# Research on the Protection and Development Path of Ancient Villages from the Perspective of Demand Side: A Case Study of Xiema Juren Village in Enping City

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Abstract: With the promotion of comprehensive tourism and the implementation of rural revitalization strategies, ancient villages, as a unique tourism resource, have enormous development value. However, at present, the protection and development of ancient villages are mostly discussed among ancient villages and their stakeholders, and there is insufficient discussion on their market-oriented development mechanisms. To make up for the existing shortcomings, the ancient village of Xiema Juren Village was selected as a research case, and the protection and development strategies of the ancient village were analyzed from the perspective of demand side. A "matching resource construction, learning cultural binding, and adaptive asset utilization" path for the protection and development of the ancient village was constructed, providing a market-oriented approach for the exploration of industrial revitalization and rural revitalization.

**Keywords:** Demand side management; Ancient villages; Rural tourism; Development Strategy

# 1. Introduction

Ancient villages, with their unique architectural style, historical value, and profound cultural heritage, have become precious crystallization of China's agricultural culture and have extremely high tourism value. They are a key research object in the rural revitalization strategy. In the "Rural Revitalization Strategy Plan (2018-2022)" released by the Central Committee of the Communist Party of China and the State Council, it is emphasized that ancient villages are important carriers for inheriting excellent traditional Chinese culture, and have significant significance in enhancing cultural confidence and maintaining the integrity and diversity of Chinese culture.

As an effective way to protect ancient villages, rural tourism has played a positive role in restoring historical and cultural heritage by attracting tourists to visit, while also providing economic support for heritage preservation <sup>[6]</sup>. However, the tourism development of ancient villages also faces challenges. There are numerous ancient villages in China, and tourism development generally faces problems such as product homogenization and weak experience. How to enhance the regional representativeness of traditional ancient villages and strive for a place in core competitiveness, brand attractiveness, and market influence requires joint exploration by academia and market practitioners.

At present, academia has conducted research on the protection and development of ancient villages from the perspectives of authenticity, poverty alleviation models [1], and stakeholders in ancient villages. The research results have mostly benefited ancient villages, village collectives, and villagers. This article argues that the development of ancient villages is more of a market behavior. Only by fully utilizing market mechanisms can we sustainably protect and develop villages while creating income, ultimately achieving industrial and rural revitalization. Therefore, it is necessary to introduce the demand side perspective in strategic management to explain the development and protection of ancient villages. The demand side management perspective<sup>[9] [13] [15]</sup> focuses not on how companies capture value from supply side resources, but on consumer oriented corporate strategies that create value for customers<sup>[10] [11] [12] [14]</sup> [15] [16]

In summary, this article plans to use Xiema Juren Village as a case study, citing the perspective of demand side management in strategic management, to explain how ancient villages improve their development models through demand side management. From this perspective, this article will explore how to use consumer demand to promote the sustainable development of ancient villages under market

mechanisms, enhance their competitiveness and attractiveness in the tourism market, and ultimately provide a reference method for the development and protection of ancient villages in China.

#### 2. Related research

# 2.1 Rural tourism and the protection and development of ancient villages

Rural tourism refers to the activities of tourists staying, learning, and experiencing rural lifestyles in and around rural areas. Developing rural tourism is a policy choice made by local or government governments to adapt to new political situations. Among them, ancient villages, as the oldest, largest, and most culturally rich type of architecture, occupy an important position in rural tourism. Rural culture is the root of Chinese culture and the soul of rural tourism. Its cultural value determines the future of rural areas<sup>[1]</sup>. Enterprises should deeply explore and showcase the time element of homesickness, utilize homesickness resources from the perspective of shared experiences between hosts and guests, develop tourism and cultural activities, inherit traditional folk culture, and protect and restore local unique "homesickness memories"<sup>[4]</sup>.

