Promotion of Traditional Art and Integration Management of Cultural and Creative Industries

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Abstract—This paper focuses on the development process of the cultural and creative industry from the perspectives of the government and business enterprises. Under the support of the relevant studies, the paper constructs the ISM model and conducts a questionnaire survey to understand factors pertaining to the cultural and creative industry and, at the same time, refines and consolidates proposed countermeasures for fostering the development of Taiwan's cultural and creative industry.

Keywords—Cultural and creative industry, Integrated arts, ISM model.

I. INTRODUCTION

THE beginning of the cultural and creative industry has been generally recognized as taking form in 1997, during the planning of the creative industry development blueprint of the United Kingdom government[10]. On the other hand, some scholars deem that the concept of the industry actually originated from the criticisms of the cultural industry presented by the Frankfurt School in 1979[9]. In reality, a cultural and creative industry is an industry cored on creativity that rose from the machineries of the global economy. It emphasizes a particular main culture or cultural factor and heavily depends on the intellectual property rights developed and marketed through the technology skills, creativity, and industrialized techniques of individuals or groups. Many years ago, related economists or theory researchers deemed that the cultural and creative industry will rise as a leading industry in the 21st Century, and the powerful development of the cultural and creative industry during the economic crisis seemed to prove this "prophesy".

Many countries and regions around the world have earmarked the cultural and creative industry as a strategic industry for prior development in the future and looked forward to starting a new wave of economic development. In the rising developments of the global area, the cultural and creative industry becomes a new trend. In 2002, Taiwan started to officially regard the cultural and creative industry as a significant industry in the national development agenda. Through a modification of the industrial structure and realization of the key to its transformation, the industry gradually rose to a significant position in Taiwan’s economic structure, thereby fostering the legislation and promulgation of the Cultural and Creative Industry Development Act (2010). Although the development of the cultural and creative industry in Taiwan started with a powerful momentum, it was faced by a number of challenges that were difficult to surmount. Statistics show that production value of the cultural and creative industry of Taiwan comprises 2.85% of the GDP, just a rank higher than the 1.70% of New Zealand and a lagging behind the United States (5.98%) and the United Kingdom (5.00%) by a wide margin. As for the ratio of the industry’s employee population, Taiwan merely posted 1.75%, falling behind the 4.43% of the United Kingdom and 4.02% of the United States. Through the foregoing data, it is apparent that there is a huge gap between the development of the cultural and creative industry of Taiwan and that of the developed nations. In face of these challenges, Taiwan needs to create sounder cultural and creative industry links and to construct an external environment more conducive to its development for an optimal release of the scale effect of the industry. Needless to mention, the government and the business sector both play significant roles in the human resource cultivation, policy support, and system security.

Many scholars discovered that a number of factors would create a composite effect on the development of the cultural and creative industry, such as market demand and consciousness, cultivation of human resources, environment of related systems, management models of the cultural and creative industry, and marketing measures, etc. [1] [6] [7] [11]; However, on a comprehensive scale, an evaluation of the cultural and creative industry from its development trends and significant positions showed that the government should hold a high regard for the development of the “soft power” of the cultural industry and promulgate supportive policies.

Changes in market demands and government policies constitute the primary forces propelling the development of the creative industry. The principal concerns of academic research studies about the industry are mainly on how, in the development process of the cultural and creative industry, the government may define effective policies that would enable this “soft power” to reach full and proper development and how corporations and individuals as pioneers and movers of the cultural and creative industry may enhance their consciousness and proficiency and find the right roles that would enable them to establish highly efficient revenue generating models for the industry.
A common shortcoming of the analytical methods employed in the past studies conducted on the cultural and creative industry of Taiwan is the perception of the cultural and creative industry as a passive independent industry, and a simple research study would be sufficient, or the assumption that the industry did not have the capacity for pro-active exploration and thus the industry was unable to take any proactive action or make decisive judgments on matters of national policies and environmental issues of the island, or the assumption that the unique features of products of this particular independent industry coincidentally meet the market demands and thus, it would not need any help from the environment and government policies nor fresh blood to keep it going [4][10]. Under this type of assumption of absolute independence, studies of the non-feasibility and the particularity of the actual study behaviors were conducted.

