

# **Opportunities for China-UK collaboration in museums and theatres**

UKTI and Foreign & Commonwealth Office's  
China Prosperity Fund

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# Chapter 1 / 3



## Executive summary

The museum and theatre sectors in both the UK and China are developing rapidly as they adapt to new audiences, new technologies and new economic contexts. Cultural collaboration is increasingly on the agenda, as institutions in both countries recognise that sharing best practice can enrich the sectors as a whole.

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This work has been commissioned by UKTI, funded by the Foreign and Commonwealth Office's China Prosperity Fund, to explore opportunities for collaboration between the UK and China in these sectors.

We found evidence of both interest and mutual opportunity, with a number of successful projects already in progress. Although there are challenges, particularly for smaller institutions which may lack international reach or experience, we believe that these are surmountable with knowledge and cultural sensitivity. It is the differences between the two countries, as much as the similarities, that will make collaboration fruitful, helping to open up new perspectives and new possibilities for both China and the UK.

This report identifies four key areas of opportunity:



## Audience development

The audience for culture is expanding dramatically in China due to growth in the middle-class population and in domestic tourism. New Chinese audiences lack preconceptions about culture but may not always articulate their tastes and preferences in a way amenable to the robust quantitative and qualitative audience profiling techniques developed for the highly competed UK sector. While some Chinese stakeholders feel that these techniques are less suited to their needs, they are highly aware of the need to nurture and develop new audiences. With the support of policy makers there is the potential to jointly develop new cross-sector approaches to data-led audience development, drawing upon higher levels of digital engagement in China and learning from persistent legacy problems with data sharing and collection in the UK.

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## Commercial revenue generation

Initially the UK and China might appear to have different approaches to revenue generation. UK government spending on culture is declining, leading to pressure on the sector to develop sustainable business models; China's per capita spend is lower, but increasing. In China there are some concerns that revenue generation may interfere with the public mission of museums and theatres. Yet recent national initiatives have encouraged development of this capability in the museum sector, while the theatre sector has already undergone significant commercial restructuring to operate along more business-oriented lines. UK theatres, museums and policy makers have successfully worked to develop and incentivise revenue generation models that simultaneously deliver public benefit; they may be able to work with Chinese institutions and policy makers to further develop approaches that harmonise these two aims.



## Content

Large museums in the UK tour exhibitions internationally, while Chinese museums generally tour nationally or lend objects for exhibition abroad. Smaller institutions in both countries face specific obstacles including cost, expertise and brand recognition. Developing international networks and collaborations would reduce these barriers. Digital distribution of content offers new opportunities for organisations to scale their businesses, with the UK theatre sector having particular expertise with live-screened and broadcast performance. Here there may be an opportunity to share content itself and to collaborate on the development of techniques and models making this more possible, particularly for smaller venues.



## Design practice

The specialist design and interpretation knowledge possessed by UK museums is recognised internationally. Partnerships such as the V&A's dedicated gallery in the Shekou Design can provide a model for the sharing of working practices. China is strong in the manufacture of technology and equipment for theatre, but UK companies may be able to offer specialist technical services around the design and specification of performance spaces.

In conclusion, there are many opportunities for the UK and China to enrich one another's practice in the museum and theatre sectors. Given the barriers to access, short-term and profit-led approaches are unlikely to succeed. Instead, there should be a pursuit of long-lasting collaborations which can build value for all parties, with trade and exchange built on a foundation of knowledge, mutual respect and mutual benefit. To that end we recommend the establishment of a platform, supported by policy makers, that enables regular best practice and knowledge sharing between China and the UK in these sectors.

# Chapter 2 / 3



## Introduction

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This report is aimed at both Chinese and UK sector stakeholders and policy makers, working within the museum and theatre sectors. The purpose of this work is to identify areas of opportunities for those sectors in China and the UK to collaborate and exchange best practice. It will centre on working together towards commercial sustainability, with a particular focus on the areas of audience development, commercial revenue generation, commercial content and design practices.

This work has been commissioned by UKTI, funded by the Foreign and Commonwealth Office's China Prosperity Fund, and carried out by BOP Consulting. The target audience is sector stakeholders, decision makers and policy makers from both countries who are interested in collaboration and future trade.

This report follows a period of analysis and consultation with stakeholders from China and the UK running from September 2015 – April 2016.

In our conversations with sector stakeholders, it became clear that there is a lack of knowledge amongst UK and Chinese sector professionals as to the structural characteristics of the sector in the other's country and as to where collaboration opportunities exist. It is not within the scope of this report to be exhaustive; it is not an in-depth analysis of the sectors in question. We fully acknowledge that the museum and theatre sectors in both countries are highly complex, and that practices vary considerably between individual institutions and regions.

