

# Comparative Study on the Management Mode of Chinese and Foreign Cultural Industry

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## ABSTRACT

The management of cultural industry requires the government to take appropriate measures according to the different stages of industry development. This article mainly analyzes the influence of different management modes on the various processes, development directions and value orientations of the entire cultural industry through a comparative study of the Chinese and foreign cultural industry management models. It is clear that the government should guide benign competition and innovative development in the development of the cultural industry through policies, laws, fiscal and taxation, etc. to improve industrial efficiency, optimize cultural industry management, and promote the cultural industry to leapfrog to the high-end value chain.

**Keywords:** cultural industry, government management mode, capital support, comparative study

## I. INTRODUCTION

The meaning of cultural industry is to add cultural products and high quality cultural service concept to the mode of production of industrialization, information and commercialization, then produce, disseminate or exchange. Against the background of economic globalization, cultural industry has become an important pillar industry of social economic development. It takes the production and consumption of cultural services and cultural products as its main form and develops in chain. The development of China's cultural industry is playing an increasingly important role in the overall strategic development of the country, and the per capita expenditure on cultural services has also kept a steady growth over the years. The management model of cultural industry refers to a set of organizations, principles, policies and operational mechanisms that are guided and managed by the government for the development of cultural industry, including the management of industrial structure and the production, management, communication of cultural industry. This paper mainly compares the management mode of Chinese and foreign cultural industry, analyzes the influence of different management modes on the process, development direction and value orientation of the whole cultural industry, and provides advice for optimizing the management of cultural industry to promote cultural industry to the high-end part of the value chain. (see "Fig. 1")

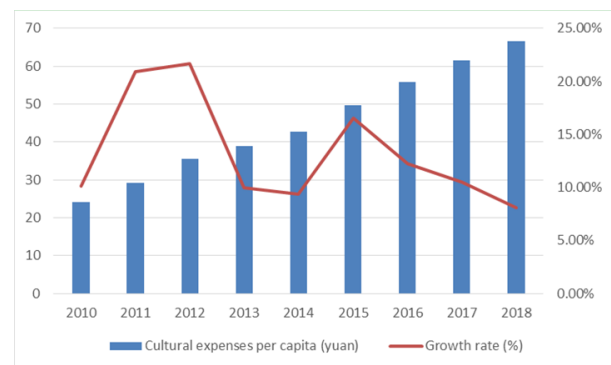


Fig. 1. Statistics on the per capita expenditure and growth rate in China from 2011 to 2018.

<sup>a</sup> Data Source: Ministry of Culture and Tourism

## II. ANALYSIS OF THE MANAGEMENT MODE OF CHINESE CULTURAL INDUSTRY

According to the different development stages and characteristics of cultural industry, China's cultural industry management model also presents different levels of government involvement. The following summarizes three typical cultural industry management models in China. (As shown in "Fig. 2")

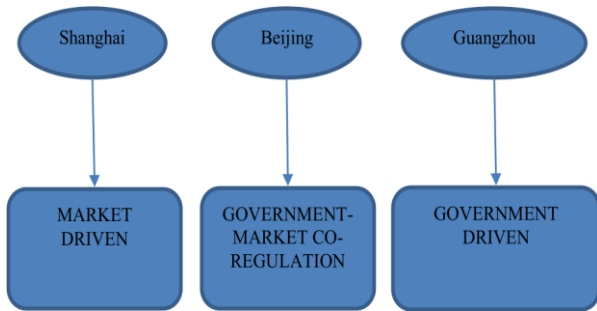


Fig. 2. China's cultural industry management model map.

*A. Government-market co-regulation (Beijing)*

The model of "government-market Joint Regulation" refers to the combination of government and market in the process of cultural industry management. In terms of government management, the government of Beijing has launched a series of cultural industry policies to positively promote and support the development of cultural industries. At present, Beijing is often used as a pilot area for new policies on cultural industry, and Beijing's experience has become an important reference for other cities in China to formulate policies on cultural industry. Since the rise of Beijing's cultural industry, it has not left the macro-management of the government. In the aspect of market management, Beijing makes great efforts to foster competitive brand enterprises and enterprise groups, support and expand the main body of the cultural market, and form a pattern of benign competition between state-owned and private-owned cultural enterprises in the cultural market, enhancing the competitiveness of cultural enterprises.

Under the joint management of government of Beijing and the market players, the cultural industry in Beijing has gradually formed a multi-level structure, in which the press and publishing industry, cultural exhibitions and performances, radio, Film and Television, Antique Art Trading and other industries have become the main players. At the same time, there are a number of leading enterprises, well-known brands emerged, such as Meeting in Beijing Program, the Beijing International Music Festival and the Beijing Book Festival and other well-known cultural brands.

