (10.95)
$\text{LivestreamDummy}_{q+1} * \text{SizeTop100}_q$		-0.065*** (-2.87)		-0.475*** (-2.88)
SizeTop100_q		0.164*** (4.83)		0.290*** (3.81)
Past_Return_q	0.112*** (5.82)	0.112*** (5.81)	-0.269*** (-2.77)	-0.269*** (-2.77)
FundSize_q	0.763*** (113.90)	0.763*** (113.71)	0.626*** (34.83)	0.625*** (34.65)
Constant	-1.124*** (-8.64)	-1.115*** (-8.57)	-1.365*** (-3.67)	-1.347*** (-3.61)
Observations	141,029	141,029	88,010	88,010
R-squared	0.971	0.971	0.872	0.872
Year-Quarter FE	YES	YES	YES	YES
Fund FE	YES	YES	YES	YES
Fund Cluster	YES	YES	YES	YES

Panel B. Decomposition of Fund Income

VARIABLES	(1) <i>Log(InvestmentIncome)_q</i>	(2) <i>Log(InvestmentIncome)_q</i>	(3) <i>Log(InterestIncome)_q</i>	(4) <i>Log(InterestIncome)_q</i>
<i>LivestreamDummy_q</i>	-0.010 (-0.56)	-0.014 (-0.76)	0.210*** (12.87)	0.208*** (12.74)
<i>LivestreamDummy_q*SizeTop100_q</i>		0.559* (1.94)		0.266 (1.54)
<i>SizeTop100_{q-1}</i>		0.075 (0.27)		0.627*** (3.54)
<i>Past_Return_{q-1}</i>	4.758*** (40.34)	4.758*** (40.35)	-4.078*** (-49.96)	-4.079*** (-49.96)
<i>FundSize_{q-1}</i>	0.772*** (68.24)	0.772*** (68.53)	0.645*** (55.33)	0.643*** (55.27)
<i>Constant</i>	-4.224*** (-16.26)	-4.216*** (-16.27)	3.760*** (15.18)	3.795*** (15.37)
Observations	84,688	84,688	141,112	141,112
R-squared	0.732	0.732	0.851	0.851
Year-Quarter FE	YES	YES	YES	YES
Fund FE	YES	YES	YES	YES
Fund Cluster	YES	YES	YES	YES

Table VII. Why Do Mutual Funds Livestream?

This table investigates whether livestreaming is related to the maintenance of fund standing. In Panel A, Columns (1) and (2) use the Shanghai Securities three-year composite rating, *SHSE_CompRt3Yr*, as the dependent variable for the equity-fund subsample. Because this measure is an external star-based evaluation rather than a relative rank, higher values indicate better fund ratings. In Panel A, Columns (3) and (4) provide robustness checks using self-constructed ranking measures because external-rating coverage is incomplete. In Panel B, Columns (1) and (2) use *Log(FundSizeRank)* for the equity-fund subsample, while Columns (3) and (4) use *Log(ETFSizeRank)* for the selected ETF subsample, as in Table IV. Within each sample, the first column uses *LivestreamDummy* and the second column uses *LivestreamCount* as the main explanatory variable. Control variables include past returns, fee variables, and lagged fund size. The regressions also include year-quarter and fund fixed effects. Standard errors are clustered either at the fund level or at the target-index level, depending on the sample. The *t*-statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

