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Spatial Dynamics in the Experience Economy

Edited by Anne Lorentzen,
Karin Topsø Larsen and Lise Schrøder



Spatial Dynamics in the Experience Economy

This book explores the dynamics of place, location and territories from the perspective of an experience-based economy. It offers a valuable contribution to this new approach and the planning and management challenges it faces.

This book emphasizes three key avenues to understanding the experience economy. First, the book reconsiders innovation processes and the relationship between the consumption and production of experience value. Second, it considers emerging forms of governance related to experience-based development in businesses and cities. Third, it examines the role of place as a value, resource and outcome of experiential innovation and planning.

This book will be of interest to researchers concerned with urban and regional development.

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Part I

Introduction

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1 Spatial dynamics in the experience economy

*Anne Lorentzen, Karin Topsø Larsen and
Lise Schrøder*

This volume seeks to explore the dynamics of place, location and territories from the perspective of an experience-based economy (Pine and Gilmore 1998, 1999, 2011). Our use of the notion of the experience economy in this book is related to the crucial role of experiences understood as (positive) emotions, values and identities in value creation and how this is related to local and regional development, urban and spatial planning and business development, for example within tourism.

The book builds on the collaborative efforts of a Regional Studies Association (RSA) research network on the same topic. The research network was established in 2009 and focused on the spatial dimensions of production–consumption relations in transition. It understood the notion of the experience economy as a promising new research perspective with the potential to capture a change in production and consumption relations toward a much more co-productive process. The research network discussed questions about changed spatial and territorial configurations connected to new production and consumption relations. Debates about changed production and consumption relations as drivers of innovation processes also took place. Finally, the implications for governance and planning that arise from the new roles of place as intrinsically ingrained in the product were considered, and along with that ideas of planning as a co-production of space. These topics were also present in a special issue of *European Urban and Regional Studies*, edited by central figures in the RSA research network, Lorentzen and Jeannerat (2013). Thus, this volume builds on a number of research discussions, which have evolved since 2009 in the interdisciplinary meeting between different research traditions.

Three research perspectives unite the contributions in this volume traversing the four thematic sections. One is the perspective on innovation and innovation processes in businesses and planning, and the question of how experiences contribute innovatively to market value and citizens' identity with the place. The second perspective is that of the governance of innovation and planning processes related to experiential development. What values, and whose values, govern innovation and planning related to emotional satisfaction? The third and encompassing perspective is related to the role of place in creating experiential value and vice versa. Both economic and socio-psychological dimensions are at play

here. Places are constructed in economic processes of location and specialization in experiential production. They are also socio-material constructs for actors who relate to localities through located social ties and daily practices. Together these three perspectives represent our perception of the spatial dynamics of the experience economy.

What is the experience economy?

Originating in strategic marketing and consumer behaviour, the phrase ‘the experience economy’ invites images and inspires imagination among researchers from many disciplines, and it has triggered new ideas among entrepreneurs as well as among public planners. Probably the everyday use of the word ‘experience’ makes it so appealing. Most people are able to imagine experiences and even experiencing into their field of activity and work. The drawback is, however, that experience economy is taken to mean many different things as it is interpreted into different contexts (Sundbo and Sørensen 2013; Bille 2012; Lorentzen and Jeannerat 2013). The seemingly mutual understanding of the experience economy concept therefore appears to us to be more imagined than real. This does not mean that we, the editors, want to subscribe to specific definitions or concepts or to advocate particular theoretical perspectives. However, we take our point of departure in the role of experiences in value creation in different contexts of business development and planning. Moreover, we intend to go about the topic of the experience economy critically as well as scientifically. By this, we also indicate that we do not advocate the experience economy, we scrutinize it.

The experience economy and innovation

Innovation is a constitutive and crucial dimension of the experience economy. The context of the discussion of Pine and Gilmore on the experience economy (Pine and Gilmore 1999) is how businesses enhance their competitiveness on the market in different phases of economic development. Today producers compete in a very crowded market for goods and services, and a strategy is to make their offerings still more differentiated. The challenge is not to lose the attention of the customers in the increasingly differentiated market (Callon *et al.* 2002). Therefore, non-functional values connected with the firm and its products become interesting as competitive assets. Mundane goods and services therefore become the object of experiential innovation. Not surprisingly, the journey does not end here, also because experience offerings face competition and need to be innovated in an endless circuit (rat race) of innovation.

