

A Study on the Commercial Development of Traditional Art IPs

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ABSTRACT

Driven by the wave of digitization, traditional art IP, serving as a bridge between cultural heritage and modern commerce, are exhibiting unprecedented vitality and potential. To better tap into their value and achieve sustainable development, this paper proposes that the modern development of traditional art IPs should proceed from multiple aspects, including the application of digital technologies, cross-border integration and innovation, the rise of the creative industries, the extension of the IPs industry chain, specialized operations, policy support and protection, jointly promoting the widespread dissemination and sustainable development of traditional art IPs in modern society.

KEYWORDS

Traditional art; IP; Commercial development; Arts industry

1. INTRODUCTION

In the 21st century, with the widespread adoption of the internet and the rapid development of digital technologies, the value of IPs has been further amplified. As an important branch of IP, art IPs are gradually becoming significant driving forces in the cultural and arts industry [1]. By creatively combining traditional artistic elements with modern commercial methods, art IP not only enriches the cultural market but also promotes the inheritance and development of traditional culture. IP licensing, as the core strategy for the cross-industry marketing and dissemination of traditional art IPs, ingeniously builds a bridge for the exchange of advantageous resources between traditional art IP and other brands. Through the integration of various innovative forms, it achieves deep resource consolidation. Currently, the trend of IP design is evolving towards increasingly rich and innovative paths. The rapid advancement of technology and the dynamic adjustment of market demands are prompting IP design to rejuvenate and reveal new potential across a wide range of fields. This article aims to explore how to further tap into the potential value of traditional art IPs, enhance cultural influence and commercial value through cross-industry collaborations, and find new points of convergence for the inheritance of traditional culture and the development of modern business.

2. OVERVIEW OF TRADITIONAL ART IP

2.1. Basic Overview

IP, short for Intellectual Property, refers to the property rights that the right holder enjoys over the fruits of their intellectual labor. These rights typically include copyright, trademark rights, patent rights, etc., and are valid for a limited period. With the development of the times, the concept of IP has transcended its original knowledge essence and has become a new business model, especially in the cultural and creative industries, where IP serves as a crucial bridge connecting content with the

market. The scope of art IPs is very broad, mainly including plastic arts (such as painting, sculpture, architecture, calligraphy, photography), performing arts (such as music, dance, folk art), and comprehensive arts (such as film, television, drama, opera), etc. [2] In the Chinese context, art IP more specifically refers to plastic arts, especially classical plastic arts, such as the British Museum IP, the Forbidden City IP, etc. These IPs not only include the virtual property rights such as the copyright and trademark rights of traditional artistic works but also encompass a new set of rights contained in new works created based on these works.

2.2. Core Attributes of Art IPs

(1) Content attribute

The content attribute of art IP is primarily embodied in the expression of their values, worldviews, and the overall interpretation of the IP storyline. These attributes are conveyed through various forms such as text, images, music, and videos, providing viewers with a rich artistic experience [3].

(2) Dissemination attribute

Dissemination is one of the important attributes of art IPs. An excellent art IP must possess the characteristic of being easily disseminated, capable of quickly attracting and capturing the attention of viewers within a short period of time. This dissemination attribute is often reflected in aspects such as the IP's image design, character setting, content planning, and exposure channels.

(3) Traffic attribute

The traffic attribute, also known as the social attribute, reflects the commercial value of an art IP. Strong fan loyalty and user engagement are crucial to the success of an art IP. Users are willing to grow with the IP over the long term, forming a powerful social community that drives the continuous prosperity of the IP.

(4) Artistic attribute

The artistic attribute distinguishes art IPs from other types of IPs. It is embodied in the combination of factors such as the artists, artistic forms, artistic elements, and artistic styles inherent in the IP itself. These artistic factors collectively constitute the unique charm of art IPs, attracting the attention of numerous art enthusiasts and cultural consumers.

3. CHALLENGES IN THE COMMERCIAL DEVELOPMENT OF TRADITIONAL ART IPs

3.1. Lack of a Comprehensive Copyright Protection Mechanism

During the commercial development of traditional art IPs, some creators and commercial developers of traditional arts lack sufficient awareness of the importance of copyright protection and necessary copyright knowledge. The general public often has misconceptions about the ownership and usage rights of copyrights, which can easily lead to infringement issues. Although China has established a relatively complete legal system for copyright protection, and the proportion of artistic works such as film and television works and fine arts in copyright registration has been increasing (as shown in Figure 1), there are still some legal gaps and ambiguous areas in the copyright protection of traditional art IPs, providing opportunities for infringers. Moreover, the dissemination methods of traditional artistic works are diverse, often involving complex cross-regional and cross-industry situations, which poses significant challenges for copyright enforcement, ultimately making it difficult to establish an effective protection mechanism. Additionally, in the implementation of copyright registration, the process for registering the copyright of traditional artistic works is complicated and time-consuming, and there is a lack of unified registration standards and platforms. This results in

many excellent works failing to obtain effective copyright protection in a timely manner. During the dissemination process, due to the wide dissemination scope and numerous channels, copyright owners often find it difficult to effectively monitor infringement behaviors, and the cost of safeguarding their rights is high. Consequently, many infringement behaviors are not handled promptly, posing certain challenges to the commercial development of traditional art IPs [4].