This paper, based on the studies made by earlier researchers and through the integrated arts of the cultural and creative industry, analyzes the history and status quo of the cultural and creative industry of Taiwan; moreover, through the analysis of the theoretical literature, this paper uses the empirical research, such as model construction and questionnaire survey methods, to analyze the integrated arts of the cultural and creative industry, thereby having a good grasp of the status quo of the development of individuals, businesses, industries, and countries and refining and achieving a general conclusion of the unique development experiences of the cultural and creative industry of Taiwan. Furthermore, recommended countermeasures are proposed for the development of the cultural and creative industry from the perspectives of the government and the business sector.

II. BIBLIOGRAPHY REVIEW

A. The Cultural and Creative Industry and Integrated Arts

Basically, the cultural and creative industry is a form of “creative economy”, and its core competitive power depends heavily on the creativity of its human resource. The “difference” and “personality” inspired by the original creativity form the basis and life of the “cultural and creative industry”. On the other hand, art carries a sense of spontaneity and implies a purpose of imagination and creativity, as well as a technique at a certain moment in time. This paper regards the combination of all types of artistic techniques, the coordination of different arts and crafts, and the technique propagation and learning of the industry workers as part of the integrated arts of the cultural and creative industry.

As an industry generating extremely high worth and wealth through the propagation of aesthetic results and a distinctive sense of creativity, the cultural and creative industry always manifests a consolidation of all these individual aspects, regardless whether such is achieved through abstract aesthetics or the application of human intelligence or through the non-industrial methods. The culture and human intelligence referred in the foregoing distinguish the experiences of the individuals engaged in the industry from those of other industries. In other words, the policies and systems of a country, the development and trend of an industry, the rise and fall of corporations, and the development of individual creativity may all be manifested through the industry workers simultaneously playing a multitude of roles. In light of the professional nature, the individual experiences involves a special sense of empathy and professionalism, either from the past universal perspective of previous bibliographies or from the professional perspectives, a careful analysis of the industry would be quite a worthwhile endeavor.

B. An Overview of the Taiwan Cultural and Creative Industry Development

The cultural and creative industry emerged as a significant aspect of regional development planning, and it was first launched in the “Challenges of 2008” program. However, looking back at the development history of the cultural and creative industry of Taiwan, the integration of culture and industry was regarded as an important issue of the economic development of the society in the “culture vs. industry” seminar held in 1995 [8]. However, the cultural construction of Taiwan has been implemented and promoted through a multifaceted and specific campaign since 1980, and an excellent cultural ecological environment has been gradually developed in the Taiwan region, which provided the essential foundation for the promulgation of “cultural and creative industry” policies in 2002. In September 2003, the Taiwan Ministry of Economic Affairs, the Council for Cultural Affairs, and the Government Information Office jointly submitted a proposal to the Executive Yuan for promulgation of regulations governing the industrial research & development loan procedure applicable to the cultural and creative industry, thus providing a solution to the financing problems of investors of the cultural and creative industry. In March 2004, the Ministry of Economic Affairs of Taiwan resolved to formulate the Cultural and Creative Industry Development Statutes. Promulgated under the same spirit of the Statute for Upgrading Industry, said statute also provides tax incentives, recreation tax exemptions, and the incentives and preferential measures. The Cultural and Creative Industry Development Act promulgated in 2010 provides more significant benefits to bolster the development of the industry.

On the matter of academic analytical studies conducted on the cultural and creative industry of Taiwan, regardless of scholars’ comprehensive discussion on the development and policy trends of the industry or referral to foreign experiences[2] [5] or taking them as the external conditions for policies, it is necessary to apply the outside forces to spur the horses to move forward[12], or to evaluate the value of the industry through a policy realization performance scale[3]. The analysis of scholars’ recommendations for the government shall return to the analysis of the industrial activities. Similar to the foregoing, there are some studies which focus on the comprehension of a particular topic of the industry, or the industry trend[6] or the products of an
enterprise [13]. Aside from the two foregoing cases, in terms of the data I have personally collected, there have been more and more instances of this type of analysis found in the recent years.

