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**THEORIZING THE EXPERIENCE ECONOMY:
TOWARDS A FUTURE AGENDA?**

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Regional Studies Association*
Research Network on Experience Economy and Spatial Strategies.
Culture and experiences in spatial planning, development and innovation

Abstracts

Session 1 Thursday 3rd November 2011, 09:30-12:30

1.0 Thematic introduction: Placing the experience economy

Philip Crang, Royal Holloway, University of London

This talk argues that the 'experience economy' can be theorized in spatial terms. To that end, it considers a number of spatial figures foregrounded in accounts of the experience economy, including: the theatre; the event; the interface; the collection.

The talk will conclude by reflecting on the relations between culture and economy that are suggested by these figures and by the wider 'experiential turn' in economic discourse.

1.1 Experiential value and territorial staging systems

Hugues Jeannerat and Olivier Crevoisier, HCU Hamburg and University of Neuchâtel

The rise of the 'Experience Economy' described by Pine and Gilmore (1999) points to the development of a particular form of economic valuation. It reflects a particular social order of market organised around 'experiential quality conventions' whereby consumer's experience becomes a commercialised output. In this view, the experience is regarded as an end product and as what is charged for.

This conceptual approach undeniably provides a pertinent framework to understand the increased economic value made out of leisure, entertainment and hedonistic consumption. However, considering consumer's experiences only as a market output may lead to a too exclusive and partial understanding of today's economic processes. In a number of situations, the experiential engagement of consumers is also a resource - or a market input - that contributes to the valuation of goods or services within the commodity chain and to the establishment of various quality conventions.

This contribution seeks to provide a broadened reflexion on the place of experience 'staging' within economic processes. A stage is regarded as a particular locus where production resources become experiential resources through a particular stage setting and where consumption resources become economic resources through an experiential engagement. The concept of 'territorial staging system' is proposed to emphasise how various stages are contextualised across time and space according to particular forms of quality conventions.

The cases of fine watchmaking, of solar technologies and of sustainable finance in western Switzerland are used to illustrate three particular territorial staging systems. In the former case, experiential engagement contributes to co-create and legitimate conventions of authenticity in the valuation of watches. In the case of solar technologies, conventions of sustainability thanks to technology link producers, users and media in staged experiences of testing or using new, cleaner technologies. In sustainable finance, conventions of responsible commitment contribute, at the level of the industry, to restore the image of the industry.

1.2 Branding through experiences in the international cosmetics industry: Delineating conceptual territory through brands in space

Bodo Kubartz, Passion and Consulting/University of Oklahoma (prev.)

Cultural products transcend the monetary value of the physical materials that are necessary for their production. They are characterized by sign-values where the aspect and task of branding has become prominent. Branding has accelerated new trends such as the emotional design of objects and the focus on experiences and rituals. It is not about the cultural good itself but its accommodation and the way it informs a biography of a product. Thus, cultural products focus on experience-as-consumption; they are maintained in atmospheres where value is co-created by the consumer. Cultural products are based on an individualized value creation in terms of the hermeneutic perception, interpretation, and experience. However, the how's and where's of branding through experiences are far from clear. This paper offers initial answers from an economic geography-viewpoint.

At the example of the cosmetics industry, I will discuss recent developments in terms of branding through experiences. The cosmetics industry is a very dynamic cultural product-industry as far as brands, products, revenues, and turnover are concerned. In the cosmetics industry, experiences can be summarized as depending on branded products (the being and becoming of desirable objects) and branded atmospheres where those are represented and retailed.

Brands delineate their terrain not only conceptually but also in retail environments. This is not new. However, the paper highlights the sea change as far as general marketing strategies are concerned that was driven by traditional understandings of „beauty“, „prestige“, and „luxury“ towards an emphasis of a coherent “see, feel, and smell” through multi-sensorial experiences. Those are increasingly stressed to secure authenticity, emphasize trust, and represent a brand philosophy. In addition, the dictum and emphasis on branding through experiences determines geographical outcomes. Overall, the paper highlights brands and branding through experiences as mediators of innovation.

The paper elaborates on branding through experiences as an example of a set of practices of distanced and proximate learning in the international cosmetics industry. Thus, the paper contributes to the discourse about knowledge, knowing, and practices in economic geography. It presents empirical material from in-depth interviews with experts from the cosmetics and fragrance industry (2007-2009) as well as participant observation and work-in-practice in the industry.

