

# Making Animations Appealing to the Domestic Audience: A Case Study of the Ne Zha Franchise (2019-) and Learning Points for Vietnam

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**Abstract:** After decades of servicing for world-renown animation industries like Japan and the U.S., Chinese-made animations start to break the world highest-grossing record with the start of the Ne Zha franchise in 2019. Such a record is made possible because the franchise is able to attract the entire Chinese population to the cinema, making itself China's national pride. This is a valuable case study for a country with an animation industry still in its infancy but full of potentials like Vietnam to explore and learn. In order to do so, the paper contextualizes the link between Chinese and Vietnamese animation industries through a series of similarities and differences. Then the paper focuses on analyzing strategies in which the Ne Zha franchise (2019-) used to achieve its immense success, specifically in appealing to its domestic audience. Concurrently, the paper draws out key takeaways from such strategies as potentials and challenges that Vietnamese animators can consider to develop a profitable and sustainable industry in the future.

**Keywords:** Animation, franchise, Ne Zha, domestic audience.

## 1. Introduction

### A. Definitions and Context

Animation is a form of pictorial display, in which objects are drawn or artificially simulated into motion pictures [1]. As a harmonious combination of art and technology, animation has long become one of the most popular forms of media presentation. Deemed as “the smokeless heavy industry” of the global economy [2], developing a strong animation industry is extremely important, as animation not only appeals to various demographic groups of audience, but also can be applied in different forms of entertainment and commercial media. In addition, animation is an effective medium to portray historical stories, especially those with fantastical elements, or stories that cannot be creatively told with conventional live-action techniques. This makes animation an excellent display of culture for large audiences, especially children.

Recognizing all those qualities, many countries such as the United States and Japan have long established world-renown animation industries. In the East Asian region, countries like

China and South Korea are also developing more profitable and sustainable industries of their own [2], [3]. Being two of Japan's

major subcontractors for animation production for many years [4], the industries in China and South Korea are flourishing fast, where each has produced widely successful intellectual properties (hereafter IP) such as the *Ne Zha* franchise (2019-) by Chinese studio Chengdu Coco Cartoon, and *Red Shoes and the Seven Dwarfs* (2019) by South Korean studio Locus Corporation.

Notably, *Ne Zha* (2019) became the highest-grossing Chinese animated feature film of all time when it was released in the cinema [5], only to be surpassed by its own sequel, *Ne Zha 2*, in 2025. Much of *Ne Zha*'s record-breaking success, from the highest-grossing to the highest-ticket-selling animated film of all time, lies in the endorsement of the Chinese audience. Not only do the films satisfy all demographics of the biggest entertainment market in the world, they also show a national confidence in how a domestic studio can portray a traditional story in the most innovative way with current animation technology [6].

Similar to China and South Korea, Vietnam is currently one of the outsourcing hubs in animation and visual effects for top studios in the world, especially the Japanese ones. However, Vietnam has yet to develop a sustainable animation industry that can make an impact on the national economy. Although there are many ways for Vietnam to start cultivating such a highly profitable “smokeless industry” of its own, the paper argues that it is most pivotal for the country to have a made-in-Vietnam animated IP and/or character that can appeal to the domestic mass audience. Hence, there are some valuable takeaways that can be observed from the case of *Ne Zha*, albeit differences between Vietnamese and Chinese animation industries. Studying *Ne Zha*'s power in attracting the domestic Chinese audience can help Vietnamese animation makers strategize their approach and develop a high-quality IP that can reach mass popularity, stimulate consumer spendings and promote national pride.

### B. Methodologies

To contextualize and relate the case study about an animation in China to the situation in Vietnam, it is crucial to point out certain differences, as well as connections between the two

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countries' animation industries. In doing so, the paper explores the development and the current nature of the two industries by conducting secondary research from a body of scholarly works on Chinese and Vietnamese animations. However, as formal academic research, especially on Vietnamese animations, are relatively limited, the paper also refers to a variety of news articles discussing the aforementioned topics.

