

# Research on Marketing Strategy of Cultural and Creative Products of Beijing Palace Museum

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**Abstract.** Museums have evolved over the past several years from being places to store historically significant and worthy of study cultural artifacts to being multipurpose spaces for collection exhibition, information sharing, public education, and leisure and entertainment. In order to better realize its multi-faceted functions and bring better services and experiences to visitors, the museum has gradually researched and designed a number of cultural and creative products. In order to explore the benefits of the Palace's cultural and creative products in terms of product, price, promotion, and channels, as well as to suggest specific countermeasures from the four dimensions, this paper will investigate the marketing strategies of the cultural and creative products of the Palace Museum in Beijing. It will do this by combining empirical methods and literature research with the 4P theory. The purpose of this study is to provide some reference values for the further development of the Palace's cultural and creative products and the marketing of other museums' cultural and creative products in China, and to promote the healthy and sustainable development of the cultural and creative industries of museums in China.

**Keywords:** Cultural and Creative Products; Beijing Palace Museum; 4Ps; marketing strategy.

## 1. Introduction

### 1.1. Research Background

With the improvement in living standards, people are beginning to pay more attention to spiritual and cultural activities, and the consumption of spiritual culture is growing. The Medium- and Long-Term Museum Development Plan of the Ministry of Culture (2011-2020) states that museum construction should be people-oriented and people should be the core concept. In order to better implement the policy guidelines, meet the spiritual and cultural aspirations of the people, and better realize the more diverse functions of museums, museums have gradually researched and developed cultural and creative products in recent years. The Palace Museum's rich historical and cultural resources make it a popular Chinese cultural site for both Chinese and foreign tourists. There are now 23 categories in the collection, including ceramics, seals and embroidery, and these canonical artifacts have been designed and treated to become distinctive consumer products that attract visitors, such as e-portraits, e-jewellery, e-ceramics and e-stories [1]. The clientele of the Forbidden City in Beijing has gradually shifted from tourists of the past to all those who understand history, love history and appreciate the Forbidden City and its culture. The Palace Museum now uses a wide range of new media to market and sell its cultural and creative products, using a variety of channels such as WeChat, Weibo, e-commerce and the official website.

### 1.2. Related Research at Home and Abroad

#### 1.2.1. The status of domestic research.

Certain outcomes have been obtained from domestic study on the marketing plan for the Palace Museum's artistic and cultural offerings.

The marketing strategy of the Palace's cultural and creative products in terms of the 4P theory, online sales and offline sales, suggests that the advantages of the Palace's cultural and creative products lie in the perfect marketing team, a wide range of products and rich sales taking channels, on which basis



the connotation and packaging design should be strengthened, and cooperation with domestic and foreign designers or famous brands should be enhanced [1].

The PEST model is used to analyse the marketing environment of the Palace Museum, analyzing the strengths of the marketing environment of the Palace Museum from four perspectives: its own capabilities, consumers and the public, existing competitors and available alternatives, and designing a questionnaire to address consumers' requirements for cultural and creative products, with the results showing that consumers look more at the cultural connotation, quality and practicality of cultural and creative products [2].

Marketing strategies from three perspectives: microblogging, WeChat marketing, marketing through momentum and emotional marketing, and summarizes the content based on these three aspects, suggesting that museums should keep up with the trend of the times and learn to use new media platforms to broaden sales channels while focusing on consumers and seizing social hot spots to capitalize on the momentum. Quality, practicality and reasonable pricing are also issues that should not be overlooked [3].

### **1.2.2. Status of foreign research.**

Foreign scholars have also analyzed and researched the marketing strategies of local museums' cultural and creative products.

Museums should promote innovation through cultural and creative industries. Polish museums, for example, promote themselves through joint media and the internet and collaborate with design companies and toy company publishers to create creative products related to their collections [4].

The British Museum takes the audience as the basis of its operational strategy, and through the integration of resources to achieve the synergy of industrial clusters, through online brand image, offline services to achieve a balance of income and expenditure and innovative creative sales to achieve the museum's social mission. In terms of product design, it has launched a series of IPs and co-branded with international brands such as Dior, and in terms of expanding sales channels, it has opened an online shop and collaborated with other national brands (Hello Kitty, Tangerine, etc.) to actively expand overseas markets [5].