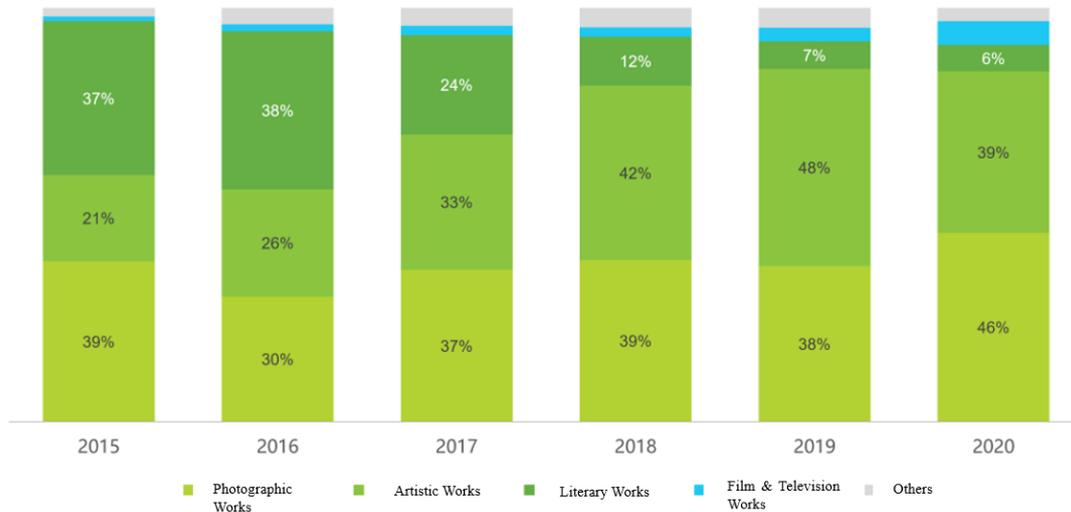


Figure 1. Classification and proportion of registered copyright works in China

(Data source: National Copyright Center; Note: “Others” include sound recordings, musical compositions, graphic works, video recordings, models, dramas, folk art performances, and architectural works.)

3.2. Insufficient Utilization of Media Channels

The operation and management of traditional art IP is a prerequisite for cross-border marketing and communication of IP, and is also a necessary condition for generating high-quality IP and realizing the modern expression of IP art. However, the problem of underutilization of media channels often exists in actual operation. On the one hand, the commercial development of traditional art IP is often limited to traditional communication channels, such as physical exhibitions, cultural festivals, etc., and there is a lack of awareness of the diversity and potential of emerging media channels such as digital media, social media, etc., which results in many excellent traditional art IPs not being able to make full use of modern technological means for extensive dissemination and deep excavation. On the other hand, even if developers realize the importance of media channels and try to make use of them, they often face the problem of inefficiency in the actual operation process. This may be due to the lack of a professional media operation team, the lack of effective media strategy planning, and the poor information flow between media channels, thus limiting the effective dissemination and commercialization of traditional art IP in media channels. What traditional art lacks most nowadays is innovation in form and tilted exposure of traffic, and it faces serious problems such as lack of heritage and narrow market. If the developers do not have enough knowledge of new technology, grasp the characteristics of new media channels accurately, and lack of innovative way of thinking in the process of dissemination, it will greatly limit the influence and commercial value of traditional art IPs in the modern society.

3.3. Limited Commercial Development Channels

Traditional art IP fusion of emerging technology, social media platform IP creative communication in a single form, the audience group is narrow, it is difficult to realize the IP wide conversion application and audience circle breakthrough, its commercialization development process, often overly dependent on traditional sales channels and marketing methods, such as art exhibitions,

auctions, physical store sales, etc., these traditional channels, although with a certain degree of stability and loyalty. However, with the development of the Internet and digital technology, their coverage and efficiency gradually reveal their limitations. Compared with traditional channels, emerging digital media, e-commerce platforms, social media and other channels have a wider audience and higher communication efficiency. However, many traditional art IPs do not make enough use of emerging channels in the process of commercialization, resulting in the potential and advantages of these channels not being fully utilized. In addition, the singularity of commercialization development channels may also lead to a lack of innovation and market acumen in product development, market positioning and promotion strategies for traditional art IPs. Developers may rely too much on the past successful experience and ignore the changes in the market and the new needs of consumers. For example, at present, in the cross-border design of corporate brand and traditional art IP, most brands only adopt simple superposition thinking and distill the IP image for the application design, with weak characteristics of the non-heritage culture and lack of integration and innovation with the brand concept, and also ignore the diversified needs of consumers, and the deep cultural connotations and emotions embedded in IP are not fully realized. The deep cultural connotation and emotion contained in the IP is difficult to be effectively extended in the product, thus affecting the communication effect [5].

