

Sustainability Analysis and Strategy to Increase Company Value

Increase Company
Value

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ABSTRACT

This article discusses the phenomenon of Livestreamers and Vtubers that are becoming increasingly popular in the digital entertainment industry. Livestreamers and Vtubers use virtual avatar technology to interact with live audiences through live broadcasts. The concept of avatars in the virtual world allows users to create unique and interesting digital representations. In addition, the article also discusses the internal conflicts that occurred between Vtubers and their agencies, as well as the social and reputational impact of the company after significant changes. Using a conflict management approach, this research identifies the sources of conflict and seeks constructive solutions. Case studies were conducted to analyze the change in a specific context and understand its impact. In addition, the article also discusses the theory of corporate sustainability in supporting the growth and sustainability of the Vtuber agency. Thus, this article provides an in-depth insight into the current trends in digital entertainment and their implications for the entertainment industry as a whole.

Keywords: Strategy, Sustainability, Corporate Values, Black Company

ABSTRAK

Artikel ini membahas fenomena Livestreamer dan Vtuber yang menjadi semakin populer dalam industri hiburan digital. Livestreamer dan Vtuber menggunakan teknologi avatar virtual untuk berinteraksi dengan penonton secara langsung melalui siaran langsung. Konsep avatar dalam dunia virtual memungkinkan pengguna untuk menciptakan representasi digital yang unik dan menarik. Selain itu, artikel juga membahas konflik internal yang terjadi di antara Vtuber dan agensi mereka, serta dampak sosial dan reputasi perusahaan setelah perubahan yang signifikan. Dengan menggunakan pendekatan manajemen konflik, penelitian ini mengidentifikasi sumber konflik dan mencari solusi yang konstruktif. Studi kasus dilakukan untuk menganalisis perubahan dalam konteks spesifik dan memahami dampaknya. Selain itu, artikel juga membahas teori keberlanjutan perusahaan dalam mendukung pertumbuhan dan keberlanjutan agensi Vtuber. Dengan demikian, artikel ini memberikan wawasan mendalam tentang tren terkini dalam hiburan digital dan implikasinya bagi industri hiburan secara keseluruhan.

Kata kunci: Strategi, Keberlanjutan, Nilai Perusahaan, Perusahaan Hitam

INTRODUCTION

In an era where technology is developing very rapidly, including in the world of entertainment, many people use the internet as entertainment (Mustika & Maulidah,

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2023). On the internet media, people can listen to music for free, play games on platforms such as Steam, communicate with communities, and also watch videos from the YouTube platform. This then developed an idea that then emerged to create interesting and different entertainment from before so that it could be enjoyed by various age groups according to their favorite media interests, and that's when livestreamers emerged. Livestreamers do live video content where people from various places can watch events that are recorded live and can interact with the streamer directly. With the popularity of streaming in the entertainment world, most streamers have almost the same content, making it difficult for them to gain popularity and have to rack their brains to be unique and different from others in order to compete to stand out from other streamers (Nugraha, 2023).

With the many types of streamers that exist, the emergence of Vtuber certainly brings a unique and new interest where they use avatars as their personas instead of using their own faces as their identities, providing anonymity to the person using the avatar and free from doxing. The concept of Avatar itself is a digital representation of a person in the virtual world. In the digital world, especially in video games, an avatar is a representation of the user that can be customized according to each person's wishes. The avatar created can reflect a person's real physical appearance or can be created through creative imagination that is contrary to real life. In spiritual and religious concepts such as Hinduism, Avatar refers to the incarnation or manifestation of the gods on earth (Ananda, 2023; Diputra, 2023). The most famous example of a god is the incarnation of Lord Vishnu, such as Rama and Krishna, where in this context it is the form taken by the god to overcome a crisis to restore the balance of the world back to normal (Suwendra, 2018; Jati, 2018). In media such as films, books, and animated series, Avatar: The Last Airbender (2005-2008) is one of the popular examples in the animated series category, where the main character named Aang uses the concept of avatar as the reincarnation of the spirits of his predecessor avatars who can control the four elements of nature. From this context, the concept of avatar is used to describe a representation, entity, or manifestation that functions as an extension or embodiment of the user in a different reality (Pando, 2014).