Despite this, we do aim to highlight key characteristics of both sectors. We then set out some suggestions as to tangible potential areas of China-UK collaboration, in order that that collaboration can be built on a foundation of knowledge, mutual respect and mutual benefit.

# Chapter 3 / 3



## Opportunities for China-UK Collaboration

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### Opportunities for collaboration: Audience development

Audiences are at the heart of the mission of any arts venue, and essential to operational and commercial sustainability. Growing and broadening audiences — and responding to audience needs — increases impact, helps keep offerings relevant, and establishes a venue's value to its city and community. Audiences are also essential to revenue generation, and hence financial sustainability.

## How does practice in China and the UK compare?

In China there are two significant trends driving new audiences to arts venues: the growth of the middle class and an increase in domestic tourism. By 2030 Asia is expected to be home to 3 billion middle class people, five times more than Europe, with much of this growth due to China.<sup>1</sup> This is in turn driving domestic tourism: in 2014, China's travel and tourism industry made a direct contribution to national GDP second only to the USA, and 90.3% of this was generated domestically.<sup>2</sup> During the UK China 2015 Museum Dialogues in Beijing, Chinese museums reflected on the challenges and opportunities around surging domestic tourist visitors.<sup>3</sup>

Professionals in China's museum and theatre sectors describe audience development as being in an early stage, emphasising the need to nurture and develop these potential audiences into regular attendees. Some venues – which tend to be larger, or on the tourist trail – have seen large increases in audience numbers, while others struggle to attract visitors. A considerable number of new venues have been built recently, and attracting audiences to these is obviously a priority.

There are differences between the Chinese museum and theatre sectors when it comes to their financial position. Museums are more generously supported by government subsidy. Although some exhibitions charge, all state-supported venues offer free entry to the main collections. In general theatres receive far less government subsidy. Therefore ticket prices are high, especially at the larger theatres with higher running costs, and make up a disproportionately high percentage of local income.

By contrast, the habits and patterns of UK audiences are

more established. Attendance is high: in 2014/15, 77% of the UK population had engaged with the arts in some way (including music, theatre, dance, literature and visual arts) and 52% had visited a museum or gallery.<sup>4</sup> Audiences enjoy a great deal of choice and therefore there is a great deal of competition between venues for the attention of regular visitors.

In the UK, state funding for arts venues is linked to their achievement of certain social objectives, including attracting newer and broader audiences. Therefore the audience development goals of UK venues are influenced by the need to demonstrate that they have met these objectives.<sup>5</sup> To gather evidence, detailed audience surveys are used to generate complex data that represents audience characteristics and motivations, and divides audiences into segments.<sup>6</sup>

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In recent years, cuts in government funding have resulted in UK arts organisations moving towards a mixed funding model with a greater proportion of income coming from sources such as trading and sponsorship. As a result, arts organisations have begun to think of their audiences as customers and consumers, adjusting how they gather audience data to better understand spending patterns, better tailor their service and therefore increase trading revenue.

In China there is no exact equivalent for the term ‘audience development,’ but both museums and theatres understand the need to attract new audiences, and to nurture and develop these new audiences into regular attendees. The director of Shanghai Grand Theatre commented that “nurturing the audience is [our] most important task,”<sup>7</sup> saying that this included both encouraging people to make their first visit and developing theatre-going as a habit.<sup>8</sup> The Shanghai Oriental Art Centre, a large performing arts venue, uses regular audience surveys and is developing the use of data in

targeted marketing.

Some Chinese venues, particularly those in smaller cities, see their audience development work as being at a very early stage, and therefore believe that approaches used by countries with more mature cultural sectors will be of limited value. One venue said that “audiences are not yet willing to actively participate, and do not have an understanding of how cultural facilities fulfil their needs...”<sup>9</sup>

Yet these new audiences, coming without preconceptions and with few fixed expectations, are also viewed as providing new opportunities for ambitious programming. A Chinese performing arts venue manager, discussing the limited knowledge of plays and musicals by Chinese audiences, commented that “the optimist would say that if no-one has heard of it (what you’re offering), tomorrow’s market is unlimited.”<sup>10</sup>

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In the museums sector, China’s State Administration of Cultural Heritage (SACH), responsible for the museum sector, set up the national Smart Museum Pilot Initiative in 2014, testing the application of digital technology including audience development. Mr Luo Jing, Assistant Head of the Department for New Technology at SACH, tied the need for new digital approaches to a historic shift among Chinese audiences: “audiences were bystanders. They would come to museums to observe and appreciate from a distance, as if it were a temple. Today’s audiences are participants, sometimes even creators and innovators...”<sup>11</sup>

Suzhou Museum has a pilot programme using big data to understand audiences.<sup>12</sup> Suzhou Museum director Mr Chen Ruijin’s ambition is to “make Suzhou Museum into a museum worthy of audience respect. To do this, one must first respect every person who visits us, put their experience first and meet their needs. A good museum, in my mind, is like this.”<sup>13</sup>

Shanghai Museum assistant director Mr Li Zhongmou welcomed the pilot but was cautious, stating that “whether gathering and analysing this data is useful or not remains to be seen, and so much investment when the result is unclear may be rash. However, Chinese museums are now becoming aware of the shift from ‘research into historic objects’ to ‘research into people’ , and will increasingly value audience research” .<sup>14</sup>

Traditionally in the UK, technology infrastructure services for culture are developed and procured by individual organisations, as opposed to on a sector or industry wide basis. Collecting and collating data from across many organisations without a commonly agreed means of describing that data and a shared technology infrastructure to automatically collect that data, is inefficient and costly.

