

Research on the High-Quality Development Path of Regional Characteristic Economy

Based on the investigation and analysis of the status quo of the use of characteristic resources of Xuan Paper in Jingxian County

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Abstract: Jingxian County, Anhui Province is known as "the second ecological civilization city of Anhui Province". In recent years, Jingxian has made great achievements in the development of red tourism industry, Xuan Paper town, and ecological environment protection, but there are still some problems in the development of Xuan Paper's characteristic resources. For Xuan Paper paper resources, the article first analyzes it based on the SCP paradigm, and analyzes its market structure by selecting the Herfindahl Hirschman index (HHI index) and industry concentration index (CR4 and CR8), through market pricing behavior and product development behavior, industry price competition behavior and industry non-price behavior to analyze its market behavior; analyze its market performance through capital utilization efficiency and labor utilization efficiency indicators.

Keywords: SCP paradigm; Herfindahl-hirschman index (HHI index); Industry concentration index (CR4 and CR8); Market performance.

1. Introduction

Jingxian Xuan Paper has a long history, according to historical records, the word "Xuan Paper" was originally from the Tang Dynasty. After thousands of years of historical development, Xuan Paper has become a local business card with multiple values of art, scholarship and economy. However, the current inheritance of Xuan Paper craftsmanship faces multiple obstacles such as brain drain, lack of raw materials, and market chaos. At present, the state attaches great importance to traditional culture, vigorously develops cultural industries, and strengthens the protection of intangible cultural heritage. The Jingxian County government is also accelerating the production protection of Xuan Paper through various means.

2. Analysis of the Status of Xuan Paper in the SCP Paradigm

In the 1930s, Bain and Scherer, industrial economics scholars from Harvard University, used empirical research as a means to construct a systematic market structure (Structure) - Market Behavior (Performance) analy-

sis model. (Referred to as SCP analysis model) (Su Dongshui 2000).The basic connotation of the model is that the market structure determines the behavior of the enterprise in the market, and the corporate behavior determines the performance of the market operation. The analysis of the current status of the county's Xuan Paper will be based on the model's market structure, market behavior and market performance.

2.1. Xuan paper market structure analysis

According to the SCP paradigm, Tang Xiaohua (2001) argues that market structure refers to the market share and scale of firms in a particular market. There are many indicators to measure the market structure, the most important of which is market concentration. The annual sales of Jingxian Xuan Paper from 2009 to 2017, the annual sales of the paper market and the sales data of the paper market in Anhui Province were selected, and the Herfindahl Hirschman index analyzed the current concentration of the Xuan Paper market in Jingxian County.

Table 1. The annual sales and annual sales of xuan county's xuan paper accounted for the proportion of the entire paper market in Jingxian county and the paper market in anhui province.

Year	Jingxian county xuan paper annual sales (1)	Jingxian paper market annual sales (2)	Anhui paper market annual sales (3)	H.I (1)/(2)	(1)/(3)
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2009	18735	34002	1721223	0.551	0.01088
2010	19002	35059	1762145	0.542	0.01078
2011	19421	34619	1812479	0.561	0.01072
2012	19862	35042	1963240	0.567	0.01012
2013	20378	36428	2038561	0.559	0.01000
2014	20836	37072	2263872	0.562	0.00920
2015	21313	38042	2336424	0.560	0.00912
2016	21742	39213	2474213	0.554	0.00879
2017	22438	41062	2524581	0.546	0.00889

Note: The data comes from the field investigation of the Xuan Paper market in Jingxian County and the data collection of the Jingxian County Bureau of Statistics. With reference to the third industry data of the Anhui Statistical Yearbook, it is easy to analyze and round off the data fraction

The larger the value of H.H.I, the higher the market concentration. It can be seen from Table 1 that the value of H.H.I from 2009 to 2017 has been around 0.55, indicating that Xuan Paper industry of Jingxian County has a certain market concentration. Although to some extent, the county's Xuan Paper industry and sales scale account for a considerable proportion of the entire Jingxian paper industry, but its nine-year annual sales and HHI index, the change is not large; From(1)/(3), that is, the annual sales of Xuan County's Xuan Paper accounted for the proportion of the annual sales of the paper market in Anhui Province, and it also showed a downward trend. From the perspective of "Rational People", as a dominant industry with a considerable proportion and share in the market, it will continue to expand market sales. At this time, the H.H.I index will become larger, and the corresponding market concentration will increase. However, the HHI value of the Xuan Paper industry in Jingxian County has always been around 0.5, and there is no market result of 'stronger stronger', which reflects that the Xuan Paper industry in Jingxian County has been restricted by certain factors in its development process, which has seriously hindered its expansion of market size and further development.

