

IP DEVELOPMENT STRATEGIES FOR CHINESE THEATERS IN THE CONTEXT OF THE
CREATIVE INDUSTRIES



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กลยุทธ์การพัฒนาทรัพยากรมนุษย์สำหรับโรงละครจีนในบริบทของอุตสาหกรรมสร้างสรรค์



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ได้อี หยาง : กลยุทธ์การพัฒนาทรัพย์สินทางปัญญาสำหรับโรงละครจีนในบริบทของอุตสาหกรรมสร้างสรรค์. (IP

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INDUSTRIES) อ.ที่ปรึกษาหลัก : ฤกษ์ พันธ์เพ็ง

งานวิจัยนี้อิงจากภูมิหลังการพัฒนาอุตสาหกรรมสร้างสรรค์ของจีนและยุคข้อมูลข่าวสาร

ผู้วิจัยได้กำหนดคำจำกัดความของทรัพย์สินทางปัญญา (IP) ของโรงละครในบริบทของอุตสาหกรรมสร้างสรรค์ขึ้นมา: 1)

ผลงานละครต้นฉบับที่ได้รับความคุ้มครองจากกฎหมายทรัพย์สินทางปัญญาเพื่อปกป้องความคิดสร้างสรรค์และเอกลักษณ์ของงาน

ที่มีความเฉพาะเจาะจง โดยความคุ้มครองครอบคลุมสิทธิและผลประโยชน์ในตัวผลงาน; 2)

มีการยอมรับจากตลาดอย่างสูงและแสดงคุณค่าทางการสื่อสารทางวัฒนธรรมและมูลค่าทางพาณิชย์; และ 3)

เป็นปัจจัยหลักที่เพิ่มกิจกรรมการผสมผสานและการขยายกิจกรรมของโรงละครกับอุตสาหกรรมสร้างสรรค์อื่นและช่องทางการสื่อ

สารที่หลากหลาย นอกจากนี้ งานวิจัยใช้ โรงละครจีน Mahua FunAge เป็นกรณีศึกษา

โดยขอบเขตการศึกษารอบคลุมวิวัฒนาการของระบบนิเวศของโรงละครตั้งแต่ปี 2014 ถึง 2018 และผลการวิจัยแสดงให้เห็นว่า

โรงละครและระบบพัฒนาทรัพย์สินทางปัญญา (IP) ของมัน ซึ่งประกอบไปด้วยหน่วยย่อยที่สัมพันธ์กัน

สภาพแวดล้อมที่สัมพันธ์กัน และโครงสร้างการพัฒนา

ปฏิบัติตามวัตถุประสงค์ขององค์กรในสภาพแวดล้อมที่สัมพันธ์กันเพื่อสร้างความสัมพันธ์ที่มีพลวัตของการแลกเปลี่ยนทรัพยากร

และการสร้างมูลค่า นอกจากนี้ การศึกษาใช้หลักการวิเคราะห์เชิงวิพากษ์เพื่อทำความเข้าใจเกี่ยวกับกลยุทธ์พัฒนาที่ Mahua

FunAge นำมาใช้ และการวิจัยนี้มีเป้าหมายที่จะให้ข้อเสนอแนะสำหรับโรงละครจีนและการพัฒนา IP

ตั้งแต่กลยุทธ์การจัดการทรัพยากรมนุษย์ กลยุทธ์การจัดการเนื้อหาทางทรัพย์สินทางปัญญา กลยุทธ์การสร้างแบรนด์

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In the context of the Chinese creative industries and the digital age, this study derived a definition of theater IP from the general point of view and the context of the Internet: 1) the theater original work, which is protected by IP law for its creativity and originality, where the protected interests include ownership of rights and interests; 2) having a high degree of market recognition and exhibiting both cultural communication value and commercial worth; and 3) as a core factor that increases the integration and expansion activity of the theater with other creative industries and media communication channels. In addition, the research employs the Chinese theater company Mahua FunAge as an example and, through the evolution of its ecosystem from 2014 to 2018, found out that the theater and its IP development ecosystem, which is composed of various symbiotic units, symbiotic environment, and development framework, follow the organization goals in the symbiotic environment to form a dynamic relationship of resource exchange and value creation. Furthermore, the study employs critical analysis in order to gain insights into the development strategies adopted by Mahua FunAge and aims to provide recommendations for Chinese theater and its IP development from talent management strategy, IP content management strategy, branding strategy, and marketing strategy. In general, the research provided an important

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Chapter 1 Introduction

1.1 Background of the Study

Development of social and economic status gives rise to innovation and enrichment of cultural and creative industries. Strong market demand and ever-advancing technology have been promoting mass culture and changing ways of distribution and consumption of entertainment contents. However, increased availability of diversified entertainment platforms adversely impacted people's enthusiasm for theatre, which led to a decrease in the participation of theatre audiences. Additionally, due to the rapid development of various cultural and entertainment industries such as film and television, theater professionals have begun diverting to other forms of entertainment industries, resulting in a shortage of theater talent resources, and the creation and team development of Chinese theater is in a gradual disconnect and contraction (Chen, 2015). Multi-format option allows consumers to access entertainment contents regardless of time and space. This has a major effect on the art of theater, which is oriented to perform predetermined content at defined times and locations. On the one hand, people are inundated by the massive volume of content on their mobile devices such as cell phones, tablets, laptops, and social media platforms which occupy their attention span by many fragmented and intuitive cultural products. On the other hand, with the advent of virtual reality (VR), augmented reality (AR), 5G technology, and the growing prevalence of various live broadcast platforms, the immersive experience and live interaction upon which theater art has long prided itself are progressively losing their luster (Chen & Lin, 2012). Chinese theater performances have been unable to attract new consumers, and even the number of performances is not growing (Yunnancn, 2019). Since 2019, the number of performances in Chinese theaters has dropped significantly. In 2019, there were 215,000 performances, compared with

316,000 performances in 2018, a year-on-year decrease of 31.96%. In terms of theatre audience numbers, audiences in Chinese theaters reached 71.29 million in 2018. However, since 2019, the number of audiences in Chinese theaters has declined, dropping to 50.06 million, a decrease of 21.23 million, or 29.78%, from the previous year (CHINABAOGAO, 2023).

1.2 Statement of the Problem

Since the middle of the 1980s, the Chinese Ministry of Culture took specific interest in Chinese theaters and wanted to reform the theater system. Despite years of efforts by relevant government departments, the overall condition of the theater system did not change significantly. Though the government intentions were noble, the policies and actions created a situation akin to the nationalization of the Chinese theater (Wei, 2002). As a result, the theater's increasing reliance on the state's subsidy, led it to abandoning self-development (Fu, 2003). In general, state-operated theaters followed the policy of restricting the free development of artistic creations. Due to institutional reasons, theaters generally had too much historical and political burden as well as the shortcomings of excessive inertia (Wang, 2015). Those burdens were not conducive to the development of creative art forms in the modern era of massification of entertainment content mediated by technological innovation. In contrast, private institutions have greater advantages in terms of quality and scope about the supply of cultural goods. Regarding audience segmentation and the cultural consumption requirements of specific target groups, private theaters have greater nimbleness and flexibility, and their systems are more conducive to the development of the theater industry supply chain in the modern era. They are more inclined than state-owned theaters to employ young creative teams with innovative characters and vitality, which are more likely to captivate young consumers and resonate with the youth market (Chen, 2012).

However, in 2018, China's digital media and short video industry entered a stage of rapid development, the convergence of internet with creative industry revolutionized the field of art content marketing strategy, and consumption trends of the net-generation¹ (Pan & Xu, 2019). Compared with theater, which is a traditional way of cultural expression limited by time and space, Chinese audiences put more enthusiasm into the form of creative industries on new media platforms (Fang, 2022). How theaters can expand their brands and works to a broader market and a wider appeal seems to be a common challenge faced by Chinese theaters. The crisis forces Chinese theaters to do hard thinking in search of breakthrough ideas for survival and transformation. The concept of industrialization has been borrowed from the business literature which refers to industrialization as serialized and branded business methods and organizational forms formed by a certain industry under the conditions of market economy, created by the needs of the industry, aiming at achieving benefits, and relying on professional services and quality management (Li, 2009). As part of the wider culture industry, the theater industry needs to actively adopt the development rules and industrial characteristics of cultural and creative industries (Liu, 2018). To gain back the audience, some Chinese theaters have taken initiatives to connect with the commercial market and try to make use of the advantages of new media communication to increase their commercial footprints and further develop the market to establish a new dimension to the theater industry. The prosperity and development of the internet can help the theater houses strengthen their awareness about emerging media formats and how to integrate with diversified media, which means the current development of theater and its intellectual property (IP) could break through the previous restrictions. The incorporation of modern technology into theater art can better promote the innovative development of the theater industry and adapt to the characteristics of the multi-format media landscape to satisfy the young, trendy,

¹ Net-generation: generations growing up in the digital world of computers, the internet, and mobile phones (Seufert, 2007).

diverse, and individualized demands of audiences.

IP has long been an interest in a wide range of cultural and creative industries. Existing literature has extensively defined the concept of IP from a general perspective and in an internet context. Nowadays, when the industry talks about IP, more attention is paid to the value of its content and audience appeal (Zhang & Da, 2018). Theater productions are explicitly protected by intellectual property law because of their creativity in China (Zheng, 1997). From the perspective of theatrical production copyright, theater IP could be divided into two parts: the original idea or word that has been fixed in a tangible medium of expression; and the action on the stage (Gregg, 2021). However, based on the background of the continuous development of science and technology, the definition of theater's IP in China has received little attention, and it merely remains based on the concept of copyright to stop evolving. The IP of the theater industry has been conceptualized as a frontier much wider than its legal connotation. In the context of industrialization and the transformation of theater's form, content, and artistic value, theater could be conceived as a holistic, unified closed-loop system comparable to a natural ecosystem, thus promoting its IP development (Chen, 2012; Jin, 2018). And for theater IP and industry integration research, it is necessary to move away from analyzing only theater and cinematographic integration as examples from the theater IP's cinematographic adaptation perspective, as opposed to the theater IP's extensive scope and broader strategies for theater IP development.

Integration of IP rights with creative industries has brought some rays of hope to Chinese theaters. The theater industry seems to have found a new direction of development and vitality. Many theaters have begun producing entertaining content for their audiences in China and, at the same time, commercializing and popularizing their productions and related activities among a wider target audience. The direction

towards IP-based creative development by Chinese theater and the extension of theater-related contents for value creation is a promising strategic phenomenon that requires deeper understanding and better appreciation.

The theater industry is a part of the larger creative industry that comprises other forms of artistic expression and performance arts. Besides, it also includes derivative products and services related to the basic art forms. With the advent of mass entertainment culture, creative activities assumed industrial characteristics, catering to the logic of the market economy. Industrial development has been conceived and compared with the natural ecosystem, which has many subsystems interacting with each other and with the external environment for survival and growth. Being within the fold of creative industry, the theater industry also follows the operating logic of the creative industry ecosystem. IP-based development of Chinese theater will be mediated through the creative industry ecosystem and will ultimately reproduce its own IP ecosystem.

To appropriate the development possibilities of the new paradigm characterized by technology-driven creative industry market expansion, the theater industry must strengthen its awareness and appreciation of IP and its ecosystem. Though a few Chinese theaters have already taken initiatives in this direction, there is still a lack of awareness and broad agreement among all the practitioners. Awareness flows from clarity of understanding, which requires a comprehensive definition delineating the scope and components of theater IP and its ecosystem. The principal objective of this thesis is to look for and lay down a definition that will be comprehensive and work as an advising strategy for the Chinese theater industry in their quest for growth and development.

Furthermore, the Chinese theater industry, as a whole, can learn from the experiences

of Chinese theater companies that have already adopted IP-based development and business expansion strategies. After reviewing and analyzing its application and specific practices, the study synthesizes important components of its strategies and product and service offerings. Modern Chinese theaters can gainfully learn and leverage from the synthesis and chart their respective individual paths to IP-based development.

1.3 Research Questions

- What does the definition of Chinese theater IP in the context of the Chinese creative industry look like?
- From the perspective of the internal ecosystem structure of "Mahua FunAge", what is the internal ecosystem of Chinese theaters like and what impact does it have on revenue components and profit?
- How can Chinese theaters and their IP develop from talent management strategy, IP content management strategy, branding strategy, and marketing strategy?

1.4 Objectives of the Study

- To explore the definition of Chinese theater IP in the context of the Chinese creative industry.
- Taking “Mahua FunAge” as a case study to investigate the structure of the internal ecosystem of Chinese theaters and its impact on revenue components and profit.
- To provide recommendations for Chinese theater and its IP development from talent management strategy, IP content management strategy, branding strategy, and marketing strategy.

1.5 Scope of the Study

The study provided a significant opportunity to advance our understanding of theater IP and its ecosystem in China. Besides reviewing the current research literature and drawing on industrial developmental ecosystem theory and brand marketing concepts, the study investigated a sample of a prominent Beijing-based Chinese private theater company, Mahua FunAge. This theater company has been selected based on its pioneering work in applying theater IP to create additional value out of its core theater contents and expanding the market for entertainment products while enhancing the consumer experience. The research method for this study was a qualitative analysis method. The qualitative data used were all derived from secondary data, which included company annual reports, journals and articles, libraries and internet searches, company official websites, etc. The scope of the investigation included the critical analysis of Mahua FunAge's internal ecosystem evolution and the layout of its development strategies based on the period from 2014 to 2018. This period was chosen because it includes the long evolution of Mahua FunAge's IP development from the initial establishment of its awareness to its maturity in the industry, and it was also unaffected by the COVID-19 outbreak. The analysis reveals a remarkable turnaround in the fortune of the sample theater company for the value-creating effect of adopting theater IP-related practices in terms of its enhanced popularity, increased audience acquisition, and improved finances.

Though the scope of the study is somewhat limited by the experience of the selected theater company, it nevertheless brings out the possibilities that the theater IP ecosystem may offer to the entire theater industry as well as to other forms of creative work. In addition, the study was conducted in Beijing, the national capital of China, where the policy environment, economic climate, and dissemination infrastructure are extensively developed. Beijing provides a relatively more conducive environment for experimentation and the development of the creative industry. Therefore, the findings

of this study must be considered keeping in view the fact that the interference of unequal policy distribution, consumption levels, and population migration cannot be ruled out because of disparities in the phases of development between cities and provincial towns in China.

1.6 Benefits of the Study

Following the development trend of the time, based on definitions from previous scholars of IP in general and in the context of the internet as a guide, this thesis systematically studies the development of the concept of theater IP in the context of creative industries and lays down the ways to conceptualize theater IP. From this perspective, this study provided an important opportunity to advance the understanding of theater IP. Also, the study presented in this thesis is one of the first investigations to explore theater IP and its ecosystem in the context of the Chinese creative industries. This paper defines and examines the theater IP and its ecosystem in accordance with the cultural industrial ecosystem theory. This work will generate fresh insight into understanding the link between theater IP and its ecosystem. To a certain extent, it makes up for the deficiency of the existing research and corroborates and complements the relevant theories about the development of theater IP. Besides, the thesis draws on industrial strategy to provide important suggestions on how theaters could build their unique brand identity and how effectively they can promote convergence with other creative industries. This internally coordinated development strategy will align with external operations and influence the revenue components and profit of the theater. The wider goal is to promote effective marketization and commercialization processes on an industrial scale in the theater industry.

Chapter 2 Literature Review

2.1 Introduction

For theater companies and industry practitioners, intellectual property in theater and its development strategy is one of the most essential topics to know and understand. The primary aim of this chapter is to analyze and examine in depth the previous literature and academic articles pertaining to theater IP, the theater IP internal ecosystem, and its development strategies. It provides a description, summary, and critical evaluation of these works in relation to the research being investigated through a critical review. In this way, the theoretical framework of this study will be presented. The study aims to establish the theoretical underpinnings of the research field by identifying existing theoretical foundations and acknowledging the gaps in current research. Additionally, the study establishes the connection between the research direction of this study and previous literature by elucidating the existing theoretical foundations and academic articles in the literature review chapter. Furthermore, this chapter describes the development background and research significance of the selected case, Mahua FunAge, which is by far the highest-grossing and most influential private theater company in China.

2.2 The Concept of Theater Intellectual Property (IP) and its Evolvement

2.2.1 The Definition of IP and Theater IP

Intellectual Property (IP) has long been a question of great interest in a wide range of cultural and creative industries. According to the World Intellectual Property Organization (WIPO, 2016), IP is a category of property that includes intangible creations of the human intellect. Traditionally, IP can broadly be defined as creations of the mind that are used in commerce and are protected by the law, such as patents,

copyrights, and trademarks (WIPO, 2016). In terms of the content of rights, IP rights include personal rights and property rights (Cheng, 1994; Gao, 2004). Personal rights refer to the exclusive rights of the created works that are inseparable from the person of the creator, such as the right of authorship, the right of publication, the right of modification, etc. The property right means that the person enjoying the intellectual property right has the right to be paid or to have other commercial benefits developed as a result of his or her creative work. More colloquially, the intellectual property right provides the copyright owners with a set of exclusive rights when their expression is captured in a fixed, tangible medium (Ringer, 1976). LegalZoom (2023) divides IP into four forms, they are literary works, dramatic works, musical works, and artistic works.

Over the past few years, the internet has evidence of a marked increase in terms of both user numbers and its technology, a number of studies have illustrated the IP in the context of the internet. The marked development of the internet and digital technique enabled IPs to break free from the constraints of the original fixed platforms, realizing a diversified market pattern and innovation in production modes (Flanagan & Maniatis, 2008). Likewise, Pamela (2017) showed that the internet and digital technique has had transformative impacts on all forms of IP, making it possible to reach more audiences in new formats, to expand into new markets, and to develop new business models.

In summary, from the general point of view, IP is a legal concept that includes the ownership of both rights and interests (Ringer, 1976; Cheng, 1994; Zheng, 1997; Gao, 2004; WIPO, 2016); while in the context of the internet and the creative industry, IP is the core driving force that can get rid of the shackles of the single expression (Flanagan & Maniatis, 2008; Pamela, 2008; Zhu, 2022; Xu, 2019; Chen, 2017), thus transforming into any cultural product that can be disseminated through tangible

forms and subsequent IP operations (Zhang & Da, 2018). Existing literature has extensively defined the concept of IP from a general perspective and in an internet context. However, based on the background of the continuous development of science and technology, the definition of theater IP has received little attention or merely remains based on the concept of copyright. To utilize the general concept and the background in the context of the internet as a framework, this study aims to further explore the suitable definition of theater IP within the contemporary context of Chinese creative industries through the concept evolution.

2.2.2 Evolution of IP and Theater IP

Historically, the Statute of Monopolies (1624) and the British Statute of Anne (1710) are seen as the origins of the current patent law and copyright, respectively, which establishing the concept of intellectual property indirectly (Sherman, & Bently, 1999). The first known use of the term intellectual property dates to this time, when a piece published in the *Monthly Review* in 1769 used the phrase (El-Jabali, 2016). According to Mohsen (2018), "the first clear example of modern usage goes back as early as 1808, when it was used as a heading title in a collection of essays (p.10). After the establishment of the World Intellectual Property Organization (WIPO) in 1967, the concept of intellectual property was recognized by most countries in the world (Wu, 2005). According to US Copyright Office Practices (2021), a creative and original work does not need to be registered to be protected, provided that it is original and has been fixed in a tangible medium of expression. A broader perspective has been adopted by Drahos (2002) who argues that in fact, up until the early 2000s, the global IP regime used to be dominated by high standards of protection characteristic of IP laws from Europe or the United States, with a vision of uniform application of these standards over every country and to several fields with little consideration over social, cultural, or environmental values or of the national level of economic development.

