Research on the Development Path of Cultural Industrial Parks in Urban Functional Expansion Areas

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ABSTRACT

Urban functional expansion areas have neither the advantage of cultural resources agglomerated in core areas, nor the advantage of low development cost in suburbs. However, in the process of concentrating on developing cultural and creative industries, they can form unique advantage by integrating resources in cultural industrial parks. By utilizing business ecology theory, this paper analyzes the “ternary” linkage bodies in the development of cultural industrial parks in urban functional expansion areas, constructs the dual body theory of resource integration in parks, and puts forward the “tri-agglomeration” sustained development path, which means that cultural industrial parks determine leading industries and attract core firms to generate “core agglomeration” effect, extend vertical industry chain and horizontal service chain to generate “chain agglomeration” effect, and construct common platform as well as function system to generate “network agglomeration” effect.

INTRODUCTION

In recent years, Chinese local governments have taken measures to promote the development of cultural industries, and parks are important ways and means for their realization. However, in the development of regional cultural industry and in the construction of urban cultural industrial parks, due to differences of various urban functions in all types of regions, the conditions and tasks of developing cultural industrial parks also vary. We need to determine the specific development path on the basis of clarifying the regional development priorities. For example, Beijing generally can be divided into four major functional areas, namely the capital functional core area, the urban functional expansion area, the urban development area and the ecological conservation development area. Among them, the urban functional expansion area is suitable for highlighting the function of science and technology

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center, which is the focus of cultural industrial park development. Meanwhile, this area has neither the advantage of cultural resources agglomerated in core areas, nor the advantage of low development cost in urban development area and ecological conservation development area. So, in the process of focusing on the development of cultural and creative industries, a problem needs to be studied and solved is that how to integrate the resources in cultural industrial parks in urban functional expansion areas and form unique development advantages.

**THE “TERNARY” LINKAGE BODIES OF CULTURAL INDUSTRIAL PARK**

In 1993, James F. Moore proposed the concept of business ecosystem, and that commercial ecological system the economic union of based on the interaction of organizations and individuals, which consists of enterprises and industrial clusters and the external environment of their survival and development. Moore borrowed natural ecosystems to describe and interpret business activities in the market. He break the restrictions of the traditional theory of competitive strategy and underlines “cooperation and competition” and “co-evolution” within a system.

In the key fields and main tasks of urban functional expansion area, it requires government departments to consummate the industrial planning and publish development-improving policies to form ordered patterns of complementary advantages and interlace development. Meanwhile, we also need to set up financial, intermediary and other hardware platforms and software platforms such as public information network. From the level of coordination between cultural industrial parks, markets, governments, non-governmental organization (NGO) are high-level elements to manage park resources integration activities, forming the external park “ternary” regulating bodies. From the level of coordination within the cultural industrial park, between the park as a whole and the enterprises in it, an intermediate level of a park should be formed in the mode of massive clusters or sub-parks with features, namely functional areas, then they constitute the internal park “ternary” linkage bodies (see figure 1).

![Figure 1. “Ternary” linkage bodies frame.](image)
Through internal and external “ternary” linkage bodies, cultural industrial parks can promote the cluster of high-quality enterprises of culture, and achieve common development through synergy. The specific forms include absorbing personnel, material, energy, and information and other resources from the surrounding environment; serving a systematic function of cultural industrial parks through resources shared, innovation, and competition and cooperation process to get output of products, knowledge, technology and talents; additionally, with the leading radiation and modeling effect to regional economy generated by industrial parks, promoting the economic development of urban functional expansion area and the sustained evolution of its own ecological system. From the perspective of system structure, all kinds of enterprises with features of both association and independence are main elements of industrial parks. These bodies interact directly or indirectly through trading networks, technology networks and informal social network. Cultural industrial park in urban functional expansion areas is an organic complex system consisting of multiple environmental factors, including economy and ecology. And business eco-systems theory provides a systematic and comprehensive analytical method for the industrial park studies.

“TRI-AGGLOMERATION” SUSTAINED DEVELOPMENT PATH OF CULTURAL INDUSTRIAL PARKS

Based on the development characteristics of urban functional expansion area, in the process of the formation of cultural industrial park business ecosystem, we need to be system-sustained-development oriented. Park managers plan “forest”, thus in principle they guide the spatial distribution and industrial coordinated development in a park. It also provides various survival factors, conditions and environment. The park itself needs to form endogenous evolutionary mechanism that allows the “tree” to grow naturally and gradually a variety of resources assemble, promoting the self-organization, mutual collaboration and adaption to the environment of the enterprises. We divide the agglomeration into three levels, making up of the “tri-agglomeration” path of sustained development of cultural industrial parks in a commercial ecosystem (see figure 2).
Core Agglomeration: The Origin of Ecosystems

“Core agglomeration” means introduce and cultivate core enterprises and develop leading industries at the beginning of cultural industrial park development.