## **1.3. Research Significance and Layout of the Thesis**

Beijing's Palace Museum is a prime example of a museum; it employs a variety of original marketing techniques. This essay analyzes the marketing plans for the culturally creative goods produced by the Palace Museum using the 4P theory as a foundation, and it highlights the primary issues with those plans. Secondly, targeted countermeasures are proposed along the four dimensions. This paper is helpful for enterprises to better understand and optimize the marketing strategy of the cultural and creative industry of the Palace Museum. At the same time, it will help contribute to the development of the cultural and creative industries of museums.

Section 2 explains the definition of cultural and creative products and the definition of the 4P theory. Section 3 uses the 4P theory to analyse the marketing strategy of Beijing Palace Museum's cultural creations from four perspectives: product, price, promotion and place. Section 4 makes suggestions for optimization from the three perspectives. Section 5 provides a summary.

## **2. Introduction of Cultural and Creative Products**

Cultural and creative products are products that have a high added value and were produced and enhanced through the wisdom, skills, and talents of creative individuals, with the aid of modern technologies, and with the use of intellectual property rights. Cultural creativity in museums is a way to take and transform the symbolic, humanistic, and aesthetic values of museum collections as a model, and then create new products that have aesthetic, cultural, and practical value through creativity. They have the characteristics of a high knowledge level, high added value, high integration,

low energy consumption and low pollution. Museum creative products are not only a means of interpreting the historical value of a museum's collection of cultural relics, but also a way for visitors to perpetuate their museum experience, and an effective way to achieve "cultural parity", so that people who have never been to a museum can get to know the culture contained in a museum by owning museum creative products and enjoy culture through cultural consumption. The ultimate goal of developing museum creative products is to serve the public and expand the influence of museums, which contributes to the development of museum culture.

The Palace Museum's cultural and creative products are derivatives of the Palace Museum's culture and can effectively contribute to its cultural development. The cultural and creative products of the Palace Museum have two characteristics. First, the products are special. Compared to other products in the market, the Palace Museum's creative products better reflect our history and culture. In the development process, the personnel involved have perfectly combined the historical and aesthetic aspects of the Palace Museum's creative products with contemporary culture, showing modern consumers the modern side of our traditional culture [6]. Secondly, the products are innovative. Based on the original culture of the Palace Museum, insist on originality, combining classical Chinese beauty with modern art. It is because of these characteristics that the Palace's creative products have a higher added value.

### **3. Analysis of The Marketing Strategy of the Palace Museum's Creative Products based on 4ps**

In the 1960s, the marketing mix theory introduced the 4P marketing theory in the United States. Management decision-making divides the variables that affect a company's marketing activities into two main categories: the first category is dominated by uncontrollable factors in the company, such as the market, marketing environment, and micro and macro environment; the second category encompasses controllable variables, such as products, brands, labels, prices, advertising, channels, and other factors. Professor Jerome McCarthy classified these elements into four divisions: product, price, place, and promotion.

Product strategy is how a company achieves its marketing goals by providing its target market with a range of tangible and intangible products that meet their requirements. It is necessary to use controllable elements, such as selection, specification, style, quality, packaging, branding, and different product-related service activities, in combination and application.

Pricing strategy involves combining and utilizing controllable factors like base prices, discounts, trade credits, and various pricing methods and techniques to achieve marketing objectives.

Placing strategy involves choosing distribution channels wisely and arranging physical goods to achieve marketing goals. It involves combining and utilizing controllable factors like channel coverage, intermediaries, networks, warehousing, and transport.

Promoting strategy involves using different communication media and methods to encourage consumers to purchase and promote the sale of products to achieve marketing objectives. The purpose of this strategy is to combine and apply controllable factors like advertising, sales force, sales promotion, and public relations activities.

