



The Impact of the Performing Arts Economy on Urban Consumption

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Abstract. Since the post-pandemic period in 2020, the global performing arts economy has expanded rapidly, and its recovery has significantly boosted urban consumption. Based on this, this paper examines how the performing arts economy promotes urban consumption and how to better leverage its role in driving urban development. Through literature review and case studies, I first summarize discussions in existing research on the characteristics of the performing arts economy and how it stimulates cultural consumption. Building on this, the study explores the role of the performing arts economy in promoting cultural and tourism consumption, using Hainan Province as an example, and discusses the government's role in this process. Findings indicate that the performing arts economy drives consumption in urban and surrounding areas, with integrated cultural tourism and preferential policies further amplifying its economic impact. Accordingly, this paper recommends deepening the integration of the performing arts economy with cultural and tourism consumption, with the government playing a guiding and facilitating role.

Keywords: Performing Arts Economy; Tourism; Consumption

1 Introduction

The performing arts economy has rapidly recovered after the disruptions caused by the pandemic. Data shows that China's performance box office revenue in 2024 was six times that of 2022. The quickly rebounding performance market has attracted a large number of tourists and simultaneously boosted urban cultural and tourism consumption, playing a significant role in stimulating city-wide spending. The mechanism through which the performance economy drives urban consumption is a question worth studying, and exploring the government's role in this process can enhance its effect on stimulating urban consumption.

This paper adopts a combination of literature review and case studies to explore the aforementioned issues. Existing literature has found that while China's performance economy is rapidly expanding, the consumer market is also extending from large cities to third- and fourth-tier cities. Simultaneously, consumers' willingness to engage in cross-city show attendance has increased, which enhances the performance economy's role in driving cultural and tourism consumption. Performance activities also exhibit

strong social attributes; therefore, leveraging network effects and digital influence is crucial for both the performance economy itself and its spillover effects on urban consumption. Beyond directly boosting cultural and tourism consumption, performance activities can also indirectly stimulate consumption by driving local tourism, accommodation, and catering. The government further promotes this spillover effect through measures such as distributing food and beverage consumption vouchers.

This paper utilizes the case study of the Red Detachment of Women cultural tourism project in Hainan Province to explore how performances can drive surrounding cultural and tourism consumption. Since the implementation of cultural system reform in China, the performance market has experienced explosive growth. In 2025, the ballet Red Detachment of Women held resident performances in Hainan Province, attracting a large number of local residents and tourist audiences. To seize this opportunity, Hainan's cultural tourism sector continuously introduced and refined subsidy policies for concerts and discounts for cultural tourism products, aiming to attract performance attendees and significantly boost tourism spending. Furthermore, cross-border integrated business models stimulated tourism revenue for related attractions, resulting in a favorable situation in the tourism consumption market and a notable enhancement in cultural and tourism development. It is recommended to strengthen the integration of the performance economy with cultural and tourism consumption, using culture to drive economic growth.

Taking the concrete measures of Hainan Province as an example, this paper suggests that the government should introduce policies to directly promote the development of the cultural and performing arts industry, while implementing relevant subsidy measures to boost consumption in surrounding areas such as catering services and accommodation, thereby enhancing the economic growth driven by cultural and tourism consumption. The rest of this paper is structured as follows. Section II summarizes the relevant literature. Section III presents the example of Hainan cultural tourism. Section IV concludes.

2 Literature Review

2.1 Characteristics and Trends of the Performance Economy

2.1.1. Penetration from Major Cities to Third- and Fourth-Tier Cities.

China's performance market is experiencing comprehensive prosperity, with vibrant activities not only in first-tier cities but also increasingly in third- and fourth-tier cities. For instance, in Shangrao, Jiangxi Province, from early July to mid-August 2023, over ten diverse performances—including music festivals, immersive live shows, concerts, children's plays, and dramas—were held in rapid succession[1] (He, 2024). By 2023, large-scale music festivals in third- and fourth-tier cities accounted for 23% of the national total, an 11-percentage-point increase compared to 2019. During the same period, the Northwest region saw a ticket revenue surge of over 900%, while fifth-tier cities experienced a growth of more than 600% compared to 2019. This trend is driven by the development of economy and increased disposable income in these regions, significantly enhancing their cultural consumption capacity[2] (Song and Hu, 2025).