The term Vtuber was first used by Kizuna Ai in Japan in 2016 and was called Vtuber by abbreviating Virtual Youtuber. Virtual Youtuber refers to a virtual avatar that forms a virtual character that broadcasts, using motion capture technology such as Vtube Studio and CG technology such as VRoid studio. The popularity of Vtuber then spread from Japan, Korea, America, and even entered Indonesia with their own unique Vtuber characteristics. Some famous Vtuber representatives such as Kizuna Ai from Kizuna AI Inc., Japan, Iron Mouse from Vshojo America, Kobo Kanaeru from Hololive Indonesia, Aza from VirtuaReal at Bilibili China, and many others. Due to the popularity of Vtuber, some streamers have even adopted this trend into their streaming activities in order to protect personal information and even many of the famous streamers have become Vtubers by leaving their previous identities to become Vtubers completely with new identities and are even willing to delete old accounts. Recently, not only doing regular streaming, Vtubers have also evolved into professional musicians such as singers and idols thanks to agencies such as Hololive and Nijisanji that have emerged where they gather various Vtubers to be combined into a management. Compared to independent streamers, Vtubers supported or operated by companies usually act as the talent behind their characters, but usually do not have the rights to their characters, streams, or social media channels. This is one of the causes of the problem with one of the talents from the UK branch of Nijisanji which then caught the attention of researchers to conduct an Analysis.

The role of companies in building a positive reputation and social impact is increasingly becoming a major focus for business sustainability (Sarnisa et al., 2022; Sjoen et al., 2023; Adrai & Perkasa, 2024). A good reputation and positive social impact not only reflect the company's overall performance but also affect relationships with stakeholders, including employees, customers, investors, and the general public.

However, not all companies are able to maintain their reputation and social impact well, as in the case of Nijisanji EN. Nijisanji EN, an agency known in the Vtuber industry, has been in the public spotlight after being considered a Black Company due to various controversies and internal problems that have been revealed. From a lack of transparency in communication to cases of workplace bullying, the company faces major challenges in maintaining a positive reputation and social impact. The term "dark company" refers more to companies that employ office workers or factory workers excessively.

The social impact and reputation of a company after becoming a Black Company not only affects the image of the company itself, but can also have an impact on the employees who work in it, relationships with business partners, and trust from the wider community (Rachmad et al., 2023; Cindrakasih et al., 2024). Therefore, it is important to conduct an in-depth analysis of the consequences of this Black Company status, as well as identify steps that can be taken to improve the company's image and restore relationships with stakeholders. Through a deep understanding of this case, we can learn from the mistakes that occurred and formulate the right strategy to achieve better sustainability and corporate value. Thus, an analysis of the social impact and reputation of a company after becoming a Black Company is very important in an effort to improve the company's image and rebuild trust from stakeholders and fans of each Nijisanji EN Liver. This study aims to analyze the development of Nijisanji EN starting from their high popularity to the time when their company experienced a rapid decline in shares and also the reasons why Nijisanji was included in the black company category.

LITERATURE REVIEW

Nijisanji is a Japanese virtual YouTube agency managed by Anycolor Inc. (known as Ichikara Inc. until May 17, 2021), a company founded by Riku Tazumi in February 2018 as one of the first major Vtuber agencies. Ichikara Inc. established the Nijisanji Vtuber agency by focusing on using Live2D models as a medium for talent (the people behind the virtual characters) using moving 2D images instead of expensive 3D, immediately distinguishing its members from other early Vtubers, such as Kizuna Ai or Kaguya Luna, who primarily made pre-recorded videos to stream, leading viewers to choose the medium because they preferred the ability to interact directly with their oshi (Japanese slang used primarily in reference to idols and actors) through the available live chat feature. This trend later led to Nijisanji's success in the Japanese market and codified the Live2D Vtuber streaming format to date. Nijisanji is currently the only agency with the most Virtual Youtubers in Japan. Nijisanji currently operates in Japan and has expanded to China in April 2019, Indonesia in July 2019, Korea in December 2019, and the United Kingdom in June 2021 (formerly nijisanji in in 2019-2021, the result of renaming their Indian branch, nijisanji in, to nijisanji en. Although a separate branch from the current nijisanji en, this was nijisanji Project's first attempt to market to English-speaking countries. The India-based branch was eventually renamed back to NIJISANJI IN on November 27).

