

# Research on Marketing Strategies and Design Methods of Cultural and Creative Products: A Case Study of Cultural and Creative Products in the Palace Museum

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**Abstract:** In order to promote the quality of cultural and creative products and market in China, this paper uses the case analysis method, taking the products of the Palace Museum Cultural and Creative as an example, from the analysis of the current situation of the market in China and the marketing strategy of the Palace Museum as the breakthrough point, makes an in-depth analysis of the current market environment, product design and marketing strategy, so as to provides innovative suggestions and inspiration for the cultural connotation excavation, designing and marketing of Chinese cultural and creative products.

**Keywords:** the Palace Museum Cultural and Creative; cultural and creative products; marketing strategy

## 1. Introduction

With the progress of society, the improvement of people's living standards and the rise of new media, people put forward higher and higher requirements for consumer goods, and pay more attention to the differentiation and personalization of products. As a booming and promising sunrise industry, cultural and creative enterprises constantly meet the spiritual needs of the masses in a popular way, and the great connotations contained in cultural products also meet the needs [1]. With the upgrading of consumption and the rapid development of the Internet, China's cultural and creative industries have become the driving force of economic development and the highlight of social and cultural characteristics.

On May 11, 2016, several ministries and commissions of Chinese State Council jointly issued Several Opinions on Promoting the Development of Cultural and Creative Products of Cultural Relics Units, which encouraged relevant units to develop all kinds of cultural products based on their own resources, so as to promote China's creative transformation, declaring that cultural relics should also enter the era of innovation [2]. With the strong support of the policy, the products of intangible

cultural heritage museums have developed rapidly in recent years. The policy encourages the development of innovation and creativity of museums in the new era, and deeply excavates the development of cultural and creative products [3], which creates rich cultural values for people, brings huge social and economic benefits to the society, and also improves a certain extent of cultural self-confidence of people [4].

Marketing refers to that enterprises accurately grasp the needs of consumers and make consumption or service smoothly understood and consumed by target customers through various channels or methods, from which enterprises can obtain revenue and profits [5]. Cultural and creative industries can combine their own characteristics and use unique marketing means to realize their own value. The utilization of marketing strategies can effectively stimulate the needs of consumers, broaden the industry chain and open up a new world for the industries [6].

The museum has changed from a "sacred place for storing cultural relics with important historical significance and research value" to a multi-functional place integrating exhibition collection, cultural heritage, education and entertainment [7], which has unique advantages in the development of industries. Due to the constraints of conditions and resources, there are still many problems in the R & D and marketing in many local museums, which are in urgent need of transformation and upgrading [8]. Museum cultural creation should give full play to the role of traditional culture and the Internet, bring forth the new to replace the old, launch products with the characteristics of the times in product design, and effectively occupy the consumer market [9]. Adhering to the value concept of taking consumers as the core, the Palace Museum Cultural and Creative has continuously designed a number of products in line with the public's aesthetic, and has made great achievements in the market with the help of marketing tools [10].

## 2. Analysis of China's Cultural and Creative Products Market Status

### 2.1. Current Market Status of Products of the Palace Museum

Of Beijing the imperial palace was built in 1420, and which was named the Palace Museum in 1925, is now one of the largest and best-preserved wooden structure buildings, while the cultural and creative products refers to the creative integration of cultural resources and daily necessities through the wisdom of designers and modern technology based on the historical and cultural resources of the Palace Museum.

In 2008, the Palace Culture Creativity Center was formally established. In 2013, the “Bringing Home the Palace Museum Culture” creative design competition was the first time that the Palace Museum solicited cultural product ideas from the public. Various products and marketing methods have enabled the 600-year-old palace to approach the trend of the times at an unprecedented speed, since then the solemn palace has changed into the Taobao (A Chinese online shopping website) palace, which is very friendly in the eyes of young people.

From 2013 to 2016, the Palace Museum began to try to attract attention by means of new media. Three apps were successively ranked among the best in the App Store. An article titled Yongzheng: I feel I'm so lovely set off a social network with more than 100,000 likes, and a documentary titled I Restore Cultural Relic in the Palace Museum made craftsman spirit go virus again. In 2016, the Palace Museum's sales of cultural and creative products reached 1 billion yuan. In 2017, the products exceeded 10,000, generating revenue of 1.5 billion yuan.

From the perspective of the history of cultural and creative development of the Palace Museum, it has gone through three stages. The first stage is the spontaneous research on cultural relics, in which cultural relics are simply copied and smaller cultural and creative products are mainly developed. The second stage, the conscious cultural and creative cultural relics research and development stage, to avoid the homogeneity of development; the third stage is the cultural and creative stage, which studies the lifestyle of Chinese people to develop cultural and creative products [1].