Initially customers are anonymous and assess the value of the experience offering and the innovation by their decision of purchase. Innovation may thus be directed towards the creation of loyal customers, who identify with the product and choose it again and again. Customers may also be involved in innovation more directly, not only by their assessments, but by providing and applying their values,

emotions and knowledge to the innovation process (Andersen 2015; Mansfeldt 2015). Producers need to learn from consumers (Hauge 2015) who on the other hand may need education or initiation to the more intangible features of products (Jeannerat 2013). Experiential innovation becomes valuable to customers when it resonates with their values and thus becomes meaningful to them (Hracs and Jakob 2015; Leslie *et al.* 2015). What drives them is not just expectation of economic maximization, but rather emotional satisfaction (Gyimóthy 2015). Shared values may become not only social but even gain economic importance, and (self-)organized consumer groups may play an important role in experiential innovation (Hauge and Power 2012). Within tourism and planning, innovation revolves around the strengthening of users' identity with the place of residence or of visit. If we add that the production side, as well as the consumption side, consists of various actors in different positions, the innovation process becomes complex and unpredictable. The experiential innovation system is therefore messy. This volume provides examples of how different it can be (Jeannerat 2015; Gyimóthy 2015; Hauge 2015; Guex and Crevoisier 2015; Lorentzen 2015; Fuglsang 2015).

The experience economy and governance

Complexity as well as uncertainty is characteristic of innovation in the experience economy. This makes it important to consider governance in an experience economy context, both from the perspective of private producers or firms and from the perspective of policy and planning. The more or less intentional innovation of goods and places through experiential innovation is closely connected with governance and with the questions of who, what and why. In business economics, network governance among firms is suggested as an alternative to both (firm) hierarchy and market solutions (Jones *et al.* 1997). Network governance is a response to task complexity and demand uncertainty (Jones *et al.* 1997: 911). Equally in planning, governance means 'collective action' (Healey 2007: 17) as a contrast to hierarchic forms of public government. Dismantling hierarchies enables new constellations between actors and resources, conducive of experiential innovation.

More than in other types of innovation, in experiential innovation feelings are at stake. These are feelings about the city, about the tourist destination or about the purchasable identifiers of who you are, such as clothing. No wonder users as stakeholders often have deeply felt interests in the innovation of experience offerings and even involve themselves as co-creators. Stakeholder roles are thus often blurred in the experience economy, in a business context as well as in a planning context, and the governance processes that assemble and mingle interests and knowledge may be long and complicated.

Throughout the book, the contributors discuss the issues of stakeholders and governance, theoretically and illustratively by case studies. Who are the actors and stakeholders, what are they interested in, and why is the innovation process (or urban planning process) of importance to them? To the question of who, Pine and Gilmore (1999) allude to the employees of the individual business, Fuglsang

(2015) considers the horizontal cooperation among experience producers, and Jeannerat (2015) reflects on complete hierarchies of suppliers in the production system. Lorentzen (2015) and d'Hautesserre (2015) address the complicated stakeholder landscape and the relationships between stakeholders in urban planning. Relations of power and dominance become evident in Fisker's work, which points at planners as influenced by business interests (Fisker 2015). In essence, consumers are looking for meaning because they need emotional satisfaction, while producers look for loyal customers because they need economic gain. Multiple actors emerge on the producers' and the customers' side. Eventually they may meet in common endeavours. Inspired by the theatre metaphor used by Pine and Gilmore (1999), 'staging' or 'staging system' is suggested as a description of the process of combining interests and resources in experiential innovation processes.

The experience economy, space and place

Spatial relationships and dynamics represent the encompassing perspective of this volume. In economic geography, it is acknowledged that any techno-economic paradigm or phase, whether agricultural, industrial, knowledge or whatever label is used, has specific spatial characteristics and locational dynamics of specialization (Hayter 1998). It has been suggested that the experience economy can be considered as a techno-economic paradigm in itself, however closely related to the global knowledge economy (Lorentzen 2009). Resources, economic actors, competencies and cultures are located and sometimes even place-bound. Spatial relationships have hitherto not been scrutinized by research, even if it can be argued that places, in terms of spatially embedded relationships, not only represent experience offerings, but also potential experiential resources (Jeannerat and Crevoisier 2010). These potentials are related to history, lifestyle and tradition as expressed in the built environment and social practices (Guex and Crevoisier 2015; Lorentzen 2009).