2.1.2. The Increasing Willingness of Consumers to Travel across Cities for Live Performances.

The strong recovery of large-scale commercial performances has significantly driven the deep integration of the performing arts and cultural tourism industries, becoming a major catalyst for urban consumption growth. Data shows that in 2023, the proportion of cross-city attendance for large-scale concerts reached 68%. Approximately 26.8% of these cross-city attendees tended to engage in tourism within the host city or its surrounding areas after the performances, with 88% opting for trips lasting one to three days. This reflects strong consumption willingness and relatively high spending levels. For these audiences, attending a concert is equivalent to embarking on a short trip [2](Song and Hu, 2025). Many seize the opportunity to turn their concert experience into a "free and easy" tour. For example, according to Ctrip data, in the week leading up to the TFBOYS tenth-anniversary concert held on August 6, 2023, in Xi'an, bookings for local attractions in the three days surrounding the event surged by over 38 times year-on-year, while overall vacation package orders increased by more than 16 times. Ultimately, this single concert directly generated 4.16 billion yuan in tourism revenue for Xi'an [3].

2.1.3. Performing Arts Economy Possesses Social Attributes.

In the 1970s, James Carey, in his essay "A Cultural Approach to Communication", first proposed the "ritual view". Using "ritual" as a metaphor for communication, he argued that communication is not merely the superficial transmission of information, but rather all ritualistic activities that maintain social relations and social life. Participation, sharing, association, community, and common belief are the core ideas of the ritual view of communication. People gather together to share aesthetic experiences, common beliefs, personal values, and emotions. This non-utilitarian gathering sublimates and strengthens the participants' sense of identity and belonging. In temporary ritual settings, such as performance events, the audience accepts the ideas disseminated during these activities, identifies with the procedures and standards of the ritualized events, and consequently practices certain universally significant sentiments and values. Ritual settings can also, through agenda-setting and artistic rendering, explore the possibilities of "scenario-based narration" in online performances [4]. This shared experience and accompanying sense of belonging can greatly amplify the radiating effects of performances and capture more potential consumers.

The performing arts economy is increasingly utilizing digital means for marketing and enhancing consumer experiences. In the era of the digital economy, performance formats have developed the characteristic of online-offline integration, while digital marketing has become an increasingly important tool for attracting consumers. Online performances offer unique experiences to consumers. For instance, during live concert streams, audiences can switch between six different camera angles provided on the playback interface to choose the view they prefer. These special camera angles allow viewers to see perspectives completely different from those of an offline performance. Digital marketing in the performing arts leverages the internet, mobile communication technologies, and digital interactive media to achieve marketing goals. For example, before a concert, organizers can use the "topic" function on social media platforms like

Weibo and Twitter to guide discussions and attract fan attention. Promotional activities for artists' events, work releases, and commercial advertisements are also placed on social media, serving as crucial channels for delivering marketing messages [5].

2.2 How the Performing Arts Economy Drives Urban Consumption

2.2.1. Performing Arts Economy Directly Stimulate Urban Cultural Consumption.

With China's economic development and social progress, spiritual and cultural consumption has gradually become a consumption trend. Consumers' demand for cultural products and services continues to increase, the levels and diversity of cultural consumption are enhancing, and the concept of cultural and entertainment consumption is gradually becoming clearer. This trend is developing towards diversification, personalization, and experiential engagement. Live music performances are grand events that integrate music, culture, art, social interaction, and economics. They are not only an important form of artistic expression but also one of the significant ways for public entertainment [6]. Within the performing arts economy, ticket revenue constitutes the most crucial income source for event organizers and is also a vital component of urban cultural consumption [7]. The hosting of performances directly satisfies consumers' spiritual and cultural needs, serving as a direct driving force for urban cultural consumption.