1.3 German Nachtleben, German approaches to the night-time economy

Jakob F. Schmid, HCU Hamburg

The detailed consideration of a night-time economy (Bianchini 1995; Lovatt, O'Connor 1995; Chatterton, Hollands 2002/2003; Roberts, Eldridge 2009) is quite new for German cities. With the exception of some research work concerning the legal aspects of various places of entertainment - building regulations, noise regulations, etc.- and recent research activities dealing with spatio-temporal issues in the context of urban planning and design (Läpple, Mückenberger, Oßenbrügge 2009; Henckel, Eberling 2002; Eberling, Henckel 2002), no noteworthy discussion on the spatial implications of contemporary nightlife has taken place within German planning practice or research (Schmid 2010).

Against the background of discussions regarding the role of the cultural/creative economy for urban development in the last decade and the increasing importance of place branding to both regional marketing and tourism, nightlife - as an indicator for urbanity par excellence - and its economic and cultural aspects is attracting more attention in urban policy within major German cities (ibid.).

In 2008, the City of Berlin - a main destination for music-oriented tourists from all over Europe (Rapp 2009) - commissioned a survey on the economic potentials of the local (music) club scene (Grigutsch, Kretschmar 2008). Hamburg issued similar studies also commissioned by local

politics (Birnkraut 2006, FHH 2010). The latest study places a strong focus on spatial and legal issues as well as possible potentials for spatial development of the entertainment district of Hamburg-St. Pauli. Mannheim - a town with about 300,000 inhabitants that labels itself 'Musikstadt' - consider the 'the sustainable strengthening of the local music-oriented gastronomic scene' as crucial for the success of their development and place branding strategy, which also encompasses the education sector and businesses (www.mannheim.de).

The presentation will provide an overview of recent activities/strategies of major German cities within this specific field of urban economics and will attempt to draw parallels to the approach of the research network Experience Economy and Spatial Strategies.

1.4 The mandatory participation in the planning process as an experience?

Line Hvingel, Lise Schrøder and Hans Peter Therkildsen, Aalborg University and Kolding Municipality

In the preamble of the Danish Planning Act one of five stated objectives is to involve the general public to the greatest extent possible. Hence it is mandatory for the authorities to bring forth any propositions for plans for at least eight before finally enacting the plans. The design of this process can vary from more or less anonymous announcements in the newspaper to big public events.

The planning process often offers a schism between the city planners, who wants to discuss future possible plans for an area, and citizens who protest against the project, or details in the project, according to the NIMBY-discussion (Not In My BackYard).

A recent survey carried out by Aalborg University showed that approximately 10 percent of the latest 296 proposals of urban plans have had some kind of supplementary public hearing or event. Not an optimal number but still showing that the municipalities does not ignore their responsibility according to the preamble of the Planning Act. The survey also showed a picture of the citizens' reason to be involved in the process: No less than 3.200 persons and organisations made comments to or protests against the plans - ranging from massive protests to pointing out minor typing errors.

There is a need to get people involved in a constructive dialog in order to avoid the large number of protests. Several cities have began to work with various forms of "events" in connections with planning of new urban areas, but the events seems scattered, and they do not seems to be intended at reducing the number of protest, nor as a result of a experience economy strategy.

This article aims at exploring the notion of Experience Economy as an enabler for the public involvement in the planning process. By merging the ideas of experience economy with the mandatory participation there seems to be an added value in form of both enhanced focus on the hearing periods and in form of branding of the city. A third component in this value chain is the cultural in heritage. The article explores the coherence between experience economy and the cultural in heritage and also whether the cultural in heritage can be used as an enabler for public participation and again also as an enabler for the cities experience economy.

Session 2 Thursday 3rd November 2011, 14:00-17:30

2.0 Thematic introduction: Whose experience, whose economy?

Andy Pratt, King's College London

Dominant accounts of the experience economy stress the staging and performance process as a means to encourage consumption and drive competitive advantage. The lessons that are usually taken away from this concern the addition of engagement/ and performance in the sales process; and, the importance of urban context as a stage for such excitement. In this sense it

provides another iteration of the creative city based on consumption as a means of competitive differentiation.

Quite a different perspective emerges from epistemic and ontological shifts within academic debates that have turned to explore 'performativity'. This work, which is an approach to the whole social world, has highlighted two important themes of work. First, the importance of consideration of 'affect' and emotion in social interaction. Second, that the social objects of analysis may be better understood as networks and flows. Clearly, at a superficial level, the 'affective' dimension could be coupled to a version of the experience economy. However, the ontological point is more challenging.