Panel A. Livestreaming and Fund Return Ranking

VARIABLES	(1) <i>SHSE_CompRt3Yr_q</i>	(2) <i>SHSE_CompRt3Yr_q</i>	(3) <i>Log(FundRtnRank)_q</i>	(4) <i>Log(FundRtnRank)_q</i>
<i>LivestreamDummy_q</i>	0.267*** (14.24)		-0.199*** (-14.57)	
<i>LivestreamCount_q</i>		0.007*** (5.97)		-0.005*** (-4.85)
<i>LoadsFee_{q-1}</i>	-32.836*** (-5.16)	-34.232*** (-5.32)	-8.059** (-2.36)	-7.077** (-2.06)
<i>ManagementFee_{q-1}</i>	1.335** (2.28)	1.460** (2.48)	-0.528* (-1.88)	-0.582** (-2.06)
<i>ServiceFee_{q-1}</i>	4.147* (1.75)	4.253* (1.78)	4.740*** (4.16)	4.605*** (4.06)
<i>FundSize_{q-1}</i>	0.168*** (15.39)	0.175*** (15.80)	0.050*** (9.65)	0.046*** (8.91)
<i>Constant</i>	-0.603** (-2.33)	-0.725*** (-2.77)	6.982*** (61.11)	7.052*** (62.22)
Observations	57,377	57,377	148,324	148,324
R-squared	0.586	0.583	0.191	0.189
Year-Quarter FE	YES	YES	YES	YES
Fund FE	YES	YES	YES	YES
Fund Cluster	YES	YES	YES	YES

Panel B. Livestreaming and Fund Size Ranking

VARIABLES	(1) <i>Log(FundSizeRank)_q</i>	(2)	(3) <i>Log(ETFSizeRank)_q</i>	(4)
<i>LivestreamDummy_q</i>	-0.087*** (-21.33)		-0.021 (-1.05)	
<i>LivestreamCount_q</i>		-0.004*** (-11.62)		-0.002* (-2.24)
<i>Past_Return_{q-1}</i>	-0.003*** (-20.05)	-0.003*** (-20.86)	0.002 (1.32)	0.002 (1.43)
<i>LoadsFee_{q-1}</i>	5.366*** (3.17)	5.554*** (3.27)	-17.116 (-1.28)	-17.117 (-1.28)
<i>ManagementFee_{q-1}</i>	-0.819*** (-6.11)	-0.829*** (-6.15)	1.020 (0.66)	1.061 (0.69)
<i>ServiceFee_{q-1}</i>	0.491 (0.83)	0.468 (0.78)	-7.070 (-1.63)	-7.162 (-1.67)
<i>FundSize_{q-1}</i>	-0.300*** (-61.98)	-0.301*** (-62.03)	-0.376*** (-8.26)	-0.376*** (-8.22)
<i>Constant</i>	14.182*** (137.70)	14.194*** (137.59)	10.561*** (12.68)	10.556*** (12.68)
Observations	142,028	142,028	3,526	3,526
R-squared	0.933	0.933	0.949	0.949
Year-Quarter FE	YES	YES	YES	YES
Fund FE	YES	YES	YES	YES
Fund Cluster	YES	YES		
TargetIndex FE			YES	YES
TargetIndex Cluster			YES	YES

Table VIII. Livestreaming and Fund-Family Outcomes

This table studies the relation between livestreaming and fund-family outcomes using a fund-family-quarter panel. Columns (1) and (2) use *TotalProfit* as the dependent variable, and Columns (3) and (4) use *TotalOperatingCost*. The main explanatory variable in all columns is *FamilyLivestream*, and Columns (2) and (4) additionally include *FundNumPerLivestream* and its interaction with *FamilyLivestream*, which captures the number of funds promoted in each family livestream. *FamilyLivestream* is divided by 10 for readability. All specifications control for the lagged number of funds in the family, family past returns, fund-family age, and fund-family size. Year-quarter and fund-family fixed effects are included throughout, and standard errors are clustered at the fund-family level. The *t*-statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

