

Ecological Construction of China's Music Industry from the Perspective of Cultural Economy

Shifang Wu^{1,a,*}, Yifei Dai^{2,b}

¹School of Economics and Management, Hubei University of Arts and Science, Xiangyang, Hubei, China

*²Department of Art Management, Xinghai Conservatory of Music, Guangzhou, Guangdong, China
a. wsfl2555@163.com, b. 1345473929@qq.com*

**corresponding author*

Abstract: As an important part of culture economy, the Chinese music industry has shown a steady growth trend from the supply side, consumption side, and channel side, but there are still some structural contradictions, weak links and problems. With draw lessons from international advanced experience, this paper considers that the healthy and vigorous development of the music industry of China requires the protection of intellectual property rights, the support of financial and tax policies, the cultivation of professional talents, the forging of the industrial chain, and the encouragement of the "going global" of the music industry. This paper believes that the pursuit of spiritual life by humans is endless, the world music industry has shown great market potential and bright growth prospects.

Keywords: Music industry, Copyright, Industrial chain

1. Introduction

In the Chinese ancient Book of Zhouyi, it is written: "The universe is enormous and full of countless cosmic inventories and can be considered as a magnificent career. The way of heaven changes quickly and constantly and this can be considered as the grand virtue." The universe is economy, the universe is wealth, the universe is poetry, the universe is music, the universe is numbers, the universe is beauty, the universe is order, and the universe is endless growth and change. She not only provides humans with the material civilization they rely on for survival, but also endows them with infinite spiritual civilization. As a creative source of people's livelihood and an innovative driving force of the national cultural system, cultural economy has become a strategic industry of countries, and has become the main way to enhance national soft power. Music, as a "world language", is the treasure of cultural economy, is an art form that expresses human thoughts and emotions, reflects real life, and is a special social production activity that cultivates sentiments, inspires wisdom, creates beauty, and enjoys beauty. The music industry has the characteristics of high added value and strong integration. Promoting the development of the music industry plays an important role in prospering the cultural market, enriching people's spiritual lives, driving economic growth.

According to the 2022 General Report on the Development of China's Music Industry by the Project Team of the Music Industry Development Research Center of Communication University of China, the total scale of China's music industry in 2021 was about 378.756 billion yuan, of which the output value of the core layer, related layer, and expansion layer were 92.929 billion yuan, 220.126

billion yuan, and 65.701 billion yuan, respectively. The core layer includes digital music, music performances, music books and audiovisual publishing, music copyright brokerage and management, with industry scales of 79.068 billion yuan, 11.76 billion yuan, 1.278 billion yuan, and 823 million yuan respectively, an increase of 13.98% compared to 2020; The related layer includes musical instruments, music education and training, and professional audio, with industry scales of 25.099 billion yuan, 113.38 billion yuan, and 81.647 billion yuan respectively, an increase of 11.38% year-on-year in 2020; The expansion layer includes karaoke, radio and television music, and "film , gaming, and anime music", with industry scales of 55.8 billion yuan, 9.161 billion yuan, and 740 million yuan respectively, a decrease of 5.85% compared to 2020.

The Chinese music industry has shown a trend of recovery and growth from the consumer side, supply side, and channel side, showing development characteristics such as IP oriented music products, diversified consumer demand, integrated music platforms, and scenario-based music consumption. In 2021, the concert tours of movies, anime, and game soundtracks have notably increased, with strong potential for local originality. Local originality and overseas copyright recreation have become the backbone of the development of the musical theater market. The number of small-scale and immersive musical performances and box office revenue have increased observably compared to 2020, and the number of music festival performances has significantly increased. Cross city performances by music fans have become a new highlight of cultural and tourism integration. The emergence of new models such as "music+ short video platform", "music+ social platform", "music+ tourism platform", "music+ metaverse platform", "music+ live streaming platform", and "music+ car networking" has led to the continuous integration and innovation of music platforms. Black vinyl records truly record the beauty of music and are the highest standard of listening experience and sound quality. They have not exited the historical stage due to their ancient traditions, but have created a consumption scene of "black vinyl revival" with their unique sense of ceremony, cultural connotation, and cultural value. The physical record market has shown a trend of stopping decline and rebounding.