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The cost of repurposing existing legacy systems and developing data methods has resulted in a significant drop in the proportion of organisations using audience data to send out newsletters (from 81 per cent in 2013 to 76 per cent in 2015), and inform online strategies (in 2015 only 40 per cent use data to develop their online strategy, compared with 45 percent in 2013). These drops are consistent across different organisation sizes and art and cultural forms. Organisations are held back from developing data-led activities because “legacy systems often need extensive upgrading before the real benefits of audience data can be felt, and these changes can take a lot of time and investment.” <sup>15</sup>

The situation would be greatly improved by a shared means to describe data and a shared means to collect data. Initiatives, such as the work of the Audience Agency, are being developed to facilitate data sharing across the sector. This can enable a range of activities, including the optimisation of cultural marketing and programming for audience tastes alongside evaluation and benchmarking. The UK’ s Digital

R&D Fund has also made possible a number of audience development pilot projects.<sup>16</sup>

Chinese museums have also been developing innovative approaches to digital, for example as part of the Smart Museum Pilot Initiative.<sup>17</sup> More broadly there has been a rapid development, innovation and large scale uptake of multi-functional social media platforms in the country. Therefore Chinese audiences are used to being approached in this way, and there is great potential for this to be applied in the service of audience development.

## How might the UK and China collaborate for mutual benefit?

The UK has significant experience in carrying out audience research using robust qualitative and quantitative research techniques. Detailed audience profiling specific to the cultural sector has been built upon this research foundation, and is used to inform a structured audience development strategy tailored to a venue and its goals. These approaches can be constructed to demonstrate outcomes relating to UK-specific funding criteria, and assume a relatively mature audience for culture, with high interaction between venues and audiences. For these reasons these techniques would need to be tailored to Chinese needs and objectives..

China has an opportunity to learn from the legacy data sharing and collection problems of the UK and develop a cross sector approach to enable better sharing of data and thus data led audience development techniques. There is an opportunity to establish a national data sharing authority, resourced to service and implement the infrastructure and data-led audience development needs of the sector.

To that end here is an opportunity to collaborate with UK

organisations to share data led audience development techniques and practices — and potentially to establish a knowledge sharing initiative that supports data led audience development techniques internationally.



## **Opportunities for collaboration: Commercial revenue generation**

Per capita spending on culture in the UK is four times higher than in China.<sup>18</sup> However, over the last thirteen years, China's per capita spend has become eight times larger whereas UK overall spending on culture is decreasing.

Attitudes towards commercial revenue generation in the two countries appear at first to be very different. Since a Conservative government came to power in 1979, a series of government measures have been put in place to reduce the dependence of museums on the state.<sup>19</sup> State-funded arts organisations in the UK have operated under a mixed income model for some time. In recent years, due to the economic crisis and a changing policy environment, nationally funded museums in the UK are facing severe cuts in government subsidy.<sup>20</sup> Given that their funding remains under threat, UK institutions are under pressure to increase their self-generated income and indeed are encouraged by government funding bodies to do so.<sup>21</sup> In China by contrast there is, broadly speaking, an environment of stable and increasing government funding, alongside concerns that revenue generation may interfere with the public mission of museums and theatres.<sup>22</sup>

Despite these differences, there are many practical similarities between the operations of cultural venues in the two countries.

## How does museum sector practice in China and the UK compare?

There are three main types of UK museums:<sup>23</sup>

- Large national museums directly funded by central government
- Smaller museums funded by local government (which have been the hardest hit by recent cuts in government spending)<sup>24</sup>
- Independent museums owned and run by charities or trusts.

In addition to receiving government subsidy, UK museums generate revenue from fundraising from sponsors or donors (most important), trade in products or services, and income from ticket sales (least important). Big national museums are responsible for most of the sector's self-generated income, and generate a larger proportion of it through fundraising.<sup>25</sup> Trading revenue at these museums is managed through one or several subsidiary companies wholly owned by the museum's trustees.