In the case study of the *Ne Zha* animation franchise (2019-), the paper employs media content analysis on all installments, especially their dynamics within the franchising system. Subsequently, the paper uses comparative analysis to relate the case study with the situation in Vietnam, hence implying opportunities and challenges that future made-in-Vietnam animations can encounter in order to advance and become more appealing to the Vietnamese audience.

## 2. Chinese and Vietnamese Animation Industries: Differences and Meeting Points

One of the most noticeable differences between Chinese and Vietnamese animation industries lies in their formation, in which the former has a much longer development time span than the latter. Although the industry in China only started to pick up fairly recently, especially when compared to animation superpowers like the U.S. or Japan, the history of Chinese animation can be traced back to the early 20<sup>th</sup> century. Influenced by both American and the Soviet Union filming technologies, the Wan brothers, often considered the fathers of Chinese animation, had been creating animated shorts as early as the 1920s, and produced Asia's first animated feature film, *Princess Iron Fan*, in 1941 [7]. *Princess Iron Fan*'s influence is international, as it inspired the young Osamu Tezuka, deemed the god-father of Japanese manga and anime, to enter the field and start his own ground-breaking career [8].

With such a strong start, however, the industry was technically and creatively oppressed during the Cultural Revolution (1966 – 1976), while Japan rose to become a global animation power-house [7]. As China opened its gates to the world by the end of the Cultural Revolution, Chinese animation was then met with fierce competition from Japan and the U.S. [9]. This is also when China focused on building an economy geared towards the mass production of goods for foreign companies, and animation was not an exception. During this time, many young talents joined foreign companies for better pay, while others worked in Chinese studios under high demands for quantity without much liberty for quality and creativity because of the government's strict censorship policy [10].

For decades afterwards, China stagnated in producing high-profile and internationally influential animated IP similar to *Princess Iron Fan*, with only notable IP on television and online platforms for the domestic market [9]. However, since 2006, the government has encouraged animation development, considering the artform as a key in strengthening national and cultural identity [11]. This policy eventually pays off with the massive successes of recent animated films such as the *Ne Zha* franchise (2019-) or *Chang'an* (2023), which not only put animation back as the symbol of national pride, but also put

Chinese animation on the world map.

Although started later than the Chinese industry, Vietnamese animation is still the first in Southeast Asia [12]. Vietnam's first animated IP—a 10-minute short *Đáng Đờì Thằng Cáo* (translated title *The Well-deserved Fox*) was created in 1959 by state-owned Vietnam Animation Joint Stock Company using Soviet animation technology. Nevertheless, the industry in Vietnam has not thrived as an influential art form within both national and international entertainment spheres, despite experiencing steadier development than its Chinese counterpart. Vietnamese viewership is still dominated by foreign animated IPs from the U.S. and Japan, while made-in-Vietnam animations are usually distributed in short forms on televised graveyard slots or online platforms. Although the Vietnamese government actively promotes animation production much like what the Chinese does, most animated IPs, especially the longer and higher-budget ones, are still limited to film festivals instead of being viewed by the mass audience at the cinema.

Such a lack of appeal and popularity to the domestic market has become the biggest challenge for Vietnam to develop a profitable and sustainable animation industry. This is where the paper suggests looking into the case of *Ne Zha* (2019-) to understand how a Chinese-made animation became their national pride. This transnational connection is legitimized by the similarities shared among the two countries' industries, in terms of both technology and narratives.

Regarding animation technology, both countries are known to be outsourcing hubs for well-established industries, especially Japan [13], [14]. Hence, Chinese and Vietnamese labor forces for animation are becoming skillful throughout the years, with great flexibility in various styles and animation engines to satisfy highly demanding clients from all over the world. Practicing with advanced animation technology results in high-quality and aesthetically pleasing visuals, which are one of the deciding factors in the appeal of an animated IP.

Narrative-wise, both Chinese and Vietnamese animations tend to dwell on traditional and/or cultural materials while reflecting the contemporary socio-political situations. For example, *Princess Iron Fan* (1941) uses events and characters in one of the most iconic Chinese classic novels, *Journey to the West*, as a protest to the Japanese occupation in China at the time [15]. Likewise, Vietnamese first animation *The Well-deserved Fox* (1959) was based on Ho Chi Minh's poem *Con Cáo và Tổ Ong* (translated title *The Fox and the Beehive*), an anti-Japan and anti-France poem published in a newspaper in 1942.

