

On Experiences

as Economic Offerings

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On Experiences as Economic Offerings

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*The pursuit of pleasure must be the goal
of every rational person.*

(Voltaire)

Abstract

The aim of this study was to contribute to the understanding of experiences as economic offerings. I here explore the essences of those offerings that make you pay for play and pleasure. Tourism and travel, art and culture, entertainment and leisure, play and luxury consumption, do not any longer constitute only minor eccentricities in the market. Rather, we are in the midst of a large-scale industrialization (Sundbo and Sørensen 2013), as these sectors are growing to become large and central sectors of the economy. The phenomenon and the declaration of an Experience Economy (Pine and Gilmore 1999) builds on the noted upsurge of experiential or hedonic oriented offerings throughout affluent economies.

On the outset the customer centric conceptual framework “The Richer Matrix” was developed by combining the tangible/intangible distinction of the traditional service and goods paradigm with the hedonic/utilitarian dimension, resulting in the more nuanced and differentiated categories of: *good, services, experiential goods and experiences*. Such a framework was needed to define and provide criteria for the sampling of the proposed category of experiences, and to distinguish experiences and services. Hence the outer boundaries for the category of experiences were given as: *intangible offerings of hedonic orientation*.

The data for this study was collected at a wide range of tourist attractions and leisure activities. The empirical data traversed locations in five countries, on three continents. These experience providers offer facilities and activities to stimulate the consumer, but what characterizes content that become interesting enough to evoke experiential value? What are the underlying dimensions? Based on the field study observations, the literature studies, and the interviews, I theorized across a broad range of contexts and identified seven essential elements that were particularly salient in contributing to the value derived from the content in commercial experiences. These seven trigger factors for experiential value were: *Social Arenas, Sensory Richness, Novelty, Challenge, Interactivity, Suspense & Surprise, and Storytelling & Dramatic structure*.

The general characteristics of experience offerings was found to be *a Promise of: Fun, Flow and Magic Moments, a Promise of: Time & Presence, and a Process of: Co-creation*. Furthermore, of importance was the conceptualization of a “subjective membrane” to describe the dynamic of the co-creation process between the experience provider and the consumers. Introducing a concept of a “subjective membrane” was vital for capturing how individual differences interact and influence external stimuli, and so the consumer acts to co-create and determine his or her own subjective response and experience.

The findings were subsequently summed up and presented in a number of propositions relating to the elements discussed. They support and confirm some of the previously suggested factors given as design principles to create experiences (Pine and Gilmore 1999, Boswijk 2012) and as criteria for Flow (Csikszentmihalyi 1990), but furthermore emphasize several new factors. Providing both sensory based as well as intellectually based factors, thus encompassing both the pleasures of the body and the pleasures of the mind, or also both the traditional and more modern view of hedonic consumption. Finally these findings were

developed into a holistic model and visualized through “The Star Experience Model”. The model depicts the various elements and containing both a consumer and a provider perspective, and the causal relationship of the co-creation process.

How do experiences and services differ, and how do these differences matter? The second part of the study looked at the relationship between the two conceptual categories of services and experiences. The objective was to examine if experiences as offerings are better conceptualized as a subcategory of services or as a separate category. Asking whether it is more productive to view intangible offerings as services and experiences, rather than merely viewing them all as services. If by differentiating intangible offerings according to their utilitarian and experiential orientation, would create a perspective that would enable us to gain new insights.

As a result of comparing the two categories, some surprising contradictions with regards to services and experiences became apparent. The subsequent analysis shows how the value generated in services and experiences differs on vital dimensions. The dimensions of *time*, *involvement*, *predictability* and *people* were identified as contradictory and as having directly opposing effects on how they generate or diminish value in a service versus experience setting. Although contrary to prevailing literature that see all intangible offerings as services, the findings is in line with what The Richer Matrix framework imply; *that service and experiences are distinct because they cater to different needs and wants (utilitarian vs. hedonic)*. This explains why consumers value dissimilar benefits in services verses experiences settings, and why quite different factors and strategies must be utilized to make services and experiences succeed. The study conclusion support Pine and Gilmore’s claim that services and experiences are distinct categories and evaluates the view as a both productive and necessary perspective for understanding these offerings’ true value. However, my basis and rationale for the separation is based on the fundament of the utilitarian- hedonic divide for why it makes sense to divide intangible offerings into these two categories.

My overall argument is that value and value creation in affluent economies, cannot be understood unless we realize the significance of experiential aspects and recognize and include the experiential value’s role and contribution to economic diversity and growth.

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At times I have felt quite close to and maybe comforted by the adventures of Norway's fairytale protagonist, Espen Askeladden (The Ash Lad). Similarities may be found in that of being a person that starts out somewhat late and behind his older brothers that are quicker and already well ahead and on their way. A kind of wanderer that easily gets lost in thoughts and dreams while digging in the ashes of a fireplace (in my case more often digging in the sand and pebbles on beaches or mountaintops). One that takes his time and easily gets sidetracked when paths diverge in the woods, stumbling over and picking up all kinds of odd and seemingly useless stuff, and frequently pauses to talk to strangers. One that embraces and hold on to a naïve happy-go-lucky attitude while facing tests and trails, trolls and kings. Fortunately for Askeladden, he also tends to receive some friendly help along the way, by smart and kindhearted supporters and sometime by a bit of magic as well, so that the struggles leads to a positive outcome and thus proves worthwhile in the end. However, one hopes of course, to have made a difference, like Askeladden, through ones own efforts as well. Perhaps by bravely taking on challenges and showing some amount of imagination, compassion and passion, while striving to preserve an open and curious mind through it all. My hope is that science, like in the fairytales, can leave room for not only early risers and harsh and bloody battles, but that some progress also may be made through fights that can be fought and won with wonder.

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1 Understanding Experiences as Economic Offerings

This study is about taking fun seriously. Seriously in so far as to wanting to understand how intentionally created “fun” can be a basis for economic offerings and for economic value. Buying offerings related to fun and pleasure is, in academic terms, more often referred to as hedonic or/also experiential consumption and as providing hedonic or experiential value.

Economics, in its broadest sense, has been defined as “the process of providing for the material well-being of a society. In its simplest terms, economics is the study of how humankind secures its daily bread” (Heilbroner and Milberg 1989, 1). No doubt an essential task. Economics and economic theories hence have focused fairly firmly on how to best deal with the production and distribution of goods, and later also on services. However, with the tremendous growth in affluence since the days of the industrial revolution, something fundamental has changed. The economy has, during the last century, gone through a paradigmatic shift. The economy is not anymore simply driven by necessity and for providing for goods and services; now it also seeks to provide for a mental phenomenon – experiences! The economy that originally was chiefly concerned with allocating resources for utilitarian needs is now hastening to provide for our psychological wants as well. As utilitarian aspects are increasingly treated as a prerequisite and taken for granted, the focus of the economy has increasingly shifted to experiential aspects as the driving force for economic value generation, innovation, competition and growth.

1.1 Experiences as Economic Offerings – A Case Study

The aim of this study is to contribute to the understanding of experiences as economic offerings – through outlining their main characteristics, the process and the factors involved in the co-creation of experiential value. Another objective is to examine if experiences are better conceptualized as a subcategory of services or as a separate category. The specific research questions asked and the focus they had, were: *What are the main characteristics of experiences, and what are the main factors that trigger experiential value?* Furthermore: *How do experiences and services differ, and how does this difference matter?* My overall argument is that value and value creation in affluent economies cannot be understood unless we realize the significance of experiential aspects and recognize and include experiential values’ role and contribution to economic diversity and growth.

The data for this study was collected at a wide range of tourist attractions and leisure activities. The empirical data traversed locations in five countries, on three continents and included international traveler and locals alike, exploring their ideas and perceptions of fun and the dynamics occurring in the given setting. As part of this theory generating case study, I conducted participant field observation and interviewed consumers at the facilities and

outside, getting into everything from Shark Diving and Elephant Feeding, to visiting Art and Technical Museums, being on the Racetrack and the Golf Course, in Zen-Gardens and Karaoke Bars, at the Oktoberfest and on Safaris, from Bingo Halls to Bungee Jumping and more. This deliberately extensive span in alternatives within settings, location and visitors interviewed aimed at maximizing the variation within the category of experience offerings. This was done to provide an as rich and ample foundation as feasible for the theorizing to build upon. Hence, if patterns would materialize across all the contexts and despite all the “noise”, they would thus be more likely to indicate something truly fundamental about experiences as economic offerings.

The phenomenon and discussions of a declared Experience Economy builds on a noted upsurge of these experiential or hedonic oriented offerings, and as the expansion of experiential aspects has increasingly become more predominant throughout affluent economies. The Experience Economy is in some analyses considered a trend that encompasses and influences all economic activity, embracing goods and services as well as experience-oriented offerings, and all sectors and industries. At other times the experience economy is foremost used to denote the section of the economy linked to the industries of tourism and entertainment, art and culture, leisure and those alike.

Various popular books have argued that there is something new going on and pointed towards a pending change. Scitovsky in “The Joyless Economy” (1976), Schulze in “Die Erlebnisgesellschaft” (1992), Jensen and Dahl in “The Dream Society” (1999), Richard Florida with “The Rise of the Creative Class” (2002), all suggest scenarios of a society and an economy characterized by a stronger focus on the emotional and the intangible aspects, rather than those tangible and utilitarian aspects that have dominated the current paradigm for so long. Then came Pine and Gilmore’s influential book “The Experience Economy” (Pine and Gilmore 1999), followed by others on this subject (O’Dell and Billing 2005; Boswijk 2007; Carù and Cova 2007; Sundbo and Darmer 2008). The experience economy standpoint made the shift even clearer, claiming that value can be generated and enhanced by intentionally staging and delivering experiential content and aspects, and that market value therefore clearly is based on much more than functional features.

My research interest originated with a desire to understand what creates value for consumers when they seek to enjoy themselves, and thus to explore experiential consumption and experience offerings. The literature review had pointed to the utilitarian/hedonic dimension as a key to understanding and further exploring the consumer’s perceptions of value. The discussion related to the hedonic and utilitarian distinction has been noted in such diverse fields as sociology, psychology and economics (Voss, Spangenberg, and Grohmann 2003). Likewise this deep-seated divide has been documented in marketing, where a number of studies have found that consumers distinguish between products according to their relative hedonic or utilitarian nature (Batra and Ahtola 1991; Mano and Oliver 1993), suggesting that it may be possible to place products along a hedonic/utilitarian scale (Lofman 1991). Not only did hedonic consumption appear to be able to define product categories, but that element might be the key to understanding them (Cooper-Martin 1991). Hence, I decided it worthwhile to postulate and use the utilitarian/hedonic divide as a possible tool and approach

for my investigation. After some deliberation, the insight of simply combining the tangible/intangible distinction with the hedonic/utilitarian dimension occurred. Fairly early in the study, I thus created a matrix, "*The Richer Matrix*" to expand the prevailing framework of goods and services by adding and separating out two new categories, those of *experiential goods* and *experiences*. This framework was customer centric in orientation and appeared very productive and promising for what I wanted to achieve, and gave me a starting point and a clear conceptual category to draw samples from.

The empirical data once collected was abundant with information, and, by combining the empirical and the theoretical insight and disciplined imagination (Weick 1989), yielded a number of findings. The general characteristics of experience offerings was found to be a Promise of: Fun, Flow and Magic Moments, a Premise of: Time & Presence, a Process of: Co-creation (between the external stimuli and the consumer's subjective membrane). Further on, of importance was the conceptualization of a "subjective membrane" to describe the dynamic of the co-creation process between the experience provider and the consumers. Introducing a concept of a "subjective membrane" is vital for capturing how individual differences interact and influence external stimuli, and so the consumer acts to co-create and determine his or her own subjective response and experience, and thus the offerings experiential value for them. This helps explain why the one and same stimuli could result in responses of different, not only intensity, but even direction, likes and dislikes, simple fun or profound meaning, despite being exposed to the same experiential content. However, when the stimuli were appropriate, the outcome would be a sense of fun, flow and magic moments subsequently ensuing in the consumer. Furthermore, the analysis of the data identified vital triggers for evoking experiential value: *Social Arenas Sensory Richness, Novelty, Challenge, Interactivity, Suspense & Surprise, and Storytelling & Dramatic structure*. These findings were developed into a holistic model and visualized through a model that I have denoted "The Star Experience Model" depicting the various elements, including both a consumer and a provider perspective, and the causal relationship of the co-creation process.

Another outcome was a summary description of these economic offerings, such as:

Experience offerings provide access to staged stimuli, indented to evoke sensations and emotions that interact with consumers and their subjective membranes to co-create experiential value in the form of Fun, Flow and Magic Moments.

The study has two parts, and the parts operate on two somewhat different levels. In the first part I am seeking to understand what makes experience offerings so special – exploring the "what and how" of how they create value for consumers. Here I get deeply immersed in the details of the consumers' perceptions as they are described in the interviews - down on the floor, into the bushes, in the ocean, on the racetrack, etc. – to closely observe the operations and the consumers' behavior on-site. I have mostly worked in an inductive manner and very near the data, to identify and to piece together patterns and uncover those underlying value-generating factors. Although my observations and interpretations are informed and primed by previous literature, the material has been strong enough, and my analysis open enough, to bring to front a number of new elements and causal relationships.

In the second part, I am undertaking a more purely analytical comparison and discussion. Here I take the resulting findings of the empirical case study and compare this newfound understanding of experiences to the prevailing notions and literature on value creation in services. Through logic, I follow through on the implications of the findings in the first part and I'm placing it back into the larger picture. This reveals how the value generated in services and experiences differs, and even has directly opposing causes and means for generating value for the consumer. The dimensions of *time*, *involvement*, *predictability*, and *people* were discussed and their opposing effect pointed out. From this, I suggested that it is more fruitful, even necessary; to understand services and experiences as distinct categories if one wants to understand how they generate value from a consumer's perspective. Here too, I would dip back into the data to double-check and illustrate points. However, the main work in this part lay in the effort of noting the paradoxical elements and gaps through undertaking the comparison, and then to postulate the contradictory and opposing dimensions as to be able to outline experience and services as conceptual categories. Subsequently, I propose possible effects, opportunities and pitfalls relating to co-creation of value in the now differentiated categories. Lastly the two levels of the study are linked together by attaching them firmly to the fundamental utilitarian vs. hedonic divide as a source for the productivity of the approach. In general the findings brought to front the importance of raised awareness of the utilitarian vs. hedonic divide to ensure a deeper understanding of value creation in economic offerings and the necessity of customer centric categories and a more nuanced framework for reflecting the market categories in affluent economies.

1.1.1 The Rise of Affluence

The rise of affluence is one important factor for the ongoing transformation towards an increasingly more experientially oriented economy. Over time the substantial increases in GDP has been a common sign for countries in the industrialized world. Despite the recent economic slump, in a long-term perspective the growth in prosperity in the industrial world has been astonishing. Now a similar boom is rapidly making its way in one after the other of the emerging economies. This rise of affluence combined with social and cultural changes has influenced what type of products, economic offerings, are being produced and consumed. It has influenced what consumers value and what they can allow themselves to care about. Recently there has been a growing understanding of the economy as becoming increasingly dematerialized. In western economies 2/3 of the economy is made up of intangible products. Services, rather than tangible goods, have become the major contributor to the economy in developed countries. However, the other vital shift that has taken place appears less noted, or at least harder to grasp and fit in with our prevailing economic theories and perspectives. The other major shift, then, is the move towards experientially orientated consumption. Due to the widespread growth in prosperity combined with falling prices on such necessities as food and clothing, consumers have increasingly been able to afford to change their priorities on what they buy. Experiential consumption is a result of a new market arising due to the large number of consumers who now are able and willing to put money on the table when wanting to have fun and feel good.

A hedonic (or “experiential” as these two terms are commonly used interchangeably in marketing literature) product has been defined as one where consumption is primarily characterized by pleasure, fantasy and fun (Holbrook and Hirschman 1982; Hirschman and Holbrook 1982). Hedonic or experiential consumption delivers value by arousing significant emotional, sensorial and cognitive consumer responses. The sensations and emotions sought may vary greatly and range from the enjoyable and pleasurable kind to the arousing, challenging and stimulating ones. Moreover, the range and variations of products offered for enjoying the finer sides of life have been amplified. Going to a movie, a concert, an amusement park, a football match, taking a tango class, a rafting trip, a spa treatment, a safari, or spending the day scuba diving, golfing or in the skiing slopes, the breadth and variety of leisure offerings appear suddenly endless. This form of consumption now accounts for a considerable proportion of individual and family expenditure, thereby ensuring that new offerings related to tourism, entertainment, recreational learning and various forms of leisure activities are growing well beyond other industries. Spending on luxuries and experiential consumption is currently calculated to constitute about 40% of the economy. It is expected to continue its strong growth and should reach the 50% mark by the year 2020 (Danziger 2004). Moreover, an increasingly large part of luxury consumption is made up of not only tangible, but also intangible products. Hedonic/experiential consumption consists of both tangible objects in the form of luxury goods or play items (Champagne, Gucci bags, Lego toys, Game-boy, etc.) and intangible offerings in the form of various experience offerings (holidays, spa treatment, concerts, amusement park visits, etc.). In developed countries experiential/hedonic consumption now increasingly plays an important role in many consumers’ lives and it represents a large share of consumption activities.

Norway can serve as an illustrative example of such a development. Starting out as one of the poorest corners of Europe only a century ago, it has today become one of the richest countries in the world. Some of the more recent trends and developments as reported by the Norwegian Bureau of Statistics are as follows: From 1958 to 2007 the average yearly spending for a Norwegian household increased threefold. The spending for such necessities as food and clothing has fallen sharply. An average household is today spending 11% on food compared to 40% in 1958. Likewise, 5% is used on clothes and shoes, and that is less than half of what was spent on such items in 1958. Nor does this rise in affluence depend on the Norwegians working longer hours. From 1970 to 2000 Norwegians increased their leisure time by more than an hour per day. On average they have 6.5 hours each day at their disposal for personal use. Norwegians are spending more time on leisure activities and less on household chores than their European counterparts. In addition, Norwegians take more holidays than anyone else (except the Germans); on average 1.7 trips per year, and for a majority of these holidays they travel abroad. With more money and time at the consumer’s disposal, the trend is that consumers in developed economies spend more on experiential consumption. With the rise of affluence, consumption patterns have changed and with this the composition of the economy.

This is not to say that ”experiences” have not existed before, nor that the potential of evoking mental states in people has never been recognized before. The importance of creating emotions has indeed been seen and catered for in other settings – political, religious and

artistic contexts, to mention some areas. What is new is how the intended creation of experiential aspects and experience offerings has spread into a commercial context, and the magnitude of it. The fact that the economy is becoming ever more experientially orientated, considerably affects the conditions businesses and consumers operate under. This transformation and significant shift in the economy has been noted by such well known economist as Chris Freeman, proclaiming that the entertainment industries are now a fully-fledged part of the post-modern late capitalism (Freeman and Louçã 2002, 334). He discloses that entertainment, art and leisure offerings have moved from their earlier position as activities on the fringe of society to the center, and now have become major industries in their own right. Furthermore, he claims that this transformation constitutes one of the biggest social changes introduced by the mass production paradigm (Freeman and Louçã 2002). To what extent have these changes in the market place impacted marketing concepts and theories? Has the growing importance of experiential consumption been suitably reflected and incorporated in current marketing frameworks? Experience offerings are products whose value stems foremost from enabling emotions and sensations to take place inside a person's head. Experience offerings are not a good; they're not physical objects, bits and pieces assembled together in a well-lit factory. Experience offerings are not a service – not the concrete task of fixing practical problems small or large, for example drive me to work, deliver this letter, fill in the accounting papers, watch my dog, clean my house, fix the PC, or win the court case. The many tasks you may set out for others to do because they can do them better than you or because you have other things you would rather do. In contrast, experiences generate economic value from contributing to creating mental states. Creating experience offerings is considerably different from what producing products traditionally have been about. The question is whether the academic fields have really taken on board how different it is.

1.1.2 Experience Economy - Origins and Developments

The Experience Economy paradigm looks at the formal economic activities related to experiences and how they can be managed and developed. Pine and Gilmore (1998; 1999) introduced the term “The Experience Economy”. Their book “The Experience Economy (Pine and Gilmore 1999) point out that today an increasing number of providers stage offerings in a theatrical way, and add an emotional dimension to consumption as a new source of value creation. Further they argued that these companies may use the staging of experiences as a means to differentiate their products to enhance the market value. They describe experiences as: “Memorable events that a company stages – as in a theatrical play – to engage him in a personal way” (Pine and Gilmore 1998, 98).

The experience economy has over the last decade emerged as a scientific paradigm with its own discussion and agenda. Its main approach is one of economics and management, but it includes many other perspectives as well. What the experience economy is seen to encompass is still very much an ongoing discussion. How to define it and what sectors to include is neither clear nor determined. The term experience economy and experiences have been used to cover more than one approach and different aspects of the phenomenon. The experience

economy is in some analyses considered and referred to as a trend that encompasses and influences all economic activity, all industries and firms, goods and services as well as experiences. At other times the experience economy is foremost used for culture, leisure, tourism and entertainment linked industries. Some of the complexity is due to the fact that an experience can be a product in itself, as well as an aspect used to enrich and increase the value of goods and services. This has become increasingly apparent and has been formulated in this way, “Experiences can be add-on to goods and services besides being a product of itself.” (Sundbo and Sørensen 2013, 10).

Increasingly it has been underlined that experience is a mental phenomenon (Sundbo and Sørensen 2013), and therefore that experience providers can only deliver “an opportunity for having an experience.” (Mossberg 2003). Whether it is successful or not will be influenced both by the provider and the consumer. Its success depends on what the two parties bring to the table, and also greatly by the match between the two. Hence, the co-creation part becomes vital (Poulsson and Kale 2004). If experiences are to be seen as a mental phenomenon, then it should logically follow that the experience economy discourse would benefit from including psychological perspectives to understand what value creation is about in these offerings. Initially Pine and Gilmore described experiences as staged from the management side and have been criticized for not placing enough emphasis on the individual and the psychological process involved, as in “to balance the experience economy discourse one should also take into account the individual perspective.” (Snel 2011, 29). This is a critique Pine and Gilmore in recent works have acknowledged, and now they emphasize that they applaud attempts by others to enrich the topic, also from the psychological angle (Pine and Gilmore 2013).

Academic researchers have had mixed reactions to the experience economy. In tourism research, it has generated a lot of interest. In consumer behavior and service marketing circles, however, it has also provoked some rather harsh criticism. Holbrook, one of the initiators of the experiential consumption wave in consumer behavior, has been one such stern critic. Early on he reacted by naming the book’s argumentation theological and saying that it goes against everything he stands for (Holbrook 2000). Others are not so direct, but have nevertheless not been supportive or seen the need for separating experiences from services (Zeithaml and Bitner 2006). In recent articles, as well, the ongoing ambivalence towards the book itself, if not the field, can be noted – such as when the same article serves criticism of this sort “With this background the ideas of Pine and Gilmore from 1998 and 1999 do not represent new academic insights. What they have to say is a reflection, however partial, of established insights. Their influence in Europe after 2000 is probably due to the way they communicate their points by plenty of illustrations, and energetic style of writing” (Holbrook 2000, 179-81), and not least a great deal of marketing” (Lorentzen 2013, 47). However, a bit later Lorentzen delivers praise, such as “The experience economy is the most innovative as it turns things upside down by focusing on consumers and consumer values. The concept of valuation, and in particular of staging, are important contributions that may serve as a point of departure for further theoretical development, as a lens for empirical research and as an inspiration for policy.” (Lorentzen 2013, 53)

Pine and Gilmore's book (1999) is rich with examples of companies that stage experiences in effective ways and with great success; however it appears to be foremost written for managers. Anecdotal evidence in the form of success stories does not build much of a theoretical foundation. The examples are captivating, but the key concept clarifications and causal relationships are lacking. Both from an academic and a practitioner's perspective, not only samples but explanations for why something works are ultimately needed for a real understanding and knowledge to be established. The source of much of the criticism is surely rooted in this frustration. As pointed out by Sundbo and Sørensen "...the experience economy study approach, where experiences are seen as business or planned public activities – is new and not much theory building exist." (Sundbo and Sørensen 2013, 6). Presumably a lot of the criticism has its root in this lack of theoretical fundament of the field, I found it urgent to take a closer look at more of the discourse challenging complex and perplexing issues in order to build a solid basis for the fundament of the discourse, rather than be tempted to shy away and go for the more detail-oriented topics.

This study is primarily aimed at contributing to the Experience Economy discourse, building a fundament for this research area by clarifying concepts, developing models and propositions for this research area. This study differentiates between 1) Experiences as core – where the experience itself is the core of the product, and where such products also are seen as making up a distinct category, and 2) Experiences as add-on elements, when experiential aspects are added on to goods or services to enrich their overall value, or as wrapping to sell or market any product. This study is foremost concerned with the first aspect. I will utilize literature and concepts from other fields, particularly drawing upon knowledge and theories from psychology, seeking to bring in and merge the psychological studies and perspectives with the economic approach. This study and my emphasis and aspiration will bring in and use more psychological theories in understanding experiential value. In addition, I will rub my findings and conclusion up against theories within consumer behavior and service marketing, as my constructs and findings partly overlap with theories in these research fields, and thus hope to provide food for thought and discussion in these as well as in other areas related to the Experience Economy.

1.2 Positioning and Theoretical Context

1.2.1 Overview of Discourse

This study is of an interdisciplinary nature and relates to a range of topics and academic fields that have bearing on the questions raised. The areas connected to the Experience Economy span a broad range including, economics, psychology, marketing, tourism and leisure studies, design and product development, and studies related to cultural and creative industries, to mention some. These studies and disciplines have again their distinctive methodologies, and moreover span a number of levels and angles, overlapping as well as leaving open spaces between them. Not surprisingly, this makes for a complex and sizable web of connecting points and influences spanning extensive and vital phenomena that "experiences" thus

encompasses. All these other fields exist that offer complementary perspectives and contributions to the domain of experience economy theorizing. I will in this next section give a very brief overview of some of the disciplines that may be considered part of this broader area of research.

Culture and cultural industries are typically considered part of the experience economy, but are narrower and topically considered business-less. Furthermore, they have more of a production line logic to define their boundaries. Closely related is also the Creative Economy with its notions of a creative class, concepts introduced by Richard Florida (2002) suggesting that creativity is the main driver of economic growth today. Lorentzen (2013) has, in her comparison of the three approaches, pointed out that the experience economy, the culture economy, and the creative economy all have developed as a response to the industrial challenges of the advanced economies and “contribute to fill the theoretical and strategic vacuum that emerged with the industrial transition in the advanced countries.” (Lorentzen 2013). Geography and sociology have also provided some input to the experience economy discourse. Geographers have had an interest in understanding experience-based activities’ role for economic development and employment in local and regional development (Smidt-Jensen, Skytt, and Winther 2009; H. Hansen and Winther 2012). Tourism researchers have also shared this interest for the experience economy’s potential and role in regional development, here in the context of destination development.

Tourism research is one discipline where, especially in Scandinavia, the experience economy has been given considerable and widespread attention. This is the one discipline where the value and importance of experiential consumption has really been taken to heart. There appears to be a broad consensus that this subject matter is very central to the development of tourism research on multiple levels and topics. The considerable vagueness in what the experience economy encompasses is acknowledged, but foremost this appears to increase the call and urge for more theoretical fundamentals and further enquiry.

Marketing Research, especially Consumer Behavior and Service Marketing have close links to a number of the issues and topics that are part of the experience economy discourse. With service marketing the link is the long-standing debate concerning whether experiences should be seen as a subclass of services or not. Experience offerings meet and share many of the criteria of services (intangibility, perishability, etc.), on the other hand; however, there are important differences as well. The big question and debate comes down to whether experience offerings have sufficiently strong characteristics of their own to justify seeing them as a distinct and separate category of economic offerings. Consumer behavior has a strong link in the shared emphasis put on the importance of including and understanding the experiential aspect in consumption. However, the rationale appears to be that experiential aspects are to some extent part of all consumption, and thus cannot be separated out to become the basis for a distinct category. The findings and conclusion of this study will relate to, be involved with, and go against some of the perspectives from these fields as part of the debate on the implications of the findings.