Then select the main business income of the top 4 and the top 8 large Xuan Paper production enterprises in the Jingxian market from 2010 to 2015 to analyze the changes in their respective market sales and the structure of the entire Jingxian Xuan Paper market. According to Bain's industry concentration index (CR4 and CR8), the Jingxian County's Xuan Paper industry belongs to the oligopoly type III (middle and upper concentration oligopoly), $50\% \leq CR4 < 65\%$, $75\% \leq CR8 < 85\%$. According to the data analysis, the market concentration (market share) CR4 of the top 4 large-scale production enterprises in the Jingxian paper market from 2010 to 2015 is about 50%, and the market concentration of the top 8 Xuan Paper enterprises (The market share) CR8 is basically around 84%, and the annual sales of each Xuan Paper production company has not changed much. This proves from another aspect that the traditional hand-made Jingxian paper industry has indeed encountered in the development process to the "bottleneck".

2.2. Xuan paper market behavior analysis

According to the SCP paradigm, under the premise of the supply and demand conditions of the integrated market and the relationship with other enterprises, a series of behaviors adapted to market demand in order to achieve the objectives (such as profit maximization, higher market share, etc.) is the market behavior. The next article will analyze its market behavior from the market pricing behavior, product development behavior, industry price competition behavior and non-price behavior of the Xuan Paper industry in Jingxian County.

2.2.1. Market pricing behavior

In 2010, the factory price of 4 feet of skin in the Xuan Paper market was 400 yuan, and the uniform retail price on the market was 554 yuan. In 2012, the ex-factory price of 4 feet of net leather to 620 yuan a knife, the market unified retail price of 940 yuan a knife. In 2015, the factory price of 4 feet of net leather was 980 yuan, and the market price was 1350 yuan. From 2013 to 2017, both the ex-factory price and the market price of Xuan Paper have doubled.

The market price is gradually rising. The most important reason behind this is that the supply of raw materials for Xuan Paper is insufficient, resulting in an increase in production costs. The most important raw materials in Xuan Paper production are green sandalwood and Shatian straw. Due to the limited area of the county, the cultivation of green sandalwood is greatly restricted. Although the production has been expanded in the suburbs, the increase in demand for Xuan Paper in the market still makes the supply of green sandalwood shortage. At the same time, the promotion of agricultural technology has greatly reduced the cultivation of Shatian Rice in Jingxian County. Therefore, a large part of the Shatian straw needed for Xuan Paper production is outsourced. The cost of Xuan Paper production is increased from transportation alone, promoting the rise in Xuan Paper prices. In recent years, the production of Xuan Paper has increased the scale of production with the increase of market demand. The increase in the production of Xuan Paper will inevitably increase the cost of sewage treatment.

This will also promote the price increase of Xuan Paper from another aspect.

2.2.2. Product development behavior

At present, there are three Xuan Paper varieties on the Xuan Paper market in Jingxian: yellow material, cotton material and leather Xuan Paper, which can be distinguished only from raw materials and properties. Although Xuan Paper enterprises have increased market varieties to a certain extent according to market needs, from the perspective of these two kinds of Xuan Papers, only the ratio of leather materials and grass materials has changed, product differentiation is not obvious, and the degree of discrimination is not high. Xuan Paper products are still lacking in development. The market price is still the only factor that determines consumers' purchasing intentions. At present, the degree of product differentiation in the market is not high.

The production of Xuan Paper is still at the bottom of the smile curve, and the added value of Xuan Paper is not high. Insufficient innovation, which is one of the important reasons for the limited market size, further restricting the transformation and upgrading of the Xuan Paper industry.

2.2.3. Industry price competition

The main strategy adopted by the Xuan Paper enterprises in the market competition is price competition. The essence of competition is the competition of raw material costs. In the production of Xuan Paper, the most important raw materials are green sandalwood and Shatian rice. In recent years, due to the significant reduction in the planting area of green sandalwood and the continuous advancement of urbanization, the Shatian rice in rural areas has dropped sharply, and the output of Shatian rice will be less. As a result, the supply of these two raw materials in Jingxian County has been in short supply, which in turn has resulted in tight supply in the market and rising prices. Undoubtedly, in the situation where the supply of raw materials is in short supply, who can produce at a lower cost, who will obtain higher profits and occupy a higher market share.

However, in combination with the market concentration and market structure of the Xuan Paper industry in Jingxian County, the Xuan Paper industry, which belongs to the middle and upper concentration oligopoly, still stays at the competition of raw material costs, rather than the theoretical industry with a certain market monopoly scale, which is already at a lower production cost. With the supply of raw materials, the production will be transformed into technological content and advanced technological equipment. This also reflects the "transformation

bottleneck" of the traditional industry in the development process, because of its inherent "inertia" of production, once it is faced when the raw material problem occurs, it will fall into the "development bottleneck".