4. CASE STUDIES ON THE DEEP INTEGRATION OF TRADITIONAL ART CULTURE AND MODERN COMMERCE

4.1. The Forbidden City IP

The Forbidden City, as one of the representative symbols of Chinese traditional culture, has achieved remarkable results in its IP development. Cultural and creative products of the Forbidden City, such as limited-edition collaborative stationery sets, Forbidden City lipsticks, and Forbidden City auspicious koi jewelry, not only showcase the cultural elements of the Forbidden City but also possess high artistic and collectible value. Commercial development methods authorized by the Forbidden City IP include the following. Firstly, product licensing. During the cooperation process, enterprises can obtain the right to use the Forbidden City IP on specific products, integrating the cultural elements of the Forbidden City into product design. For example, stationery, accessories, and household items licensed by the Forbidden City IP have been widely welcomed by consumers. These products are not only practical but also have cultural value and artistic charm. Secondly, brand licensing. Brands can obtain the right to use the Forbidden City IP in brand promotion and marketing. By launching collaborative products with the Forbidden City, brands can leverage the influence of the Forbidden City to enhance their brand awareness and reputation. For instance, a renowned beauty brand collaborated with the Forbidden City IP to launch a limited-edition makeup series inspired by the architecture and artifacts of the Forbidden City, featuring exquisite packaging and unique product colors, which received enthusiastic response from consumers. Thirdly, joint promotion. Enterprises and the Forbidden City can jointly carry out brand promotion and marketing activities. By collaborating to hold exhibitions, cultural lectures, themed events, and other forms, they can enhance their brand influence and market recognition. This joint promotion not only helps increase product sales but also deepens consumers' understanding and appreciation of traditional culture. Therefore, in the process of commercializing traditional art IPs, we can draw lessons from the successful cases of the Forbidden City IP that go viral on social media, creating distinctive personality traits to attract audiences and increase memorable points.

4.2. Sanxingdui Ruins IP

Since its establishment in 1997, the Sanxingdui Museum has embarked on the exploration of cultural and creative industries and has developed over 700 categories of cultural and creative products,

covering a wide range of fields including bronze replicas and imitations, clothing and jewelry, books and stationery, office gifts, and daily necessities. In particular, the museum's blind box series, such as "Blessing Shrine Officer", "Sichuan's Little Heap", and "Archaeological Blind Box", have been widely popular since their launch, not only achieving considerable sales revenue but also winning multiple awards, including the title of "Tianfu Famous Tourism Products". Furthermore, the Sanxingdui Museum fully utilizes domestic and international media platforms such as CCTV and Bilibili, showcasing Sanxingdui culture through live broadcasts, documentaries, and other forms to enhance public awareness and interest in the culture. At the same time, the museum has launched an English official website and overseas social media accounts to strengthen overseas promotion and enhance the international influence of Sanxingdui culture. Moreover, the Sanxingdui Museum has engaged in cross-border collaborations with more than 30 enterprises, including Tencent and Alibaba, to launch a series of collaborative products, such as "Sanxingdui Changhong Trendy TV" and "Sanxingdui VIVO Collaborative Package". In the field of literature, film, and television, Sanxingdui has also actively produced various works, such as the animated series *Sanxingdui: Awakening of Glory*, further enriching the expression and dissemination channels of Sanxingdui culture. Through the launch of a series of cultural and creative products and activities, the brand value of Sanxingdui has been significantly enhanced. By integrating traditional art and culture with modern commerce, the Sanxingdui Museum has promoted the innovative inheritance and creative transformation of Sanxingdui culture.

5. SUGGESTIONS FOR THE COMMERCIAL DEVELOPMENT OF TRADITIONAL ART IPS IN THE FUTURE

5.1. Application of Digital Technologies

In the digital era, the primary trend in the modern development of traditional art IPs is the extensive use of digital technology. Digital technologies, including Virtual Reality (VR), Augmented Reality (AR), blockchain, and others, offer unprecedented possibilities for the inheritance and innovation of traditional art IPs. These technologies not only enable classic artworks to be presented in a more vivid and intuitive manner but also facilitate the deep integration of traditional art with modern aesthetics and technological elements. For instance, the animated film *Shan Hai Jing: Goodbye Monsters*, adapted from the classic *Shan Hai Jing* using digital technologies, exemplifies the digital recreation of traditional cultural classics.