Economics and psychology are yet other academic fields that are of great importance to the experience economy, both to its actual development in the “real world” and to the experience economy discourse. When it comes to economics, experience economy or the experiential aspects have so far not been central in the mainstream economic discussions. Economics relates to economic offerings, foremost as goods based on industrialization of natural resources, and lately also on how knowledge is turned into services. Experiential aspects and consumer emotions, if at all considered, are just seen as motivation for, or as reactions to, buying various products. Consumers’ emotions and perception are, as of today, not really on their agenda or understood as resources that can be mined and used in co-creating mental experiences and as a resource for economic growth. However, that may be about to change. Economics and psychology are fields that have a potential for building a closer relationship, but have had a troubled history of encounters. There has been a long battle back and forth regarding whether to let psychology be part of economics or not, moving psychology in and out of the field, but mostly psychology has been kept out (Hands 2010). Recently, however, the fields appear to be on their way towards slowly building more intimate connections, which may well generate some very powerful dynamics in the future. The growing influence of behavioral economics is one indication that psychology is gaining more ground, also in the field of economics. Kahneman won the Nobel Prize in Economic Sciences in 2002 (The Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel 2002), for his work with Tversky on prospect theory, among other contributions. This was the first time the Nobel Prize in Economic Sciences was awarded a psychologist. Kahneman, in addition to being involved in behavior economics, has also been vital in establishing the growing field of hedonic psychology. Hedonic psychology is a new psychological field and “...is the study of what makes experiences and life pleasant or unpleasant” (Kahneman, Diener, and Schwarz 1999). This is a field for which such a topic matter is obviously also a potentially close ally in the quest for understanding what makes experiences valuable, and thus for experiential consumption. In addition there are a number of other psychological areas, theories and psychologists who have done work that could and should be of importance for the experience economy discourse in general, and that definitely have contributed to the approaches in my study. I will be returning to this shortly.

Next, I will present some theoretical perspectives and discussions aiming to provide the larger context that my work is influenced by and relates to. There will be a number of elements and insights that I use and build my work upon, as well as perspectives that I have found deficient, puzzling or inexplicable, and thus have provided directions for what I have wanted to explore in this study. The purpose is to account for, as well as give the readers insight into, my interpretative basis for analyzing the data, as well as to prepare them for the discussion to come. By doing so, I will show the theoretical basis for the evaluations and the fundament for the reasoning in the debates and for drawing the conclusions. I will also expand on and present some additional parts of the relevant literature (in chapter 4 and 5) closer to the theorizing discussions.

1.2.2 Economics – The Concept of Value – Historical Roots

The dominant paradigm has for a long period been that value should be seen as tied to tangible objects and embedded in them. This notion comes from Adam Smith's ideas of how the need for creating efficiency through 'division of labor' simultaneously resulted in the foundation for 'exchange', as the value thus produced separately thereafter needed to be exchanged between the parties. Significantly, a marked change from this was introduced with the latest alteration of the most recent, and presently standing, 2004 AMA definition of marketing. Here the exchange paradigm was left out. Instead of viewing marketing as being about exchange of value, rather the "process for creating, communicating and delivering value to customers" has now been presented as the central element of the current definition. Hence the concept of "value" and "creation of this value" has of late moved into a more central position in marketing thought – and with it an increasing need to understand different kinds of value and more specifically how the various types of value are created.

The concept of value is an ambiguous one that has taken many different forms throughout history. "Value" is regularly employed in everyday language as well as being central to several academic fields. The economist's notion of value relates to the concept of "utility". From economics, marketing inherited the view that value (utility) was embedded in the product. Adam Smith (1776), frequently considered the "father of economic thought", established that labor was the fundamental source of value. Smith and his labor value theory represents one of two different traditions in the study of value theory - the one focusing on the importance of production costs, and the other traditionally emphasized subjective utility. However, Smith chose to focus on quantity of the output of labor rather than quantity of labor, believing that people could more easily relate to material things. Others disagreed with this view. Say, (1821) for one, saw production as the creation of 'utility' not matter. John Stuart Mill (1848, 44) furthermore believed that value of production was not related to the objects themselves, but to their usefulness. Hence, a closely linked discussion around value relates to the difference between subjective and objective value. A duality arises when seeing value as based on consumption (value-in-use) verses value as based on trade (value in exchange), and the paradox has been discussed since the time of Aristotle. Eugen von Böhm-Bawerk was another economist who criticized Smith and the other theorist who saw economic value as rooted in production costs and labor theory. Böhm-Bawerk was well known both as an economist and statesman of his time in Austria, and was greatly influential for subsequent works by Austrian economists. He was much concerned with the distinction between subjective and objective value, and viewed subjective value as necessary for understanding the basis of objective value and furthermore for the economy to be able to explain economic phenomena in general. Objective value (exchange value) is commonly seen as the monetary amount achieved for the product through market demand (as both price and value are commonly expressed in money). Subjective value (value-in-use) is based on the evaluation of a specific product by a singular person in a particular context. A product may be very important to obtain for a consumer at a particular time and place (an umbrella on a rainy day), not at another (not raining). Subjective value helps us understand how and why different individuals often appraise the value of an offering differently, likewise why even the same individual may vary the value they place on the same product at different times. Von Böhm-

Bawerk wrote extensively on the basic principles of economic value in his work “Grundzüge der Theorie des Wirtschaftlichen Güterwerts” (von Böhm-Bawerk 1886). Here he sought to demonstrate how objective value should be seen as derived from subjective value. Therefore he wanted subjective value to gain more attention and focus and argued that looking into human motivation should not solely be left to psychologist as human motivation is the basis for economic behavior. Economists could not shy away from the subject if economic phenomena where to be explained.

Hedonic vs. Utilitarian Value – Value from a Consumer’s Perspective

Let us turn to the question of what constitutes value from a consumer’s perspective, and whether consumers make a distinction between different types of value. The discussion related to the hedonic and utilitarian distinction has been noted in such diverse fields as sociology, psychology and economics (Voss, Spangenberg, and Grohmann 2003). Likewise this deep-seated divide has been documented in marketing. A number of studies have found that consumers distinguish between products according to their relative hedonic or utilitarian nature (Batra and Ahtola 1991; Mano and Oliver 1993), (although the consumption of products typically involves both aspects in varying degrees). Utilitarian products are instrumental, as the service or object is bought to supply a specific function or to achieve some practical outcome (Strahilevitz and Myers 1998). Utilitarian value is extrinsically related to having some practical purpose, solving some problem – it is a means to an end. Hedonic value conversely, is for such aspects of consumption that are pursued as intrinsically appreciated and as ends in themselves, rather than extrinsically valued means to some other end. Importantly, this difference between hedonic and utilitarian consumption appears to relate to the type of market offering, suggesting that it may be possible to place products along a hedonic/utilitarian scale (Lofman 1991). Paying to get the car fixed versus paying for the fun of racing laps at the go-cart track would represent opposites on such a scale. Not only does hedonic consumption appear to be able to define product categories, but that element might be the key to understanding them (Cooper-Martin 1991).

1.2.3 Consumer Behavior – The Call for Inclusion of Experiential Aspects

Among academics, there has indeed been some, in particular Holbrook, who have persistently called out and urged for recognition of the experiential aspects of consumption in marketing thought. Holbrook and Hirschman in their classic JCR article, "The Experiential Aspect of Consumption: Consumer Fantasies, Feelings and Fun" (Holbrook and Hirschman 1982), point out the need for including aspects of hedonic consumption in our thinking. And indeed in Consumer Behavior a number of studies on experiential consumption have been building over the last twenty something years. Researchers have conducted in depth qualitative studies examining participants while they take part in different leisure activities in a verity of contexts. Various case studies have investigated aspects of the hedonic consumption experience related to such activities as extreme sports, including skydiving (Celsi, Rose, and

Leigh 1993), river rafting (Arnould and Price 1993), and kayaking (Hopkinson and Pujari 1999). Other studies have looked into the consumption of educational and aesthetic experience like visiting museums (Falk 1992; Falk and Dierking 2000) and galleries (Joy and Sherry Jr 2003), cultural events such as the Burning Man Festival (Kozinets 2002), as well as the consumption of entertainment experiences such as movies (Cooper-Martin 1991) and games (Holbrook 1984), spectator sports (Holt 1995), and gambling (Cotte 1997). These studies have brought forward various insights and suggestions regarding the type of value and benefits consumers tend to gain from experiential consumption, (such as construction of identity, group belonging, construction of meaning, etc.). However, little work has been done on searching for commonalities between these apparently closely related offerings. To only continue this research of particular experience offerings further, could lead to repetition of comparable studies in increasingly more marginal contexts. A search for the experience offerings' common underlying characteristic should aid us in finally moving the focus from context to concept. In addition, now may be the time to search for some overarching theory or framework which will make these offerings, despite their different manifestations, converge into one broader category. This appears to be needed if the knowledge of experiential consumption is to penetrate and become an integrated part of the more central marketing thoughts and not just a sidekick.

1.2.4 Psychological Aspects – Flow and Optimal Experiences

The psychological aspects of various enjoyable experiences have been studied by a number of scholars in the field of psychology. What drives consumers toward hedonic products is the search for a hedonic response, i.e. a combination of emotions, sensations and thoughts turns into an all-absorbing state. This concept of absorbing experiences is very closely related to the concept of “flow”. Abraham Maslow used the term “peak experiences” (Maslow 1962; Maslow and Pi 1964), which he described as an altered state of mind in which a person experiences an ecstatic dissolution of the usual bonds of space and time and an attitude of wonder and awe. Before that, Sigmund Freud (1930) had used the term “oceanic feeling” to describe a similar state of mind where the individual loses track of the conscious self and becomes one with the environment. More recently, Csikszentmihalyi (1990; 1996) has used the concepts of “flow” to describe how experiences are intrinsically valuable, that they are partaken for their own sake and not by some utilitarian motive. Flow involves the centering of attention or absorption in an activity. It calls for the right balance between a person's abilities and the challenge of the task so as to get just the right arousal level to keep the person continuously focused on the undertaking at hand. Through flow the person achieves transcendence and gains a sense of control over the environment and self. Csikszentmihalyi argues that the hedonic value in this state is caused by getting a break from the stream of worries, doubts and conflicts that quickly fills one's mind when left with nothing special to focus on. The concept of flow is highly relevant for experience offerings. Many experiences are appreciated exactly for their ability to get the participants to feel flow, for longer or shorter periods of time, when taking part in the activities and/or facilities on offer. This more layered view of hedonic or experiential consumption, along with some knowledge of the

mechanism that generates flow, may aid us in understanding how seemingly very unpleasant experience offerings (those scary, exhausting, etc.) nevertheless provide value for those who seek them. Experience offerings are not only about generating pleasant sensations, such as relaxing with a cocktail by the pool or getting a massage; just as often, a quest for stimuli, challenge, learning and meaning is what the consumer seeks.

Presenting the FLOW Model

As previously argued, I believe it is appropriate and necessary to apply more profound psychological knowledge to further our insights into experiential consumption. As the theory of flow is of particular interest to my research, I will present the basics of this theory as part of the theoretical positioning of my study. The book “Flow” was published in 1990, summarizing decades of research by the psychologist Mihaly Csikszentmihalyi. In “Flow” he describes his “theory of optimal experience based on the concept of flow – the state in which people are so involved in an activity that nothing else seems to matter; the experience itself is so enjoyable that people will do it even at great costs, for the sheer sake of doing it.” (Ibid, 4)

The flow theory has, since its introduction, gained much recognition in the area of psychology and well beyond, extending into organizational and leisure studies in particular. Flow theory is at the base concerned with what makes people happy. When people want to feel happy they often seek to maximize pleasures that are biologically programmed: going after good food, good sex, rest and relaxing times and so on. Indeed much pleasure can be had from such activities and these are important components of the quality of life and there should be no need to belittle such pleasures. (However, Csikszentmihalyi claims that “by itself these pleasures do not bring happiness. Sleep, rest, food, sex provide restorative homeostatic experiences that return consciousness to order after the needs of the body intrude and cause psychic entropy to occur.”)

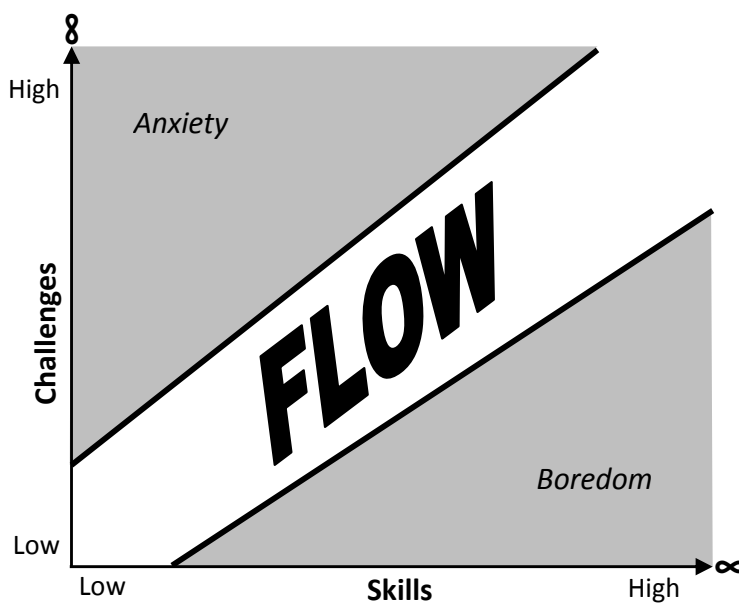
Csikszentmihalyi argues that “Contrary to what we usually believe, moments like these, the best moments in our lives, are not the passive, receptive, relaxing times, although such experiences can also be enjoyable, if we have worked hard to attain them. The best moments usually occur when a person’s body or mind is stretched to its limits in a voluntary effort to accomplish something difficult or worthwhile”. (Ibid, 3)

Csikszentmihalyi distinguishes between pleasure and enjoyment. He uses pleasure more to imply “the feeling of contentment that one achieves, whenever information in consciousness says that expectation is set by the biological programs or by social condition have been met”. Enjoyment, on the other hand, he describes as being characterized by a forward movement, and a sense of novelty and of accomplishment. Importantly, he points out that the difference lies in the way “we can experience pleasure without any investment of psychic energy, whereas enjoyment happens only as a result of unusual investment of attention. A person can feel pleasure without any effort if the appropriate centers in his brain are electrically stimulated or as a result of chemical stimulation of drugs, but it is impossible to enjoy a tennis match, a book, or a conversation unless attention is fully concentrated on the activity.

Csikszentmihalyi was surprised by how he had, through numerous studies, found that, although people did undertake an immense range of very different activities in different settings, what they actually got out of it, how similarly different activities were described when they were going especially well, and why and when they occurred was actually remarkable similar. Regardless of culture, level of modernization, social class, age or gender, the respondent described and found enjoyment in very much the same way. “In all the activities people in our study reported engaging in, enjoyment comes at the very specific point: Whenever the opportunities for the action perceived by the individual are equal to his or her capabilities. Playing tennis, for instance is not enjoyable if the two opponents are mismatched. The less skilled player will feel anxious, and the better player will feel bored. The same is true for every other activity; a piece of music that is too simple relative to one’s listening skills will be boring, while music that is too complex will be frustrating. Enjoyment appears at the boundary between boredom and anxiety, when the challenges are just balanced with the person’s capacity to act.” (Ibid, 52)

This is the model Csikszentmihalyi used to visualize his theory:

Figure 1.1 - The Flow Model



Flow Model: Mihaly Csikszentmihalyi - 1990

What he argues here is that – if an activity is perceived as too challenging compared to the person’s level of skills, the person will become stressed and anxious as a result, and he will not enjoy himself. On the other hand, if the person’s skills and capacities are above the skill level the activity requires, then the person will get bored, and the result will unfortunately be the same, namely that s/he does not enjoy her/himself. The model also stresses that over time the activity will naturally have to increase in complexity to continue to keep the person in a flow state. Therefore the activity has to build to keep the level of challenge up and slightly above the person’s skills which continually build and improve as a result of participating in

the activity. This dynamic leads the person to gradually seek larger challenges and thus personal growth becomes built into the process.

Why the flow state is perceived as such a positive state and how it works Csikszentmihalyi explains in the following way: “When all the person’s relevant skills are needed to cope with the challenges of the situation, that person’s attention is completely absorbed by the activity. There is no excess of psychic energy left over to process any information but what the activity offers. All the attention is concentrated on the relevant stimuli. As a result, one of the most universal and distinctive features of optimal experience takes place: people become so involved in what they are doing that the activity becomes spontaneous, almost automatic; they stop being aware of themselves as separate from the actions that they are performing” (Ibid, 53).

This element of being absorbed or losing oneself in the experience and the moment (as previously noted by Freud and Maslow as well) tends to be perceived as very special, positive and also a comforting state, especially as the loss of the sense of a self separate from the world around can sometimes be accompanied by a feeling of union with the environment. However, do note that, “loss of self-consciousness does not involve a loss of self, and certainly not a loss of consciousness, but rather, only a loss of consciousness of the self. What slips below the threshold of awareness is the concept of self, the information we use to represent to ourselves who we are. Being able to forget temporarily who we are seems to be very enjoyable. When not preoccupied with oneself, we actually have a chance to expand the concept of who we are. Loss of self-consciousness can lead to self-transcendence, to a feeling that the boundaries of our being have been pushed forward.” (Ibid, 64)

And furthermore, “Although the flow experience appears to be effortless, it is far from being so. It often requires strenuous physical exertion, or highly disciplined mental activity. It does not happen without the application of skilled performance. Any laps in concentration will erase it, and yet while it lasts, consciousness works smoothly, action follows action seamlessly. In normal life, we keep interrupting what we do with doubts and questions: “why am I doing this?” or “should I perhaps be doing something else?” Repeatedly we question the necessity of our actions, and critically evaluate the reasons for carrying them out. “But in flow there is no need to reflect, because the action carries us forward as if by magic.” Ibid, 54)

Pleasures of the Mind

Some more complex emotions (e.g. pride, sense of achievement/mastery) cannot be obtained in an instant. More time allows for more complex processes to take place. The researcher, Michael Kubovy, uses the term “pleasures of the mind” in his works to distinguish between pleasures of the body and pleasures of the mind and explores the relation between pleasures of the mind and emotions. He points out that “Pleasures of the mind are not emotions: they are collections of emotions over time” (Kubovy 1999). Likewise, others have viewed evaluation of the consumption event, particular extraordinary experiences, to emerge across the temporal frame of the event (Deighton 1992; Gergen and Gergen 1988). Some

distributions of emotions have been found to be particularly satisfying, such as episodes in which the peak emotion is strong and the final emotion positive. Kahneman and Varey (Kahneman, Diener, and Schwarz 1999; Varey and Kahneman 1992) have formulated the “Peak-end Evaluation rule”. They found that global retrospective evaluations were well predicted by averaging the peak affective response recorded during the episode and of the end value, recorded just before the episode ended, hence supporting the saying “all is well that ends well”. Particularly, those experience offering based on learning a skill or taking on some sort of large challenge usually require more time. Likewise, many of the social aspects that consumers enjoy as part of experience offering require time. Relationships and friendships are seldom instant and require multiple points of interaction over time to develop and mature, whether they are among participants or between participant and employees.

Emotions such as fear and surprise may also help make commercial experience stand out as special and unique events, different from the toils of ordinary life, which may for consumers in affluent societies often appear as rather predictable and safe. Moreover, consumers evaluate events and interpret them within the broader narrative context of their lives (Botterill 1987; Deighton 1992). This interpretation is a form of extended co-creation process and explains why even in very unpleasant and scary events a person can re-evaluate all the negatives and find delight in the overall experience once s/he emerges triumphant from the challenge – as when skydivers choose to interpret throwing themselves out of an airplane as a meaningful task and a celebration of life, rather than just a terrifying ordeal.

1.2.5 Service Marketing – How to Categorize Market Offerings

The Goods/Service Paradigm – What is it Missing?

Traditionally, goods have been seen as the “typical” unit of exchange. To the extent that economic offerings have been categorized, goods and services have been the resulting divisions. Classifying a product as either a good or a service depended on the product’s *tangibility, separability, homogeneity and perishability*. Of this, tangibility was arguably the single most important point of difference and the key to determine whether an offering is a good or a service (Zeithaml and Bitner 2006). Tangibility refers to whether we are dealing with a physical object or not. A good is a thing, a tangible object when it has form and substance; it’s concrete and touchable. Hence, goods would be seen as predominantly tangible and services as predominantly intangible. These characteristics were useful from a producer’s point of view as they related to such factors as storage, transport standardization, etc., which represented different challenges and managerial issues related to manufacturing. Under this paradigm, when using product features to differentiate between goods and services, the disparity lay with characteristics of the offering itself, rather than the type of benefits it provided for the consumer.

With the growing importance of intangible offerings and experiential consumption for the economy, the traditional goods oriented paradigm is becoming less relevant. The lack of fit between the old goods centered paradigm and the current situation has been increasingly

noted. The academic community itself has, at various times, called for discussion and alterations regarding the current framework for market offerings. Vargo and Lusch (2004) prompted a timely debate by suggesting that services rather than goods would be a more representative unit of exchange. They offered a new paradigm of “service dominant logic”, and their thoughts have obtained considerable attention. Vargo and Lusch (2004), together with Lovelock and Gummesson (2004), criticized the criteria for separation of goods and services. Tangibility, as well as separability, homogeneity and perishability, have been criticized for not holding up any longer or just not being relevant criteria.

Rather than discussing the justification of each criterion, the main point and problem may be that the criteria are all characteristics of the product itself. As such, the old paradigm represents a producer’s rather than the consumer’s point of view of the market. By largely ignoring the customer perspective and the benefits they seek from a product, the goods/services category fails to capture how the consumers themselves value and classify market offerings. The traditional firm centric view has been criticized for only seeing production from the firm’s perspective, and therefore has focused on product attributes rather than the customer benefits in order to differentiate between market offerings. In addition – as much as one can argue that the best “one” unit of exchange for market offerings may well be better covered by “services” than by goods, it leaves the question of whether “one” category for all products is adequate, unanswered. Is it sufficient for marketing theory to operate with only one category for all market offerings? Achrol and Kotler (2006) are critical of the service dominant logic because, although theoretically sound, they find it unlikely to be of use in explaining the heterogeneity in today’s marketplace, stating that “the kinds of theoretical and pragmatic issues that underlie the economic opportunities of, as well as the friction between, goods and direct services cannot be easily explained away by saying that in the end everything is a service” (Ibid, 324).

With this, Achrol and Kotler point to some fundamental and appropriate questions. Is academic thinking best served by having one salient all-encompassing theory and one market category to shed light on and describe today’s current marketplace, or is plurality a necessity for understanding the complex dynamics of the space where economic offerings and consumer want and needs come together and are exchanged? Would it be useful to add new market categories to allow us to distinguish between categories beyond the traditional product/service paradigm? Do we need to develop a framework for marketing offerings that reflects the consumer’s rather than the producer’s point of view? Industry and consumers do indeed appear to employ additional and somewhat different dimensions, resulting in a richer web of product categories than the academic community so far has recognized. Providers of various intangible offerings noticeably recognize the need to differentiate between various intangible products. When taking a hot-air balloon to soar over herds of wild beasts in the Serengeti, these rides are fittingly marketed as “a ballooning experience”, not a ballooning service. Other examples include financial services, cleaning services, health-care services, different transportation services, etc. Compare that to white water experiences (river rafting), four-wheel drive experiences, wine tasting experiences, and so on. The difference in wording, as I will show through this study, is neither coincidental nor merely semantic. Rather, the

distinct terms reflect that, although both product categories deliver something of an intangible nature, they come with a different set of expectation to fulfill and create very different forms of value for the consumer. Providers and consumers confidently, persistently and meaningfully relate to categories and utilize additional criteria to differentiate between market offerings, going beyond the old paradigm of goods and services. As the categories are highly influential with regard to how products are viewed and valued they clearly influence decision-making relating to consumer spending. The persisting and growing divide between the practitioner's and the academic's thinking and use of terminology is problematic; therefore we need to search for a sound theoretical framework that is able to bring the two fields closer together again.

The current murkiness related to terminology and the lack of a shared conceptual structure in regard to experiential consumption and experiences as a product category is not altogether surprising considering the complexity and relative novelty of the topic. However, without these fundamental questions receiving attention, the emergence of further theory on the topic is gravely hampered. If experiences can be established as a distinct product category with a shared definition, future research will have an improved foundation for moving the subject matter forward. What appears evident is that there is a need for novel theories and paradigms to more appropriately reflect today's marketplace.

The Suggestion of Recognizing Experiences as a Separate Category

Pine and Gilmore's (1999) foremost claim was that a new type of offering had emerged, namely that of "experiences". Their thoughts sparked instantaneous interest, in particular in the business world. They pointed out that, although providing experiences is not something new, they have so far been grouped together with such mundane services as cleaning, car repair, and transportation. They called for untying experiences from services and understanding them as a distinctive category, stating that "experiences are as distinct from services as services are from goods". This sentiment was maintained by Mossberg (2003) who states that there is a need to split services into functional and experience oriented offerings, in order to be able to plan suitable and efficient strategies for each group of offerings. One purpose of market categories is to emphasize that separate categories create different benefits for the consumer and need to be designed and managed differently to be successful. If academia acknowledges too few market categories, portraying all offerings as goods (or services) we increase the risk of overlooking fundamental differences and risk becoming unable to capture those categories and aspects consumers and practitioner relate to. Although Pine and Gilmore's basic suggestion of experiences as a separate category different from services resonated widely with those of the practitioner, the academic community's ideas have so far been received with more skepticism, awaiting more thorough underpinnings for these thoughts.

There is considerable confusion and disagreement regarding what an "experience economy" and "experience" as offerings actually encompass. The term "experiences" is used in a number of contexts and for a variety of purposes. It has not been clear how to define an

experience product, or how to differentiate these offerings from goods and services. The literature talks about experiences or “customer experiences” with reference to goods as well as to services (Schmitt 1999a; Schmitt 1999b; Lasalle and Britton 2003; Pine and Gilmore 1998; 1999; 2000). In addition, experiences are commonly used in everyday language in a wide range of contexts. This confusion is compounded by the current unfamiliarity with distinguishing between experiences as they are used in everyday language for describing any psychological event, experiences as associated to experiential value/consumption in a commercial context, and finally “experiences” or “experience offerings” as a label for a category of market offerings.

I support the perception that services and experiences are different in significant ways. Nonetheless – the suitable explanations for what constitutes the basis for these categories and how they may differ and how they might overlap has so far been absent. I believe this is a fertile area for inquiry, and one that could provide us with essential insights into the potential for allowing marketing academics to update theories and concepts on vital aspects and provide practitioners with knowledge that could be important with regard to how to develop and position their products.

1.2.6 The Co-Creation of Value

A base for viewing production and consumption as a more parallel process – as well as including psychological aspects to the interaction – can be found in post-modern theory. In post-modern theory the relationship between consumption and production has been severely questioned. The separation of the two is broken down (Firat and Venkatesh 1995). Here the consumer is seen as involved in the production and in the creation of product meaning. The consumer is also “produced” through consumption, as consumption is seen as an act of identification. The co-creation of meaning is particularly crucial to experience products. Through their effort in the co-creation of meaning, customers are becoming active participants in creating the experience product. “Postmodernism exposes the contradictions and elevates consumption to a level on par with production, where consuming is also viewed as a value producing activity” (Firat and Venkatesh 1995, 242).

This notion is particularly suitable in consumption of experience offerings – not only is the consumer an active co-creator to the extent of their physical participation, as when paddling a raft as part of a team, or gaily shouting with the crowd at a football game; consumers are also co-creating mentally when interpreting the dark and muffled noises at the ghost house as scary, finding beauty in an abstract painting in a gallery or identifying with the struggle of the soon to be hero when watching a play. Through the interaction between the experience provider’s facilities’ props and activities and the consumer’s body and mind, co-created sensations and emotions arise, resulting in an offering where the consumer’s mental processes and reactions can hardly be separated from the offering’s general value.