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Smaller UK museums do not always establish subsidiary companies for their trading operations. For museums owned and supported by local government this can be administratively complex, and for smaller independently-run museums the decision can be influenced by a number of complex tax related regulations. Trading and admissions income is more important for these smaller museums, especially as cuts to state support have been proportionately larger. These museums generate an average of 21.5% of their income is from trading activity, 22% from admissions and 22% from fundraising.<sup>26</sup> As local government funding declines, sector professionals say that taking advantage of new commercial opportunities is increasingly important for these museums.

In China there are three main types of museums: those entirely supported by government subsidy; those partially subsidised; and those operated by another organisation (such

as a private individual or developer) at their own risk, which may also receive government benefits in kind.<sup>27</sup>

Regulations for museums published in 2015 encourage them to actively engage in commercial activities in order to expand their income sources and reduce their reliance on subsidy. In particular, the development of derivative products is recommended as an effective way to generate income and promote museum brands at the same time.<sup>28</sup> These regulations specify that commercial activity must not infringe or detract from a museum's mission or character. Any profit generated should be channelled back into the museum.<sup>29</sup> Data on the breakdown of museum revenue by income type in China's museums is not available, but individual venues do engage in venue hire, ticket sales for some exhibitions, catering and the sale of derivative products.

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The system for financing of public institutions creates restrictions on museums setting up subsidiary companies dedicated to revenue-generating activity. In some special cases, where exceptional leave to do so has been granted, Chinese museums have been particularly successful in revenue generation, particularly from derivative products. For example, the Palace Museum in Beijing has a subsidiary company which develops over 300 copyright protected products per year. These are sold on site and through a dedicated online store on China's e-commerce platform Taobao.<sup>30</sup> Shanghai Museum was the first in China to establish a trading company. Its derivative products are developed by a dedicated design team, sold on site and at three other dedicated off site stores, and will be sold online from 2017.<sup>31</sup>



## How does theatre sector practice in China and the UK compare?

In the UK, public subsidies for the theatre sector began in 1947. Today's theatre sector operates in a market economy with mixed public and private financing. Quality productions piloted and incubated at not-for-profit venues with the help of government funding can, if successful, receive investment, transfer to commercial venues, and become commercial productions. (For example, the National Theatre's *War Horse* or the RSC's *Matilda*.)<sup>32</sup>

Overall, only 14% of UK theatre finance comes from the public sector (this is an average from all venues, including those with no state support). Subsidy levels vary widely between venues: from less than 20% of total income to more than 80%.<sup>33</sup> Over the past five years central government funding for theatres has decreased by 22% and local government funding by 50%.<sup>34</sup> The impact of this has been significant.

Over the same period earned income for theatres increased by 25%, mostly due to increased revenue from ticket sales, which represent the overwhelming majority of earned income. Analysis suggests however that the National Theatre alone, which operates six subsidiary trading companies, generated 80% of this increased revenue.<sup>35</sup>

The Chinese theatre sector has already undergone significant commercial restructuring, with more than 2000 theatres having been turned by 2012 from public institutions to state-owned enterprises operating under a commercial model.<sup>36</sup> Some of these, such as Shanghai Grand Theatre, are run by in-house management teams.. Others are run by a professional management company such as Poly Theatre Management Group (which runs over 40 large theatres across

China) in exchange for a management fee or in-kind resources.<sup>37</sup> Poly are a state-owned enterprise and expected to take social responsibility. Most Poly Theatres receive more than 10 million CNY subsidy annually in exchange for meeting performance targets set by local government, including number of performances, content of performances and attendance numbers.

Although no longer public institutions, theatres still receive significant subsidies, as most are not able to achieve the goal of becoming self-supporting. In China, 25.3% of theatre finance comes from government subsidy, split roughly equally between supporting not-for-profit venues and supporting state owned performing arts troupes. Subsidies are more significant at a venue level, representing 37.6% of income, with ticket sales at 49.4% and commercial (non-performance) uses of the building at 13%.<sup>38</sup>

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Around a third of China's dedicated theatre venues were built in the last 15 years, and 120 of these have over 1,000 seats.<sup>39</sup> Larger venues outside of first-tier cities struggle to meet their significant running costs: raising ticket prices is not an effective solution, as the average ticket already costs between one tenth and one third of the monthly average wage in China.<sup>40</sup> Overall, 35% of China's dedicated theatres have either ceased operations entirely or stopped operating as theatres.<sup>41</sup>

In areas of China with more mature cultural markets, some venues take a more commercial approach. Guangzhou Grande Theatre achieved break-even in 2012 after just one year of operation. Its in-house management team lowered operational costs and expanded audience reach, for instance curating a series of performance programmes designed for Spring Festival to attract the wider public.<sup>42</sup> Chen Shaofeng, Deputy Dean of Research Institution of Cultural Industries in Peking



University commented that, Guangzhou Grande Theatre provides a good example of finding a balance between providing high quality cultural contents and making profits through professional operation.<sup>43</sup>

