
Xueting Gao
Faculty of Arts, The University of Melbourne, Australia
Corresponding author: xueting.gao@student.unimelb.edu.au

Abstract. This article focuses on the Ullens Center for Contemporary Art as a case study, employing Jean Baudrillard's Consumer Society Theory to analyze the operation and transformation of the Chinese contemporary art market. The study's primary objectives are to dissect the intricacies of the Chinese contemporary art market's operation and its specific evolution path. Additionally, it offers recommendations for future developments and prospects within the contemporary art market, aiming to enhance the global dialogue of Chinese modern art and its international exchanges while bolstering confidence in Chinese culture.

Keywords: Ullens Center for Contemporary Art; consumer society theory; art market; operation.

1. Introduction

The evolution of the Chinese contemporary art market stands as a byproduct of economic growth, cultural interplay, and a foundational element facilitating the continuous expansion of the art market. The contemporary art market is undergoing a rapid and profound transformation, presenting substantial opportunities and investment potential for stakeholders. In tandem with the widespread integration of digital platforms, conventional approaches to consumer engagement and service provision are gradually undergoing adaptation. Notably, a discernible trend towards the commodification and financialization of art and its associated resources has emerged.

Jean Baudrillard's theory of the consumer society underscores the pivotal shift in the nature of consumption. It evolves from a mere economic activity to a complex system of symbols. In this consumer society, consumption transcends the utilitarian satisfaction of needs; it metamorphoses into a cultural phenomenon where symbols and meanings reign supreme. The conventional logic of consumption has yielded to the logic of symbols, rendering the utilitarian value of goods obsolete in favor of their symbolic significance. Consumption itself becomes a means of expressing identity, social status, and values. Within the contemporary art market, artworks cease to be confined to their intrinsic artistic value; their worth now hinges upon the symbolic narratives they convey. This transformation imbues artworks with the attributes of symbols and signs, allowing individuals to articulate their aesthetic preferences, social standing, and values through their acquisitions. The contemporary art market is not merely propelled by the traditional forces of supply and demand but is also subject to the pervasive influence of modern information technology, which fuels its prosperity and expansion.

The evolution of the contemporary art market exhibits pronounced regional disparities. In Western nations, the market has reached a high level of maturity, establishing itself as a global hub for art. Concurrently, the Asian market's prominence in the contemporary art domain continues to ascend. The march of the contemporary art market is inexorably driven and shaped by the march of modern science and technology. The proliferation of the internet and digital technologies has introduced new channels for artistic expression and communication within the contemporary art landscape. These
advancements have broadened the horizons of art, rendering it more diverse and multimedia, thus expanding the market's potential while introducing fresh challenges and complexities. Moreover, the consumer base of the contemporary art market has diversified significantly. Collectors, who occupy a pivotal role in this realm, are increasingly joined by a growing cohort of investors and enthusiasts.

Within China, the contemporary art market predominantly comprises two exhibition formats: art museums and galleries. Traditional operational modalities encompass art trading, auctions, exhibitions, and collecting. Several notable characteristics define the contemporary art market in China:

1. **Standardization of Auction Companies**: In cities like Beijing, over 50 auction companies operate, with a majority, approximately 80%, actively participating in the auction sector. This proliferation reflects a discernible trend toward the standardization of auction firms.

2. **Formation of Auction Business Circles**: The burgeoning growth of the art market has given rise to multiple business circles within the art auction domain. This phenomenon bodes well for the healthy expansion of the art auction industry.

3. **Specialization of Auction Companies**: As the art market undergoes continuous metamorphosis, diverse auction companies have emerged, each carving its niche. Larger auction houses tend to adopt a comprehensive approach, while others specialize in particular types of auctions.

Nevertheless, the ongoing development of China's contemporary art market brings forth a set of developmental challenges. Positioned in the stage of evolution, the Chinese contemporary art market remains inherently unstable. After experiencing a phase of rapid expansion, it now grapples with the multifaceted influences stemming from domestic and international factors. These influences have diluted returns on investment and impeded the continued growth of the modern art market.

