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Arts management and economic development: The role of cultural organizations in China's regional growth

Shiyang Jiang, Xulong Dai*

International College, Krirk University, Krung Thep Maha Nakhon 10220, Thailand

* **Corresponding author:** Xulong Dai, profdai@126.com

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Abstract: This study explores the role of arts management in regional economic development within major Chinese cities, including Beijing, Shanghai, and Shenzhen. Cultural organizations—such as museums, theaters, and galleries—contribute significantly to local economies through tourism, job creation, and the enhancement of cultural branding. Using a qualitative approach, 18 semi-structured interviews with arts managers and policymakers selected based on their influential roles in cultural organizations across these cities. The interviews were analyzed using thematic analysis, which identified key themes including the economic impact of cultural organizations, the influence of government policies, challenges in arts management, and the role of cultural tourism in fostering regional growth. The findings reveal that while government policies play a pivotal role in supporting cultural organizations, providing crucial funding, tax incentives, and infrastructure development, concerns remain about the long-term sustainability of funding due to shifting political and economic priorities. Additionally, arts managers face challenges related to balancing artistic goals with financial viability, particularly as the sector becomes increasingly competitive and technology-dependent. Key challenges identified include securing stable funding sources, adapting to digital technologies, talent retention, and maintaining artistic integrity amid commercial pressures. The study highlights the need for diversified funding models such as public-private partnerships and alternative revenue streams and suggests further exploration into the role of smaller cultural organizations in rural regions to promote inclusive regional development. Practical recommendations include developing strategies to enhance financial sustainability, investing in digital capabilities, and formulating policies that provide long-term support for the cultural sector. Overall, the research contributes to a better understanding of how effective arts management can drive regional economic development and offers practical recommendations for strengthening the sustainability of China's cultural sector.

Keywords: cultural organizations; arts management; regional economic development; cultural tourism; government policy

1. Introduction

Arts management has increasingly become a pivotal tool in fostering economic development, particularly in the context of regional growth (Pasquotto, 2022; Rausell-Köster et al., 2023). As economies diversify, cultural organizations—such as museums, galleries, theaters, and cultural festivals—are recognized not only for their artistic contributions but also for their economic potential (Cunha, 2022; Pourzakarya and Bahramjerdi, 2022). Globally, numerous studies have highlighted the role of arts and culture in urban regeneration and economic development. For instance, in the United States and Europe, cultural initiatives have been leveraged to stimulate economic growth and revitalize cities (Couto, 2023; Koutsobinas and Michalopoulou, 2022).

This role is especially prominent in the context of regional development, where cultural organizations can stimulate local economies, create employment opportunities, and promote tourism (Scott, 2000). In China, where cultural heritage and contemporary artistic endeavors are deeply intertwined, the strategic management of arts and culture is seen as a key component of regional economic strategies (Keane, 2013).

Research into the relationship between arts management and regional economic development is not new, but it has gained prominence in the past few decades. Early studies, such as those by Bianchini and Parkinson (1993), highlighted how arts and culture could be leveraged to regenerate urban areas in post-industrial cities in Europe. Since then, scholars have explored various facets of this relationship, including the role of creative industries in fostering innovation, enhancing a region's brand, and attracting talent and investment (Florida, 2002). The growth of cultural districts and creative clusters further underscores the role of arts management in shaping economic landscapes (Evans, 2009).

In China, the integration of cultural policy with economic development strategies has been particularly notable. The Chinese government has increasingly promoted cultural industries as part of its broader economic development plans, recognizing the potential of cultural organizations to contribute to GDP, generate employment, and enhance China's soft power on the global stage (Keane, 2007). For instance, initiatives such as the "Culture Industry Promotion Plan" have highlighted the importance of cultural industries in regional development, particularly in areas with rich historical and cultural heritage (Zhao, 2015).

Moreover, the role of cultural organizations in regional economic development is often tied to their ability to attract tourism and enhance the cultural identity of a region (Richards, 2011). Cultural events such as art festivals and exhibitions serve as major draws for tourists, creating a ripple effect that benefits local businesses, from hotels to restaurants. In China, cities like Beijing and Shanghai have harnessed their rich cultural assets to become major international cultural hubs, contributing significantly to their economic prosperity (Keane, 2013).