In this process, rural tourism management enterprises must conduct in-depth research on the tourism needs of different segmented markets, combine their own resources and characteristics [3], and develop distinctive rural cultural tourism products to meet the tourism needs of specific segmented markets, thereby establishing their own unique tourism image and brand charm, laying a solid foundation for the sustainable development of the enterprise [7], and providing economic support for the protection and development of ancient villages, ensuring their "self-sufficiency". In the context of high-quality development, rural tourism should be different from the previous crude and uniform development model. Instead, it should form a development approach that adapts to local conditions and moves from the market to the market, constantly keeping pace with the times, advancing with demand, and maintaining product vitality.

# 2.2 Demand side management

The focus of demand side management is not on how companies capture value from supply side resources, but on consumer oriented corporate strategies that create value for customers<sup>[2][10][11][12][15]</sup>. There are numerous ancient villages in China, each with its own unique cultural heritage. However, in terms of cultural resource value, there is no significant difference between the villages. Therefore, explaining the development differences among villages solely based on their resource base is not entirely convincing, and it cannot provide strong reference for the development of ancient villages. The limitation of the resource-based view is that it ignores the importance of market demand and consumer preferences.

Demand side management has given us an inspiration, which is to re-examine the development and protection of ancient villages under the influence of market mechanisms, so that they can be self-sufficient and self reliant. On the premise of conforming to comparative advantages, adjust one's own development focus and development model according to market demand, and ultimately achieve industrial revitalization and rural revitalization. For example, ancient villages can create economic value and promote cultural heritage by developing characteristic tourism and selling handicrafts to meet market demand. The development of cultural tourism products requires a correct understanding of the content of culture and the factors of tourism culture in different cultural products, in order to fundamentally explore cultural tourism resources with distinctive features and carry out reasonable exploration and development of them.

In summary, this article takes the tourism area of Xiema Juren Village as the research object, collects data through in-depth interviews and analysis of online texts, and uses Gioia's analysis method to explore the construction of models and paths for the protection and development of ancient villages. The design of rural tourism products must be refined in terms of positioning, and differentiated designs should be made based on the different characteristics of tourists such as age and knowledge background, to meet the requirements of different groups of people for tourism products.

#### 3. Research design

#### 3.1 Research method

This article adopts an exploratory single case study method. On the one hand, this article aims to explore the protection and development path of ancient villages, which belongs to the "How" problem and has exploratory and explanatory characteristics. The case study method is suitable for in-depth analysis and answering such process and mechanism questions. On the other hand, the development of rural cultural and tourism products is a complex dynamic process, and exploratory case study methods can help researchers capture the interactive processes involved [5] [8]. In addition, although there are currently many companies that rely on ancient villages to develop the cultural and tourism industry, there are relatively few mature enterprises, and there is no complete theory to explain and guide them. However, the enterprise studied in this case has formed a relatively mature business model in this field. Therefore, conducting a centralized analysis of a single case is beneficial for depicting complex real-life situations and multi-agent interactions, thereby achieving theoretical expansion.

# 3.2 Research object

The historical origins of Xiema Juren Village's emphasis on family traditions and the promotion of education and culture have been passed down through generations, and the profound significance of the era's spirit of encouraging learning, promoting action, and aspiring to succeed is evident. It is a representative village that inherits Confucianism. Xiema Juren Village has a profound cultural heritage, simple folk customs, and broad prospects for tourism development. It is a model for effectively implementing the concept of rural revitalization and development.

This article selects Enping Xiema Juren Village as a case study, mainly based on the following factors:

The development direction has undergone significant changes, and the integration of culture and tourism has distinct characteristics. At the beginning of Xiema Juren Village's entry into the tourism industry, relying solely on the "gimmick" of Juren to attract tourists did not fully tap into the value of the village's resource endowment and was also unsustainable. The entry of the new team has changed the development direction of the original Juren Village. At the beginning of its development, it was proposed to design corresponding products according to different consumers. The concept of demand side management is evident, and the case is suitable for this study.