Live2D is an animation technique used to create a moving illustration specifically used in the use of anime model characters, involving separating the image layer into several parts and animating each part accordingly, without the need for frame-by-frame animation or 3D models. By using this technique, characters can move by doing 2.5D movements while maintaining the original illustration. The Live2D model itself consists of layered parts saved in Photoshop file format (psd format). From these layers will be moved separately to show all the animation and character expressions, such as tilting the head, turning, looking up, etc. The parts that are usually moved can be as simple as the face, hair, and body, or can be detailed eyebrows, eyelashes, and even effects such as shiny metal. The number of layers used depends on how the character will move and how three-dimensional the character is so that the results appear, with simplified models can reach as many as 50 layers or large complex projects that can reach 750 layers. To create Live2D animation, software such as Live2D Cubism is needed. Live2D Cubism

is a professional Live2D modeling software that can facilitate the Live2D creation process by illustrators and web or game designers to create animations. With the popularity of Live2D Cubism, people often misunderstand by equating Live2D (Animation technique) with Live2D Cubism (software). However, Live2D is an animation technique, not software used to create Live2D animations. Not only Live2D Cubism, some other software that can be used to create moving animations, such as Inochi2D or E-mote (used in Tokyo School Life).

Hololive Production is a Japan-based company that manages the virtual YouTuber (VTuber) agency known by the same name, Hololive. The company was founded in December 2019 by Motoaki Tanigo, known by his stage name YAGOO, and is a subsidiary of Cover Corporation. Hololive Corporation is responsible for the management and administration of the VTubers included in its agency. They provide support in terms of training, content production, promotion, and career management for these VTubers. Since its founding, Hololive has become one of the largest and most successful VTuber agencies in the world. They have VTubers who have millions of fans worldwide and continue to grow by launching new and exciting projects to expand their reach and popularity.

Vshojo is a Virtual YouTuber (Vtuber) agency founded in 2020 by former Twitch employees Justin theGunrun Ignacio and YouTuber Phillip Mowtendoo Fortunat, with the vision of creating an organization where talents have complete freedom. The goal is to provide technology, legal, PR, sponsorship, enhancement, opportunities, social media expansion, and a positive environment for its members. Unlike some other VTuber agencies based in Japan, VShojo is more international with its VTubers coming from various countries. VShojo is known for the diversity of its VTuber characters and the variety of content they produce, ranging from live gaming broadcasts, themed events, to artwork and music. They are also active in interacting with fans through live broadcasts, social media, and other community platforms. The agency offers opportunities for VTubers to work together and supports them in terms of career management, content production, and promotion. VShojo emphasizes openness, inclusivity, and support for creativity for its VTubers. Although VShojo is still relatively new compared to some other VTuber agencies, they have already gained significant popularity within the VTuber community and continue to grow by launching new projects and collaborating with various content creators around the world.

Corporate sustainability theory discusses how companies can integrate aspects such as sustainability, starting from environmental, social, and corporate governance aspects into the company's business strategy. Corporate sustainability theory is a challenge for companies, where this sustainability theory is also related to internal and external communication theory as one of the supporting factors for program success (Engert & Baumgartner, 2016; Batista & Francisco, 2018; Sanchez-Planelles et al., 2022). In the context of Nijisanji, corporate sustainability theory can help analyze the impact of management decisions on corporate sustainability and its long-term value. Then Reputation Management Theory discusses how a company can build, maintain, and improve their reputation in front of stakeholders. This theory emphasizes the importance of understanding and managing a company's image strategically (Dowling, 1986). In Dowling's research (1986), it also emphasized that the company's image must be built through consistent and targeted communication, and involve various related parties. By paying attention to aspects such as product quality, services, and interactions with stakeholders, companies can strengthen their reputation and create competitive advantages. In the case of Nijisanji, reputation management theory can help in understanding the impact of controversies and scandals on a company's image and the steps that can be taken to repair the company's reputation.