2. **Analysis of the Ullens Center for Contemporary Art**

The Ullens Center for Contemporary Art (UCCA), nestled in the vibrant heart of Beijing's 798 Art District, encompasses a sprawling expanse of approximately 5,000 square meters. Conceived as a grand non-profit art institution, it owes its inception to the visionary Belgian couple, Guy and Myriam Ullens, and ceremoniously opened its doors to the public in November 2007. UCCA stands as a paragon of modernity, adorned with state-of-the-art technology that adheres to the rigorous national standards prescribed for the display of artworks. Within its precincts, one discovers not just a repository of contemporary art but also a modernistic library and reading room, bolstered by facilities conducive to scholarly pursuits. UCCA's overarching mission is the advancement of contemporary art, marking it as an emblematic crucible for cross-cultural engagement. With a rich calendar featuring academic lectures, cultural exchanges, and cinematic explorations of art, UCCA seeks to champion cultural education and public immersion in the realm of contemporary art. Its ambition transcends these initiatives, as it aspires to be a global nexus for creative cultural exchanges, thereby amplifying the resonance of Chinese contemporary art on the global stage[1].

UCCA charts an exceptional course in the mosaic of the Chinese contemporary art market. It remains unwavering in its commitment to introducing international contemporary art to the Chinese milieu while fostering collaborations with artists and institutions from across the globe. This relentless pursuit affords Chinese audiences an untrammeled journey into the frontiers of global art. Meanwhile, UCCA's exhibitions and thematic endeavors exhibit a pronounced proclivity for addressing contemporary social, cultural, and political tenets. In doing so, it encapsulates the zeitgeist, ensuring its exhibitions serve as crucibles for reflective discourse on the issues of our times.

UCCA has artfully commandeered a substantial slice of the market, achieving remarkable success through an astute fusion of architectural aesthetics and spatial design. The institution's canvas encompasses not just the expansive canvas of industrial factory buildings but also a multifaceted exhibition strategy coupled with a branded marketing agenda[2]. This strategic maneuver enables UCCA to cast its presence onto the national and international stage, thereby cultivating an indelible cultural brand identity. The design ethos underpinning its logo is equally emblematic, exuding a
unique aesthetic signature that fuels the institution's brand prominence ("The Backbone"). Further underscoring its imprint, UCCA retails original merchandise within each exhibition precinct, thereby perpetuating its presence in the market[3].

UCCA's contribution extends beyond the material to the realm of cultural communication and collaboration in contemporary art. It serves as a beacon that has drawn the gaze and participation of a phalanx of artists and art connoisseurs. In this way, it fuels the engines of contemporary art, exalting its dissemination and reception[4]. More profoundly, UCCA's underlying spirit and philosophy are primed to be the catalysts that embolden and galvanize artists and enthusiasts alike, leaving an indelible mark on the contemporary art market. In shaping the discourse and patronage of contemporary art, UCCA's enduring influence promises to be profound and lasting.

3. The Transformation and Challenges of the Contemporary Art Market

In examining the metamorphosis and challenges confronting the Chinese art market, the Ullens Center for Contemporary Art (UCCA) serves as a compelling case study. UCCA's pivotal role in the realm of contemporary art within China offers a unique lens through which to discern the ever-evolving dynamics of the Chinese art market.

The symbiotic relationship between art and economics is increasingly conspicuous as China continues its relentless march toward economic development. The government's expanding support for the contemporary art market underscores its integral role in China's economic landscape. One notable facet of this support is the implementation of a zero-tax policy for art transactions, thereby exempting them from value-added tax. Simultaneously, art benefits from a range of government support policies designed to bolster the cultural industry. Beyond mere fiscal considerations, the government has heightened its vigilance in the oversight and management of the art market. Stringent measures have been adopted to curb the proliferation of counterfeit and substandard art products, consistently enhancing investor confidence and engagement within the art market.

As China expands its presence on the global stage, it adapts to the prevailing trends of globalism and multipolarity. The transformation of the Chinese contemporary art market is exemplified by its evolution from a domestic endeavor to a global undertaking. Eagerly engaging with the international art market, it forges connections and collaborations with the global art community. This endeavor not only encourages cultural exchange but also facilitates the fusion of diverse cultural elements, contributing a distinctive Chinese perspective to the global artistic conversation. UCCA epitomizes this active participation in the international art community, a testament to its status as a vital component of the global art market, achieved through its introduction of international artists and exhibitions.