2.2.4. Industry non price behavior

China Xuan Paper Group Co., Ltd., as the largest Xuan Paper production enterprise in China, is also recognized as a leader in the four treasures of the classical stationery industry. The "Red Star" brand Xuan Paper produced by the company's Jingxian Xuan Paper Factory in Anhui Province is the best person in the calligraphy and painting industry. In order to change the original sales inertia and enhance market competitiveness, in the non-price behavior, China's Xuan Paper Group adopted the "hunger marketing" approach to sales strategy. That is to maintain the high price and profit margin of Red Star Xuan Paper by controlling the production and output of commodities (referring to the ability of Red Star to reach the market demand), and at the same time achieve the purpose of maintaining brand image and increasing product added value.

At the same time, in order to change the production and sales methods, China Red Star Xuan Paper Group invested 1.28 billion in 2013 to build the "Red Star Xuan Paper Museum", which has become a new classic scenic spot in Jingxian County. It is also a new window of unique Xuan Paper culture, which drives the economy to develop together. This is not only the combination of Xuan Paper culture and tourism, but also the popularity of Red Star Xuan Paper through this platform, which is another major innovation in the transformation of Xuan Paper.

2.3. Market performance analysis

2.3.1. Capital utilization efficiency industry profit rate analysis

Microeconomic theory holds that the use of yield indicators to describe market performance is because in a perfectly competitive market structure, resource allocation can be optimal, and all companies in the market can obtain normal profits. If the profit rate is higher, the market will deviate from the perfect competition state, and the yield index will be selected to analyze the profit rate of the Xuan Paper industry from 2009 to 2017. The general formula for calculating the rate of return is $R = (p - T) / E$, in the formula R is the after-tax return on capital, p is the profit before tax, T is the total tax, and E is its own capital. Through the collection and collation of the survey data, the industry profit rate of the Xuan Paper industry in 2012-2017 was obtained (see Table 2).

Table 2. Profit rate of xuan paper industry in jingxian county from 2012 to 2017

Year	Profit before tax	Total tax	Own capital	Post-tax capital
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	(ten thousand yuan)	(ten thousand yuan)	(ten thousand yuan)	(rate of return)
2012	18621	5010	43906	0.31
2013	19032	5331	42816	0.32
2014	19782	5600	42000	0.34
2015	21389	5842	44500	0.35
2016	22114	5913	45000	0.36
2017	23675	6082	52000	0.34

Note: The data comes from the field research on the Xuan Paper market in Jingxian County and the data collection of the Jingxian County Government. It is easy to analyze and round off the data fraction.

As can be seen from Table 2, the post-tax capital return rate of the Xuan Paper industry is around 0.3, and the CR4 and CR8 indicators can be used to analyze that the Xuan County paper industry belongs to the upper-middle-concentration oligopolistic type, and the theoretical rate of return should be above 0.6, the deviation between the two is larger. This really shows that the Xuan Paper industry has encountered bottlenecks in its development process, and the difference between cost and

profit return reflects the overall investment and output of the industry and structural problems.

2.3.2. Labor utilization efficiency-employment contribution rate analysis

According to incomplete statistics, the county's industries are roughly divided into four categories, namely, Xuan Paper culture, processing services, red tourism and construction and construction. Through field research and collated data, Table 3 is drawn.

Table 3. Statistics on employment of major industries in jingxian county

Year Industry	Xuan paper culture industry a	Processing service industry	Red tourism industry	Building construction industry	Total b	a/b
2014	39720	42120	27100	18860	127800	0.3108
2015	42100	44680	29700	18220	134700	0.3125
2016	45700	46600	32400	22500	147200	0.3105
2017	49870	51300	35700	24630	161500	0.3088

Note: The data comes from the official website of the Jingxian County Labor and Social Security Bureau. The data of the "processing service industry" is derived from the Xuan County Statistical Yearbook.

From the data in the table, it can be analyzed that the employment of the main industries in Jingxian County is generally on the rise, and the absorption rate of the labor of the Xuan Paper culture industry is maintained at a certain proportion, and the utilization rate of labor factors is continuously increasing. According to the data of four years, the contribution rate of Xuan Paper culture industry to Jingxian County's employment is basically stable at around 0.3, and it is under the premise of increasing employment in Jingxian County. This shows that the Xuan Paper industry is compatible with local economic development. The contribution rate of employment can basically increase with the local economic development. However, the Xuan Paper industry belongs to the traditional handicraft industry. The large source of employment it absorbs is the villages and towns near Jingxian County. In terms of its industrial nature, the quality of laborers is not high, which will inevitably lead to insufficient internal innovation and endogenous insufficient innovation.