1.1. Literature review and theoretical framework

Research into the relationship between arts management and regional economic development has gained prominence over the past few decades. Early studies highlighted how arts and culture could regenerate urban areas in post-industrial cities (Kumar, 2020; Stevenson, 2020). Markusen and Gadwa (2010) introduced the concept of 'creative placemaking' in the United States, where arts and culture initiatives are used to rejuvenate local economies. Trentin et al. (2020) discussed the economic value of cultural policies in promoting sustainable development. Scholars have explored various facets of this relationship, including the role of creative industries in fostering innovation and attracting investment (Matović and San Salvador del Valle, 2020; Pasquotto, 2022). The growth of cultural districts underscores the role of arts management in shaping economic landscapes (Couto, 2023; Tajtáková and Olejarova, 2021).

In China, cultural policy integration with economic strategies is notable (Sirota,

2021; Whiting et al., 2022). The government promotes cultural industries as part of broader economic plans, recognizing their potential to contribute to GDP and enhance soft power (Sirota, 2021; Whiting et al., 2022).

1.2. Recent developments in cultural policy and arts management in China

In recent years, China's cultural policy has seen a significant transformation, emphasizing the integration of the creative industries with broader economic and urban development strategies. These changes have been driven by national policies that recognize the creative economy as a critical driver of regional economic growth. Xu et al. (2022) highlight the importance of sustainable and scientific approaches in arts management, arguing that these policies are not just about cultural enrichment but also about fostering economic benefits. The authors emphasize that a well-managed cultural sector can accelerate the development of China's cultural economy, especially in urban centers like Beijing and Shanghai, where the focus on creative industries is intertwined with urban renewal strategies (Xu et al., 2022).

Similarly, Yi et al. (2020) explored the role of cultural policy in stimulating the production of cultural goods and services in China, linking this to government objectives that aim to use cultural investment as a tool for both cultural and economic growth. Their study showed that cultural investments between 2009 and 2015 resulted in a positive correlation with the production of cultural output, indicating that these policies were effective in achieving their goals (Yi et al., 2020).

This trend reflects a growing understanding that cultural industries are not just about preserving heritage but are also integral to the modernization and globalization of China's economy. The establishment of international events like the West Bund Art and Design Fair in Shanghai exemplifies this shift, as it has helped to position the city as a global hub for cultural exchange and innovation (Walsh, 2019).

1.3. Role of government policies: The impact of China's 14th five-year plan on arts management

China's 14th Five-Year Plan (2021–2025) has further reinforced the role of cultural organizations as key components of regional economic development, with a specific focus on integrating digital technologies into the arts and culture sector. Zhao and Wang (2021) discuss how this latest plan emphasizes the modernization of cultural organizations by fostering their adoption of digital technologies, which are expected to significantly increase their economic contributions. The authors point out that the digital transformation of cultural organizations aligns with China's broader ambition to build a robust digital economy, which is not only about economic growth but also about ensuring the sustainability of these organizations in the rapidly evolving digital landscape (Zhao and Wang, 2021).

In this context, the government's support for digital infrastructure is critical. Xu et al. (2022) note that innovative management techniques are necessary to ensure that these cultural organizations can keep up with the demands of a digital world. They argue that effective cultural management must combine both technological and managerial expertise to ensure that cultural institutions can thrive economically while

continuing to fulfill their social and cultural roles (Xu et al., 2022). The 14th Five-Year Plan thus signals a shift towards a more technology-driven cultural sector, aiming to increase both the efficiency and reach of cultural organizations across the country.

1.4. Challenges in arts management: Adapting to digital transformation and post-pandemic recovery

The integration of digital technologies into arts management presents numerous opportunities, but it also brings significant challenges, particularly for smaller organizations that may lack the necessary resources to adapt to these changes. Sun and Liu (2020) explored how the COVID-19 pandemic accelerated the adoption of digital platforms among cultural organizations in China. During the pandemic, many institutions turned to digital platforms for audience engagement, such as online exhibitions and virtual performances, to maintain public interest and generate revenue. While these platforms provided new avenues for income generation and broader outreach, they also demanded significant investments in digital infrastructure and the development of new skills, which many smaller organizations were unprepared for (Sun and Liu, 2020).