This new role for the consumer or maybe “prosumer” (a term originally coined by Toffler in 1980 for stressing the more active role of the customer) is significantly different from the passive mass market consumer of postwar consumerism (Cohen 2004). This breakdown of production and consumption, along with altered consumer/prosumer roles and co-creation of value, appears most evident in relation to experiential consumption. This is because of the experience offering’s paradox, that although the provider can offer access to activities and environments meant to trigger an experience, the experience itself does, and can only take place, within the mind of the consumer. Feelings arise inside consumers’ heads through a complex interaction between the stimuli outside the individual and through that person’s personality, current mood, previous history, etc. Experiential consumption has to be co-created, and consumers themselves clearly play a significant role as contributors to the value creation. The basic dynamics of this process have been described in the following paragraph by Poulsson and Kale (2004); an experience offering is a result of the interaction between a subject (the customer) and an object (the experience provider), and the act of co-creation between the two. In explaining experiences – on the consumer side of the dyad, we need to consider: 1) the feelings and sensations that take place in the customer during the experience encounter, and on the provider side, 2) the tools and processes that are used by the experience provider to create those feelings and sensations, and finally, 3) the joint contribution that develops through the interaction.

As mentioned before, the 2004 AMA definition of marketing views value as created rather than exchanged. This does indeed open for a range of interesting questions. Such as, who creates this value? Does the producer of the offering create value, or is value rather created in the consumers themselves as they consume the product, or maybe both? Does it depend on the product? Does the importance of the contribution of each party differ between a tangible good and an intangible offering, whether the offering provides utilitarian or hedonic value? Increasingly it has been suggested that value should be seen as co-created (Pralhad and Ramaswamy 2004a; Sheth and Uslay 2007).

However, what does “co-creation” actually imply? What is being co-created by whom and when? When is the consumer involved in the process, doing what and for what reason? Co-creation is a term that comes with some history and has been discussed in various contexts and so has previously had somewhat different connotations. Customer participation has been defined as “the degree to which the customer is involved in producing and delivering the service” (Dabholkar 1990). Co-creation and customer involvement have further been noted as important for innovation and product development (Thrift 2006; Matthing, Sanden, and Edvardsson 2004). The main focus in the early literature was on co-production as a source for productivity gains (C. H. Lovelock and Young 1979; Mills, Chase, and Margulies 1983). Here focus is on customer participation in the construction of goods and services, and suggesting how customers can be managed to participate in production and delivery through self-service (e.g. self-serve in grocery stores and gas stations). However, Prahalad and Ramaswamy (2004a; 2004b) view co-creation not merely as a tool for cost reduction and productivity gains, but rather in relation to value creation. They used the term co-creation to signify that customers move from being passive audiences to active co-creators of experiences. They

describe co-creation in the experience economy as a setting where the provider constructs the context and the consumer is part of it (e.g. Disneyland). The consumer is involved and engaged, but the context is firm driven. Taking it one vital step further, Bendapudi & Leone (2003) argued that consumer co-production extends to the construction of meaning as well, indicating that co-creation is not only about customer involvement and participation in a physical sense, but may also include psychological aspects.

Some of the recent claims regarding value co-creation tend to view the merits of customer involvement in an all-encompassing way and as uniformly beneficial. Service-dominant logic in marketing proclaims that customers are always co-creators of value (Vargo and Lusch 2004; Vargo, Lusch, and Morgan 2006; Vargo and Lusch 2008). Prahalad and Ramaswamy (2004a) likewise claim co-creation is vital for creating value in all types of products. Are all products best seen as co-created and does co-creation always bring value? It is a rather sweeping claim. And again we seem to be presented claims that are too abstract to really be useful and that might lead to disguising vital distinctions rather than illuminating them. The terminology and the value creating process have to be broken down into a more specific level to give any real meaning. How are customers involved? Are they involved in the making of a good or the delivery of the service itself? Or do they get value and enjoyment from the involvement in itself? Or does co-creating of value simply imply that the consumer must be there at the end of the line to value the benefit of using a good they have bought or to appreciate the outcome of a service performed for them? Might they not sometimes get value from receiving what they seek simply from getting it at a lower price or quicker? When do consumers receive anything positive from their involvement? Does it not depend on the type of consumption, on the type of economic offering? Again, may it not then be connected to the utilitarian vs. hedonic divide?

Addis and Holbrook (2001) pointed out that every product has a connected consumption event – that is that the consumer will experience/feel something during the time when they use/consume a product. This consumption event and their experience during it might be hardly noticeable (as when using a printer) or highly noticeable and significant to the product's overall value (as in the case of the thrills had during a river rafting trip). Hence, they explain how the consumption experience can range from being mundane and hardly noticeable to a very significant part of the product's value for the customer and that it corresponds to the product's utilitarian or hedonic value.

The separation of consumer value into utilitarian and hedonic values shows that different product categories answer to separate needs/wants and provide the customer with distinct kinds of value. Not only does this difference extend to the kind of value the offering delivers, but also to what elements are required to provide and create value. This may lead us to ask whether the elements that create utilitarian vs. experiential value are the same or rather different ones? It may be the key to understanding the role the consumption event plays in experiential versus utilitarian consumption, whether the consumption event is a source and core to the products value or just a necessary requirement to obtain a sought after outcome. The role of co-creation needs to be further investigated and differentiated, and it has to be decided if and when co-creation is suitable for adding value and when it is not.

1.3 The Research Questions

When consumers distinguish between utilitarian and experiential value and consumption, may not such a difference in type of value also require a different kind of production? May it not then be produced by different means and in an entirely different way as well? May it not be useful to use the utilitarian versus hedonic distinction to refine and create additional categories for market offerings in the same way that we have used the tangible and intangible divide to differentiate between goods and services? And may the resulting categories then not provide more meaningful categories, categories that are more closely linked to consumers' motivation and perception of value?

The key element running through the whole of this thesis discussion is the utilitarian and hedonic divide – how it may be utilized and give meaning to capture the difference in experiential versus utilitarian consumption, and thus possibly also explain and enlighten the discussion of whether it is productive to understand experiences vs. services as distinctive categories of economic offering in line with this distinction.

The overall research objective may be framed in this way: To add experiential aspects to the understanding of value creation to obtain a richer and more differentiated understanding of the value provided by economic offerings. In addition, I wish to bring in more psychological perspectives and knowledge to understand what creates value in economic offerings.

Specifically the first research question I have pursued was this one:

- What are the main characteristics of experiences, and what are the main factors that trigger experiential value?

Primarily I wished to explore and contribute to the understanding of experiential value in general, and then how it in particular manifests itself in experience offerings. I investigated and sketch out an overview of the co-creation process taking place between the experience provider and the consumer and pin-point the vital characteristics and factors that trigger experiential value. Hence, I sought to explore factors noted in earlier studies of psychology in general and particular findings in leisure activities and the field of tourism research as well as from various ethnographic studies on consumer behavior. This is in order to understand the nature of experiential value and the underlying principles regarding how it can be evoked in consumers. The aim is to understand the essence of experiential value, as if it were a person, well enough to judge its character, but not like a list of the person's everyday events in a diary. The purpose of this research has been to develop theory that helps to expand our understanding of the growing field of experiential consumption and its implications. It seeks to build a deeper understanding of what characterizes and contributes to value creation in experiential consumption, and to develop and propose concepts, definitions, framework and propositions that may contribute in building a conceptual fundament for further studies related to the topic at hand, and to understand experiential value well enough to assess whether its value creating elements are distinctive from that of utilitarian value. Further, I want to determine if the distinction is of a kind and degree as to matter – in so far as we are better

served in our understanding of it – and can create better economic offerings, by acknowledging the distinction.

The second aim of the thesis is to take this new and more specific knowledge of the nature of experiential value and look at its possible implications. Hence, once I have used the empirical findings to establish an understanding of experiential value and experience offerings, I bring these findings with me to my second area of interest. Building on what I have previously found, I will explore and discuss whether experiences and services are different to the extent that it makes sense to see them as separate categories.

My second research question was:

- How do experiences and services differ and how does this difference matter?

These research questions are intertwined and arguably make up two sides of the same coin. The first research question focuses on identifying the process of evoking experiential value and the triggers that evoke it. Hence, here the focus is on what all experience offerings, despite the many different manifestations, have in common. The second research question, on the other hand, focuses on how experiences are different from services. This is in line with the general procedure of how a scientific category is established, which is by seeking to identify commonalities within the category and distinctions from what is defined as outside the category. The second research question hence builds upon using the finding that has been uncovered in the first part of the study.

Experience offerings can only be seen as a common and distinct category, if despite their many different appearances, there still exist some shared underlying dimensions that contribute to these offerings' ability to create value for consumers. Furthermore, if experiences are to be seen as a separate category from services, there has to be a rationale for what the difference is made up of and why this difference matters. Hence, both insights into what is special about experiences (if anything) as well as how the category of experiences (presumably) differs from the category of services, are relevant for answering either question. The link between the two research questions is thus a close one. The first step is to establish what characterizes experience offerings, the second is to evaluate whether the findings support that what characterizes experiences as offerings are substantially and significantly different enough to consequently support viewing the category as distinct from services. The two research questions taken together should then provide a sound fundament in determining whether it makes sense to understand experiences as a separate category.

1.4 Scope and Approach

I have chosen to investigate the consumers' notion of experiential value mainly through a phenomenological approach. The level of analysis has been on the individual consumer's psychological and phenomenological experience, and on their interaction with the stimuli and

content that the experience provider has created for them and/or given them access to. This research has focused on the consumer's perceptions of value, and in particular in regard to understanding experiential consumption as the consumers themselves experience it. Other approaches, such as using neurological data and brain scans, could have given information about this mental phenomenon as well. However, as the sensations, emotions and cognitions that make up an experience are always interpreted as part of a larger context – sometimes as large as a life project – the meaning and value of the events are ultimately determined and evaluated by the singular individuals themselves. One may well measure a particular level of high or low arousal in the brain, but whether a given level of activity is transferred into pleasure or pain, whether the context is interpreted as empty or as having meaning and value, rests with the individual's perceptions. Hence, a phenomenological approach was chosen and seen as most appropriate for bringing forth a customer centric perspective of the nuances and insight into experiences.

This study looks at experiential consumption in a commercial context. The study is concerned with what characterizes experiences and how they can be staged for creating valuable offerings for the consumer, and thereby generating financial gains for the provider. However it may be a direct or indirect form of payment. Directly, as when buying an entry ticket to a Disney park. Other times a show or event may be covered by a company's marketing effort, and then indirectly be covered by the premium price paid for a specific brand by its customers. Yet again in other cases it may be financed as a public service. A museum visit or a town festival entry can be unrestricted and free, but the effort is still paid for indirectly through taxes.

Although a person's experience of an event undoubtedly is influenced not only by what happens during the event, but before and after the event as well, my focus is primarily on the consumption event itself. Hence, the main focus has been on the time period when the consumer is physically and mentally present in the designated facilities provided and the value had there and then while taking part in the activities. This boundary in time and space is erected not to disregard the periods of pre- and post-purchase, nor are they fully ignored. However, simply out of a need to limit an already complex topic, it is necessary to specify that the main focus has been on the experiential value had during the consumption event itself.

This study is not about every perceivable psychological experience we may have in general. We may have plenty of valuable experiences well outside any market. Like falling in love, or just having sex, having a baby, getting promoted at work, a great discussion with a friend or a colleague, the joy of climbing a previously thought unattainable mountain or mastering to resist eating chocolate for a week. The process and factors that create value in these settings may greatly overlap with what creates value in commercial contexts, but there are surly differences as well, so note that private contexts outside the commercial realm are neither sampled nor included in this study.

1.5 Structure of the Thesis

In this first chapter I have introduced the topic and the aim of my study and have positioned it in a theoretical context. This included showing the theoretical roots of the value construct right from the initial debates in economics to the more recent debates on consumer behavior and service marketing. Furthermore, I have introduced some perspectives and models from psychology that are highly relevant for this study.

In chapter 2 I will go through some methodological issues. Here I will present the rationale for selecting a qualitative research methodology, and moreover why I classify my study as a theory generating case study that is foremost concerned with theoretical interference rather than empirical generalizations. Then I will present the analytical framework that was developed early on in the study as an outcome of the literature review, and use this as the basis for the research design and to set the selection criteria in picking sampling settings. Thereafter I will go through some particulars regarding the data collection and data analysis.

In chapter 3 the empirical study will be presented. An intentionally wide range of commercial leisure activities and attraction facilities are sampled, with very diverse contents and activities such as golf, shark diving, museum visits, bingo halls, movies, the Oktoberfest, safaris, football, theater, karting, bungee jumping, meditation, karaoke, etc. Brief descriptions of the events at the various on-site facilities will be given, to give some background and context for the interviews and analysis that comes next.

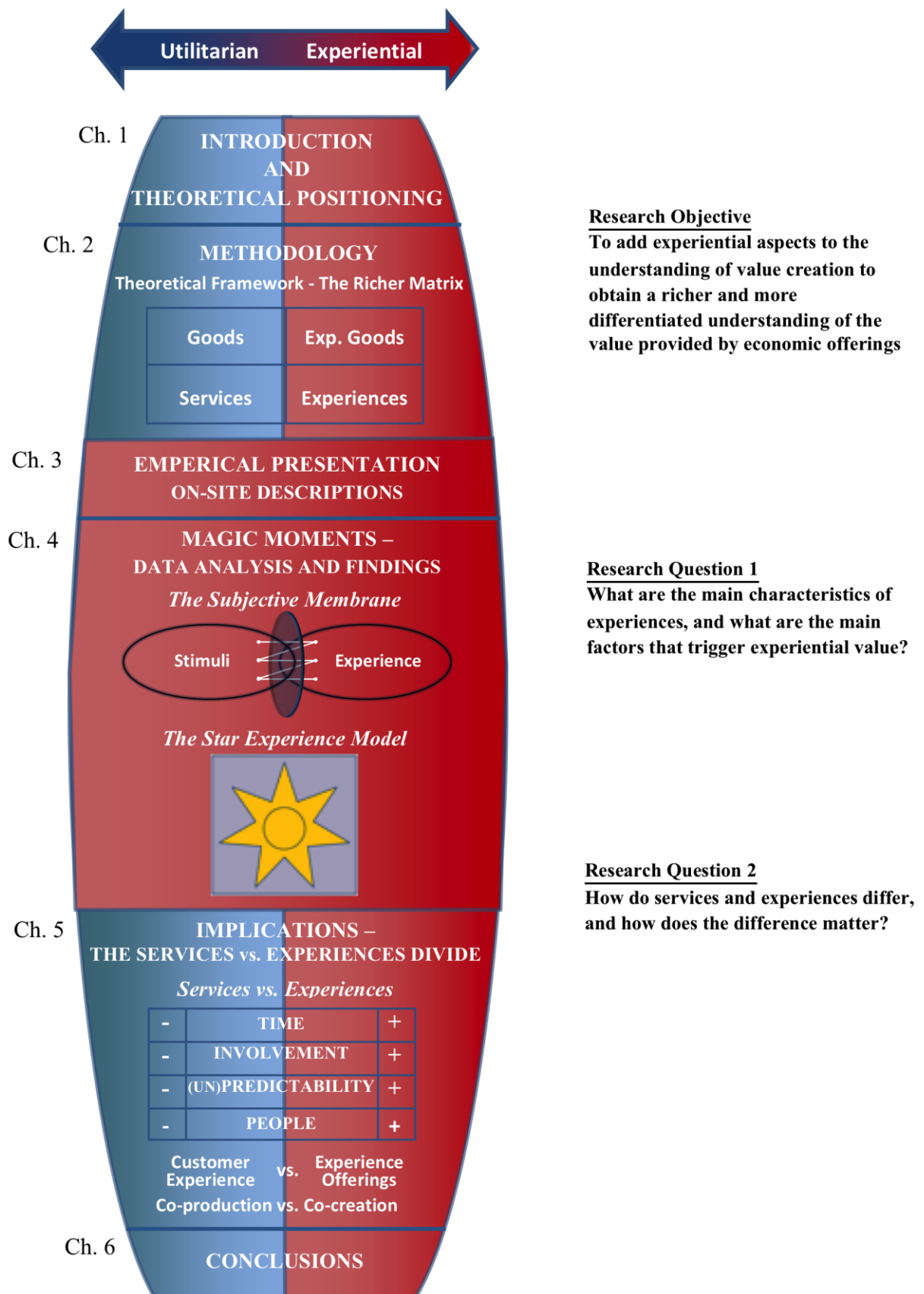
Chapter 4 will contain more of the empirical data and the analysis. Here I will go to the core of the study, seeking the essence of those magic moments, and the process that creates them, which make up experiential value in experience offerings. The chapter is aligned with research question one and focuses thus on answering the question: “What are the main characteristics of experiences, and what are the main factors that evoke experiential value?” The chapter will include quotes from the interviews and development of the analysis. The data here is largely the subject’s in-depth accounts of their impressions after consuming a particular experience offering. Seven trigger factors for evoking experiential value are presented here, as well as the Promise, Premise and Process of Co-Creating experiential value. In this chapter I also introduce the concept of a “Subjective Membrane” that is vital for capturing how individual differences interact and influence the external stimuli. Lastly, the chapter’s findings and the outcome of the analysis will be summed up in The Star Experience Model.

Next, in chapter 5, I will move the discussion one level up and compare the relationship between the two conceptual categories of services and experiences in seeking to answer the second research question: “How do experiences and services differ and how do these differences matter?” In comparing the two categories, I postulated that some factors are not merely different but also contradictory in how they contribute to creating value for the consumer. Thus, the factors have vital implications, and being unaware of the factors contrary effect can cause providers to enhance their offerings in ways that unintentionally diminish the

value of their offering, rather than increasing it. The differentiating factors I bring forth are: *time, involvement, predictability and people*. I explored these dimensions and how they impact on creating value for consumers, and thus impact the strategic choices concerning developing, designing and managing services and experiences. Thereafter, I will discuss and seek to clarify some of the mix-ups, overlaps and possible misconceptions related to the concepts of *consumption events* and *customer experiences* in relation to *experience offerings*. In this discussion I also debate and call for more nuanced and differentiated use of the concept of *co-production* and *co-creation*.

Finally, in chapter 6, I will provide a brief summary of my findings and contributions, as well as pointing out some potential areas for further research, before rounding off with some last thoughts and perspectives relating to the recent rise of experiential factors in the economy as a paradigmatic shift.

On Experiences - as Economic Offerings



2 Methodology

In this chapter I will discuss the methodological issues. I will present the rationale for selecting a qualitative research methodology, and moreover why I classify my study as a theory generating case study that is foremost concerned with theoretical interference, rather than empirical generalizations. Then I will present the analytical framework that was developed as an outcome of the literature review and used as the basis for the research design and to set the selection criteria for picking sampling settings. Thereafter I will go through some particularities relating to the data collection and data analysis. However, let me first point to a few of the challenges that intrigued me at the outset.

Initially I was wondering about how commercial experiences create value. It seemed commonly recognized that a number of activities related to experientially oriented consumption – be it culture or arts, sport and leisure activities, tourism and travel, or other forms of play and entertainment – were generating something of value for consumers, as people were willing to pay to enjoy such experiences. In each particular and specialized art form or applied field – such as in theater, movies, literature, music, museum exhibits and concert arenas – knowledge and standards for how to best create content exist. Each field has its own particular practices, tools and vocabulary regarding what works and how, resulting in specific, specialized and technical knowledge within that domain. Art, entertainment and leisure production's knowledge of what creates worthwhile content tends to be tightly embedded within the particularities of the specific setting. However, I was wondering, what in general is it about the content of such attractions and activities that creates value? Were there not some universal and basic principles to be found? It seemed that very little theoretical knowledge traversing the fields existed. I thought it had to be possible to extract principles at the more general level of understanding. More generalized knowledge of the principles and mechanisms of what create experiential value would be beneficial to both academics and practitioners.

I wished to examine how – in essence – experiences create value. What is special about experience offerings? What sets them apart? How are they different from goods and services? That however, created a methodological challenge and some related problems. Before examining experiences, there had to be a way to pin them down. However, then there had to be a way to delimit them – a way to make sure it was clear what I actually wanted to examine. Pine and Gilmore (1999) had claimed that experiences were a separate category, but it was not clear how to define the category. I wanted to examine these experience offerings, but a solid theoretical fundament was not to be found. I could examine experience offerings' characteristics only if I had a suitable framework to act as a starting point and through this could define and outline such a category. Hence, I needed to construct such a framework.

2.1 Research Strategy

One could argue that conclusions from case studies may be either in the form of empirical generalizations or theoretical inference (Gomm, Hammersley, and Foster 2000). The misconception and lack of credit given to case studies in relation to generalizations is often due to wrongly using statistical method's criteria when evaluating case study methodology. Generality in a statistical context implies that we want to be able to generalize from a sample to a population. In such incidents, as when dealing with survey research, representativeness of the sample is of vital importance. In some contexts, we do not want to generalize from a sample to a population, but understand what happened in a sample. In such a context the researcher may want to draw conclusions, not about a population, but rather about a theory (Mook 1983, 387). Hence, we need to evaluate whether the study seeks to estimate from sample characteristics to the characteristics of some population, or not. When findings cannot be generalized and even when they are not supposed to be, they can still contribute to an understanding of the processes. Certain insights and understanding can be generalized to the theory, even when the findings, the setting or the sample cannot be.

This research on experiential value is not a study of describing or generalizing findings back to the one or the other particular target group of consumers. Rather it is a search to see what, if any, commonalities can be extracted from the data the consumers present, and how the data may be generalized and used for developing theory. It is a work aimed at simplifying a complex and varied mix of offerings, along some dimensions, into some concepts and theory that may provide us with a starting point for understanding what may be the essence of the category of experience offerings.

Rationale for a Qualitative Research Methodology

All methods seek to develop logical and vital models and theories that deliver observable results and implications that can be tested and used for altering and adding to those theories. Each research methodology has its particular strengths and limitations, and we need to understand how they can balance and complement each other. Quantitative research refers to counts and measures; however, certain experiences cannot be meaningfully expressed by numbers. It is therefore qualitative research is required for capturing such things as concepts, definitions, characteristics, symbols, descriptions and meanings. Statistical methods are excellent for estimating the casual effect of variables. Formal methods use deductive logic to develop hypotheses about casual dynamics, while qualitative methods and case studies are especially useful for gaining insight into why-questions when developing hypotheses and theory.

As previously pointed out, the purpose of this research has been to develop theory, to develop and propose concepts, definitions, framework and propositions related to experiential

consumption in a proposed category of experience offerings. I seek to investigate if and why experiences should be seen as a market category that is distinct and separate from services, as well as explore how value is created in commercial experience, searching for what factors create value and why. Scholars like Kaplan (1964) and Merton (1967) declare that theory is the answer to the question of why. Theories explain relationships between elements and contain arguments not only for what is expected to occur but why it is expected to occur. Some authors, like Homans (1964) and Weick (1989), are of the opinion that predictions without underlying causal logic do not constitute theory. Sutton and Staw (1995) describe theory in the following way: "...theory is about the connections among phenomena, a story about why acts, events, structures and thoughts occur. Theory emphasizes the nature of casual relationships, identifying what comes first as well as the timing of such events. Strong theory, in our view, delves into underlying processes so as to understand the systematic reason for a particular occurrence or nonoccurrence. It is usually laced with a set of convincing and logically interconnected arguments. It can have implications that we have not seen with our naked (or theoretical, unassisted) eye. It may have implications that run counter to our common sense." Weick (1995) furthermore sums up a good theory as one that explains, predicts and delights.

This research involves working towards answering such why questions as: a) Why and how, do some offerings manage to trigger experiential value to arise in the consumer? b) Why and how, is experiential value different? c) Why and how, does this matter in regard to what principals should apply when making strategic choices for utilitarian vs. experiential oriented offerings? d) Why does it matter how we classify, think of, and name the different types of economic offerings? However, this study does not intend to explain "why" we appreciate experiential value in itself; the more fundamental theories in the field of human nature, we leave to psychology.

Grounded Theory

Grounded theory is a systematic, qualitative research methodology. Its focal point is on how theory can be generated from data in the process of conducting research, particularly by formulating concepts that are able to pull the essence out of the data (Andersen 1997). Grounded theory pursues generalizations induced from comparisons across social situations. To discover generalizations it tends to repress the specificity of a situation, removing and abstracting it from the particular time and place (Burawoy 1991). The theory was developed by the two sociologists, Barnley Glaser and Anselm Strauss. While doing research on dying hospital patients, they developed the "constant comparative method". Glaser and Strauss wrote about their methods and developed them further in their path breaking book "The Discovery of Grounded Theory" (1968), which has become an influential text in sociology. Glaser and Straus argued that fieldwork needs to be no less theoretical than "grand theory". They wanted to emphasize that theory development need not be limited exclusively to a few established leaders whose concepts rested on deductive thought systems and a priory

assumptions often provided theories with little realism and actuality. This contradicted the then prevailing model of research, where the researcher would develop a theoretical framework initially, and then only later seek to apply the framework to the real world phenomenon. Grounded theory seeks to demonstrate how researchers, including the inexperienced and novice, can go out into the field, collect data and turn it into a worthwhile theory. By having the theory so to speak induced from data, this would ensure that the theory is connected and realistic enough to provide guidance and value to practitioners in the field. However, the form of concept development that grounded theory supports does not need to rest on induction alone; rather it is the continuous switch-over between induction and deductive thinking that is its focal point (Andersen 1997). Using grounded theory for theory construction – often combined with a case study approach – is a well-established tradition (Andersen 1997).

In this study, grounded theory has been used in part, and data collection was indeed undertaken to pursue generalization and to search for underlying common factors that contribute to value creation induced from comparison of a number of experience offerings. Generalization was pursued by abstracting the factors from the particular settings – whether this was a golf course, a karaoke bar or at the theater. To abstract the factors and find the repeating characteristics of such consumptions – regardless of when or where it took place, whether it was undertaken by a young or older subject, male or female, what the background was, and so on. There was fieldwork in the form of researcher participation and observation on site, as well as by doing in depth interviews on-site or in the aftermath of the activity, fully allowing for and striving for rich descriptions, as well as a special focus on noting and following up on any unexpected aspects when they might turn up. However, deductive reasoning played its large role too. Concepts and frames of a theoretical framework existed from early on in this project, however vague in the beginning and gradually morphing into clearer constructs. Hence, there was a continuous switching between induction and deduction or between processes on two levels running together and apart and meeting again, such as described by Andersen (1997). This more fully reflected the work process as it took place in my study.

A Theory Generating Case Study

The case study method and the term “case” can be understood in various ways. Indeed, definitions of case studies show considerable variation and discrepancies. Yin (1981) one of the early and most influential researchers on case study methodology, saw the many uses of the term “case” as one of the greatest obstacles when thinking about and answering the question of “what a case is”. Typically the “case” terminology has been used when referring to a particular event, company, individual, group etc. Psychology often refers to a single subject and their circumstances and conditions as a case; in anthropology a case may be the culture of a hip-hop community in the city or a particular ritual that is being investigated. Others refer to a case in even broader terms. According to Ragin (1992) “a case” can refer to

data categories, theoretical categories, historical categories as well as substantive categories. Miles and Huberman (1994) have described a case as a unit of analysis. This ties in with seeing a case as an example of a broader class of events that have been constructed by the researcher (Ragin and Becker 1992; George and Bennett 2005). Hence, what is a case is not necessarily given up front. Sometimes finding and defining what the case is becomes the purpose of the research. Importantly, it is the researcher's task and responsibility to find and define what may be a productive case to research, rather than limiting oneself to selecting from already given constructs or events.

It is in this broader sense of what may constitute a case that appears appropriate to understand this research also as a case study. Indeed, this research does not rest upon an established concept, as the construct of experiences as a category has not previously been defined or utilized in academia; rather it rests upon this researcher's perception of the possibility of such a construct, that this could be developed, its content described and filled with meaning, and its implications explored. The outcome of my research will be to define experiences as a construct and category of market offerings, and thus the broad class of experience offerings would constitute the "case". Therefore I have concluded that it would be fertile for this study to draw upon case study methodology to guide the research, in particular with regard to the rationale and methods for developing the research design and selecting samples.