3. Research on the Key Points and Paths of Xuan Paper Resources Development Based on the Perspective of Cultural Economy

Xuan Paper Resources relies on cultural resources to achieve transformation and upgrading. It can combine cultural resources with product design, production, manufacturing, packaging, marketing, service and market demand through various paths and methods to produce and provide differentiated products and experience service processes. The research on the transformation of Xuan Paper resources from the perspective of cultural economy defines the use of cultural resources in the process of transformation and upgrading of traditional industries as "traditional industrial culture". Based on this point, it can be further decomposed into "product culture" and "Service culturalization" two aspects. The former can extend the product to the high-end value chain, which can achieve high value-added expansion of the product.

3.1. Discover product culture and promote products to high-end value chains

"Discover product culture" is simply to integrate the cultural elements that contain and embody regional characteristics into the products, and combine the modern technology to develop the products "cultural derivatives", on the basis of which the transformation and upgrading of traditional industries will be realized. In the production of

products, regional culture is incorporated into the production function as a new production factor. For the production function of the original traditional industry, the absorption of new elements while abandoning the original part of the elements will definitely change the original production. Function to achieve the re-combination of internal factors of the product, and then promote the product to rely on cultural advantages to the high-end value chain.

"Classic Cultural Elements Refining - Marketing", that is, you can make full use of the elements that reflect the "home culture" and some Huizhou merchant culture in Jingxian County, and refine it and further design it into a life culture that can be displayed on Xuan Paper. In the picture, it is necessary to improve and design the paper-making tools in the paper-making process of the Xuan Paper production process, and develop derivatives of Xuan Paper products, which can effectively increase the variety of Xuan Paper and develop the market scale of the Xuan Paper.

"Derivative Production -Specific Market Sales", which sells Xuan Paper at specific locations through the product licensing model. This kind of path can be integrated with the cultural tourism resources of Jingxian County, such as the Southern Anhui Incident History Museum, which uses tourist attractions as a specific sales market. This path combines cultural elements with cultural tourism resources, and exploits the crowded spots as a market. On the one hand, it effectively increases the sales volume of Xuan Paper, and on the other hand, it promotes the publicity and communication of Xuan Paper culture through the tourist attractions.

The three paths of the "Discover product culture" of the Xuan Paper industry products have gradually shifted production and manufacturing at the bottom of the smile curve to both ends, adding value in the design, R&D and back-end sales and marketing of the front-end. The realization of cultural development on Xuan Paper products promotes the promotion of Xuan Paper products to high-end value chains, which enables the Xuan Paper industry to transform and upgrade based on cultural perspectives.

3.2. Excavate the service culture of xuan paper industry and realize the high value-added expansion of products.

To explore the service culture, in combination with the Xuan Paper industry, the first one is not limited to the original Xuan Paper production process, but a new project is added on this basis. Expand the "Visitor Experience Project" in the original production process and use production resources to increase the added value of the intermediate process. The second is to reproduce the historical process level of the traditional industry, and form a production experience project on this basis. Traditional industries in the production process inherently contain

rich cultural and technological processes. On the basis of the re-emergence of the original process and process level, the development of intermediate experience projects can expand the added value of the entire production chain. Path 1: "Consumer visit and experience", which means through the integration of the Xuan Paper production process to determine which production processes can open up the experience project, with product production opportunities and technical staff assistance. Through this path, consumers can meet the needs of cultural experience, and also show the production environment of the enterprise, which virtually achieves the effect of publicity and consumer psychology recognition.

Path 2: "Retro Landscape Tour", using the emerging technologies AR and VR to record the production process and crafts of Xuan Paper, when visitors come to visit, they can use these two techniques to restore and reproduce the historical production scene and craft level of Xuan Paper. Re-resonance to achieve the inner resonance of consumers, the traditional Xuan Paper production history and the craftsmanship of the "artisan spirit" in the form of exhibitions and galleries, with relevant experience projects, at the same time to visit and experience The role of cultural recognition.

Based on one point and two aspects, the transformation and upgrading of traditional industries is defined as "the culturalization of traditional industries". The traditional industries are placed under the perspective of cultural economy, and the new path of transformation and upgrading of traditional industries is explored through cultural perspectives. Based on the two aspects of product culture and service culture, the paper derivatives and experience projects are taken as the core to realize the high-end value chain and high value-added expansion of Xuan Paper products. The product culture makes the market price no longer play a decisive role, but through the use of cultural elements to innovate as the core of derivatives development to achieve differentiated product sales. Service culture is a special form of advertisement for enterprises. Among them, the service experience project enables customers to identify with Xuan Paper culture, and then play a good propaganda, so as to make use of "culture" to sell.

The transformation of traditional industries from the perspective of cultural economy plays an enlightening role in the transformation and upgrading of traditional industries. Making full use of regional advantages and resources and integrating them into industrial production and development, while reflecting the importance of "factor endowment" theory, it has important reference significance for the choice of the path of transformation and upgrading of traditional industries in other regions.

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