#### 3.3 Data collection

The data source of this study mainly comes from interviews with participants in the management of Xiema Juren Village, supplemented by secondary data and field investigations. Firstly, through preliminary literature research, focusing on demand side management, protection and development of ancient villages, and combining personal knowledge and experience, an interview outline is formulated. The interviewees include the operation and management personnel of the case site, tourists, representatives of travel agencies, local villagers, university students going to the countryside, industry experts, government departments, and village committee staff. About 10 people were interviewed. After obtaining the consent of the interviewee, the entire interview will be recorded and transcribed into text as key data for analysis. Among them, the average interview time for respondents is 30 minutes, with a minimum of 20 minutes and a maximum of 120 minutes. This study aimed to interview participants in the management of Xiema Juren Village for a total of 310 minutes, with a transcribed text of 50100 words.

# 3.4 Data analysis

Single case studies require systematic conceptual coding based on phenomena <sup>[5]</sup>. This article adopts Gioia's (2013) data analysis method to generate rigorous qualitative analysis results by constructing first-order concepts and second-order themes. Finally, based on the connection between data and new inductive concepts, as well as existing theories, an aggregation construct is formed.

Firstly, we will conduct a detailed review and careful reading of the interview materials, combined with relevant secondary information and field research results of the selected cases, to clarify the context of the events and the logical relationships between them. On this basis, generate a preliminary theoretical framework. Secondly, we will divide the development stages of the case subject based on the relationship between events, and construct corresponding theoretical frameworks according to the characteristics of

each development stage. Through this approach, we can better understand the development process and key features of the case. Finally, we will compare and analyze data from different sources by combining primary and secondary sources to achieve cross validation, confirm their consistency and reliability, and ensure the reliability and validity of the study.

In the process of data analysis, two researchers independently coded the data, and then collectively discussed the areas of disagreement. At the same time, they conducted a "triangulation" based on the collected first-hand and second-hand data, ensuring the reliability and validity of the research while ultimately retaining the agreed coding results. This study achieved the matching of data and theory through repeated comparisons and iterations between data, concepts, and literature, ultimately forming a reasonable and robust theoretical framework, and discovering new inferences that contribute to the development of theory.

# 4. Data analysis and research findings

The entry of Xiema Juren Village into the tourism industry can be traced back to 2005, but the entry of the current team has had a profound impact on the protection and development of the village. Therefore, we have decided to ignore the previous behavior classification of operators and instead condense three main management behaviors based on the behaviors adopted by current operators at different stages of development: matching resource construction, learning culture bundling, and adaptive asset utilization.

Firstly, matching resource construction refers to the process in which teams, based on their own resource endowments, search for corresponding tracks in the early stages of development, and integrate and optimize existing resources accordingly, gradually constructing resources that match the needs of the target market. Secondly, learning culture bundling refers to learning from the market in the middle stage of development, bundling one's resources with culture according to demand, and forming tourism products with local characteristics. Finally, adaptive asset utilization refers to the flexible adjustment and utilization of various assets in the village in the later stage, based on market demand and the actual situation of the village, to ensure the sustainability of tourism development.

Therefore, our research will explore the protection and development mechanisms of ancient villages under demand side management in these three stages. We hope that through this research, we can have a more comprehensive understanding of the tourism development process of Xiema Juren Village, and provide valuable references and inspirations for the tourism development of other ancient villages.

# 4.1 Matching based resource construction

Matching refers to a company's alignment with demand side characteristics when implementing its strategy, decision, or business model (Venkatraman, 1989). Therefore, the value of resources is influenced by consumer or market characteristics (Schmidt et al., 2024), and the process of constructing resources is no exception.

Xiema Juren Village began to enter the tourism industry in 2005. Before the current management team entered, it had always focused on rural tourism as its main development direction, attracting tourists through one of the "gimmicks" of Juren and driving consumption of traditional rural tourism projects such as rural tourism and boat tours.

Although Xiema Juren Village has made significant achievements in rural tourism and received multiple honors, its development is unsustainable due to the failure to fully utilize its rich cultural resources. After the new management team settled in, the development focus was repositioned according to market demand, and the culture of the ancient village was elevated to the highest priority, laying the foundation for the future planning and development of the village.