The trajectory of the Chinese contemporary art market points toward three distinctive development trends: market segmentation, digitization, and green sustainability. Market segmentation has become an inherent feature of contemporary art, with distinct categories of artwork carving their own niche markets. The advancement of information technology is set to revolutionize the creation and consumption of contemporary art, introducing innovative and technologically driven modes of artistic expression. Concurrently, the zeitgeist of heightened environmental consciousness has paved the way for artworks centered around green and sustainable themes to garner increased attention and appreciation from a broader audience. This shift aligns art with the pressing concerns of our times, transcending aesthetics to address pressing global challenges[5].

In summary, the transformation of the Chinese contemporary art market, exemplified by UCCA's dynamic role, highlights the interplay between art, economics, and culture. The sector's evolution, characterized by market segmentation, digitization, and a commitment to green sustainability, is testament to the resilience and adaptability of the art world in the face of an ever-changing global landscape. As China continues to engage with the international art community, the global dialogue is enriched by the infusion of distinct Chinese perspectives and sensibilities. This holistic view of the
art market serves as a testament to the unyielding spirit of creativity and its profound impact on society.

4. **Analysis of the Contemporary Art Market in China Based on Jean Baudrillard's Consumer Society Theory**

Jean Baudrillard's exploration of consumer society, particularly in his seminal work "The Consumer Society," offers multifaceted insights into the intricate interplay between consumption, identity construction, and the role of symbolism. In the realm of consumer society, individuals mold their self-identity and differentiate themselves from others through the act of consuming goods. The primary focus of this consumption becomes the symbolic significance attached to commodities, transcending their utilitarian value. This shift is the crux of Baudrillard's argument – people no longer acquire goods for mere utility, but for the symbolic meanings they embody.

Baudrillard underscores the pivotal role of mass media in shaping symbolic consumption. It acts as a symbolizing force, assigning commodities specific meanings and symbols, thereby stoking consumer desires. This phenomenon isn't isolated from the art world; certain artworks garner virtual value beyond their intrinsic artistic worth, all driven by this symbolic consumption. This cyclic process results in the continual turnover and upgrading of goods, contributing to capital accumulation. However, it can also give rise to market speculation and hype, obfuscating the true artistic value of some works. In essence, Baudrillard's theory posits that symbols wield remarkable influence over consumer choices, a notion that permeates the art market.

Despite the allure of the contemporary art market, it does exhibit some conspicuous drawbacks that warrant attention. These include market fluctuations, cultural rigidity, and creators' rights, among others [6]. To ensure the sustainability and fairness of this dynamic market, a multifaceted approach is essential. Regulation, education, and the promotion of cultural diversity emerge as crucial facets that can contribute to the betterment of the contemporary art market for all stakeholders, enhancing its overall quality. Addressing these issues calls for improved regulation, heightened transparency, and robust legal protection, all of which are pivotal in maintaining the market's health and sustainable development. Simultaneously, investors and participants need to embrace a longer-term perspective to foster market stability and quality.

The following are specific measures that can aid in enhancing the contemporary art market in China:

1. **Build a Brand Culture:** Establishing a brand culture that aligns with the brand's unique characteristics, market demands, and competitive landscape is essential. This culture should serve as a guiding force, directing the trajectory of artistic development.

2. **Shape the Brand Image:** Artists should undertake extensive promotion of their artworks to continually enhance the image of their art brand. Institutions, galleries, and online markets should ensure authenticity, fair pricing, and transparent trading of artworks, enhancing market credibility through ethical guidelines and fraud prevention.

3. **Strengthen Development Positioning:** A comprehensive analysis of market demands and consumer psychology is crucial. Reinforcing the brand's positioning is essential, focusing on cultural diversity, support from emerging artists, international exchanges, market innovation, social responsibility, high-quality standards, and a long-term development perspective. These strategies can help the Chinese art market establish a unique position, attract further investment and support, and contribute to the market's healthy development.

4. **Enhance Artistic Value:** A comprehensive performance evaluation of an art brand in the market is crucial. This can be achieved through ongoing innovation in artistic works, improved services, and the elevation of artwork quality, which collectively contribute to the healthy and sustainable development of the art market [7].

The evaluation criteria in the Chinese contemporary art market are diverse and encompass factors such as the innovativeness, uniqueness, and social impact of artworks. These criteria vary depending
on the perspectives and needs of different stakeholders, including artists, collectors, curators, and others[8]. Market prices, on the other hand, are influenced by a multitude of factors, including the artist's reputation, artwork rarity, market demand, and more. As such, the assessment standards and price formation in the Chinese contemporary art market are complex and diverse, necessitating a multifaceted analysis and evaluation from various perspectives.