It is this angle that the paper explores. By conceiving cultural production as a totality rather than an act of genius, or an instantiation of consumption, process and interconnections are foregrounded. This has been the theme of much work on the cultural economy in recent years, and more widely in economic sociology. Second, other aspects of the performance of work (and in particular cultural work) have indicated the extra-economic field of reputation as critical in the understanding of value making. Third, the concern with the practice of work has been highlighted in relation to the rise of precarious labour, in particular within the cultural sector where emotional or artistic commitment to work lies in significant tension with the realities of getting and doing work (especially the workers of the experience economy); a process which is itself leading to greater inequalities in working life.

2.1 Postindustrial growth: Experiences, culture or creative economies?

Anne Lorentzen, Aalborg University

The paper reflects on differences and similarities between the experience economy approach and the cultural/creative economy approach and discusses the spatial and strategic implications of each of them. The discussion is embedded in insights related to societal and spatial megatrends of post-industrialism.

Tofler (1970) foresaw a change in economic structures towards more luxury consumption, and a demand for psychic gratification, supplied by experience industries. Andersson and Andersson (2006) described the structural changes and the resulting demand for experiences and entertainment, with a focus on Scandinavia, and the German sociologist Schulze (2005) saw an aestetization of everyday life in the advanced countries.

Scott (2007) interpreted the postindustrial economy as a 'cognitive-cultural economy', characterized by a high level of computerization and with high levels of human capital. The role of human capital in developed countries was discussed by Florida (2002, 2005) in terms of 'the creative class.' Spatial magnetism through hedonistic appeal became growth engine though the attraction of highly skilled labor. This magnetism was in particular attached to cities (Florida, 2005).

The cultural economy (Scott, 2004) and the creative economy (Howkins 2002) characterize economic sectors, consisting of particular culture products (Scott, 2004) or particular creative processes (Howkins, 2002). Their appeal for research and politics rests with the growth potential and the promise to provide an alternative to fading industrialism. Both these 'economies' have been shown to cluster in big cities (Scott, 2004; Cook & Lazzarotti, 2008; Pratt 2004).

In comparison the experience economy (Pine & Gilmore 1999) can be seen as a megatrend in strategic management in which the customer relationship has the highest priority. The ability to innovate by developing experience offerings provides the businesses with a competitive advantage. Every final product can be the object of experience-based innovation, although P&G also mention particular sectors as having experiences as their 'core', while others have the experience as 'add on'. Place can be seen as a particular valuable ingredient in experience innovation, because it increases the identification of the customer with the products. On the other hand places can be developed as experiences to increase the identification of visitors and citizens with places (Lorentzen 2009), even with peri-urban and rural places.

2.2 The taxonomic problems of the experience economy industries

Berit Therese Nilsen and Britt Dale, Norwegian University of Science and Technology

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.

2.3 The experience economy as a rural development concept

Jesper Manniche, Lene Rømer, Tage Petersen and Karin Larsen, Centre for Regional and Tourism Research, Bornholm/Denmark

The Experience Economy is still a poorly defined and fuzzy concept, both theoretically and empirically. For instance, as emphasized in the call for papers for the present conference, it is still a debated question whether the economic relevance of experiences should be constrained to certain economic sectors like it is usually done in 'Creative/Cultural/Tourism Economy approaches' or if the demand and staging of experiences are more general phenomena characterizing late-capitalist economies and markets like it is imagined in Pine and Gilmore inspired 'Experience Economy approaches'. A third and quite different approach to the EE concept which in recent years has become increasingly common at least in a Danish and Nordic context (Lorentzen 2008; Lorentzen and Krogh 2009) and inspired by Richard Florida's theory on the 'creative class' attracted by the 'people climate' rather than the 'business climate' of places, is to apply the Experience Economy concept in policies for urban and regional development to attract new citizens and firms.

In an attempt to contribute to this third approach to the Experience Economy - but maybe also with a risk of adding to the conceptual confusion about the Experience Economy by extending its reach to include also public sector, non-commercial activities - this paper will discuss the possible content and implications of the Experience Economy from a perspective focusing on economic and demographic development in rural areas.