Place, as a category within the social sciences, is complicated. In brief, place results from lived practice and is formed by power or decisions related to its appearance and use (Massey 1993; Healey 2007; Harvey 2006). Place is constructed by endowing physical spaces with meanings, as argued by Healey (2010). Place qualities are therefore negotiable. Cities can, for example, be approached as industrial or cultural, water shores as functional transportation nodes or recreational areas, adding to quality of place and housing prices. Thus, the experiential quality of places is socially constructed (Schröder 2015). Places are, more often than not, contested due to differing values and interests of different social groups. The complexity and messiness of innovation and governance within the experience economy is also related to the contested value setting of particular places by different users, i.e. what may be of value to one social group may be less valuable to others. The dominance of particular social groups, who are able to wield their perception of which qualities are valuable, may supersede the values of other social groups, thus estranging them from the place. The specific governance of innovation and planning decides whose values will dominate.

Place approached as a resource for product innovation, can be understood as the reference to particular places in experiential products and artefacts (Guex and Crevoisier 2015) which imbues products with value, because it provides them with a quality of authenticity (Gilmore and Pine 2007: 136). Authenticity is related to meaning, and authentic places are places that are meaningful to people. Referential products inherit some of this place-based authenticity. Place can also be understood directly as a particular meaningful and thus authentic location. Such places are able to attract residents, tourists and investors much better than places that are more anonymous.

In this book, the contributors show how producers, consumers and other stakeholders imbue places with meaning in processes of negotiation, and how this meaning, on the other hand triggers innovation and sales across space. From a systemic perspective, it can be suggested that the experience economy is produced in spatial staging systems related to particular localities, regions or cities, or to particular branches of industry. Place is not only related to production, but also to consumption. Experience consumption is often attendance based (Smidt-Jensen *et al.* 2009) or place bound (Lorentzen 2009), and attractive landscapes of consumption are created to enhance the experience of consumption and boost sales. Experiential staging takes place in distant as well as in proximate relationships. Regionally or locally embedded staging systems are in any case permeable, due to high mobility and globalization, as shown by, for example d’Hauteserre (2015), Mansfeldt (2015) and Gyimóthy (2015). And they are imbued with power (Fisker 2015).

Summing up, the three encompassing perspectives on innovation, governance, place and space in the experience economy are closely interlinked as a combined spatial dynamic rooted in actors’ experiential intentions, innovative relationships and power. Experience value as an important perspective in innovation and planning is thus embedded in time and space.

The volume brings together theoretical as well as empirical work that share the intention of coming to grips with the spatial dynamics of the experience economy. The contributions are rooted in economic geography, tourism studies and planning. They include, as [Part II](#), theoretical contributions, which challenge and develop the notion of experience economy and value. [Part III](#) focuses specifically on innovative relationships in the experience economy on the micro-level. [Part IV](#) deals with the regional perspective in the discussion of how stages and places are constructed in the experience economy. Finally, [Part V](#) takes up the issue of governance in planning and business networks in terms of motivation, discourse and power.

Chapter organization

[Part II](#), entitled *Theoretical developments and methodology challenges* brings together work on the emergence of the experience economy as a major discourse in economic geography and planning, and contextualizes it theoretically and historically.

Hugues Jeannerat conducts theoretical groundwork in [Chapter 2](#), ‘Towards a staging system approach to territorial innovation’, by suggesting a way forward for research within territorial innovation systems based on some of the questions raised by theorizing from an experience economic approach. While territorial innovation systems research is characterized by productionist and technologist approaches to innovation, the experience economy approach stresses the socio-economically constructed use-value of experiential products.