## 3. Case Study on the *Ne Zha* Franchise (2019-) and Learning Points for the Vietnamese Animation Industry

As mentioned, the Vietnamese animation industry still struggles to attract its own domestic viewership. The industry in China also faced the same struggle a decade ago, before their cinema witnessed the coming of recent Chinese animation blockbusters, in which the *Ne Zha* franchise (2019-) is an evidential representative. The case study below focuses on the 2019 film *Ne Zha*, the 2025 sequel *Ne Zha 2*, as well as the 2020

spin-off *Jiang Ziya*.

*Ne Zha* (2019) marks the start of the highest-grossing animated franchise of all time. Like any well-performing films, a compelling story is the decisive element in the success of this animated blockbuster. The animation turns a folklore that is already familiar with every demographic of the Chinese population into a more modern and approachable family-centered story. Although the practice of adapting well-known classical stories is a long-standing tradition in Chinese animations, and the story of *Ne Zha* has been adapted on screen many times before, *Ne Zha* (2019) still manages to stand out with changes that highlight the value of family and friendship. For example, *Ne Zha* and *Ao Bing* are enemies in the original story, but *Ao Bing* in the 2019 adaptation becomes *Ne Zha*'s friend and a catalyst in the coming-of-age character development of the titular *Ne Zha*. The dynamics between *Ne Zha*, his parents and the villagers, specifically the tensions, reconciliations and sacrifices that each made for each other are also highlighted, making the story relatable to most audiences regardless of their ages. Moreover, the animation actively incorporates contemporary comedic elements, which helps the folk story of *Ne Zha* to be more relevant and appealing to the modern audience. All this makes *Ne Zha* (2019) to be an entertaining animation for audiences from most walks of life, and going to the cinema for the film becomes a social gathering for families and groups of friends.

In Vietnam, family/friendship-centered comedy has long been an audience-grabbing recipe in the cinema. Adapting familiar folk stories is also becoming a trend in recent domestically made films. However, these practices are still popular only in live-actions. Vietnamese animation, in general, still needs a powerful story that can attract audiences from all segments of the society. These stories can be found in folk culture, such as mythologies, fairytales and historical chronicles, as they are not only familiar to all Vietnamese, but can also ignite a sense of national pride within the domestic audience if told expertly. This is the case for *Ne Zha* (2019) and its following installments in China, where the titular character becomes a national idol, and watching the films becomes a symbol of patriotism [16]. Hence, the paper suggests Vietnamese animation to adapt recognized classical stories—a trend that is already prevalent in live-actions, while embracing changes that make the stories more accessible to contemporary audience from diverse backgrounds. Moreover, Vietnamese mythologies or historical stories are filled with heroic episodes involving the constant resistance wars against multiple foreign invaders. They have always been a challenge to be adapted into live-action due to the lack of historical film sets. This makes animation a more fitting channel to capture the heroism of these stories, hence ignite patriotic sentiment among the audience.

Along with a gripping storyline, striking graphic is also one of the prime appeals of an animation in general, and the *Ne Zha* franchise (2019) in particular. As action-packed films, all installments in the franchise progressively deliver cutting-edge visual effects and 3D animation technologies that can rival those of Hollywood and Japan [17]. Such jaw-dropping visuals are made possible through a blend of China's rising computer

technology, experienced animators that have years of experience working with animation superpowers like Japan and the U.S, and an appreciation for traditional aesthetics [18]. In particular, the creators of *Ne Zha 2* (2025) developed their own unique technology called “dynamic ink wash rendering engine”, which brings the fluidity of Chinese traditional ink-washed painting into moving pictures [19]. According to Wang (2025), a particular scene that is only 0.8 seconds long can take the whole team up to 9 months to finish. This is also the biggest challenge in animation production, as high-quality animations need immense time, efforts, skillsets and resources to perfect.