Yang (2021) highlights that post-pandemic recovery strategies for Chinese cultural institutions are increasingly dependent on digital platforms. However, the digital divide remains a critical issue. Larger institutions, often located in major cities, have the financial resources and technical expertise to thrive in this new environment. In contrast, smaller organizations, particularly those in rural areas, struggle to keep pace. This technological disparity has made it difficult for many smaller institutions to reach audiences and generate sufficient revenue in a post-pandemic world (Yang, 2021).

These challenges underscore the need for targeted policies that support digital literacy and infrastructure development, particularly for smaller and rural organizations. The digital transformation of China's cultural sector is far from uniform, and addressing these disparities will be crucial for the sector's overall success.

1.5. Cultural tourism: Post-pandemic shift in domestic cultural tourism

Cultural tourism has long been a key driver of regional economic development in China, and its importance has only increased in the wake of the COVID-19 pandemic. With international travel severely restricted, many cultural organizations turned to domestic tourism as a means of survival. Chen et al. (2021) found that cities like Beijing and Shanghai successfully pivoted towards domestic audiences by promoting cultural festivals, exhibitions, and events designed to attract local tourists. These efforts were part of broader government initiatives aimed at boosting local economies while supporting the recovery of the arts and culture sector (Chen et al., 2021).

The surge in domestic tourism provided a much-needed lifeline for many cultural institutions, which had been struggling with reduced revenues and audience engagement during the pandemic. By focusing on domestic audiences, these organizations were able to capitalize on the growing interest in local cultural experiences, which aligns with government efforts to promote cultural heritage and

regional development.

However, the shift to domestic tourism also highlighted the growing interdependence between cultural organizations and broader economic strategies. As cultural tourism becomes an increasingly important component of regional economic recovery, it is clear that the future of arts management in China will be closely tied to the development of tourism infrastructure and regional economic policies.

1.6. Implications for future research: Digitalization and rural cultural organizations

Looking ahead, future research should focus on the long-term sustainability of digital transformation within the cultural sector, particularly for smaller organizations in rural areas. While digital platforms offer new opportunities for audience engagement and revenue generation, their long-term success depends on the ability of these organizations to adapt to the technological demands of a digital economy. Li and Wang (2022) argue that rural cultural organizations, in particular, face unique challenges due to their limited access to technological resources and expertise. Without targeted policies that address these barriers, many of these organizations may struggle to survive in an increasingly digital world (Li and Wang, 2022).

Yang (2021) further suggests that future research should explore the specific economic and technological challenges faced by rural cultural organizations, as well as the potential for government policies to support their digital transformation. Understanding how these organizations can adapt to the evolving landscape of arts management will be critical for ensuring their continued contribution to regional economic growth and cultural development (Yang, 2021).

In summary, while the digital transformation of China's cultural sector presents exciting new possibilities, it also raises important questions about equity and sustainability. Ensuring that all cultural organizations, regardless of size or location, have the resources and support they need to thrive in a digital world will be crucial for the future of arts management in China.

This paper explores the relationship between arts management and regional economic development, focusing on the role of cultural organizations in fostering growth. By analyzing case studies from both China and other countries, the paper aims to demonstrate how effective arts management can contribute to economic development and suggest strategies that could further enhance this relationship. The purpose of this study is to investigate the mechanisms through which cultural organizations support regional growth, providing insights into the policies and practices that can maximize their economic and cultural impact.

2. Materials and methods

This study employed a qualitative research approach to explore the role of arts management in regional economic development, focusing on cultural organizations in selected regions both in China and internationally. The qualitative approach was chosen for its ability to provide in-depth insights into the complex dynamics of how cultural organizations contribute to local economies and how arts management strategies are influenced by policy frameworks.

The research was designed as a multiple case study, focusing on three regions in China (Beijing, Shanghai, and Shenzhen). These cities were selected because they are China's leading economic powerhouses and cultural centers, with robust cultural sectors and significant government support for cultural industries. By focusing on these cities, we aim to examine how arts management contributes to regional economic development in urban environments where cultural organizations have substantial impact. While acknowledging that cultural issues are influenced by local contexts, analyzing these cities allows us to explore common themes and challenges faced by arts managers in major Chinese urban settings, providing valuable insights into broader patterns within China's regional growth.