The point was made in a study by Iksanova and Kashapov (2018), who described IP as a factor that increases the innovative activity of economic entities. In recent years, with the development of the digital information age, the internet's growth and the advent of new media have significantly impacted academic research on IP. Since the abbreviation IP represents Internet Protocol² as well, network marketing companies have mixed these two IP concepts together and proposed the concept of internet-based intellectual property (Spinello, 2003). The critical study by Richard (2019) demonstrates that the internet and new media industry exploits copyright and trademarks in new and seemingly boundless ways. In the same vein, Li (2020) examines how digital technologies and new media facilitate business model innovations in the creative industries. He concludes that a significant emerging trend is the increasing adoption of multiple business models as a portfolio within one firm, which will enable the deployment of their IP contents across a wider range of business models than were previously available. Likewise, Zhu (2019) traces the attributes of IP into the following points through speculative research, high-quality original content protected by IP laws; has potential for commercial development; has the audience and fan base; and presented in tangible forms and can be multifaceted with other creative industries. In conclusion, in the context of the internet, IP, as a legal concept, is also an important consideration for linking the internet and business operations. These studies highlight the importance of IP as a core element for subsequent organizational development.

2.2.3 IP and Theater IP in China

Compared with Western countries, China's intellectual property rights system was

² The Internet Protocol (IP) is the network layer communications protocol in the internet protocol suite for relaying datagrams across network boundaries. Its routing function enables internetworking, and essentially establishes the internet [ACCESSED 4 Dec. 2023 from Wikipedia].

established relatively late. China joined the World Intellectual Property Organization (WIPO) in 1980 and, in the following ten years, established the Law of the People's Republic of China on the protection of intellectual property rights, which marked the transition of China's IP protection system from a basic establishment to a gradually matured one (Jiang, 1996). The most common definition of IP in China is that it is an original intellectual achievement, and the creator enjoys invention rights and industrial property rights, both of which are clearly protected by law (Wu, 2013). Likewise, theater works are explicitly protected by China's intellectual property law because of their creativity (Zheng, 1997). Chen (2017) examined the relationship between theater and intellectual property in a study. She characterizes theater IP as a cultural resource and positions it within the broad categories of creative industry IP and cultural industry IP. From the perspective of theatrical production copyright, theater IP could be divided into two parts: the original idea or word that has been fixed in a tangible medium of expression; and the action on the stage (Gregg, 2021).

With the improvement of China's economic level and the advancement of science and technology, after several years of development, the internet and the digital information age have also affected Chinese scholars' understanding of IP. The study by Zhang and Da (2018) holds the view that, based on the internet and digital media perspective, the definition of IP should not be limited to its legal rights and industrial property rights alone but also include the subsequent operation action centered on IP content. In a report released at the China Culture Fair, IP was described as a tangible original cultural symbol that can connect and integrate diverse cultural products and is characterized by strong realizability, self-contained fan traffic, and high recognition (Zhu, 2022). This view is supported by Xu (2019), who emphasized that IP with Chinese characteristics of the big data age can be any original idea that is presented in tangible form and medium and that can be adapted into any cultural product by economic and commercial means. Together, these studies outline that, in the context

of the internet, IP formed the central focus of the theater's subsequent operations. Regarding theater IP specifically, the current definition has not adapted to the changing times. It solely emphasizes the ownership of rights, disregarding the potential and essentiality of following operations and the diverse growth of theater IP.

2.2.4 Theater IP in the Context of the Digital Age and the Chinese Creative Industry

Although, up to now, there appears to be some agreement on IP, however, based on the background of the continuous development of internet and digital technology, little attention has been paid to the definition of theater IP.

To date, several studies have investigated the concept of IP and its influence (Sherman & Bently, 1999; El-Jabali, 2016; Mohsen, 2018; Wu, 2009; Drahos, 2002; Jiang, 1996; Iksanova & Kashapov, 2018), and several authors have considered the effects of the digital information age (Spinello, 2003; Richard, 2019; Li, 2020; Zhu, 2019). In summary, from the general point of view, theater IP is protected by IP law due to their creativity and includes the ownership of both rights and interests (Ringer, 1976; Cheng, 1994; Zheng, 1997; Gao, 2004; WIPO, 2016); while in the context of the internet and the creative industry, theater IP is a driving force to get rid of the shackles of the single expression, the stage (Flanagan & Maniatis, 2008; Pamela, 2008; Zhou & Zhu, 2022; Xu, 2019; Chen, 2017), thus transforming into any cultural product that can be disseminated through tangible forms and subsequent IP operations in the creative industry (Zhang & Da, 2018). Accordingly, based on the derivation of previous literature and theories, this study further defines theater IP in the context of the Chinese digital age and creative industries and draws the following general conclusions:

- 1) the theater original work, which is protected by IP law for its creativity and originality, where the protected interests include ownership of rights and interests;
- 2) having a high degree of market recognition and exhibiting both cultural

communication value and commercial worth; and

3) as a core factor that increases the integration and expansion activity of the theater with other creative industries and media communication channels.

2.3 Theater and Industrial Ecosystem

2.3.1 The Cultural and Creative Industry Ecosystem

A large and growing body of literature has investigated industry ecosystem in the cultural and creative industries. The concept of industrial ecosystems was adopted by environmental economists, first introduced, and popularized by Frosch and Gallopoulos (Frosch et al., 1989). This school of thought views the industrial economy as a circular system analogous to a natural ecosystem, with interdependent producers, consumers, and regulatory agencies that exchange material, energy, and information with one another and the environment. The objective is to achieve harmony between industry and the environment by maximizing the use of by-products of industries generated during production (Ruth et al., 2009). Moore further elaborated and influenced the concept of "business ecosystems," noting that business ecosystems consist of consumers, suppliers, key producers, competitors, and other risk-takers (Moore, 1993). In the same view, Iansiti and Levien (2004) noted that a business ecosystem, like a biological one, is a large, interconnected network of numerous entities, which interact in a complex manner. Hernández (2015) elaborates that, according to his research, the creative industry ecosystem comprises three components: the primary component is the company's internal structure, production and promotion of IP content are at the core of their work; the following will be governmental departments, which offer policy and financial assistance; and business collaborators, primarily responsible for supplying technology, communication platforms, and commercial sponsorship. Li et al. (2013) characterized industrial ecosystems as interdependent, interrelated, self-healing, and co-evolutionary. Together,

these studies outline that the industrial ecosystem shows systemic characteristics formed by the interconnection and interaction of various elements and members, just like the natural ecosystem.

2.3.2 Theater Ecosystem

Several studies investigating industry ecosystem have been carried out on theater industry. Based on the context of China's theater industry, He (2011) condensed the ecosystem of theater sustainable development into five elements: theater productions' content, directors and authors, performers, theater and propagation channels, and audience groups. This view is also supported by Dong and Ma (2004) in their study. Yuan (2015) described the theater internal ecosystem structure composed of theater organizational structure and pointed out that they are the key to maintaining the development, continuity, and stability of the theater. A broader perspective has been adopted by Kennedy and Atkinson (2018), who argue that the theater IP ecosystem will change as the theater business expands and changes, rather than being structured by permanent elements. Their research supports this view with interdisciplinary collaborations between theaters and other creative industries and illustrates the value system that emerges from the theater ecosystem, which includes revenue generation, new artistic experiments, and the growth of communities. Likewise, Kershaw (2007) deploys "ecology" as both metaphor and theoretical model for thinking about the complex relationships among theatre, contemporary media, protest, and society. He posits that it is a means of observing the theater as an artistic form of life that, like living species in the natural world, survives, reproduces, transforms, varies, and degenerates in a particular environment, on whether theatre can "adapt" to this changed and changing "environment". As regards theater IP ecosystem, IP content is the core driving force, and the theater internal ecosystem structure composed of theater organizational structure are the key to maintaining the continuity and stability of theater development (Hernández, 2015; Yuan, 2015).

In summary, some studies have portrayed the internal ecosystem of a theater as a fixed development template (He, 2011; Dong & Ma, 2014). Others, based on the complexity and variability of ecosystems, have highlighted that the structure of the ecosystem within the theater adjusts accordingly as the range of operations and spin-off areas it covers increases or decreases (Lansiti & Levien, 2004; Kennedy & Atkinson, 2018; Li & Liu, 2013; Kershaw, 2007). Currently, scholars studying China's theater ecosystem have not yet agreed on its structural changes and components. Moreover, further examination is important to understand how the theater ecosystem is connected to the growth of theater. The principal objective of this project was to take Beijing Mahua FunAge as an example to investigate the evolution of its internal ecosystem and further explore its impact on the organization's revenue components and profit in the context of the Chinese creative industry.

2.4 Theater IP and Creative Industrialization

2.4.1 IP and Industrial Development

Much of the current literature on industrial development pays particular attention to the cultural and creative industries. In 1998, the United Kingdom government first formalized the concept of "creative industries" as those activities that originate from personal creativity, skills, and talents and have the potential to generate wealth and employment through the creation and use of intellectual property (Creative Industry Task Force Report, 1998). On the basis of this definition, it is noteworthy that Flew (2002) expanded the possibilities for the creative industries by integrating them broadly with the cultural industries, and the terms "creative industry" and "cultural industry" started being used interchangeably in turn. In the context of the creative industries, the relationship between art, IP, and media has progressively become a subject of academic inquiry (O'Connor, 2000; Roodhouse, 1997; Calhoun et al.,

1993). Along the same lines, Henry (2006) argued that technological advancements and industrial development have built a convergence culture, or transdisciplinary practice. This concept characterized by the seamless exchange of content across various media platforms, collaboration between different media industries, and the tendency of media audiences to seek entertainment experiences across different platforms. According to Henry, convergence encompasses technological, industrial, cultural, and social transformations. A broadly similar point has been made by Filice and Young (2012), who claim a new business model and aesthetic of artistic convergence. In their research, the distinctions between performing, visual, and media are broken down, and one IP from theater's production is able to be distributed across different artistic mediums and channels. Collectively, the studies presented show that fusion development among creative industries provides opportunities and space for the diversified development of theater IP, IP content is no longer confined to a single traditional mode of presentation.

Based on the background of the creative industry in China, the use of IP development strategies in theater industrial development has been emphasized and analyzed by scholars from different perspectives. Fu (2017) regards IP as a copyrighted product and brand symbol that can realize diversified business expansion activities through industrialized production and development. She showed that the industrialized operation of IP should include developing strategies such as brand maintenance, IP content quality control, and marketing communication. Guo (2010) emphasized the positive impact of industrialization development strategies on theater development from a communication perspective. By drawing on the case study, Wang (2005) has been able to show the necessity of market-oriented segmentation of the demands in the process of drama industrialization from the perspective of the audience body. She points out that if the theater wants to make profits through industrialization, it should take market demands into consideration, which will explore its potential customers

and stimulate its market vitality. Yang (2013) analyzed the industrial operation of Chinese theaters from the perspectives of establishing brand awareness, strengthening talent management, the IP content quality supervision system, and accurately positioning target audiences. Eikhof and Haunschild (2007) divided theatre personnel into four major groups through departmentalization, which are technical personnel; administrative personnel; services personnel; and artistic personnel. The study highlighted the positive impact that effective communication between internal members can have on the internal ecosystem of a theater. Similarly, Xu and Wang (2009) note in their study the importance of the branding strategy, marketing strategy, and internal talent management strategy of theaters in the process of theater industrialization. In addition, they also emphasized that the quality and innovation of theater IP contents are at the core of attracting stable audiences. In summary, the industrialization of theater IP in the context of creative industries is feasible and of practical significance. Development strategy has emerged as a powerful tool in organizations to link and develop more channels for their brands and products (Flew, 2002; Henry, 2006; Filice & Young, 2012; Guo, 2010). According to previous studies, the development strategies of theater IP in the context of the Chinese creative industry have mainly emphasized the use of four aspects: the management of the theater for talent; the control of the quality of the IP works; the establishment of the brand; and marketing (Eikhof & Haunschild, 2007; Fu, 2017; Wang, 2005; Yang, 2013; Xu & Wang, 2009). However, most of the literature has focused on elucidating the importance of these strategies, but how these practices will affect theater companies and their IP development is not exhaustively described. Therefore, the company Mahua FunAge was chosen to allow a deeper insight for this study to examine the role of development strategy settings in different periods in this company from the four aspects of talent management strategy, content management strategy, branding strategy, and marketing strategy, with the purpose of analyzing the advantages and challenges of these strategies for theater IP development. The aim of this study was to

provide suggestions for the development of Chinese theater IP in the context of the creative industry.

2.4.2 Theater IP Development Strategy

Over the past studies, most research in theater industrial development has described the role of development strategies. These studies mainly focus development strategies on four aspects: the management of internal talents in theaters, the production of IP content, branding, and marketing communication. This study will use these four aspects as a research framework to develop a strategy for the development of IP industrialization in Chinese theaters.

Talent Management Strategy

A large and growing body of literature has investigated the importance of a concrete talent strategy that must serve as a constant guide in the company, which could provide direction for how the organization will acquire, develop, and retain employees, while reflecting the key business goals of the organization. The term talent management was first carried out by McKinsey & Company as part of a research project (Cappelli & Keller, 2017). In 1998, talent management was described in a study authored by Elizabeth G. Chambers, Mark Foulon, Helen Handfield-Jones, Steven M. Hankin, and Eduard G. Micheals III. Talent management (TM) is broadly defined as the anticipation of the required human capital for an organization and the planning to meet those needs (Ibrahim & Daniel, 2018). A talent-management strategy should connect to business strategy to function more appropriately (Tyskbo, 2019). Talent management formed the central focus of a study by Li (2019), in which the author found the importance of theaters establishing a benign and recyclable talent management mechanism. He pointed out in his research that this can better enable the theater and its IP to be scaled and industrialized, and it also prevents an important means of preventing turmoil caused by the loss of talents. Xu (2012) defined talent management in the performing arts industry as the organization's management

behavior of practitioners with professional skills, and through the company's training and evaluation of talents, they can create value for the company and organization or save operating costs. Similarly, Mahler et al. (2011) demonstrated that talent management has a higher significant impact on organizational outcomes such as company attractiveness, the achievement of business goals, and customer satisfaction than any other area. Together, the studies presented thus far provide evidence that the importance of talent management strategy in organizations. Some scholars also provide reference directions for the formulation of talent management strategies from a more detailed perspective. One study by Yildiz and Esmer (2023) identified seven core TM functions (talent planning, talent identification, talent attraction, talent acquisition, talent development, talent deployment, and talent retention) that structure the TM system. Similarly, Nguyen (2020) divides the view into five aspects of talent management strategy: planning the management model in line with the overall goals of your organization; attracting diversified talents; improving the skills of talent within the company; retaining talents at the company for longer; and transitioning employees after hiring and developing their skills. This statement is shared by more scholars (D'Annunzio-Green, 2008; Li & Qi, 2021; Masenya, 2022). In summary, there is a consensus among scholars that a sound talent management strategy can make positive impacts for organizations achieving their goals (Li, 2019; Bethke-Langenegger, Mahler, & Staffebach, 2011; Xu, 2012). Some scholars have also outlined the core elements of talent management (Yildiz & Esmer, 2023; Nguyen, 2020). Based on previous studies, this research aims to gain a detailed understanding of the talent management strategies used by the case company Muhua FunAge at each stage, from planning and identifying, attracting and recruiting, developing and deploying, maintaining and retinting, to obtaining the impact of its talent strategy on the development of the organization and its IP through critical analysis.

IP Content Management Strategy

Much of the current literature in China on creative industry IP pays particular

attention to the impact of IP content quality on its development. The White Paper (2018) on the creative industry, compiled by China's Ministry of Industry and Information Technology (MIIT), demonstrated that high-quality IP content is one of the most important elements in driving industry development as well as broadening its market demand. This is supported by the "Chinese Theater Industry Report" (2018), which analyzed consumer data and showed that scripts with abundant stories are more acceptable to the current market. Similarly, Pan et al. (2022) argued in their study that culture should be the soul behind a theater IP, and that if a theater production relies only on narrative and imagery but lacks emotional and cultural connotations, then the IP will not be able to establish an emotional niche in the minds of its audience. Qiu (2019) reviewed and analyzed the literature from China's theater industry and concluded the deficiencies in theater IP content management as follows: failure to strictly control the quality of IP content; imperfection of consumer feedback mechanisms; IP derivatives are not well developed and managed. The quality of IP content has been described as a critical factor in determining how well it will be able to participate and transfer in innovation networks (UNECE, 2007). In the same vein, Jin (2016) notes in her research that innovation and quality monitoring of IP content will not only cultivate a larger audience for the theater but will also play an indirect role in improving the market mechanism for the brand. In summary, the content of a theater's IP is intricately linked to its market positioning and organizational mission. Besides, to ensure that the quality of production aligns with the theater's goals, it is imperative for the theater to establish a feedback system for evaluating the quality of its IP content. This study aims to examine the relationship between brand mission, target market, and IP content from different time periods in Mahua FunAge. Additionally, its consumer feedback mechanism will be investigated. It is hoped that this research will contribute to a useful understanding of theater IP management strategies in the context of the Chinese creative industry.

Branding Strategy

The literature on branding has highlighted it as an effective marketing strategy tool that has been used with frequent success in the past. In China, IP branding strategy can broadly be defined as conscious brand management activities for content-oriented IP and its creative team from the perspective of brand cultivation (Dou & Zhou, 2005; Qin & Luo, 2008; Zhao, 2009). Li (2018) reached a conclusion through the analysis of the concept of “IP” development and asserts that IP branding enables IP to be economical and sustainable. Fu (2017) summarizes IP brand strategy into two aspects: on the one hand, it is to amplify the influence of personalized and differentiated brand image through brand operation; on the other hand, it is to adapt IP into diversified cultural and creative products so as to realize the economic value of IP. The consumer-oriented perspective has been adopted by Qiu (2019) who argues that commercial IP should take the audience's demands, recognition, and feedback as core; thus, brand positioning and planning objectives based on cultural characteristics are essential. The core of brand strategy has been roughly summarized in a number of studies as the following three elements: brand positioning, brand culture, and brand image (Janonis, Dovalienė, & Virvilaitė, 2007; Klein, Völckner, Bruno, Sattler, & Bruno, 2019; De Chernatony, 1999; Banerjee, 2008). According to a widely accepted definition, brand positioning refers to "what a product does, and who it is for" (David, 1983: 12). The term ‘brand culture’ is generally understood to mean the inherent DNA of the brand and its values (Csaba & Bengtsson, 2006). Brand image is defined by Wijaya (2013) in perspectives from physical factors, such as packaging design, logo, and brand name, and psychological factors that are shaped by emotions, beliefs, values, and personalities, which consumers consider representing the product of the brand. This study aims to contribute to the link between brand positioning, brand culture, and brand image by exploring Mahua FunAge brand strategy for theater IP development in the context of the Chinese creative industry.