Crisis Communication Theory discusses strategies for managing internal and external conflicts in organizations (Tyasari & Ruliana, 2021; Efendi et al., 2023; Gandariani, 2023). This theory includes concepts related to crisis management, such as the phases in crisis communication (Pre-crisis phase, Crisis response phase, and post-

crisis phase) and the importance of proactive and effective communication with stakeholders during a crisis (Janardonaroo, 2017; Jumail et al., 2021; Zebua et al., 2021). The pre-crisis phase explains that this phase occurs before a crisis, during which the company provides information to stakeholders regarding potential crises that may occur. Good communication at this phase can help build positive perceptions and a good image of the company. The next stage in the Crisis response phase occurs when the company responds to a crisis, where proactive and effective communication with stakeholders is very important and the company needs to respond to the crisis quickly and transparently to manage the situation well. The final phase, the post-crisis phase, is the post-crisis phase where the company must evaluate and recover. Continuous communication with stakeholders is important to repair the company's image and rebuild trust after a crisis. In the context of Nijisanji, crisis communication theory can help analyze the company's response to controversy and its impact on stakeholder relationships. Conflict Management Theory discusses strategies for managing internal and external conflicts in an organization. The goal of conflict management is to identify, manage, and resolve conflicts in a constructive and productive manner. The conflict management approach involves a deep understanding of the sources of conflict, effective communication, negotiation, and finding solutions that are acceptable to all parties involved (Fauzi & Purbasari, 2024). In the case of Nijisanji, conflict management theory can help understand the root causes of internal conflicts that affect company value and the steps that can be taken to resolve the conflict.

METHODS

In the context of the Nijisanji EN case which underwent drastic changes after being considered a Black Company, this study uses a case study to explore the social impact and reputation of the company after the change. Case studies allow researchers to conduct in-depth analysis of specific cases and understand the context, process, and outcomes of the changes that occur. Data collected by researchers are collected through various sources, including official company documents posted via social media, media publications, and data evidence from the parties involved. Data will also be obtained from the analysis of content produced by Nijisanji EN before and after being considered a Black Company. The data collected will be analyzed systematically using a qualitative approach (Sujarweni, 2014). The article is also written by collecting secondary data through the Publish or Perish media as a medium for searching for supporting theories for an in-depth understanding of the social impact and reputation of the company after becoming a Black Company (Amir, 2011).

RESULTS

In this study, it was found that there were weaknesses in Nijisanji EN's management that had an impact on the incident that occurred on February 5, 2024. On that date, Nijisanji EN and ANYCOLOR INC. released a multi-page document on Twitter confirming the unilateral termination of the contract with Selen Tatsuki, a Vtuber from Nijisanji EN's second wave. Selen Tatsuki, who debuted with Petra Gurin and Rosemi Lovelock under the group name Obsydia on July 17, 2021, is known for her cheerful personality and ability to play FPS games, such as Apex Legends. She quickly rose to popularity and reached 600,000 subscribers on YouTube in December 2022. By early 2024, her followers had increased to over 800,000 on YouTube and 130,000 on Twitch, making her one of the most popular female streamers in her agency. However, in February 2024, there was a drastic decrease in Selen Tatsuki's followers, which was suspected to be related to the termination of her activities by Nijisanji EN. Suspicions about Selen's disappearance began to arise in late December 2023, when fans noticed the streamer's absence for more than a month without any explanation from the agency or Selen's own social media. This sparked a movement on Twitter with the hashtag "#whereisselen" filled with concerns from fans. These concerns reached their peak when

Nijisanji EN and ANYCOLOR INC. officially announced the termination of Selen Tatsuki's contract via social media, causing deep disappointment among her fans.