VARIABLES	(1) <i>Log(TotalProfit)_q</i>	(2) <i>Log(TotalProfit)_q</i>	(3) <i>Log(TotalOperatingCost)_q</i>	(4) <i>Log(TotalOperatingCost)_q</i>
<i>FamilyLivestream_q</i>	-0.008 (-0.56)	-0.028 (-1.18)	0.002 (0.46)	0.005 (0.93)
<i>FamilyLivestream_q * FundNumPerLivestream_q</i>		0.003* (1.75)		-0.001 (-1.20)
<i>FundNumPerLivestream_q</i>		-0.013 (-1.34)		0.003 (0.88)
<i>Log(FundNums)_{q-1}</i>	0.172 (1.50)	0.173 (1.49)	0.226*** (3.14)	0.226*** (3.13)
<i>FamilyPastReturn_{q-1}</i>	-0.868** (-2.05)	-0.856** (-2.00)	1.047*** (4.67)	1.044*** (4.65)
<i>FundFamilyAge_{q-1}</i>	0.110 (0.66)	0.117 (0.72)	-0.003 (-0.03)	-0.004 (-0.04)
<i>FundFamilySize_{q-1}</i>	0.677*** (11.62)	0.678*** (11.61)	0.783*** (29.38)	0.783*** (29.37)
<i>Constant</i>	2.671 (1.07)	2.588 (1.05)	-1.741 (-1.12)	-1.722 (-1.11)
Observations	3,354	3,354	3,354	3,354
R-squared	0.876	0.876	0.983	0.983
Year-Quarter FE	YES	YES	YES	YES
FundFamily FE	YES	YES	YES	YES
FundFamily Cluster	YES	YES	YES	YES

Appendix Table I. Variable Description

<u>Fund-YearQuarter Variables</u>	
<i>Past_Return</i>	Fund return over the past six months, i.e., the previous two quarters, measured net of fees.
<i>Fund_Flow</i>	Quarterly fund flow, calculated as the change in assets under management net of contemporaneous returns and scaled by lagged assets under management. This variable is winsorized at the 1st and 99th percentiles.
<i>LoadsFee</i>	Front-end load or subscription fee rate charged by the fund.
<i>ManagementFee</i>	Annual management fee rate of the fund.
<i>ServiceFee</i>	Annual service or custodian fee rate of the fund.
<i>FundSize</i>	Natural logarithm of fund assets under management at the end of the quarter.
<i>Disclosure</i>	Number of mandatory disclosure items issued by the fund during the quarter.
<i>LivestreamDummy</i>	Indicator equal to one if the fund appears in a livestream shopping cart during the quarter, and zero otherwise.
<i>LivestreamCount</i>	Number of livestream sessions in which the fund appears during the quarter.
<i>FirstLivestream</i>	Indicator equal to one in the first quarter in which the fund appears in livestreaming, and zero otherwise.
<i>AfterFirstLivestream</i>	A dummy variable indicating the quarter after the fund has appeared in a livestream shopping cart.
<i>SizeTop100</i>	Indicator equal to one if the fund belongs to the top 100 funds by size, and zero otherwise.
<i>NetProfit</i>	Net profit of the fund in the corresponding reporting period winsorized at the 1st and 99th percentiles and divide by 1,000,000. The reason why not using logarithm is there are negative values in fund level NetProfit. Logarithm would trigger null values.
<i>TotalOperatingCost</i>	Total operating cost of the fund in the corresponding reporting period.
<i>Log(TotalOperatingCost)</i>	Natural logarithm of the fund's total operating cost.
<i>Log(ManagementFee)</i>	Natural logarithm of the fund's management-fee expense.
<i>Log(SaleFee)</i>	Natural logarithm of the fund's sales-fee expense.
<i>Log(InvestmentIncome)</i>	Natural logarithm of the fund's investment income.
<i>Log(InterestIncome)</i>	Natural logarithm of the fund's interest income.
<i>Log(OtherIncome)</i>	Natural logarithm of the fund's other income.
<i>Log(FundRtnRank)</i>	Natural logarithm of the fund's cross-sectional return rank in a given quarter; a lower value indicates a better ranking position.