Using concrete study project examples from MOLLY, a Master education in “Experience Management in Rural Areas”, supplied by Centre for Regional and Tourism Research on the island of Bornholm in cooperation with the Roskilde University/Denmark, the paper outlines and discusses the understanding of the Experience Economy - unfortunately not yet fully theoretically grounded - on which the MOLLY education is based. The critical element characterizing the ‘MOLLY way’ of developing rural experience products and activities, distinguishing it from the more business-oriented, non-territorial experience management education, supplied by Roskilde University for students mainly from urban areas, is the collective, network-based, public/private sector-crossing, local community perspective as well as the point of departure in place-bound resources. Concrete study project examples to be presented in the paper include cases about development of experience of private enterprises (e.g. internet-based flower-shop) as well as cases about public sector activities (e.g. experiences in the waiting room of a hospital emergency department).

2.4 The experience economy in an island region: More than just for the tourists

Sarah Kennedy, Queen’s University Belfast

On first appearances the Outer Hebrides (off the west coast of Scotland) seems like an unlikely place to find an exemplar region capitalising on an experience economy. The region, a rural archipelago on the fringe of Europe, has suffered historically from underemployment, depopulation and a fragile economic base dependent on a small-scale agricultural system called crofting as well as fishing but through development of the experience economy a change has begun. This change is bringing with it economic development to the islands but perhaps equally as important is the crucial impact on the positive esteem held by the islanders about their own lands. This is perhaps most evidenced by the fact that it is local residents who have set up a steering group to develop the Outer Hebrides brand and a coordinated marketing campaign as a result of the realisation that others will pay a premium to experience a slice of island life. Islanders are now seeing a value both culturally and economically in what was previously considered a hindrance to getting on in life, such as the Gaidhlig language and a strong Celtic culture.

The Outer Hebrides offer some interesting insights into an alternative island perspective on what it is to ‘stage’ a holistic tourist experience, and one that can be positively associated with authenticity. The islands offer both residents and tourists many authentic experiences that remind the individual they are present in the Celtic heartland of Scotland. Importantly, there is very limited commodification of culture unlike many other destinations in the Western world. One hears Gaidhlig in the shops, on public transport and in peoples’ homes; it is not a tourist curiosity. One can experience a performance of traditional Scottish music in local pubs that do not charge an entrance fee. One can visit Celtic monoliths equal to, if not surpassing, Stonehenge without being charged or being forced to ‘exit through the gift shop’. Unlike Gilmore’s postulations about the necessity of charging for experiences the Outer Hebrides offer an insight into an island method of profiting indirectly through creative marketing alongside community support and involvement in the ‘island experience’, therefore blurring the line between ‘staging producers’ and ‘guest consumers’.

2.5 Food experiences as a designed concept innovation: New industrial policy challenges

Jon Sundbo, Roskilde University

This paper deals with the new attempts to re-organise Danish food production and the political and scientific effort to support this (e.g. under terms such as Nordic Food, organic food, local/regional food). The paper is conceptual. It discusses the theoretical challenges that this supply-side driven political and business attempt meets and suggests a model for understanding the behaviour of these supply-side actors and hypotheses of the main challenge.

The research question is: How is a politically initiated industrial development based on a life sphere concept carried out?

The above described process can be an exemplary study object seen from an innovation and industrial policy research perspective; particularly because it unites material and experience factors and supply as well as demand side (i.e. peoples' social life and preferences).

The conceptual analysis contributes with two elements to understand this political design process. One element is a model of the change process. The other element is a hypothetical suggestion of the core challenges in this political-social design process.

The suggested model of the politically designed social food-industry process emphasizes three correlated factors that are used in this process. The three factors are:

- Innovation of combined commodities-services-experiences and influencing peoples' behaviour. This implies new food products, but also new social and economic preferences in peoples' leisure life.
- Discursive communication of experiences.
- Influencing specific group of peoples' behaviour, interest and social norms thus they adopt new eating behaviour and buy Danish food concepts.

The suggestion of hypotheses of the core challenges in this process is the following:

The process of creating a social movement based on industrial development faces two main challenges that the actors may be insufficiently aware of:

1. It is a challenge to export and maintain the experience element ("Danish").
2. It is a challenge to secure the ownership of food concepts and avoid imitation.

The explorative cases on which this is based are research and development programs that have been launched within the last four to five years, entrepreneurial effort among firms related to food experiences and regional and national policy effort.

Session 3 Friday 4th November 2011, 09:00-17:30

3.0 Thematic introduction: Experiencing newness in orderly settings: Value making in market places

Patrik Aspers, Stockholm University

Does the experience economy approach imply new modes of market relations? Does the experience economy approach suggest a new understanding of innovation?