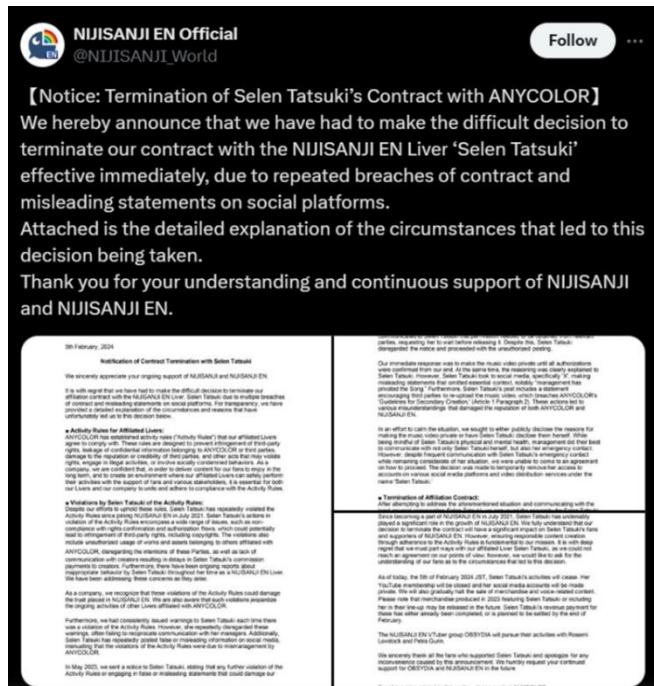


Figure 1. NIJISANJI EN Tweets

According to the announcement in Figure 1, the company stated that the decision was based on repeated breaches of contract and misleading statements on the social platform, as well as non-compliance with rights confirmation and continuous reports of inappropriate behavior by Selen. The case focused on claims related to lack of active communication and violations of the company's Activity Rules for creators. The company also identified several violations, but only provided two specific examples. First, the company said that in May 2023, Selen received a warning regarding misleading statements that could damage the company's reputation. Second, the company referred to Selen's self-produced and funded cover of LilyPichu's song Last Cup of Coffee, which was released to her community as a Christmas gift on December 25. Although the project took months to complete and was highly anticipated by Selen and her fans, the video was quickly privatized by the company without any clear explanation. This prompted a public response from Selen, in which she apologized to her community and expressed her disapproval of the video's removal. She even allowed her fans to reupload the video as a personal token of appreciation. The company claimed that the video required permission from the relevant parties before it was uploaded, and that Selen continued to upload it without permission. This statement was later denied by several sources, including LilyPichu, the original singer of the song, who indicated that she did not object to the cover. Lily stated that she really enjoyed Selen's cover, so it was very sad to see what happened as seen in her Twitter tweet in Figure 2.

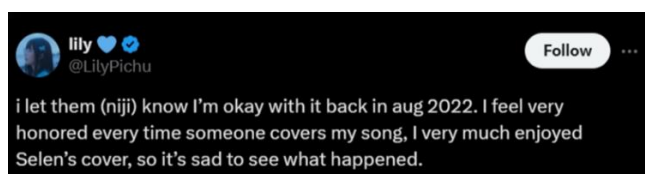


Figure 2. LilyPichu's Tweet

The company stated that the delay in payments to those who received illustration commissions was due to a lack of communication with Selen. However, several artists

and illustrators have denied the claims, stating that Selen often paid commissions using her personal money when the company failed to fulfill its obligations. Selen also expressed her surprise at the termination of her employment by the company, indicating that she was not informed in advance. She learned of the termination along with the publication of related documents through Nijisanji EN's official Twitter account. Furthermore, it is important to note that on December 27, Selen informed that she was hospitalized due to issues related to a music video. She claimed that she had an accident, but after her termination from Nijisanji, Selen clarified that her hospitalization was due to "an attempt," which is believed to refer to a suicide attempt. However, she has not provided further details after her public statement. Selen explained that the situation was the result of the buildup of stress due to internal bullying and the "toxic environment" she experienced at Nijisanji EN, which she conveyed through her alternate account, Selen – Dokibird, as seen in Figure 3.



Figure 3. Dokibird Tweets

In this context, there are a number of concerns raised regarding the management of Selen's Twitter account, which has now been switched to a personal account. It is suspected that Nijisanji may have taken over the account to release a statement regarding Selen's hospitalization before the period of radio silence and termination of employment. This is considered to have the potential to mislead fans and publish information without clarifying that the statement did not come from Selen herself. Selen subsequently provided a final clarification regarding the situation in a live broadcast marking her comeback, in which the contents of her statement were an elaboration of the initial tweet that had been checked by legal representatives. In the live broadcast, Selen explained that following the events that occurred in December, known as Dokibird, she attempted to leave Nijisanji on more neutral terms on January 26. However, this attempt did not materialize, and no further information has been made public by either party. To date, Nijisanji has not made any public acknowledgement of Selen following the termination of employment, except for one statement addressed to ANYCOLOR INC. shareholders. In the statement, Nijisanji stated that Selen Tatsuki's controversial contract termination is expected to have a negligible financial impact on the agency. This statement drew widespread criticism from fans, who then launched calls for a boycott as well as a #SinkTheYacht campaign on social media platforms.