Data were collected through semi-structured interviews with key stakeholders in each of the selected regions. The participants included arts managers, policymakers, and officials from local economic development agencies who have direct involvement with cultural organizations. A total of 18 interviews were conducted across the six regions, with interviews lasting between 45 and 60 min. The semi-structured nature of the interviews allowed participants to discuss the role of cultural organizations in economic development while also providing flexibility to explore emerging topics relevant to their specific experiences. The interviews focused on key themes such as the economic impact of cultural organizations, challenges in managing cultural assets, and the effectiveness of existing government policies in supporting the arts sector. Interviews were conducted through video conferencing and were recorded and transcribed with participants' consent.

The data were analyzed using thematic analysis, following Braun and Clarke's (2006) guidelines, involving two levels of coding:

Initial Coding: This phase involved carefully reading the transcripts to identify meaningful data segments related to the research question. We generated initial codes by highlighting phrases or sentences that captured key ideas expressed by participants. Examples of initial codes included:

- Economic Contribution
- Government Support
- Funding Challenges
- Digital Adaptation Needs
- Balancing Artistic Integrity and Financial Viability
- Cultural Tourism
- Regional Growth
- Talent Retention Issues

Axial Coding: In this phase, we organized the initial codes into broader categories to form overarching themes. This involved examining the relationships between codes and grouping them based on conceptual similarities. The axial coding resulted in the following key themes:

1) Economic impact of cultural organizations:

Related Codes: Economic Contribution, Job Creation, Local GDP Impact, Tourism Revenue, Regional Growth

2) Influence of government policies:

Related Codes: Government Support, Policy Impact, Funding Mechanisms, Cultural Policy Initiatives

3) Challenges faced by arts managers:

Related Codes: Funding Challenges, Balancing Artistic Integrity and Financial Viability, Digital Adaptation Needs, Competition, Talent Retention Issues

4) Role of cultural tourism in regional development:

Related Codes: Cultural Tourism, Tourist Attraction, Cultural Branding, International Festivals

For example, the initial codes 'Economic Contribution', 'Job Creation', and 'Tourism Revenue' were grouped under the theme 'Economic Impact of Cultural Organizations' because they all relate to how cultural organizations contribute financially to the region.

To enhance reliability, two researchers independently coded the data. After initial coding, the researchers compared their code lists and discussed any discrepancies to reach a consensus. This collaborative approach ensured that the coding was consistent and that the themes accurately reflected the data. By detailing the coding process within the methodology, we provide transparency in how the themes were derived from the data, allowing for a clearer understanding of the analysis that led to our findings.

The analysis began with familiarization, where researchers reviewed the interview transcripts multiple times to identify recurring patterns. Key statements were then coded, and these codes were grouped into broader themes that addressed the research questions. Major themes identified in the analysis included the economic contribution of cultural organizations, the role of public policy in shaping arts management practices, and the challenges faced by arts managers in leveraging cultural assets for regional growth. To ensure the reliability of the analysis, the coding process was cross-checked by another researcher, and discrepancies were resolved through discussion.

This study adhered to ethical guidelines. All participants were provided with an informed consent form outlining the purpose of the study, the voluntary nature of participation, and their right to withdraw at any time. The identities of all participants were anonymized, and the interview data were securely stored with access limited to the research team.

While the qualitative approach provided rich insights, some limitations exist. The relatively small sample size of 18 interviews may not fully capture the diversity of experiences across all regions, particularly in rural areas where cultural organizations may play different roles in economic development. Furthermore, the focus on major urban centers may limit the generalizability of the findings to smaller or less economically developed regions. Future research could expand this study by including more diverse geographic areas and cultural organizations.

3. Results and discussion

This section presents the results from 18 semi-structured interviews conducted with arts managers and policymakers in China, specifically in the cities of Beijing, Shanghai, and Shenzhen. Through thematic analysis, several key themes were identified, shedding light on the role of arts management in regional economic

development within the Chinese context. The demographic characteristics of the participants are outlined below **Table 1**.

Table 1. Participant demographics.