2. The Weak Links in China's Music Industry

As a green sunrise cultural economy, the music industry leverages the performances of musicians, relies on rich and colorful instrument performances, conveys beautiful music ideas, creativity, aspirations, inspiration and other non-material factors, and shifts human development from material resource production to spiritual product production to meet spiritual needs in the blue ocean field. Music products, as one of the carriers of spiritual civilization, have a high demand, a wide audience, strong industrial penetration, a long product lifecycle, and a widely extended industrial chain. The Chinese music industry has been nurtured by traditional culture for thousands of years, and after decades of development through reform and opening up, it has formed an initial industrial system with strong development prospects. However, there are still some weak links in the current development of China's music industry, presenting some structural contradictions and problems, mainly reflected in the following aspects:

2.1. Music Copyright Protection is Still Weak.

Compared with countries such as the Britain and America, China's music industry lacks a complete and strong music publishing and record industry, and piracy issues remain severe, greatly damaging the interests of music creators and record companies. The imperfect and unclear legal formulation, difficulties in copyright recognition and implementation, inadequate operating mechanisms, and the rapid development of information technology have to some extent causes copyright infringement such as work tampering and distortion. Internet users spread their works recklessly, but creators themselves

are powerless to deal with such infringement, disrupting the normal operating procedures of the music market [1], and insufficient copyright protection has hindered the healthy and orderly development of the Chinese music industry.

2.2. The Continuous Supply Capacity of High-quality Works is Asthenia.

The continuous production of excellent original content is the foundation of a virtuous cycle in the music industry chain. In recent years, the lack of outstanding original works and creative motivation, and some shoddy popular music works have had a negative impact on the spiritual level of society because of their poor thinking, artistic dryness, lack of aesthetic depth, and detachment from life. The imperfect incentive mechanism for musicians hinders the realization of the value of their musical works. Improving incentive mechanisms and continuously launching high-quality new products and content has become the key to the healthy development of the Chinese music industry [2].

2.3. Insufficient music export ability.

Chinese culture is vast and profound. In history, a large number of brilliant Chinese songs, instruments, and music books have crossed oceans and borders, becoming wide reputation over the world, showcasing the splendid culture of an ancient civilization. Nowadays, in the domestic market where foreign music has entered in large numbers, showing a strong influence, while relatively few world-renowned music works and singers standing out in the world. While Warner, Universal, and Sony, the three major music groups, dominate the global music market, and China's music copyright trade deficit is still huge. Chinese contemporary music still has a long way to go to the world.

3. Experience and Reference from the International Music Industry

3.1. The Music Copyright Protection System in the United States

The income of the cultural industry in the United States accounts for 25% of the country's gross domestic product, surpassing the income of representative industries such as airplanes, automobiles, and agriculture, and becoming a pillar industry second only to the military industry. The copyright protection system of the music industry in the United States is relatively sound and complete. In the 1930s and 1940s, the copyright system in the United States gradually formed music copyright protection industry associations represented by the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music Incorporated (BMI), and the Society of European Stage Authors and Composers (SESAC) [3]. From the development history of copyright law in the United States, it can be seen that every modification closely follows the development of the times. The earliest copyright laws were limited to books, maps, and charts, and in 1831, 1856, and 1865, the United States added protection for musical plays, photographic works, and their authors, respectively. In 1982, the United States passed the Piracy and Counterfeiting Amendments Act, increasing penalties for copyright infringement in the film and recording manufacturing industry, and gradually improving the legal system for copyright protection. In 1998, the US legislative body officially formulated and implemented the currently influential copyright protection act, the Digital Millennium Copyright Act, which uses the concept of "indirect infringement" to constrain online infringement [4]. At present, the United States has joined international copyright conventions such as the Universal Copyright Convention, the Berne Convention, and the Phonographic Convention, and its copyright legal system is gradually moving towards internationalization.