C. An Overview of the World Cultural and Creative Industry Development

Apparent differences are easily discernable in the development of the respective creative industry of each nation. Usually, since developed countries would have a more sophisticated cultural and creative industry; however, in light of the variances of the economic and cultural foundations of each region, no common development model has been established. For instance, in the United Kingdom, the development of the creative industry is mainly hinged on the aggressive promotion efforts of the government. The promotion strategies implemented by the government of the United Kingdom mainly centered on aiding the fundamental research projects of the cultural and creative industry, human resource skill training programs, digital technology promotion, and financial assistance to corporations. As for the United States, being the first country to promulgate culture-promotion, and financial assistance to corporations. As for the resource skill training programs, digital technology research projects of the cultural and creative industry, human United Kingdom mainly centered on aiding the fundamental promotion strategies implemented by the government of the aggressive promotion efforts of the government. The development of the creative industry is mainly hinged on the established. For instance, in the United Kingdom, the each region, no common development model has been remain significantly important. The government should take the role of guide and implement appropriate intervention measures to foster the development of the industry rather than taking leadership. Through the inter-agency cooperation and the collaborative operations of public and private sectors, a partnership is therefore formed to assist and support the development of the industry. From the developments of the cultural and creative industries in Korea and the United Kingdom, it is apparent that in addition to the environment conditions and cultural literacy of the nation, the government plays a very important role in the development of an industry; for instance, the government places importance on the development of the cultural and creative industry and consolidates a consensus and cooperation between the government and private sectors through policy legislation, planning, and implementation and the coordination of related measures, thereby establishing partnerships that would fulfill the development objectives of the cultural and creative industry.

III. Research Methodology and Design

Developmental factors of the cultural and creative industry could be abstractly constructed into a system. A system is composed of multiple essential parts which contain specific functions, and a certain amount of mutually supportive or mutually restrained logical relation exists between these essential parts. An overall consideration of the multitude of factors involved in the operations of Taiwan’s cultural and creative industry should be taken, and an integrated mechanism catering to the various aspects of different types of cultural and creative industries should be presented, such as, human resource cultivation, research and development, information integration, financial support, provision of space, interfaces for cooperative ventures between industries and academic institutions, marketing promotion, tax deductions or exemptions, etc.; mechanisms should be implemented in cooperation with the local government, trade professionals, private sector, and corporations. This paper employed the Interpretative Structural Modeling (“ISM”) to conduct a systematic analysis of the development factors of the cultural and creative industry of Taiwan to facilitate the implementation of subsequent empirical studies or surveys.

The first step is to verify all related essentials. The development of the cultural and creative industry is subject to the comprehensive influence of a multitude of factors and may be affected by macroeconomic environmental factors, market mechanisms, and market demand limitations, and by the mode of operations of the cultural and creative industries and their perceptions of the industry. A study of the many related available literatures [10-12] revealed that in the domestic and international studies the factors generally affecting the development (S0) of the cultural and creative industries would include the followings: S1: market demand and consciousness; S2: cultivation of creative human resource; S3: environment of the related systems; S4: perception of the society and the business sector of the cultural and creative industry; S5: management models of the cultural and creative industry; S6: quality standards of creative products; S7: literacy of managers of the cultural and creative industry; S8: environmental conditions of infrastructure facilities; S9: socio-cultural environment; S10: standards of information technology; S11: development conditions of related industries. A subsequent analysis following the construction procedure of the ISM model was conducted under the following steps: (1) analysis of the relationship between key factors; (2)
establishment of reachability matrix between key factors; (3) assessment of reachability matrix and reduction of the derivable of reachability matrix; (4) regional sectioning and class sectioning; and (5) production of a hierarchical directed graph. After the foregoing sectioning procedures were instituted, it was found that the structural model of the factor system affecting the development of cultural and creative industries may be generally classified into four levels, and a hierarchical structural diagram of key factors may be constructed pursuant to the respective logic relations existing between the key factors.