Jeannerat suggests framing the research agenda for the experience economic approach within the concept of the Territorial Staging System (TSS). The TSS is not an innovation model, but an exploratory research approach, which presents and frames three avenues of research questions. These are: How are particular production resources turned into territorial stage settings? How are particular stage settings and consumption resources turned into territorial experiences? And: How is experiential engagement turned into territorial revenue?

In [Chapter 3](#), ‘Negotiating and producing symbolic value’, **Atle Hauge** encapsulates and refines the understanding of symbolic value production. Symbolic value is co-constructed through a process of negotiation, which takes place in particular socio-economic contexts and in interaction with multiple social actors. According to Hauge, an important, but often overlooked, group in these negotiation processes is the consumers. The spatial dynamics of social actors’ negotiation processes have at least two spatial features. First, symbolic value is context dependent and varies across time and space. Second, space and place are powerful resources in the production process of symbolic value, because they are unavoidably imbued with geographical associations. Hauge also stresses that symbolic value is constructed along the entire value chain. The experiential staging processes are purposefully set up to deliver products’ symbolic value, and all have a certain spatiality with the aim to place the products in a shared system of meaning.

In [Chapter 4](#), ‘Municipalities as experiential stagers in the new economy: emerging practices in Frederikshavn, North Denmark’, **Jens Kaae Fisker** takes a critical approach to the experience economy by stressing this new economy as yet another form of capitalist accumulation. This time it is the human experience of place, which has been commodified. Places thus compete on how well they are able to engage citizens in 24/7 human experiencing, i.e. to provide or frame the provision of work-based and leisure-time experience opportunities.

In this climate of place competition, municipal planners find themselves as key players, simultaneously in positions of power and exploitation. On the one hand, it is under their jurisdiction to plan the materiality of public space as well as to regulate activities within it. On the other hand, they may be influenced by business interests to frame or stage experiential offerings. Based on an empirical case study from Denmark, Fisker concludes that municipalities function as experiential stagers in three ways: as material stagers in the provision of infrastructure; as symbolic stagers, through place branding; and as institutional stagers, through initiating municipal policies and projects, the purpose of which is to enhance the quality of place on competitive place markets.

Part III, entitled *Relations in the experience economy*, substantiates theoretically and empirically the importance of relations on different scales in the experience economy. In particular, relations connected with the consumers and consumption can be seen as distinctive for the experience economy, but the consumer perspective may even cause experience providers to relate to each other in new ways.

In **Chapter 5**, ‘Selling the stage: exploring the spatial and temporal dimensions of interactive cultural experiences’, **Brian J. Hrac** and **Doreen Jakob** focus on how new relations between independent music producers and craft artists are forged in order to attract the attention of customers in an extremely crowded market. They manipulate four different aspects of their experience offerings and thus harness consumer desires for symbolic value, authenticity and creative expression. The first mechanism is exclusivity, which is the creation of value through offering unique and limited experiences. The second is to generate interactive experiences, which involves catering to consumers through immersive, participatory and interactive, rather than passive, experiences. The third effort involves enhancing experiences through the manipulation of physical and virtual space. Finally, the fourth type of relational forging is to enhance experiences through the manipulation of time, including limited temporality as well as the development of long-term relationships.

The next chapter (6), by **Deborah Leslie**, **Taylor Brydges** and **Shauna Brail** on ‘Qualifying aesthetic values in the experience economy: the role of independent fashion boutiques in curating slow fashion’ continues with an exploration of how value is created. This is done by exploring the role of small independent retail boutiques in qualifying slow fashion goods, and in carving out alternative relationships, experiences and spaces. Space is here perceived as both a site for staging experiences, but also as a site of networking and negotiating the assessment of quality. The mediating role played by independent retailers illustrates the increasingly close ties between retailers and consumers, and the complex interdependencies between the two. This relationship is forged and curated through the provision of customized service as well as deep supplier, labour and client relationships, often involving a reiterative teaching and learning process.