Under the guidance of matching demand side management, the management team has repositioned the development direction of Xiema Juren Village's research and education, and based on this, has conducted in-depth exploration, sorting, and sublimation of Xiema culture, freeing it from the limitations of relying solely on Juren development in the past. It has achieved the adaptation of products to modern people, every student, every school, every family, every organization, every era, and the country, laying a resource foundation for future development.

#### 4.2 Learning based culture bundling

Due to the high uncertainty of the environment, learning from different clients is particularly important in emerging industries or startups (Denoo et al., 2022). There is no universal model for the protection and development of ancient villages, and their methods are still in the exploratory stage. For the protection and development of ancient village tourism, resource construction is the foundation. To truly attract consumers, it is necessary to predict and understand their true needs, and transform basic resources into services or products that customers need. Regarding this, the management team of Xiema Juren Village mainly did two things.

Firstly, based on the resource foundation, set up the travel process. The management team, based on the natural and cultural resources of Xiema Juren Village, has set up a tour process from the Inspiration Park to the Caifu Square, and set up different interactive projects according to different locations. For example, according to the ancient education subject of the Six Arts, items such as throwing pots (corresponding to "shooting") and writing prayer ribbons (corresponding to "writing") were set up. For example, setting up a "rice measurement" section to allow tourists to experience the intangible cultural heritage of Jiangmen City and the traditional educational system of Xiema Juren Village, and to appreciate the importance that Xiema Juren Village has placed on education and the inheritance of family traditions since ancient times. For example, the setting of the worship session for Confucius allows tourists to maintain a sense of awe and be baptized by the culture of respecting teachers and valuing the Way in Xiema Juren Village.

Secondly, based on market trends, enhance immersive experiences. For some younger tourists, maintaining a solemn heart throughout the entire process and accepting the explanation content is a difficult task; For adults, preaching style tourism can also exacerbate the accumulated pressure in their daily work and life, which is not conducive to the long-term development of scenic spots. Therefore, enhancing immersive experiences is crucial for cultural heritage and scenic area development. In response, the management team chose to cooperate with Wuyi University to make up for the existing shortcomings with the help of professional strength. With the support and assistance of the school's research team, some research courses, situational dramas, and other cultural and creative products have completed testing. I believe that in the future, more products will be launched through cooperation between both parties, promoting the development of scenic spots while meeting the needs of cultural heritage.

# 4.3 Adaptive asset utilization

Adaptive demand side management aims to find ways to better serve customers (Schmidt et al., 2024). After being constructed and bundled, the natural and cultural resources of Xiema Juren Village gradually transformed into individual assets. Lippman and Rumelt (2003) argue that the value of resources depends to some extent on the demand for the products produced, and consumer interests drive the revenue streams that make resources valuable. Therefore, only by creating value for customers better can we maximize asset value, which is a two-way process.

Before utilizing the assets, the management team established three segmented markets based on market demand and their own characteristics: Party building integrity education, study tours, and parent-child travel.

Through the establishment and development of the three segmented markets mentioned above, Xiema Juren Village has not only achieved maximum resource utilization, but also found a balance between cultural heritage and market demand. The management team has gradually transformed Xiema Juren Village into a tourist destination that combines cultural depth and market appeal through matching resource construction, learning based cultural bundling, and adaptive asset utilization.

# 5. Research Conclusion and Prospect

This article selects Xiema Juren Village as a case study to analyze the different strategies adopted by operators at different stages of development. On this basis, we have condensed three management behaviors: "matching resource construction learning cultural bundling adaptive asset utilization", revealing the mode of ancient village development and protection, and providing an effective practical path for cultural tourism and rural revitalization.

# 5.1 Conservation and Development Path of Ancient Villages

The current operational team has followed three steps in developing Xiema Juren Village: matching resource construction, learning culture bundling, and adaptive asset utilization. These three steps constitute the development and protection model of ancient villages (as shown in Figure 1), and each step will be flexibly adjusted by external and mutual influences to better meet market demand.