The Collective Management Organization (CMO) centrally manages dispersed music copyrights through healthy competition, reasonable royalty distribution mechanisms, and an open and transparent operating model. This not only protects the legitimate rights and interests of music

copyright owners, but also effectively encourages the reproduction and creation of original music works, becoming the most important way for music copyright owners in developed countries to protect their rights. The music collective management organizations in the United States can be divided into performance rights organizations, forced mechanical reproduction rights organizations, and recording performance rights organizations. The Performance Rights Organizations (PROs) in the United States mainly include ASCAP, BMI, SESAC, Global Music Rights (GMR) etc. Organizations that enforce mechanical replication rights include Fox Agency (HFA), among others. Recording and performance rights organizations include Sound Exchange etc. In October 2018, the Music Modernization Act (MMA) came into effect. The music industry in the United States has a new collective management organization that conforms to the times - a new non-profit "Mechanical Licensing Collective" (MLC) to manage authorization and licensing fee transactions under a package of statutory licenses, and to collect information on the management of rights for music works and recordings. This organization conforms to the trend of digital development and plays a positive role in promoting the development of digital music.

3.2. Policy Support of France to the Music Industry

According to research evaluating the international competitiveness of cultural industries, France has an international competitiveness index of 66.47, second only to the United States' 71.44, ranking second in the world. As a cultural powerhouse, France's emphasis on and support for cultural industries are inextricably linked. Successive French governments have consistently provided adequate financial support for cultural development. For instance, in 2020, France's cultural budget was approximately 9.7 billion euros, accounting for approximately 1% of the national budget. In the face of the aggressive expansion of American culture, the French government recognized the importance of protecting its national culture to resist cultural invasion and prevent cultural homogenization. France first proposed the "Cultural Exception," which excludes culture from free trade to ensure that citizens worldwide can continue to enjoy the right to inherit their country's rich cultural heritage. France is the only country in the world led by its Ministry of Foreign Affairs in conducting external cultural activities, and it is also the first country to actively engage in cultural diplomacy. On one hand, France's support for cultural industries is evident in legal policies, such as enacting copyright laws and using tax reduction policies to encourage the development of high-quality original content. On the other hand, it has actively and swiftly responded to the rapidly evolving digital music industry. In 2015, the French government formulated new behavioral norms to promote digital music industry, implementing measures such as protecting songwriter copyrights, strengthening regulations on online advertisers, which received positive reviews from the entire music industry. The French legislative branch formulated the "Innovation and Internet Law," aimed at protecting creators' legitimate rights and interests and combating illegal piracy. The improvement of laws has undoubtedly created a favorable market environment for the development of France's digital music industry.

The essence of cultural life lies in sustained innovation and creativity. The French government actively encourages cultural innovation, prioritizing innovation as the core of cultural policy. France has established a comprehensive set of tax incentives to support the cultural industry, such as reducing value-added tax (VAT) rates for popular cultural products and industries like recordings and books, to promote market sales and meet the diverse needs of the public [5]. Measures such as subsidies, flexible pricing mechanisms, or expanding the scope of free services are implemented to facilitate opportunities for underprivileged social groups to participate in various cultural activities. To enhance the international influence of French music and aid in the promotion and dissemination of French musical works, France has established the Music Export Office. This office provides market intelligence, professional conference participation, promotional support, and financial assistance for

French professionals to be active in export. Each year, over 400 projects receive support from the Music Export Office.

3.3. The internationalization Experience of Korean Pop Music

Korean pop music, abbreviated as K-pop, has become an important force for Korean culture to go global market. In the process of creating music works, Korean music circles encourage team originality, such as members of new generation idol groups represented by SEVENTEEN, BTS, (G) I-DLE, etc., actively participate in choreography and music creation. This coincides the tradition of European and American music production that emphasizes the singer's personal involvement in music production. K-pop music closely integrates European and American pop music, creating competitiveness for K-pop music to enter the European and American markets. K-pop pursues "both Korean characteristics and the most popular music", with an international music style that further integrates local characteristics. For example, BTS incorporates Korean mask dance, three drum dance, and fan dance into dance performances, as well as traditional Korean cultural and artistic elements such as Korean clothing, lion dance, and SamulNori to showcase the style of traditional music and create a music stage with strong Korean ethnic characteristics. After the performance was broadcasted, it received widespread praise worldwide, enhancing the dissemination of traditional Korean culture internationally [6]. K-Pop aims to integrate multi elements fusion of audio-visual content into song creation in stages, dance, music videos, and clothing, as exemplified by the popular example of "Jiangnan Style" becoming popular worldwide. Performing arts planning companies usually carefully select and launch new singers, and spend high costs on training. The cultivation system of idol artists is also one of the key achievements of the successful operation of K-Pop industry, forming a one-stop idol cultivation system from early selection, training, debut, and operation. In addition, the K-Pop industry has adopted the strategy of "Asianization- Globalization" when promoting its brand internationally [7]. K-Pop chooses to first enter the markets of Asian countries with natural geographical proximity to South Korea, to attract the attention of European and American media, and then enter the European and American markets. The experience of K-pop music in music production, newcomer selection, artist development, promotion and marketing are worth considering.

