

# RESEARCH ON THE DEVELOPMENT STATUS OF CULTURAL CREATIVE PRODUCTS OF THE PALACE MUSEUM BASED ON PEST FROM THE PERSPECTIVE OF BUSINESS INNOVATION AND ENTREPRENEURSHIP

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## ABSTRACT

*In order to accurately manage the development strategy of cultural and creative products, the cultural and creative products of the Palace Museum were analyzed from various perspectives. The Cultural and creative products of the Palace Museum have become one of the most valuable commercial IP addresses in China, even though they were few tourist souvenirs years ago.*

*This paper analyzes the political, economic, social and technical factors of PEST analysis of cultural creative products. Contribute to the strategic management process of cultural and creative product development, help industry organizations to analyze and summarize the key influencing factors, and establish the ultimate strategic goals. It is very necessary to choose suitable development strategy and implement management.*

*It is suggested that the research and development, creation and marketing of cultural and creative products should follow the policies of the times, take culture as the carrier, step out of the deep palace and truly integrate into the public life. Influence on other museums of the same type to play a leading role; it can provide important theoretical reference for cultural industry management research it is also of great benefit to carry forward China's traditional history and culture. Future research on the Palace Museum is a huge and far-reaching subject, and the current exploration of any aspect is only the tip of the iceberg of the commercialization of traditional cultural IP.*

## INTRODUCTION

The Palace Museum (hereinafter referred to as the Palace Museum) was the main place where emperors worked and lived during the Qing and Ming Dynasties. It was also the political core to promote the ultimate imperial power and was called the "Forbidden City" during the imperial period. More than 1.8 million cultural relics, bearing the historical precipitation of more than 2,000 years, through more than 600 years of palace lifestyle washing, through the collection of more than 20 emperors tempered, the Forbidden City has finally become a great integration of cultural heritage and geographical civilization. No matter it is royal architecture, court instruments, or all kinds of existing cultural relics, the top aesthetic symbolic expression of Chinese elements is emphasized all the time.

Before 2007, the main source of revenue for the Palace Museum was ticket sales. The Palace Museum's path of cultural innovation began in 2008, when it established the Palace Museum Cultural and Creative Center. (Feng, 2020) In December of the same year, the Palace Museum launched taobao, becoming the first museum in China to open a Taobao store. Since 2012, the Palace Museum

has canceled the use of "cultural product development" and replaced it with "cultural and creative product development" as the official language, which reflects the Palace Museum's great emphasis on derivative product innovation and cultural and creative work. (Yang, 2017) In 2012, the revenue of CULTURAL innovation was about 150 million yuan.

(Feng, 2020) However, the product has been mediocre due to its lack of aesthetic feeling and practicability compared with general tourism commemorative products. In July 2013, the National Palace Museum (hereinafter referred to as The Taipei Palace Museum), without any marketing, released a viral tape with the words "I know" written on it by Emperor Kangxi and Zhu. But only relying on consumers "word of mouth" interpersonal spread, so that this product is often out of stock, resulting in a period of limited purchase. (Zhang, 2016) In August 2014, after learning from the Experience of the Taipei Palace Museum, the Official WeChat account of the Palace Museum released an article entitled Yong zheng: Feeling Lovable. With the help of the Internet, the article has been read more than 800,000 times in just one week.

Throughout the year, the Palace Museum's microblog continuously posts the beautiful scenery of the Forbidden City in the morning, during the middle of the night to meet people's demand for viewing and collecting beautiful pictures. In 2016, the photos themed with the first snow in the Forbidden City received 14.25 million hits online. In the same year, the documentary I Repaired Cultural Relics in the Forbidden City, which received 9.4 points on Douban, was broadcast on CCTV.

This slow-paced documentary full of feelings of ingenuity was deeply loved by young people, making them yearn for working in the Forbidden City. (Feng, 2020) As early as 2003, the Palace Museum announced the establishment of the Digital Application Research Institute of the Palace Museum's Cultural Assets (Zhang et al., 2017). In recent years, the Palace Museum has launched a series of apps produced by the Palace Museum to expand its influence with science and technology. According to Shan Jixiang, former director of the Palace Museum, its annual revenue from cultural and creative work reached 1.5 billion yuan in 2017. (Feng, 2020) More than 900,000 sets of lipstick were quickly sold in the Forbidden City, and the demand exceeded the supply. Shan Jixiang said, cultural creative products are too deeply study people's life, is to deeply dig our cultural resources, cultural resources extracted, and people's life docking (Zhao, 2019).

From an unwanted tourist souvenir to a new benchmark for traditional cultural innovation and one of the most valuable commercial IP addresses, the Palace Museum has been built into a brand that symbolizes the top aesthetics of Chinese culture, and its development has also brought new development opportunities for cultural industry management. Therefore, through the analysis of cultural creative products, it is very necessary to choose suitable development strategy and implement management.