Four types of case studies have been identified and these are a-theoretical, interpretive, theory generating and theory testing. A-theoretical and interpretive cases are largely descriptive. They represent studies that are motivated foremost by an interest in the particular occurrences by themselves. However, it has been argued (Lijphart 1971) that strictly speaking, a-theoretical studies are impossible, in as much as any analysis will always have to rest upon (at least) some sort of assumptions in the back of the researcher's mind. Theory generating and theory testing cases search to reveal new, and so far undiscovered, theoretical patterns, which are not at all or insufficiently, covered by existing theories. These case studies collect and use data to be checked against an analytical model (Andersen 1997). I will to some extent make use of existing theory and apply it to the cases. As it is this study's aim to contribute towards a theoretical fundament for the phenomenon of experience offerings, and test it against a theoretical framework that I will soon present – it can be described as a theory generating case study.

Case study research tends to focus on identifying the factors and conditions under which particular outcomes occur and understanding why they occur. They are not necessarily interested in counting the frequency of how often the factors occur. Or, as George and Bennett (2005, 25) formulate it, "case studies remain much stronger at assessing whether and how a variable mattered to the outcome than assessing how much it mattered." Hence, case studies make use of smaller sample sizes rather than the large random samples that quantitative research needs to be able to find pattern and significant results. According to Ragin and Becker (1992) small-N case studies can be more flexible and easier to adjust once new information may make an alteration prudent. He suggests that this helps explain why qualitative research is at the forefront of theoretical development. Furthermore, this is one of a

number of reasons why George and Bennett (2005) argue that case studies are strong, precisely where statistical methods are weak.

Statistical research requires a large sample and that the samples are randomly selected. In case studies, however, samples should not be selected at random. Instead it makes more sense to select samples consciously, carefully and according to some pre-decided criteria. Sometimes this form of sample selection is described as information-oriented sampling, as opposed to random sampling. Selection of primary knowledge of cases allows for a stronger study through a more targeted research design. Samples selected at random to ensure representativeness would seldom be best suited for providing insight into the causes behind a problem. This is so because a random case may not provide the richest information, while a critical deviant or a critical case can give more useful information. Samples should be selected to ensure the widest possible range within a category, and/or be selected to represent most likely/least likely cases and so provide a varied selection of material that is suitable for the generation of theory.

2.2 Developing a Theoretical Framework

From very early on in the process there was the question of how to concretely go about deciding what should be the pre-decided selection criteria for correctly selecting relevant samples in this study. What should set and determine the outer boundaries for determining a relevant range of settings to sample from? There was a dire need for an analytical framework as a starting point for specifying the selection criteria, but as mentioned, no such suitable framework existed. The current paradigm distinguishes only between goods and services, throwing all intangible offerings into one big basket. Pine and Gilmore claimed services and experiences were distinct and had suggested various elements that should make it possible to discriminate between the two. However, the present elements did not appear conceptually clear enough to explain or justify a sound fundament for the distinction. What should be recognized as an “experience” was indeed the chief and underlying difficulty in this dissertation’s entire problem definition.

Traditionally, goods have been seen as the “typical” unit of exchange. To the extent that economic offerings have been differentiated and categorized, goods and services have been the resulting division. Classifying a product as either a good or a service depended on the product’s tangibility, separability, homogeneity and perishability. Out of these criteria tangibility was arguably the most important differencing factor and the key in determining whether an offering is a good or a service (Zeithaml and Bitner 2006). Tangibility refers to whether we are dealing with a physical object or not. A good is a thing, a tangible object; it’s concrete and touchable. Therefore goods are seen as predominantly tangible and services as predominantly intangible. These characteristics can be useful from a producer’s point of view, as it has consequences for such factors as storage, transport, standardization, etc. which

represent different challenges and managerial issues related to manufacturing. Under the current paradigm, as it uses product features to differentiate between goods and services, the disparity lies with characteristics of the offering itself, rather than with the types of benefits it provides for the consumer.

In my strive to develop a new suitable analytical framework, there were a number of questions and objectives I wanted to consider, incorporate and adhere to, if possible, and that influenced the process of developing an apt framework. There was the more general question of what dimensions it makes sense to utilize in catering for market offerings in advanced economies. I approved of and wanted to respond to Holbrook's and Hirschman's call for greater emphasis on experiential consumption (Holbrook and Hirschman 1982). I particularly I would like to see the discussion of experiential aspects moved from being a somewhat sidelined discussion in Consumer Behavior theory, to having a more dominant place in marketing thought, and preferably becoming part of a broader marketing discussion. Overall, I wanted an analytical framework that shifted the current producer induced goods/services paradigm to a more customer centric perspective. I sought to develop an analytical framework that would incorporate those elements that were distinct from the consumer's point of view and that captured and reflected their motivation for the factors that most clearly influenced the consumer's buying behavior and decisions.

From the litterateur review, the utilitarian/hedonic dimension had appeared to be a key to understanding and further exploring the consumer's perceptions of value. The literature had pointed to the importance of the utilitarian/experiential divide. This deep running and fundamental divide is well founded in human nature and also established as a noticeable divide in a number of other academic disciplines. Research has shown that consumers use the utilitarian/hedonic dimension to evaluate and distinguish between different products. Furthermore, it has been suggested that the utilitarian/hedonic dimension could be utilized to distinguish between different types of offerings. I believed that for a framework to reflect the consumer's view of market offerings, it should include dimensions that are salient and used by the consumer as a starting point. The insight of simply combining the utilitarian/hedonic dimension with the established tangible/ intangible dimension already in use for differentiating between goods and services occurred. As a result, a new analytical framework emerged, one that appeared to be very productive for my intentions and which I will now present as the Richer Matrix.

2.2.1 The Richer Matrix – A Customer Centric Framework

The Richer Matrix framework provides a consumer's perspective and differentiates between economic offerings according to criteria that are significant to the consumer. By combining the dimension of hedonic/utilitarian value with the traditional tangible/ intangible dimension, the result is a new and richer framework for differentiating between various economic offerings. The framework consists of four categories rather than two, resulting in the following categories: goods, experiential goods, services and experiences. The utilitarian/hedonic dimension represents two main forms of value that the consumer seeks and differentiates between when selecting economic offerings. Each of these forms of value can be obtained either by owning a physical good or by getting access to an intangible offering. As a consequence, utilitarian consumption can, as before, be further divided into goods and services. Similarly, hedonic consumption can be separated into experiential goods and experiences.

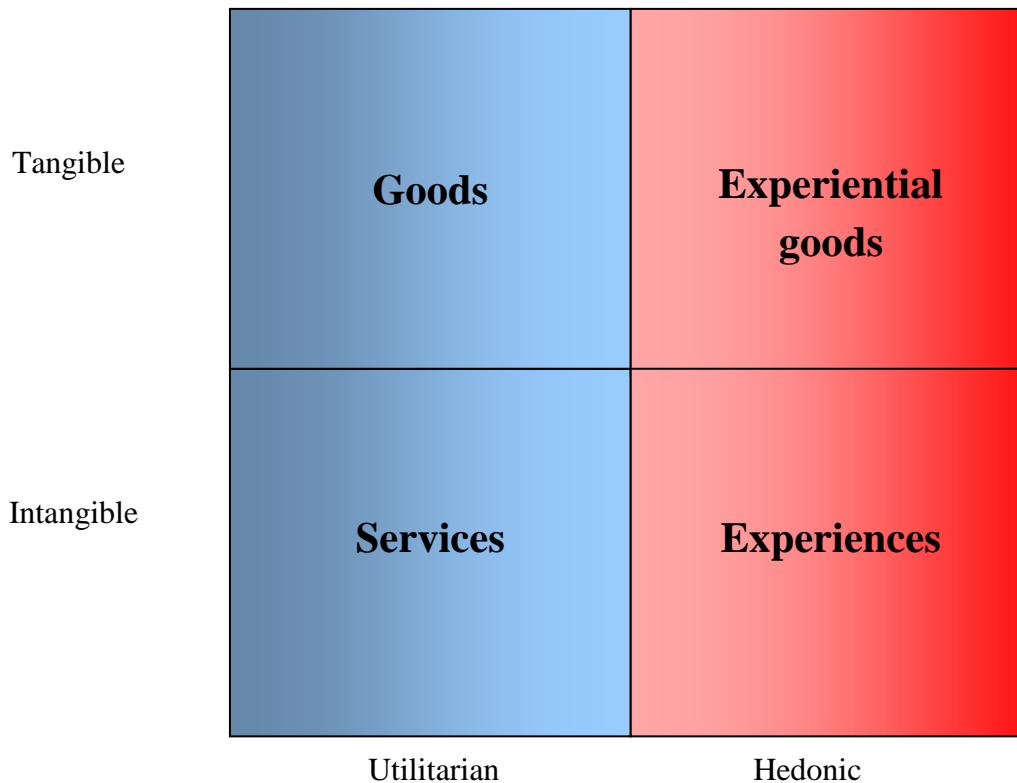
Referring to the visual representation of the framework, the left side part of the framework (colored blue) shows categories of utilitarian consumption, and is made up of the traditional paradigm and categories of goods and services. The left side (colored red) represents the new aspects based on the hedonic dimension, representing experiential consumption, and is made up of the new categories of experiential goods and experience offerings. To illustrate, according to this framework then, hammer and nails would be classified as goods. Toys and playthings, such as a Frisbee or a pc-game, or a luxury brand item such as perfume or a Hermes scarf, would be classified as experiential goods. Intangible offerings relating to necessities and conveniences in industries, such as banking and finance, transportation, health support and the like, would as before be classified as services. On the other hand, intangible offerings that are chiefly hedonic orientated, including many offerings within tourism, culture and entertainment, are separated out as experience offerings and would be classified as experiences.

Hence, the Richer Matrix is made up of narrower but clearer categories compared to the traditional paradigm. Goods and services are here limited to include offerings with primarily utilitarian value. Further, experiential consumption is put into categories of its own. From this it follows as a natural consequence that the previous expansive category of intangible offering is differentiated into services and experiences.

The main overall alteration regarding how the Richer Matrix represents market offerings is of course that it makes the experiential consumption now noticeable and detectable. Making experiential aspects visible and presenting them as an independent resource, equivalent to its utilitarian counterpart and a vital contributor to the value creation in a increasing number of economic offerings. Furthermore, it reveals experiential value's importance to the range of offering in the market place and the overall size and output of the economy.

Figure 2.1 – The Richer Matrix

The Richer Matrix



- Goods: Tangible products providing utilitarian value
- Experiential goods: Tangible products providing experiential/hedonic value
- Services: Intangible offerings providing utilitarian value
- Experiences: Intangible offerings providing experiential/hedonic value

The name of the matrix includes the term “richer” as an indicator drawing attention to some of the framework’s distinguishing elements. It is made “richer” by adding the customer oriented utilitarian/hedonic dimension to the existing tangible/intangible product attribute element. Likewise, it is richer and most notably so, by expanding the original paradigm from two to four categories, and by adding to the goods and services paradigm two new categories, namely those experientially oriented categories of experiential goods and experiences. In addition, “richer” may also connote that the framework’s relevance is most apparent for the range of offerings available in affluent economies. Affluence plays a large part in the process that enables experiential aspects to increase, pushing the range and variation of differentiated offerings to grow and making offerings turn to the more refined and increasingly complex. These lush and more colorful offerings draw increasingly on the imaginary and spectacular to create ever more compelling experiences in an ever wider abundance. Thus lastly, “rich” can also imply that these offerings tend to deliver content that is extensively “rich” in sensory and mental stimuli.

2.2.2 Features and Limitations of the Analytical Framework

The framework gives an overview of what the categories have in common as well as what separates them. However the separation does not imply that there are clear-cut boundaries between the categories. The dimensions are gradual and there is a continuum from utilitarian to hedonic value. Likewise, the tangible/intangible dimension should also be seen as a continuum. Nor does this division imply that a particular offering may provide only hedonic or only utilitarian aspects. On the contrary, offerings frequently provide experiential as well as utilitarian benefits. Moreover, this is progressively the case, as experiential aspects are now often added to also enhance functional products' overall value and create a competitive advantage through adding design elements, brands etc. Offerings that are high on both utilitarian and hedonic value are particularly plentiful among luxury items. They may have a utilitarian function as their origin, but have been upgraded by adding features to increase the offering's experiential value as well. A sports car, as one example, provides the utilitarian value of transportation, but may be driven purely for the pleasure of cruising the countryside on Sundays.

However, even though actual offerings frequently and increasingly contain both utilitarian and hedonic aspects, this does not diminish the richer matrix prospective usefulness as an analytical framework. Many ideal-type forms, such as the idea of network versus hierarchical organizations, deliver analytically solid and useful constructs, although such organizations in reality hardly exist in their pure form. The categories should be understood as representing the offering's core value from the consumer's point of view. The core value here implies the offering's main value, the reasons why it is being sought and bought. The offering will fail if it does not deliver on this core value. Although all aspects of an offering may not be placed entirely within one category, they can all be analyzed and related to the dimensions and categories of the framework. When we keep to the essence of an offering and categorize it according to its core value, its main feature becomes fairly evident. Both a nail and a hammer are functional goods, and having the oil changed on your car is a service, while a Frisbee and champagne are experiential goods and a Broadway show and a Bungee jump are an experience. Hence, most offerings can be logically and fairly easily positioned in relation to these analytical categories, and each category tells us something fundamental about the offering.

Be reminded that the categories do foremost represent the consumer's perspective, and not the producer's viewpoint. Therefore the classification in the framework is not based on what goes into the production process to bring about these offerings, but rather on what kind of value, utilitarian versus experiential, it represents to the consumer, and in what form the consumer receives the offering – as a tangible object or by getting temporary access to a resource. Services often use goods to produce their offering and experiences regularly use goods as well as services in creating the experience. A taxi company uses a very tangible good – a car – to produce a service offering. The consumer nevertheless receives something intangible – the service activity of having their body transported from one location to another. Likewise, when giving a concert, a band may need literally tons of goods; speakers, cables, lights, TV-monitors, etc., physical equipment to amplify and share their presence on stage with the

audience. And in addition such an experience offering may require a number of supporting services. A concert provider may very well need to employ security guards, cleaning personnel, etc., as support for the stage production. However, what the concert audience receives is neither a good nor a service, but access to vibrant sound and sights and a sense of being part of an excited crowd - what the concert audience enjoys and gets to consume is an intangible and hedonic oriented experience offering. It is important when analyzing the offerings to keep apart the elements that go into the production process, in contrast to the elements that are actually received the consumer.

Relating to the category of experience offerings itself, there is one last point that should be made. Clearly, there may be important differences both in the consumption and the degree and quality of value had from a quick amusement park ride compared to joining an expedition to cross Greenland on ski. Indeed, further subcategories can always be made. In psychology and philosophy one may often see this more simple or meaningful fun distinguished and referred to as hedonic versus eudemonic. Other versions of the more simple fun or meaningful experiences have been noted. Csikszentmihalyi distinguishes between pleasure and enjoyment (Csikszentmihalyi 1996). Likewise Campbell (1987) introduced a distinction between traditional and modern hedonism. Pine and Gilmore (1999) differentiate between experiences and transformations. While such distinctions have their purpose, in the Richer Matrix and thus in this study, the conceptual category of “experiences” does encompass the whole range of experientially orientated offerings.

Although experiential consumption refers to experiential goods as well, samples from this category have not been included in this study. The sampling and study examine only experiential offering of the intangible kind. However, I expect the factors and processes that create value in experience offerings to significantly overlap with what contributes to value for experiential offerings in general. Consequently, most of the findings are likely to be relevant for experiential goods as well, such as luxury brands and toys and gadgets involved in leisure consumption.

More could be said about the framework and its potential use and implications. However, I will not venture further into the potential of the Richer Matrix presently, as the primary purpose of the framework in this study was to designate the outer boundaries for the proposed category of experience offerings. This was done to determine principles for selecting samples and to ensure that data could be selected accordingly to given criteria and in a consistent manner. Next I will continue by presenting how the conceptual category of experiences was utilized for sampling a wide range of instances of experience offerings for the inquiry.

2.3 Data Collection

Selection Criteria, and Range of Sampling

The data for this study was collected at a wide range of tourist attractions and leisure activities during the years 2010 to 2012. The empirical data traversed locations in five countries on three continents and included international travelers and locals alike, exploring their ideas and perceptions of fun and the dynamics occurring in the given setting. As part of this theory generating case study, I conducted participant field observations and interviewed consumers at the facilities and outside. This deliberately extensive span in alternatives within settings, location and visitors interviewed aimed at maximizing the variation within the category of experience offerings. This was done to provide an as rich and ample foundation as possible for the theorizing to build upon.

An analytical framework, The Richer Matrix, was developed to set the parameters, and thus the outer boundaries for the category of experiences. In accordance with the framework, the selection criteria for the sampling of cases for the category of experience offerings were set as: intangible offerings of hedonic orientation.

Table 2.1 - Venues for Participant Observation and Interviews

#	On-site locations	Country
1.	Great White Shark Cage Diving – Mossel Bay	South Africa
2.	Lego Robotic Workshop – Oslo	Norway
3.	The Munch Museum – Oslo	Norway
4.	Elephant Feeding – Botlierskopf	South Africa
5.	Horse-riding Safari – Botlierskopf	South Africa
6.	Oktoberfest – Munich	Germany
7.	Golfing – George	South Africa
8.	Karaoke – Oslo	Norway
9.	Bingo – Oslo	Norway
10.	Karting – Benidorm	Spain
11.	Bungee Jumping - Bloukrans Bridge	South Africa
12.	Nijo Castle and Ryōan-ji – Kyoto	Japan
13.	Movie Theater - “Inception” – Oslo	Norway

With the criteria for the category given, the next task was to make sure that I sampled offerings in a way that covered the whole range of offerings within the category. The aim was to search for characteristics and dimensions that would be relevant and applicable to experience offering in general and not only to a particular subtype or industry (like having them all be cultural sights or only from extreme sports, etc.) For this reason it was important to not only sample from a narrow range of similar kinds of offerings. When selecting experience offerings to sample from, care was taken to ensure that the offerings varied on such factors as, price charged, duration of event, whether the consumer participated directly or was merely a spectator, number of consumers present, location, indoor/outdoor, day/nighttime, leisure offerings consumed by tourists on holiday as well as by local residents,

possible upper class/working class associations, and variations of what type of content the experience built upon.

The experience offerings were divided into the following subgroups: 1) Adrenalin adventures and games, 2) Social and sensory mingling, 3) Classic attractions/intellectual pursuits. The offerings could surely have been grouped and named differently, but the purpose was simply here to ensure that a good spread of attractions and activities were investigated.

Table 2.2 - Types of Experience Offerings Explored

	Number of Interviews
Adrenalin adventures and games (9)	
Diving	2
Parachute jumping	2
Bungee	1
Car racing	2
Golf	1
Bingo	1
Social and sensory mingling (11)	
Safari tours/animal encounters	3
Football – stadium events	2
Festival – (music/cultural)	4
Karaoke	2
Classic attractions/intellectual pursuits (10)	
Theater/movies	2
Museum – cultural	4
Museum – Science	2
Meditation course	2

The table shows that the offerings were selected from a broad range of topics and kinds of experiences, and thus that the basis for collecting material would provide a rich and varied collection of data to abstract generalizations from.

Execution of Semi-Structured Interviews

Interviewing has been described simply as a conversation with a purpose, where the purpose of the interview is to gather information. This view of interviewing is shared by a large number of scholars (Berg 1989). When it comes to how an interview should be conducted, however, opinions vary. For this research I had chosen to conduct semi-structured interviews. Semi-structured interviews constitute a middle road between fully standardized and completely unstandardized interviewing structures. An interview guide outlining and covering all the broad topics that I believed to be relevant for the study was developed. Based on this I decided on a number of predetermined questions, which were asked in each interview. However, I admitted myself a fair amount of freedom to digress from these and expected to query far beyond the standardized questions. This was done to follow up on interesting topics

and comments that the subjects raised. Most of the predefined questions were open ended as such questions were professed as appropriate for gathering information related to emotion-laden sensory experiences (Mutchnick and Berg 1996).

The interviews were mostly conducted one-on-one, but a few were also interviewed as part of a small group. I used in my approach a method close to what has been called active interviewing (Holstein and Gubrium 1995). Active interviewing is a two-sided technique, where I as the interviewer may display my own feelings or attitudes to create an appropriate climate and to bring forth responses from the respondents. The majority of the subjects interviewed were well educated and well-travelled; hence, they were perceived of and treated as sophisticated discussion partners, experts on their own preferences and as able to evaluate and present their view of the experience they had just had. Furthermore, they were also treated as subjects that could be challenged on their opinions at times to verify their statement or to attempt to provoke even more insightful responses.

Care was taken to ensure variation relating to the subjects on such factors as nationality, age and gender, but only on an aggregated level for the sample group as a whole. Respondents were aged between 10 and 70, the majority fairly evenly spread out between 20 and 55. Initially the preferred age range was 20-55, this I thought would increase the likelihood of meaningful answers as the subjects then would be old enough to have some general experience to compare and reflect on the topic at hand and young enough to reflect/represent current and future trends for this type of consumption. However, both the youngest and the oldest subjects, well outside the initially intended age range, were among my favorite interview subjects, and they gave both exceptionally frank and illustrative comments. The data was collected at a number of different leisure attraction/activities located in a number of different countries, and the subjects interviewed also belonged to a number of different nationalities. The main reason for this spread in location and nationalities was to increase the likelihood of a rich and varied material to surface. Another reason was that eventual atypical inclination from any particular cultural preferences or sub-group would be less able to gain undue influence. Furthermore, one could well argue that such an international sample of subjects is especially appropriate when investigating value creation in experience offerings. Iconic attractions and unique leisure activities are not only part of a local leisure scene but also attract international visitors in large numbers, and so is an important part of the worldwide tourism industry, which is particularly global in its outlook.

I was conducting participant observation on-site at 13 different facilities of experience offerings. Being present on-site and being a participant alongside the subjects that I later interviewed provided several advantages. Having shared the experience at the site gave me a general understanding of the atmosphere at the event, as well as being aware of the specifics of how the event had been run. This made it easier to tap into the subject's frame of mind, to bring up details and references. If I had observed the particular subject on sight, some or most of the time there, I could also compare their answers against what I had observed. This allowed me to follow up on possible discrepancies between what had been said and done. Even when there were no discrepancies, it was still a useful way to bring in details and to

explore further into particular topics they did not themselves bring up or think of as interesting, but which I saw as worthwhile to explore further.

Initially I intended to collect all the data on location, and wanted all of the interviews to be undertaken shortly after the various leisure activities had been conducted. The aim was to get the subjects' impressions while they were fresh; the feelings from the event still stuck in their tummy. This I thought would obtain rich and detailed descriptions. Furthermore, I hoped that making the subjects reflect there and then, on the spot and asking questions that took them somewhat by surprise would increase the likelihood of unedited and honest responses. By selecting consumers that were on location and had just participated in and consumed the commercial experience, the respondent's aptness and familiarity with the product was ensured. However, as it turned out, some of the impressions and reflections appeared to be better grasped and nuanced when more time had passed after the event, rather than immediately afterwards. Especially with those events that were high in adrenalin or that had a particularly large impact, people appeared to need time to "come down" and put the event in context. Hence, I decided to adjust for this by also adding some interviews where people looked back at a particular leisure experience consumed at an earlier point in time.

Asking people questions about what they like and dislike, value and don't value when visiting attractions and conducting leisure activities may not appear too problematic. On the upside, this is rarely anything people are ashamed of, feel they need to hide or have bad associations with. On the contrary, they will often be happy and eager to share and explain in detail activities they have found to be fun and interesting. Hence, the overall mood of the interviews was mostly very light and positive. The impression was that the subjects found it interesting, and for the larger part enjoyable, to share and discuss their thoughts and feelings related to this. It is worth noting that, although the context and questions appeared harmless at the outset, answering them would often result in quite personal and earnest responses. Subjects would often quickly and confidently sum up what their likes and dislikes had been, but would have a harder time when asked to explain why they had enjoyed it or not. Sometimes it led into some of the subject's rather private corners. When the conversations ventured into personal matters – through this unassuming backdoor of just describing in some detail a positive experience they just have had – it often appeared to take the subjects rather by surprise. However, in most cases they appeared to pause shortly, yet conclude that the context was such that no harm would become them, and to continue giving admirably forthright and openhearted responses. Occasionally subjects became uncomfortable when they apparently felt they should be able to come up with some clear answers but found themselves unable to do so. Others were more confident and relaxed about it. These just rolled with it and would just think aloud as they gave the question some consideration. These subjects even noted contradictions and gaps in their explanations themselves, without letting that bother them the least. Other subjects just did not know what to say and got silent. The individual differences were considerable. As a consequence, I found that I had to adjust considerably to the personality of the subjects in the interview situation. The intensity and style of my enquiries had to be varied accordingly.

Quantitative researchers tend to worry that allowing researchers to select the cases themselves may introduce a bias, as the researchers could select cases to confirm their preconceived notions, rather than selecting cases they would expect to learn the most from, and by doing so the study would become of doubtful scientific value. Alas, there appears to be a bias against case study that rests on the belief that the method allows more room for the researcher's arbitrary and subjective judgment (Flyvbjerg 2006). However, having the researchers select what they value as the most appropriate cases does not necessarily introduce a bias. Nor is the related skepticism of possible biases being introduced by researchers that have primary knowledge about independent and dependent variables justified. A researcher can still evaluate the anticipated findings with the actual findings and can conclude that the proposed theories or relations do not exist and are not supported. Rather than biasing the research's primary knowledge, this may help direct the research more efficiently and fruitfully into complex situations. With the knowledge of what to expect and what to look for, the researcher can be more mindful and aware of discrepancies, compared to a situation where no more preliminary assumptions have been made explicit. The fear of subjective biases in case studies appears to be exaggerated. A number of scholars (D. Campbell 1975; Ragin 1992; Geertz 1995) have actually found that researchers who have carried out in-depth case studies, often reported to have changed their hypothesis on important aspects due to their observations. Geertz (1995) explained this phenomenon with the working of the field itself as a "powerful disciplinary force" (Ibid, 119) not to be evaded. The popular refrain that observations are theory-laden does not mean that they are theory determined. If we ask one question of individuals and documents, but get an answer contrary to our expectations, we may rather be motivated to develop new theories about what is going on.

Technical Specifications for Data Collection

Interviews were often done outdoors and in public places where such factors as wind and weather, as well as background noises, would have considerable effect on the sound quality of the recording. However, with wind cover, a directional microphone and various settings to reduce background noise, I managed to conduct interviews even in settings where the sound conditions were challenging (background music, noisy cafes, traffic, wind, etc.). The recorded interviews were subsequently transcribed and coded for analysis. Most of the interviews were transcribed in full, with some exceptions. Those sections that were not transcribed either contained irrelevant small talk, repetition of previous points or just held nothing of interest. (However all the original digital recordings are preserved in full and can be assessed if needed). All in all about 90 % of the recorded material is written out in text. Language-wise about half the interviews were conducted in Norwegian, the other half in English with some German and Spanish thrown in when needed. I translated the Norwegian into English, as well as lightly cleaning up the language of some of the non-native English speaking interview subjects. Field notes were taken down after each on-site visit. Fairly soon after the event, I would make notes from my observations. Writing comments was often done in combination with looking at photos I had taken at the event. In addition I would often make some notes relating to the interview conducted. This would typically be done on the same day or on the

day after the visit. Thereafter the text material, both from the interviews and the field, was coded and analyzed using the Mac-based program “Scrivener”. I prefer Scrivener to NVivo as Scrivener is also a very handy tool for editing large manuscripts.

In addition, a great number of photos (1000+) were taken at various locations using a digital camera. The photos were a handy aid for both capturing the general atmosphere and various details of the events. Initially the photos were just thought of as a tool for my own work process. Later I came to the conclusion that they also could be used as a supplement and independent source to convey some of the atmosphere and detail of the on-site facilities and activities described in text. For the purpose of allowing more transparency and to supplement the text, I thus have included some photos in the next chapter. All photos presented are shot by me (except when I’m posing in the picture) and at the actual sites. However, it should not automatically be assumed that those shown in the photos are the same as those interviewed. This is occasionally the case, but more often not. Photos were not taken at the following sites: movie theater, karaoke bar, Munch museum, bingo hall, golf driving range. This was due to practical as well as legal limitations. Nor are there photos from those activities where I was not on-site at the particular event/activity.