2.2.2. Local Governments have Implemented Various Preferential Measures to Boost Performing Arts Economy.

To promote the interactive development of "performances + cultural tourism," governments need to integrate local artistic and tourism resources, and coordinate multiple departments such as culture, tourism, and urban planning to create distinctive urban cultural and tourism consumption features. Additionally, in terms of infrastructure, it is essential to ensure traffic management and safety guarantees during large-scale performance events. For publicity, governments can actively build and utilize diversified promotional platforms, including official websites, social media accounts, television broadcasts, and outdoor advertisements, to ensure information is quickly and widely disseminated to the public [8]. Regarding preferential measures, governments can subsidize performances or consumers to encourage the localization of performing arts activities, thereby stimulating local cultural and tourism consumption. For example, in 2023, the Xiamen municipal government provided cash subsidies for commercial performances and issued cultural tourism consumption vouchers to tourists visiting Xiamen, effectively boosting the local tourism economy.

2.2.3. The Performing Arts Economy Stimulates Urban Consumption in Accommodation, Catering, and Cultural Tourism.

As cross-city attendance of performances has become a new trend, the integrated model of "performances + tourism" has given rise to a diverse new landscape of cultural and tourism consumption, serving as a crucial attraction for urban tourism spending.

The radiating effects of the performing arts industry chain are increasingly significant. In 2024, the majority of China's large-scale music festivals were held within scenic areas, with these events becoming deeply integrated into local tourism ecosystems. For example, the Changzhou Taihu Bay Music Festival attracted 135,000 attendees, over 95% of whom were from outside the city [9]. Zhang Can (2020), using panel data from 31 provincial-level regions in mainland China spanning 20 years (1998–2017) and modeling based on two indicators—tourist visits and tourism revenue—found that cultural performance activities have a significant driving effect on both tourist numbers and income [10].

3 Case Study

Since 2003, China has progressively relaxed regulations on cultural undertakings and implemented cultural system reforms in batches and by region. The key aspects of the cultural system reform included two main areas: on one hand, clarifying the relationship between local governments and cultural institutions. On the other hand, distinguishing between public welfare cultural industries and for-profit cultural industries. Research indicates that this reform significantly boosted cultural tourism revenue and visitor numbers, promoting the development of the cultural tourism sector [11]. The number of domestic tourists increased from 520 million in 1994 to 4.44 billion in 2016, while total tourism expenditure grew from 100 billion RMB in 1994 to 3.94 trillion RMB in 2016.

Meanwhile, China's performance market has experienced sustained growth since 2010, with particularly explosive expansion in the post-pandemic era. As shown in Figure 1, in 2010, the total box office revenue of China's performance market was approximately 100 billion RMB. By 2024, the total box office revenue of China's performance market had reached nearly 600 billion RMB

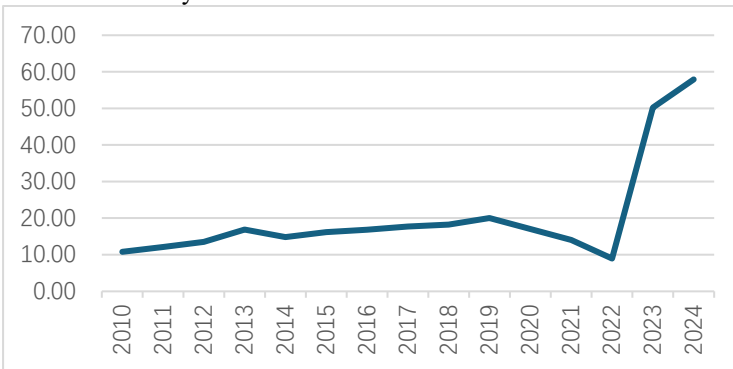


Fig. 1. China box office revenue (billion yuan)

Against the backdrop of rapidly growing box office revenues for performances, local governments are actively seizing the opportunities presented by the performing arts economy to boost local cultural and tourism consumption. Measures include providing

subsidies for performances, offering discounts on peripheral cultural and tourism consumption, and integrating cultural and tourism resources to attract tourists. The following section uses the ballet *The Red Detachment of Women* as a case study to analyze its effect on stimulating consumption.