Fig. 1-2 A Structural Model of the Key Factors Affecting the Development of the Cultural and Creative Industry

The interpretation of the structural model of the key factors affecting the development of the cultural and creative industry revealed that the key factor system affecting the development of the cultural and creative industry is a four-grade multiple-level hierarchical system, wherein Level 2 contains four essential factors: (1) the system environment related to the cultural and creative industry, which mainly includes the political policy orientation, integrity of the legal system, etc.; (2) the market demand and consciousness of the cultural and creative industry which mainly refer to the extent of the people's knowledge of the demand for cultural and creative products; (3) the society's knowledge of the cultural and creative industry, including the people's definition of the cultural and creative industry and the extent of their understanding of its underlying significance and substance; and (4) the quality standard of creative products, that is, the quality of cultural and creative products in terms of significance, culture, artistry, value, and substance. They constitute the factors directly affecting the cultural and creative industry development, which are the four bottlenecks impeding the progress of cultural and creative industry development in Taiwan, and it makes the solution of these problems a matter of urgency. Furthermore, the most fundamental work involved in the analysis of the base level essentials for the solution of the four bottleneck situations consists of four facets; that is, construction of the related infrastructure environment, construction of the cultural environment, upgrading of the literacy or proficiency of
cultural and creative industry managers, and improvement of the management models of the cultural and creative industry. Moreover, it is also evident from the structural model that if the four fundamental work facets are implemented well, it could foster a consequential upgrade in the information technology standards of the cultural and creative industry, the cultivation of creative human resource, and the development of industries related to the cultural and creative industry. These factors have a direct or indirect effect on the development of the cultural and creative industry and thus, deserve careful attention for the solution of the four major bottlenecks of the cultural and creative industry development.

The preceding model manifests the relative interaction between the four key factors. In order to accurately reflect the industry workers’ knowledge of the integrated art of the industry, their understanding of their work environment and the industry, and their perception of the policy system of the country, this paper conducted a questionnaire survey to gather the necessary samples for analysis. The paper hopes to obtain an understanding of the industry trends through a survey of a particular group of industry workers and to a certain degree, acquire definite and specific answers of certain particular industry aspects.

A. Questionnaire Design

The official questionnaire is constructed to obtain the information required for the realization of study objectives. The questionnaire is divided into five parts; that is, the respondent’s personal information, status of respondent’s occupation, respondent’s evaluation of the company, respondent’s evaluation of the region or industry, and respondent’s evaluation of the government policies.

B. Research Samples

In this questionnaire survey, 400 questionnaires were distributed, and 376 were recovered. After the disqualification of ineffective questionnaires, a total of 350 effective questionnaires were obtained for the study. Demography of survey respondents based on profession showed that 20.3% of respondents work in state enterprises and a high 79.7% work in private enterprises; 54.3% are males and 45.7% are females. In terms of age brackets, 1.7% belong to the age bracket of 18 and below, 52.6% belong to the 18 – 30 age bracket, 40.6% to the 30 – 45 age bracket, and 5.1% to the age bracket of 45 and above. In terms of cultural levels, 33.2% of respondents are high school graduates or undergraduates, 65.4% are bachelors or junior college graduates, and 1.4% are master or higher degree holders. In term of professional or technical standards, 80.8% hold intermediate level or lower standards and 19.1% hold advanced level standards.

C. Data Analysis

The analytical tool employed for the descriptive statistics and correlation test of this study is the SPSS statistical analysis software.

D. Analysis Results

The analysis results of the work conditions and evaluation revealed that at present, majority of the companies of the cultural and creative industry have a medium to small scale. Although majority of the industry workers hold a positive and optimistic outlook for the cultural and creative industry, most of these industry workers merely possess intermediate level or beginner level standards. Moreover, these companies do not value properly the need to provide their employees with the technical training and professional cultural arts training, and do not recruit enough human resources either.