PEST analysis of cultural and creative products refers to the analysis of political, economic, social and technical factors to determine the impact of changes in these factors on the strategic management process of cultural and creative product development, to help industry organizations analyze and summarize the key influencing factors, and to establish the final strategic goals.

## POLITICAL FACTORS

In history, the Palace Museum has undergone the positioning adjustment of history museum, art museum and comprehensive museum. These three adjustments reflect the political awareness in different historical periods requiring the transformation of the concept and ideology of the Palace Museum (Shan & MAO, 2016). The focus of work gradually shifted from "things" to "people", from people to see the palace to see the culture, from cultural relics as the center of the work to serve the community as the focus of the work. The excellent Chinese traditional culture is unique, extensive and profound, and it is the tradition of governing the country to investigate and study the excellent

Chinese traditional culture (Feng, 2017).

In December 2016, the "Belt and Road" Cultural Development Action Plan of the Ministry of Culture (2016-2020) was officially released by the Ministry of Culture and Tourism of China (2016). The document proposed to promote the prosperity and development of the "Belt and Road" cultural industry and promote the "Belt and Road" cultural trade cooperation. Including all the way "area" artistic creation support programs, "area" cultural heritage corridor construction plan, "the silk road culture industry area construction, planning, animation game industry all the way "area" of international cooperation plans of action, "area" wenbo industry prosperity and "area" cultural trade expansion plans, etc.

In January 2017, the General Offices of the CPC Central Committee and The State Council (2017) issued the Opinions on the Implementation of the Project of Inheriting and Developing Excellent Traditional Chinese Culture, which clearly pointed out that we should be good at extracting themes, obtaining inspiration and absorbing nutrients from the Treasure house of Chinese cultural resources. We combine the beneficial thoughts and artistic values of fine traditional Chinese culture with the characteristics and requirements of The Times, and use a variety of artistic forms for contemporary expression to produce a large number of excellent literary and artistic works with profound connotations and nurturing public sentiment. In the same year in May, the general office of the central committee of the communist party of China, (2017) issued by The General Office of the State Council of the national "much starker choices-and graver consequences-in" program for cultural development and reform, points out that "much starker choices-and graver consequences-in" period is to build a well-off society in an all-round way runoff stage, was a key period, promote cultural prosperity and development to the new concept of development through cultural development and reform process. It is of great significance to carry forward our excellent traditional culture and realize the modernization of our cultural governance.

## ECONOMIC FACTORS

In recent years, under the active support of relevant national policies, China's cultural industry has steadily strided towards being a pillar industry of the national economy. It has gradually become a bright spot of cultural prosperity and development as a development model of new industries, new forms of business and new commerce. Presents a more characteristic pattern of development (Luo & Jing, 2015).

In January 2019, the United Nations Conference on Trade and Development (UNCTAD) (2019) released a research report titled creative Economy Prospects: Trends in International Trade in Creative Industries (2018). The report is based on a survey of 130 international and regional creative products and services from 2002 to 2015. According to the data analysis of the report, against the backdrop of slowing global trade growth, the creative economy has grown significantly. Despite the great impact of the financial crisis on the creation, production and distribution of creative products, the entrepreneurial industry has still contributed to the world economic development, with a growth rate of over 7% in 13 years. Among them, China's results are quite striking, with an average annual growth rate of 14%. In terms of total trade volume in 2015, China's export of creative products was four times that of the United States, playing an important role in sustaining the regional and global slowdown in creative economy.

In January 2020, the National Bureau of Statistics of China (2020) released the 2019 Annual Report of China's Economy, showing that China's per capita GDP exceeded 10,000 US dollars. With the improvement of China's economy, national education is more and more popular, and the quality of the people is increasingly improved, and consumers continue to enhance the pursuit of personality and quality. The enhancement of economic strength also makes consumers' national confidence and

cultural pride continue to improve, and the cultural and value identification contained in products become an important factor in consumption decisions. Neighboring Japan and South Korea, which have very similar cultural background and consumption concept with China, both started the era of strong local culture when their per capita GDP reached about ten thousand yuan. Now "*national tide*" heat, in China has become the new consumption darling.

The Palace Museum not only has an official website, Taobao store, and WeChat public account, but also cooperated with Alibaba to create the "Official Flagship Store of the Palace Museum Cultural and Creative Industry", the data ended 2017 with a total of 224,000 followers (Mu, 2017) .

## SOCIAL FACTORS

Under the epidemic, Chinese museums are facing multiple challenges in the integration of culture and tourism, digital technology and tourist management, and the requirements for curatorial quality and comprehensive services are also increasing (Tian, 2018). Because of the above reasons, material needs are no longer the only problem people need to solve, and the pursuit of spiritual satisfaction has become a particularly important part of people's life.