Marketing Strategy

Various studies have evaluated the impact of marketing strategy on the industrial

development of organizations. The 4Ps (product, price, promotion, place) model has become a marketing mix model generally accepted by the marketing community and marketing practitioners because of its simplicity and ease of grasp. The first serious discussions and analyses of the 4Ps emerged during the 1960s with marketing mix by McCarthy (1964) as a means of translating marketing planning into practice (Bennett, 1997). The marketing mix is not a scientifically proven theory, but rather a conceptual framework that outlines the key decisions made by managers when designing their products to meet the wants of consumers. The tools have the capability to be utilized for the development of both long-term strategies and short-term tactical programs (Palmer, 2004). Additional marketing strategies, referred to as "New Ps," were introduced into the marketing scene to effectively navigate a fiercely competitive business landscape (Low and Tan, 1995). Even though some writers (Tapp & Spotswood, 2013; Möller, 2006; Fakeideas, 2008) have criticized and questioned the sufficiency of the concept of the 4Ps model, their arguments lack actual data that evaluates the efficacy of the 4Ps. However, despite its deficiencies, that cannot replace the 4Ps model as a staple of the marketing mix. The study based on the 4Ps model as a framework to illustrate the selected case study company in terms of four dimensions, including product, price, promotion, and place, to arrive at a marketing strategy applicable to theater IP development.

Taken together, a theater internal ecosystem composed of theater organizational structure is the key to maintaining the continuity and stability of theater development (Hernández, 2015; Yuan, 2015). The theater development strategy provides a way forward for each department to perform its duties (Flew, 2002; Henry, 2006; Filice & Young, 2012; Guo, 2010). Theatre development strategy, as an important guide for the organization to achieve its goals, drives that each unit within the theater fulfills its responsibilities, allocates work in a logical manner, and fosters mutually beneficial relationships through the exchange of resources and creation of value in a specific

environment, thus expanding the theater's profit space and supporting its benign development (Lin & Xie, 2017). The objective of this study was to investigate the role of development strategies in different periods in the company Mahua FunAge from four aspects: talent management strategy, content management strategy, branding strategy, and marketing strategy, with the purpose of analyzing the advantages and challenges of these strategies for theater IP development. Based on the critical analysis and exploration of Mahua FunAge's practical experience, this study aims to provide recommendations for Chinese theaters IP marketing strategies.

2.5 Case Study Beijing Mahua FunAge Theater Company

Development Background and Research Significance

Company Profile

Mahua FunAge (Chinese: 开心麻花娱乐文化传媒股份有限公司) is a Chinese comedy film and stage play production company that was founded in 2003. It is based in Beijing and was founded by Zhang Chen and Liu Hongtao. Mahua FunAge was founded and firstly invented the concept of "New Year stage play" and has developed into a new type of entertainment theater company that constantly creates high-quality and original comedy IP contents.³ Over the years, the company has formed its own system for the creation of comedy content and gradually developed the comedy style of "wonderful stories, touching feelings, sharp wit, hot spots, novelty, and uniqueness", which has become the personality label of Mahua FunAge and has won warm praise from the audience (Guo, 2022).

Company Production and Organization

Mahua FunAge has achieved and maintained its position as a prominent industry

³ Mahua FunAge official website. www.kaixinmahua.com.cn. Retrieved and Summarized 2023-10-06.

leader in China. It is possible that this result is due to its effective and well-defined strategic positioning and precise business orientation (Zhang, 2015). It can therefore provide the development experience of Mahua FunAge for other organizational developments in the Chinese theatre industry. In the initial stage of the venture, from 2003 to 2009, Mahua FunAge adhered to a consistent pattern of producing a single original play annually. The entire troupe is basically in the state of ‘half a year of performance, half a year of rest, rehearsing while performing. During that period, the team consisted of approximately 20 individuals, without a structured and specialized division of labor and system (Wang & Ren, 2022). As the organization and business evolved, Mahua FunAge underwent progressive development along two interconnected pathways. The first pathway involved product selection, expansion, and innovation, while the second pathway focused on enhancing organizational structure. Hong Ye⁴ has stated that the organizational structure of Mahua FunAge has always been associated with its IP contents and products, and thus the ecosystem is evolving as the organization continues to optimize (Zhu, 2022).

In terms of production, as a comedy theater company, Mahua FunAge has always insisted on original IPs, focusing on the ideology and artistry of the works in their creation and production⁵. A highly commercialized society determines the growing frequency of crossovers among industries and enterprises. Since 2012, Mahua FunAge has begun to explore the mode of convergence development and has entered the field of other creative industries besides theater, such as movies, musicals, and webisodes³.

Stage Play: Production and performances centered around stage plays are the company's leading business. Mahua FunAge has created and produced 86 stage plays, including stage dramas, plays, musicals, and children's plays, of which 64 are original,

⁴ Hong Ye (Chinese: 洪晔): General Manager of Mahua FunAge Product Center.

⁵ Mahua FunAge official website. www.kaixinmahua.com.cn. Retrieved and Summarized 2023-10-06.

covering more than 120 cities in China³.

Theater: Mahua FunAge now has 20 self-owned theaters in China, aiming to lead local audiences to use their passion and creativity for theater arts from a cultural point of entry³.

Movie: Mahua FunAge has been highly recognized in the marketplace for the cinematization of its representational plays. Its inaugural film "Goodbye Mr. Loser" in 2015 achieved a remarkable box office revenue of \$1.442 billion CNY, and Mahua FunAge maintains releasing a film every year from 2016 to 2018³.

Talent Agency: Mahua FunAge has different functional departments to work together to support the development of the organization, thus far, the brand has successfully cultivated more than hundred comedic talents who have gained recognition inside the industry³.

IP Content Derivation: Mahua FunAge expands its original IP content into different creative industries for industrial integration and development. In particular, the company characterizes its signed talents into IP content for different forms of merchandise derivation³. Moreover, Mahua FunAge and Baidu TV⁶ have come together to forge a series of online video and variety shows that incorporate IP content and talent from each brand³.

From its establishment to 2009, Mahua FunAge had a team of only about 20 people with random organizational structure or division of labor. With the expansion of business and the increase in market influence, Mahua FunAge realized the impact of an orderly organizational structure with a clear division of functions. Therefore, the team began to build the systematic market operation system, multi-channel ticketing platforms, and brand membership system and fan feedback system, as well as other positive actions (As shown in figure 1). Mahua FunAge has successfully implemented a horizontal structure and circular development system, which has facilitated the

⁶ Baidu TV: the most prominent online media platform in China, effectively combining video content with advertising services.

ongoing development and utilization of the company's IP works. As a result, Mahua FunAge has had a consistent increase in its industrial value (Zhang, Ren, & Wang, 2022). Nowadays, the organizational structure comprises distinct symbiotic units, each assigned specific roles and responsibilities. These symbiotic units engage in resource exchanges, value creation, and other behaviors within a symbiotic environment, thereby facilitating the achievement of a shared organizational objective. Consequently, the ecosystem of interactions, reciprocity, and symbiosis supports the stable development of Mahua FunAge.

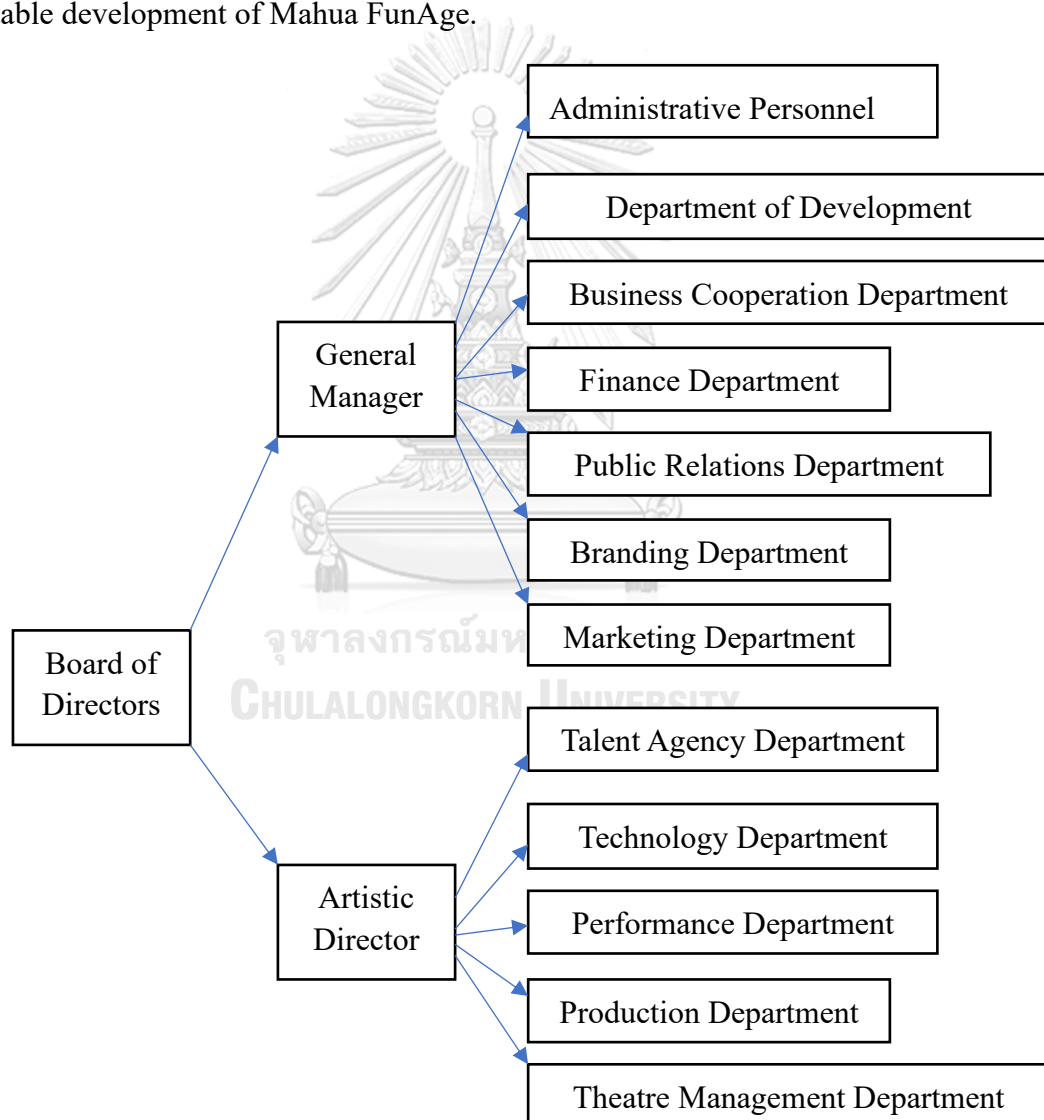


Figure 1 Organizational Structure of Mahua FunAge⁷

⁷ Figure 1: Mahua FunAge Prospectus for Public Resale (2015). Retrieved and Summarized 2023-10-06.

Brand Culture

Mahua FunAge has always been committed to comedy "for the joy of the people," and its slogan, vision, mission, and values have injected lasting power into the brand, making Mahua FunAge a cultural and spiritual inspiration in the field of Chinese comedy producing and performing. Today, the organization has evolved into an originality entertainment company that continues to create high-quality, original comedic content.

Slogan: When nothing would cheer you, we are your best source of joy (Zhang & Run, 2022).

Brand Mission: The most influential, appealing, and infectious original comedy brand (Zhang, 2022).

Brand Vision: To fill the hearts of our audience with joy and laughter to the greatest extent possible (Zhao & Song, 2014).

Brand Value: Mahua FunAge is a theatre, a style, an entertainment spirit, and a positive attitude of life (Li, 2021).

Operation and Development of IP

Talent: Mahua FunAge attaches importance to the condense and cultivation of talents. On the one hand, Mahua FunAge uses its own brand influence to gather talents inside and outside the industry. In addition to social recruitment, the company also expands its team by opening training classes to find outstanding newcomers. On the other hand, in the process of expanding nationwide, Mahua FunAge also pays special attention to exploring talents with regional characteristics (Shao, 2021). The talent agency section was formed by Mahua FunAge in 2011. The department enters into exclusive agency relationships with talents that possess commercial value and potential, offering them a distinctive business model that encompasses "Theater + Film + Artist's characteristic IP" services. Notably, Mahua FunAge places emphasis on both the quality of performances and the cultivation of talent's writing and directing abilities. This

approach enables talents to explore and grow across various creative domains, including acting, writing, and directing. The provision of diversified development enables team members to engage in ongoing innovation and produce high-quality IP works through tacit collaboration (Zhang, Ren, & Wang, 2022).

IP Content: Mahua FunAge is committed to originality and the pursuit of intelligent comedic IP content that reflects social issues. Moreover, the team consistently incorporates many art forms during the creative process to enhance the quality of their works and performances, thereby catering to the market demands of China's dynamic creative industry. In addition, in order to continually improve the quality of the productions, Mahua FunAge regularly collects audience feedback through questionnaires, and has established the position of theater quality monitor with the responsibility of observing the audience's response to the performances or productions and completing quality monitoring reports (Li, 2020).

Branding: Mahua FunAge, with its precise and clear brand positioning, aspires to establish itself as an entertainment company for the vertical development of comedy IP production (Gao & Li, 2019). Stage play is its main production of Mahua FunAge, which has brought enjoyment to millions of audiences and families since its inception and has achieved both box office and word-of-mouth success. With the development of the industry convergence model, Mahua FunAge endeavors to expand the brand influence established by the stage play to other creative industry fields such as movies, musicals, and webisodes in an attempt to expand the brand's popularity through word-of-mouth communication and enhance the brand's market influence (Liu, 2022). Furthermore, the company places significant emphasis on its social responsibilities and the positive brand image it establishes. Mahua FunAge has strengthened communication with potential donors and consumers through public welfare activities such as drama training, AIDS prevention education, and caring for medical staff.

These activities have yielded positive outcomes in terms of charity marketing, including increased event attendance, heightened program awareness, and enhanced brand recognition and reputation (Shao, 2021).

Marketing: White-collar workers and students under the age of 35 make up 80% of Mahua FunAge's total audience, and in order to cater to multiple levels of consumers, Mahua FunAge's price range is 80 to 1080 RMB (Tao, 2013). To enhance brand recognition in the market, Mahua FunAge employs both online and offline channels by extending a range of promotional possibilities and implementing an integrated marketing strategy to disseminate the brand's logo and slogan to a wide array of prospective customers. For online marketing activities, the Mahua FunAge original IP contents are facilitated by a range of channels, including print media, online media, television, radio stations, portals, video websites, and diverse self-publishing platforms. Offline, Mahua FunAge implanted the brand's logo and slogan in restaurants, bookstores, theaters, and other venues that match the preferences of potential target audiences. Additionally, the company cooperated with these venues to organize offline events as part of its promotional efforts (Yang, 2019).

Operation Performance

Mahua FunAge has actively engaged in the comedy industry for over 20 years, aspiring to become the foremost influential, captivating, and contagious brand in this domain, and has now developed into a new entertainment company that continuously creates high-quality original comedy content (Zhang, 2022). Mahua FunAge is also the pioneer in establishing the business model for comedy IPs, which has formed its own system over many years of IP creation. The China Performing Arts Industry Research Center iDaolue monitored and counted the business income of major Chinese theater organizations in the first quarter of 2017. According to the data presented in table 1, Mahua FunAge conducted a total of 285 performances, a figure

that closely approximated the combined number of performances carried out by the second-ranked People's Arts Theatre of Beijing and the third-ranked Meng Jinghui Theater Studio. Simultaneously, the box office revenue generated by Mahua FunAge during the initial quarter of 2017 reached 46,300,000 RMB, a mere 500,000 lower than the collective box office earnings of the organizations ranked from second to tenth.

Ranking	City	Organization Name	Sum of Performances	Box Office (CNY)
1	Beijing	Mahua FunAge Theater & Entertainment	285	46,300,000
2	Beijing	The People's Arts Theatre of Beijing	110	8,780,000
3	Shanghai	Meng Jinghui Theater Studio	177	8,020,000
4	Shanghai	Shanghai Dramatic Arts Centre	142	5,860,000
5	Shanghai	Jinhui Art Communication Company	36	5,500,000
6	Beijing	National Theatre Company of China	76	3,990,000
7	Shanghai	Huan-yi Art Communication Company	19	3,970,000
8	Shanghai	Wanhe Pinhuan Art Communication Company	5	3,970,000
9	Beijing	Dadao Cultural & Program Production	26	3,590,000
10	Beijing	Yanghua Times Cultural Development Co., Ltd.	24	3,020,000

Table 1 Box Office Distribution of Theater Industry (China-First quarter of 2017)⁸

As shown in figure 2, during the first quarter of 2017, Mahua FunAge dominated the box office revenues of the country's theater groups, capturing a significant share of 28.7%. In contrast, other renowned brands lagged significantly behind in terms of

⁸ Table 1: Data compiled from iDaolue Chinese Theater Industry Box Office Report, Q1 2017. Retrieved and Summarized 2023-10-06.

their market performance. This demonstrates that Mahua FunAge possesses a significant market share and exerts a substantial impact within the theater industry.

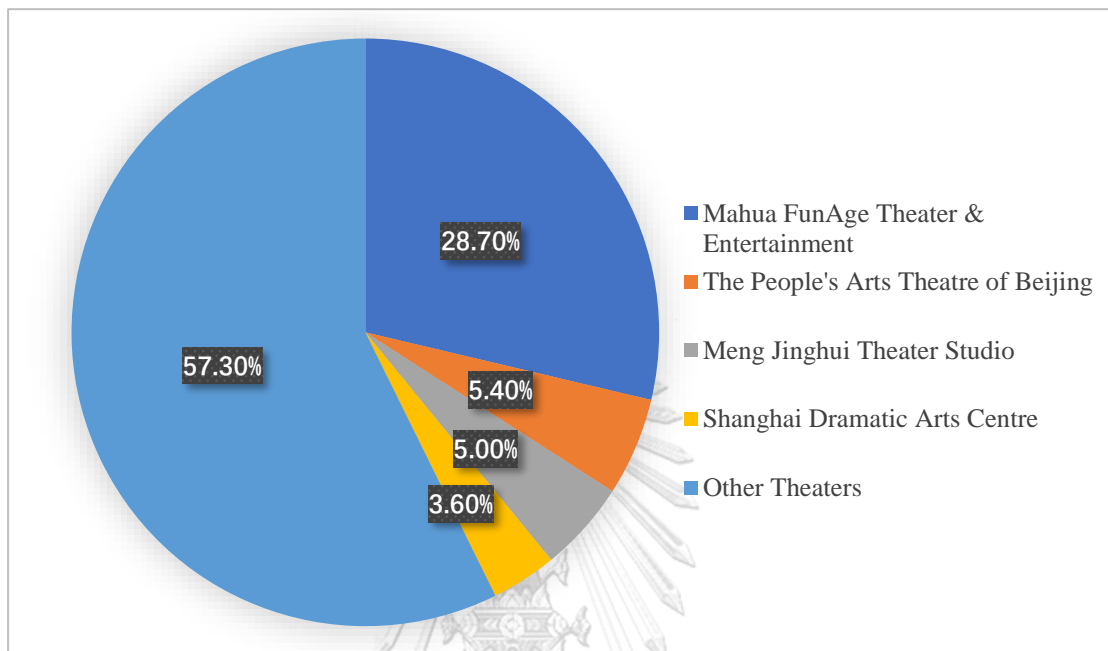


Figure 2 Box Office Distribution of Theater Industry (China-First quarter of 2017)⁹

Since Mahua FunAge was founded and first invented the concept of "New Year stage play" in 2003. Over the years, this theater company has achieved a total of 86 stage plays, consistently delivering outstanding performances that have garnered significant attention in terms of national box office revenue, performance duration, and audience attendance¹⁰. Mahua FunAge has not only excelled in the theater market, but its series have launched in other creative fields such as movies, talent agencies, IP content derivation, video productions, musicals, and so on, which have gained quite a good reputation in the market (Qiu, 2019). Today, Mahua FunAge has over 1.1 million Weibo¹¹ followers (as of October 25, 2023). This figure positions Mahua FunAge as

⁹ Figure 2: Data compiled from iDaolue Chinese Theater Industry Box Office Report, Q1 2017. Retrieved 2023-10-06.