Ma Shuzhi, head of the Theatre Management department at the Central Academy of Drama, states that sector professionals are recognising the need to explore more commercial profit-generating models. After theatres have delivered against their public service mission, he states, they should consider learning from the example of China's cinemas, providing leisure, food and beverage services to audiences, as well as selling related merchandise.<sup>44</sup> Shanghai Grand Theatre recently returned their food, beverage and retail to in-house operation, and have seen an upturn in the time and money audiences spend in the venue as a result.<sup>45</sup> The National Centre for Performing Arts (NCPA) commented that although derivative products are not common in Chinese theatres, they have been effective in promoting the NCPA brand and grabbing the attention of younger audiences. NCPA Director Mr Chen Ping states that derivative products are “a type of cultural service for our audiences.”<sup>46</sup>

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## How might the UK and China collaborate for mutual benefit?

Although there are structural and policy differences between the UK and China, their models of income generation are broadly similar. Less priority is given to revenue generation by Chinese venues, which benefit from increasing state support, while UK venues are under more immediate pressure from funders to increase their self-generated income. Nevertheless, many Chinese theatres in particular are now recognising a need for more commercial revenue generation.

For Chinese venues, commercial revenue generation needs to

be considered in the context of their wider social and organisational mission, which includes strengthening and raising awareness of their organisational brand nationally and internationally; encouraging more people to come through the door and spend more time in the building; and reaching younger audiences.

One barrier to revenue generation for the museum sector is the difficulty of setting up subsidiary companies. Under the current financial framework for public museums, their funding and expenses are regulated by the local Bureau of Cultural Heritage and the Bureau of Finance. Museums have limited flexibility and resources to invest in commercial activities, for instance development of derivative products.<sup>47</sup> Therefore, even though museums are encouraged by government policy to expand their income streams, commercial activities in most museums are restricted in practice.<sup>48</sup>

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Yet UK cultural organisations have long operated in a mixed economy and have a great deal of experience in planning and carrying out revenue-generating activity that simultaneously delivers public benefit. Although UK venues are now under more pressure to generate revenue, this has not been at the expense of their public service mission. The UK's experience of developing policy to encourage both commercial activity and the creation of social benefit may provide an example for Chinese policy makers and practitioners to study.

China also has best practice to share in this area. For example, Palace Museum is pioneering interesting approaches to derivative products and e-commerce in particular, as well as digital engagement more broadly. Many UK organisations are looking for new approaches to using digital technology to engage new audiences and younger audiences, and collaboration in this area could therefore be fruitful.

## Opportunities for collaboration: Content

In recent years, theatres and museums have been exploring how innovative methods of content touring and distribution can bring their exhibitions and performances to wider audiences, and perhaps enable additional revenue streams.

### How does museum sector practice in China and the UK compare?

Temporary exhibitions serve as a way for museums to attract new visitors and encourage regular visitors to return. Touring exhibitions are an extension of the same principle, reaching wider audiences and allowing receiving museums to give their visitors access to collections, subjects and ideas they might not otherwise encounter. Such activity provides a public benefit and helps to keep the museum in the public eye.

UK museums developing a touring exhibition in-house may do so either alone or with a partner museum to share the cost. Museums wishing to include touring exhibitions in their programming can pay a fee to host an exhibition created by another museum, or exchange temporary exhibitions with partner museums. All of these activities come with costs: the upfront cost of developing a temporary exhibition to tour, the cost of receiving one, and the cost of staff time to support these. Museums meet these costs by utilising money from their existing budget, raising sponsorship money, or applying for government funding.

UK national museums are experienced in sending their temporary exhibitions around the world; the reputation associated with their brands means that the revenue generated from these exhibitions is significant and can form part of their business model. For many smaller museums,

however, the upfront cost and staff time needed to produce or receive touring exhibitions can be too high. This is particularly the case when it comes to international touring: the majority of temporary exhibitions produced and toured domestically in the UK are small (less than 500 sqm), while the standard size for exhibitions that tour internationally is now 1,000 sqm. Some smaller UK museums have successfully created international touring exhibitions by working as a group.<sup>49</sup>

China's State Administration of Cultural Heritage (SACH) has emphasised lending and touring exhibitions as a means by which "state owned art objects and cultural relics can be shared,"<sup>50</sup> thereby bringing more objects out of storage and making resources available to newer museums with smaller collections. Touring exhibitions are acknowledged as contributing to a museum's brand recognition as well as to broader cultural exchange.