#### **3.1. Product**

The Palace's creative products launched include not only books and stationery but also lifestyle products and cosmetics, combining postcards and souvenir books with contemporary culture, emphasizing the fun and innovative nature of the products, which have been well received by young people. According to an American scholar, "Words are symbols for the transmission of information, and the essence of any industry is a literal symbol that can be interpreted by those who have access to it." For example, the product "Palace Cat", based on the cats that live in the palace, combines fun and practicality to give the product a soul.

### **3.2. Price**

Price is a key factor influencing consumers' purchasing decisions. The majority of consumers view cultural and creative products as part of their lifestyle and cultural leisure, and do not factor them into their daily budget. Excessive prices can deter consumers." Due to the special nature of museum products, where the products themselves not only strive for profitability but also have to be more socially beneficial, there is an emphasis on originality in product development and production, where each product design is individually shaped and each product is not overly scrappy", so the price of the Palace's creative products is higher than that of ordinary products. However, the Palace Museum has also adopted a price reduction strategy in terms of pricing. For example, on Taobao, where the Palace has created a discount section to reduce its inventory, as well as "free greeting cards on orders", "free shipping over a certain amount", "site-wide price cuts" and more. For regular users, Taobao Palace will issue a membership card with a 5% discount after spending 500RMB. In addition, Taobao Palace will also participate in the Taobao Double Eleven Shopping Festival, offering special offers.

### **3.3. Place**

Beijing Palace Museum's cultural and creative products combine online and offline methods to offer the same quality and price, which attracts different consumer segments and promotes product sales. Online, Beijing Palace Museum has taken the lead in integrating various marketing channels such as micro-blogging marketing, microblogging, IP marketing and Taobao marketing to promote sales of Beijing Palace Museum's cultural and creative products. Through microblogging, the Beijing Palace Museum introduces many cultural and creative products, attracts consumers' attention with new texts and buyers' performances, and takes the initiative to collect consumers' opinions and suggestions on microblogging to improve product design. For example, when promoting new products, the operators of Court Taobao use vivid internet language and combine it with the historical story behind the product and post it on Weibo in the form of soft copy to indirectly stimulate consumers' willingness to buy. In addition, whenever new products are added to the online shop, the Weibo feed is updated with the latest information to build momentum, and a link to the product is inserted at the end, making it easy for consumers to make targeted purchases. The museum makes full use of the interactive nature of the media, breaking down the barriers with the public, bringing them closer, and talking to their fans as equals and friendly, while listening to the needs of the public and adopting suggestions, thus achieving a positive two-way interaction and enhancing audience loyalty [7].

In addition to using modern methods of online marketing, the Beijing Palace Museum also promotes the sale of cultural and creative products through a variety of offline methods, including innovative sales outlets. For example, the Beijing Palace Museum often organizes flash mobs in other cities, combining Palace snacks, Palace Taobao and Palace culture, attracting a lot of attention.

### **3.4. Promotion**

Beijing Palace Museum works with well-known local and international brands to develop marketing campaigns using new media to raise awareness and rapidly penetrate overseas markets for Beijing Palace Museum's cultural and creative products. Beijing Palace Museum also uses topical themes to increase its own visibility and influence, using marketing flows to raise awareness of its products and brand image [8]. For example, in 2018, in line with the popularity of "Story of Yanxi Palace", Palace Taobao also took advantage of this trend to promote a series of creative products related to Qianlong, attracting drama fans as a potential consumer base and expanding its brand influence. In this way, Palace Museum Taobao works closely with hot spots such as film, TV and festivals, and seamlessly integrates with relevant elements to achieve its marketing goals of strengthening brand promotion and expanding influence. In addition, the museum's cultural and creative products should meet the various emotional expectations of consumers and resonate with their hearts, thus providing a perfect emotional operation [9]. For example, the Palace Museum cat, which is part of the Palace Museum image, has long been a popular mascot due to its cute and charming image, and Beijing Palace Museum Taobao is aware of consumers' special feelings towards the Forbidden City cat. In terms of

advertising strategies, Beijing Palace Museum also uses festivals to promote its products. For example, during the Mid-Autumn Festival, Beijing Palace Museum launched a limited edition "Mid-Autumn Moon cakes" in collaboration with Taokuncun, a well-known Beijing bakery, to further stimulate public shopping and raise the Beijing Palace Museum's profile.