On February 12, NIJISANJI responded to Selen's situation through three different approaches. The responses included a livestream featuring one of NIJISANJI EN's three largest Livers, a post regarding legal documents on NIJISANJI EN's Twitter account, and a video statement from ANYCOLOR INC. CEO Riku Tazumi. The livestream that was considered the most unprofessional took place on Elira Pendora's YouTube channel, with Vox Akuma and Ike Eveland participating. The livestream featured a black screen for 15 minutes, with only the voices of the three Livers being heard, along with documents from Selen's lawyers that contained personal experiences and information about nijisanji en streamers. At the beginning of the broadcast, Elira expressed their awareness of the sensitivity of the topic being discussed. The three Livers expressed concerns about the legal documents that included their personal identities and the potential publication of the letter. They then refuted the narrative that Selen Tatsuki had conveyed during the announcement of her termination. Liver also stated that Selen had received appropriate communication regarding the events, stressing that whenever Selen refused to cooperate, staff would have reacted appropriately.

The three Livers stated that they went live under threat of the documents being made public, despite Selen's lawyer's stated desire for the process to be kept private. However, this did not go down well with fans. Most fans felt that the way the situation was handled was poorly and at least partly a fabrication by NIJISANJI EN to divert attention from the company by using its most popular Livers as shields and shields. There were also concerns raised by fans and DokiBird about the fact that NIJISANJI had shared some of Selen's supposedly confidential legal team documents with the company's talents, causing personal information to be dragged into the mix. This prompted DokiBird, who was streaming on his own that day, to respond by contacting her lawyer and posting on his Twitter account as seen in Figure 4.