¹⁰ Mahua FunAge official website. www.kaixinmahua.com.cn. Retrieved and Summarized 2023-10-06.

¹¹ Sina Weibo (Chinese: 新浪微博) it is one of the biggest social media platforms in China (Michelle & Uking, 2011).

a frontrunner within its industry, surpassing its competitors in terms of follower count, market appeal, and brand influence, as evidenced by the data presented in Table 2.

Ranking	City	Organization Name	Fans on Weibo
1	Beijing	Mahua FunAge Theater & Entertainment	1,102,000
2	Shanghai	Shanghai Dramatic Arts Centre	550,000
3	Shanghai	Meng Jinghui Theater Studio	197,000
4	Beijing	The People's Arts Theatre of Beijing	161,000
5	Shanghai	Jinhui Art Communication Company	8384

Table 2 Number of Major Chinese Theater Weibo Followers¹²

In conclusion, Mahua FunAge's production and development model based on its IP content has certain significance for China's theater industry, so this research will take Mahua FunAge as a case study to critically explore and analyze its internal ecosystem and development strategies, aiming to provide suggestions for the development of Chinese theater industry through the experience of Mahua FunAge.

2.6 Conclusion

Overall, the review of the relevant literature indicates the critical importance of IP for the sustenance and further development of the theater industry. Although theater IP has been extensively used in practice, the academic community has not yet adequately and broadly defined the concept and its ecosystem. Existing literature has extensively defined the concept of IP from a general perspective and in the context of internet age. However, the definition of theater IP has received little attention or merely rests on the concept of copyright. This study further explored and defined the definition of theater IP based on previous general conclusions from literature and research. As regards the

¹² Table 2: Data compiled from Sina-Weibo application. Retrieved and Summarized 2023-10-25.

theater IP ecosystem, IP content is the core driving force, and the theater internal ecosystem structure, composed of theater organizational structure, is the key to maintaining the continuity and stability of theater development (Hernández, 2015; Yuan, 2015). The aim of this study was to take Beijing Mahua FunAge as an example to investigate the evolution of its internal ecosystem and further explore its impact on the organization's revenue components and profit in the context of the Chinese creative industry. Moreover, based on the observations of the relevant literature, the study found that most of the literature has focused on elucidating the importance of these strategies but has neglected to further suggest the guidance of strategy-making. Therefore, this study will combine literature analysis and case study to formulate development strategies for Chinese theater IP from two aspects: the internal strategies, and the external strategies. Specifically, for the talent strategy, the study will analyzing the selected case into five aspects of talent management: planning, practicing, improving, maintaining, and transitioning. In terms of IP content management strategy, this study aims to examine the market positioning of the case company and its corporate mission to explore their impact on its IP content. Additionally, it will investigate the company's consumer feedback mechanism. Regarding branding strategy, the current study adopts a case study approach to analyze brand strategy, including brand positioning, brand culture, and brand image, to explore the brand strategy for theater IP development in the context of the Chinese creative industry. In the case of marketing strategy, the study used the 4Ps model as a framework to illustrate the selected case study company in terms of four dimensions, including product, price, promotion, and place, to arrive at a marketing strategy applicable to theater IP development.

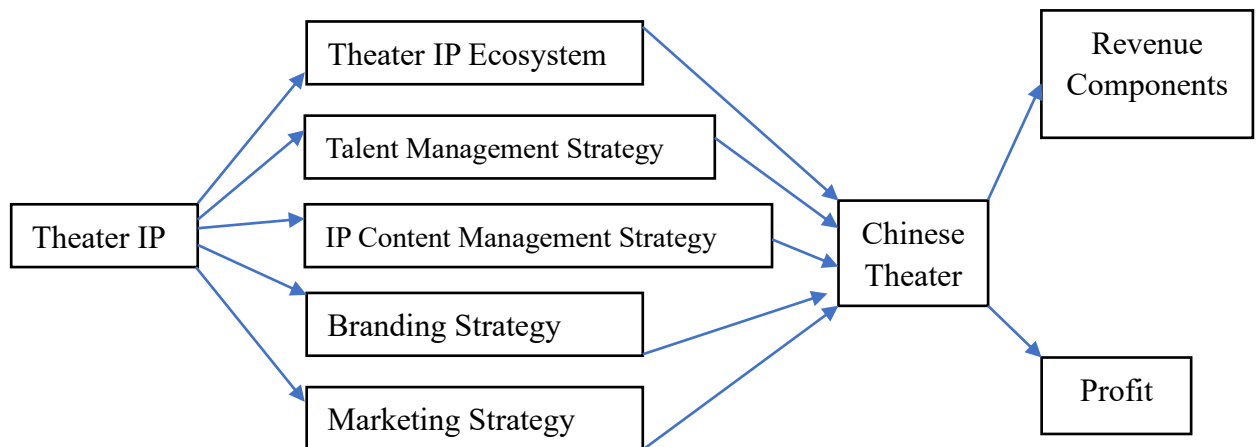


Figure 3 The Research Framework

Figure 3 illustrates the research model and relevant hypotheses. This study proposes a theoretical model to examine the relationships between IP development and theater in the context of the creative industry.

Chapter 3 Research Methodology

3.1 Introduction

This dissertation adopted a qualitative documentary analysis and case study. Regarding the first research objective of this study, which is to explore the definition of Chinese theater IP in the context of the Chinese creative industry, the research has responded to it in the literature review chapter. The aim of this section was to analyze and reach the remaining research objective 2. taking “Mahua FunAge” as a case study to investigate the structure of the internal ecosystem of Chinese theaters and its impact on revenue components and profit and research objective 3. provide recommendations for Chinese theater IP development from talent management strategy, IP content management strategy, branding strategy, and marketing strategy. To aim for these objectives, this chapter provides the research philosophy, approach, and method. The reasons for selecting a case study and how to conduct a case study were explained through the research scope, research questions, data sources, and analysis methods. Finally, the research purpose was mentioned.

3.2 Research Method

The research method for this study was a qualitative analysis method. The qualitative data used were all derived from secondary data. Qualitative research can be broadly described as a type of research that aims to gather and analyze non-numerical (descriptive) data in order to gain an understanding of individuals' social reality (Apuke, 2017; Mohajan, 2020; Sukamolson, 2007). By contrast, qualitative research is expressed in words, which is more conducive to understanding concepts, thoughts, or experiences than quantitative research (Konecki, 2019). Due to its availability, cost-effectiveness, and lack of obtrusiveness and reactivity, qualitative analysis is regarded by many scholars as one of the most ideal methods for content analysis and

analytic strategies (Appleton & Cowley, 1997; Thorne, 2000). In summary, the method of qualitative research aligns better with the design of this study. This study aims to explore the situation of theater IP, the internal ecosystem within Chinese theaters, and its development strategies through the study of the Chinese theater company. By analyzing and reviewing their experiences, the research proposes a strategy for the development of IP in Chinese theaters. Specifically, the qualitative data mainly came from the Mahua FunAge annual reports, organizational structure, its IP content production plans, and its branding and marketing development strategies.

3.3 Research Design

This study will use a case study and qualitative documentary analysis methods to examine and investigate the information in the selected case. Case study as a research methodology can be loosely defined as an intensive study about a person, a group of people or a unit, which is aimed to generalize over several units (Gustafsson, 2017). Another method used in this study is the qualitative documentary analysis method. Like other analytical methods in qualitative research, document analysis requires that data be examined and interpreted to elicit meaning, gain understanding, and develop empirical knowledge (Corbin & Strauss, 2008; Rapley, 2007). Document analysis is less time-consuming and therefore more efficient than other research methods (Bowen, 2009; Henry & Fetters, 2012; Lelièvre, Beaurepaire, Mattrand, & Gayton, 2018). Many documents are in the public domain, especially since the advent of the internet, and are obtainable without the authors' permission, so there's better availability (Merriam, 1988; Karppinen & Moe, 2019). Moreover, document analysis is less costly than other research methods (David, Dube, & Ngulube, 2013; Bowen, 2009; Lyons, Lewis, Mayrsohn, & Rowland, 2014). Besides, as a corollary of being non-reactive, documents are stable (Merriam, 1988). Likewise, Yin (1994) holds the view that documents provide broad coverage and are also more exact. In summary, the combination of these two approaches is more conducive to achieving the

objectives of this study.

3.3.1 Step 1 Select a Case

Mahua FunAge (Chinese: 开心麻花娱乐文化传媒股份有限公司) is a Chinese comedy entertainment production company that was founded in 2003. Over the years, Mahua FunAge has won the hearts of Chinese audiences with its distinctive comedic style and brand personality, which has made it one of the most market-competitive and representative private organizations in the Chinese theater industry (Chen, 2019; Zhang & Qi, 2021). Although the stage play was its main production at the time Mahua FunAge was founded, with the industrial upgrading of the Chinese creative industry, since 2012, the company has begun to explore the mode of convergence development and has entered the field of other creative industries besides theater, such as movies, musicals, webisodes, and so on. In this context, the organization's ecosystem structure and development strategies have evolved in tandem with its industrial development and upgrading (Tang, 2018). The case company Mahua FunAge was adopted to obtain a deeper insight into the effectiveness of the internal ecosystem and development strategy on the theater's IP development, revenue components, and profit. This study will critically analyze and explore Mahua FunAge's internal ecosystem evolution and the layout of its development strategies based on the period from 2014 to 2018. This period was chosen because it includes the long evolution of Mahua FunAge's IP development from the initial establishment of its awareness to the works maturity in the industry, and it was also unaffected by the outbreak, so the data can be used for the study to make more arguments and additions.

3.3.2 Step 2 Case Study Framework

The first research objective of this study, which is to explore the definition of Chinese

theater IP in the context of the Chinese creative industry, has been addressed in the literature review section. Data on this objective are mainly derived from libraries and internet searches, textbooks, journals, articles, and other printed media, and it does not involve the case. The elements of the case study mainly included three aspects: 1) The structure and evolution of Mahua FunAge's ecosystem based on the development and production of its IP content from 2014 to 2018; 2) From 2014 to 2018, the development strategies of Mahua FunAge according to its development objectives, which included: talent management strategy, IP content management strategy, branding strategy, and marketing strategy; 3) The revenue components and profit of Mahua FunAge from 2014 to 2018.



3.3.3 Step 3 Data Collection

Objectives	Data Types	Sources	Time Frames
* <i>The Definition of IP and Theater IP</i>	Secondary Data	Libraries and Internet Searches, Textbooks, Journals, Articles, and other Printed Media	N/A
Ecosystem Structure of Mahua FunAge	Secondary Data	Company Annual Reports, Journals and Articles, Internet Searches, Company Official Websites	2014~2018
The Development Strategies of Mahua FunAge (talent management strategy; IP content management strategy; branding strategy; and marketing strategy)	Secondary Data	Libraries and Internet Searches, Official Reports, Textbooks, Journals, Articles and other Printed Media, Company Official Websites	2014~2018
The Revenue Components and Profit of Mahua FunAge	Secondary Data	Company Annual Reports, Industry Reports, Libraries and Internet Searches, Journals, Articles and other Printed Media, Company Official Websites	2014~2018

Table 3 Data Collection of the Study

3.3.4 Step 4 Data Analysis

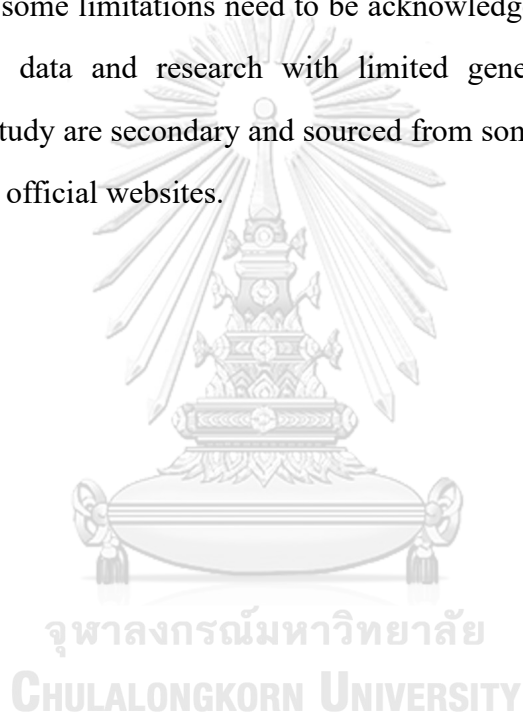
Qualitative documentary analysis was selected. Like other analytical methods in qualitative research, document analysis requires that data be examined and interpreted to elicit meaning, gain understanding, and develop empirical knowledge (Corbin & Strauss, 2008; Rapley, 2007). As Merriam (1988) pointed out, ‘documents of all types

can help the researcher uncover meaning, develop understanding, and discover insights relevant to the research problem' (p. 118). Furthermore, documentary analysis method provides a means of tracking change and development. The researcher may examine periodic and final reports to get a clear picture of how an organization or a program fared over time (Yin, 1994). The current study utilizes qualitative documentary analysis to examine and critically analyze the IP development situation of the selected case, Mahua FunAge, from 2014 to 2018. Addressed concretely, first of all, the research will explore the main IP productions and businesses in which the company was involved during each specified time period of the case and investigate the ecosystem structure and its evolutionary process in Mahua FunAge during the corresponding time period. Secondly, the study will discuss the IP development strategies of Mahua FunAge at different development periods. This part will address four key issues: talent management strategy, IP content management strategy, branding strategy, and marketing strategy. Finally, based on Mahua FunAge's revenue components and profit data from 2014 to 2018, the study will comprehensively analyze the relationship and impact of the theater ecosystem on its development. Furthermore, with a critical analysis, this study set out to examine the advantages and challenges for the development of a theater and their IP productions from talent management strategy, IP content management strategy, branding strategy, and marketing strategy. The primary aim of this paper is to propose strategic recommendations for Chinese theaters based on the development experience of Mahua FunAge.

3.4 Conclusion

The current chapter provides an overview of the research methodology used in this study. A qualitative methodology is employed, and the qualitative documentary analysis and case study approaches have been adopted. The qualitative data used was all derived from secondary data. This research was designed to examine Mahua

FunAge's theater IP development within its internal ecosystem and development strategies. It seeks to analyze the interplay between these two factors and their influence on the theater's revenue components and profit. Through critical analysis, this research aims to offer beneficial recommendations for the development of Chinese theater IP, and the detailed analysis will be presented as a case study in the next chapter of research findings and analysis, and the content is divided and organized according to the framework of the case study. However, with regard to the research methods, some limitations need to be acknowledged, as demonstrated by the limitations of the data and research with limited generalizability, the data and materials for this study are secondary and sourced from some of the publicly available information on the official websites.



Chapter 4 Research Findings and Analysis

4.1 Introduction

The findings and analysis of this study will be presented in this chapter. Since objective No.1 of the study, i.e., explore the definition of Chinese theater IP in the context of the Chinese creative industry, has already been responded to in the Literature Review section, the focus of this section is mainly centered on the realization of research objective No.2, i.e., taking “Mahua FunAge” as a case study to investigate the structure of the internal ecosystem of Chinese theaters and its impact on return component and profit, as well as the research objective No.3, which is ‘With recommendations for Chinese theater IP development from talent management strategy, IP content management strategy, branding strategy, and marketing strategy’. The research method for this study was a qualitative analysis method, and the qualitative data used were all derived from secondary data. A case study and qualitative documentary analysis were adopted as approaches to examine and investigate the selected case Mahua FunAge (Chinese: 开心麻花娱乐文化传媒股份有限公司), which is a Chinese comedy theater and entertainment production company that was founded in 2003. Specifically, this section can be loosely divided into two parts. The first part is the Findings, which will contain the definition of Chinese theater IP, i.e., a description of the results in the literature section; Mahua FunAge's theater IP production from 2014 to 2018 and its internal ecosystem evolution; and Mahua FunAge's talent management strategy, IP content management strategy, branding strategy, and marketing strategy during this period; besides, the return component and profit of Mahua FunAge from 2014 to 2018. The second part is the analysis, which will include the impact of Mahua FunAge's internal ecosystem on its return component and profit, as well as the advantages and challenges of Mahua FunAge's four development strategies. This will be followed by a critical discussion

of the findings and their linkages to the existing literature, aiming to propose strategic recommendations for Chinese theaters based on the development experience of Mahua FunAge.

4.2 Findings

4.2.1 The Definition of Chinese Theater IP

The first research objective and research question of this study are:

Explore the definition of Chinese theater IP in the context of the Chinese creative industry.

What does the definition of Chinese theater IP in the context of the Chinese creative industry look like?

Although, up to now, there appears to be some agreement on IP, however, based on the background of the continuous development of internet and digital technology, little attention has been paid to the definition of theater IP. Therefore, this study is based on the general consensus reached by scholars on this definition of IP and uses these conclusions and theories to derive the concept of theater IP, as shown in table 4.

Subject	IP	Theater IP
Legal Right	Personal Rights ✓	Personal Rights ✓
	Property Rights ✓	Property Rights ✓
	Creativity ✓	Creativity ✓
	Originality ✓	Originality ✓
The Digital Age	Market Recognition ✓	Market Recognition ✓
	Industry Convergence and Expand ✓	Industry Convergence and Expand ✗
	Communication Value ✓	Communication Value ✗
	Commercial Worth ✓	Commercial Worth ✗

Table 4 Concept Comparison Between IP and Theater IP

The study found through the above table that scholars have reached a comprehensive definition of the concept of IP in line with the development of the times. To date, several studies have investigated the concept of IP and its influence (Sherman & Bently, 1999; El-Jabali, 2016; Mohsen, 2018; Wu, 2009; Drahos, 2002; Jiang, 1996; Iksanova & Kashapov, 2018), and several authors have considered the effects of the digital information age (Spinello, 2003; Richard, 2019; Li, 2020; Zhu, 2019).

However, when the concept comes to the theater IP, most of the existing research only focuses on the ownership of rights in the legal sense. Accordingly, based on the derivation of previous literature and theories, this study further defines theater IP in the context of the Chinese digital age and creative industries and draws the general conclusions. In summary, from the general point of view, theater IP is protected by IP law due to their creativity and includes the ownership of both rights and interests (Ringer, 1976; Cheng, 1994; Zheng, 1997; Gao, 2004; WIPO, 2016); while in the context of the internet and the creative industry, theater IP is a driving force to get rid of the shackles of the single expression, the stage (Flanagan & Maniatis, 2008; Pamela, 2008; Zhou & Zhu, 2022; Xu, 2019; Chen, 2017), thus transforming into any cultural product that can be disseminated through tangible forms and subsequent IP operations in the creative industry (Zhang & Da, 2018). Accordingly, based on the derivation of previous literature and theories, this study further defines theater IP in the context of the Chinese digital age and creative industries and draws the following general conclusions:

- 1) *the theater original work, which is protected by IP law for its creativity and originality, where the protected interests include ownership of rights and interests;*
- 2) *having a high degree of market recognition and exhibiting both cultural communication value and commercial worth; and*

3) as a core factor that increases the integration and expansion activity of the theater with other creative industries and media communication channels.