2.4 Analysis and Theory Development – Sensemaking

The experience economy is a newly emerging and rapidly evolving research field, spanning a number of disciplines that provide a magnitude of possibilities and connecting points, a mix providing numerous joys as well as frustration. In addition, the research questions, the literature consulted, and the empirical data collected, all aimed at spawning large variations and matters wide in scope and rich in detail. Such a breadth in interest and richness in detail can create a wonderful sense of ability to see many things relevant to a particular issue. However, such excessive breadth and depth of material also risks becoming outright paralyzing (Abbott 2004), and at times it was. To move forward, I tried throughout the study to work in line with viewing theory construction as sensemaking rather than problem solving (Astley 1985), besides accepting that very little of the final answers would be had and to tolerate a large degree of ambiguity. I was guided by an intention to stay with what appeared interesting and to use this as a guiding line and a substitute for validation during theory construction in line with Weick (1989).

In the analysis I triangulated the data from a number of sources. This included 1) the observations (and field notes and photos) of the activities and facilities of the experience providers, and their employees, 2) another being the observation of other participants and their reactions to the events, 3) reflections on my own participation and reactions, and of course 4) the material in the interviews themselves. Transforming the material from its empirical base as data and into theory development involved taking the text material, both from the interviews and the field notes, through coding and analysis. This I did by identifying and sorting the data into themes and sub-themes, as well as searching for the patterns beneath

all the “noise”, and then organizing and re-analyzing the material to extract some more fundamental principles. In numerous comparisons – and by contrasting them against each other and the literature – the concepts and structures emerged. Weick (1989) calls for seeing theory construction as “disciplined imagination” and that theories must be built by designing, conducting and interpreting imaginary experiments, or “thought trials”. Throughout the research and analysis, during numerous “thought trials” and continuous evaluation, I worked my way through the process of theory development. It has been said that “a mental copy of the world makes deduction possible”, Weick citing March (Weick 1989, 528). I have used such a copy, a universe created by my knowledge of the material in the study (as well as from precious work experience in the industry) for this purpose quite extensively. I have mentally tried out assumptions in fairly detailed representations of concrete contexts and scanned and evaluated what might be interesting, relevant, unique and plausible in the material, whether that material has been contributions in external literature, elements in the empirical data I collected, or my own conjectures. Science can be viewed as a conversation between rigor and imagination (Abbott 2004). In my effort I found imagination to be crucial, not only in the analysis part, but maybe even more so in the process of synthesis. To synthesize – to seek to put together the elements again in new and imaginative ways, to visualize models that convey elements and connections in a meaningful manner – was another vital part of this study. Throughout this study I have also alternated between different roles at different stages to facilitate the research. During my participation in the events on-site, I have let the subjective customer, the one just having fun in trying out new things, take the front seat. Even so, the researcher has clearly been lurking pretty close beneath the surface. Shortly after the event I stepped out of the role as a mere participant in these situations, to quickly sum up and reflect on my feelings and impressions. Subsequently I have gone back and forth through the interviews, my notes/photos and description of events, and reevaluated my own impressions as an acting subject at the events. In the latter stages, the researcher role has obviously been in front, but surly here as well, the fun, excitement or confusion I felt myself as a visitor at these attractions and activities has been in the back of my mind as well. My opinion is that it is indeed possible to consciously and cautiously jump in and out and between these different levels, to bring these other roles along in the backpack, and to have the overall theory development benefit from this, rather than to try to stand on the outside of it all.

As a theory generating case study, this research could only provide outlines and starting points, suggesting framework and propositions, but not give comprehensive and final answers. Maybe the hardest part in this research has been the sense of continually having to leave so many noteworthy and important matters only partially answered, before having to draw the focus back to the larger picture and overreaching matters. This was necessary because most of the elements I went through were just intended to be explored to the point where their relevance in a larger picture was justified, (and not for their own sake). Frequently, elements discussed are not intended to provide conclusive and complementary answers on their topic; rather they are intended as tools and clues for presenting plausible answers to the two main research questions.

Lastly, I am grateful for – and the study has benefitted from – the fact that I have had the opportunity to present, share and utilize the findings and the framework and models repeatedly throughout my research and in a variety of settings. The material has been discussed with my supervisor and colleagues at department seminars, with students in my own lectures and those of colleagues, at international research conferences, at business and industry conferences, as well as in consulting contexts where I have undertaken presentations, workshops, evaluations and development projects for business organizations, exhibition designer firms and tourist attractions¹. The feedback has been remarkably valuable and encouraging and has indeed made a difference.

The next chapter will be an introduction to, and containing short presentations of, the settings where the data was collected. In this first presentation of the empirical material I will present brief, direct and forthright descriptions of the facilities and the activities I participated in. There I will seek to describe rather than to evaluate, leaving room for just taking in the facts and the atmosphere of these settings, and to make room for the reader to make up his own first impressions before a more in-depth analysis is brought in. However, I have selected what to describe and what to emphasize as typical and special about these experience offerings, and I will furthermore at times bring my own subjective thoughts as a participant into the description.

¹ Aspects of the study have been presented and used at various venues and in a number of contexts. To mention some: internal institute seminars, lectures, brown bags at BI and Bond University, The 11th APacCHRIE Conference, Macau, the 22nd Nordic Symposium in Tourism and Hospitality Research, various industry conferences for NHO Reiseliv, (The Confederation of Norwegian Enterprises - Norwegian Hospitality Association), Virke (The Enterprise Federation of Norway), Sixsides (exhibition designer), UMB; Liv Levende - Vitenparken in cooperation with Ernst and Young, and most recently, the Star Experience model was utilized for a project to evaluate the visitor experience at the Nobel Peace Center in Oslo.

3 Empirical Presentation

On-site participation and observations was done at the facilities of 13 experience providers. Here are some descriptions and photos from the events that took place at the leisure attractions and activities I visited. These descriptions are to be seen as taste bites and snapshots, samples of what were the most relevant and interesting in each case, rather than as comprehensive descriptions of the activities taking place on each site. The aim of presenting these on-site descriptions is to document and give an overview of the “where”, “when” and especially the “what” that make up the empirical content of this study. Furthermore, these are meant to convey some of that special atmosphere at each place and to provide some background material and settings for the discussions that will follow. These descriptions are intended to give context to the quotes from the interviews done with consumers, and to constitute a pool of illuminating episodes and aspects that can be referred back to when analyzing and discussing the data.

3.1 On-site Descriptions

3.1.1 Great White Shark Cage Diving – Mossel Bay, South Africa

The cage diving adventure is run by Shark Africa. The company is located in Mossel Bay, a South African city about four hours drive east of Cape Town. They offer day trips to see the great White Sharks. The Great White Shark is the legendary, fierce and large species, that can get to be six meters long and which thrives in these waters. People meet up at their office at the harbor, a smallish shack with 3-4 staff working in it. The boat used for getting out to the sharks is anchored up just down the pier. The boat looked a lot like the fishing boat used for the old time, blockbuster movie, “Jaws”. It was a 30 minute boat ride out to the site, and way out to sea. To stay well away from the coastline is important, as to not attract or get the sharks used to look for their food in the waters close to the beaches where there may be swimmers in the sea. Cage diving to see the “Great White” is a somewhat controversial activity. It involves throwing pieces of fish and blood in the water to attract the sharks to come to the boat. There are those that feel that it is speculative and interferes with the shark’s natural behavior. I myself am skeptical to the feeding of wild animals in their natural habitat. When working as a diving instructor, as I once upon a time did, I was always rather strict about not allowing any feeding or touching of most marine life (no feeding nor grabbing or hanging on to turtles, mantas, rays, etc. allowed. It may be fun yes, but it’s not very healthy for the animals). Furthermore, I had indeed seen many hundreds of sharks previously while diving: Gray sharks, White tips, Black tips, Nurse sharks, Wollongongs, etc. However, I had not even had a glimpse of the magnificent Great White. So I was boarding the boat with mixed feelings, looking forward to hopefully seeing these very special sharks and trying out a new thing, and a bit worried that I may be supporting and interacting with a business making their money in ways I would find unethical, so that the fun might leave a rather bad taste in my mouth.



On the Boat – Preparation and Information

It was a sunny, beautiful summer day, but the sea was dense with rolling waves. While the boat was speeding forwards and cutting through the waves the rocking was moderate, but as we anchored up, and the waves were hitting the boat sideways, seasickness was close at bay. My companion for the day, a sporty English lady of around 60, was left feeling very unwell, and ended up just lying down on the sundeck feeling sick. The crew gave us information that – while usually the sharks would arrive – this was in no way guaranteed. We were told to be patient – it could very well take an hour before any sharks arrived – and that the boat could stay and wait for up to two hours. However, if no great sharks had arrived by then, the boat and all of us would just have to return to the harbor regardless. Once the boat had stopped we put on wetsuits. The water was pretty cold, and we would be standing in the cage, not swimming around. We went 6-7 persons at a time down into the cage and were told precisely where to keep our hands and feet, how to pull oneself down under water and keep in place. We were furthermore told to make sure not to extend our hands out of the cage. There was a long, narrow window-like slit in the cage of about 30 cm in height so that when you had your head well under water, you had an unobstructed view of the ocean outside. However, that also meant that the shark could possibly stick his nose and mouth about 20 centimeters into the cage, and therefore we should naturally keep any body part away from the opening, at all times.

In the Cage – Sensory Overload

The time in the cage was wet, cold, and intense in terms of sensory input. Firstly, you are half naked in a cage under water, close together and in physical contact with other half naked strangers – odd enough in itself for a start. You stare intensely in all directions around you - 360 degrees, in addition to looking down below your feet. There is a wall of bluish grey water fading continually into infinity. This in itself a pretty rare sight, even for divers who mostly dive close to some reef or other type of natural landscape. Here there was just a blue ocean, which is a very airy thing to gaze into, and with the sunlight filtering through the rolling waves above.

The waves were rolling through the cage as well, making us have to constantly pull and push ourselves against the steel bars and each other's bodies just to stay in place. Then, a large figure would emerge, going from a shadow to a huge shark staring coldly at you, while deciding if it was just passing by or wanting to attack; we were all literally holding our breath. When the shark decided to attack, it would slam into the cage. The cage would hit the side of the boat with a loud rattle. Everyone would instinctively pull back, mostly closing our eyes, as the cage is flushed with the white foam of air bubbles. This made for a few very disorienting seconds where nothing could be seen, and people were screaming under as well as over the surface. This was all highly sensory input, all senses being utilized; touch and pressure from water and bodies, visual, seeing images you never had seen before, loud sounds of crashing metal and with grown-up strangers screaming and laughing half hysterically all around you.



3.1.2 Lego Robotic Workshop – Oslo, Norway

In the Robot center at the Norwegian Museum of Science and Technology, workshops were arranged to give participants the opportunity to learn how to program a LEGO robot. The room was especially fitted for the LEGO workshop, with a custom- built robot track on a large “pool” table, and with separate work stations with individual PCs scattered around it. The interior was all happily bright and colorful, as well as clean and “technical”. The participants were a family of five. The three kids all had their own robot so each could have a fully “hands-on” experience of robot programming for themselves while their parents were just watching. My husband and I made up the rest of the participants.

It started out with a theoretical introduction given by the instructor, explaining what we would be doing soon. We were going to program the robots to perform as if they were to be used as a tool for a medical procedure in a sick body. The goal was to make the robot move along the given tracks (or blood veins as they were meant to illustrate), to pick up and bring back different particles. So we were all moving back and forth between the table where the robot were doing its work or sitting down at the PC stations doing the programming to tell the robots where to go and what to do. All the participants started out slowly while trying to get into how the program was working, then things would speed up as you got the hang of it. For the grand finale, we were to make the robot shoot an object through a loop. A good, gradual buildup with a clearly defined climax, it was to be.

My husband and I worked together, or rather I just followed the clear leadership of my husband on this one, he being the one with previous computer programming experience. At the outset it was by no means stated that this was meant to be a competition. However, as one was working in parallel on the same track at the same time, comparison was unavoidable and hence, a competitive element emerged as the activity moved along. Especially the two siblings, the girl and her older brother, got into a competitive mindset and totally focused on being the first to make the robot do all the tasks in the given procedure. The little girl was getting very geared up and hyper as they were competing, literally running between the robot track at the table and the PC station. The girl finished the task first, and she was absolutely thrilled to win over her older brother. It was a lot of fun just to watch her level of concentration, enthusiasm and eagerness. We were not quite in the same competitive frame of mind as the kids, and although we could surely have tried harder, this little girl did indeed manage to make her robot finish the task not only before her big brother, but before us as well.



3.1.3 The Munch Museum – Oslo, Norway

I went to the Munch Museum in Oslo just as the main summer holiday season had started. It's a place I have been to a number of times, but not for a couple of years. I went there on my own, paid my entry ticket and decided to join the guided tour that was soon to start. Before getting in to join the tour, there was, however, quite a bit of security screening to go through. This is a very rare thing at Norwegian attractions, but due to a couple of embarrassing incidents – where Munch paintings were stolen at this museum and at the national gallery – such measures have had to be introduced. For me this always feels like a rather unfriendly and off-putting start to a visit, but it had to be done. A group of 14-15 visitors we turned out to be, headed by an informative female guide. Being somewhat familiar with Munch's paintings and the basic information about his life, as most Norwegians are, the tour was nice enough but not too eventful for me before we got to a picture I was less familiar with, "The Yellow Log" from 1912. Here the guide added a nice touch by having us try out a little exercise. The motive of this fairly large canvas is a winter forest scene. A number of trees with their straight trunks fill the picture, and among them on the snowy ground there is a couple of logs that have been cut down and stripped of their bark before being placed down and lined up on the ground. Personally, neither the colors nor the scene appealed to me, so I have hardly noticed this particular picture before. However, here the guide asked us to stop, divided the group in into two, and asked the one group to stand way to the right, the other far to the left in the room, when looking at the painting. Then she asked the group to tell each other which way the trunks pointed. It turned out that both groups found that the trunks were pointing straight at them, and that the painting is quite an exercise in playing with perspective and a masterpiece of optical illusion. This little drill and discovery then, suddenly made seeing this painting a new, the highlight of the visit for me on that day.

3.1.4 Elephant Feeding – Botlierskopf, South Africa

The elephant feeding is one of the activities offered at Botlierskopf, a private game reserve located on the "Garden Route" in South Africa. Here the elephant encounter is one of many daily events on offer. The game reserve lays hidden away in beautiful green surroundings, and, like many of these private game resorts, it has a flair of exclusiveness about it. The restaurant and reception facilities are tastefully designed, using high quality natural materials, such as solid wood and leather, and mixing it with modern furniture. The dining tables have white linen and silverware. There are high ceilings and wide terraces. The staff – mostly colored and blacks – are pleasant and gracious. All is calm, quiet and beautiful. All is good. There are two different main areas, as there are separate facilities for day visitors and for those staying overnight.

You cannot enter the overnight visitor complex without being checked in at the lodge or being the guest of someone who is. I was excited as well as pretty relaxed about the thought of feeding elephants, having been through a number of other organized animal encounter events before (including petting a tiger, feeding kangaroos, being dragged along on the back of a



dolphin, cuddling a wombat, etc.) and having found them all greatly enjoyable. There is certainly something unique about touching wild animals, having this skin-to-skin contact with exotic creatures, and I was just thoroughly looking forward to it.

A driver in an open jeep came to pick me up and greets me, and without much further ado, I am told to climb in, and off we go. The only other participant for today's feeding, is an overnight visitor at the reserve already seated in the jeep. He is a man in his fifties, slim, tall, dark, living in Cape Town and working at an art gallery as curator, it turns out. After a short five minutes on a bumpy dirt track, we arrive at the elephant enclosure. There we were met by an elephant trainer and his assistant. We are close to a small river, on a grassy meadow in between a few large trees. The enclosure is all very natural, just a small wooden fence to mark off the enclosure. There is a large daddy elephant, a mother and a small baby elephant. The mother is kept a bit in the back, 15 meters or so. We are told that she is a bit moody, hence kept aside and will not take part in the feeding. But they let her be right there so that she can keep an eye on her baby. We are told that as long as she can be close by and otherwise will be left in peace, the elephant mom will be happy.

However, the huge daddy elephant and the baby are right there. They appear ready and happy to have strangers' hands feed them chunks of apples. There are two large buckets on the ground, all prepared and packed full with apples cut in two or four. The guide spends a few minutes on an introduction, telling us a bit about where these elephants originate from, what kind they are, their names and a few other such facts. It feels right to get some information about them – it's a bit like being introduced to a friend's friend as one is about to sit down for a nice lunch together. But by the end of the introduction I am still confused about the distinction between African and Asian elephants, but not quite in my usual frame of mind of asking questions about facts and figures, as I am more interested in finding out what we actually will be doing and to just get started. After the brief introduction the guide moves on to demonstrate the two options we have for feeding the elephant. The one method being: stretching out your arm and offering the apple by having it rest in an open palm, letting the elephant use its trunk to pick it up and then the elephant will itself put it into its mouth. The other alternative is to have the elephant open its mouth and stick one arm into the big hole of a mouth. To do this you have to stick your arm right into that big wet pink hole, and place the apple down on that huge soft pillow of a tongue, and then swiftly remove your hand.

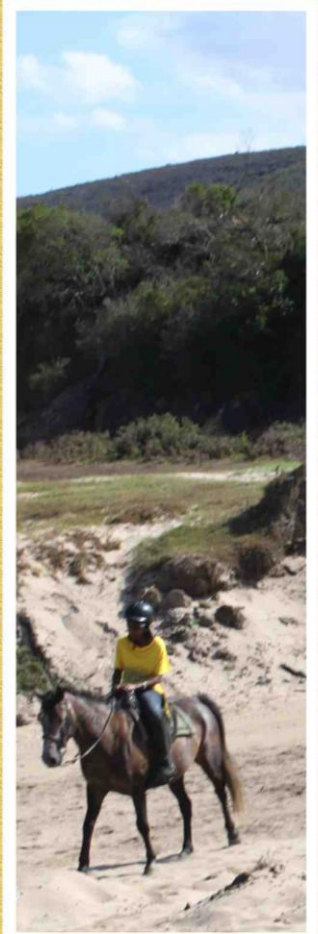
Soon enough I was standing there with an apple in hand, while the guide amiably urged me to "place it right in there". The daddy elephant was huge and imposing up front. You did indeed feel an instinctive urge to take a step back, rather than towards him, when it opened its mouth. However, I seem to come with the general disposition to be moved more by such a moment's happy excitement than fear, so I swiftly went ahead. It was all quickly done, and the apple was quickly gone. After a few repetitions I managed to stop holding my breath, and could better take in the share size of the animal as well, and how everything inside that mouth appeared to be roaming around all the time. I noted that it felt like I was feeding the elephant colorful M&M candy rather than colorful apples, as the apples' size in that mouth amounted to very little. Furthermore, I noted when I was feeding by letting him pick the apple up himself with the trunk, how well controlled and surprisingly flexible the outer tip of the trunk

appeared to be, how rough, hard and thick the skin was on the trunk and so on. Soon, the most noted factor, however, was how much saliva there is in an elephant's mouth, and how very sticky and messy it all gets. I was soon feeling wet up to my elbows and wishing for a towel, or some paper napkins at least. However, no such niceties were available. I did resort to attempting to clean off my hands on the grassy ground, but mostly just had to let it dry on my hands and trying not to notice it.

When my fellow participant was going to have his first try on the feeding, a few minutes after I had started off, he was somewhat hesitant, but it all went all right. There were plenty of apples and just the two of us, so we really could feed until our hearts were content. After spending about ten minutes on big daddy, the little baby elephant was brought to the front. The baby was only around 120 cm tall, and did of course appear harmless and only cute, now that we had already tackled the feeding of his big daddy. To the extent that one now could be confident enough for a bit of testing and trying and fooling around. Hence, I started trying to hold on to the apple chunk as the baby elephant grabbed and pulled it with its trunk. This little bit of "tug of war" activity I thought was great fun, and it allowed me to get a sense of how surprisingly strong even the baby elephant's trunk was.

3.1.5 Horse-riding Safari – Botlierskopf, South Africa

Another beautiful day at the private game reserve at Botlierskopf, I signed up for a horse-riding safari. Here I soon quite unexpectedly was given the task of leading the procession. This was really a case of the one-eyed leading the blind, but even so a typical example of how staff/guide often have to adjust to and utilize the participants in a group. A small group it was, with a young, black, stylish, South-African couple, two older German gentlemen, myself and the guide. The guide was a young female, Afrikaans South-African, somewhat reserved or shy but friendly enough. I tried out the horse/girl thing for a few months when I was 13 - enjoyed the horse riding itself then, but not the hours of cleaning of and hanging out at the stable that I was expected to do. So I soon went on to other activities. However, none of the other guests had been on a horseback ever, so the safari was for most of the participants really as much about trying out horse riding as wanting to see game and wildlife. But with a big clear sky and a wide grassy valley, it did indeed make it a very suitable day and place for saddling up. However, it quickly became obvious that one of the German gentlemen had no sense of what it takes to move a horse forward. He was sitting there lumpy as a sack of potatoes, quite bewildered that he was on top of this animal, and with no apparent need to give his horse any hints or directions. Although these horses are very easy and well behaved and well mannered, and most inclined to just fall in and follow the horse-butt in front of them, a horse sensing that there is absolutely no willpower up above and is given "free rein", will indeed use the opportunity to stop and grass whenever, as this one did. As a consequence the group was moving very slowly for the first 10-15 minutes, to the extent that I was getting a little restless and bored with the lack of progress on the tour. However, the guide luckily did her own evaluation and decided she had to change things as well. She took a quick look at the group and what she had to work with, then asked me to take the lead, and moved to the back to ride



next to and help control the progression of the German's horse. I was only happy to take the lead. I then had to be a lot more proactive to make my horse go in front instead of just following along, and I had to get instructions and communicate with the guide now and then about where we actually were supposed to go, which track to follow, where to stop and look for game, etc. At the same time, the German gentleman, with the very direct help from the guide, now managed to keep up with the group, so we all now moved forward quite well.

Did it bother me that I had to step in and help out? Did it reduce my own enjoyment of the ride and the experience? No, certainly not. Here I had been just a tad apprehensive about getting on a horse again and wondering if I would get into any problems on such a safari. Instead I could treasure what skills I had left from my short stint with horse riding 30 years ago. Furthermore, I was getting to see the scenery undisturbed and without anybody in front of me. But most importantly, I felt instantly promoted and halfway to becoming a regular staff at an African luxury safari resort (and it's always nice to imagine having other possibilities to fall back on, if academic life should just drive me crazy). In short, I was very pleased with myself, and actually with everybody there, and especially with the German gentleman in need of help, and with how it all had worked out. The German gentleman was also quite happy with his day, and not bothered by having to receive a bit of help, as I found out as he ended up being my interview subject later on.

3.1.6 Oktoberfest – Munich, Germany

The Oktoberfest is the world's largest festival with more than 5 million visitors. Pictures of smiling people in traditional Bavarian costumes, swinging huge beer mugs, immediately comes to many people's mind. The festival takes place in Munich, Germany and lasts for two weeks (in September!). Personally I'm not too fond of either beer or German brass band music, and so have not had any great longing for the event. However, having been invited by good friends – Germans who live in Munich – I was more than happy for the opportunity to check it out. It consists of two main parts, the outdoor fair area, that is open for everyone to stroll through, and the massive beer tents for the more grown up indoor experience.

The Oktoberfest's large outdoor area has many of the typical amusement fair elements, such as a Ferris wheel, carousels and roller coasters, etc., from the newest technological wild rides machines, to the toddlers enjoying the timeless favorite of getting to sit on a real, little pony. Then again there is the popcorn, the ice cream and all sorts of sugary sweets and treats and the sound of a dense surrounding wall of laughter, talk, screams and background music that can be heard from far outside the fairground.

However, the main event, the core and the most unique part of the Oktoberfest, takes place inside the beer tents. These massive structures are erected anew every season. The tents have room for up to 5000 people each. To secure a table in any of these tents, you have to book months in advance and only on a group basis. The package price includes seating and a minimum number of jugs of beer for each person to be consumed. Drinking is only allowed at the tables, not when walking around outside on the fair ground. There are both day and



evening shifts in the tents, so two seatings a day is the norm. The tents have a raised center stage where live music is continuously played. Other entertainment events are also thrown in, one such being a group performing while standing on the tables and cracking long horse-whips over the visitors' heads, cracking and snapping the whips to create a rhythm and a beat. The visitors at the Oktoberfest consist of a very mixed group of ages, of friends and work colleagues, locals and out of town visitors.

Dirndl and Lederhosen

Most visitors, about 80% of those present at the festival, wear the traditional Bavarian clothing. This consists of a long dress (Dirndl) for women and the characteristic knee length leather pants (lederhosen) for men. I had been kindly lent a Dirndl from my hostess, who had a number of these dresses. The top sits tight around the bosom and waist and the bottom part flairs out in a wide skirt. It is worn with a white blouse inside. The dress cut makes the bosom become noticeable, but still has this red-cheeked, hearty "Alpen milk" image, rather than something too overtly sexy. Although this is a pretty untypical dress for me, I felt reasonably well in it, sweet and feminine (in a Bavarian way I assume). It did indeed make me feel correctly dressed and it made me feel like I was fitting easily in, although I was on unfamiliar grounds. The uniformity of the attire is a noticeable and charming feature of the festival. I was told that the number of visitors wearing the traditional costume has increased considerably over the last few years. The males repeatedly raved about the practicalities and feel of their "Lederhosen". (You can spill on them/sit in anything/ neither too cold nor too hot, etc.)

Sharing Traditions – Dancing and Singing Standing on the Tables

The activities in the tents involve a number of rituals. During the day only German songs are played. This has been regulated to keep the atmosphere a bit more traditional and calm during daytime. In the evenings international hits are played as well. The songs and music played are well known to the regular visitors. Hence, singing along and acting out specified moves to particular songs is an important part of the event. Plenty of this singing and dancing along is done while standing on the wooden benches, swaying with the rhythm of the many clapping hands and jiggling feet. This is typically done for a few songs in a row, then there is a bit of sitting down and chatting, drinking/eating again, and then one may join in for the next round when another old time favorite song comes along. It is not like all people have to take part all the time, but a considerable amount of eager and friendly encouragement from neighboring tables may be bestowed upon those tables that have people sitting down. We had one male at the neighboring table who was the first to rise and get up at every such sing along opportunity. His fellow friends on that table would sure enough soon follow his lead. He would then turn his attention to the 2-3 tables next to theirs, waving and gesturing at them to get up, and himself dancing so enthusiastically, and being so happily excited that our somewhat calmer table would indeed be stirred to get up on our benches once again, to swing along to yet another tune.



3.1.7 Golfing – George, South Africa

South Africa is known among golfers for its many stunning golf courses. George, the “capital” of the garden route is a hub for much golfing activity. I went and had a poke around at the very exclusive golf course at the Fan Court Hotel, and to the older but also beautiful George Golf Club. However, to get to try to hit some golf balls myself, I had to go to one of the nearby driving ranges. (These are smaller golf courses that let you play without having a green card, membership, etc.) Here you could buy a big bucket of golf balls and borrow a set of clubs if you had none, in order to polish your stoke. There were rows of about 25 lines, each numbered, where you just put down your bucket and then hit balls way out over those green fields in front of you. The grounds have flags and markings to let you know how far out you manage to hit the balls. There were 4-5 other people playing in some of the other lines alongside me on this driving range. One of them was an older gentleman, tanned and fit, who appeared to be an experienced golfer and a regular visitor at these facilities.

He was observing me for a while as I was practicing on my own. While he managed to hit his balls way out there, I myself was just trying to hit to ball rather than the air or the ground. This in itself was actually quite a lot harder than I had expected. In addition, this man was clearly keeping a keen eye on my not so impressive efforts. I got the feeling he was itching to tell me how to do it properly. I myself have often felt like – when I know how to do something and see someone less experienced – telling them what to do, rather than letting them just go on doing something in a faulty manner. Hence, I could easily relate to such a wish to instruct a novice. Sure enough, after five minutes he walked over and offered to give me some hints. He did this in a very friendly, polite and nonintrusive manner. I was by then rather hoping someone would feel like offering me some advice as an introduction to the game. So I was more than happy to let him show me, and he did just that for the next 45 minutes or so. He started out giving me a ten minute theory lecture on the spot. Here he illustrated the grip, angles to stand and hold the club, etc. After that I was left to practicing to hit the balls. He was hitting his balls from only a few places down the line practicing his stroke, and so would come back with comments and feedback every 4-5 minutes. This went on until my bucket was empty, and by then I was a bit bored and my wrists were sore, so I let that be my introduction to the game for that day, and asked my helpful volunteer instructor for an interview. He happily agreed – as it turned out he liked talking about golf just as much as he liked playing it, and so he contributed to a very long and delightful interview, as well.