Matching based resource construction emphasizes the matching of a company's own development resources with demand side characteristics, and completes resource construction activities under the guidance of the demand side. In this case, due to the resource endowment of the ancient village, which is suitable for developing cultural and tourism activities centered on education, the management team took advantage of the situation, leveraged the comparative advantages of the village, and prioritized matching consumer demand side characteristics related to education. On this basis, the team sorted and sublimated the natural and cultural resources of the ancient village, and completed the acquisition, accumulation, and stripping of resources in the context of the requirements of the times and market demand. The original resources were divided into "useful" resource blocks for the next step of bundling into asset packages.

The learning culture bundle emphasizes maintaining interaction with consumers, understanding market demand from them, and developing products that are deeply popular. The management team of Xiema Juren Village will organize and elevate the cultural resources, combined with the natural resources of the village, to give each scenic spot a deeper connotation. For example, during the worship of Confucius in front of the altar, activities such as offering celery were added, which not only inherited traditional culture but also added a sense of solemnity. Under the guidance of demand side, traditional cultural resources and natural resources have been improved, enriched, and expanded, and production materials have been transformed into assets, providing conditions for product deployment.

Adaptive asset utilization aims to find the most suitable products and services for consumers based on their needs. Based on their own characteristics, the management team of Xiema Juren Village has developed three segmented markets and combined them with corresponding specialty products from the generated product packages according to different market demands. For example, in the market of Party building integrity education, the team focuses on explaining and experiencing the anti Xitang route, making the integrity story of Liang's descendants deeply rooted in people's hearts. For some teenagers, the team has added the latest situational drama activities, allowing them to learn excellent traditional culture while playing. Adaptive asset utilization requires enterprises to integrate and deploy assets according to the needs of segmented markets, and flexibly adjust according to demand to maintain their sustainable competitive advantage.

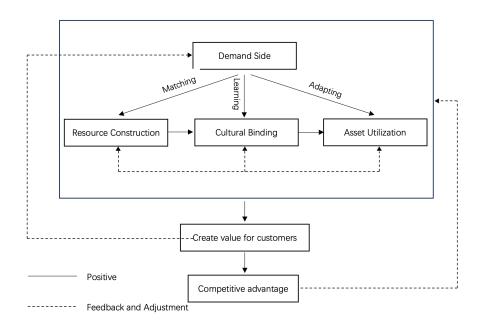


Figure 1: Development and Protection Model of Ancient Villages

#### 5.2 Possible innovation points and theoretical contributions

The possible innovations and theoretical contributions of this article are as follows:

- 1) Methods for the protection and development of ancient villages from the perspective of enterprises: This article provides general methods for the protection and development of ancient villages from the perspective of enterprises, providing a solution for the revitalization of industries and rural areas.
- 2) Management activities from a supply side perspective: The value of resources depends to some extent on the demand for the products produced, and consumer interests drive the revenue stream that makes resources valuable (Lippman and Rumelt, 2003). In the face of homogenized ancient villages, the traditional resource-based view is no longer able to accurately explain the sources of competitive advantages in the development of ancient villages. Therefore, it is necessary to introduce a supply side perspective. Based on the five supply side value creation logics summarized by Schmidt et al. (2024), we have condensed the ancient village protection and development process of "matching resource construction, learning cultural bundling, and adaptive asset utilization", providing a new approach for rural tourism and research on ancient villages.

#### 5.3 Research limitations and prospects

The limitations of this study are mainly reflected in the following two aspects:

- 1) Limitations of data sources: The data in this article are mostly interview materials, which belong to retrospective data and may have a certain degree of memory bias.
- 2) The universality of research conclusions: Based on the development process of Xiema Juren Village, this article extracts the protection and development path of ancient villages. However, whether the conclusion of a single case study has the same explanatory power for the development of other villages still needs further testing.

In the future, in order to further deepen related research, we will investigate more cases of rural cultural and tourism development, improve the theoretical framework under the integration of resource side and demand side thinking, summarize and analyze more detailed factors and mechanisms in the development process, and further revise and test the conclusions of this article.

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