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In China, as in the UK, there is a fee associated with receiving a temporary touring exhibition touring. This may not be applied if the project is for public benefit, or if two museums are exchanging exhibitions. Where a fee is applied, government subsidy is often available for a museum wishing to receive a touring show. The situation at some venues is different: the CAFA Art Museum in Beijing charges a fee to those bringing touring exhibitions to its galleries.<sup>51</sup>

At present, Chinese museums wishing to tour exhibitions internationally face barriers around costs, timing and relationships. The high cost of touring or receiving an exhibition internationally mean that the ability to take part in such projects relies on what government funding is made available. At state supported museums, budgets are often allocated and must be spent within one year, putting time pressure onto negotiating and delivering international exhibition partnerships. Although some large Chinese



museums have established relationships with international partners, working internationally is more problematic for those that do not.

Some UK museums are developing alternatives to physically touring exhibitions. These aim to deliver the public and financial benefits of touring while eliminating many of its barriers, including shipping and insurance costs. The Science Museum has developed a touring format where exhibition designs, research content, videos, interviews and programming ideas are sold to a venue for a one-off fee, as well as a licensing fee linked to the length of the exhibition.<sup>52</sup>

In 2013 the British Museum was the first to produce a filmed version of an exhibition for cinema broadcast.<sup>53</sup> Although designed for public benefit rather than profit, the film did generate income for the museum and its partners. The Tate Modern and V&A soon followed with similar projects.

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## How does theatre sector practice in China and the UK compare?

In recent years, performing arts venues in the United States and Europe have developed new ways of reaching audiences: filming performances for distribution and screening, either live or recorded, at other venues (especially cinemas).

London's National Theatre developed NT Live in 2009, initially as a way to “offer a top quality ‘second-class’ experience that would greatly increase the opportunity for people to see a National Theatre production, especially those outside London.”<sup>54</sup> NT Live broadcasts were an opportunity for many National Theatre technical staff to develop new skills; nonetheless the National Theatre expects a continuing need for the expertise of an external broadcast team. NT Live now has a worldwide audience of nearly 1.3 million people,

including some in China.<sup>55</sup> Research also suggests that NT Live attracts significantly more low income individuals than live National Theatre performances in London.

Since 2009 other UK theatre companies have begun similar programmes. The Royal Shakespeare Company began its ‘Live from Stratford’ broadcasts in 2013. According to RSC deputy artistic director Erica Whyman, as many people see one live broadcast as attend RSC plays in Stratford over the course of a year.<sup>56</sup> Smaller theatres often feel they lack the resources and expertise necessary to record and distribute their work, and some are concerned that increasing public access to widely recognised brands like the NT and the RSC will damage local and touring theatres.<sup>57</sup> However, Miracle Theatre, a small theatre company in a rural part of the UK, has demonstrated that ‘Theatre for Screen’ may represent a viable business model for smaller companies too.<sup>58</sup>

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These activities are supported by cultural policy, as digital is perceived as an important new way for cultural organisations to deliver public value as a return on public investment. Creative media – artistic and cultural works and content created for digital platforms, or distributed digitally to reach the public – are a strategic priority for Arts Council England.<sup>59</sup>

China’s National Centre for the Performing Arts in Beijing was the first Chinese organisation to film and screen performing arts content. To mark its sixth birthday in 2013, it screened recorded productions of three operas in HD, later also released on DVD. The initiative was developed as a way to “bring good opera produced in China to a broader audience”<sup>60</sup> and to showcase NCPA productions internationally. With tickets a fraction of NCPA prices, “opera film is especially attractive for young music lovers on limited incomes.”<sup>61</sup> The recorded productions were created by German production company Accentus Music and Italian

production company Metisfilm Classica. The NCPA's film production team also took part in the process, which NCPA's head of original programming Xu Ming called an excellent learning opportunity.<sup>62</sup>

## How might the UK and China collaborate for mutual benefit?

Considerable upfront investment is required to produce and distribute content beyond a venue's walls, whether physically or digitally. Yet both UK and Chinese institutions see this as a valuable way to reach larger audiences and strengthen their brand both domestically and internationally. Digital distribution can allow cultural products to scale in a way that live productions or physical exhibitions cannot. For some UK venues, it can also present a way of generating additional revenue in a context of threatened government funding.

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There are several possible avenues for collaboration. In the theatre sector, the UK is in a position to share its technical and production expertise with Chinese venues who wish to explore filmed performance, while the UK performing arts sector might draw inspiration from the ways in which Chinese venues have used filmed performance to reach younger audiences.

In the museum sector, most institutions in both countries face significant barriers of cost, capabilities and relationship building which prevent them from touring exhibitions internationally. Hitherto it has been almost exclusively UK national museums which have been able to reap the financial and reputational benefits of international touring. We suggest that the best way to address these barriers is for Chinese and UK museums to pool resources by working collaboratively and in networks, supported by the sharing of knowledge and best practice amongst sector professionals and policy makers.

Touring digital content such as digital or filmed exhibitions also lowers the barrier to international collaboration, and may function as a first step in building relationships between museums.