*B. Being market-driven (Shanghai)*

The huge cultural consumption market in Shanghai provides the necessary conditions for the development of cultural industry driven by the market. Shanghai cultural industry management focuses on the development of new forms of culture, lay emphasis on the market orientation, the establishment of the market system and the market mechanism of cultural industry. The cultural industry in Shanghai has formed an industry cluster district, which has brought about scale

efficiency. In addition, the culture becomes more and more market-oriented, and the market gradually becomes the real main force in the management of Shanghai Cultural Industry, while the government only plays a macro-guild role. Moreover, the city of Shanghai actively exploited its advantages as the financial center and provided credit assistance to small and medium-sized cultural enterprises. It took the lead in setting up Shanghai Oriental Huijin Cultural Industry Guarantee Co., Ltd., whose function is to provide guarantee services exclusively to small and medium-sized enterprises, it is also the first guarantee company of this type in the country, promoting the development of small and medium-sized cultural industries and strengthening the role of market players.

To sum up, the construction of the cultural market system is the core of the management of Shanghai's cultural industry, making use of brands and technologies to create leading enterprises, and then using market players such as leading enterprises to regulate and manage the cultural industry.

*C. Being government-driven (Guangzhou)*

Compared with Beijing and Shanghai, the development of cultural industry in Guangzhou is still at the initial stage. The number of cultural industry management organizations in Guangzhou is far less than Beijing and Shanghai, and the degree of industrial integration is not high. Therefore, the management mode of Guangzhou's cultural industry cannot be separated from the government's lead. The Guangzhou government constantly studies and formulates policies and regulations, and implements specific support programs for cultural industries through administrative measures, financial measures and relevant laws and regulations.

In addition, the Guangzhou government has made greater efforts to cultivate the cultural market and constantly improve the management level of the cultural market, through coordinating the market of cultural elements, regulating the mechanism of cultural market entry and exit, and starting-up cultural industry associations and other cultural intermediary organizations to perfect the modern cultural market system and maintain the market order.

**III. ANALYSIS OF FOREIGN CULTURAL INDUSTRY MANAGEMENT MODE**

The developed countries, represented by the United States, the United Kingdom and France, have distinctive characteristics in the management of cultural industry. Under the principle of free market, the U.S. government does not have direct control over the cultural market and rarely intervenes it. A highly commercialized cultural market system, including

Cultural Organization, marketing system, technical support system and creative organization system, has been established, giving the cultural industry a strong international market competitiveness; in France, which has a long tradition of attaching importance to the development of culture, the government plays a leading role in the development of culture industry; The British management style lies between the United States and France, laying equal emphasis on government management and market-oriented.

#### *A. Being market-driven (US)*

In the United States, the government has not set up a special administrative agency similar to the Culture Ministry, nor a unified national cultural policy, showing an "inaction" management status. In order to ensure the operation of the market order of the cultural industry with less government involvement, the American government has made complete laws, taxes and other infrastructure construction to escort the development of the cultural industry. As for laws and regulations, according to the practical needs, government constantly improves the legal system, such as copyright law, to ensure the effectiveness of the law. The United States government also implements effective regulation of the cultural industry through its tax policy. In addition, the United States government adopts preferential policies for the postage of publications to provide great support and encouragement to cultural enterprises, which has increased the competitiveness of the American cultural industry.

To sum up, American cultural industry management is market-oriented. In order to ensure the market order and social effect, the government mainly constructs the security system in the form of law to maximize the cultural industry space.

#### *B. Government-market co-regulation (UK)*

The government acts more effectively in the management of the cultural industry in the UK, and has a special administrative agency, including Creative Industries Task Force and Ministry of Culture, Media and Sports, to formulate a definite cultural policy. The development of British cultural industry has always been connected with the overall economic strategy of the government.

In order to flourish the cultural industry, the British government integrates a variety of channels to the funds management. Since cultural Industry is a high-risk industry, most financial enterprises are relatively cautious about this industry, which has seriously inhibited the growth of cultural enterprises and the maturity of the whole industry. In order to change this situation, The British government has stepped up its publicity efforts to promote the financial sector's understanding of the cultural industry and thus invest

funds in it. To solve the funding problem of small and medium-sized cultural enterprises, the British government has also set up various funding program, which include the small business loan guarantee program, the regional venture capital fund, the creative excellence fund, the community development finance agency and the regional finance forum. While implementing these measures, the US has also implemented a "government escort funding" mechanism. Besides, the British government invests a part of the lottery proceeds into the cultural industry in the form of law, making it a more stable source of funds in the development of cultural industry.

#### *C. Being government-driven (France)*

The French government has always been known as "patron of art, defender of culture". The government adopts a typical "government-lead" management mode characterized by government intervention. The formation and development of French cultural industry depend on the formulation and change of national cultural policy. The French always believe that the cultural product is different from the general product, which has a special cultural attribute. They advocate the cultural multiplication and the diversity, stick to the cultural exception principle.