Ole Kjær Mansfeldt in **Chapter 7** on ‘The “Airbnb experience” and the experience economy: the spatial, relational and experiential in-betweenness of Airbnb’ explores the concept of in-betweenness and the phenomenon of Airbnb as alternative accommodation form and indicator of a transition within tourism demand. Mansfeldt argues that there are spatial, relational and experiential implications for using Airbnb, which collectively can be grasped through the concept of in-betweenness. Experiential in-betweenness gives a perspective on the ambiguous ways of experiencing, with guests being tourists and locals at the same time. Relational in-betweenness offers a perspective on the ambiguous relations between hosts and guests. Spatial in-betweenness gives a concept for the places that are in-between the defined and designed tourist places: places that are not developed for tourism, but attract tourists looking for experiences.

Part IV, entitled *Construction of stages and places in the experience economy*, focuses theoretically and empirically on the spatial relations, which

constitute experiential stage setting and place construction by activating resources and actors in experiential innovation processes.

In [Chapter 8](#), ‘A comprehensive socio-economic model of the experience economy: the territorial stage’, **Delphine Guex** and **Olivier Crevoisier** examine the role of territorial transactions among embedded actors. Territorial transactions refer to the complex network of interactions involved in value creation and puts focus on the meaning of the territory for the consumer. This understanding is conceptualized into a socio-economic model, the Territorial Economic Transaction model (TET), which contributes to the understanding of how producers mobilize the symbolic aspects of the territory. Guex and Crevoisier emphasize experience-based values as the central issue of postmodern economic transactions and they introduce the idea of a complementarity of presential and referential transactions. Presential transactions are related to real physical co-presence in a place, while referential transactions are related to goods enriched by symbolic territorial meanings.

In [Chapter 9](#), entitled ‘Val d’Europe: an experience economy landscape tamed by affect’, **Anne-Marie d’Hauteserre** investigates the construction of Parisian suburb Val d’Europe, as an example of the construction of experience economy spaces. D’Hauteserre introduces affect theory as an analytical approach to the transformation of this space into a significant arena for economic and residential investment and development. The author emphasizes how this kind of transformation requires the recognition of the role of affect in order to understand whether people and activities will remain anchored in space and transform it into a place. D’Hauteserre demonstrates how the collaboration between the French state and the Walt Disney Company in Val d’Europe has balanced the conflicting interests of the welfare of the citizens versus economic development interests in contested places.

In [Chapter 10](#), ‘Bollywood-in-the-Alps: popular place-making in tourism’, **Szilvia Gyimóthy** presents a study on popular cultural place-making for Indian tourists in Switzerland. The author focuses on the reconstruction of the Alps into Bollywood background scenery, thus redefining the area as a tourist destination. Gyimóthy shows how the demand for recreational space by pop-cultural consumers transforms the landscape of regional competitiveness, and how this has led to the emergence of new destinations and the repositioning of established ones. The author provides novel insights concerning place-making mechanisms, and puts focus on identity and place as contested due to conflicting stakeholder interests. The chapter introduces ‘the pop-cultural place-making loop’, which contributes to the understanding of how mediatized practices interlink consumption-related features with place-production processes.

In the final section of the part, [Chapter 11](#), entitled ‘The spatial and experiential dimensions of coastal zone tourism in Denmark’, **Lene Feldthus Andersen** focuses on how coastal tourism in Denmark can be understood in spatial and experiential terms. Based on two accommodation-defined types of tourism – holiday home tourism and attraction tourism – Andersen analyses how value is created in the interaction between production, consumption and place. Andersen

contributes with specific insights on tourism destination innovation in relation to the demands of tourists attracted by the two accommodation forms and the construction of experience spaces. Andersen also provides an understanding of the heterogeneity of tourist experiences in groups such as families, and the role of the common place of the holiday home as setting for different types of experiences.

The last part of the volume, **Part V**, entitled *Governance in the experience economy*, takes a closer look at the experience economy as a trigger for new ideas within the field of entrepreneurial practices related to spatial planning and governance. The chapter explores how place-bound experiential resources can function as a means for collaboration processes in municipal planning contexts as well as in local business networks.

In **Chapter 12**, 'Pursuing happiness in planning? The experience economy as planning approach', **Anne Lorentzen** focuses on the emotional aspects of the experience economy. The author translates Pine and Gilmore's classic concepts of the experience economy into the context of spatial planning and compares the role of the citizen to a customer, who can be mobilized in co-producing meaningful urban spaces. The chapter is based on Vancouver and is an empirically based analysis of the effects of innovative urban planning. A central contribution of the chapter is the general experiential perspective on planning as a theatre, where the city functions as a stage which facilitates experiential engagement and citizens' involvement as a means of creating new urban quality places, shared identities and trusting relationships.