3.1 Directly Driving Art Viewing Consumption

The Red Detachment of Women premiered in 1964. It skillfully integrated the techniques of Western ballet with the expressive methods of Chinese folk dance, achieving an artistic pinnacle by merging Eastern and Western cultures within the ballet art form. It showcased the aesthetics and techniques of Western ballet while telling a distinctly Chinese story. Set in Hainan Island, China, during the 1930s, against the backdrop of the Chinese revolutionary history, the ballet narrates the story of Qionghua, a maid-servant who escapes from the clutches of the tyrannical landlord Nan Batian. With the help of Hong Changqing, the Red Army's Party representative, she transforms from a rural girl harboring deep personal grievances into a steadfast soldier of the Women's Detachment, fortified with firm communist beliefs.

In 2025, the China National Ballet's classic ballet *The Red Detachment of Women* held resident performances in Hainan. This marked the ballet's first resident performance in China since its premiere 61 years ago, with a total of 29 shows planned throughout the year in three rounds. Hainan Province is the birthplace of the *Red Detachment of Women* story, and these resident performances attracted a large number of local residents and tourists, with over ten thousand audience members attending the theater. Among the audience were families spanning three generations watching together, descendants of the *Red Detachment of Women* soldiers, and tourist groups who traveled long distances to revisit this classic. One elderly visitor from Sichuan was deeply moved by the powerful performance and shed emotional tears at the scene.

3.2 Government Promotion of Performance-Related Consumption

Since 2022, Hainan has successively introduced multiple performance reward and subsidy policies. By 2025, Hainan had hosted 29 large-scale commercial performances such as concerts and music festivals, and introduced 54 outstanding theatrical productions. According to incomplete statistics, these events collectively attracted over one million audience admissions, with more than 50% of attendees coming from outside the island, generating nearly 4 billion RMB in tourism revenue. The province has continuously optimized and enhanced the implementation details of its reward policies, streamlining the application materials required for enterprises to improve audit efficiency. The authorities aim to complete the review process within 45 days upon receiving a complete set of application materials for subsidies.

Hainan has introduced 23 measures to promote the integration of culture, sports, tourism, commerce, and exhibitions to expand consumption. These measures specifically include additional reward and subsidy policies for tourism performance projects. They provide incentives for two main types of projects: firstly, tourism performance projects that have been continuously performing in Hainan for over three years; and

secondly, key tourism performance projects that are associated with national and ministerial-level major festivals retained by Hainan, with their performance content focusing on promoting and inheriting Chinese historical culture, revolutionary culture, marine culture, and folk culture.

In addition to direct government subsidies for performing arts events, various forms of consumption vouchers and discounts are used to attract consumers to engage in peripheral cultural and tourism spending. During these events, major commercial districts in Haikou offer exclusive benefits for fans. Tourists can enjoy discounts at duty-free shops, night markets, restaurants, and tourist attractions by presenting their performance tickets, effectively integrating culture and tourism to stimulate robust consumption momentum. Data shows that Jay Chou's 2023 "Carnival" World Tour attracted over 150,000 tourists to Haikou in just four days, generating tourism revenue of 976 million RMB. On May 3-4, 2025, the Times Youth League's "Coming of Age Ceremony" concert in Haikou successfully concluded, attracting 115,400 attendees and resulting in total tourist spending of 655 million RMB, demonstrating the significant economic impact of concerts. Additionally, Haikou hosted the "Bragging About Haikou" Summer Concert, which saw a 112.17% year-on-year increase in visitors to Century Park, further highlighting the substantial spillover effects of the performance economy.