3.4. Canada's Prosperous Live Performance Industry

Live music is an important part of Canadian music consumption, accounting for 57% of Canada's annual music consumption, with concerts accounting for 38%, small music venues (such as coffee shops) accounting for 26%, music festivals accounting for 24%, and nightclub DJ activities accounting for 12%. Canadian live performances are profitable, with a focus on project development and talent investment. Live performances have become an important source of income and employment for Canadian musicians. The overall number of music festivals in Canada is relatively large, with at least 130 music festivals in the country, including famous ones such as Canada Music Week, Montreal International Jazz Festival, Lilith Tour Music Festival, Osheaga Music and Arts Festival, etc. Music festivals are held in diverse locations and music genres, with specialized music festivals for folk music, jazz music, electronic music, country music, and more. The Canadian music festival as a whole has shown strong vitality, not only being profitable, but also utilizing the two common languages of English and French to establish an international music festival. The concept of environmental protection is also a highlight of Canadian music festivals, such as the Osheaga Music Festival, which utilizes wind and solar energy to run lights and equipment, builds a green stage, and improves free bicycle parking and public transportation. 58% of Canadians participate in live music events at least once a year, 59% of live music viewers purchase tickets within the first few weeks of ticket sales, and the proportion of teenagers with this habit is as high as 71%.

4. Building an Ecological System for the Healthy Development of China's Music Industry

The music industry, as a creation of spiritual value, is an important branch of cultural industry in contemporary society. In China, the music industry is still in a gradually emerging young industry. China's consumer entities have always been active, and the internal and external structure of the music industry is gradually adjusting. With the active layout of market entities in new fields, demand and supply respond in both directions, exploring and embracing new technologies and models, China's music industry is entering a new round of adjustment, optimization, and high-quality development stage.

4.1. Sound Music Copyright Protection

The main problems with music copyright protection are inadequate legislative systems, weak public awareness of copyright, unsmooth operational mechanisms, and insufficient legal sanctions. It is necessary to formulate laws and regulations based on the special laws of music and art, improve administrative and judicial mechanisms, strictly regulate collective copyright management organizations, enhance copyright enforcement efforts, improve dispute resolution and negotiation mechanisms, introduce competition mechanisms, and strengthen music copyright protection. Refine the provisions on punitive measures in the Copyright Law, streamline the process of law enforcement, reduce the cost of rights protection, more efficiently implement and enforce the protection of the music industry, punish infringers, and motivate rights holders to protect their rights. We strive to safeguard the interests of copyright owners while also ensuring the realization of social interests, promote the more effective implementation of the Copyright Law, and promote the sustainable and healthy development of China's music industry.

4.2. The Inheritance and Promotion of Traditional Chinese Music

The ancient and splendid civilization of the Chinese nation has nurtured a rich, colorful, and deeply rooted excellent traditional music culture. Music from the pre Qin period to the Song, Yuan, Ming, and Qing dynasties, such as "High Mountains and Flowing Water" from the Spring and Autumn period to "Spring River Flower and Moonlit Night" from the Ming and Qing dynasties, from the famous songs of the Eastern Han Dynasty such as "Eighteen Pairs of Hujia" and "Guangling San" to the Ming Dynasty's "Wild Geese Alighting on Sand "; From Central Plains music, Siyi music to exotic music, such as the oldest music in Yunnan, Naxi ancient music, known as the "music fossil", national intangible cultural heritage "Kunqu", to Yi ethnic folk songs (Yi wine songs), "Xinjiang Twelve Mukam", "Dong ethnic big songs", etc., it is brilliant and profound. Traditional Chinese music is accompanied by Palace Movements and Tonal Changes. Through the use of single tone melody stacking techniques, the combination of uniform rhythm and scattered beats, the beauty of music's artistic conception is expressed [8], reflecting the aesthetic ideas advocated by Confucianism and Taoism of "harmony between heaven and man" and "harmony is precious". Today, with the rapid development of cloud computing, the Internet, big data, and the meta universe, the audio, video, text and other information of Chinese excellent traditional music are preserved and protected by scientific and technological means. With AI artificial intelligence technology, VR virtual reality, blockchain and other scientific and technological means, it not only protects, but also innovatively inherits the traditional culture of Chinese excellent music. Dances such as Tang Palace Banquet, That's All Blue-green Landscape Painting and Prayer are excellent works of creative transformation and inheritance of ancient Chinese culture.