In many Cities in China, activities in the field of art and culture such as cultural centers, science and technology museums and museums are attracting more and more people's attention and recognition (Chen, 2017; Wang & Xia, 2020). In December 2019, the Cultural Industry Research Institute of Renmin University of China released the 2019 China Cultural Industry Development Index and Cultural Consumption Index, pointing out that the balance of China's cultural industry development tends to be stable, China's cultural consumption environment index has increased year by year, and the gap between urban and rural areas has narrowed. In particular, for the first time, domestic anime has overtaken Japanese ones in popularity. The cultural consumption intention of male is higher than that of female, and the consumption level index is higher than that of male. The Internet has become the most important channel for cultural consumption, and the application of 5G, VR, block chain and other technologies is reinforcing this trend (Wang & Xia, 2020). The content of cultural products is the most expected improvement of consumers, followed by the performance of products (People's Daily Online, 2019).

According to national statistics compiled by Zhiyan Consulting, the size of Museums in China has been growing rapidly year by year. In 2009, there were only 2,252 museums in China, and as of May 2018, there were 4,918 museums in China. Museums across the country have more than 50 million pieces of cultural relics in their collections, including nearly 40 million pieces in museum collections, and the number of museum employees has increased to more than 100,000. (Zhiyan Consulting, 2020) Chinese culture has a long history. There are so many museums in China, and each museum has so many collections worthy of recommendation. Tickets are carried out simultaneously in combination with cultural and creative product sales, publishing, film and television, games and other businesses.

On the other hand, this is also a necessary stage for the social and cultural process of "*passing down the fire and passing it on forever*". Just as President Shan Jixiang said, the Palace Museum should "*completely hand over the magnificent Forbidden City to the next 600 year*" (Feng, 2017). This is an attitude of being responsible for culture. The current research on cultural relics will continue to be used in the future, and future generations should conduct further research on this basis and make "*iterative breakthroughs*".

## TECHNOLOGICAL FACTORS

Committed to building a digital Forbidden City and a digital community, using the world's

most advanced technology to spread the Forbidden City culture to every family and every community (Shan, 2014). Museum cultural creative products are an important part of art market and cultural creative products. Museums use collection resources to research and develop cultural and creative products to meet the needs of the public, and cultural and creative products are increasingly becoming a carrier to spread the excellent culture of museums. Cultural and creative derivatives become an important link of communication between museums and the public, extending the educational function of museums and the public's visiting experience of cultural relics displayed in museums.

On May 11, 2016, the Chinese culture and tourism, the National Development and Reform Commission, Ministry of Finance, state administration of cultural heritage (2016) "*about promoting cultural relics units creative product development certain opinions*", points out that tap into cultural units of cultural relics collection resources, promote cultural creative product development, to carry forward Chinese excellent traditional culture, It is of great significance to carry forward the Chinese civilization and promote coordinated economic and social development. Promote cultural creative product development, we must always give top priority to social benefits, in the performance of the good public service function, protect the national cultural relics, and stronger business premise, arouse the enthusiasm of cultural relics units, and encourage and guide social forces to participate in, use creativity and technology, meet the people's growing material and spiritual culture, and constantly upgrade and personalized needs. Since the opinions were issued, 92 units, including The Capital Museum and the Military Museum of the Chinese People's Revolution, have been selected by the State Administration of Cultural Heritage (2016) as the pilot units for the development of cultural and creative products in national museums.

As technology continues to advance, the definition and role of museums are constantly changing, which requires the Palace Museum to be updated in a completely new form (Feng, 2018). The digital Palace Museum needs a richer connotation and more advanced technology. Traditional art and cross-border integration, digital museum with the construction of digital language to extend the museum culture.

## CONCLUSION

The Palace Museum's cultural and creative products are traditional and elegant. While pursuing innovation in the development and design of derivative products, the museum also maintains a rigorous and prudent attitude towards cultural relics and artworks, focusing on the careful and accurate extraction of iconic cultural elements. The design creativity takes into account the characteristics of cultural relics themselves and closely combines the actual use experience of buyers. Through "*digital technology + traditional culture*", "*Internet + cultural innovation*", "*crossover + new media*" and other ways, the Palace Museum has played an important role in enhancing brand building, enhancing consumers' willingness to buy, and thus improving the sales performance of the Palace Museum's cultural products.

The official name of the "*new media team*" (He, 2020) in the Palace Museum is the Digital Media Team of the Information Department, which is responsible for the planning, release, operation and maintenance of the Palace Museum's official website group, mobile apps, Weibo, Wechat and other online media .

As one of the three great palaces in the world and a member of the World cultural Heritage, the Palace Museum is an important representative of traditional Chinese culture. This study sorts out and interprets the current development context of cultural and creative products, and provides new ideas for the research and development, creation and marketing of cultural and creative products. Excellent cultural and creative products can break down the barriers between different cultures and realize the unification of social and economic benefits while spreading excellent traditional culture to

the masses. The development of cultural and creative products of the Palace Museum has maintained steady growth year by year and formed a diversified and prosperous trend, which is probably only the tip of the iceberg of the commercialization of traditional cultural IP.

## AUTHOR BIOGRAPHY

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