In **Chapter 13**, 'Engagements in place: bricolage networking in tourism and the experience economy', **Lars Fuglsang** contributes to an understanding of how companies with limited resources and interest in cooperation can become engaged in the construction of place in an experience economy perspective. Inspired by Levi-Strauss's concept of bricolage, Fuglsang introduces the idea of experience networks as 'garbage cans' and sources for innovation based on available resources, including the familiar relations between actors in a given locality. Based on case studies in Denmark, the author explores how micro-companies in a rural area can become involved in networking based on a lifestyle, hobby and familiarized approach to place-bound resources. In particular, the chapter contributes to the understanding of how these kinds of tangible, low-cost, small-scale activities make it possible to create new innovative value constellations that contribute to the local economy and the construction of place.

In the final chapter, entitled 'Cultural heritage as an experiential resource in planning', **Lise Schröder** takes a closer look at the qualities of cultural heritage in the built environment as a place-bound experiential resource in urban planning processes. The research is based on experiences from a cultural heritage project and the transformation of a former industrial harbour area in the municipality of Aalborg in Northern Denmark. Theoretically, the research draws on the concept of territorial staging systems as introduced by Jeannerat in **Part II** of this book, which is translated into the context of planning, based on conceptualizations of space as defined by Henri Lefebvre and Patsy Healey. The chapter provides a conceptual

framework, which makes it possible to distinguish various aspects of the relations between stakeholders, who collaborate in urban planning processes.

Conclusion and perspectives for further research

This volume explores the dynamics of place, location and territories related to the experience economy. The chapter contributions all revolve around the geographic assumption that changes in economic activity have spatial repercussions on and across different geographic scales, spanning from the individual and the business to the global scale. These repercussions materialize through the linkages and learning processes that characterize social production. Three overall perspectives permeate the contributions and parts of the book. The first is related to innovation and innovation processes in the experience economy. We not only consider business development in networks, but also the planning of urban spaces. The second is related to the governance of experiential innovation and development. What kind of cooperation emerges in experiential innovation processes, and how can it be enhanced? The third is the role of place in creating experiential value and vice versa. What are the spatial practices that strengthen the affiliation between people and places and interactively create experiential value?

In the following, we sum up and pose questions for future research within each of the three perspectives.

Concerning innovation, we acknowledge that experiential innovation is indeed much more than an add-on to mundane products and services, as it is deeply rooted in values and feelings. As such, the experience economy can be seen as a commodification of feelings. The consumption rather than the production of experience offerings is where value is generated, and in many respects, the customer and the consumption process are the keys to understanding value creation in the experience economy. Equally, experiential consumption as a spatial practice decisively forms places and territories, either as frames or as objects of consumption. The innovation process related to experiential values can be seen as a sequential negotiation process among consumers and producers reaching from design, to retail and consumption. Much value is created in the micro-relationships between providers and customers in creative branches of industry such as music and fashion, as well as in tourism services. The providers strive to enhance the experience connected to the purchase and use of goods and services by mechanisms such as exclusivity, interaction, time as well as space, and customers contribute as co-producers. Curation can be seen as a staging of experiences, in which small providers may capitalize on their smallness as uniqueness in a crowded market. The creation of customers through education and initiation is an important part of the relationship. Theoretically, innovation in the experience economy can – with some caution – be approached as part of a system, which is centred around the staging of experiences. The necessary cautiousness is related to the ambiguity of experiences, and the blurred roles of providers and consumers. Nevertheless, the idea of a staging system can be used as approach to detecting innovative relationships in the experience economy.

Methodologically, future research could take its point of departure in the staging system idea and frame research based on its elements, linkages and processes. A staging systems approach can be applied on different scales, reaching from the micro- or firm level to the global, inter-firm and institutional level. Innovative relationships, processes and outcomes in terms of experience offerings and engagement can be detected and analysed. We would expect interesting differences to be found in relation to big versus small providers, between different branches of industry, and between different levels of planning.