4.2.2 Mahua FunAge Theater IP & its Internal Ecosystem (2014-2018)

In this part, the study observes and deduces the situation of Mahua FunAge from two aspects: firstly, the study will explore Mahua FunAge's main IP works and their derivative forms in each phase from 2014 to 2018, as well as the main business in the corresponding phase, and secondly, the study will summarize and organize the ecosystems of the organization within the corresponding time. The data were obtained from libraries and internet searches, official reports, textbooks, journals, articles, and other printed media, as well as company official websites.

Year(s)	Organizational Goal	Type(s)	Major IP Works	Main business(es)
2014	Striving to be the outstanding organization for comedy play production and theater IP derivation.	Stage Play (Musical, Children Stage Play, Sketch Comedy)	Goodbye Mr. Loser (夏洛特烦恼); Beauty and the Clown (小丑爱美丽); Sukhavati (须摩提世界); Never Say Die (羞羞的铁拳) The Man · Part III (爷们儿·叁) The Three Little Pigs (三只小猪) Man, I'm fine (扶不扶); Three magical brothers (魔幻三兄弟)	Stage Play Production (Musical Production) (Children Stage Play Production) (Sketch Comedy Production).

Table 5 Goal, IP Types and Works, Business of Mahua FunAge (2014)

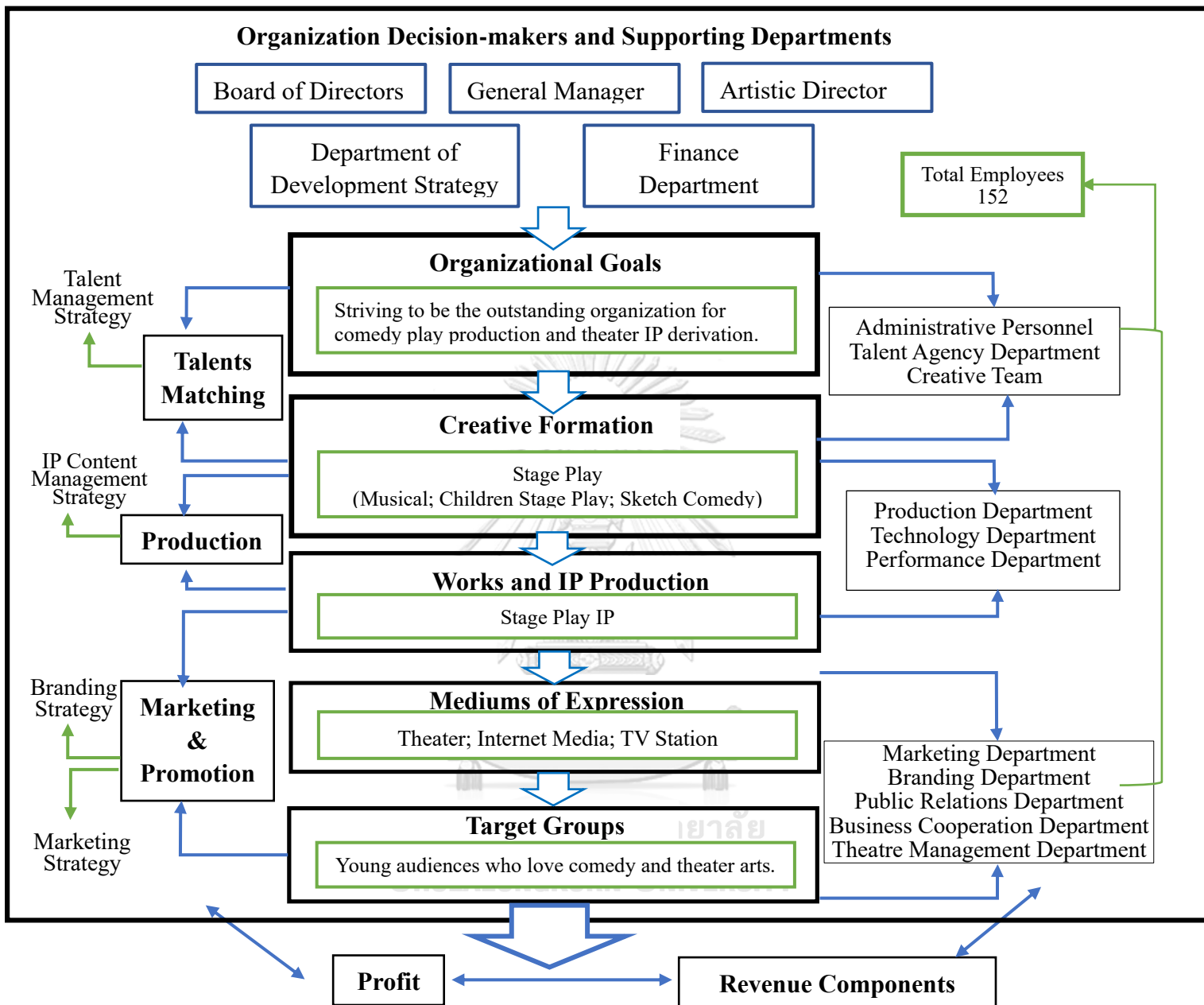


Figure 4 Theater IP Development Ecosystem of Mahua FunAge (2014)

Year(s)	Organizational Goal	Type(s)	Major IP Works	Main business(es)
2015-2016	Making the market popularity with the charismatic comedy theater IP and actively expanding into the film and television industry.	Stage Play	25 Original Stage Plays IP (Cumulative)	Theater IP and its derivative business; Film and TV IP and its derivative business
		Movie	Goodbye Mr. Loser (夏洛特烦恼); Mr. Donkey (驴得水)	

Table 6 Goal, IP Types and Works, Business of Mahua FunAge (2015-2016)

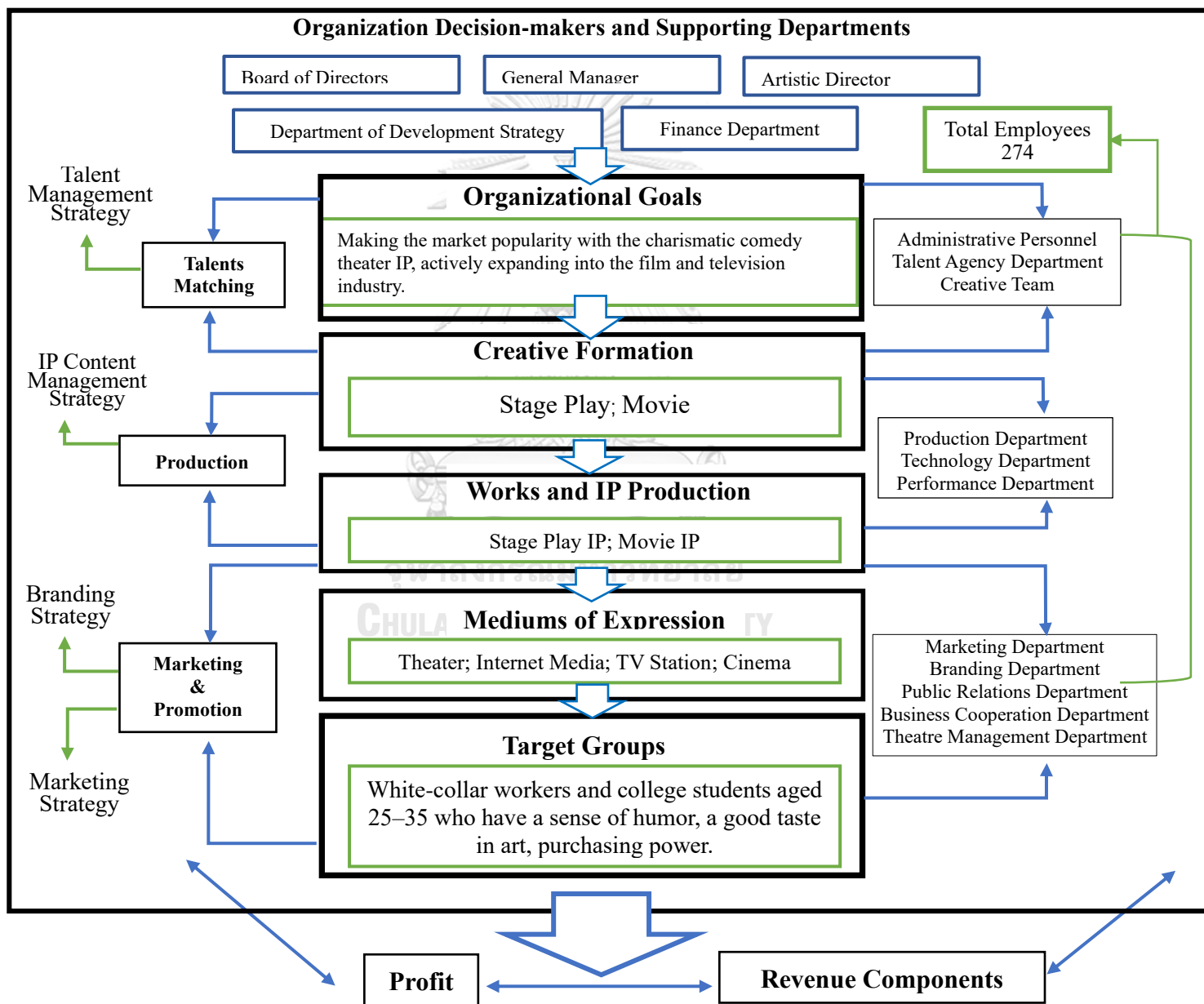


Figure 5 Theater IP Development Ecosystem of Mahua FunAge (2015-2016)

Year(s)	Organizational Goal	Type(s)	Major IP Works	Main business(es)
2017-2018	Specializing in comedy, creating its own brand, committing to high-quality IP production, recruitment, and cultivation of comedy talents.	Stage Play	>35 Original Stage Plays IP (Cumulative)	Theater IP and its derivative business; Film and TV IP and its derivative business Talent agency business based on theater & movie industry
		Movie	Never Say Die (羞羞的铁拳); Hello Mr. Billionaire (西虹市首富); Hello, Mrs. Money (李茶的姑妈)	
		Artist Agency	Shen Teng (沈腾); Ma Li (马丽); Ai Lun (艾伦); Chang Yuan (常远)	

Table 7 Goal, IP Types and Works, Business of Mahua FunAge (2017-2018)

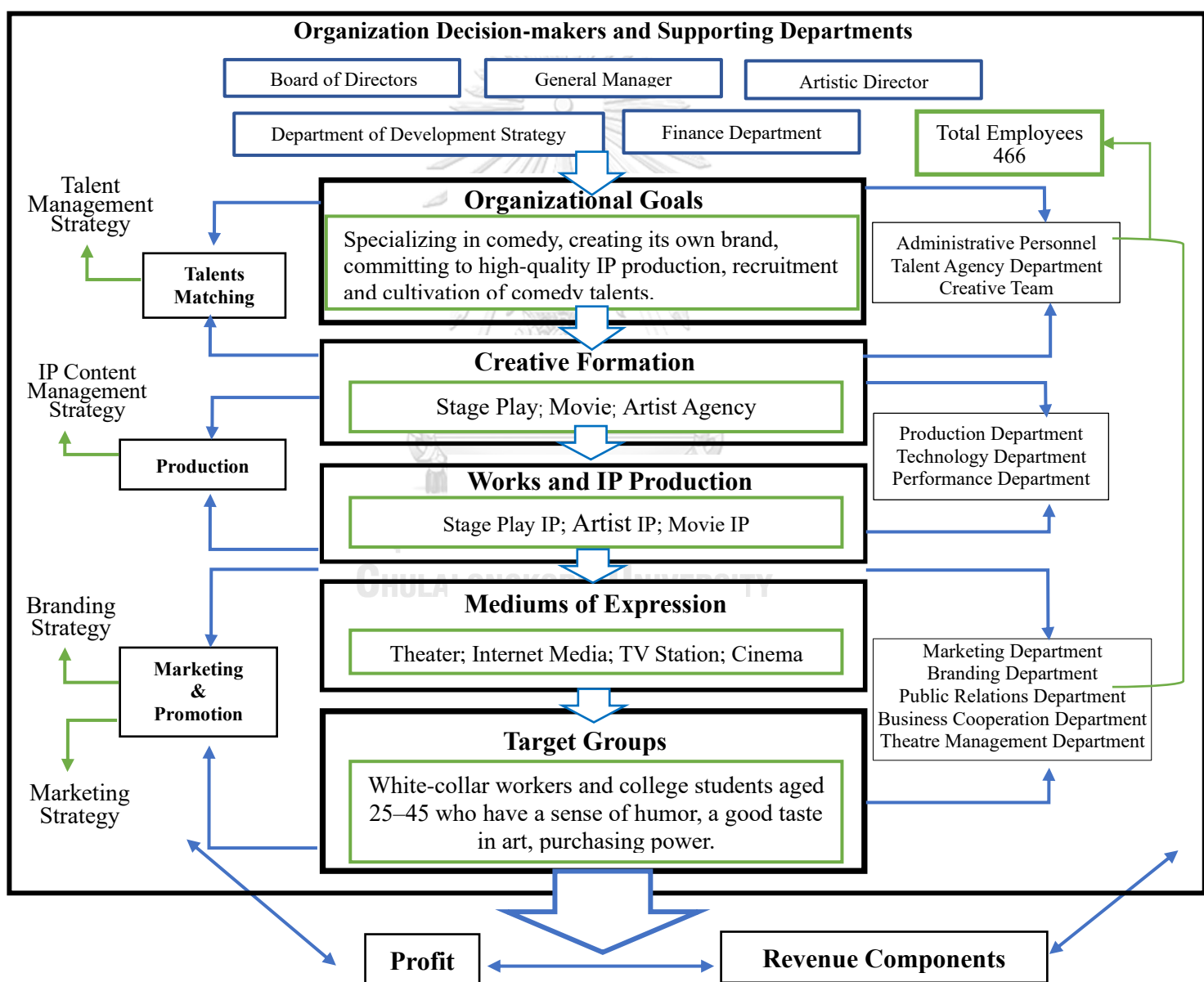


Figure 6 Theater IP Development Ecosystem of Mahua FunAge (2017-2018)

As shown in Figures 4, 5, and 6, the theater IP development ecosystems of Mahua FunAge from 2014 to 2018. Through the connection between organizational goals, IP types, their major IP works, and main businesses at different stages of the organization from 2014 to 2018, it is apparent that individuals within the theater evolve together with organizational goals according to a pattern of interdependence and interaction. These components play different roles within the organizational ecosystem, each with different functional characteristics but also interconnected, forming a theater IP industry value chain, and constituting a theater IP development ecosystem.

The most striking result to emerge from the data is that from 2014 to 2018, Mahua FunAge has been following a fixed closed-loop structure. The organization decision-makers and supporting departments of Mahua FunAge are the key players in the whole IP development ecosystem, and their roles run through the whole process of the theater IP value realization from its production, circulation, and consumption. The theater aligns its organizational goals with the appropriate abilities in order to realize them. This is facilitated through the collaboration of departments, including the administrative personnel department, talent agency department, and creative team, who work together to generate innovative ideas. The production, technical, and performance departments collaborate to create creative works that result in IP products that can be tailored to meet market demands. And then, the IP contents and various product kinds are effectively marketed to the intended consumer base and acquire market feedback through the collaborative endeavors of multiple departments, including marketing, branding, public relations, business cooperation, and theater management, and the receiving terminal will be the consumers. On the one hand, the consumer's reaction to the product is the organization's word-of-mouth and box office, which will directly affect the organization's revenue components and profit. On the other hand, the feedback from the consumer and the marketplace allows the theater to continually create new demands for cultural consumption and IP works, which creates

a loop that again loops back into the organization's goal setting for the subsequent phases, as well as the resulting other processes.

Interestingly, the theater ecosystem was observed to develop in a closed loop following a fixed context and cycle: [Organization Decision-makers and Supporting Departments] → Organizational Goals → [Talents Matching] → Creative Formation → [Production] → Works and IP Production → [Marketing & Promotion] → Mediums of Expression → Target Groups → Revenue Components & Profit → ...→ [Organization Decision-Makers and Supporting Departments] ... as the study observed from the above figures, but the contents of the particular veins, the quantity of personnel within each department, and the associated development strategies contingent upon this framework are consistently adjusted and evolved. Specifically, in 2014, the organization goal was to strive to be the outstanding organization for comedy play production and theater IP derivation, and this was echoed by the symbiotic units within the ecosystem. Whether it is the creative ideas, main businesses, medium of expression, or target group, they are all following this goal. At this stage, the core staff of Mahua FunAge was 152 people. From 2015 to 2016, Mahua FunAge changed its goal to actively expand into the film and television industry, thus changing the organization's creativity, the type of work, and the type of business, as well as its target group. The target group was no longer just theatergoers but also specific ages, social classes, and artistic classes, and the number of employees rose to 274 as a result of the increase in business. By the 2017 to 2018 phase, Mahua FunAge was committed to creating its own brand in comedy. In addition to focusing on comedy-drama and film IP production, the organization also added an Artist Agency business aimed at targeting different talents to create different featured character IPs and carry out promotions and peripheral derivatives. The elements within the ecosystem underwent a linked change, and the number of core employees reached 466. Furthermore, the development strategies of Mahua FunAge

have undergone continuous evolution and adaptation in response to its various stages of development. The forthcoming section will provide a comprehensive account of the specific aspects and modifications within the development strategies. Correspondingly, the revenue components and profit of Mahua FunAge are subject to the influence of alterations in the organizational ecosystem. In one respect, the revenue components serve as indicators of the organization's business composition at different stages, as well as the fluctuations in market demand and operational choices. On the other side, profit represents the overall business outcomes and value of the ecosystem, playing a crucial role in supporting and protecting the organic cycle of the organizational ecosystem.

4.2.3 Development Strategies of Mahua FunAge (2014-2018)

- Talent Management Strategy; IP Content Management Strategy; Branding Strategy; Marketing Strategy

In this section, this study investigates and summarizes the development strategy situation of Mahua FunAge from 2014 to 2018. Specifically, for the talent management strategies used by the case company Mahua FunAge at each stage, the study went from planning and identifying, attracting and recruiting, developing and deploying, maintaining and retinting, to obtaining the impact on the development of the organization. For the IP content management strategy, the research aims to explore the relationship between brand positioning, target market, and IP content from different time periods in Mahua FunAge. Additionally, its consumer feedback mechanism will be investigated. And then, the study moves on to discuss the link between brand positioning, brand culture, and brand image by exploring Mahua FunAge brand strategy for theater IP development. Furthermore, based on the 4Ps model as a framework, the study set out to explore the selected case study company in

terms of four dimensions, including product, price, promotion, and place, to arrive at a marketing strategy applicable to theater IP development. The data were obtained from libraries and internet searches, official reports, textbooks, journals, articles and other printed media, company official websites.