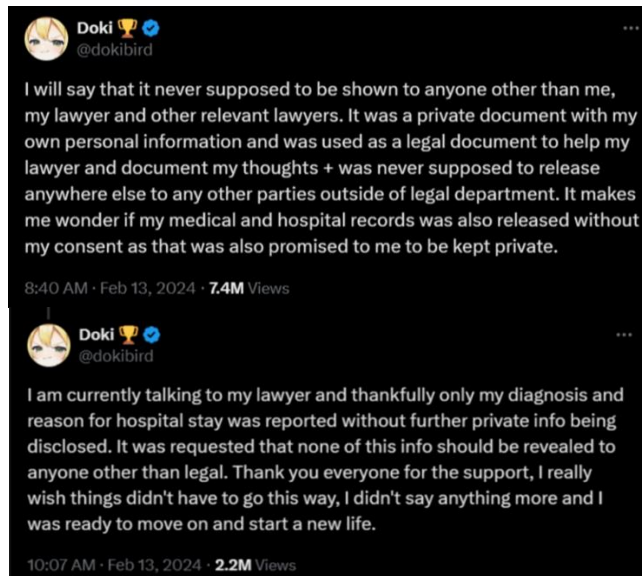


Figure 4. DokiBird's response to lawyers

Based on the post submitted by DokiBird in Figure 4, DokiBird expressed his desire that certain information not be disseminated to parties other than the relevant authorities. He expressed his hope that the current situation would not have to develop as it did and expressed his intention to start a new life without making any further statements. Following the incident, the shares of DokiBird's parent company, Anycolor Inc., fell, followed by a decrease in the number of subscribers of several talents under the company's auspices, including Elira, Vox, and Ike who lost up to 10,000 subscribers on their respective YouTube channels. Previously, Nijisanji had unilaterally terminated the contracts of other talents, but Selen's contract termination case seems to be the tipping point. Before Selen's contract termination, Nijisanji EN had terminated the contracts of two other talents. The first contract termination in the UK branch occurred on December 14, 2022, with one of their popular talents, Yugo Asuma, from the fifth wave, Noctyx. ANYCOLOR INC. announced that Yugo Asuma has graduated from the agency and will be ceasing all Vtuber activities and live broadcasts. In the Vtuber industry, the term graduation is often used as a euphemism to describe a Vtuber leaving an agency or group for any reason. At the time of his graduation, Yugo had 400,000 subscribers on his YouTube channel and 671,000 followers on Twitter. Yugo's sudden departure came as a surprise to fans, especially since his entire archive of videos and live broadcasts were deleted shortly after he left Nijisanji. What was even more surprising was that there was no indication from Yugo in his previous broadcasts that he would be graduating, considering he had only just debuted with the agency a few months prior.

Anycolor Inc, via Nijisanji EN's official Twitter account, announced Yugo's departure. In the statement, the company stated that Yugo had engaged in activities and behavior that were deemed unacceptable as a company. However, the statement did not go into detail about the specific actions that Yugo took that led to his departure from

Nijisanji EN. Based on the statement, Yugo's departure appears to be more of a forced dismissal than a mutual decision. Furthermore, on March 10, 2023, Nijisanji EN announced the termination of the contract of one of their VTubers, Zaion Lanza. Zaion had previously been suspended by the agency due to several actions deemed inappropriate for a public figure during several live broadcasts. Zaion debuted as a member of XSOLEIL, Nijisanji EN's seventh wave, on December 8, 2022, with 129,000 subscribers on YouTube and 192,200 followers on Twitter. Nijisanji released a suspension statement on February 8, 2023, stating that Zaion had committed repeated violations. The management also confirmed that Zaion had been warned several times since his debut, but there was no significant change in his behavior. This decision makes Zaion one of the shortest-tenured VTuber members in Nijisanji EN's history.

Following Nijisanji's dismissal of Zaion, fans have drawn comparisons between the agency's disciplinary action and Yugo Asuma's dismissal. Nijisanji's official statement regarding Yugo's departure also shared similarities in terms of language, including a note that Yugo's activities and behavior as a VTuber were unacceptable to the company. However, Zaion's termination case developed further after long-inactive VTuber Sayu Okami released a 22-page document on May 6, 2023, detailing her experiences working for Nijisanji as Zaion, as well as the reasons behind her dismissal. Sayu used the document to respond to Nijisanji's accusations regarding her dismissal, and to deny some of them. One of the claims Sayu denied was an allegation of fake sponsorship, which she said was a reference to a joke about Zaion's streaming asset "Dee's Nuts." Sayu also clarified some of the actions she was accused of prior to her dismissal. In response to allegations of offensive comments, including an incident of liking a Tweet insulting another VTuber, Sayu stated that it was an accident and not an intentional act. She also claimed that she had asked Nijisanji to consider a more professional approach in handling communications between the two parties before the decision to terminate the contract was made. However, according to Sayu, the request was rejected by Nijisanji.

Sayu emphasized that the issues she experienced did not stem from Nijisanji EN's Vtuber members, but rather other factors. In her statement, Sayu said that the other members at the agency were very friendly and caring, and made her feel accepted as part of their community. However, despite her positive impressions of her colleagues, Sayu expressed dissatisfaction while working as Zaion at the agency. She felt trapped, unsuccessful, and did not receive adequate support from the staff. Sayu emphasized that the managers she worked with did not make an effort to understand her as an individual or as a creator. This created feelings of neglect and alienation in her work environment. So far, Nijisanji has not officially responded to Sayu's statements, other than the initial announcement of her contract termination on March 10. The reaction from the fan community has been divided, with some supporting Sayu while others still doubting the allegations against her. This uncertainty has led to ongoing debate among fans, showing differing views on the issues raised by Sayu and how the agency has responded to the situation.