3.1.8 Karaoke – Oslo, Norway

Karaoke, as most are familiar with, involves letting volunteering amateurs get up on stage to sing popular songs in front of an audience. The experience provider offers a stage, plays recorded songs (without the vocals) while a video screen simultaneously displays the song’s lyrics. As the text is running over the screen, words are highlighted, so that the singer receives guidance both on what to sing and when to sing it, in order to stay in sync with the music.

The karaoke session took place in a bar at Aker Brygge in Oslo, Norway. Aker Brygge is a popular restaurant, shopping and entertainment area located on the seafront by the harbor. "Sinatra" is a medium sized bar that regularly runs karaoke evenings a couple of nights each week. Things started out slowly around nine o'clock, then gradually picked up, and intensified to a peak at midnight, and thereafter quickly dwindled down. There is an entrance fee to be paid at the door, or at your table, if you are already seated in the place when the karaoke starts. The clientele is a mix of locals and tourists, groups of friends, singles and couples, most in their twenties, a few closer to forty. I was there spending the evening with two girls in their early 20s who had Karaoke as one of the various things they occasionally enjoyed doing when going out.

The first thing that had to be done (after ordering drinks – that is), was to flip through a very long menu that showed the selections of song available for the songbirds to select tunes from. After some consideration of favorite songs as well as their own talent and limitations, 2-3 songs were selected. Their names and their choices were then filled in on notepads handed out for this purpose, and then given back to the DJ. Then it was just a wait and see, while watching tickets being drawn, names called out, and the various performances on stage. Some would sing solo (these were usually the better singers) some in pairs and a few in chaotic groups of 5-6 people. The quality was up and down; a lot were rather average vocals, but this was made up for by lots of energy and fun. A few seemed very earnest about it, but most were just kicking their heels and enjoying the spotlight without expecting to impress too much. But even so they appeared to want to make a pretty decent performance out of it. Here it appeared that most of them were comfortable and thought of themselves as quite okay singers, and saw it as a chance to show off just a little. I myself have no musical talent and would hate to have to go up on a stage and perform badly. I'm therefore actually in some ways impressed and a tad envious of people who enjoy going on stage, even when they are far from exceptional in what they are doing. So I was instead gladly contributing by just clapping and cheering for them all with gusto.

The girls I was with had their turn come up about one and a half hours into the show. When called they were, just as everybody else, given very short notice, and right then the one girl was at the bathroom. So there was a bit of a scrambling, as the one had to go and get hold of the other, and then they both rushed on to the stage without any last minute fine-tuning for their shining four minutes. Their performance went quite well and they were, in all, very happy, feeling cool and just a little giggly about it. Some early movers got to sing more than once, but these girls, as most of the others, just got that one shot. However, there was of course more listening, dancing, drinking and talking that could be done regardless. The dance floor was gradually getting denser as the evening went on. Close to midnight pretty much the large majority was out there dancing all together as one big happy group (many somewhat intoxicated, yes). At this time of night most structures had broken down and everybody was chatting happily to everybody else. (Norwegians can have this somewhat country folk's tendency to be rather reserved in public but then somehow to compensate by getting overly social after a certain number of drinks). At our table a stranger turned up, too. This one rather handsome young man really made an effort to be charming for quite some time. Furthermore

he told me straight that – although he could identify that I was somewhat older than my accompanying girls – he did not mind this at all and was ready to “get to know me well”. Maybe I should have been nice and told him right away that I was sort of working, and had just come back from conducting an interview outside the bar and that I was really not that drunk. Furthermore, I might have told him that I would not be all that surprised if he turned up as a student in one of my classes next semester. But as I was rather amused, and a little bit flattered I admit, so I did let him tell me a bit about this and that for a while, enjoying the moment, before running off to catch the last ferry back home.

3.1.9 Bingo – Oslo, Norway

Casinos are not legal in Norway (and neither are brothels). Gambling options do exist, but are highly restricted and controlled through “Norsk Tipping” and “Lotteritilsynet”, which through various licenses and regulations, make sure that most of the profit goes back to the state and to sports, culture and non-profit organizations. While betting related to the soccer games has a fairly positive image, seen as harmless and almost wholesome kind of fun for the broader public, other gambling options are in general frowned upon. The gambling industry is over-all seen as ruthless and as preying on the addiction of the lesser abled. It is regularly and uniformly denounced by politicians and the media, hence the public picture of gambling in Norway has little glamour and plenty of stigma attached to it.

The particular game of “Bingo” involves the crossing off randomly picked numbers on a pre-printed ticket or on a screen for computerized versions. To win minor prizes is allowed in Bingo facilities. I visited one of these Bingo facilities, just a few meters off Karl Johan’s gate, Oslo’s main pedestrian shopping street. This facility is located down in a basement, with no windows, harsh lighting and a rather cheap and drab interior décor. The clientele mostly consisted of Norwegians in their 40s-50s of both sexes, but also a fair number of foreign immigrants. Most appeared to be there on their own, a few in company with friends (however no couples). With the risk of sounding politically incorrect, some of the clientele did have the appearance of being social clients; some faces were timid and weary, however most just looked regular and nothing too noticeable one way or the other. There was a second room further in, divided by a glass screen, that allowed for smoking; these types of facilities are being granted some rather rare exceptions to the Norwegian no smoking in public policy. There was a desk serving some basic food and drinks, which one could buy cantina style and then bring supplies to one’s table. Nothing in the facility’s interior decoration nor the clientele had anything remotely flashy about it. However, what I was to discover made a major difference and did brighten up the place considerably, was the staff running the place.

Now, not that I felt I knew a lot about life in the Bingo hall, but what little impression I had is that it was a rather solitary thing; all sitting in their chairs and focusing on the numbers on the paper (or also screen nowadays) in front of them, in their own little bubble of hopes and dreams of winning the big prize and rather oblivious to all the rest of the things that may be going on. However, this was soon to be nuanced and corrected in this particular location by the staff that was very active in creating a joyous and social atmosphere. The most visible of the staff was a man and a woman in their early 50s; every 8-10 minutes they would walk

swiftly up and down the rows of tables selling the tickets for each new set. In between they were buzzing around doing various little chores, running back and forth to the counter as they were making waffles and had to make sure to take them out of the waffle iron at the right time. Furthermore, they were selling and serving at the counter when people wanted to buy a cup of coffee, a waffle or something else from the minor selection of food stuff. Alongside all this they kept up a dialog between them consisting of jokingly insulting each other in a friendly banter going back and forth (sort of ...hello, are you watching the waffles now or forgetting them again? Wanting to burn the house down, are you?) The one harmless insult would sure enough be returned with another friendly insult being sent back. Interestingly, the regular visitors, scattered here and there around the room, would from time to time join in as well. They would step in to correct, comment, support or add a joke of their own to the conversation, mostly talking to the staff, but also among themselves when seeking support for one or the other claim, (such as; “you should remind him that he forgot the eggs last week, isn’t that true? That day we had no waffles at all, burned or not ...haha... etc.)

I had originally hoped I would be able to blend in fairly easily and discreetly (I had made and conscious effort to dress down, wearing jeans, etc.). My plan was to half figure out how the game was played as I went along – it could not be too complicated, I assumed. I just wanted to hide away in a corner while familiarizing myself with the whole scene. However, as soon as I was asked to order, that plan fell through, as the staff walked over to my seat to sell the tickets for the first round. The terminology used when I had to order left me clueless, and “I’ll take two thanks” was not a plausible answer, and so I was spotted as a novice right away. The staff gave me some quick instructions there and then, and some more at various points throughout. They seemed somewhat amused, but also a little baffled that I was obviously ignorant of the details of how the game was played. They tried to give me a bit of instruction at regular intervals, a few sentences as they were selling me new tickets and in between when checking on me, although I asked for no help. It was apparent that there was no need for, or routine on, instructing players on the spot, and that they were a bit frustrated not knowing how to deal with it. They wanted, and were trying, to get me up to speed on how to play the game properly, while there was no ample time and space for them to pause the game and explain it properly. However, mostly I believe they felt unaccustomed to the strangeness of trying to explain to someone this which there had never been a need for before.

Being there somewhat on false pretenses, I had no real interest in the numbers called out, but I of course tried to hide this as best I could. (After all, I would not have been likely to visit them unless it was for this research. Furthermore, having a fairly good sense of probability calculations, my hope of winning any major jackpot in this sort of game is so faint that it just does not stir anything in me, and so I couldn’t muster any excitement in the situation, and I’m unfortunately, pretty bad at faking enthusiasm). So, the staff would more than once tell me when I missed crossing out a number that had been called. At some point I did feel they were a bit frustrated that I appeared to be not paying proper attention to the matter, and I felt a bit of a bad conscious for being there, having them bestow all this attention and efforts on me, while I apparently did a bad job at keeping my mind fully on the numbers, hence giving the (rightful) impression that I cared less about the this game than they did.

3.1.10 Karting – Benidorm, Spain

The Karting was undertaken at a racing circuit just outside the city of Benidorm. The city is a classical icon of mass-tourism with its high-rise buildings on the Spanish Costa Blanca Coast. Karting is a sport done with open-wheel cars, meaning cars with the wheels outside the main body of the car and in most cases with only one seat, in contrast to regular cars which have their wheels below a body or fenders. Open-wheel cars are usually built specifically for racing, frequently with a higher degree of technological sophistication than in other forms of motor sports. Karting is commonly perceived as the entry level for motorsports. Karts vary widely in speed. While go-karts in amusement parks may be limited to very slow speeds at 24 km/h (15 miles/h), at more serious karting tracks amateurs can get the karts up to a top speed of 137-185 km/h (85-115 miles/h), with still reaching considerably higher speeds for professionals.

We were a group of four friends, two couples who went there to try it out as a fun thing to do during our holiday together. When waiting to order our slot, we were initially quite confused by the range of kart sizes to choose from. We, however, ended up just picking pretty randomly a mid-range type of kart and went ahead. The first thing to do was to find oneself a fitting helmet. For the one girl in the group this led to quite a lot of fiddling around and numerous helmets were tried out - back and forth. This I usually would have picked up as a clear sign of someone being rather nervous. However, at the time I did not really notice, presumably because I was only too happy, excited and geared up myself. There was very little information given or available, and the staff only spoke Spanish, so it was just touch and go, all the way. Before long, we were seated in the karts, and there and then it was not even clear what were the brakes and what was the gas pedal, and other such basics. But then again, testing and trying, learning by doing, was the saying of the day.

I have had a couple of sport cars (Mazda MX5 and RX8) and thus had some experience with low seating and a tendency (or so some people keep telling me) to drive a bit too fast in curves and on winding country roads. My one accompanying friend is even more of a serious car and motorcycle enthusiast. He regularly participates in different forms of organized off-road races. Hence, the two of us, who are also a bit competitive in general and especially in each other's company, sure enough went into a bit of race modus and were trying hard to overtake each other at every curve. I started out a bit carefully for the first few minutes, but after this warming up, I had the sense that the car's grip on the track was firm, and that I could let go and do most anything. Soon enough I just pushed the gas pedal to the bottom and tried to make the car go as fast as I possibly could. I found that I could drive quite differently than the two guys in the group and that was due to a sizeable weight difference of being under 60 kg to over 90 kg. That gave me an advantage in the curves. My car would not lose traction however fast or steep I went into the curves, while the guys would lose tractions and slide sideways in each curve. (Reading up on it later it appears that you are actually supposed to go into the curves a lot steeper than what you would do with a regular car, which I did. So it appears that my advantage may even have been due to a superior driving style, which I am of course pleased to add.) All in all I found it just excellent fun, and that our 15 minutes just flew by in a wink.



However, one team member was struggling. She started out driving very carefully and continued driving very slowly throughout the race. We all took turns stopping at various rounds to ask if she was doing okay or wanted a hand with something, but she bravely just nodded us off, just wanting to be let alone to try to manage it in her own way. Unfortunately, another driver (not in our party) bumped into her a couple of times as he was passing her. Nothing serious that could have run her off the track, but it both scared and infuriated her, as she thought he was doing it on purpose. As a result her experience became very different from the rest of us, as she did not really enjoy the time at the circuit.

3.1.11 Bungee Jumping – Bloukrans Bridge, South Africa

The Bungee jump at Bloukrans Bridge is the world's highest bungee jump, and they can have up to 600 people jumping on a single day. It is very efficiently organized by a company so aptly named "Face Adrenaline". I must say I have thought of bungee jumping as a very personal and conscious choice, where the individual guided by her/his own mind, will, and determination, steps to the edge, stands there more or less alone and then, in their own time, makes the final and heroic decision to jump off. Not so! Loud music was pumping on the bridge. The staff was mainly colored and blacks, and they were dancing along to the music, joking around, giving each other and all the visitors lots of high fives and backslapping. Actually it was a continuous process where 2-3 staff members were constantly bustling around the individuals, strapping the harness on their body, asking them to sit down, tying up their legs, stand up, raise your arms, tightening the belt and numerous straps, telling jokes and lots of physical contact. For the final moment the jumper is eased toward the edge, two men close by, one on either side. Then, during the last few seconds the jumper stands with his arms stretched straight out, the men on the side both with a hand on his back and lifting his outstretched hands – head high and looking towards the sky. (The image of a sacrifice I thought, as it certainly gave me some religious associations. Especially as I had seen the man sitting with the staff kneeling on his feet while connecting the strap just a few minutes before). Then with head towards heaven and arms stretched out, he is firmly pushed into the abyss. Clearly this was all cleverly designed to give a mix of a hyped and relaxed atmosphere, a feeling of fun as well as directed action, and to distract the jumper from having a chance to think too much back and forth. To some extent the structure relieved them from having to choose to jump or even to have to reconfirm the courageous decision they had taken when signing up for the event, giving them a sense that it was all already decided, and all taken care of, so just move along, move along please. There was not final decisive personal choice to make. The participant could of course, with a direct order, be able to stop the process at any time, but you would actively have to bring yourself to voice a very clear "NO" to all these nice helpers, or just go along and jump.

Logistically the visit at the bungee jump was challenging. This was the one experience where I was on-site but did not participate in the activity myself. No, I did not jump! I have loved doing paragliding, river rafting, diving in all conditions and on all sorts of sites, done all most every extreme amusement park ride that can be found, but Bungee jumping I just feel very



skeptical about. Free falling, and head first? I imagine there will be a brutal twisting motion at the end of the rope and that I will be tossed and shook like a ragdoll. I am just convinced that if I bungee jumped, I would end up getting my spine snapped in the one place or the other. Yes, I am probably just afraid.

As neither I myself nor my South African girlfriend had plans of actually jumping there, it was not easy to get access to the bridge. But after a lot of explaining, persistent begging, and some phone calls to the headquarters and management in Cape Town, in the end we got permission to venture out on the bridge and access to the jumping-off area.

3.1.12 Nijo Castle and Ryōan-ji – Kyoto, Japan

Nijo castle is on UNESCO's World Heritage sites list and one of many historical sites in Kyoto, Japan. It consists of palaces and a number of gardens, and was built for residential purposes. A series of powerful Shoguns have lived there since the early 1600s. Its exterior makes the very typical Japanese first impression of solid, subtle elegance, with its simple yet impressive grounds and buildings. The inside of the palaces is magnificently decorated, with hall after hall decorated with different series of huge and quite extraordinary wall paintings. (No photography allowed inside unfortunately)

Walking through the building and its large rooms, the place is far from crowded or cramped. With tall ceilings and unfurnished rooms, the decorations on walls, roofs and doors and beams constitute its main attraction, and maybe even the open spaciousness of the layout itself. The atmosphere was tranquil and relaxed, as all visitors just walk individually, unhurried and cautiously through corridors and spaces while taking in and paying attention to the many fine details of the interiors.

A very special feature of Nijo Castle is the Nightingale floor. The floor is basically a huge and very efficient burglar alarm. It was made to guard against intrusions. Hence, not even a ninja could walk on this floor without making the floor sing, or chirp if you like. I found the sound surprisingly pretty, and airy and unreal, not the normal annoying squawks that some older wooden houses may have. This sound is not due to old age, rather especially made and intended to have this effect, by utilizing a building technique using special iron clamps below the floor. There were a few signs here and there in the building, with a single sentence giving information on what type of room you were in or looking at (weaponry, reception room, private quarters, etc.). I had rented an audio guide as well, so I walked around with the headset on and my finger on the audio player. However its content was pretty meaningless, as it simply stated the same as the written text, in addition to listing the names of the rooms in Japanese and stating that it was next to this and this room, again naming all ascending rooms in Japanese, and little else. Hence, this attendance was foremost a sensory and visual feast where the visitor could take in the pleasant and interesting surroundings, however without much access to factual information of the historical context (at least for a foreign visitor).



Ryōan-ji at the Rinzai Temple in Kyoto, Japan

This rock garden was presumably first created in the 15th century. Kyoto is known for its hundreds of Zen gardens, and Ryōan-ji is maybe the world's best known and most visited of them. The Zen gardens and temples of Kyoto are a peaceful oasis in the large, busy and otherwise not really so attractive city.

One thing that feels quite different and special to me – however standard at most Japanese temples, Zen gardens, and many other attractions – is that you have to take your shoes off as you enter the building. So by the entrance door, and usually the first thing you see, is a number of shoes on racks by the walls. (By the way, there is very seldom a chair or bench to sit on when taking your shoes on and off. You are supposed to be fit and slim enough, to elegantly balance, bend, bow, stand on one foot or whatever you have to do, to tie your shoe laces, fasten an ankle strap or any such thing. Telling the truth, there is only rarely any place to sit down to have a rest at most Japanese attraction, except on the floor, that is. (No wonder then that these Asians stay so fit and nimble.) Hence, at the rock garden of Ryōan-ji, you take your shoes off, and then quietly walk in your socks or barefoot on smooth and soft wooden floors. This instantly appears to bring, at least for me, the pulse down. (We have actually installed a dark, soft bamboo floor with heating throughout our Norwegian home, so yes, I do love such wooden floors). It is a nice sensory experience in itself to walk barefoot on a soft floor, however there is even another dimension to it. To me it's quite an intimate act, this walking barefoot and sitting on the floor. It is related to private life, and to something cozy and friendly that I do at home or when visiting a friend's house. Or, alternatively, outside on sandy beaches, on even rocks by the sea, warm tiles on the terrace or on the grass in the garden. It is quite different; it changes the atmosphere to walk barefoot in public places with strangers. (Even for me, who did not wear shoes for six months while living and working in the Maldives and even though I have trained in Judo, Tae Kwon Do and Yoga, sports where you do not have shoes on as you move among others.) You can't start a proper fight or be very aggressive without your shoes on – I like to believe. You cannot march, click your heels or furiously stamp your foot hard into the ground. To stand and have a heated discussion or make self-assured statements and hold one's ground while standing there barefoot? I can't see that being done. Not in public at least. So, everyone has to take their shoes off in these places, and then everything seems to calm down even more because of it. By doing so it is with more respect and vulnerability, maybe also sensitivity and tenderness, when one puts down one's barefoot feet on these smooth and polished wooden floors like the one at Ryōan-ji, even when you're just required to walk a few meters around the corner from the entrance to the terrace and on to the decking alongside the rock garden itself. This pool, this ocean, this landscape of gravel, rock and a little moss, to discreetly set oneself down among the others to gaze and to contemplate - and to wonder what it is all about.

Indeed, nobody runs, talks loudly or behaves anything but calmly, serenely and unobtrusively in these places. I can't remember seeing any crazy kids or loud Americans at all (or possibly, if there were any such folks around, they must have behaved so unlike crazy kids or loud Americans that they all slipped under my radar in my then complacent state).

One could of course also see it as somewhat strange or even absurd, all this sitting around and looking so attentively at stones, moss and gravel, what could arguably be seen as amounting to very little in the form of stimulating content. However, it is interesting how these attractions – so different in their approach to creating a worthwhile experience from those many other attractions filled to the brim with so much more explicit stimuli and activities – have their appeal as well. Be it because of its contrast to, and break from, a hectic city or a busy life? It could be an example of "less is more" so that the finer nuances of colors and shapes can be seen and transformed from small stones and gravel into large abstract landscapes. Maybe they function as a blank canvas for sensory input to reflect one's calmer inner life and through reflections allowing those to come to front – for once.

3.1.13 Movie Theater - "Inception" – Oslo, Norway

The movie Inception is a science fiction thriller, written and directed by Christopher Noel and starring Leonardo DiCaprio. Here he plays a tormented hero that descends into people's dreams and sub-consciousness to plant ideas and extract industrial secrets. The movie has been praised for its originality, cast and visual effects. It was nominated for eight Academy Awards (Oscars) and won four of them; Best Cinematography, Best Sound Editing, Best Sound Mixing, and Best Visual Effects. It was a box office success and has grossed over \$800 million worldwide.

The movie title refers to the suggested difficult act of undertaking an "inception" – planting an idea in a person's subconscious. Dominick "Dom" Cobb (Leonardo DiCaprio) works as a professional thief who specializes in conning secrets from his victims by infiltrating their dreams - a skill taught him by his professor father-in-law, Dr. Stephen Miles. He is portrayed as a tormented man plagued by guilt for having unintentionally but rather directly, contributed to his wife's suicide. A suicide his wife made sure would cast suspicion on him, so now he is an international fugitive and unable to return to the US or to see his children. Mr. Saito, a Japanese businessman, offers him the possibility to save himself from this misfortune. One last job could give him access back into the US and get him off the criminal charges, but only if he can accomplish the task of not stealing an idea but to plant one, hence the term inception. Mr. Saito wants Cobb and his team of specialists to enter the mind of Robert Fischer Jr., who is about to inherit his father's massive business empire, to plant a simple notion: to break up his father's conglomerate and sell it off. The movie's plot moves forward and in between a number of levels as Dom and his team's work happens inside three layers of dreams that are embedded, like a Russian nesting doll, the one inside the other, and they have to move through them down and back up again to return to reality. The visuals are magnificent, with special effects where dreamscapes and labyrinths and various time zones flow in and out of each other. As the story unfolds, it becomes clear - as Cob confesses - that the reason he knows he can do the inception and that it will work is because he has tried it once before, on his wife. This was during an earlier work mission that went wrong, and left them living in a dreamland of Limbo for 50 years. However, to make his wife leave Limbo and return to the real world with him, they had to commit an apparent suicide in this dreamland world. He

therefore had to incept into her mind that the world they were in was not reality. Though he did manage to get her back with him to reality by these means, the idea that the world she was in was not real and had to be left through suicide, persisted, ultimately leading her to committing an actual suicide. To make a long and wild story short, Dom and his team, after masses of struggles, manage to accomplish their mission for Mr. Saito. Don is rewarded by being able to return to the US and allowed to meet his children again. However, the ending is ambiguous, showing Dom spinning a top, a tool that he utilizes to inform himself – indicated by the toy falling over or not – of whether he is in the real world or a dream; but not waiting to check for the results, he instead chooses to go off and happily greet his family.

I watched the movie at Ringen Kino, one of the most recently built movie theaters in Oslo, where the technical equipment, seating, general facilities, etc. are all of high quality. Being somewhat a science fiction fan myself, this movie was one I had been looking forward to see. I watched it one fine evening out and about, in the good company of my husband. I found the plot interesting and requiring my full attention. I furthermore found the movie well made, visually attractive and the ending pretty surprising. So, overall I enjoyed my time in the dark, although I would not quite rate it up among my all-time favorites. (As a curiosity, Inception's opening scenes, when DeCaprio is in Saito's quarters, are set in a room where the walls have a striking resemblance – and must be a pretty exact copy of – the wall paintings in one of the halls of the Nijo Castle.)

The woman I interviewed after this screening noted that she did not care too much for science fiction movies in general. She reported that she had been drifting a bit in and out of the movie and thought it was all a bit irrelevant. She had been wanting more of the love story and the relationship aspect. I rather thought it had provided quite a bit of such emotional elements and reflections, although the action scenes were more plentiful. The question of moral issues and consequences – making covert attempts and decisions to influence your loved one, even with their best interest at heart – I evaluated as an intriguing relationship topic. Furthermore, the twists and turns and the plot held towards the end had apparently not surprised her. At this point in the interview, I suspected that she might not have been quite able to fully follow the plot. As I mentioned, it was a mind-twisting plot that played on many levels simultaneously and cleverly blurred the distinction between dreams and reality. However, here I felt it would be rude to enquire too directly, and thus have to imply that she must have missed some points. The subject I interviewed seemed somewhat insecure and appeared to be a bit sad and out of sort that day. So here, I must confess, I did not plunge forward to get to the bottom of the subject's perceptions and experience. On fragile days, we all – and volunteer interview subjects especially – deserve to be spared from potentially distressing questions.

What was certain was that she indeed felt a lot less enthusiastic about the movie than I had, again pointing to how much any experience offered always is filtered through and altered by everything from one's personal preferences, skills, history, cultural references or just their particular mood and company on that particular day.

4 Magic Moments – Data Analysis and Findings

4.1 What is Special about Experience Offerings?

As seen in the field studies, experience offerings encompass a vast range of products. They can be of long or short duration, very social or a solitary pursuit, high or low cost, adrenaline educating or relaxing, requiring a high level of physical activity or just about observing and reflecting - just to name some of the variation. Despite this wide variation, we still have this strong sense that these offerings are connected; so what is the connection? Throughout the 1980s it became increasingly common to distinguish between services and goods. Why have so many practitioners working with such intangible offerings found it quite natural to name their offerings “experiences” and to feel the need to differentiate and distinguish them from services?

There are a number of things with these experience offerings that may strike you as quite odd and paradoxical to what consumers typically want and expect from economic offerings. For one, in many of these offerings the majority of consumers see them as utterly meaningless while a minority still sees them as the best thing ever. For many experience offerings, some may want to claim that a lot of time and money is being spent on consuming products that arguably are pretty unnecessary and have no useful purpose. What could be the purpose of gazing at stones and gravel in a Zen garden, or racing around a track, or getting into a steel cage and be submerged into the sea just to see white sharks up close? Furthermore, some experiences involve doing things that are quite physical, dingy and dirty (getting covered in elephant saliva), or very physically strenuous (the diving course), others require considerable concentration and patience (meditation, the robot workshop), and some may be downright very scary (bungee jumping and shark diving), others again may be embarrassing (karaoke singing), and so on. There are offerings within this range that many consumers would rather pay good money NOT to do. Quite a few would gladly pay *not* to have to do a bungee jump. Others would be happy to bungee jump, but would also be willing to pay *not* to sit through a theater play or a football match.

Are the consumers being irrational here? Are consumers throwing money out of the window for no good reason, or is there something else going on? What is then going on? It is not hard to grasp that items such as food and clothing are needed, or that services such as transportation, education and healthcare provide value. How come the view on whether an experience offering is valuable appears to be so much more disputable? They are indeed being bought – and increasingly so – and thus clearly are valuable to a large number of consumers, and consequently to the overall economy as well, which should make for a rather clear argument for why we need to move on to understand much more about them. So what are experience offerings? What do consumers want from experience offerings? What do they do for the consumer? In short: what is the deal with experience offerings?

What is apparent is that people find many of these experience offerings fun and enjoy them thoroughly. Furthermore, some of the value comes from the products’ ability to induce flow and other appreciated mental states. The appeal of flow is that it “causes a deep sense of

enjoyment that is so rewarding people feel that expending a great deal of energy (and money I may add) is worthwhile simply to feel it” (Csikszentmihalyi 1990, 49).

Let’s link all this talk of fun and mental states back to consumption and different types of economic offerings. Addis and Holbrook (2001) pointed out that every product has a connected consumption event – meaning that the consumer will experience or feel something when they use/consume the product. This consumption event, and the experience had during it, may be hardly noticeable, (as when using a printer) or highly noticeable and significant for the product’s overall value, (as in the case of the thrills had during a bungee jump). In experience offerings the consumption event is of utter importance because experiential offerings’ value rests with the richness and intensity of the consumption event. The offering’s main value comes from its ability to stimulate and induce the consumer to have gratifying sensations, emotions, flow and peak experiences during the consumption. One may even argue that in experience offerings the consumption event itself *is* the economic offering. As a consequence, the consumption event in experiential consumption has to be both positive and have sufficient magnitude for the consumer to be willing to pay for it. The consumption event is the product’s core value generator, rather than some other instrumental outcome.