In order for a Vietnamese animation to attract domestic audience, it must present ground-breaking visuals. This is both an incentive and a deterrent. As an incentive, visually breathtaking graphics will create a surprising effect in viewers' response. Particularly, since Vietnamese animation industry is still in its infancy the majority of the Vietnamese audience is not exposed to, as well as expect a locally made animated products to have the visual quality that matches those of international animations. However, as mentioned above, Vietnam is one of the fastest growing animation hubs of the world, and local animators are working in high-profile projects coming out of Hollywood and Japan. Hence, Vietnamese animation creators have full potentials in delivering world-class animation effects. On the other hand, as a deterrent, animations with highly engaging visuals take a long time, skillful labors, as well as extensive technological and financial resources to make. This makes animation a gamble for any aspiring studio and creator. Yet, with the current skillsets of Vietnamese animators, as well as many encouraging policies and investments from both the public and private sectors to promote animation in Vietnam, the biggest challenge for Vietnamese animation still lies at a compelling script that can attract all demographics of the population.

Franchising is also an effective way for an animation film to maximize viewership and profit, especially when the first installment of a franchise achieves immense success. This is the case of *Ne Zha* (2019-). Before the story continues in *Ne Zha 2* (2025), the 2019 animation is followed by a spin-off film called *Zhang Ziya* in 2020 about the titular character, who is also a major character in the classic novel *The Investiture of the Gods* where *Ne Zha* was based on. The link and cameo appearances of characters in *Ne Zha* (2019) boosts *Zhang Ziya*'s appeal to the audiences that were previously satisfied with the *Ne Zha* experience. Vice versa, the spin-off expands the world-building of *Ne Zha* (2019), adding more layers into its lore, hence, fostering more of the audience's interest in the first film and more anticipation for the story to be continued in *Ne Zha 2* (2025). Besides, albeit sharing the same universe, *Zhang Ziya* (2020) takes on a more philosophical and adult-oriented approach. This attracts those who are uninterested in the children-friendly comedy that *Ne Zha* and its sequel embraces, which helps the entire franchise to reach audiences that the first film failed to do. Such symbiosis helps the franchise to appease audiences from all walks of life and solidify its status as China's national pride.

The chain effect of franchising has been utilized in

Vietnamese film industry in recent years, though not yet common in animation. Some notable examples include cross-media franchise like horror TV series *Hellbound Village* (2023) with its feature film prequel *A Soul Reaper* (2023); and cross-genre franchise like drama-thriller *The Last Wife* (2023) with its detective-horror spin-off *Detective Kien: A Headless Horror* (2025). These are cases where each installment of the franchise aids each other in viewership and popularity, proving that franchising has become an effective way to promote consumption in domestic entertainment IPs. This practice, however, is still exclusively found in live-actions. This is because for a franchise to take off, there must be at least one successful installment, preferably the first one. Hence, Vietnamese animation industry should first produce a project that can engage large domestic viewership through a relatable yet compelling story that sparks national sentiment, as well as stunning visuals that deliver a satisfying viewing experience. After that, franchising can help such a project sustains its impact for a long run, reaching wider audiences and creating a baseline for new projects to thrive in the future.

#### 4. Conclusion

As animation is proven to be a profitable art form, developing a strong animation industry has become a priority in the policy making of many countries, in which China is a prime example. As a result, recent years have witnessed record-breaking animations coming out of China, namely *Ne Zha* (2019) with its successors *Zhang Ziya* (2020) and *Ne Zha 2* (2025)—the highest-grossing animation of all time by the time of writing. This franchise manages to achieve such records due to its extreme popularity among the domestic Chinese audience. From a compelling script featuring familiar mythologies and characters, to breathtaking visual effects that combine state-of-the-art technology and traditional aesthetics, the *Ne Zha* franchise has satisfied all demographics of Chinese viewership.

Sharing crucial parallels with the Chinese industry, particularly in terms of skill development and adaptable materials, the Vietnamese animation industry can take away several insights from the success of *Ne Zha* in terms of its stories, visuals, and franchising system in order to attract Vietnamese domestic audience. This is the key to develop a sustainable animation industry in the future.

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