THEORIZING THE EXPERIENCE ECONOMY: TOWARDS A FUTURE AGENDA?

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ABSTRACT

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The taxonomic problems of the experience economy industries

The question to be discussed in this paper concern the basic characteristics of experience industries compared to the nature of services. First, is it useful to consider experience industries as one of the main categories of all economic activities, i.e. as the fourth class at the highest level of classification along with the traditional primary, secondary and tertiary sectors? Second, is it possible to arrive at a satisfactory definition of experience industries that is different from definitions of services? And thirdly, is it possible to separate the experience industries from the creative or cultural industries?

Regarding the first question; as activities statistically classified as services have expanded to cover between 70 and 80 per cent of a country's economic activity, there have been lots of attempts to subdivide the huge and heterogeneous service sector or to define a fourth sector consisting of elements from both the secondary and tertiary sector. For different reasons, none of these suggestions have been generally accepted. Does the concept of 'experience sector' have a better chance to succeed?

Regarding the second question, we fundamentally disagree with Pine & Gilmore's (1998: 97) statement: Economists have typically lumped experiences in with services, but experiences are a distinctive economic offering, as different from services as services are from goods. Firstly, the distinction between goods and services has been questioned for a long time, and most scholars agree that the boundaries between the two categories are blurred. Secondly, a parallel discussion can be carried out regarding the experience industries versus the services. We will compare the typical characteristics of services and experience industries respectively and discuss whether they really are distinctive. As we will see, it is not easy to find a general and satisfactory definition of either services or experience industries.

Regarding the third question, we see that the creative, cultural and experience products all have things in common to a degree that makes mutually excluding categories a highly theoretical exercise. At the same time - there are differences. The experience industries can be said to represent a more recent trend - a trend affecting other parts of society than the cultural and creative. For one, experiences represent a more obvious focus on the consumer, as experience products are dependent on both attention and participation from the consumer to reach its full worth or potential.

To be able to dialogue and generate statistical data, we argue for defining and demarcating the experience industries. At the same time, both the industry as a whole as well as the various kinds of experience industries need to be studied in their context and not as fixed and isolated categories.