Talent Management Strategy

Year	Objective	Planning & Identifying	Attracting & Recruiting	Developing & Deploying	Maintaining & Retinting
2014	Striving to be the outstanding organization for comedy play production and theater IP derivation.	Performance-major undergraduates with comedic acting potential	Theater performance training and performance evaluation to determine hiring or retention	Adapt and grow in a step-by-step manner through training from small roles to starring roles and then to screenwriting.	Payment of salaries and benefits higher than the industry average; talent incentive mechanism to determine the selection and salary by performance appraisal
2015-2016	Making the market popularity with the charismatic comedy theater IP and actively expanding into the film and television industry.	Compound talents with personal attributes or regional characteristics	Gather and attract talents with brand charm and market influence; conduct targeted training and job placement for talents based on audience feedback.	Following the "Collective Creation" model encourages the multifaceted development of talents and fosters teamwork and collective creativity.	Respect the personal development aspirations of talents and provide them with space and opportunities for advancement
2017-2018	Specializing in comedy, creating its own brand, committing to high-quality IP production, recruitment, and cultivation of comedy talents.	Compound talents with personal charisma and market appeal	Sign exclusive agency agreements with talents who have commercial value; provide unique services of "theater + film + talent agency" for talents.	Considering talents as IP resources of the brand, provide multi-dimensional development space and opportunities for talents.	Cross-shareholding to bind the interests; highly intersectional team-bundled collaborative creation

Table 8 Talent Management Strategy of Mahua FunAge (2014-2018)

Mahua FunAge has recognized the significance of human resources as the most asset in driving organizational development and IP creation all along. The presence of screenwriters, directors, actors, and performance professionals with high-quality productions will enhance the overall market influence and box office appeal. Table 8 presents an overview of the talent management strategies pursued by Mahua FunAge from 2014 to 2018. In 2014, the company prioritized original comedy stage play

productions and IP derivatives. To achieve the development goals, the focus has been on identifying and nurturing performance-major undergraduates with comedic acting potential. In addition to conventional recruitment channels, the company is dedicated to organizing comedy performance talent training, which not only supplies a large pool of comedic talents to society but also augments the company's own talent pool. Through an attractive salary and incentive mechanism that exceeds industry standards, Mahua FunAge distinguishes itself in the highly competitive performance market and maintains a prominent position in the creation of exceptional plays. From 2015 to 2016, Mahua FunAge strategically targeted compound talents with personal attributes or regional characteristics in order to fulfill its goal of entering the film industry. With the inherent charisma of the brand as an attraction, the organization recruited a large number of talents. Furthermore, Mahua FunAge consistently adheres to a collective creation approach and values talent innovation. This provides artists with ample space and opportunities for professional development, enabling them to enhance their abilities in various aspects. Additionally, a congenial working atmosphere with the enthusiastic and positive attitude of the talent service, as well as its professional department distribution system, makes Mahua FunAge able to attract more talents and optimize the allocation of its human resources continuously. Moving on to the period 2017–2018, Mahua FunAge has accumulated a strong following and gained a positive reputation during its previous development. This has allowed the talents in the organization to accumulate popularity and market influence even as they have progressed. Presently, it has established a unique business model combining "drama + film + artist agency" and implemented a step-by-step talent training mechanism under the guidance of renowned actors to nurture emerging talents within the company. To prevent talent loss, Mahua FunAge implements interest bundling, allowing talents to hold cross-shares. Furthermore, the collective creation mode encourages members to bind together and collaborate.

Generally speaking, talent resources have become the company's core competitive strengths. Mahua FunAge taps into the self-driven nature of the brand to unite these creative talents, and by establishing a training system and incentive system, it provides a broader space for comedic talents to develop and grow. Through the collection and training of talent teams, Mahua FunAge continuously generates fresh ideas and establishes a performance system and talent structure that operate in a closed-loop manner. These experiences can serve as valuable references for other theaters.

IP Content Management Strategy

Year	Brand Mission	Target Market	IP Content	Feedback Mechanism
2014	The creator of urban comedies for the Chinese theater industry	Young audiences who love comedy and theater arts.	Original and innovative urban comedy stage plays with laugh-out-loud lines that critique the negative aspects of society.	On-site observation and recording by the theater quality supervisor; feedback survey and questionnaire of audiences
2015-2016	Create brand personality labels with intelligent comedy IP	White-collar workers and college students aged 25–35 who have a sense of humor, a good taste in art, purchasing power.	Criticizing society with intelligent comedy-style stage play productions; Adapting its original theater IP into the movie industry, it conveys warmth and positive energy with comedy.	On-site recordings by theater quality supervisors; official community forums to encourage audience feedback; collection of discussion records from major movie-viewing platforms
2017-2018	Aiming to become the most influential, appealing, and infectious original comedy brand	White-collar workers and college students aged 25–45 who have a sense of humor, a good taste in art, purchasing power.	With intelligent comedy as the leading role and innovation as the driving force for brand development; keeping pace with market demand and society, and mapping reality with comedy IP productions.	Theater quality supervisors provide timely feedback; monitor social media to screen audience opinions; use online communicative questionnaires to keep abreast of audience preferences; and use incentive mechanisms to encourage the audience to share their experiences.

Table 9 IP Content Management Strategy of Mahua FunAge (2014-2018)

Table 9 presents the summary IP content management strategy of Mahua FunAge. From the data above, we can see that the company positions itself as a comedy company and focuses on comedy IP production as well as the acquisition and

cultivation of comedy talents. It has succeeded in establishing a unique comedy style in the Chinese theater industry. In the process of expanding from the theater industry to the film industry, Mahua FunAge takes the spiritual needs of the audience as the guide for its works and creates excellent works that fit the audience's lives. The brand aims to serve the audience and continuously improves the content and methods of IP production based on the type, level, and diversity of needs of the audience at different stages.

Specifically, Mahua FunAge's IP content management strategy showcases the following prominent features: 1) The organization upholds a commitment to originality and endeavors to produce intellectual comedy that steers clear of tasteless and vulgar content. Mahua FunAge effectively showcases its comedy productions through the utilization of engaging plots and genuine emotional expressions. 2) The company maintains a steadfast dedication to the ongoing enhancement and refinement of its comedic approach, in which Mahua FunAge constantly draws inspiration from other art forms, incorporating their essence into its own works and performance formats. 3) Mahua FunAge gives great importance to its audience feedback mechanisms. Whether through the establishment of quality supervisory roles, conducting questionnaire surveys, or engaging with feedback on online platforms, the company consistently uses the spiritual needs of its audience as a guide for its work. Serving the audience is its primary purpose, ensuring that its IP works closely with the audience's expectations. 4) Mahua FunAge adjusts its performance plan in a timely manner based on the response of the audience. The development of the organization has always been centered on the theater's original comedy IP, aiming to incubate and spin-off film projects and cultivate comprehensive talents. The organization has therefore placed a priority on the quality of stage performances and makes continuous adjustments and improvements based on the audience's response to the performance content. 5) Mahua FunAge strives to expand the brand influence established through

stage productions into other fields. For instance, films like "Goodbye, Mr. Loser," released in 2015, are adaptations of their original stage play IPs. 6) The company approaches every performance with a vibrant and flexible mindset. Mahua FunAge readily adapts to the changing cultural market, adjusting the style and production methods of its works accordingly. With a playful and lighthearted attitude, the company takes note of annual fashion trends. While maintaining artistic quality in its stage plays, Mahua FunAge also prioritizes audience preferences. Its works embody not only a performance and a distinctive style, but also an entertainment spirit and an outlook on life.

Branding Strategy

Year	Brand Positioning	Brand Culture	Brand Image
2014	An organization for original comedy-theater IP production and derivative operations.	Original, innovative, professional, pragmatic, and attentive; bringing joy to more Chinese people.	 <p>Slogan: Watch Mahua FunAge for fun! Brand reputation: Public welfare activities</p>
2015-2016	A company specializing in quality comedy IP production and derivative operations.	Mahua FunAge = originality IP comedy content + touching sentiment + wisdom inventory	
2017-2018	An entertainment brand for the vertical development of comedy IP content.	Mahua FunAge ≥ a performance + a distinctive style + an entertainment spirit + an outlook on life	

Table 10 Branding Strategy of Mahua FunAge (2014-2018)

The evolution of Mahua FunAge's branding strategies shows that the team has strong brand awareness. Table 10 displays that Mahua FunAge has implemented specific brand positioning at different stages to showcase its unique value to customers. The company has positioned itself as a comedy company, focusing on the comedy genre to establish a comedy brand. In 2014, the company primarily relied on original comedy theater IP, accompanied by an original, innovative, professional, pragmatic, and responsible brand culture that was recognized by the market. From 2015 to 2016,

Mahua FunAge underwent a strategic expansion of its brand positioning to embrace a wider scope of comedy IP production. The primary objective of this expansion was to foster and cultivate initiatives in the movie industry that revolve around theater IP. During this phase, Mahua FunAge became well recognized for its association with attributes like originality IP content, touching sentiment, and wisdom inventory. The aforementioned factors not only conferred the brand with profound and culturally significant connotations but also facilitated the establishment of a more clearly defined brand positioning. During the period from 2017 to 2018, Mahua FunAge aspires to upgrade itself into an entertainment brand that focuses on the vertical expansion of comedy IP production. Mahua FunAge efficiently employs a range of communication channels to foster a profound spiritual bond with consumers, thereby generating brand credibility and nurturing robust brand allegiance. This is achieved through the strategic utilization of unique and diversified IP content. The brand culture of "Mahua FunAge is not just a play or a style, but also represents an entertainment spirit and an outlook on life" has gradually given rise to a subculture phenomenon within the comedy market in China. In addition, Mahua FunAge has strategically developed its brand identity by employing various techniques such as brand naming, logo and slogan design, and the cultivation of brand reputation, all aimed at increasing recognition and understanding of its IP products within the market. Consequently, the brand has exhibited distinct characteristics that appeal to the general public and differentiate it in the market. As an illustration, the brand name "Mahua FunAge (开心麻花)" amalgamates the terms "Happy (开心)" to elicit feelings of delight and amusement, and "Mahua (麻花)," a prevalent and relatable Chinese food, to underscore a laid-back ambiance. The selection of this particular name promptly propelled the brand into the collective consciousness of the public and solidified its position within the market. The logo of Mahua FunAge integrates the color red, which serves as a symbolic representation of China. Additionally, it

showcases a heart-shaped icon, which signifies the company's unwavering dedication and assurance in delivering joy to Chinese audiences. The firm employs a direct approach in its slogan design to effectively convey the brand's attributes and service objectives, as seen by the phrase "Watch Mahua FunAge for fun!" Furthermore, Mahua FunAge places great importance on its brand reputation. In addition to producing high-quality IP works, the organization prioritizes social progress and engages with consumers through public welfare activities such as charity performances, collaboration with CCTF (China Child and Teenager's Foundation), and AIDS education and awareness programs. The primary objective of these programs is to cultivate a positive perception and establish a sense of confidence and reliance among consumers towards the brand. In conclusion, the brand strategy used by Mahua FunAge has garnered positive reception from both consumers and the market, thereby allowing the brand to gain a deeper comprehension of market demand, establish a brand identity that effectively connects with audiences, and emphasize the service ethos of the Mahua FunAge team. Through the process of translating intangible IP into tangible value and leveraging the economic value derived from cultural significance, Mahua FunAge's brand strategy enables its products to distinguish themselves amidst market competition.

Marketing Strategy

Year	Product	Price (Stage plays)	Promotion	Place
2014	Comedy Stage plays IP	80-880 CNY	Flash sale low-priced ticket; high - quality IP production and performance; word of mouth marketing	Offline: pre-sale or on-site ticket sales at the cooperative theaters
2015-2016	Comedy Stage plays IP Comedy Movie IP	80-1080 CNY	Half price for 2nd ticket; registered theater member for free to get the ticket discount; offline advertisement implantation; online accurately targeted advertising	Offline: pre-sale or on-site ticket sales at the cooperative theaters Online: ticketing platform; official website.
2017-2018	Comedy Stage plays IP Comedy Movie IP Talent IP	80-1080 CNY	Before the market, widely publicized to spark consumer interest; after the market, online, accurately targeted advertising; offline interactive activities; peak season, increased publicity; Low season, low price strategy, and welfare activities to consolidate the market	Direct sales: cooperative theater; online platforms; official website; social media links. Indirect sales: media publicity, online hype, social media precise information transmission; accurately targeted advertising

Table 11 Marketing Strategy of Mahua FunAge (2014-2018)

In this study, Mahua FunAge was observed in terms of product, price, promotion, and place based on the 4P strategy architecture. The results obtained from the preliminary analysis of table 11 summarize the marketing strategies of Mahua FunAge from 2014 to 2018. From the perspective of the product, Mahua FunAge takes the original theater comedy IP contents as the core, then incubates, and derives film projects in the course of development and cultivates composite talents with market influence. In the year 2014, Mahua FunAge strategically focused its operational activities on theater IP production and its associated businesses. During the period spanning from 2015 to 2016, the company strategically expanded its operations into the film business by transforming its theatrical IP into cinematic adaptations, thereby acquiring notable recognition within the market. During this time frame, the main activities of the organization consisted of theater IP, film IP, and associated businesses. From 2017 to 2018, based on the theater and movie industries, Mahua FunAge added the talent agency business to its scope of operation. In terms of price positioning, ticket prices for theater performances range from 80 to 1080 yuan, catering to the needs of consumers at different levels. In terms of promotion strategies, in 2014, Mahua FunAge implemented a promotional approach centered around a flash sale strategy,

wherein they offered tickets at discounted prices. This particular method proved to be quite effective in swiftly garnering a substantial audience. The company rapidly gained popularity from both the audience and the industry due to its high-quality IP content and its diligent commitment to providing attentive service during every performance. During 2015–2016, Mahua FunAge implemented enhancements to their promotional approach. In the offline realm, Mahua FunAge strategically placed its logo, slogan, and IP posters in restaurants, bookstores, cinemas, and any other places possible favored by the target audiences. Additionally, Mahua FunAge has established partnerships with these locations to organize offline events for the purpose of publicity and promotion while employing a drainage strategy that offers half price for second tickets. The objective was to actively involve fans and potential audiences. As well as the dissemination of the branding message through online channels, including print media, online media, TV media, radio stations, portals, video websites, and numerous self-media platforms. From 2017 to 2018, Mahua FunAge has proactively promoted their IP content in advance before the production work hits the market to pump up the urge to consume and seize the market lead. Once the product is out in the market, the organization will collaborate with their influential talents to strategically place media commercials and initiate offline promotional campaigns in order to pull consumer demand. The analysis discovered that the marketing channels utilized by Mahua FunAge have undergone consistent evolution in conjunction with the development of the brand. Originally, offline sales held a prominent position, but they have now evolved to encompass both online and offline sales concurrently. Tickets can be procured through many channels, including physical theater outlets, internet ticketing systems, and the official website. Furthermore, Mahua FunAge utilizes direct sales channels by leveraging social media linkages to facilitate ticket purchases and employs indirect sales strategies as well, such as media publicity, internet hoopla, targeted information dissemination through social media platforms, and properly positioned advertisements.

4.2.4 Revenue Components, Cost of Revenues, and Profit of Mahua FunAge

(2014-2018)

Year		Theater IP & its Derivative	Film IP & its Derivative	Talent Agency	Total
2014	Cost of Revenues	¥66,361,098.62	¥0.00	¥0.00	¥66,361,098.62
	Profit	¥150,448,773.21	¥0.00	¥0.00	¥150,448,773.21
2015	Cost of Revenues	¥89,214,372.27	¥77,086,015.16	¥0.00	¥166,300,387.43
	Profit	¥184,779,876.78	¥198,557,088.20	¥0.00	¥383,336,964.98
2016	Cost of Revenues	¥124,280,444.86	¥8,750,075.98	¥0.00	¥133,030,520.84
	Profit	¥263,488,007.00	¥28,579,634.73	¥0.00	¥292,067,641.73
2017	Cost of Revenues	¥167,810,227.49	¥76,676,945.96	¥93,556,711.45	¥338,043,884.90
	Profit	¥320,342,855.03	¥446,823,316.09	¥93,041,393.40	¥860,207,564.52
2018	Cost of Revenues	¥201,896,291.07	¥152,773,414.46	¥274,290,867.64	¥628,960,573.17
	Profit	¥377,268,421.16	¥340,319,573.18	¥291,993,384.24	¥1,009,581,378.58