The idea presented here is to look at above all structural and spatial condition as conditions for "experiences". What does it presuppose? The role of order, of which "spatial order" is central, will be highlighted.

3.1 Experiencing uncertainty in the experience economy: How musical actors perceive their labour market vulnerability and resilience

Oliver Ibert and Suntje Schmidt, IRS Erkner/Berlin and Freie Universität Berlin

The proposed paper takes a social-constructive approach to the terms vulnerability and resilience in order to shed more light on one “dark side” of the experience economy - the volatile labour markets for those who are expected to produce experiences. In the paper, vulnerability and resilience are understood as notions with which practitioners analyse origins of insecurity and identify resources that provide security under uncertain circumstances. The paper builds on qualitative interview data with musical actors and traces how they position themselves on the labour markets. Musical actors find themselves on a shrinking, segmented, highly competitive and mobile labour market. The institutional safeguards provided by the German welfare state do not apply to them as they rest on assumptions about labour relations that are far away from their daily reality. Thus, musical actors feel themselves exposed to institutional as well as territorial mismatches. While the market and the institutional context hardly offer any chance for strategies to increase resilience, musical actors concentrate their efforts on those dimensions which they regard as being more accessible. They spread risks by constructing multiple identities from their bodies, experiences and talents with which they address distinct segments of the labour market. Moreover, they employ their personal networks to further attenuate some of the competitive mechanisms. From a spatial viewpoint, these practices of increasing resilience in the labour market constitute volatile, multi-local activity spaces that are most effectively used in combination with a comparably stable home base.

The main contributions to the workshop themes are:

- 1.) The musical industry occupies the intersection of creative economy and experience economy as it produces creative outcomes and at the same time has developed effective formats to enact experiences. It might thus act as a good example to illuminate the relationship between the concepts of creative/culture economy and experience economy.
- 2.) The labour market practices of musical actors reflect the fact that the production/consumption of experiences usually takes place in *uno acto* situations that seem to emphasize the local character of the experience economy. At the same time these practices also reveal that the underlying work relations and strategies to improve labour market resilience are highly mobile and encompass a multitude of localities.

3.2 Measuring event experiences and redefining its social nature

Sjanett de Geus, Tilburg University

Leisure is inherently social (Glancy & Little, 1995; Kyle & Chick, 2002; Mannel & Kleiber, 1997; White & White, 2008). Therefore, a major limitation of the current experience economy perspective is the fact that experiences are viewed as something individually constructed. Although much experience research has been conducted, empirical studies exploring the way social interaction contributes to leisure experiences are lacking. In the light of the importance of experiences within the experience economy and in particular the leisure field, researching and finding a tool to measure this relationship will be of vital importance to both academic scholars and management or policy makers. So far, no attempts have been made to measure social interaction during events and their effect on experience.

If it can be concluded from previous studies, that interpersonal interaction during leisure experiences is essential (Ahola, 2005; Castells, 1996; Collins, 2004), and that social elements are important experiential elements (Dunn Ross & Iso-Ahola, 1991; Falk & Dierking, 2011; Kyle & Chick, 2002). It seems strange then that previous research focused on experiences from an individual point of view, leaving these social elements out of consideration (Glancy & Little, 1995). Illustrative of this is a study by Hull and Micheal (1995) in which the authors explored the relationship between leisure, mood and stress reduction in two settings. Only participants that were alone in both settings were selected to participate, “to control [for] the potentially confounding factor of social interaction” (p. 9). Thus, although scholars have generally

acknowledged the importance of social elements -such as social interaction- within leisure (Colton, 1987; Glancy & Little, 1995; Kyle & Chick, 2002) and tourism (Huang & Hsu, 2009; White & White, 2008), empirical experience research that incorporates these social elements is scarce.

Although several authors have tried to capture the essence of the experiential elements that comprise the leisure experience, scholars have not reached a consensual definition (Walls, Okumus, Wang, & Kwun, 2011). So far no successful efforts have been undertaken to bring this research together. So our first challenge is to build an instrument to measure leisure experiences in a quantitative manner and the second one is looking at the way social interactions influence this experience. After reviewing relevant literature on this topic I will present the necessary steps that are planned in order to achieve this goal.