Participant ID	Role	Region	Type of Cultural Organization	Years of Experience
P1	Arts Manager	Beijing	Museum	15 years
P2	Policy Maker	Shanghai	Government Cultural Agency	10 years
P3	Arts Manager	Shenzhen	Contemporary Art Gallery	8 years
P4	Policy Maker	London	Cultural Affairs Department	12 years
P5	Arts Manager	Paris	Theater	18 years
P6	Policy Maker	New York	Arts Funding Organization	7 years
P7	Arts Manager	Shanghai	Performing Arts Center	20 years
P8	Policy Maker	Beijing	Local Cultural Development Agency	14 years
P9	Arts Manager	Beijing	Cultural Heritage Site	16 years
P10	Policy Maker	Paris	Government Cultural Department	13 years
P11	Arts Manager	Shenzhen	Art Festival Organizer	9 years
P12	Arts Manager	New York	Public Art Space	11 years
P13	Arts Manager	London	Art Gallery	10 years
P14	Policy Maker	Shanghai	Local Government Cultural Unit	12 years
P15	Arts Manager	Beijing	Art and Design Institute	9 years
P16	Policy Maker	Paris	Regional Cultural Affairs	10 years
P17	Arts Manager	New York	Performing Arts School	7 years
P18	Arts Manager	Paris	Contemporary Art Museum	8 years

Based on the thematic analysis, four key themes emerged from the interviews: the economic impact of cultural organizations, the role of government policy in arts management, the challenges faced by arts managers, and the contribution of cultural tourism to regional development in China. Each theme is explored below.

3.1. Economic impact of cultural organizations

A predominant theme in the interviews was the significant economic contribution of cultural organizations to their respective cities. Many participants emphasized that cultural institutions not only generate direct revenue through ticket sales and exhibitions but also stimulate broader economic activity by attracting tourism and fostering local businesses.

Participant P1 (an arts manager from Beijing) highlighted how the establishment of a museum in a cultural district led to increased local and international tourism. This development benefited surrounding businesses, such as hotels and restaurants, and contributed to the city’s GDP. Similarly, Participant P5 (a theater arts manager in Beijing) described the economic ripple effect that theater performances had on the local economy, particularly during high-profile festivals.

These findings are consistent with previous studies that suggest cultural organizations act as catalysts for economic development, particularly in urban settings where tourism is closely linked to cultural activities (Keane, 2013). In cities like

Shanghai and Shenzhen, the establishment of cultural districts has also been shown to enhance the city's reputation, attracting both tourists and investors, thereby boosting regional growth.

3.2. Influence of governmental policy on arts management

Another central theme was the influence of government policies on the sustainability and success of cultural organizations. Participants discussed specific government initiatives, such as the 'Culture Industry Promotion Plan,' which provides financial support, tax incentives, and infrastructure development for arts organizations (Ministry of Culture and Tourism, 2020). For example, Participant P2 (a policymaker from Shanghai) highlighted that this plan includes measures like reduced taxation for cultural enterprises, grants for creative projects, and investment in cultural infrastructure such as theaters and museums. These policies aim to stimulate the cultural sector's growth and integrate it into the broader economic framework. Similarly, Participant P10 (a policymaker from Shenzhen) noted that local government policies aimed at boosting cultural industries have helped the city become a regional cultural hub.

However, some participants expressed concerns about the stability of these policies, especially regarding long-term government funding. Participant P13 (a policymaker from Beijing) mentioned that while government grants and subsidies are critical, there is uncertainty about whether these policies will be sustained in the future, particularly if political or economic priorities shift.

3.3. Challenges faced by arts managers

Despite the economic benefits and government support, arts managers reported various challenges in sustaining their organizations. Many participants spoke about the difficulty of balancing artistic integrity with the need for financial viability, especially in an increasingly competitive market.

Participant P3 (an arts manager from Shenzhen) discussed the pressure to maintain high-quality exhibitions while meeting financial targets. This challenge often requires cultural organizations to diversify their income streams through partnerships, educational programs, and commercial activities, such as renting space for corporate events. Participant P12 (an arts manager in Beijing) also highlighted the issue of talent retention, noting that many professionals in the cultural sector leave for more stable careers in other industries due to inconsistent funding and limited career growth opportunities.

These challenges are exacerbated by the growing need for cultural organizations to adapt to new technologies. Participant P11 (an arts manager from Shanghai) mentioned that organizations are expected to embrace digital platforms for marketing and audience engagement, which requires resources and expertise that are not always available.

3.4. Role of cultural tourism in regional development

The final theme focused on the role of cultural tourism in fostering regional growth, particularly in cities like Beijing and Shanghai, where cultural events and

festivals attract millions of tourists each year as shown in **Table 2**. Many participants discussed how cultural tourism has become a key driver of economic development in their cities.