Table 12 Mahua FunAge Total Cost and Profit

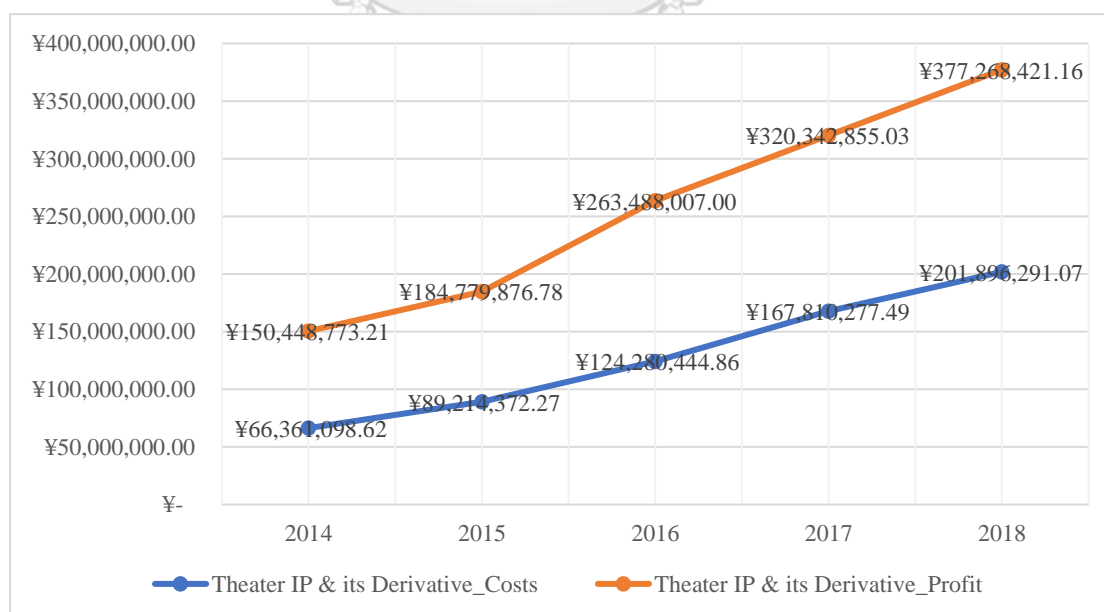


Figure 7 Mahua FunAge Theater IP and its Derivative Cost and Profit

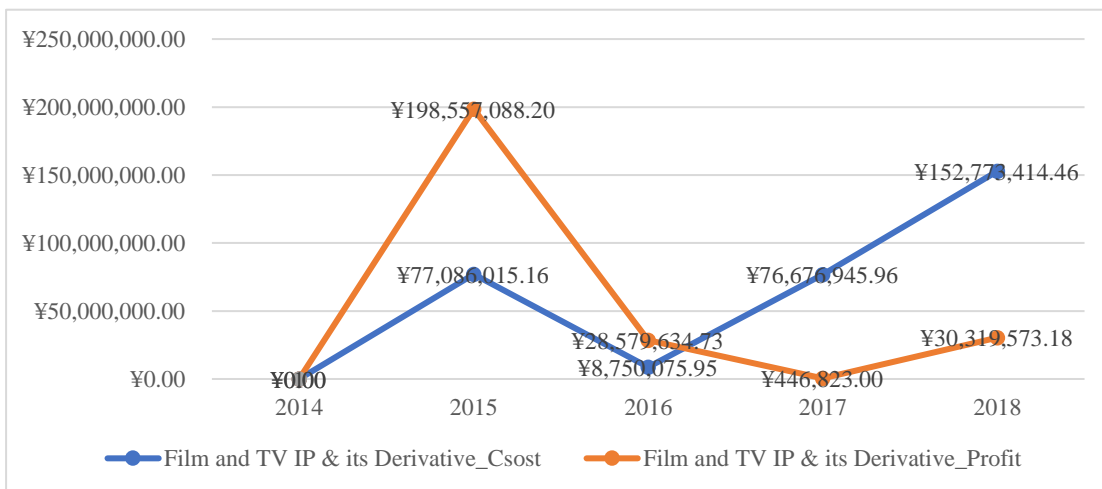


Figure 8 Mahua FunAge Film IP and its Derivative Cost and Profit

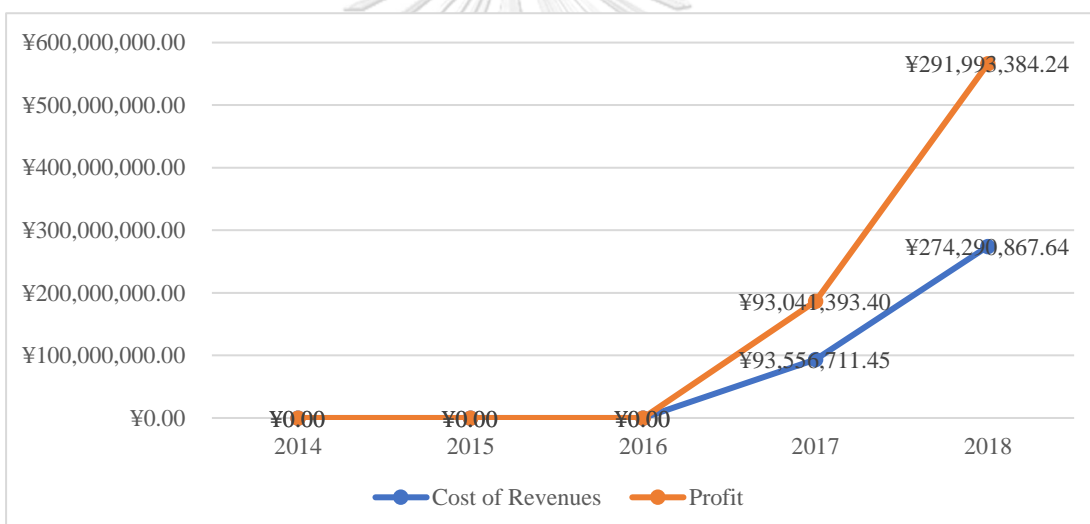


Figure 9 Mahua FunAge Talent Agency Cost and Profit

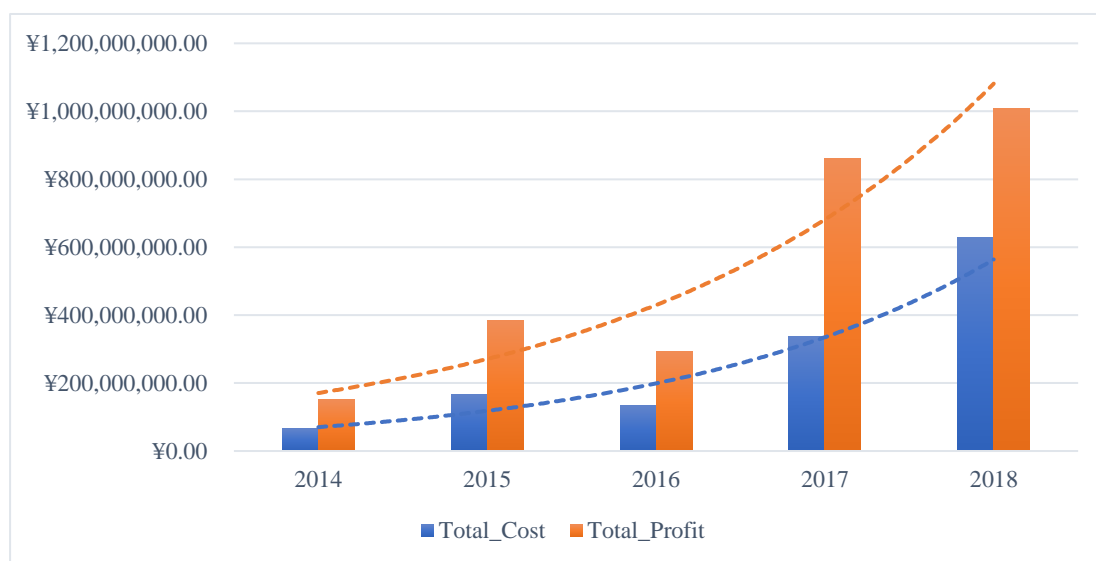


Figure 10 Mahua FunAge Total Cost and Profit

This table presents the financial data for the revenue components of Mahua FunAge over a period from 2014 to 2018. The data is reported in Chinese Yuan (CNY) and divided into categories: "Theater IP & its Derivative," "Film IP & its Derivative," and "Talent Agency," with the years 2014 through 2018 shown separately. From 2014 to 2015, the revenue in 2015 was 154.8% higher than 2014, rising from 66,361,098.62 CNY to 89,214,372.27 CNY, mainly due to the stable growth of its theater IP business. And it is worth mentioning at this point that the first Mahua FunAge movie Goodbye Mr. Loser (夏洛特烦恼) achieved an excellent box office return; Operating cost in 2015 was 150.6% higher than 2014, mainly due to the fact that the production of the first movie was fully carried forward in 2015. This growth, however, did not sustain into 2016. The profit in 2016 decreased by 23.81% as compared with that in 2015, mainly due to the fact that the movie Goodbye Mr. Loser (夏洛特烦恼) contributed more income to the company in 2015, while the movie Mr. Donkey (驴得水) contributed relatively less income in 2016, which led to a decrease of 85.61% in income from the film business. Revenue from the theater and its derivative business for this year remained stable and increased by 42.60% compared to 2015. And the

total operating costs for 2016 decreased by 20.01%, mainly due to the higher cost of the 2015 film Goodbye Mr. Loser (夏洛特烦恼), while the film Mr. Donkey (驴得水) in 2016 contributed relatively less revenue. Profit increased by 181.6% in 2017 as compared to 2016, mainly due to the movie business contributing more revenue in 2017, and theater and its derivatives business revenue maintaining growth and increasing by 21.58% as compared to 2016. In addition, Mahua FunAge added talent agency revenue in 2017, and operating costs increased significantly by 125.74% compared to 2016, mainly due to the increase in movie production costs compared to the previous year as well as the addition of costs related to the talent agency business. Operating costs increased by 86.06% in 2018 compared to the previous year, mainly due to the increase in the scale of talent agencies. Operating income increased by 17.36% compared to 2017. Overall, Mahua FunAge's growth continues to be based on its original comedy theater IP, which in turn incubates and spins off its film projects and nurtures its interdisciplinary talent workforce. The theater and its derivatives businesses have been growing steadily, bringing steady cash flow to the organization, while the film business amplifies the business value of the theater and its IP talent. Theater and its derivatives business has been growing steadily, which brings steady cash flow to the organization, while the film business can magnify the commercial value of theater and its IP talents, and the three businesses complement each other.

4.3 Analysis

As mentioned in the literature review, the establishment of a virtuous cycle of ecosystems is crucial for a theater and its IP development, as it ensures the sustainability and longevity of its progress (Hernández, 2015; Yuan, 2015). Furthermore, support from development strategies could work in tandem to guide the organization's direction in the long term, link and develop external communication channels, and highlight development points (Flew, 2002; Henry, 2006; Filice & Young,

2012; Guo, 2010). An organization may achieve stable and sustainable development only when the two components work in synergy. In the following section, the study will be followed by a critical discussion of the findings and their linkages to the existing literature. The first set of analyses aims to examine the impact of the theater IP ecosystem on revenue components and the profit of the theater. Then, the study will analyze what advantages and challenges the four development strategies of talent management strategy, IP content management strategy, branding strategy, and marketing strategy have on the development of the theater and its IP. Lastly, drawing upon a critical analysis of Mahua FunAge's experience, this study will provide recommendations for the advancement of Chinese theaters and their IPs in relation to the theater ecosystem and the aforementioned four development strategies.

4.3.1 Impact of Theater Ecosystems on its Revenue Components and Profit

This study employs Mahua FunAge as an example and, through the evolution of its ecosystem from 2014 to 2018, found out that the theater and its IP development ecosystem, which is composed of various symbiotic units, symbiotic environment, and development framework, follow the organization goals in the symbiotic environment to form a dynamic relationship of resource exchange and value creation. In previous studies, He (2011) and Dong and Ma (2004) delineated the theater ecosystem by identifying five key components: theater productions' content, directors and authors, performers, theater and propagation channels, and audience groups. However, based on the findings of this study, it is possible that these conclusions do not provide a comprehensive representation of the Chinese theater and its IP development ecosystem. The organization decision-makers and supporting departments of Mahua FunAge are the key players in the whole IP development ecosystem and are the intermediate links and key elements connecting the development of upstream, expansion of midstream, and extension of downstream, and their roles run through the whole process of the theater IP value realization from its

production, circulation, and consumption. Concretely speaking, organizational decision-makers and supporting departments will set organizational goals based on market demand, and each division of labor will generate creative ideas around the goals. The creative ideas will be produced into IP works, which will be followed by tripartite interactive activities in the production, distribution, and consumption segments, and the receiving terminal will be the consumers. Concurrently, the perceptions and sentiments of consumers towards the product will manifest in the financial aspects of the company, specifically in terms of revenue components and profitability. The theater's revenue components are indicative of the organization's business composition, market demand fluctuations, and operational decisions. Profit serves as a manifestation of the overall business results and value within the ecosystem, while it also plays a crucial role in supporting and maintaining the balanced cycle of the organization's ecosystem. Moreover, the cooperation between individuals and development strategies in the theater ecosystem also forms an organic system that links up and down and connects left and right. This makes the organization no longer a single horizontal or vertical linear chain with an obvious starting point and end point, but an extended and deepened organic system. The relationship between the elements within this symbiotic system is both independent and cooperative, so as to form an industry chain for the purpose of generating value-added. This finding is consistent with that of Lansiti and Levien (2004) who noted the business ecosystem is an interconnected network of numerous entities that interact in a complex manner. However, the contents of the particular veins, the quantity of personnel within each department, and the associated development strategies contingent upon this framework are consistently adjusted and evolved (shown in green in the figure 11). This also accords with our earlier observations, which showed that the theater as an artistic form of life that living species in the natural world, survives, reproduces, transforms, varies, and degenerates in a particular environment, and the elements in the ecosystem within the theater adjusts accordingly

as the range of operations and spin-off areas it covers (Lansiti & Levien, 2004; Kennedy & Atkinson, 2018; Li & Liu, 2013; Kershaw, 2007). As can be seen from the tables and figures above of theatre IP ecosystem, the theater ecosystem was observed to develop in a closed loop following a fixed context and cycle as shown in table 13 and figure 11:

Year(s)	Organizational Goal	Main business(es)	Number of Employees
2014	Striving to be the outstanding organization for comedy play production and theater IP derivation.	Stage Play Production	152
2015-2016	Making the market popularity with the charismatic comedy theater IP and actively expanding into the film and television industry.	Stage Play Production Movie Production (Theater IP Adaptation)	274
2017-2018	Specializing in comedy, creating its own brand, committing to high-quality IP production, recruitment, and cultivation of comedy talents.	Stage Play Production Movie Production (Theater IP Adaptation) Artist Agency	466

Table 13 Goal, Main Business, and Employee Number of Mahua FunAge (2014-2018)

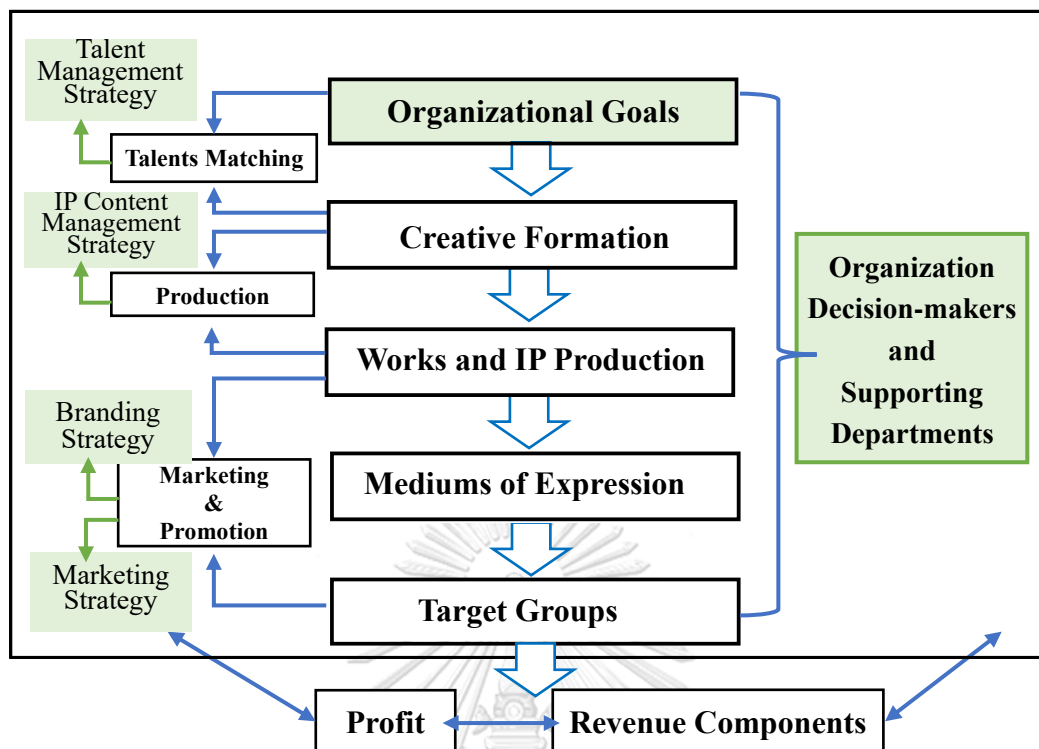


Figure 11 Theatre IP Ecosystem

Looking back at Mahua FunAge's development experience, in 2014, due to the gap in the comedy market in the Chinese theater industry, Mahua FunAge focused its efforts on the development of original comedy theater IP production, and the composition of its revenues mainly consisted of theater IPs and their derivative merchandise. High-quality theater IP content has accumulated a good word-of-mouth and audience base for the theater, and the value of the theater IPs has been realized in terms of revenues. Between 2015 and 2016, with the diversification of the market and consumer demand, Mahua FunAge broadened its development direction by expanding the brand influence established by its stage plays into the film sector. In 2015, the movie adaptation of its original theater IP was a great success, and the revenue increased by leaps and bounds. At that time, the company's revenue composition was mainly divided into theater IP and movie IP. However, revenues in 2016 declined by 23.81% compared to 2015, with revenues from the theater IP business maintaining steady growth and movies contributing relatively little. By the period from 2017 to

2018, Mahua FunAge, in addition to the theater industry, continued to leverage its theater IP influence in movie adaptations of its original theater IP, further to which the organization developed the artist agency business to leverage the market appeal and influence of artists for brand promotion. In general, the focus of Mahua FunAge's growth primarily revolves around the creation and production of its original comedy theater IPs. These theater IP productions serve as a platform for nurturing and expanding film projects, fostering the development of versatile talents, enhancing brand recognition, and ensuring a consistent revenue stream. Simultaneously, the film business has the potential to enhance the commercial worth of stage play IPs and artists, establishing a symbiotic relationship that mutually reinforces their respective strengths. Revenue components and profit are crucial elements within the ecosystem, they serve as a manifestation of the overall business outcomes and value within the ecosystem, while also supporting and ensuring the organization's operational continuity. In addition, it is important to note that every individual unit within the ecosystem has an influence on the ultimate results of revenue components and profit. Specifically, the effective implementation of strategic plans, seamless collaboration among departments, active sharing of essential production factors like creativity and information, and precise selection of promotional channels and strategies all contribute positively to the organization's revenue components and profit, in which maximizes the creation of added value and continuously enhances the overall competitiveness. Contrarily, there is a great probability that it will result in negative consequences.

According to these findings, we can infer that within the theater ecosystem, the high integrity of each symbiotic unit and the organic cycle of symbiotic relationships affect the revenue components and profit of the organization. The symbiotic units of the theater ecosystem mainly include development strategies, organizational

decision-makers, and supporting departments. These symbiotic units perform their respective duties and sometimes even need to be able to perform multiple functions. The symbiotic units and links of the ecosystem, as well as the organizational development strategies, are intertwined at multiple levels, thus showing a high degree of integrity. In this section, the theater needs to coordinate the quantity and quality of personnel in the departments of the symbiotic unit, where quantity creates a clustering effect and quality emphasizes the development capacity of the main body of the organization, which in turn affects the achievement of the optimal symbiotic relationship. By aiming to create a sustainable impact for the organization, attention also needs to be paid to the relationship between development strategies and its functions. A symbiotic relationship means the exchange of material information and energy between symbiotic units, which reflects the mode and intensity of interaction between symbiotic units. In the ecosystem centered on the development of theater IP, it is emphasized that all departments need to be closely connected, collaborate efficiently, and complete production and value creation vigorously, to realize the development of upstream, expansion of midstream, and extension of downstream, ultimately maximizing the growth of added value. Consequently, this leads to a continuous improvement in the overall competitiveness of theaters. For each actor in the ecosystem, this is also a process of improvement and the continuous accumulation of experience. The diversity of market demand and operation direction of the organization determines the revenue components, while the symbiotic units, in the common pursuit of improving profits, achieve efficient integration, coordination, and interaction. Correspondingly, the revenue components and profits are also supporting the closed-loop development of the theater ecosystem. These results draw our attention to the importance of considering the development of the theater's revenue components and profits from the perspective of the ecosystem as a whole. Whether it is revenue components or profits, the result is not reliant on the efforts of any specific sector but on the dynamic interaction of ecosystem links and symbiotic units and the

effectiveness of internal mechanisms, and therefore revenue components and profits are able to form an interconnected relationship within the ecosystem, serving as the material foundation for its continuous cycle and evolution.

In short, the study reached the following general conclusions about the theater ecosystem:

- 1) **Wholeness.** Whether it's revenue components or profits, the result doesn't depend on the work of a single sector. Instead, it depends on how well the ecosystem's links and symbiotic units work together, as well as how well its own mechanisms work.
- 2) **Circularity.** The cooperation between individuals and development strategies in the theater ecosystem also forms an organic system that links up and down and connects left and right.
- 3) **Accretive.** The theater ecosystem emphasized that all departments need to be closely connected, collaborate efficiently, and complete production and value creation vigorously, ultimately maximizing the growth of added value and the overall competitiveness of the theater. For each actor in the ecosystem, this is also a process of improvement and the continuous accumulation of experience.
- 4) **Evolvability.** By targeting organizational goals, the units within the theater follow a process from creative formation, to works and IP production, to mediums of expression, and finally to the realization of value by target groups. In this process, the theater's development goals will be reset in line with the development and demands of the market, and correspondingly, the development strategies, IP content, and number of employees in each department of the theater's internal ecosystem will also be evolving to better achieve the organization's goals.

4.3.2 Advantages and Challenges of Mahua FunAge's Development Strategies

- Talent Management Strategy; IP Content Management Strategy; Branding Strategy; Marketing Strategy

In this section, the study further describes the advantages and challenges through a critical analysis of these four strategies, including talent management strategy, IP content management strategy, branding strategy, and marketing strategy, which helps us to have a comprehensive understanding of the role and limitations of development strategies for theaters and their IP development.