3.3 Constituting local creative markets: Field configuring events and professional scene formation in Berlin's design industries

Elke Schüßler and Bastian Lange, Freie Universität Berlin and Humboldt University Berlin

Based upon a review of the recent literature on so-called “field configuring events” (FCEs), this paper discusses the role of organized events in the constitution of local creative markets. We argue that the existing literature on FCEs tends to neglect a spatial as well as an organizational dimension, which are necessary to understand how such events are themselves configured by the context in which they are embedded.

Drawing on a longitudinal empirical study of the recent Berlin design market, we study the crucial role of events for cultural entrepreneurs as sites for accessing, organizing, and establishing markets in a fragmented creative industry field. At the same time, we show how events, in order to have this ‘market configuring’ role, need to be organized according to relevant scenes that typically articulate in specific local conventions, habits and communicative structures. Drawing on the role of space as an analytical framework, we conclude that research on FCEs would benefit from taking into account the variance in how events are organized in different social and geographical contexts.

3.4 Going East? The role of wealthy private collectors in the process of making value of contemporary visual art

Melanie Fasche, HCU Hamburg

This paper aims at shedding light on quality building and the economic and spatial organization of markets by reflecting on the role of wealthy private collectors in the process of making value of contemporary visual art. Here, quality building is conceptualized as a collective though highly competitive process of making value. This process is facilitated by a global network of different stakeholders whose practices are informed by three distinct institutions: market, discourse and public museum.

In recent times wealthy private collectors have gained power within this network by performing the scholarly role of public art museums. Wealthy private collectors increasingly create their own private museum, often designed by a star architect, to show their collection to the public, employing professional curators, publishing catalogues and commissioning artworks - rather than donating artworks to public museums, causing unease that money may eventually trump art historical scholarship. These collectors come more and more from places outside the traditional centers of the West, particularly Asia, the Arab Peninsula and also Latin America.

From an evolutionary institutional perspective it is argued that

1 Wealthy private collectors have a growing stake in deciding what is shown to the public and what might pass the test of time and will eventually be integrated into the canon of great artworks. However, the superstar museums in New York, London, Paris and Los Angeles still enjoy the historic advantage of their reputation, resulting from their prestigious collections, over new private museums.

2 Today's wealthy private collectors seem to emulate arts patronage of past centuries. Motives of buying and collecting contemporary visual art range from aesthetic, intellectual and historical interests to social status aspirations to investment purposes, also labeled as passion investments by the World Wealth Report 2010.

3 Although market and museum are proliferating, the discourse about aesthetic quality and its translation into value is still centered in the West. It remains to be seen whether the center will be moving East and to which extent the Western institutions of art are adopted there.

3.5 Authentic place brands and the value of experience

Rebecca Richardson, Newcastle University

The recognition of inter-territorial competition for investment, jobs, residents, visitors and students is increasingly a feature of local development strategies in the form of place branding. Formerly industrial cities and regions especially, have sought the economic potential of place branding as a way of shedding images which may be detrimental to their future growth strategies. Quality of life, quality of place or the promise of a particular experience are often features of these brands.

As place branding practices develop, practitioners and academics increasingly advocate an approach to place brands which does not focus on a logo and slogan but instead develops a set of values which reflect or guide wider place management strategies. Much of this impetus has come from an acceptance of the differences between place branding and product and service branding. These include large and varied audiences and local stakeholders, lack of control of the place which is being branded, such as existing varied identities and the inadequacy of measures of success used for product or service brands.

It is in this context which experiences are essential and valuable for the authenticity of the brand offered. A place which is branded as a cosmopolitan and creative city, exciting for visitors and ripe for investment, must be experienced as such or the brand and its aims are instantly undermined. Pursuing a really authentic brand as part of a place management strategy therefore has implications for local development decisions in terms of the physical environment and the types of businesses that are encouraged and supported, based on the type of experience they offer. Potential economic opportunities may be avoided if they do not provide, or are incompatible with, the experiences promoted by the brand. In addition, the quest to provide particular experiences, valuable to visitors and investors, holds questions of equity for local residents.

How important should brand authenticity be in local development decisions? The question is essentially, what is the value of brand authenticity, that is, the value of a well managed reputation? It is argued that more robust research is needed to adequately understand the value of place branding for the development of places, in order to enable informed decisions about the relative value of promoting particular experiences.

Concluding forum Friday 4th November 2011, 14:00-16:00

4.0 Thematic introduction: Economic valuation and the experience economy

David Stark, Columbia University

Based on the contributions to the workshop, this presentation will open up the concluding discussion with a general reflexion on the experience economy and the place of performance in economic life.