In recent months, several former Nijisanji Vtubers, including Yugo, Zaion, and Selen, have come forward about their experiences at the agency. Some of the claims they have made include administrative issues and an unprofessional work environment. Among the allegations that have surfaced are that Nijisanji failed to take care of one of its members' tax obligations for two years, and failed to award a Vtuber who successfully achieved it with a YouTube plaque right that Livers (Nijisanji's term for Vtubers) have earned. Nijisanji was also said to have rejected a collaboration offer from a well-known game to one of its Vtubers without consulting the party concerned. Furthermore, there have been reports of an unfriendly work environment, including incidents of bullying and ostracization by staff against Vtubers. The revelations of these cases have drawn widespread attention from parties outside the Vtuber community, with the focus being on Nijisanji's unprofessional management policies. One significant discussion was initiated by a lawyer on the YouTube channel Legal Mindset, who

discussed legal issues related to Nijisanji's work practices. In an effort to restore the company's reputation, Nijisanji has taken various steps, including an apology from the CEO, which unfortunately received a negative response from the public. In addition, several major collaboration events such as the Nijisanji EN Liver live broadcast and the AR Live event—which was delayed for more than a year—have also failed to restore the company's image to its previous state.

As an example of a similar company to be a comparison of the case experienced by Nijisanji, the researcher took Hololive Production and Vshojo because in addition to being one of the other largest Vtuber agency companies, Hololive is well-known by fans for its good agency management treatment of its talents, so that the CEO of Hololive himself has a fairly large fanbase and is equal to his talents due to his great dedication to the agency. Hololive is also known for providing training for each of its talents starting from technology training and the devices that will be used, singing and dancing training, and training them to become entertainers. Not only that, Hololive also uses the money they get to improve and develop the quality of their talents starting from good Live2D characters by commissioning famous illustrators and quality riggers, collaborating with brands outside Hololive, providing new designs to their talents such as New Year's costumes for their Vtuber characters, holding meet and greets for fan communities, and holding concerts as a group or solo for the talents they have. Recently, Hololive is also known for giving a plaque of appreciation from YouTube to one of their twin Vtubers, FuwaMoco, by giving the same duplicate of 2 plaques so that each of the talents feels that they are appreciated as individuals. This makes the Hololive community even closer because they as fans feel appreciated and pampered by the content provided by the agency for them, and the talents can also develop further thanks to the support given by the agency and their respective fans.

In contrast to the money turnover that Nijisanji does, where they focus more on increasing their talent line-up by debuting 3 to 6 people in 1 wave every six months, so it can be said that they focus more on quantity than quality of talent. For talents who have debuted for a long time, they will not have more opportunities to attract new audiences due to the audience being interested in the new waves of Vtubers that Nijisanji has released, or what happens more often is that newly debuted talents have difficulty getting an audience because they have to compete with each other due to the fan community that has been created for previously debuted Vtubers. This makes the Nijisanji community less close and strong to support existing talents because the large number of talents makes fans feel bored and have difficulty dividing attention evenly to each talent. Vshojo itself is famous for the freedom that management gives to their talents. For example, if a talent wants to leave the agency, they allow the talent to still have the Vtuber persona they got when they joined. The platform used by Vshojo itself is Twitch where the focus of Twitch's audience is more dominant on viewers in America and its surroundings. Although the Vshojo company is quite small compared to Hololive and Nijisanji, the community owned by Vshojo is very close. They are not afraid to recruit talents who have worked under other agencies, so most Vtubers under the auspices of Vshojo tend to be more established, and because of the few restrictions they have for talents, their Vtubers are freer to do content like independent content creators but still get fees and opportunities by using the company name.

CONCLUSION

The conclusion that can be drawn is that Nijisanji EN's transformation into a Black Company illustrates the importance of good reputation management, transparency in communication, and continuous efforts in repairing a company's image after facing internal controversies and problems. This case shows that a company's reputation and positive social impact not only affect public perception, but also have an impact on relationships with employees, customers, investors, and the wider community. By understanding the consequences of Black Company status, companies like Nijisanji EN can learn from their mistakes, formulate appropriate strategies to repair their company's

image, and rebuild trust from stakeholders and fans. Through proactive steps in increasing transparency, improving internal management, and strengthening communication with all related parties, companies can repair their reputation and achieve long-term sustainability in the virtual entertainment industry. Thus, the conclusion of the Nijisanji EN case is the importance of integrity, commitment to ethical business values, and awareness of the company's social impact in maintaining a good reputation and building strong relationships with all stakeholders.

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