The correlation test and analysis results of the variables showed that the professional standards of the industry workers are positively correlated with their cultural levels, technical training frequency of company employees, and professional and occupational training frequency; whereas, the employee mobility of the industry is negatively correlated with the cultural levels of employees, professional standards, and professional and occupational training frequency. On the other hand, the human resource recruitment and the degree of regional prosperity of the cultural and creative industry are directly proportional. These correlations reflect the fact that human resource development is the first and foremost task to be tackled in the enhancement of the cultural and creative industry; moreover, alliances with other businesses in the cultural and creative industry would boost the development of businesses and the entire industry. Another important key factor is the government policy.

In summary of the above, a creative human resource is the prime mover in the production of creative products, and it takes on a highly significant role in the development of the cultural and creative industry. It is the prime raw material of the cultural and creative industry and the primary force needed to realize the commercialization of the cultural and creative products of a company. The marketing force of the cultural and creative industry serves as the intermediary of the cultural and creative industry. Naturally, the government policies influence the direction of the development of cultural and creative industry; in fact, in the course of the industry’s development, the government usually takes on the role of guide. The functions of these bodies and mutual support toward each other in the development process of the cultural and creative industry have brought about the sound development of the cultural and creative industry.
IV. Evaluation of Results

The government of Taiwan has worked earnestly to guide the development of the cultural and creative industry. It has promulgated numerous policies to foster its growth and defined corresponding laws and regulations that built a sound development environment for Taiwan’s cultural and creative industry. It is apparent from the analysis results of the questionnaire survey data that the actions taken by the government of Taiwan to guide the cultural and creative industry have directly or indirectly affected the development outlook and trends of its cultural and creative industry; moreover, the government policies have directly or indirectly bolstered the confidence of the industry workers towards the future of this industry, and their faith is a manifestation of the guiding support of the government towards the cultural and creative industry. In order to efficiently shape a sound environment for the development of the cultural and creative industry, the government may implement the following management measures: (1) Value the development and long-term planning of the creative industry; (2) construct a sound development environment for the creative industry; (3) establish a well-rounded creative industry chain and sound industry systems; (4) strongly motivate social organization to work as bridges for the industry; and (5) foster a cooperation between government agencies and private sector organizations to ensure the survival of a non-profit cultural industry.

To date, in an effort to foster the development of its cultural and creative industry Taiwan has implemented numerous policies that adequately guided and regulated the development of the cultural and creative industry. For instance, the Ministry of Economic Affairs organized a cultural and creative industry promotion task force, and thereafter, the Executive Yuan organized an interagency supervisory committee to guide the development of the cultural and creative industry. To date, implemented policies are mainly in the form of financial and banking incentives and measures. As mentioned earlier, the wheels of development of Taiwan’s cultural and creative industry have run into a number of bottlenecks. In light of which, this paper proposes the following solution measures for the development of the cultural and creative industry from the perspective of the government: First, the government should value the cultivation of human resources, implement incentive policies, recruit professional human resources, and enhance the cultivation of the fundamental human resources and the aesthetics education of the society. At the same time, infusion of capital to the industry should be encouraged through the enforcement of effective policies motivating capital financing. Stimulation of social spending on cultural products and careful guidance of the cultural and creative aspects and directions should be provided; moreover, cooperation between the innovative industrial parks and creative industrial parks should be promoted and incorporation of scientific technology into the cultural and

**Correlation is significant at the 0.01 level (2-tailed).**

*Correlation is significant at the 0.05 level (2-tailed).