<i>Log(FundSizeRank)</i>	Natural logarithm of the fund's cross-sectional size rank in a given quarter; a lower value indicates a better ranking position.
<i>SHSE_CompRt3Yr</i>	Three-year composite rating of the fund reported by the Shanghai Securities Fund Rating system.
<i>Top5_Return</i>	Indicator equal to one if the fund's recent 6 month return ranks among the top five within the relevant comparison group, and zero otherwise.
<i>CompetitorLivestream_Ratio</i>	Fraction of peer index funds tracking the same benchmark that engage in livestreaming in a given quarter.
<i>Index_HHI</i>	Herfindahl-Hirschman index measuring market concentration among funds tracking the same benchmark index in a given quarter.
<i>Log(ETFSizeRank)</i>	Natural logarithm of the fund's size rank within the ETF or matched index-fund subsample; a lower value indicates a better ranking position.
<i>y2020, y2021, y2022, y2023, y2024</i>	Indicator variables for the corresponding calendar year.
<i>y2020 × LivestreamDummy(Count) etc.</i>	Interaction terms between the livestreaming measure and year indicators, used to capture time-varying effects of livestreaming.

FundFamily-YearQuarter Variables

<i>FamilyLivestream</i>	Count of livestream sessions conducted by the fund family during the quarter scaled by 10.
<i>FundNumPerLivestream</i>	Average number of funds promoted in each livestream conducted by fund family level during the quarter.
<i>FundNums</i>	Number of funds managed by the fund family in the corresponding quarter.
<i>FamilyPastReturn</i>	Lagged average past 6 month return of funds within the family.
<i>FundFamilyAge</i>	Age of the fund family in the corresponding quarter.
<i>FundFamilySize</i>	Natural logarithm of total assets under management of the fund family in the corresponding quarter.
<i>TotalProfit</i>	Total profit aggregated at the fund-family level in the corresponding reporting period.
<i>NetProfit</i>	Net profit aggregated at the fund-family level in the corresponding reporting period.
<i>TotalOperatingCost</i>	Total operating cost aggregated at the fund-family level in the corresponding reporting period.

Fund Cross-Section Variables

<i>WarmupLivestream</i>	Indicator equal to one if a fund engages in livestream promotion before its formal inception date, and zero otherwise.
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<i>Passive or passive</i>	Indicator equal to one if the fund is passively managed, and zero otherwise.
<i>Log(InceptionTNA)</i>	Natural logarithm of total net assets at fund inception.
<i>Log(PurchaseHouseholders)</i>	Natural logarithm of the number of purchasing household investors at inception.
<i>Log(AvgHouseholderBuy)</i>	Natural logarithm of average purchase amount per household investor at inception.
<i>Log(ManagerPerformance)</i>	Natural logarithm of the manager's historical performance measure.
<i>Log(ManagerSize)</i>	Natural logarithm of assets under management associated with the fund manager.
<i>ManagementFee</i>	Annual management fee rate of the fund.
<i>ServiceFee</i>	Annual service or custodian fee rate of the fund.
<i>LoadsFee</i>	Front-end load or subscription fee rate charged by the fund.

Appendix Table II. Determinants of Livestreaming

This table examines the determinants of mutual fund livestreaming using the fund-quarter panel. Panel A follows deHaan et al. (2026) and uses the full sample. Panel B uses the selected index-fund sample, consistent with Table IV. The three columns use *LivestreamDummy*, *LivestreamCount*, and *FirstLivestream* respectively. The explanatory variables include lagged past return, lagged top-5 return dummy (only Panel A), lagged fee variables (*ManagementFee*, *ServiceFee*, and *LoadsFee*), lagged fund size, and disclosure. All specifications include year-quarter fixed effects and fund fixed effects. Standard errors are clustered at the fund-family level. The *t*-statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