The focus on experiential staging should, however, not make us forget that mundane services and facilities contribute to the good experience, which in themselves may not be experientially engaging. What is the relationship between the core experiential production and consumption and the rest? To this question also belongs the consideration that low paid jobs constitute a considerable part of the cultural-cognitive economy (Scott 2007).

With respect to governance, the experience economy innovation is about relationships and values, and therefore governance is an important part of its development. Governance is about what values and whose values are to guide innovation. It is about who the participating actors are in the sequential innovation process and how they are selected. And, not least, it is about how they interact or work together. All contributions deal with the handling and development of experiential value by actors of different kinds. Actors may have conflicting values, for example in relation to the development of experiential qualities of places, where different types of stakeholders have very different views and interpretations of the place. Place qualities are contested. Actor relationships exist on different scales, from the micro-level of the small tourist firm to the global scale between international providers – and between customers and local communities and small businesses, and between multinational companies and regional governments. The stories in the volume cannot be reduced to yet another tale of commodification of new human fields such as experiencing, by global capital. On the contrary, we are told that democratic and local values may decisively form the experiential development of places.

Experiencing can also be a tool in the governance of networks, as narratives of the past may arouse interest and mobilize citizens as in urban design and area development. In addition, narratives of the place may unite small businesses in a common endeavour to create an interesting locality or region to visit. This understanding goes deeper than, for example, Landry's creative city making (Landry 2000), in which joint culture projects are seen to mobilize new citizen groups in neighbourhood development. Our understanding is related to people's engagement based on feelings, meanings and aspirations as they are related to place. This engagement eventually materializes as participatory experiential staging of cities and neighbourhoods. Another contribution of the book is the view that experiencing can be seen as a social phenomenon related to citizen groups and groups of customers, rather than as an entirely individual one as argued by Pine and Gilmore (1999). This makes experiencing a social force in innovation.

The governance of the experience economy in businesses and planning as discussed in this book opens a vast array of potential research questions. One is

related to the values governing experiential relations between providers and customers. Will values such as social, economic and environmental sustainability be able to engage people experientially in other fields than fashion and tourism? Another question is related to the governance of values. More knowledge is thus needed about how values of consumers as well as of citizen groups can be mobilized and used to create socially and culturally sustainable consumption and consumption spaces. Issues of competing values, domination and power belong to the study of governance in the experience economy, and narratives of innovation in the experience economy need to include the issue of how conflicting values are mediated and resolved.

Finally, regarding the perspective of space and place, throughout the book the relationship between experiential production, consumption and innovation, on the one hand, and the development of places, on the other, is discussed. Economically, places serve as locations for experiential consumption, with considerable implications for the quality of place. They can be consumed as such by visitors, residents and companies. They may provide symbolic value related to history and culture and physical qualities that contribute to particular place narratives.

Together, embedded actors and their productive relationships in the co-production of experiences have been seen as territorial staging systems. When spatially embedded resources and actors are mobilized such as in tourism, we see a territorial staging system integrating various types of actors and resources in which experiential engagement eventually is turned into territorial revenue.

The book argues that the line between the two processes of production and consumption is blurred because the two processes are deeply integrated. Place is important not only for the production, but also for the consumption of experience offerings. The role of place in experiencing can be differentiated according to consumer groups as shown in relation to tourism. Place may be important for experiencing, or it may be just an anonymous platform for the consumption of spatially more neutral events. This also means that different types of places attract different kinds of people, such as tourists. As object of consumption, urban vibrancy has been much in focus, but rural cosiness and tranquillity actually corresponds with the values of many families. In the planning and innovation of experience offerings, it is thus of importance to see the roles of places as differentiated.

In terms of experiential offerings, places compete and specialize (Lorentzen 2012). The global economy has been interpreted as a mosaic of places with varied global linkages (Storper and Salais 1997), and this picture is probably also applicable to the qualitatively very differentiated territories of experience production and consumption. Place matters to people and industries (Florida 2002, 2008), but the book shows that the experiential qualities of places play more subtle and interactive roles than earlier research has been able to show.

Many questions are left to discuss in relation to the experience economy, space and place. The construction of places involves processes of inclusion and exclusion. What characterize negotiation processes about the value of places?