### 2.2. Analysis of the Current Situation of Cultural and Creative Market

At present, there is a large number of cultural and creative products in various Chinese museums, however, the gap between quality and craftsmanship among them is tremendous. The forerunner of high-quality cultural and creative industry, led by the Palace Museum, has a mature product design system, and can develop distinctive and connotative products according to its own characteristics, thus gaining most market shares. As other cultural regions begin to develop products, the problems of low innovation and homogenization are becoming increasingly serious. Most of the products sold are simple copies of cultural relics, stationery, bookmarks, etc., which cannot effectively compete with the leading enterprise.

Museum products present diversified development in product categories, marketing means and business models.

Some high-quality enterprises started to set their hands in other fields from the original simple reproduction products. Taking the Palace Museum Cultural and Creative Company as an example, they launched 6 national treasure color lipsticks and “Palace Museum Beauty” facial mask in 2018, which triggered a market competition. Diversified product categories provide consumers with a sense of freshness and contrast, thus becoming hot style. Marketing means from the initial online shop to now co-branding, new media, combined with hot events. The business model also adopts advanced concepts, such as independent development, outsourced production, self-sales, IP licensing development, etc., which greatly improves the efficiency and profitability of cultural and creative products. The trend of diversification and synergistic development is gradually significant.

### 3. Marketing Strategy Analysis

In the context of “Internet+”, the sales channels of cultural products are becoming more diversified. In the process of marketing, companies should break through the traditional way of relying on the existing physical stores of museums, make full use of new media, and realize the new marketing model combining online and offline. As China's largest ancient culture and art museum, the Palace Museum abounds in cultural resources, which are formed by creative transformation and technological upgrading into the cultural products, are also popular among consumers. The Internet technology and the ancient cultural relics collide, combined with the novel idea processing, making the Forbidden City unforbidden to “go out to all cities” and become a model of cultural products development. The marketing success of products of the Palace Museum can be analyzed from the following aspects.

#### 3.1. Product Strategy

##### 3.1.1. Differentiated marketing

The Palace Museum has designed a variety of products according to consumers' different age levels and consumer needs. In terms of age, according to the survey, young people are the main consumer groups of cultural products. Therefore, the museum mainly focuses on young people. Its products include schoolbags, pencils and dolls for children, as well as ornaments, cosmetics and mobile phone cases for adults. According to different consumer needs, the museum launches a wide variety of products, realizing multi-level and multi-form development.

##### 3.1.2. Novel and unique product design

The products of the Palace Museum Taobao have realized the multiple integration of history, art, daily life, interest and fashion, making the solemn historical figures vivid, precious cultural relics living, and narrowing the distance between consumers and them. Such as luggage tags with “600 miles urgent (an ancient emergency information transportation order)” and refrigerator magnets with “Leng Gong (A place in a royal palace for a

spoiled concubine”); The original ideas of the series of elegant and unique silk ball fans respectively come from “A Thousand Rivers and Mountains (A famous ancient Chinese painting)”, Summer Poems of Song Huizong (An emperor of Song dynasty), etc. Chinese traditional timekeeping method Beiji star chart time solar terms watch; Bookmarks with the words “I, the emperor know” and “Be diligent and ask more questions” all have strong cultural flavor of the Palace Museum.

### 3.2. Price Strategy

The Palace Museum attaches great importance to originality in design and production, and has a powerful R&D team and huge investment cost. Data shows that the cost of products is over 100 million yuan per year. The investment in R&D is up to about 200,000 yuan, and the cycle is about eight months. In addition, each type of product design will be separate mold, and will not be overstocked. Therefore the price of products is higher than that of ordinary goods, but the Palace Museum adheres to the line that is close to people’s life, and the prices of daily necessities are mostly within the affordability of most people.

The museum will also adopt discount pricing strategy. Take “Palace Museum Taobao” for example, the online mall will set up a discount area to clear inventory, and there are also “collection gift” “membership gift” “points exchange gift” “order free” and other preferential activities. At the same time, the museum will also achieve differentiated pricing, for the luxury, creative and minimalist three types of products in three levels of high, medium and low prices.

### 3.3. Channel Strategy

The Palace Museum Cultural and Creative adopts a combination of online and offline sales. The offline channels are physical stores located near the Palace Museum. The products sold are basically the same as those sold in the online mall, which is convenient for tourists visiting the Palace Museum to visit and purchase.

Online channels mainly include three official flagship stores, namely “Palace Museum Taobao”, “Palace Museum Cultural and Creative Flagship Store” and “Palace Museum Cultural and Creative Store”, which are set up on Taobao, Tmall and WeChat platforms respectively. The three flagship stores are different in style, with the Palace Museum Cultural and Creative Store taking the elegant and luxurious route while the Palace Museum Taobao taking the inexpensive route. Meanwhile, products will also be promoted through various media channels such as Weibo and WeChat official accounts. So far, the Palace Museum has 7.24 million followers on Taobao, which shows its popularity and wide audience for its products.