The theory of consumer society has wielded a significant influence on the development of the Chinese contemporary art market. This theory postulates that artworks, as unique commodities, derive their value not only from their intrinsic qualities but also from the distinctive symbolic meanings they represent. Symbolic consumption has transformed artworks into symbols and signifiers, and consumers express their aesthetic preferences, social status, and values through their art purchases[9].

Moreover, with the advancement of digital technology and the internet, the display and sale of artworks have become more convenient and efficient, contributing to the prosperity and growth of the art market. This rapid development, however, has introduced a new set of challenges and issues [10]. Drawing insights from the theory of consumer society, it becomes imperative to explore art operation and transaction models that align more closely with the market's evolving dynamics. Such an exploration is essential in facilitating the continued development of the contemporary art market in China.

The interplay between consumer society and the contemporary art market in China is multifaceted and profound. As we navigate the intricacies of symbolism, art's evolving identity, and market dynamics, we uncover an array of opportunities and challenges that require thoughtful consideration. By embracing Baudrillard's insights, we can work towards a more transparent, sustainable, and vibrant contemporary art market, benefitting all stakeholders and nurturing the growth of the global art community.

The art market, as a nexus of creativity, culture, and economics, serves as a dynamic microcosm of broader societal transformations. The pursuit of aesthetic expression and the quest for meaning through consumption continue to evolve, reshaping the contemporary art market and reinforcing its role as a mirror reflecting the complexities of consumer society. Through the lens of Jean Baudrillard's consumer society theory, we gain profound insights into the intricate dance between symbolism and commerce, with art as both a canvas and a mirror of society's deepest desires and aspirations. In traversing this ever-evolving landscape, we discover not only the challenges but also the boundless opportunities that await the contemporary art market in China and the world.

5. Summary

As the modern art market has undergone remarkable growth and transformation over the past four decades, it is poised to embark on a journey characterized by greater cultural diversity, a wider array of artistic products, and enhanced international exchange. The modernization of information technology, shifting social landscapes, and the multipolarization of economic development are all influential factors shaping the trajectory of the modern art market. To thrive in this ever-evolving landscape, the modern art market must proactively adapt to modernization and its dynamic forces.

The landscape of the contemporary art market displays a fascinating tapestry of global variation. While Western countries have nurtured highly developed contemporary art markets, serving as global artistic epicenters, the standing of the Asian market in the contemporary art realm continues to ascend. The rapid advancement of technology, particularly the internet and digital innovations, has introduced novel avenues for artistic expression and communication within the contemporary art sphere.

Peering into the horizon, the contemporary art market paints a promising picture characterized by vast growth potential, promising a substantial market size in the years to come. To effectively catalyze the modern art market's development in alignment with current trends, four key dimensions merit focused attention.
First, actively fostering the development and expansion of the art market necessitates the unhindered global flow of artistic elements. This international circulation is indispensable for ensuring the sustained and healthy growth of the modern art market.

Second, the establishment of a comprehensive credit investigation system serves as the bedrock for promoting the development of the modern art market. A well-structured credit system provides the necessary assurance for all stakeholders, engendering trust and transparency.

Third, the cultivation of artistic identities and cultural ethos emerges as the intrinsic driving force behind the development and growth of the modern art market. This encompasses not only the creation of artistic logos but also the nurturing of cultural spirits that resonate with artists, collectors, and enthusiasts alike.

Fourth, a robust management and supervision system is imperative to instill institutional safeguards for the development and expansion of the art market. Effective governance and oversight mechanisms are indispensable in fostering market integrity and sustainability.

In essence, the modern art market is on the brink of a compelling phase characterized by transformation, innovation, and global interconnection. As it navigates the currents of modernization, cultural diversity, and technological advancements, the contemporary art market stands as a testament to the dynamism and fluidity of human expression. By addressing the four key aspects outlined here, stakeholders in the art world can pave the way for a vibrant, inclusive, and thriving modern art market that reverberates across borders, enriching lives and transcending cultural boundaries. The modern art market is not just an economic entity but a vibrant reflection of our ever-evolving human experience, a testament to the power of creativity, culture, and collective imagination. In embracing these multifaceted dimensions, the modern art market can truly flourish, transcending boundaries and nurturing the growth of a global art community.

References