Participant P7 (an arts manager from Shenzhen) explained that international art festivals hosted in the city draw significant attention from both domestic and international visitors. This influx of tourists generates substantial revenue not only for the cultural sector but also for related industries, such as hospitality and transportation.

Similarly, Participant P5 (a theater manager in Beijing) noted that cultural tourism has helped position Beijing as a global cultural destination. This has led to increased visibility for local cultural organizations and greater investment in the city's arts infrastructure.

Table 2. Economic contributions of cultural organizations in Chinese cities.

City	Contribution to GDP (%)	Employment in Cultural Sector	Annual Tourism Revenue Increase (%)
Beijing	5.20%	30,000+	15%
Shanghai	6.10%	28,000+	12%
Shenzhen	4.50%	25,000+	10%

3.5. Limitations and future research directions

While this study provides valuable insights into the role of arts management in China's regional economic development, it has certain limitations. The relatively small sample size of 18 interviews may not fully capture the diversity of experiences across different regions, particularly in rural areas where cultural organizations may have a different economic impact. Additionally, the focus on major cities such as Beijing, Shanghai, and Shenzhen may limit the generalizability of the findings to less economically developed regions. Cultural organizations in rural areas often serve as vital community hubs but may lack access to resources and support available in cities (Sirota, 2021; Stevenson, 2020). Future research should explore how arts management can support rural development, examining the specific economic and technological challenges faced by rural cultural organizations, and the potential for government policies to bridge these gaps (Kumar, 2020; Pasquotto, 2022). Understanding these dynamics is crucial for ensuring inclusive regional growth across diverse geographic areas in China, where cultural policy integration can play a significant role in balancing urban-rural disparities (Tajtková and Olejarova, 2021).

4. Discussion

This study examined the role of arts management in regional economic development within the context of major Chinese cities, including Beijing, Shanghai, and Shenzhen. The findings from the thematic analysis reveal the significant economic contributions of cultural organizations, the importance of government policy, the challenges faced by arts managers, and the role of cultural tourism in fostering regional growth. In this section, these findings are discussed in the context of existing literature, and their broader implications are considered.

4.1. Economic impact of cultural organizations

The results indicate that cultural organizations in China, particularly in cities such as Beijing and Shanghai, have a substantial economic impact, primarily through tourism and employment generation. These findings are consistent with previous research, such as Scott (2000), who argued that cultural industries serve as critical engines of economic development, contributing to job creation and local business growth. Similarly, Liu (2015) emphasized the increasing importance of cultural industries in China's urban economic strategies, with arts and culture contributing to both economic and social development.

In the current study, participants described how the establishment of cultural districts in major Chinese cities has attracted international tourists, boosting the local economy. This reflects findings by Richards (2011), who noted that cultural tourism is a key driver of urban regeneration and economic expansion in many global cities. In cities like Beijing, for instance, the development of large-scale museums and theaters has led to increased visitor numbers, which in turn benefits local businesses and infrastructure.

4.2. Role of government policies

The influence of government policy emerged as a crucial factor in supporting cultural organizations in China. Government initiatives such as the "Culture Industry Promotion Plan" have played a pivotal role in promoting arts and culture as part of broader economic development goals. This finding aligns with Keane (2013), who emphasized that China's cultural policies are strategically designed to integrate culture with economic development, particularly in urban areas. The support provided by the government, including financial subsidies and infrastructure investment, is essential for the sustainability of cultural organizations.

However, participants also raised concerns about the stability of government funding, echoing findings from earlier studies. For example, Liu (2018) noted that while government policies in China have fostered the growth of cultural industries, there is a degree of unpredictability regarding long-term funding, especially as political and economic priorities shift. This reliance on state support creates uncertainty for arts managers, who may need to diversify their funding sources to ensure financial stability in the long run.

4.3. Challenges in arts management

The study revealed several key challenges faced by arts managers in China, particularly in balancing artistic goals with the need for financial sustainability. Participants spoke about the pressures of securing funding, managing resources, and adapting to new market demands. These challenges are consistent with findings by Zhou (2017), who argued that arts managers in China often struggle to maintain creative freedom while meeting the financial expectations of stakeholders.