## 4. Reference and Inspiration

### 4.1. Product Design

Original and innovative product design has always been the core competitiveness of all cultural and creative enterprises. Design outsourcing cannot control the

connotation and value of specific products, so it is impossible to form an independent brand and culture through which. Therefore, we always advocate that enterprises firmly control and improve their own products and cultural design, which is the basis of all other actions. Based on the successful cases of the Palace Museum and dozens of other enterprises, this paper proposes several new models in the product design strategy.

#### 4.1.1. Layered series

It is necessary to form its own product series. Firstly, in the early stage of product design and release, it lays a template for the development direction of products in the future R&D, so that it can accept the prompts of the series direction and conform to the company’s strategy. Different product series can be divided by different standards, such as high, medium and low price, old, middle-aged and young age, luxurious, innovative and simple style, and even by the co-branded series of different cultures attached to them. Reduce homogenization, provide direction for consumers to buy, but also build a more three-dimensional structure for internal data statistics.

#### 4.1.2. Designer brands

Entrust some highly mobile designers for short-term design occasionally, or help high-quality designers to build designer brands, form a series of designer styles separately, help promote them, which achieves a win-win cooperation between enterprises and designers to develop more high-quality products.

#### 4.1.3. Public designers

Regular release of competition activities, appropriate investment to stimulate the public to participate in product design, develop a sound design evaluation system, optimize the competition system, enhance the sense of interaction with the public in the competition. And set scores for players, each score can be included and exchanged for awards and even provide formal entry invitation. Set up a separate series of products based on each competition of different styles of public design award-winning works, to enhance the sense of participation and interaction of mass designers.

### 4.2. Marketing Strategy

The Internet marketing strategy of the Palace Museum has been laid out earlier, systematically going ahead of many other enterprises. The success of APPs, Weibo, documentaries and other methods has great significance on reference for the vast number of other enterprises. However, what is more worth discovering is not the difference of media utilization, but the customized innovation of propaganda ideas and methods, which firmly grasp the aesthetic of main young consumers and each period of network hot spots. It is a difficult problem for enterprises to consider the balance between grasping the historical connotation and maximizing the catering to consumers. Furthermore, this kind of thinking is not

limited to online stores, and offline stores are also transforming in some unique directions.

#### 4.2.1. Offline stores

With the rise of recommendation APPs such as Xiaohongshu and Dianping, we found that some offline stores are becoming popular again, and their commonality lies in the interior decoration design. Cultural and creative offline stores should be transformed into experience-oriented stores. Combined with the culture itself, they should focus on internal decoration and design to attract young people's attention. It is even an innovative and effective marketing method to change the main entry purpose of mass consumers into punching cards and taking photos, then shopping in passing. In addition, consumers' sense of experience should be strengthened, interactive products and services should be promoted online, profit sharing should be formed with online stores, and a mutual mechanism of offline physical experience and online discount purchase should be achieved.

#### 4.2.2. Online stores

Online stores should strengthen the construction of interactive and social e-commerce, which is relying on the online store, build a comprehensive cultural experience area including online activities, online experience, online entertainment and online learning. Even if not complete the purchase, stores can also keep consumers great impression, making them reenter the store.

#### 4.2.3. Multimedia publicity

Make the differentiation of social platform information push and linkage. Divide official accounts of traditional or relatively new social platforms such as weibo, WeChat, Bilibili (a Chinese video website), tieba (a Chinese forum), zhihu (also a Chinese forum) into different audiences and operate them in different styles. The activities and gifts for users between platforms are different. Linkage activities can also be planned for the alternate growth of fans among platforms. In the future, fans of social platforms can be linked with products to create fans linked cultural and creative products.

Cultural reconstruction, which is making the traditional culture cartoonized, captures part of the core content of history and packs it in a relaxed and funny way, such as using historical figures to write the advertising words of series of products and shooting cartoon short films. Moreover, this way should be combined with practical and simple products to subvert the traditional image of elegance to get the best effect.

## 5. Conclusion

Compared with other cultural and creative companies in China, the Palace Museum's Cultural and Creative is

far from out of date today, not only in terms of the cultural background attached to the Forbidden City or the innate advantages of early investment, but also in terms of innovatively creating various products and marketing strategies with the dual layout of online and offline at the early stage.

However, it will be challenging to replicate their success in the same market by most of domestic medium-and-small cultural and creative companies. Therefore, this paper, starting from the ideological connotation behind the innovation, looks for products and marketing strategies that the Palace Museum has not been involved in, and provides innovative suggestions and ideas for other cultural and creative companies to develop and grow, so that the Chinese cultural and creative market will blossom and eventually form a mature market.

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