Csikszentmihalyi’s take on flow is that: “While such events may happen spontaneously, it is much more likely that flow will result from a structured activity”. Furthermore, he states that: “Activities that provide enjoyment are often those that have been designed for this very purpose. Games, sports, and artistic and literary forms were developed over the centuries for the specific purpose of enriching life with enjoyable experiences.” (Csikszentmihalyi 1990, 51). All taken together, structuring stimuli and activities to facilitate flow states had to be core to offerings in tourism, leisure, culture and entertainment industries or for any other offering that seeks to package and commercialized flow through economic offerings. Herein lies the link between flow theory and my study of those experience offerings sampled and investigated in this study.

This link led me to other questions along the line of: if experience offerings are about structuring stimuli and activities that facilitate the occurrence of flow and peak experiences, how is it done? To what extent can mental experiences be designed? What is so special about these structured activates that facilitate flow and peak experiences?

4.2 Content and Structure of the Chapter

In this chapter I will present and analyze the findings from my field study observations and the interviews. The aim is to draw out fundamental aspects related to experiences as economic offerings and to summarize and present an overview of the most essential aspects of these offerings and how they generate value for the consumer. Specifically, this chapter as a whole seeks to answer the following research questions:

- What are the main characteristics of experiences, and what are the main factors that trigger experiential value?

The provider offers objects, facilities and activities to stimulate the consumer, but what attributes should the stimuli preferably have to make them interesting, and thus evoke experiential value? What are the underlying dimensions? Based on the field study observations, the literature studies, and the interviews, I have theorized across multiple cases and identified seven essential factors that were particularly salient in enhancing experiential value. The seven factors identified and explored are: *Social Arenas*, *Sensory Richness*, *Novelty*, *Challenge*, *Interactivity*, *Suspense & Surprise*, and *Storytelling & Dramatic structure*. Each of the factors are examined through interview quotes and/or field study observations, analyzed and debated and then condensed into propositions.

The second part of the chapter will look at the *promise*, *premises* and *processes* relating to experience offerings. The *promise* here relates to what the experience provider intends to offer and what the consumer seeks to gain from it and wants to have evoked, summed up as: Fun, Flow and Magic Moments. A necessary *premise* of experience offerings is discussed next, that is how these offerings require the consumer's physical and mental presence as well as his or her time. Then the *process* of co-creation considers how the provider-consumer relationship interacts and forms a near symbiotic interaction to create experiential value for the consumer. Here the concept of *Subjective Membrane* is introduced – a concept I have conceptualized to explain and account for the role of individual differences in the co-creation process.

In the third part, the totality of the findings relating to experience offerings is presented through the “Star Experience Model”. This model shows the various elements and the relationship between them. The main elements are: 1) the factors that trigger experiential value, 2) the process of co-creating value between provider and consumer and how the stimuli provided are transformed through the subjective membrane, and 3) the resulting Fun, Flow & Magic Moments inside the subject itself.

Lastly, I will share some concluding remarks relating to the findings and how they contribute to the current literature, summing up with some thoughts on the implications for practitioners.

4.3 Part I – Triggers of Experiential Value

Consumers select an experience offering they hope to find enjoyable on some level and then step into it, knowing there are boundaries to, and expectations regarding, their behavior. They accept the restrictions and take directions, expecting that doing so will be to their benefit. The creation of experiential value in a commercial setting is not about a random meeting in the woods. It's a transaction where the provider needs to be prepared to provide the right elements so that the consumer can step inside, react and act. The more thoroughly and

thoughtfully designed and prepared the experience offering is, the more the consumer will be made to feel that events unfold effortlessly.

Within these settings, what strings can the experience provider pull? What are the elements consumers appear to find essential for gaining value and meaning out of an experience offering? What stimulates and tickles these consumers' brains as well as their bodies? What are the "pleasure buttons"? What can the provider do to stage and design an offering that has a high probability of triggering experiential value in the consumer? What are the vital dimensions that matter and are the most fundamental when we look across and beyond each particular context to identify the triggers that are involved in co-creating experiential value?

4.3.1 Social Arenas: Sharing, Belonging and Being – Together

Subjects often point to social sharing, being together and interaction as an important contributor to the value of many experience offerings. In itself that is hardly surprising, in so far as we are social creatures. Yet, the many different ways that social aspects can be a contributing factor introduces many specific and interesting details.

Contact with staff was mentioned positively when they were engaged and interested and make an effort to get in contact with the subjects and show interest in them while sharing their interest and knowledge on a topic, preferably with enthusiasm. Even more frequently noted, and often more significant, is the presence of other participants sharing the moment with them. This covers interaction between the consumers themselves, including those friends/family that they undertake an activity with, as well as the influence of other people on the site.

The following account comes from a Swede, who I was submerged in a cage with, to watch huge white sharks circle around us, which repeatedly attacked, slamming themselves into the walls of the cage:

...it was cool to share the experience with others, with you who were there. Yes, when we are down there in our cage and all of us just came up screaming, and this South African next to me was just!! (mimics crazy), that heightens the experience, too. Had I been there by myself, only with the organizers who have seen it so many times, and thus they know it, then I couldn't have shared the experience with somebody in the same way. So, in that way I was happy there were more people there taking part.

It's fun with someone who screams a bit?

Yes, absolutely!

But you did it together (meaning he and his father), is it important to have done it with someone you know well and can talk to about it later?

Yes, but that is always the case, because it's difficult to explain. Even though I have filmed as much as I could, and took pictures as well, it's still difficult to explain the feeling. I won't have to explain to my father, because he has also had the shark up

close. So I don't have to explain, because we can only look at the pictures together and just remember. Yes! Hell!... (Laughs and exclaims) Yes, it's been quite a journey, what an incredible thing!

So that also adds to the intensity of the experience?

Absolutely, it's... I think it's always better to share the experience with someone.

(Shark diving, male 32, Swedish (and his father))

What comes up repeatedly is the importance of having someone there who shares one's interest. At the elephant encounter we were only two in the group that day. I asked the other participant whether he would have preferred the exclusivity of having been the only one there.

No, no. That was nice. It was nice we have someone there, we can share and we can talk and we got the same interest. And at the end of the day, this is what is nice. This is why I go to these places and we can share and meet people who got the same interest.

(Elephant feeding, male 50+, French/Cape Town)

In a similar fashion, the following response from a visitor to the Munch Museum:

Would you prefer it to have been fewer people?

No, it's quite all right.

If there had been no people, would it have been...

No, that would have been a bit cheerless, too. You do expect to meet other people when you go to an exhibition.

Yes, so it's a positive thing that there are people there?

It's part of it right, that you have others around you that are interested.

(Munch Museum, female 45, Norwegian)

People want to, and even need to, share their magic moments. Some subjects who were attending experience offerings on their own dearly missed having someone they felt close to there to share their peak moments with. Triumph, then followed by a pang of frustration. This is an account of an episode that happened just after this diver had undertaken the first "deep" dive on her diving course:

This was an episode that said something about how big I thought this really was, and then it was really frustrating to be alone at the course and not have a good friend or girlfriend in on it. We had been down to 12 meters or something like that. It wasn't a big thing, but when we got back up from this, then I was like "Who can I call? Everybody will be at work now", so I called my office, where the system is that anyone who is available, will answer the phone. Without any introduction I said; "I've been 12 meters under water!" It was the senior developer NN, who answered... (He said) "OK...?, but you managed to get up again?" "Yes, I just wanted to tell, bye!" (laughter) It was just ... just such a hyperventilating moment.

(Diving course, female 41, Norwegian)

Group Belonging and Support from Others

The social aspect is also important as a source of support. It may help just to know that people are there to wish you well, the kind of support that may be encouraging when one prepares oneself to take on a challenge.

So how did you feel it was today, did it... You felt sort of your friend's presence or not, or how... Was it positive in that way?

Yes. I think they've helped me feel more comfortable singing and more comfortable being in that social area with lots of people around, and things – more comfortable about being up on stage singing that song with my friends. Yes, and they just make it more fun, they'll cheer a lot and support me, yes.

(Karaoke bar, female 21, American)

Even at such competitive places as at the race track, social aspects are indeed present:

You did this with two other friends, too. So you were a group of four. Is it important to do this kind of things together with someone?

Yes, I think it is.

Why and how?

Because you can talk about it. You can share your own fun. Other people doing the same and feeling the same, which makes you feel part of a group, and it is adding to the cohesion of a group.

And that is a good thing?

I think it is, yes. Everyone wants to belong.

(Racing/karting, male 35, German)

and also:

Anything else about the Karting that was important?

Maybe one little thing; it was a little bit like two groups at the same time. So, there were you three just really (doing) some kind of racing, it looked like, and there was a little bit me on my own, but I still felt that we were a group, because several times there, someone was driving slow besides me and trying to ask me if I was comfortable, ()...but it was like... the feeling that someone would stop and watch... if you're fine, or if you're not fine. That was like I didn't feel like (I was) alone, so I still felt like a member of the big group, even if I was not in the small group who was racing.

(Racing/karting, female 35, German)

Transfusion of Emotions and Communitas – “Mass Flow”

We are affected by other people's feelings. Go to a theme park and hear people scream as the rollercoaster loops, and one automatically turns one's head. Go to a rock/pop concert of some heartthrob and hear the high-pitched screams of teenage girls and try to not notice an odd sort of echo of something primitive down in the pit of your stomach. Such rare clues as hearing people scream or shout are out of the ordinary, and have a profound effect. Many experience

offerings are not only filled with the provider's often intense sensory and/or cognitive stimuli, but also filled with other people's reactions – screams of joy and fear, laughter, shouting and applause – that further enhance the event.

Some are better at it than others, but everyone has considerable experience in reading and interpreting others' moods and feelings. How we interpret facial expressions is largely instinctive and universal (Ekman 1984). There is body language, the pitch of someone's voice, the rate of someone's breathing, the tensing of their muscles, and the stiffness of their stare, are all clues that talk loud and clear to our sub-consciousness. Lately there have been indications that we are even able to smell each other's fear and other moods as well (Rosenblum 2010). Many experience offerings create extraordinary circumstances where people's moods get very bluntly displayed. Strong feelings are more unusual and less frequently displayed, however even more easily recognized by others, and affect us more strongly. Furthermore, when something unexpected or ambiguous happens, especially in an unfamiliar context, people often need to look at others before they are able to interpret the incident and know how to react. When the feelings displayed are strong and displayed by a large number of people at the same time and place, it appears close to impossible, even for the stoic, to not be somewhat affected by the atmosphere.

The term "Communitas" has been given to the sense of community that can arise when a mixed group of strangers find themselves sharing a common bond from participating in an experience that they all consider special. Communitas emerges from "shared ritual experience" that transcends the mundane of everyday life (Belk, Wallendorf, and Sherry Jr 1989). Flow is experienced on an individual level, but participants in a group are aware of each other's flow experiences and that creates a bond between them. Hence, communitas has also been described as "shared flow" (Turner 1969). With the condition for flow (and even less for shared flow) rarely present when going to the dry-cleaners, fast food outlet or the bank, the chances for finding a strong sense of communitas with fellow customers in a service situation is unlikely. However, consumers often also hope for, and do gain a sense of communitas and group belonging from sharing experiences and therefore tend to appreciate the presence of their fellow customers.

The participant of a meditation camp emphasizes how she finds that more people sharing the same flow experience is essential to the quality of the overall experience:

*I would say that meditation to me is... meditation... the corner stone is silence.
In other words, to be able to be silent together with others - to experience silence.*

To be silent together with others?

Yes, that is what I think meditation, in its essence, is to me. To be without doing, together with others, and to take in the silence you can experience when you are very many people sitting together and meditating. That's unique. To me that's a kind of, sense of unity, me and God. It's probably the same thing people get in church or on Mount Everest – me and God. It's sort of a direct contact between me and greatness and all the people that form this greatness, this silence.

But you can also meditate alone, but you emphasize that this is different...?

It's a different thing when you do it together. Yes, because you sort of create a much bigger energy field with more people. My experience. I'm clearly much more peaceful and present, and in a way at a higher level of consciousness, when I'm with other people than what I am able to get to when by myself. I have meditated many years by myself, but that is not the same thing for me, no. When you are together and create this energy field, I'm sure it has an effect.

Yes, it makes a difference. You don't have to be so many," where two or more are gathered", the Bible says, "then you are gathered in the kingdom of God". Yes, I'm not very Christian myself, but some good things... and I have a girlfriend, and we do a lot of these rituals together, and compared to sitting there by yourself, when we are two or more, then something else happens than when you are sitting there all alone.

(Meditation course, female 42, Norwegian)

Here is one other example of such elements at play. The quote is from a regular visitor to the Oktoberfest:

One thing that I always... I like about the Oktoberfest, is actually the surprise element it had for me when I went there for the first time, because I was convinced I wouldn't like it. Because I don't like big masses of people getting drunk together, because it usually turns out to be quite an unfriendly atmosphere, and quite a lot of just, unanimous mass of people who do the same thing. It just hasn't has a liberal feel to it, so when I first got there, I was really surprised how different it was from my expectation. I think one of the things I like, too, because it is totally different from what I would usually expect from a situation like that. I think on the contrary, the Oktoberfest is very liberal and everyone is very individual, but they are all going along the same lines, in a way. They are not being conducted by anyone or following a script, but everyone is just having fun and letting everyone else have fun, too. It's as liberal and individualistic drinking gathering of that size as it can be.

...there is no pressure to do the dancing on the table, or whatever. If you want to do it, you do, if you don't you don't. Everyone is fine with that, because they don't really care too much about it. There is a social interaction bulk, yes. You are always trying to spread around the fun you are having, but it's only a positive spreading of these, so far, what I have experienced. So, if you decline and say I really want to sit here in peace, they leave you alone, and that's it.

(Oktoberfest, male 35, German)

Sharing to Amplify and Prolong the Experience

Sometimes the social interaction is not only about intensifying the experience had there and then, but also about prolonging the experience, staying in a particular mood, reflecting on it, and through discussions reliving and expanding the experience by the help of points and

observations made by others. A part of the discussion with the theater lover, a segment about how and why he likes to talk about the performance after the play ended with these words:

Yes, it amplifies it, both extends it and amplifies it. Surely, if you share it with someone, that can be an experience in itself, because then you start to discuss it and then other opinions, aspects and nuances appear, and that can lead you to think differently, which again encourages you to ask questions or say something... There's a sort of a dynamic in this that you couldn't have had on your own, because then it would only have been an internal monolog.

So, it improves and maybe makes it richer?

Yes, it does indeed, absolutely, absolutely.

(Theater, male 42, Norwegian)

Proposition 1: *Social aspects tend to evoke and increase experiential value (such as social interaction, sharing and a sense of belonging).*

4.3.2 Sensory Richness: Variance and Distinction of Settings

The senses are the organs through which we take in our physical surroundings. Evolution has hardwired the senses to enjoy certain things and to dislike others, to push us to seek things that are good for us (for the survival of the species) and to avoid things that may be harmful. So we enjoy and receive pleasure from some sounds (harmonies, music, waves, and laughter) and discomfort from others (loud bangs, screaming babies). We enjoy some tastes and textures (sweet and crunchy), and are disgusted by others (rotten and slimy). We enjoy visions with color and variation and balanced geometric forms. We feel restful in landscapes of broad and lush valleys, while stressed in chaotic and cramped visual spaces. We enjoy very much some forms of touch and physical contact (having ones hair stroked, sex), while others are found to be very painful (a punch in the nose). Our sensory apparatus is especially tuned into detecting changes – any sensory stimulus that stays constant over a period of time gradually fades into the background. It is change and contrast that our sensory system reacts to. It is the sensory stimuli that constantly change – that manage to keep throwing novel and unexpected elements at us – these are what hold our sensory attention and so stimulate us most fully. Many types of experience offerings are based on providing access to sensory stimuli. Providing the sensory stimuli is often the fundamental part of the offering and cannot be left out without emptying the offering of its core value, whether it is the wine at the wine tasting, the music at the concert or the flowers in the botanical garden.

So, one of the most direct ways to create experiences that make us feel pleasure is to offer stimuli that are filling and pleasing to one or more of the senses. Sensory richness and impact are related to whether, and to what extent, the surroundings stimulate the various senses. To what extent does the person get to see, hear, taste, smell, and touch something special? Does one, some or all of the senses become activated: vision, sound, taste, smell and touch? The surroundings can be sensory-rich when activating a number of the senses simultaneously or

by giving particular intense and complex stimuli to one sense in particular. The content of the sensory stimuli, the quality, richness, originality, and variation of the stimuli are key to many experience offerings. However, the potency of the stimuli has to be different, and/or above and beyond what the consumer has available in his/her own home for creating the pull effect and enticing the consumer to their facilities to deliver an experience they find worth paying for. To some extent this is so obvious that it is overlooked; but it must be emphasized that without sensory input – and direct contact with these sensory elements through physical contact – no experience offerings can come into existence.

There are whole industries around offering a range of products to please each one of the senses. Taste buds are stimulated and made happy through dishing up special foods and drinks, gourmet dinners and wine tastings, restaurant and pubs thrive in nearly all corners of the world. Sound has the whole music industry working for it, and live music performances are as popular as ever, as is music used in clubs, for dance events, etc. Our eyes play an important part in almost all human activity, but art and galleries, sighting tours showing scenery or cities and other visual displays depend foremost on what is interesting to the eye. Put sound and vision together, and most all entertainment industries, movies, shows, theater and festivals come into play. And let's not forget our largest sensing organ, our skin. Touch has been catered for at ancient baths and now in modern spas. There you can have your skin stimulated directly by getting massaged, scrubbed or oiled by strong hands. Alternatively, the skin may be stimulated more indirectly, such as when exposing the body to the heat of a sauna, walking on rough stones, cold ice, soaking in a bubble bath, and so on. And yes, prostitution and brothels, those ever popular and controversial offerings that cater to the "lust of the flesh", are of course another large industry based on pleasing the senses.

However, here is an example of how it sometimes is the small things that have the largest impact, from an interview with a Spanish male travelling with his sister, conducted at the beautiful grounds of the World Heritage Site of the Nijo Castle in Kyoto:

How would you describe how you were feeling while you were walking through this?

Oh (laughter). Just fully... just admire everything. Relaxing and like just enjoying, and you know we... You know, not like tourists in other countries... here like just taking your shoes off and walking comfortably around. We think that that is a very good thing about Japan. It's the change... you feel the wood... the foot, it's very nice, the sensation.

Describe why you like taking your shoes off, because some would maybe say, "isn't that a hassle," you know, but you say you like it? Why do you think?

When you step on a rock, when on wood, you feel a different temperature, and... I don't know, well, for us personally we, I mean the place we are in the summer, we like to be with shoes off. So, maybe because of our own circumstances we do like it very much. You know maybe the Nightingale floors and experimenting how just walking above the wood. It does really sound (like a nightingale singing... I think that is very interesting to experience, and also because it is so hot now in summer, when you touch a rock and it's cool, it's like "oh, massage." (laughs)

So that's the touching sensation, and about the visual, what did you notice, how would you describe it?

That's complex. With the camera you can make like this (pointing the camera randomly in all directions), without looking when you are photographing (and shots would still turn out perfect). It's perfect. Everything is in its place.

(Nijo Castle - Kyoto, male 31, Spanish)

The field study's experience offerings were typically rich on such sensory elements. At the Oktoberfest, the beer drunk and pretzel eaten, the music in one's ear, the shuffle and pressure of other bodies against one's own in the crowd, this is the physical sensory base and a strong contributor to the experience there. At the horseback safari one noticed the beautiful savanna scenery, the moving muscular body of the horse you sat on, the tug in your hands when the horse thrusts its head about, the sun on your back as well as the smells from the ground. These were all part of the sensory element and input that made up the interface you interacted with on a horseback safari and that made the experience. While at the karting track it is the roar from the engines, the G-force felt in the curves, the vibrations moving through these flimsy cars to your arms and legs that make you sense every tiny pump in the asphalt. Sometimes the sensory part involves lots of physical impact and muddling around in the elements directly, touching and smelling; sometimes it is foremost about just sitting back and observing a visual scenery or display. Regardless, some sort of sensory base is always there first and last, and if it is distinct and makes for an interesting variation, it will contribute to the experiential value sought after.

Proposition 2: Sensory richness and intensity tend to evoke and intensify experiential value.

4.3.3 Novelty: Particularly when the Novelty Relates to Something Familiar

Novelty was an element in all the cases I sampled, although in different ways and to different degrees. Frequently it is the chance to get to see or try out something new and the excitement that comes with this that constitute the basic key to the consumer's desire to want to try out the experience offering (responding to various promises of "see what you have never seen before", "feel what you have never felt before", "experience something different", etc.) Humans are inquisitive creatures and the urge to seek new stimuli is innate in all of us, although with varying strength. But the undertaking of discovering and experiencing novel things – objects, environments or activities – appears to be a very deep source of enjoyment in our existence. Novelty, it was concluded, is a substantial component in what experience offerings are about and how they create value.

Novel – To the Customer

Firstly however, it's important to realize that it is not a question of whether the “thing” on offer – the object/activity/environment – is new in itself, but whether it is new to the person experiencing it. Hence, elephants or white sharks are not novel creatures in themselves, yet it was very much a novel experience for my fellow visitors and myself when we got to feed those elephants and see those white sharks. The Swede and the Frenchman's motivation for booking the animal adventures of feeding the elephants and diving with the white sharks was both chiefly because they had never done this particular activity before. And here was a chance to try this new thing out. Again, novelty resides not in the thing in itself, but in the person experiencing the thing/activity.

Novelty may be connected to a range of aspects by giving access to new stimuli in many forms, such as:

- Exposure to new sensory input (as when tasting new food and hearing new music at the Oktoberfest, when seeing new scenery on the horseback safari, exposure to new bodily sensations, when being buoyant and thus feeling weightless when diving, or the extra weight put on by the G-force when racing the Karting track)
- Exposure to new objects (an elephant, a white shark, a Munch painting)
- Exposure to new activities (trying bungee jumping, meditation)
- Exposure to new technology (special effects in the movie, “Inception”, using/and programming the Lego robots, breathing air through a scuba regulator)
-
- Exposure to new knowledge (facts, figures, perspectives related to the Munch paintings, the Zen garden layout and design principles)
-
- Exposure to new versions of favorite events/activities, This year's annual event of the Oktoberfest, this year's champion league play off, playing a new round of golf this Sunday, going out for this month's Karaoke evening, etc.)

Novelty as an Experience Offering

Few things are indeed brand new under the sun, although new technology does of course, regularly come up with truly new inventions - (e.g. Segway). More typical, though, is the following: a particular object/activity has previously only been available to a smaller group/elite (the military, the physically fit or those with particular skills/training, or the wealthy), but now it's packaged so that it is accessible to more people at a much lower cost for each person, but still able to provide a viable and overall profitable business model.

Experience offerings often create novelty for their consumers, basically by making something desirable and somewhat rare more accessible. An object/activity that would be a novelty in a certain market has to be identified, packaged and staged in such a way that it becomes

accessible and interesting for a selected target group by making it either more practical or less physically demanding and safer to get in contact with (hard to reach environments/exotic animals/novel activities, etc.). The point is to lower the effort/cost for the consumer to get access to these experiences.

Proposition 3: Novelty tends to evoke and increase experiential value.

4.3.4 Challenge: The Joys of Achieving Mastery and Control

An element of challenge contributes to the excitement and joy had in many experience offerings. Managing to overcome a challenge the individual has set for himself/herself may be the key to the value created by several experience offerings. Overcoming the challenge is closely linked to a feeling of mastery and satisfaction with oneself and a source of pride and identity. Subjects do indeed appear quite aware that they have to make an effort, get involved, push themselves through their fears to gain the benefits of the sense of having achieved something. Furthermore, there often is a proportional relationship between the size of the challenge and the size of the positive reward felt when overcoming it.

As we remember from the flow model, a flow activity needs to have the right balance of giving people a task that gives an opportunity to use and stretch skills and abilities while not creating too much anxiety to feel sure of failure. It should not be so easy or obvious that it becomes uninteresting, nor so hard that they do not dare to try. It is only by having the right balance between the subject's skills and what the challenge requires that focus and flow can be achieved and maintained over a period.

Challenges Come in a Great Many Forms and Shapes

Some challenges are more physical, others more mental, and many are a bit of both.

- Tests of courage or perseverance
- Learning new skills
- Calls for problem solving, creativity, imagination
- Competition against others or oneself
- Letting chance determine the outcome
- Letting go of control, trusting destiny or others

In all forms of challenges the outcome is not given; a positive or negative result is not known beforehand. The outcome is unknown because one does not know how either one's own skills, the skills of others or other external factors – including lady luck – may influence the outcome. In many personal challenges it comes down to a question of whether one can accomplish the task (or not), combined with a desire to do so.

The youngest of the interviewed subjects, a girl of ten, had some great comments directly illustrating this point. She had just participated in a workshop held by LEGO where she learned to program robots. As a matter of fact, she had turned out to be a great programmer and beat her bigger brother at it, which she was pretty thrilled about. With a ten year old, I did not directly ask if she found the task to be a challenge. A bit more indirectly I enquired whether she had found the task to be exciting and/or stirring.

Was it so that you thought that it was exciting?

Yes. When he (the instructor) tried it, it was like; "Oh, will I be able to do it?" I wasn't sure if I would manage it.

So you were unsure if you would manage at first? And then when you managed, how did you feel then?

It was... it was then that it started to be very much fun!

(Theater, male 42, Norwegian)

When it comes to some extreme sports activities and other high adrenalin adventures, challenge naturally comes up as a factor, as well as the joy and other positive effects of overcoming the challenge). These challenges are often a test of courage of sorts, forcing one to face something that one fears.

Here I am talking with a subject about why she wanted to do the diving course previously:

Yes, I had this period when I sought out things that provoked anxiety ... I had decided I wanted to do some different things that involved challenging myself, because I realized that I wasn't really old enough yet to retire, so then I just had to do something about it.

Was there anything special at that time that made you decide to do it?

Yes, I turned 30.

You turned 30, OK. So, could it be called a small self-realization project?

Yes, I think so. Absolutely! It's like, you're not older than you feel you are.

No, and 30 is really old, right...

[laughter] As I said...

But, just to double check, you felt you were...

I wanted to challenge myself on something I was afraid of. The starting point, this thought of keeping one's head under water for a long time; that made me anxious. Yes, so that became a sort of challenge.

(Diving course, female 41, Norwegian)

The fear may be because it's a completely unfamiliar situation. The fear may be due to a risk of some physical harm, as well as the fear of just being made to look bad or inferior when showing one's fear or intense emotions and feeling like a fool because of it. The French/Capetownian went straight into charmingly explaining his fears during the event of our "elephant encounter". As described previously, we were given a bucket of apples for hand feeding the elephants. This was done either by having the elephant pick the apples out of our hand by using their trunk, or by placing the apple way up into their very large and wet mouth. There was one huge male elephant, and one baby boy (the mother was supposedly a moody

one and therefore not suitable for being hand fed by strangers and hence kept a few meters away, but close enough for her not to worry about the baby.) I mentioned to him that I thought he had looked as if he enjoyed himself, and that he had commented that it had been a pleasurable experience. He confirmed this and continued by saying:

It was definitely yes, to be so close and to have the pleasure to touch the animal as well, and to be so close to... And the feelings as well, to feel that kind of texture of the tongues and their mouths, and of course as well, I was a bit scared, I would say. I was a bit nervous and scared... even if you say to me, you know, you were doing it as well. I mean, the danger, and as well, I mean, maybe I put my hand in their mouth and they (mimics a biting gesture)... you know.

Asking him shortly after this if he thought the feelings he had were very intense.

Oh, definitely it is a very high... it was definitely a very high moment there. Like I said, he was... (motioning big) It was in the beginning the curiosity, I wanted to do it. When I arrived there I wasn't too sure, especially when I had to feed, there was different emotions, there was a bit of fear. And making a decision, making a quick decision there as people were watching me, am I going to be a chicken? – what?