Core enterprise: In the early development of the cultural industrial park, one or several enterprises settle in first. Gradually they form a certain scale and play a radiation and traction role on the surrounding economy. Core enterprises may settle in the park both spontaneously and introduced by the government in some way. Core enterprises are essentially distinct from other enterprises in the park on competencies and embeddedness. They drive the agglomeration effect of cultural industry and the entire evolution of the park, motivating the development of other businesses through investment, innovation, knowledge transfer and brand proliferation.

Leading industries. Only by establishing the dominant cultural industry, insisting on developing characteristic cultural industry, avoiding similar industrial structure and forming comparative advantage, can a cultural industrial park make sustained evolution. The leading industry development needs to have basic location and resources, including capital, technology, human resources, geography, and so on. In the start-up stage, park managers select to support leading industries with strong relevance, good market prospects and high-tech according to the regional characteristics and industrial advantages. This will be more efficient than industries that parks form spontaneously.

Initially, no specific association has formed between enterprise, and there is no real material recycling, energy flow and information delivery between enterprises and the external environment. However, with an increasing influx of similar enterprises in the industrial park, gathered under marginal increment of scale, enterprises can share resources such as information, market, generating an associated structure and specific features of "core" structure. Taking Li’an exhibiting industrial park in Xinzhuan town, Minhang district, Shanghai City for example, as early as 2005, Xinzhuan town introduced the first creativity exhibiting enterprise—Shanghai Fudan multimedia
limited. Taking the company as the core and backing, Li’an exhibiting industrial park clarified creativity industry as its leading industry, and quickly brought in 35 companies.

Chain Agglomeration: The Formation of Ecological Systems

With the agglomeration and development of “core” in cultural industrial park, some companies will adopt a division and collaboration approach to attract supporting upstream and downstream enterprises settled in the park, while in order to adapt to the changing environment, others adopt highly localized development strategy, moving research and development centers and regional headquarters in the Park, strengthening links with local businesses and other actors. Therefore, vertical and horizontal "chain agglomeration" development has formed.

Vertical chain agglomeration. It manifests the relationship between upstream and downstream industry chain, including suppliers, manufacturers, and demanders. Effective supply of products and services is the embodiment of competitive advantages of the industrial park, and the successful production and sale requires cooperation and interaction between the upstream and downstream business around the "core" enterprises.

Horizontal chain agglomeration. It manifests that the industrial park has introduced a variety of support services business, including venture capital, financial institutions, research institutions, regulatory agencies, service agencies and so on, so as to provide “core” enterprise with capital, technology, talent and management, extension of service support to achieve more efficient delivery of high quality products and services.

With the growing strength of the industrial park, a trust mechanism is gradually established through interaction and cooperation among both local-grown and moving-in large enterprises and small businesses. A large number of formal and informal relationships create a scale nonlinear amplification, with greater adsorption to attract more resources and more outpouring of innovation thought in this ecosystem. For example, “Li’an” exhibiting industrial park in Xinzhuang town bases on its upstream company Fudan Foremost to pertinently introduce a complete industrial chain, substantially reduced the cost of cooperation and exchange.

Network Agglomeration: Consummation of the Ecosystem

The further development of cultural industrial park business ecosystem, will produce new integrated industrial function. That is to say it can not only provide infrastructure like “sunshine, air and soil”, but also shape social and cultural environment, excellent leisure environment policy environment, entertainment, and so on to encourage innovation and entrepreneurship. At this point, the cultural industrial park goes into the ecosystem "network agglomeration" stage of development as a whole.

The park expands by utilizing the environment. At the growth stage, the cultural
industry park may have strong radiation and influence effect on the environment. At this point, the park will form a resource structural and spatial structural scale expansion. The former focuses on cumulative gain of various aspects of survival factors, and the latter focuses on high fitness levels of the space integration.

The environment reacts to the Park. With the expansion of park resources and space scale, it will cause competition for resources, and problems like excessive costs and low efficiency may arise. The original "core" loses aggregation function gradually. At this time, the industrial park can promote the new "core" replacement in due course on the basis of original competitive advantage being absorbed.

After entering the “network agglomeration” stage, Shanghai Minhang Li’an exhibiting industrial park should coordinate all main parties, integrate multiple resources and build “network agglomeration” stage platforms and systems of the industrial park to form coordination mechanisms of the bodies.

CONCLUSION

The generation and evolution of cultural industrial park business ecosystem is the outcome of linkage between self-organizing, synergy, adapting to the environment of all bodies inside and outside the park. Meanwhile, external environment, active government regulation, management, service and monitoring are also important conditions for an orderly evolution of the system. On the whole, cultural industrial parks in urban functional expansion areas should determine the dominant industry and follow the “tri-agglomeration” development path, which means to attract core enterprises of “core agglomeration”, to expand vertical industry chains and horizontal service chain of "chain agglomeration", and to create a public platform and functional system of “network agglomeration”.

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