As the French culture industry management is dominated by the government, the capital management also relies on the leading function of the government. First, the central government directly provides sponsorship, subsidies and bonuses, and every unit or enterprise engaged in cultural activities can apply to the government for financial subsidies; second, local governments at all levels in France have budgets for the development of culture; third, the government encourages social enterprises to provide various forms of help for the development of culture through regulations such as tax breaks.

### **IV. COMPARATIVE STUDIES BETWEEN CHINA AND FOREIGN COUNTRIES AND POLICY SUGGESTIONS**

Based on the analysis of the first two parts, we can see that different cities in China have adopted different cultural industry management models due to the different stages of cultural industry development, respectively corresponding to the industrial management models of developed countries such as Britain, the United States and France. Although the models are similar, we can still sum up the experience of cultural industry management in developed countries, and further promote the deep cultivation of industries under different management models in China.

First of all, in terms of the relationship between the government and the market, it can be seen that the

governments of developed countries exercise macro-regulation on the cultural market rather than micro-management. Or sign a cultural contract and other forms to fully ensure the dominant position of cultural enterprises in the independent management of the cultural market. For example, under the government-driven French model, the French government and the responsible party of the cultural market only sign cultural agreements, provide financial appropriations and review the results of cultural projects without interfering with the specific content of cultural market activities. This method of management not only allows the French government to grasp the development direction of the cultural market but also guarantees the independent development momentum of the cultural industry.

In China, due to the ideological attributes of the cultural field and the attributes of public goods of some cultural products and services, the cultural products and services originally produced and provided by the enterprises were replaced by the government and its affiliated institutions, which restricted the enterprises and greatly compresses the growth space of the cultural industry. The government should avoid excessive administrative intervention in the management of the cultural industry. And the government is not the monopolist and provider of the cultural industry, but the leader and manager of the cultural industry, which should provide a more complete scientific management model for the development of the cultural industry. To guide the development of the national cultural industry with economic aid can not only reduce the government's management cost, but also stimulate the creativity and vitality of the cultural industry and avoid the tendency of "official" cultural industry.

Secondly, in terms of scientific and technological innovation, cultural industries have high scientific and technological content, especially radio, film and television, newspaper and publication, advertising and exhibitions, which are industries with high scientific and technological content. The success of scientific and technological development is of decisive significance. Focusing on the integration of technology and culture in the cultural industry management policy, in order to play a leading role in technology, is an important experience of Western cultural industry countries.

After years of rapid development, the investment in science and technology has reached new highs in China. The organic integration of China's scientific and technological achievements and cultural products still faces many difficulties. The atmosphere of organic integration of scientific and technological achievements and cultural products has not been formed yet, and cultural enterprises lack awareness of technology integration. Therefore, the government can further

encourage the technological innovation of the cultural industry and inject new impetus into the industry.

In addition, in terms of industrial financing, capital elements are one of the keys to the development of the cultural industry. For a long time, the shortcomings of the financing system have led to the slow development of many cultural enterprises, and they have struggled, which is very detrimental to the development of cultural enterprises. How to innovate financing methods and ensure accurate drip irrigation is an important building block of the cultural industry management model. The management of the profitable part of the US cultural industry development system is very mature. The US government has placed industrialized cultural forms in market rules and encouraged all parties to develop cultural industries in accordance with market order. All-round attraction of domestic funds, on the other hand, actively encourage foreign funds to integrate into the development pattern of the US cultural industry.

The growth and development of the cultural industry depends on the effective intervention and strong support of capital. For China, it is necessary for relevant government departments to improve their previous financing policies, actively absorb various capitals and broaden financing channels. They also need to lower investment thresholds, attract private investment, and gradually reduce restrictions on the absorption of foreign capital to provide a good environment for financing cultural enterprises. To promote the development of cultural enterprises. Cultural enterprises can actively absorb capital and manage development through direct listing or cooperation with listed companies. The government should continue to improve the investment and financing policies of the cultural industry, build a financing platform, and guide venture capital institutions to increase support for cultural enterprises that meet the government's planning direction.

## V. CONCLUSION

The emergence of cultural industry is based on economic development and cultural progress, which can fundamentally reflect the current situation of culture and the overall values of the society. The management of cultural industry requires the government to take measures according to the different stages of industry development and adjust measures according to local conditions. Through combing and contrasting the cultural industry management models at home and abroad, this article clarifies that the government should integrate various forces and resources in the cultural industry chain through policies, laws, fiscal and taxation, and other means to guide healthy competition and development. The government should also avoid unnecessary vicious competition and waste of resources to improve industrial efficiency,

create conditions for their benign and rapid development. Besides, the government should use administrative, economic, legal and other means to encourage private capital and social funds to invest in the cultural industry to establish diversified financing channels to provide sufficient financial support for the development of the cultural industry.

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