5.2. Cross-border Integration and Innovation

Cross-border integration has emerged as a key characteristic of the modern development of traditional art IPs. These IPs are no longer confined to a single art form or communication channel but instead leverage cross-border collaborations to integrate with various industries such as anime and games, online literature, online audio-visual content, digital art, and more, creating a diverse array of cultural products. For example, the collaboration between the Guizhou Provincial Department of Culture and Tourism and the game "QQ Speed" resulted in the launch of a themed tourism route based on Guizhou's esports IP, realizing a cross-border synergy between traditional culture and digital games. Additionally, the fusion of museum cultural IPs with fashion design, such as the perfume gift sets and children's clothing co-created by the Suzhou Museum and modern design brands, represents successful cases of cross-border integration. Researchers have assessed the importance of commercialization capabilities for cultural and museum IP products (as illustrated in a figure), providing guidance for future innovations in traditional art IPs. Future industry competition will shift from merely relying on "aesthetic upgrades and novelty" to emphasizing "emotional connections and contextualized consumption". For instance, integrating intangible cultural heritage techniques with modern design to launch cultural and creative products not only preserves the essence of traditional

culture but also assigns new era significance and market value to it. The popularity of these innovative products further promotes the widespread dissemination and sustainable development of traditional art IPs in modern society.



Figure 2. Evaluation of the importance of commercialization capabilities for cultural and creative products based on cultural and museum IPs

(Data source: Conducted and illustrated by iResearch Consulting Academy)

5.3. Extension of the IP Industry Chain

In the cross-sectoral collaboration between traditional art and modern business, the key lies in the re-creation and efficient dissemination of traditional art. For one thing, the operation of intangible cultural heritage (ICH) IP copyrights can collaborate with cultural institutions, ICH organizations, and independent designers to deeply explore ICH elements (such as shapes and patterns), constructing a rich IP database. For another, leveraging cutting-edge technologies like blockchain, AI, and big data, copyright holders, designers, and brand enterprises can achieve efficient matchmaking and cooperation while ensuring copyright security. They can flexibly distribute revenues based on project outcomes or benefits, allowing companies to quickly identify and match with the most promising ICH art IP resources. By deeply tapping into the potential of traditional art IPs, they can be applied to multiple fields such as film, gaming, cultural and creative products, and tourism, forming a complete industrial chain. Taking Shanghai Film Group as an example, its launched “Three Major IP Plans” aim to incubate new works through new perspectives and mechanisms, extend the film industry chain, and combine classic IPs with modern creativity, promoting the cross-sectoral integration of film with culture, commerce, and tourism. This extension of the industrial chain not only enhances the commercial value of IPs but also promotes the coordinated development of related industries.

5.4. Specialized Operation

The modern development of traditional art IPs relies on specialized operation. This includes in-depth exploration of IP resources, precise positioning, and efficient operation, among others. Through specialized operation, the maximum utilization of IP value can be achieved. By precisely positioning and efficiently operating, products can be pushed to the market to meet the diverse needs of consumers. Taking Alibaba’s collaboration with Ant Chain NFT and other platforms on the “Wenchang Star Plan” for the cultural and creative industry as an example, this plan focuses on the innovative revitalization of traditional cultural patterns. By establishing an operation and management platform named “IPmart” (built upon Tmall), it opens up an unprecedented new path

for copyright cooperation among designers, brand parties, and IP copyright holders. This initiative aims to promote the modern expression and commercial transformation of traditional culture, forming a more flexible and diverse copyright cooperation ecosystem. For one thing, to stimulate creative vitality, the “IP Operation Management Platform” collaborates with “Wenzang—China Pattern Online Museum” to openly provide over a thousand traditional pattern resources free of charge, allowing designers to freely draw inspiration for secondary creation. For another, the platform works closely with Tmall to build a bridge for cross-sectoral cooperation between IPs and brand merchants. Through an intelligent matching system, it accelerates the commercial transformation pace of traditional pattern IPs. Under such a specialized operation and cooperation model, designers can fully showcase the charm of traditional patterns and create more unique original IP works, thereby providing brand parties with richer and more diverse creative options.

6. CONCLUSION

With the continuous development of the cultural industry and the widespread application of digital technologies, the market prospects for art IPs will become even broader. In the future, the development and operation of art IPs will place greater emphasis on innovation and cross-sectoral collaboration, meeting market demands through diversified forms and content. At the same time, strengthening intellectual property protection and management will also become an important guarantee for the sustained prosperity of art IPs.

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