Panel A. Full Sample

VARIABLES	(1) <i>LivestreamDummy_q</i>	(2) <i>LivestreamCount_q</i>	(3) <i>FirstLivestream_q</i>
<i>Past_Return_{q-1}</i>	0.002*** (7.61)	0.004 (1.19)	0.001*** (14.65)
<i>Top5_Return_{q-1}</i>	0.049 (0.94)	0.391 (0.20)	-0.070** (-2.54)
<i>ManagementFee_{q-1}</i>	0.286*** (2.68)	4.031 (1.51)	0.139*** (4.03)
<i>ServiceFee_{q-1}</i>	1.293*** (2.73)	23.526** (2.56)	-0.281* (-1.74)
<i>LoadsFee_{q-1}</i>	-7.965*** (-4.80)	-137.203*** (-5.06)	0.437 (0.84)
<i>FundSize_{q-1}</i>	0.033*** (13.29)	0.512*** (6.88)	-0.006*** (-7.19)
<i>Disclosure_q</i>	0.004** (2.37)	0.046* (1.67)	0.002* (1.88)
<i>Constant</i>	-0.570*** (-10.03)	-9.795*** (-5.34)	0.113*** (6.65)
Observations	142,048	142,048	142,048
R-squared	0.406	0.432	0.057
Year-Quarter FE	YES	YES	YES
Fund FE	YES	YES	YES
Fund-Family Cluster	YES	YES	YES

Panel B. Selected Index Funds

VARIABLES	(1) <i>LivestreamDummy_q</i>	(2) <i>LivestreamCount_q</i>	(3) <i>FirstLivestream_q</i>
<i>Past_Return_{q-1}</i>	0.003** (2.12)	0.061** (2.37)	0.001 (1.19)
<i>ManagementFee_{q-1}</i>	0.274 (0.35)	23.592 (0.97)	-0.094 (-0.41)
<i>ServiceFee_{q-1}</i>	-1.203 (-0.43)	-66.515 (-0.69)	0.964 (0.76)
<i>LoadsFee_{q-1}</i>	-4.170 (-0.63)	-57.508 (-0.29)	-1.766 (-0.58)
<i>FundSize_{q-1}</i>	0.036** (2.45)	0.411 (1.39)	-0.014*** (-3.21)
<i>Disclosure_q</i>	0.001 (0.15)	0.507* (1.76)	0.004 (1.04)
<i>Constant</i>	-0.463 (-1.47)	-7.763 (-1.34)	0.297*** (2.84)
Observations	5,444	5,444	5,444
R-squared	0.415	0.435	0.049
Year-Quarter FE	YES	YES	YES
Fund FE	YES	YES	YES
Fund-Family Cluster	YES	YES	YES

Appendix Table III. Robustness Test of Table V

This table provides a robustness test for Table V and examines whether the relation between livestreaming and fund profits varies over time. Columns (1) and (2) separately use *LivestreamDummy* and *LivestreamCount* interacted directly with year indicators from 2020 to 2024 as the main livestreaming variables. The *t*-statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

VARIABLES	(1)	(2)
	<i>NetProfit_q</i>	
<i>y2020*LivestreamDummy(Count)_q</i>	77.217*** (7.00)	17.990*** (2.96)
<i>y2021*LivestreamDummy(Count)_q</i>	33.484*** (7.77)	1.732*** (4.25)
<i>y2022*LivestreamDummy(Count)_q</i>	-21.750*** (-7.89)	-1.834*** (-7.39)
<i>y2023*LivestreamDummy(Count)_q</i>	-14.578*** (-6.53)	-0.878*** (-5.25)
<i>y2024*LivestreamDummy(Count)_q</i>	6.516*** (2.92)	0.704*** (3.57)
<i>Fund_Flow_{q-1}</i>	-1.119 (-1.57)	-0.895 (-1.24)
<i>Log(TotalOperatingCost)_{q-1}</i>	-1.152 (-1.00)	-1.064 (-0.92)
<i>Past_Return_{q-1}</i>	3.962*** (42.77)	4.050*** (42.79)
<i>FundSize_{q-1}</i>	8.668*** (9.24)	8.382*** (8.92)
<i>Constant</i>	-143.279*** (-11.09)	-138.883*** (-10.69)
Observations	134,474	134,474
R-squared	0.492	0.492
Year-Quarter FE	YES	YES
Fund FE	YES	YES
Fund Cluster	YES	YES