## **4. Suggestions**

### **4.1. Strengthen the Appearance and Product Connotation Design**

The current connotations of Beijing Palace Museum products are still not rich enough and the packaging is simple. To ensure that product quality meets standards, more attention needs to be paid to the convergence of product design and connotations, and elements and symbols of the Palace Museum need to be incorporated into everyday products, integrating appreciation value, commemorative value and use value. In addition, particular attention needs to be paid to the protection of the outer packaging during delivery, especially for products sold in online shopping malls, in order to improve the consumer experience. Based on the principle that too much packaging material should not be wasted, the variety and creativity of packaging shapes and packaging materials should be enhanced to give consumers a sense of ritual and psychological satisfaction when opening the package.

### **4.2. Strengthen the Development of Higher-value Goods**

The Palace's cultural and creative products are characterized by their practicality, which is utilized in their lifespan and the integration of cultural consumption into everyday life. However, this will also give the impression that the Palace of Cultural and Creative Products is still in the 'small commodities stage'. High-end custom goods are also available at the Palace of Cultural Creation. For example, the 90th anniversary of the Forbidden City's foundation saw the launch of a customized limited edition 'Imperial Palace enamel pure gold commemorative watch', which was handmade using the exclusive national treasure process of the Forbidden City "micro-carved dark scale enamel", each priced at 500,000 yuan, and was sold out on the anniversary day. At present, the Palace's cultural creation has come into the public field of vision, in retaining the original low-priced small commodities based on the development of high-end commodities that the needs of different levels of purchase should be met by strengthening it.

### **4.3. Strengthen IP Management**

As the Palace Museum sells many practical everyday items, it is vulnerable to piracy by small traders, both online and offline. The Palace Museum of Beijing can give consumers a sense of ownership and strengthen copyright protection by putting its logo on its products, referring to the Palace Museum in Taipei, China. In addition, the Palace Museum should ensure that it includes a copyright license in the product details when selling creative products to avoid disputes. Such incidents can hurt brands and disappoint copyright-conscious consumers.

### **4.4. Strengthen Communication and Cooperation with Multiple Parties**

Palace Museum can work with local and international designers to develop more fashionable products while conveying an inspiring culture to consumers [10]. It can also strengthen collaborations with well-known brands, such as the moon cakes previously launched in collaboration with Taohun Chung, to utilize the popularity and influence of the brand, while guaranteeing product standards and quality.

## **5. Conclusion**

As a typical representative of museums, the Palace Museum in Beijing used modern methods to develop creative products by innovating the form of products and incorporating the meaning of traditional culture, which was positively received by a large number of consumers. The museum

expanded its sales channels using various marketing methods, including Weibo, WeChat and e-commerce platforms. Through the use of humorous texts and witty marketing images, consumers have been introduced to the culture of the Palace Museum and made aware of its cultural connotations.

The Palace Museum has some shortcomings that need to be optimized in terms of marketing strategies by strengthening the appearance and connotation of the product, strengthening the development of higher-value goods, strengthening IP management and enhancing communication and cooperation with multiple parties.

China's cultural and creative industries need to take the step to learn from the marketing strategy of the Palace Museum's cultural and creative products and follow The Times' trends in the field of new media. We must learn to use a variety of platforms to expand marketing channels, enrich marketing methods, broaden the audience, and gain popularity. And take the consumer as the center, actively interact, do a good job of pre-sales and after-sales service. Finally, it's crucial for museums to acknowledge the emotional needs of consumers and create innovative products that can elicit emotions. Excellent quality is a prerequisite for the success of cultural and creative products, and practical functions and reasonable prices are also essential. Museums must take advantage of new media to their full potential, stay ahead of the curve, expand the impact of cultural and creative products while spreading history and culture, establish a positive brand image, reap economic and cultural advantages, and promote exceptional cultural products in modern times.

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