Talent Management Strategy

The review of Mahua FunAge's experience in this study reveals that an efficient talent management strategy is not only beneficial to talent but also plays a significant role in fostering organizational growth and progress. This result reflects those of Li (2019), Bethke-Langenegger, Mahler, and Staffelbach (2011), and Xu (2012), who also found that a sound talent management strategy can make positive impacts for organizations achieving their goals. Based on the experience of Mahua FunAge, this study summarizes the benefits of this strategy as follows: 1) Promote talent enhancement. Mahua FunAge provides comprehensive training and development programs aimed at improving and fostering professional growth. These initiatives are designed to augment their comedy skills and knowledge base, ultimately leading to heightened job satisfaction and enhanced self-assurance. Simultaneously, in Mahua FunAge, artists can receive career planning feedback and assistance, as well as clarify their career development trajectory, through the utilization of professional departmental allocation and talent brokerage service mechanisms. This enables them to engage in their work with heightened motivation and a clearer sense of purpose. 2) Increase the work efficiency. Mahua FunAge conducts recruitment and selection in a scientific way to ensure that the skills of the talents match with the development goals of the

organization, trains them accordingly with the feedback from the market, and finally, they are assigned to positions that best suit their qualifications and abilities. In the management process, organizations establish explicit performance targets and evaluation systems to incentivize employees to define their tasks. Additionally, they apply the containment approach to enhance work efficiency and quality inside particular units. 3) Enhance organizational competitiveness. Mahua FunAge, as an organization with creativity and performance at its core, regards talent advantage as an important foundation of the company's core competitiveness. It has always been concerned about the issues of talent reserve and retention, employing talent management strategies to cultivate a positive and nurturing corporate culture. This approach aims to attract and retain exceptional individuals, thereby ensuring an ample talent pool that enhances the organization's appeal and competitiveness.

However, dialectically, there are some drawbacks and challenges to the talent management strategy. 1) Inadequate talent resources. The talent team is an important foundation for the sustainable development of the theater company. Given the influence of both internal and external factors, the flow of talent resources is inevitable. As the company expands its operations, it becomes imperative to continuously attract highly skilled individuals to join its ranks. However, it is worth noting that the availability of such talent resources remains limited within the market. 2) Employees feel under pressure. The clear development goals of Mahua FunAge may create work pressure and anxiety for employees. Furthermore, although the company follows a collective creation mode, the industry places significant emphasis on the market impact and commercial viability of individual artists. This may give rise to heightened levels of rivalry and interpersonal conflicts among employees. 3) The inefficiency of communication. The hierarchical relationship within the theater ecosystem may hinder information transmission and effective communication. This can lead to poor coordination and collaboration among different teams and

departments. 4) Management costs increased. To ensure the proper implementation of the talent management strategy, Mahua FunAge has established specialized departments for artist brokerage and human resource management. This leads to a rise in the organization's overall management expenses. In addition, the theater and performing industries require significant investment in training and development expenses, contributing to the overall operational expenses.

In summary, the implementation of a talent management strategy provides distinct advantages in terms of promoting employee growth, enhancing work efficiency, and increasing organizational competitiveness. Nevertheless, the utilization of this action also has certain limitations, like heightened employee stress, obstacles to effective communication, and higher management costs. Hence, it is imperative to thoroughly evaluate the merits and demerits of talent management strategies during their implementation and adopt a judicious strategy that incorporates the concerns of relevant parties with the aim of attaining the most favorable results.

IP Content Management Strategy

According to the findings of this study, it is evident that whimsical IP productions are inadvisable. Mahua FunAge has developed different brand missions for each stage, which serve as comprehensive plans for value creation within the organization. By aligning with industry and market trends, the organization can effectively cater to the demands of their target groups. There is also a need for feedback mechanisms to create and produce IP based on general feedback from the experiences of the audience. Prior studies have also noted the importance of IP content management strategies (Pan, 2016; Qiu, 2109; Jin, 2016), which can help theaters safeguard the quality of their IP. Additionally, it can aid in the cultivation and enlargement of their patronage base, the augmentation of brand influence and reputation, and the realization of industry expansion. Even so, there are still some challenges and risks in the management

process that can't be avoided. 1) Risk of market competition. There is a growing variety of entertainment options in China, and new forms of entertainment on the internet are gaining popularity. Unfortunately, the audience groups of the theater industry have a high degree of overlap with those of other forms of entertainment. So, unless the IP content is sufficiently attractive and prominent, the continuous enrichment of other forms of entertainment will pose a certain threat of substitution for the theater organization. 2) Risk of industry policies. In China, the IP content of both the theater and movie businesses will be regulated by the relevant authorities. If the production organization fails to strictly grasp the policy guidelines and violates industry policies or relevant regulatory requirements, the IP content will not be distributed. 3) Risk of piracy. Despite the increased awareness of copyright protection in Chinese society, it remains difficult to completely prevent piracy and infringement of IP works by others. Worse, infringers may not adequately compensate the company for the losses caused by their actions. 4) Risk of creation and productions deviating from market recognition. The growth of the networked information age has also sped up changes in what consumers want in cultural products in terms of themes, contents, and styles, and the uncertainty of such demand makes newly launched products risk deviating from market acceptance.

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To sum up, an IP content management strategy can assist theater organizations in comprehending the specific needs and feedback of target groups, ensuring the creative quality of IP content, attracting audience groups, enhancing brand influence and reputation, and achieving field expansion and profit improvement. However, it is important to recognize that despite the presence of an experienced management team, a market-tested talent pool, and an effective quality control system that rigorously regulates the artistic and market aspects of the IP content launched by the company, the organization may still be exposed to various risks that can negatively impact its operations. These risks include, but are not limited to, market competition, industry

policies, copyright infringement, and deviations of products from market recognition.

Branding Strategy

The current study has discovered that Mahua FunAge utilizes effective brand strategy to integrate various branding links and elements at different stages of the organization, including brand positioning, brand culture, and brand image. This approach aims to achieve synergy and maximize the brand and IP value. Currently, Mahua FunAge has become a leader in the industry, and its brand influence has deeply resonated with the public. Overall, it appears that a branding strategy can yield advantages for a theater organization: 1) Strengthening brand characteristic. Brand strategy enables organizations to imbue their brand with a distinctive characteristic, which is conducive to creating significant brand differentiation to cater to the varying preferences of consumers, thereby better meeting consumer demands. 2) Enhancing brand competition. Brand strategy assists theaters in designing and producing different products based on their brand positioning and market demand during different stages of development. Consumers can notice the advantages of the brand in the process of comparison in the market so that the brand can increase its market share. 3) Establishing brand loyalty. The other value of brand strategies was their ability to capture brand loyalty among consumers by helping organizations stand out in the market through their unique characteristics. This enables consumers to easily distinguish and connect with the brand's value, enhancing customer relationships. 4) Expanding cooperation opportunities. In general, branded companies are more likely to be perceived as trustworthy and successful cooperation partners compared to unbranded organizations. A strong brand image enhances the credibility of theater productions, attracting the attention of potential partners and facilitating collaborations. These results mirror those of the previous studies that have examined the effectiveness of branding strategies for organizational development (Fu, 2017; Li, 2018; Zhao, 2009). Nevertheless, theater organizations should consider the following

points while establishing its brand strategy: 1) Assessing the management capabilities. Theaters should evaluate their ability and skills in brand management. The practical experience of Mahua FunAge shows that brands need to implement strict market differentiation so that their brands have distinctive personalities. These personalities should be enough to attract consumers. 2) Higher cost investment. Brand strategy comes with inherent risks, and introducing a new brand to the market often requires substantial investment. If the brand lacks competitiveness, the product's sales volume may not be sufficient to support the high costs associated with sustaining and promoting the brand, ultimately resulting in the failure of the brand strategy.

Marketing Strategy

This research has adopted the 4Ps marketing strategy framework for the exploration of Mahua FunAge. By analyzing its marketing strategies from 2014 to 2018, the importance of a systematic marketing strategy for the growth of the theater and its IP production is confirmed. This result is in keeping with previous observational studies, which highlighted the practical significance of the 4P strategy in organizational development (Palmer, 2004; Low and Tan, 1995). Collectively, the 4Ps strategy aims to align the internal controllable factors of an organization with the external environment. It involves proactive and dynamic responses to external uncontrollable factors through product, price, place, and promotion. The goal is to facilitate transactions and achieve the objectives of both individuals and organizations. The valuable advantages of the 4P strategy for theater development lie in its intuitiveness, operability, and controllability. Theaters have the autonomy to make decisions on which IP products to produce, pricing strategies, sales channels, and promotional methods based on the target market conditions. Additionally, the 4P strategy provides a clear and comprehensive representation of the theater's entire marketing process, encompassing the entire commodity trading process. From a management perspective, it is easy for the theater to understand and monitor, allowing for timely diagnosis and

resolution of any issues that may arise.

However, the limitation of the marketing strategies is that 1) Costly. Marketing strategies require substantial expenses, such as advertising, promotion, and public relations, which undoubtedly puts a huge strain on the funds and resources of theater organizations. 2) Change frequently. In the context of the network information age, the market pattern and consumer focus are subject to rapid shifts. Consequently, organizations that do not promptly adjust their marketing strategies to align with evolving market dynamics and consumer expectations may experience a decline in market share and a loss of their competitive edge. 3) Market competition vehemence. In a competitive marketplace, theaters are compelled to acquire a competitive advantage by consistently reinventing the content of their productions and enhancing their marketing techniques. 4) Limited market influence and appeal. The development of social and economic gives rise to innovation and the enrichment of cultural and creative industries, which have been changing ways of distribution and consumption of entertainment contents. However, the increased availability of diversified entertainment platforms adversely impacted people's enthusiasm for theater and led to a decrease in the participation of theater audiences. 5) Uncertainty. Theater may encounter unpredictable risks such as damaged reputations, poor market responses, or malignant competition from industry rivals. In addition, the market environment and consumer demand may bring uncertainties.

4.3.3 Recommendations for Chinese Theater and its IP Development

- Talent Management Strategy; IP Content Management Strategy; Branding Strategy; Marketing Strategy

Further analysis reveals that the development of the theater and its IP not only requires the professional reliability, skilled and strength of each team member, but

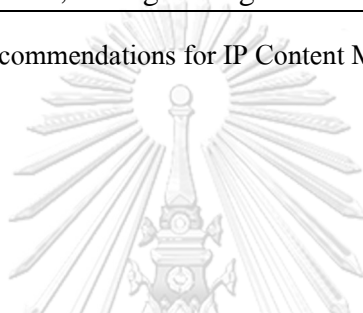
also achieves tacit understanding between the teams in long-term frictional cooperation. Moreover, whether an organization's development strategy can effectively meet its development goals, whether the IP production content meets market demand, and whether branding and marketing reach the designated objectives also have a crucial impact on the profitability of the enterprise. This part of the study aims to reach the third objective of this study, which is to provide recommendations for Chinese theater and its IP development from talent management strategy, IP content management strategy, branding strategy, and marketing strategy.

Talent Management Strategy	
<i>Risks</i>	Inadequate talent resources; staff pressure; communication efficiency; management cost
Objective	Determine the vision statement; Define competitive advantage; Motivate employees; Achieve systemic growth; Layout the development plan
Planning & Identifying	Matching organizational goals and traits; Qualities, skills, and characteristics of talent; Development potential assessment
Attracting & Recruiting	Brand reputation; Organizational culture; Work atmosphere; Potential for career growth
Developing & Deploying	Support services; encouragement of innovation; skills training; cultivation of team consciousness; career development guidance
Maintaining & Retinting	Compensation and benefits; development space and opportunities; interest-bundling; attentive team service; talent incentive mechanism

Table 14 Recommendations for Talent Management Strategy

IP Content Management Strategy	
Risks	Market competition; industry policies; piracy; creation and productions deviating from market recognition
Brand Mission	Communicating the brand's purpose; highlighting organizational values; describing brand identity; shifting as the company grows
Target Market	Share common characteristics such as age, income level, interests, consumer demand, and spending habit
IP Content Design	Originality; creativity; attractiveness; meeting audience demand; expandability; concentrate on specialty field.
Feedback Mechanism	Quality monitoring system; quality supervisor position setting; constructing the consumer feedback platform; member surveys; collect from various social media channels; Strengthening market surveillance and response capacity

Table 15 Recommendations for IP Content Management Strategy



Branding Strategy	
Risks	Specific brand management competence; brand attractiveness; brand competitiveness; input cost
Brand Positioning	Category Position; unique Selling Proposition; brand-binding positioning; target audience classification
Brand Culture	Echo the brand positioning and target audience; highlight the core values; create a brand culture atmosphere; continue to spread and promote the brand spirit.
Brand Image	<u>Logo Design</u> : Harmony of signage style and color scheme; creative shapes; relevance of brand image; avoid the nitty-gritty details; ease of recognition.
	<u>Slogan Design</u> : Accurately expresses brand proposition; clear the brand core belief; cohesive message; KISS principle " <i>Keep it simple, stupid!</i> "
	<u>Brand reputation</u> : Guaranteed production content; reliability of service; social responsibility; establish the brand reputation protection mechanism

Table 16 Recommendations for Branding Strategy

Marketing Strategy	
Risks	Costly; the market environment & consumer demand change frequently; market competition vehemence; limited market influence and appeal; uncertainty in the promotion effect.
Product	Commercial extension potential; compensating the market vacancy; originality; competitiveness; supporting business outreach; motivation between products to promote industrialization and upgrading of the organization;
Price	Production cost estimation; target audience consumption level prediction; unbundling and flexible pricing
Promotion	High-quality IP to drive word-of-mouth marketing; membership system to cultivate audiences; low-priced promotions to attract traffic; offline interactive communication; online multi-channels promotion; multi-brand cooperation and joint communication.
Place	Direct sales: cooperative theater; distribution channels; online platforms; official website; social media links. Indirect sales: media publicity, online hype, social media precise information transmission; accurately targeted advertising

Table 17 Recommendations for Marketing Strategy

4.4 Conclusion

This chapter discusses the practical experience of Mahua FunAge through which the research findings and analysis were conducted. The findings section is subdivided into four parts. Firstly, the study reviewed the first research objective that has been responded to in the literature review chapter, which is to explore the definition of Chinese theater IP in the context of the Chinese creative industry. Secondly, the study observed Mahua FunAge's main IP works and their derivative forms in each phase from 2014 to 2018, as well as deduced and organized the ecosystems of the organization within its corresponding time. Then, this research investigated and summarized the development strategies of Mahua FunAge in talent management strategy, IP content management strategy, branding strategy, and marketing strategy from 2014 to 2018. Finally, the study focused on exploring the financial data for the revenue components of Mahua FunAge over a period from 2014 to 2018.

In the analysis section, the study critically analyzed the impact of theater ecosystems on their revenue components and profit; the advantages and challenges of those four development strategies for the development of theaters and their IPs; and made recommendations for Chinese theaters and their IP development from the four development strategies. In summary, these results are in line with those of previous studies. The theater ecosystem has the characteristics of wholeness, circularity, accretive, and evolvability, in which draws our attention to the importance of considering the development of the theater's revenue components and profits from the perspective of oneness. The result of theater revenue components and profits depends on the dynamic interaction of ecosystem links and symbiotic units and the effectiveness of internal mechanisms, and therefore revenue components and profits can form an interconnected relationship within the ecosystem, serving as the material foundation for its continuous cycle and evolution. Regarding the development strategies, there may be some unpredictable risks involved in the growth of a theater. On average, a talent management strategy could promote talent enhancement, increase work efficiency, and enhance organizational competitiveness. IP content management strategy, which can help theaters safeguard the quality of their IP. Additionally, it can aid in the cultivation and enlargement of their patronage base, the augmentation of brand influence and reputation, and the realization of industry expansion. Branding strategy will benefit theater by strengthening its brand characteristics, enhancing its brand competition, capturing brand loyalty, and expanding cooperation opportunities. And the 4 Ps marketing strategy aims to involve proactive and dynamic responses to external uncontrollable factors through product, price, place, and promotion. The goal is to facilitate transactions and achieve the objectives of both individuals and organizations. This study also provides recommendations for each of these four strategies.

In general, therefore, it seems that the theater ecosystem plays a crucial role in ensuring the stability and durability of its growth. Additionally, the theater's development strategy serves as a significant mechanism for establishing connections with external markets and fostering communication channels. The operational model of Mahua FunAge holds significant reference value for the advancement of Chinese theaters and their IP development.



Chapter 5 Conclusion and Suggestions

This chapter will summarize and conclude the key findings and research contributions of this dissertation related to the research aim, objectives, and research questions. It will then analyze the limitations and indicate future research.

5.1 Conclusion

In summary, the first objective of this study is to explore the definition of Chinese theater IP in the context of the Chinese creative industry. Although, up to now, there appears to be some agreement on IP, based on the background of the continuous development of the internet and digital technology, little attention has been paid to the definition of theater IP. Consequently, this study points to the following general conclusion definitions that might be more appropriate regarding theater IP in the context of the Chinese creative industry: 1) the theater original work, which is protected by IP law for its creativity and originality, where the protected interests include ownership of rights and interests; 2) having a high degree of market recognition and exhibiting both cultural communication value and commercial worth; and 3) as a core factor that increases the integration and expansion activity of the theater with other creative industries and media communication channels.

The second research objective of this study is to take “Mahua FunAge” as a case study to investigate the structure of the internal ecosystem of Chinese theaters and its impact on return component and profit, and through the evolution of its ecosystem from 2014 to 2018, find out that the high integrity of each symbiotic unit and the organic cycle of symbiotic relationships affect the revenue components and profit of the organization. Consequently, the study explored that the theater ecosystem has the characteristics of wholeness, circularity, accretive, and evolvability, which draws our

attention to the importance of considering the development of the theater's revenue components and profits from the perspective of oneness.

Turning now to the third research objective, which is to provide recommendations for Chinese theater IP development from talent management strategy, IP content management strategy, branding strategy, and marketing strategy. On average, a talent management strategy could promote talent enhancement, increase work efficiency, and enhance organizational competitiveness. The strategy emphasizes the interplay between theater objectives and talent development, a process that includes planning and identifying, attracting and recruiting, developing and deploying, maintaining and retinting. The IP content management strategy requires coordination between the brand mission, its target market, and IP content design, as well as the building of a feedback mechanism to receive suggestions. Which can help theaters safeguard the quality of their IP. Additionally, it can aid in the cultivation and enlargement of their patronage base, the augmentation of brand influence and reputation, and the realization of industry expansion. Branding strategy will benefit theater by strengthening its brand characteristics, enhancing its brand competition, capturing brand loyalty, and expanding cooperation opportunities. It is the premise to clearly state the brand position, create an attractive and cohesive brand culture, and design the brand image that catches the consumer's attention. And the 4 Ps marketing strategy aims to involve proactive and dynamic responses to external uncontrollable factors through product, price, place, and promotion.

5.2 Limitation and Suggestions

This dissertation also has limitations, as demonstrated by the limitations of the data and research with limited generalizability. Firstly, the data and materials for this study are secondary and sourced from some of the publicly available information on the official websites of Mahua FunAge and industrial reports. Due to restricted access,

comprehensive data, and materials from within Mahua FunAge and industry insiders are not available. Moreover, due to time limitations, it is impossible to track the specific situation of industrial development and ecosystem evolution in Mahua FunAge for a long time, obtain the first-hand data of Mahua FunAge, or obtain the subjective thoughts of industry insiders.

Future research could consider the combination of primary data and secondary data to compensate for the limitation of not being able to obtain information from Mahua FunAge and industry insiders. The specific approaches can be to issue questionnaires to Mahua FunAge audiences who have multiple consumption experiences or to conduct in-depth interviews with the Mahua FunAge staff about the theater ecosystem and its development strategies to obtain subjective and qualitative data, which will help the organization provide service to humanity and effectiveness. In addition, future research could analyze the impact through a comparative analysis of different theater companies, thus further expanding the possibilities and development directions for the theater's IP.

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