### **Opportunities for collaboration: Design practice**

#### How does museum sector practice in China and the UK compare?

Interpretation design for museum exhibitions (their format, content and presentation) helps to shape the visitor experience, communicate complex information and encourage visitors to engage with exhibition content. In the UK some museums employ an interpretation officer who works alongside their curators. An in-house interpretation officer is responsible for defining an exhibition's audiences, the story that it will tell through the objects exhibits, and the learning outcomes for exhibition visitors.<sup>63</sup> This role is sometimes combined with overseeing audience research or developing education programmes.

At other museums, permanent or temporary exhibitions are designed by specialist private companies, who often employ an interpretation designer as part of their team. Whether in-house or employed by a design company, an interpretation designer will work with the exhibition design team, often writing the text to accompany objects, and ensuring the design conveys the overall story in the exhibition.

This is an area where the UK public and private sector are particularly strong. Creative design consultancy Bright White feel that the UK's strengths in this area include telling a story, making exhibitions accessible and incorporating digital

interpretation. Yet managing director Chris Walker commented that it is taking time for museum staff to feel comfortable with technology. Part of their role as interpretation designers is to serve as intermediaries between museum professionals and technology experts, helping technology to be applied in innovative ways.

In China, given the recent boom in museum construction, there has been an increasing need for exhibition design services. More Chinese museums are now curating exhibitions based on specific themes (rather than simply presenting objects from the museum collection, or archaeological finds in chronological order). However, it is acknowledged within the sector that curatorial expertise, particularly at provincial and city level museums, could be improved.<sup>64</sup> In 1997 SACH established the All China Promotion of 10 Outstanding Museum Exhibitions, an appraisal process and prize-giving event aimed to highlight best practice in this area. Since 2014 this has put greater emphasis on the role of curators in creating successful exhibitions.<sup>65</sup>

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Like UK museums, some Chinese museums commission private companies to design exhibitions. Matthew Jones, China Creative Lead at Imagemakers, observes that Chinese museum clients generally prepare less structured briefs for their exhibitions than is customary in the UK, and therefore expect private companies to do correspondingly more in the way of background research to understand project requirements. Many of these companies structure their service as a one-stop solution that includes design, construction, fit out and the supply of all relevant equipment and technology. Commissioning in this way is a practical approach for museums that lack in-house exhibition design capabilities, yet it can result in situations where technology, rather than design, is given the priority in determining the shape of an exhibition. These technology-focused companies also are not

specialists in exhibition design, so the quality of their work may be lower.

Both Chinese and UK museums are developing new ways of using digital technology to reach audiences, accommodating audiences who expect digital interfaces as part of their user experience, and in some cases creating a new vision for what a museum might look like.

In the UK, the Digital R&D Fund for the Arts was launched in 2012 to support digital innovation through funding experimental projects from which the wider arts and cultural sector could learn, and to build relationships between the arts, digital technology and academic sectors. £7 million in grants were distributed to over 50 projects over three years. An Imperial War Museum project invited visitors to co-curate the content in its First World War paintings collection, adding contextual information and online discussion using crowdsourcing technology.<sup>67</sup> A Live@LICA project used augmented reality and social media technology to invite the public to curate personal virtual ‘collections’, by bringing images of paintings and artefacts from the LICA collections into their homes.<sup>68</sup>

In China, some sector professionals observe that museums have been slow in the application of technology, due in part to the constraints of operating within the state-funded sector. The initial burst of activity around digitisation within the cultural sector focused too much on the technology itself, and the results were therefore not integrated into museums’ wider objectives.

More recently, however, China’s museum sector has increasingly embraced the concept of people-centred design, starting to view technology as a tool rather than an end in itself. Mr Luo Jing, Assistant Head of the Department for New



Technology at SACH, observed that audience expectations are rising. Audiences want the “cultural context around an object to be set out before them... In addition to visiting in person, they would like to be involved online and offline, and in so doing take an exhibition home with them.” <sup>69</sup>

The Smart Museum Pilot Initiative is one initiative aiming to meet audience expectations. It was launched by the State Administration of Cultural Heritage (SACH) at the end of 2014, aiming to use technology to improve collection management, conservation, audience engagement, operational processes and the visitor experience. Six museums were selected across the nation to join the pilot project, with university R&D teams commissioned to provide technical support. A museum sector steering group oversaw the projects. Jinsha Site Museum, one of the six selected, focused on using digital technology to enhance visitor experience. The Museum developed a mobile app, distributed through its website, which uses embedded augmented reality technology to show visitors what the site may have looked like 3,000 years ago.