** Table I.**

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Cultural levels</th>
<th>Professional standards</th>
<th>Skill training</th>
<th>Employee mobility standards</th>
<th>Degree of alliance</th>
<th>Professional training</th>
<th>Level of regional prosperity</th>
<th>Recruitment of foreign nationals</th>
<th>Impacts of government policies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural levels</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>N</td>
<td>.389**</td>
<td>.000</td>
<td>.000</td>
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<tr>
<td>Professional standards</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>N</td>
<td>.380**</td>
<td>.000</td>
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<tr>
<td>Skill training</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>N</td>
<td>.345**</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
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<tr>
<td>Employee mobility standards</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>N</td>
<td>-.230*</td>
<td>.001</td>
<td>.132</td>
<td>.000</td>
<td>.000</td>
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<tr>
<td>Degree of alliance</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>N</td>
<td>.223**</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
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<td>.000</td>
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<tr>
<td>Professional training</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>N</td>
<td>.350**</td>
<td>.000</td>
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<tr>
<td>Level of regional prosperity</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>N</td>
<td>.183**</td>
<td>.001</td>
<td>.125</td>
<td>.000</td>
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<tr>
<td>Recruitment of foreign nationals</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>N</td>
<td>.194**</td>
<td>.000</td>
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<td>.000</td>
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<tr>
<td>Impacts of government policies</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>N</td>
<td>-.067</td>
<td>.002</td>
<td>.117</td>
<td>.000</td>
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**Correlation is significant at the 0.01 level (2-tailed).**

*Correlation is significant at the 0.05 level (2-tailed).
creative industry should be fostered.

In the course of the cultural and creative industry formation, Taiwan enterprises play another significant role as bridges for transforming concepts into concrete and tangible merchandises; both concept and merchandise are indispensable key features in the development of the entire creative and cultural industry. The realization of the development of the creative industry shows that the most primary aspect of the creative industry development is a collective zone formed by artists or technicians under their own initiative. In the early stage of this development, since it had been difficult to acquire funding support from the government and enterprises, spacious warehouses or factory located in cities with profound historical and cultural essence became the favorite choices of artists. By the time when the government discovered the significant contribution of this type of operation mode on the regional economic growth, it consciously and proactively opened an area with promising creative potentials and turned it into a creative industry zone.

The development model of “market demand evolution” industry greatly depends on the expansive clustering effect which makes more creative talents aware of the excellent creative environment provided within the creative industry zone through the demonstrations of creative pioneers. At the same time, the model also produces a consequential formation of a new market. The clustering of many types of creative talents accelerates the restructuring of public cultural spaces, which in turn stirs up a continually growing demand for creative products and services; thus, a new product and service consumption market takes form. Under the concerted actions of cultural effects and technological effects, the cultural and creative industry enters a constructive developmental cycle. As for the government-driven development models, the government is regarded as the thematic and guiding impetus through which the government bolsters industrial development; moreover, a more effective legislation of related policy measures and promulgation of incentive policy measures, such as, implementation of development strategies, related tax collection measures, and public services, foster the rapid formation and accelerated development of the creative industry zone in a particular area, and consequently the realization of a expansive and border-crossing development of the creative industry.

Cultural industry policies support and guide the stable, sound, and sustained development of the cultural industry, and, at the same time, serve as important strategies in shaping the macroeconomic adjustments of the industry. Under the current development stage of the cultural industry, a complete package of supportive policies is especially needed to provide adequate development space in terms of market entry, deregulation and economic revitalization, and tax imposition and collection. In this industry interplay, the policy support provided by the government and the innovations instituted by enterprises in response to the market demands are expected to generate aggressive development effects on the cultural and creative industry.

V. CONCLUSION

The development of policies pertaining to cultural and creative industry of Taiwan are continually modified and integrated in response to the changes in the external environment and developments experienced by the cultural and creative industry. Culture and creativity related policies under the implementation of related industries manifested far-reaching effects. The promulgation and development processes of policies for the cultural and creative industry are also part of the gradual familiarization of Taiwan with the cultural and creative industry development. As knowledge gradually reach a sophisticated level, it is imperative that the value assessment and concern for the responsibilities assumed by the government and the enterprises be renewed thereby enabling the government to define policies for fostering development of the industry, which are more suitable to national sentiments and adapted to market requirements.

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