4.3. Adapting to the Development Trend of Digital Music Community Ecology

The digital music market in China is growing rapidly, and in addition to traditional telecommunications music value-added services, streaming media services, and online karaoke, a "music+" ecological industry chain with a payment model as the core is gradually forming. The habits of music consumption are undergoing profound changes, and the media of music consumption is shifting from simple listening to music+ video scenes+ self-expression. The music experience is more three-dimensional, more immersive, and can express oneself more freely. The copyright monopoly of digital music services has broken through, and competition in the digital music market has been activated. Music users are flowing across media and platforms, and the content and distribution centers of digital music are being restructured. Users are becoming increasingly picky about the experience of digital music platforms, requiring more engaging music, more immersive experiences, and more community content with a sense of belonging. With the changes in the competitive elements of the digital music market and the emergence of new competition, digital music service platforms represented by short videos are exerting a strong impact on the competitive barriers of traditional digital music platforms.

4.4. Cultivate Live Broadcasting Music Brands

With the development of artificial intelligence, big data, virtual reality, machine learning, financial technology, and social media, the live music industry has transformed into the "live streaming music industry", and the growth of live music is positively correlated with streaming media and digital music. The touching and lively improvisation and burst of live music, filled with warmth and true transmission, make the charm of the music scene irreplaceable and the core expression of music. Live music adopts a "real live, real music" attitude to ignite explosive performances in styles such as pop, rock, folk, jazz, etc., lighting up the beauty of life. With a genuine music attitude, a passionate music experience, creating the highest quality music scene, and leading billions of music fans to experience a rare audio-visual feast. At the same time, it also brings the performance back to the essence of music in both online and offline formats. Live music expresses people's souls and stimulates their sense of identity. Live music brings a synergistic effect to cities and promotes their economic development. Cultivating live streaming music brands requires mutual coordination between upstream and downstream, and support from various elements, creating a music industry base, launching a large number of classic music works, and cultivating a group of heavyweight music talents. Using music as an endogenous driving force, we achieve deep integration of marketing scenarios, and through the linkage of multiple content streaming pools such as "live music+ games, live music+ variety shows, live music + film and television", we try to cultivate brands by bring breakthrough limit.

4.5. Building the Competitiveness of Chinese Music in Going Global

The policy tools for promoting the music industry include three aspects: on the one hand, they are internal policy tools aimed at promoting exports, including various methods such as fiscal subsidies, government subsidies, and tax reductions; The second aspect is external policy tools aimed at suppressing imports through various means, including tariff barriers, quotas, and licenses; The third aspect is the support of relevant policy measures dealing with talent cultivation and overseas marketing etc.. Talents are the primary resource. We should not only be good at exploring and cultivating professional talents who can create high-quality music works, but also cultivate music professional agency talents that are in line with the international market, and improve the professional intermediary or agency industry chain for the music industry to go global. Creating public management bases or music industry parks for the music industry, bringing together music related enterprises, forming clusters for development, promoting effective integration of internal resources

within the industry, leveraging the clustering effect between enterprises and government preferential measures for clustering areas to improve the overall strength of the music industry.

5. Conclusion

Under the joint efforts of the government and the market, liberate new vitality in the creation of Chinese original musicians and excellent original music works. Actively guiding and deregulations, we are committed to cultivating a large group of leading music enterprises with ethnic characteristics that can obtain a place in the international competitive market, focusing on the production of high-quality music creation. The Voice of China, originating from a long history and splendid culture, has begun to go abroad, step onto the world stage, and make its own voice in the global music industry. The pursuit of spiritual life by humans is endless, and the integration of music and technology drives the upgrading of the global music industry value chain. The world music industry has shown great market potential and bright growth prospects.

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