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Beyond the Smart Museum Pilot Initiative, individual museums are also developing new ways to embed digital technology. The Palace Museum in Beijing released an app developed by Moujiti Studio that lets people view centuries of the museum’s porcelain collection in high definition while combing through historical details. Lulu Li, a partner and creative director at Moujiti, commented that: “Digital technology not only makes it possible for China’s hidden treasures to be accessible by Chinese people, it also helps transmit this knowledge globally.” <sup>70</sup>

## How does theatre sector practice in China and the UK compare?

In the UK, whether a new theatre building is being designed or an old building is being remodelled or refitted (many theatres date from the 18th century), the process will usually be led by an architect, with specialist support from a theatre consultant and an acoustic consultant. A notable recent example is the £80 million refurbishment of the National Theatre, led by architects Haworth Thompkins, and supported by acoustic engineers Arup Acoustic Consulting and theatre consultants Charcoalblue, who provided sightline studies, auditorium planning and designed technical infrastructure.<sup>71</sup>

In China the design of theatre buildings is also led by an architect. On large projects this may be a large state owned architectural design organisation or perhaps an international architect. Input on the design and technical specification of performance spaces may come from specialists in lighting or sound, for example, working with the architect. This design and specification input may come from an equipment supplier that also offers this as a service. Unlike in the UK, specialized theatre consultant companies in China are rare, and only larger venues have the capacity to commission international expertise, as international specialist consultants are three or four times as expensive as local companies.

Data shared in a symposium organised by the China Association of Performing Arts in 2013 shows that two-thirds of dedicated theatres in China have technical design problems that mean they are inadequate to host professional performances.<sup>72</sup> Particularly in more provincial venues, limited budgets and knowledge result in low expectations for quality.<sup>73</sup> While some theatres provide a detailed design brief, others have less detailed specifications, or contract specialist advice at a stage where the kind of performance the venue



will host is not yet determined.

According to Yan Xianliang, director of the Standards Research Centre at the China Art, Science and Technology Research Institution, China is advanced in the manufacturing of specialist equipment for the theatre, with 3,000 stage lighting manufacturers in Guangdong province alone. Yet there is limited R&D, with most new products modified versions of products developed in other countries.<sup>74</sup>

## How might the UK and China collaborate for mutual benefit?

UK museums have significant expertise in interpretation and exhibition design. They may therefore be able to contribute to the Chinese museum sector's work in making exhibition design more centred on audience experience. This could take the form of partnerships between cultural institutions, sharing in-house working practice around curation, interpretation and exhibition design. For example, in 2017 the V&A Museum is to open a dedicated gallery inside the new Shekou Design Museum in Shenzhen, a collaboration that will involve presenting two major touring exhibitions, as well as training the museums' senior staff.

Where Chinese museums wish to commission exhibitions from an outside contractor, there is a potential for UK and Chinese private companies to collaborate to provide design and build services. For example, UK creative design consultancy Imagemakers specialise in the planning and conceptual design of exhibitions and visitor experiences. Yet many Chinese clients prefer a one-stop solution that also includes fabrication of the final product. Since 2009 Imagemakers have been working in partnership with a Chinese company that can provide expertise in fabrication, as well as understanding of the local culture and business development process.

In the performing arts, China has a clear strength in the manufacturing of specialist technology and equipment, and therefore Chinese theatres would be unlikely to procure such equipment from UK suppliers. Opportunities for collaboration are more likely to be found around the provision of specialist technical services for the design and specification of performance spaces. For example, the acoustic design of Beijing's National Centre for the Performing Arts was a collaboration between France's CSTB and the School of Architecture at Tsinghua University in Beijing.<sup>75</sup> Similarly, UK theatre consultants Theatre Projects supported the architect Atelier Frédéric Rolland in concept design, theatre planning, and theatre equipment design and specification for the Ningbo Opera House, Zhejiang province.<sup>76</sup> Stufish Entertainment Architects designed the opening and closing ceremonies for the 2008 Beijing Olympics, and 50% of their revenue now comes from projects in China. Their work with Dalian Wanda Group made them the first practice to deliver all the architectural and show elements for a theatre, designing the building exterior, auditorium interior and a stage set.<sup>77</sup>

## Conclusion

In conclusion, we have found evidence of opportunities for collaboration between the UK and China that can create value for all parties. In four key thematic areas – audience development, commercial revenue generation, content and design practice – we found both interest in the possibilities and a number of projects already in progress.

The museum and theatre sectors in both the UK and China are developing rapidly as they adapt to new audiences, new technologies and new economic contexts. Cultural collaboration is increasingly on the agenda, as institutions in both countries recognise that sharing best practice can enrich the sectors as a whole. Although there are challenges, particularly for smaller institutions which may lack international reach or experience, we believe that these are surmountable with knowledge and cultural sensitivity.

Given the barriers to access, short-term and profit-led approaches are unlikely to succeed. Instead, there should be a pursuit of long-lasting collaborations which can build value for all parties, with trade built on a foundation of knowledge, mutual respect and mutual benefit. To that end we recommend the establishment of a platform supported by policy makers that, beyond this work, enables regular sharing of best practice between China and the UK in these sectors.



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