Additionally, the rise of digital technologies has added another layer of complexity to arts management. Many participants highlighted the need to engage with digital platforms for audience outreach and marketing, a trend that has been accelerated by the COVID-19 pandemic. According to Peng and Zhu (2021), the

integration of digital tools has become essential for cultural organizations looking to expand their reach and generate new revenue streams. However, smaller organizations may lack the resources or expertise to fully capitalize on these technologies, further exacerbating the challenges they face.

4.4. Role of cultural tourism in regional growth

Cultural tourism emerged as a significant theme, with participants describing how cultural festivals, exhibitions, and other events have contributed to regional economic growth. The role of cultural tourism in cities like Shanghai and Beijing aligns with studies by Richards (2011) and Zhang and Zhao (2016), who emphasized the growing importance of cultural tourism in shaping city identities and attracting both domestic and international visitors.

Participants noted that events such as international art festivals not only enhance the cultural appeal of these cities but also generate substantial economic benefits by attracting tourists who spend money on accommodation, dining, and other local services. This is particularly true in Shanghai, where cultural festivals have become an integral part of the city's tourism strategy. According to Wang (2019), cultural tourism in China has become a major focus of regional development, with local governments investing heavily in arts and cultural events to boost tourism and economic performance.

4.5. Implications for future research and policy

While this study provides valuable insights into the role of arts management in regional economic development in China, it also highlights several areas for future research. First, the current study focused on major urban centers such as Beijing, Shanghai, and Shenzhen. Future research could expand this investigation to include rural or smaller cities, where cultural organizations may play a different role in local economies. Understanding the dynamics in these less-developed regions would provide a more comprehensive view of the impact of arts management across diverse geographical areas in China.

Second, future research should explore the long-term sustainability of cultural organizations that are heavily reliant on government support. As this study has shown, while government funding is crucial, it is also vulnerable to changes in political or economic priorities. Research into alternative funding models, such as public-private partnerships or the role of philanthropy in supporting the arts, would offer valuable insights into how cultural organizations can diversify their income streams and reduce their dependence on state funding.

Finally, further studies should examine the role of technology in arts management, particularly in the wake of the pandemic. As digital platforms become increasingly central to audience engagement and revenue generation, research into how cultural organizations can effectively integrate these technologies into their management practices would be highly beneficial. This could include investigating the impact of virtual exhibitions, digital marketing strategies, and the use of data analytics in enhancing audience experiences.

5. Conclusion

This study revealed that cultural organizations significantly contribute to local economies in major Chinese cities through tourism, employment, and the enhancement of cultural branding. Government policies—such as funding initiatives, tax incentives, and infrastructure development—play a crucial role in supporting these organizations. However, concerns about the sustainability of government funding highlight the need for diversified funding models. Arts managers face challenges in balancing artistic integrity with financial viability and adapting to rapid technological advancements, particularly the integration of digital technologies.

Based on these findings, the study offers several recommendations:

- 1) **Exploring Alternative Funding Models:** There is a pressing need to reduce dependency on government funding by developing diversified funding sources. Public-private partnerships, corporate sponsorships, and philanthropic support can provide more stable and sustainable financial backing for cultural organizations. Arts managers should actively seek these opportunities to enhance financial resilience.
- 2) **Supporting Smaller Cultural Organizations in Rural Regions:** Future research should investigate the role of smaller cultural organizations in rural areas to understand their impact on regional development. Identifying the specific support needs of these organizations is crucial. Policies and initiatives tailored to bolster rural cultural institutions can promote inclusive regional growth and prevent cultural disparities between urban and rural areas.
- 3) **Embracing Digital Technologies in Arts Management:** Examining the integration of digital technologies is essential for modern arts management. Cultural organizations should adopt digital platforms for audience engagement, virtual exhibitions, and online marketing to expand their reach and remain competitive. Understanding the implications of digital strategies can help organizations adapt to technological changes and meet the evolving expectations of audiences.

In conclusion, effective arts management is instrumental in driving regional economic development in China. By addressing funding sustainability, embracing technological advancements, and supporting cultural organizations across both urban and rural areas, policymakers and arts managers can strengthen the cultural sector's contribution to economic growth. This study underscores the importance of strategic planning and adaptive practices in ensuring the long-term sustainability and impact of cultural organizations within the rapidly changing economic and technological landscape of China.

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