Appendix Table IV. Livestreaming and Fund Returns

This table examines the relation between livestreaming and fund returns over different event windows using the fund-quarter panel. The dependent variable varies across columns: Columns (1)-(7) use returns from three quarters before to three quarters after the livestream quarter. The main explanatory variable in all columns is *LivestreamDummy*. Control variables include contemporaneous fee variables and fund size. All specifications include year-quarter and fund fixed effects, and standard errors are clustered at the fund level. The *t*-statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

VARIABLES	(1) <i>Past_Return_{q-3}</i>	(2) <i>Past_Return_{q-2}</i>	(3) <i>Past_Return_{q-1}</i>	(4) <i>Past_Return_q</i>	(5) <i>Past_Return_{q+1}</i>	(6) <i>Past_Return_{q+2}</i>	(7) <i>Past_Return_{q+3}</i>
<i>LivestreamDummy_q</i>	1.189*** (8.11)	1.162*** (8.35)	1.415*** (10.76)	0.675*** (5.41)	-1.404*** (-12.02)	-2.059*** (-18.36)	-1.500*** (-14.25)
<i>Constant</i>	-43.748*** (-29.73)	-38.432*** (-29.47)	-29.884*** (-24.55)	-17.222*** (-14.79)	4.873*** (4.36)	22.330*** (19.51)	26.884*** (22.33)
Observations	115,989	126,435	137,114	148,332	143,194	137,852	126,718
R-squared	0.455	0.442	0.426	0.404	0.403	0.396	0.395
Control Variables	<i>ManagementFee_q, ServiceFee_q, LoadsFee_q, FundSize_q</i>						
Year-Quarter FE	YES	YES	YES	YES	YES	YES	YES
Fund FE	YES	YES	YES	YES	YES	YES	YES
Fund Cluster	YES	YES	YES	YES	YES	YES	YES

Appendix Table V. Warm-Up Livestreaming and Fundraising Scale

This table examines whether warm-up livestreaming before fund inception is associated with fundraising scale. The cross-sectional tests match funds with and without warm-up livestreaming by inception month, investment style, fund type, equity-fund status, and passive-management status. The specifications include interactions between WarmupLivestream and Passive, where Passive indicates whether the fund is passively managed. The t-statistics are reported in parentheses. ***, **, and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

VARIABLES	(1) <i>Log(InceptionTNA)</i>	(2) <i>Log(InceptionTNA)</i>	(3) <i>Log(PurchaseHouseholders)</i>	(4) <i>Log(PurchaseHouseholders)</i>	(5) <i>Log(AvgHouseholderBuy)</i>	(6) <i>Log(AvgHouseholderBuy)</i>
<i>WarmupLivestream</i>	0.707*** (10.95)	0.578*** (8.99)	1.028*** (21.50)	0.815*** (15.71)	-0.316*** (-5.36)	-0.233*** (-3.91)
<i>WarmupLivestream*Passive</i>		0.665*** (3.79)		0.798*** (6.69)		-0.132 (-0.86)
<i>passive</i>		-1.392*** (-8.89)		-0.042 (-0.38)		-1.351*** (-9.10)
<i>Constant</i>	9.270*** (19.59)	10.292*** (20.87)	-1.826*** (-5.06)	-2.043*** (-5.65)	11.096*** (26.40)	12.333*** (28.57)
Observations	4,838	4,838	4,833	4,833	4,833	4,833
R-squared	0.218	0.243	0.413	0.423	0.095	0.148
Robust Stand Error	YES	YES	YES	YES	YES	YES
Controlled Variables	<i>ManagementFee, ServiceFee, LoadsFee, Log(ManagerPerformance), Log(ManagerSize)</i>					