3.3 Integrating Cultural and Tourism Activity Resources

To promote peripheral consumption beyond the ballet itself, the Hainan Provincial Performing Arts Group, in collaboration with Hainan Haiqi Travel Agency, launched the "Red Detachment of Women" themed tourist bus. It connects core cultural and tourism resources between Haikou and Qionghai, offering citizens and tourists an immersive themed journey to "follow the Red Detachment of Women and tour Hainan". The bus exterior is adorned with classic scenes from the dance drama, while professional narrators onboard guide passengers through the history of the Qiongya Revolution and regional cultural stories. Stops along the route include the Red Detachment of Women Memorial Garden and the China (Hainan) South China Sea Museum, vividly recounting the region's revolutionary past and local heritage. The journey culminates at the Hainan Provincial Song and Dance. In addition, the Hainan Provincial Performing Arts Group collaborated with media outlets from various cities and counties across Hainan, as well as numerous local travel agencies, to launch the "Follow the Red Detachment of Women to Tour Hainan" thematic activity, crafting a new experience of red culture.

Under the stimulation of cultural and tourism policies, Hainan Province's tourism revenue has increased significantly. During the 2025 May Day holiday, the province received 3.9 million tourist visits, a year-on-year increase of 17%; total tourist spending reached 5.245 billion RMB, a year-on-year increase of 20.2%. Visits to scenic areas increased by 31.1% year-on-year, visits to rural tourism sites increased by 32.6% year-on-year, and visits to museums increased by 16.4% year-on-year. The tourism consumption market presented a situation with substantial increases in both tourist numbers and revenue. As shown in Figure 2, Hainan Province's tourism revenue grew rapidly from 20 billion RMB in 2010 to 180 billion RMB in 2023, demonstrating the effectiveness of Hainan's efforts in building an international tourism island.

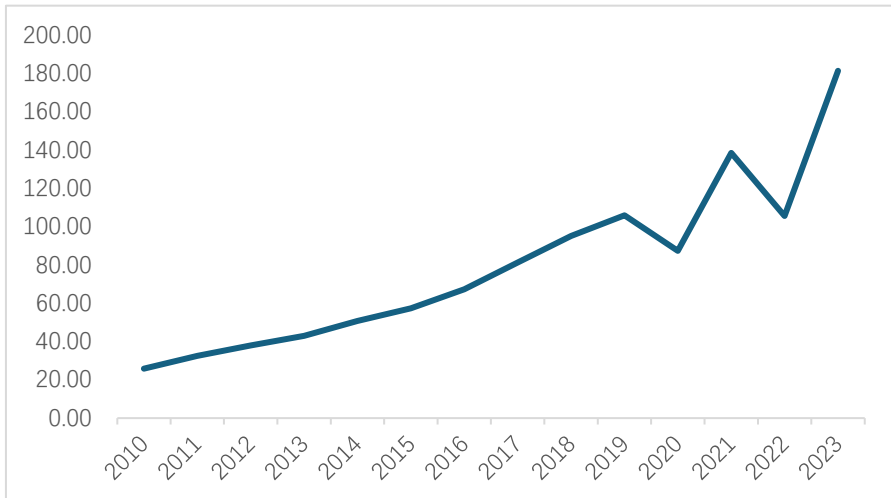


Fig. 2. Hainan Tourism Revenue (billion yuan)

4 Conclusion

Based on a synthesis of existing literature and case studies from Hainan Province, this paper finds that the performing arts economy exerts a strong driving effect on cultural and tourism consumption. It not only directly boosts cultural consumption as part of cultural performances but also stimulates urban cultural and tourism spending through tourism, dining, and accommodation. Additionally, the government can play a role in amplifying the impact of the performing arts economy and promoting cultural and tourism consumption through specific measures, including:

1. Encouraging the Development of Cultural Performances: This can be achieved through direct subsidies for performances to foster urban performing arts initiatives. Examples include organizing cultural festivals, inviting relevant artistic groups to perform, and providing direct subsidies for commercial performances to attract events to be held locally.

2. Issuing Performance-Related Consumption Vouchers: Consumers can use ticket stubs from performances to enjoy discounted prices on urban accommodation, dining, and tourism products. This effectively transforms the performing arts economy into demand for urban tourism.

3. Integrating Tourism Resources: Beyond performances, resources from scenic spots and memorial halls can be integrated to attract tourists to experience seamless tourism services after attending performances.

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