(Elephant feeding, male 55, French/Capetownian)

(He insisted on French/Capetownian being used for as his nationality, meaning Frenchman living in Cape Town for the longest time). Furthermore, he did not want to give his age, acting shocked that I would ask him about such a thing. He was a wonderful character. I have cleaned up his rather confusing English a bit to make it more readable.)

As pointed to in the introduction, the element of challenge is by no means restricted to extreme sports that call for bravery, physical risks and strains. It comes to the surface in a much wider range of situations than one may expect, as when talking about golfing as well as visiting the theater. Both subjects brought it up on their own account – within the first couple of minutes – how challenge was crucial to their enjoyment of the respective activities.

When you were playing yesterday then, was it overall pleasurable?

Yes, very, of course, yes. I think most people who've played golf regularly.... one of the reasons they play is because it is a challenge. So, you know, although you don't enjoy playing badly, it is a challenge to try and do better next time. So we keep coming back and trying again. So yes, we had a very pleasant day. It's good exercise, outdoor life and with nice company... surely good.

Then when asked to expand on what he felt was challenging about it, he continued:

I only started playing golf for the very first time when I was 47 years old. And after that time quite a number of my friends had started playing golf. They had invited me along and I wasn't interested, I thought it was a stupid hobby. I often used to remark to my wife if we were driving somewhere and it was raining and we go across a golf

course, and see these people playing in the rain, I'd just say to her: "Look at those fools!" ..you know. "Knocking a little ball around out in the rain, there's got to be something wrong with them." And it is only once I tried to do it myself, and I realized just how difficult it is and how challenging it can be. I've done a number of different sports that are fairly exciting and challenging, I've done a lot of skin diving, game fishing, I built and flew one of the first hang gliders in South-Africa, and I've learned to fly a glider, became an instructor of flying gliders, which is also a challenging sport, but it is not nearly as challenging as golf.

It is sort of challenging in a sort of technical precision way?

Yes, trying to do it correctly.

(Golf, male 69, South African)

There is also the challenge of letting go of control and trusting in fellow participants or destiny. The visit to the bungee jump site was interesting in a number of ways. It was the only place where I had a real problem getting an interview on site. However, the fairly short and hectic interview I did finally did manage to get done turned out to be very useful and raised my awareness of some new nuances and influential factors in what may be experienced as a challenge. Bungee jumping, this monstrous activity that I had perceived as requiring very firm control over oneself to force oneself to jump off may actually be more about letting go of control. This to my surprise was the impression, both after having observed the activities on the bridge and likewise from the interview. The participant I talked to after their bungee jump commented on the experience in this way:

What is the nicest you know... the situation out of your control and then... it ends up actually being in control once you dare sort of... it's not as scary as you thought. Like they... [unclear] control the environment. I'm not sure if that makes sense to you.

I think so. You say like if you can give over control in one way, and not have control and sort of accept that, you will...

Then put your trust in someone else, someone else is there.

And then you feel control again, in one way. ...'cause you're handling it.

In one way, yes. ...yes.

(Bungee jumping, male 25, South African)

However and again, not all challenges are related to a physical test of skills or courage, rather they may be related to engaging in some kind of mental activity and then often be much less explicit. This may be by just following the plot of a story, its twists and turns, by trying to understand and make sense of a move or at play. Actually, simply to expose oneself to very different ideas – to step into different contexts and to try to, through fictional characters, sympathize with unfamiliar motivation and actions – can be challenging.

The theater enthusiast's comment as to why he likes to regularly watch a number of very different, often demanding, plays was this:

I think I go to the theatre because I sort of want to be challenged. I'm challenged to think differently, I'm an inquisitive person and I think I learn something from going to the theater.

(Theater, male 42, Norwegian)

The last example may not be recognized as a challenge in the traditional way, but it does indeed require mental focus and effort and the use of skills to interpret social situations and plots, even though these are skills we use in everyday. However, applying them to follow unfamiliar situations and motivations that one does not necessarily identify with represents a stretching of these skills and as such will challenge and keep the subject's attention, and so result in flow that will give them some extent of new knowledge and perspectives if they have managed to relate to someone else's situation and their world.

Proposition 4: *Elements of challenge tend to evoke and increase experiential value (as in tasks that are perceived as hard to accomplish, but achievable).*

4.3.5 Interactivity: Influence, Feedback and Focus

Some experiences are more passive, at least in a physical sense, as when one is part of an audience at a movie or a concert, while others experiences allow and invite the consumer to be an active participant. Interactivity is here understood as an activity that allows for and requires direct participation by the customer, rather than just expecting them to be an observer, i.e. to take part in an actively, to be hands on, to try things out for themselves.

Activities that provide immediate feedback, coupled with clear goals, are, according to Csikszentmihalyi (1990), a crucial reason why it is possible to achieve such complete involvement in flow experiences. Interactive tasks are undertakings where feedback is immediate. The research on interactivity is rather limited, but in regard to museum exhibits and education, there have been some writings on the topic. In this context, interactive has been seen as “physical exploration, which involves choice and initiative” (Caulton 1998). Similarly, Miles et al. (1982) stresses that truly interactive exhibits require some form of decision-making, not just turning things on/off. I will argue that to have interactivity – in addition to the above requirements of allowing the subjects to show initiative by selecting between choices or otherwise – they must receive feedback on the input they provide. Preferably, this exchange-unit of consumer initiative and feedback should be able to be repeated and altered a number of times to allow the consumer room for adjustments and improvement.

Interactivity was part of many of the experiences visited and was crucial for their appeal, although not discussed so directly. However, it was clear that in most of the cases the activity was undertaken precisely to be able to try out things for oneself, and not just to watch others - that would have taken away the main purpose of the activity, like wanting to try out and

control the racecar on the racing track themselves, or learning to program the robot at the Lego workshop. When driving the karting racecar, the consumer makes all the decisions on how fast and where to drive. The go-cart drivers at the racing track get feedback continuously on how well they drive, by monitoring their speed and whether they stay on the track or not. The feedback then allows them to adjust and change their next response, and so a continuous loop of activities and feedback makes the endeavor interactive. Making the racecar go faster or not, staying on track or running off it give you very clear feedback. Furthermore, as the activity involves multiple trails as it progresses over time, the consumer can – because of the immediate feedback – learn and improve their driving throughout the activity. This provides them a chance to push their abilities and to achieve a sense of mastery if they succeed, and it is the interactivity with its immediate feedback that makes the setting so efficient for learning and so involving and easy to stay focused.

The karting drivers will swiftly be reminded to regain their concentration if they should tune out – even for just the briefest moment – or they will run off the track. The moviegoers do not get such a prompt reminder if their minds should start to wander. In the movie theater the consequences of losing focus are not that immediate, because the movie will go on regardless of whether the individual's mind is on track with what is happening on the screen or not. A distracted movie-goer – as with the subject that did not really enjoy the “Inception” plot – does not cause any outward disturbance that alters the movie itself or ruins others' experience. My subject's own enjoyment was reduced when she went out of the “Flow” state, as the movie did not capture her mind sufficiently. In an interactive undertaking a subject has more guidance and incentive to stay focused and in flow; that is the upside. If they still lose track of things, the downside is that they may cause more problems for their fellow participants, as an unfocused driver on the karting track would. Interactivity provides something more than mere observation because it engages us more directly – it works to evoke and increase experiential value. Interactivity provides a larger incentive and more or less forces us to focus on the task at hand, as the consequences of not doing so become larger and more evident with direct participation where your own actions influence the outcome continuously.

Interactivity certainly can, and often is, linked to an element of challenge. However activities may be interactive without being particularly challenging, as in those cases where people participate in rituals and social activities just for the sake of doing it for fun, rather than for testing themselves and their abilities. Interactivity may be more collaborative, like “doing the wave” at a sports event, or through participating in the singsong dialog between the band and the crowd at a concert. One may also view interactivity as going beyond mere participation, as when in Karaoke consumer are creating content by getting up on the stage and performing for others. Durbin (2004) suggests that another very interesting way of employing interactivity is to draw on the expertise and enthusiasm of visitors to allow them to create content for you. This is to a large extent what happened in the karaoke bar that I visited, as is indeed precisely what constitutes the main idea in most karaoke bars. It is the spectators themselves that use their own enthusiasm, expertise and creativity, to create their own experience. The provider just gives them a stage - literally.

In many settings, doing an activity without being able to influence the outcome or get feedback would create a sense of a phony act and of pretending, in a negative sense. Everyone has felt or seen the disappointment had when some kid runs over to an arcade game and for a few seconds plays around with the wheel or the play-stick, just to discover that it is not functioning and that their input makes no difference because the elements on the screen – cars, monsters, shooting, etc. – are not under his or her influence, but rather just displaying an advertising video of the game. It's the being in control, making one's own decisions, influencing outcome, and getting continual and immediate feedback on everything you do that makes the video game or "I want to try it myself" of an actual activity interactive, that makes the all-important difference and that captures and raises the experience to arresting heights.

Proposition 5: *Interactivity tends to evoke and increase experiential value (being allowed direct participation, to influence and receive feedback on performance).*

4.3.6 Suspense & Surprise: Building and Breaking Expectations

When the theater enthusiast explains one of his favorite and most memorable theater experiences, it is strongly connected to the power of the element of surprise. Here is his little tale:

Exactly because it's all about the experience, it's really exciting. I was in Gothenburg with NN, so it must have been in the late 90's. We have always enjoyed going to the theatre, and when we're in a new city, we like to see if there is a play we want to see. This time we found a play by an independent theater group. It was in fact Camus' "The Stranger" in a production meant for youth. It was called Theater Uno and it was in a quite run down building, but we went in and bought something to drink. There were a lot of people there, and then a guy with a big hat and a white dress came in. He was kind of standing out a bit but I didn't think much of it. Then he began to talk to people and asking them questions, I don't remember exactly what but it was something like "what do you think about eternity?" or maybe it was (what do you think about) freedom or something of that sort... He stood there with a glass and walked around and talked to people. There were also others walking around and talking about things. No, I don't think I made much of it, but when the show started I noticed that he of course was one of the actors. I hadn't guessed it before when he was standing there (up on stage), totally ... I really didn't have any idea it was coming, none whatsoever.

(Theater, male 42, Norwegian)

Afterwards he describes how he was very much captured by the performance itself, and uses a great number of superlatives to describe how truly fantastic he found it, despite there being now really great, well-known actors on stage, the theater hall having less charm than the venues he usually visits and so on. How much did the conversation beforehand tune in for and sensitize the audience for the topic of the play? This occurrence of the recent personal contact and the intimacy of having had such a grand conversation with an eccentric stranger still

lingering – and now the man was live up on stage and yet again going deeper into those existential questions. The raised alertness that comes from just knowing you have truly been tricked! Reality as you just saw it was erroneous, and you had no idea! And neither did you figure it out yourself, nothing before it was plainly revealed for you. And now you quickly have to go back and reinterpret a number of the incidents. How much more on the edge of your seat would you be for now wanting to do better, while trying to interpret the world and the material unfolding up on stage – wanting to get it right for the next hour or two?

And with all this “trickery”, he had clearly been deceived, did he feel exploited? No, not at all – one understands that this trickery serves a purpose; yes he had been misled, yes even manipulated, but for a reason, for a higher purpose, so to say. This context made it, not only acceptable, but also desirable and appraisable, for him having been taken by surprise on this occasion created for him one of his most treasured, exciting and memorable theater experiences ever.

At the Karaoke bar the element of surprise was appreciated as well:

But is it OK that you sort of don't know what is going to happen and in what order the songs are coming up?

Yes, yes that is what adds to the excitement and the fun.

So you wouldn't want to know that a quarter to eleven you're going to sing?

No, no that's...

Then it wouldn't have been so exciting?

It's not supposed to ...it's not like it should be that sort of... structured and professional...it's supposed to be... It should be like you come up there, you don't know quite what song it is, and you sing, you just sort of... You know it only to some extent and it shouldn't be like “yes, well then you are due up here for your performance at eleven thirteen.”

Why shouldn't it be like that?

Because then it's no fun... You can't sort of structure a party!, ...and that's exactly what I see karaoke as (a party).

(Karaoke, female 21, Norwegian)

“You can't structure a party!” the girl says. The contradiction being of course that this sense of easy going party spontaneity she gets out of it can only be had because the evening is professionally structured by the karaoke bar and its DJ. So that it all runs smoothly, so that all the nice little surprises and variations are monitored and orchestrated and arranged. This sense of spontaneity and play is framed and made possible by the structure behind the scene, activities by the provider. It is because it is arranged – because the structuring works – that the call of her name feels startling and spontaneous to her. One of the many paradoxes in the world of how experiential value is created. Imagine the opposite; imagine such an evening if everything was to happen truly spontaneously. That there was no structure, that for every song everybody would fight to get on the stage and sing on top of each other. Group of loud bullies may then occupy and monopolize the stage, then the solitary and shy individual with a special voice would not be heard. Not only would these singers lose out, but the rest of the audience would as well, as they have to listen to an evening of performances with less variation and

quality. Or maybe when tired of things becoming too chaotic they would decide to vote for every new entry that would get to enter the stage. The music would have to stop for the voting. Too much of this would ruin the flow of things, as would all the switching back and forth and checking continually when one could relax and enjoy and when to stop and step in to organize the evening.

What creates an experience is a highly complex set of ingredients, with numerous combinations and where altering even just one factor in a set of many – or altering the order of the factors – may have a large effect on whether an event comes off as positive or negative. Likewise, changing the context – the given reason for why something happens, how to interpret it and take it – can turn pain to pleasure, bad to good - or the other way around. It contains contradictions and paradoxes (less is more, one can only really appreciate and capture the novelty of something if one is well familiar with the “old”). Paradoxes reside as well in what the guest experiences and what the provider prepares and presents. How it takes decades of practice for the ballerina or the acrobat to move their bodies in ways that appear impossible yet effortless. The karaoke bar DJ arranges who will sing what and when. It is because the DJ’s structure the evening for the wannabe singers can stay within their relaxed party feeling as well as get the spontaneous blast of: “Uh-oh, suddenly now it’s my turn! Gee! I have to rush to the stage. Give way guys, let me pass, my name was called, they are all waiting. Hiiiha!”

Vague Expectations – Increases Chance of Suspense and Surprise

It’s quite common with experience offerings like trips/courses/shows that the person does not know a lot about what will be happening during the event.

It was very much like I didn’t know what was going to happen; didn’t know the length of the days, what people were there, didn’t know what place it was at. I had never been there before... so I didn’t look forward to going down there.

Is it OK or is it like you would have liked to know... is it sort of part of it all, or had it been better to know more about what was going to happen?

With these kinds of courses you very rarely know how it will turn out because it’s like the dynamics between the people there that’s creating it there and then. He who led it surely had an idea of what they were going to do and what was happening and what was going to happen, but I think nobody knew exactly what would happen before it happened. So I think I could go to the same course next year and at the time and place, but I don’t think it would have the same content. It still wouldn’t have been the same. So I can never prepare.

Is it inherently so that it has to be like that?

Yes, because it’s specifically those people there and then who generate it – who create the course.

(Meditation course, female 42, Norwegian)

Here the course participant nicely captures two important and connected elements, the one being noticing the co-creation role the other participants have in creating the content of the course. Secondly, that as long as the participants themselves are a large part of creating the course, you never know quite what you get and what will happen. With so many possible mixes of personalities and preference, when one puts strangers together in a group the dynamics will always be rather unpredictable. Even in events where the audience participates much less directly and are foremost an audience, the factors of the dynamics and the variations they bring with them was noted.

But theater is a very direct and immediate form of art, that happens there and then and that in a way can't be reproduced. There will always be some variation because it's about how the actors respond to the audience and how the audience responds to the actors.... Isn't it? You instantly notice if it's a good audience that drives the actors forward. I really sense a very, very distinct difference based on this.

(Theater, male 42, Norwegian)

It appears that, as in play and games – as well as in the nurturing of love and friendships – experience offerings' kindhearted trickery and playful surprises are often something we delight in.

Proposition 6: *Suspense and surprise tend to evoke and increase experiential value (created through the building and breaking of expectations).*

4.3.7 Storytelling: Narratives and Dramatic Structure

Long before we began thinking scientifically, we explained and expanded our world through stories. Storytelling or narratives are often considered to be among the very earliest forms of entertainment. Stories of legends and fairytales have been told since sitting around campfires, and thus have probably been around right from the start of human civilization. Typically, narratives are considered to entail such elements as a plot, characters, a message and conflicts that give the story a core and a direction. It is the easy way for the brain to order information, to connect and remember, and to make sense of otherwise unrelated masses of details and events. Storytelling is a way of organizing information in a structure where there is a chain of events that are causally connected. Griprud suggested the following definition: "A narrative is a representation of a human (or human-like) subject with a project (will, wish, desire) who lives through a series of causally linked events." (Gripsrud 2002, 192). This causality is a vital attribute. It is claimed that stories are distinct from and go beyond mere facts. The causality contributes to creating relationships and weaving together beauty and truth (Strauss 1996). But how are storytelling and dramatic structure important for creating value in experiential consumption?

Narratives May Provide Content for Experiences – Stories to be Told

Storytelling, factual or fictional, can be the core content of an experience offering, or it may be used only as a tool to convey factual information in a more entertaining way, or it may be used purely as a marketing tool to create some sort of link between selected objects or destinations by providing some background context with positive associations. Furthermore, a number of experience offerings build on stories presented in books and movies by providing facilities and activities to make these stories come alive, such as the amusement parks dedicated to Pippi Longstocking, Disney figures or Harry Potter. Places where we can step into an imaginary world and see for ourselves the characters and visit those places we already care for in a beloved book or movie (even though we are indeed well aware of it all being just make believe). Museums and cultural sites aim at telling the narrative of important persons, sites or events in a historical context, be it Alfred Nobel, the Viking ships or the pyramids.

Our interest and love for stories in numerous forms – detective stories, fairytales, historic dramas or biographical tales of the rich and famous – appear immense and endless.

Narratives provide content for a number of experience offerings, in the way that stories are the main content in movies, theater plays, role-plays, ballets, operas, shows, reading aloud at literature festivals, and so on. Here the subjects experience the story indirectly by learning about events and characters. The enjoyment had from the story rests largely on the degree that observers manage to either identify or empathize with characters and their struggles and from gaining new perspectives on issues that matter to them. In stories where we care for the characters, we take an interest in the plot and we wonder and worry about what will happen next, and they thus keep us interested and hence also captivated and thereby in the flow state.

One of the reasons the interviewed theater lover enjoyed watching the plays so much was that the play often provided him with new perspectives in his work as a psychologist. It gave him a space to reflect on topics and challenges related to issues that his clients may bring up. The “Inception” movie was enjoyable to me partly because of my general interest in consciousness and the construction of memories and because I considered the science-fiction setting an apt context for exploring and playing around with new angles on reality. My interview subject, however, stated that in general she did not care for the science-fiction genre and didn’t enjoy the movie much. She might have found the topic of memory to be more interesting and easier to relate to if it had been presented to her as part of another setting, such as the court/justice system, as this would have reflected her work setting.

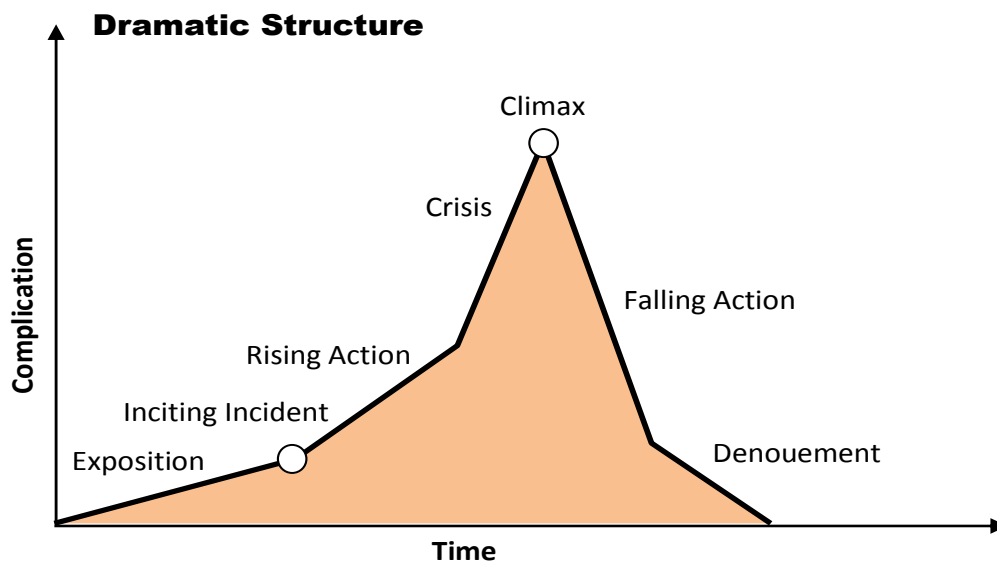
Narratives May Provide Structure for Experiences – Stories to be Lived

Increasingly, more attractions now appear that gain their appeal from not only watching other’s great adventures, but by enabling people to have adventures of their own. To enable them to do what they have so far only watched others do – by trying it out for themselves – and thus star as the leading actor in their own adventure. When subjects participate in events directly – and they themselves, and those present, friends/family/ other participants and staff become the characters – the activities undertaken become the plot. These same elements used

to give a book or a play a prime structure and can likewise be very useful to optimize a visitor’s experience. Experience offerings arrange for particular items and activities to be displayed and unfolded at given times and in a given order. The content needs to be staged and structured to have direction and to make the most of the time and the activities that take place. Events should not unfold at random, but rather in a structured manner as to optimize the experience. Experiential value – although it can occasionally be created by random, or by the subject’s purely internal efforts, should in a commercial context rather be a well thought out endeavor: A deliberate effort by an organization to optimize stimuli – objects, activities, facilities – to provide an experience for a consumer. Someone needs to have thought through and asked, “what is a good way to do this?” What makes this content and activity fun and interesting? It involves the “what content to present?” and “how to present it?” questions. The principles of dramaturgy may be used to structure stimuli, content and activities to optimize the coming about of a worthwhile experience.

A dramatic structure can be used to intensify and enrich an experience offering. It can give direction and order to events taking place, by constructing them into a meaningful sequence. It can be used as a way of giving a good introduction – to build in suspense and dramatic turns into an activity as it plays out, to give characters and roles to play for employees and guests, to arrange for conflict, challenges to overcome and clear goals to reach. Done skillfully this can very well build a strong frame and backbone for the offering, developing a suitable rhythm and escalation to increase the offering’s overall value.

Figure 4.1 – Freytag’s Dramatic Structure



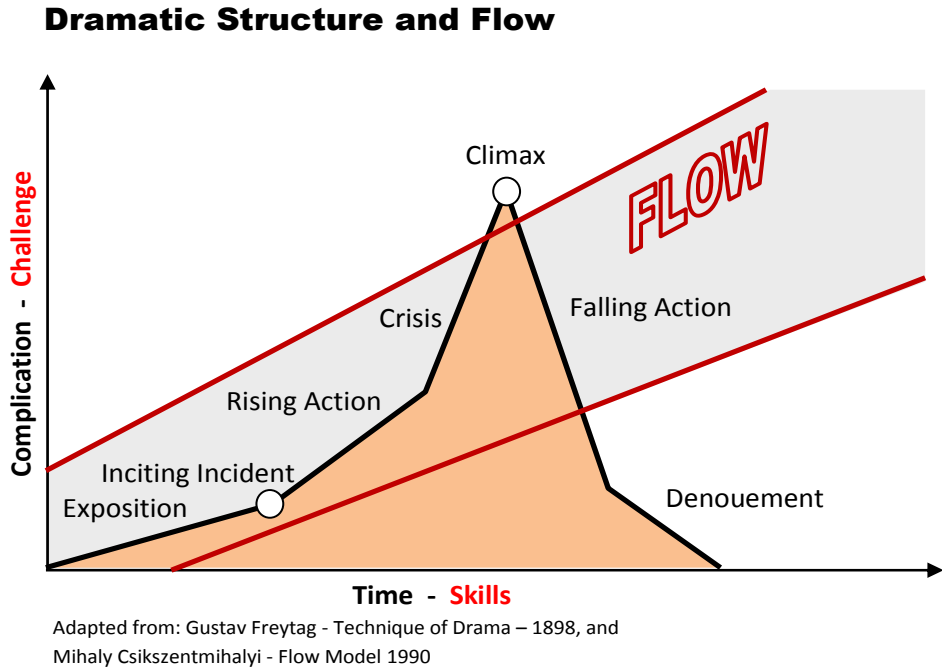
Adapted from: Gustav Freytag - Technique of Drama - 1898

Gustav Freytag’s (1898) classic model of the process of dramatic action (see figure above), gives an overview of the structure of a stirring narrative. First, central characters are presented and a situation is introduced with some background information. Then comes a series of events that complicate the matter, increasing interest and raising expectations; this ultimately leads to a crisis that culminates in the climax. The climax is the actual moment when the story turns, when the entire story comes together in a decisive moment. What happens at this point

changes the course of events and determines the outcome of the story. Thereafter the story winds down and the conflict gets resolved in one way or another with the subsequent consequences for those subjects involved; their new situation and future path is indicated.

By overlaying the Flow and Freytag models, I found it interesting to note how they largely follow the same rising tendency. Hence, it appears that regardless of when constructing a narrative or an activity, circumstances should gradually become more complex and challenging over time, indicating that this is necessary in both contexts to maintain the subject’s attentiveness and the material’s attractiveness. If we combine this knowledge with that of the previously mentioned Peak-end evaluation rule (Varey and Kahneman 1992), one may also be attempted to suggest that the climax in an activity may better lie just outside and above the flow channel to induce a little fear and make the peak emotion stronger. As the Peak-end evaluation rule indicates, the overall experience in retrospective light will be evaluated based on the intensity of the peak of the experience and the outcome and valor at the termination of the event. Hence, consumers may be happy to endure even more strenuous efforts and to enjoy a higher level of anxiety than they think. Again, this explains why a day of fear, tears and sweat may at the end still have created a much more overall satisfying event and meaningful experience than a dull or even pleasant day.

Figure 4.2 – Dramatic Structure and Flow



Proposition 7: Utilizing Storytelling and Dramatic Structure tends to evoke and increase experiential value.

4.3.8 Concluding Remarks on Triggers of Experiential Value

Based on the field study observations, the literature studies, and the interviews, I have identified seven essential factors that were particularly salient in making experiential value occur for the consumers. The seven triggers I have identified as particularly potent are: *Social Arenas, Sensory Richness, Novelty, Challenge, Interactivity, Suspense & Surprise, and Storytelling & Dramatic Structure*. More factors could have been mentioned; however the point here has been to identify only the most essential ones.

How did I end up with only these factors? What were the criteria I used as guidance in trying to pinpoint what factors should be deemed as the most fundamental for evoking experiential value? To make the process of how I selected these factors more transparent, I will here describe the thinking behind how I selected the different factors. The standards I used to determine what factors were the essential were by asking the following:

- 1) Main element: factors acting as the a major or dominant contributor for creating experiential value in some types of experience offerings
- 2) Frequent element: factors that showed up as an important contributor across many types of experiences
- 3) Unique and independent element: factors that were different from the other factors and therefore could not be placed as a sub-factor of an existing factor
- 4) Theoretically grounded elements: factors found to have support for their effect in a scientific work (flow, cognitive, hedonic, social psychology, etc.)
- 5) Consumption event element: factors that were active on-site and during the consumption event, part of what took place and arose at the facilities, (rather than in pre or post consumption)
- 6) Provider controlled elements: factors that can be designed for, controlled and staged by the provider

Each factor is neither a necessary nor a sufficient condition per se. However, when one of these factors is applied and implemented well – for a relevant target group – the factor is very likely to evoke experiential value in the consumer. Typically a number of these factors are in play simultaneously, but the dynamics of how the triggers interrelate or how much each factor contributes to the overall experience may vary considerably. Each factor may be reminiscent of a string on a guitar, and an experience offering like tunes that can be composed and played with all or just a few of the strings in use in numerous combinations of notes and rhythms. Usually a number of factors come into play to “create a melody”, but at times a provider may want to pull just that one string to create simple yet striking effects. Besides, whether one, two or all of the triggers are employed is less important than the intensity of each factor. It appears that the presence of a solitary trigger factor that the consumer perceives as really exceptional may well have a larger impact than several factors that are perceived as more average and thus as just “fine”.

4.4 Part II – Experience Offerings Characteristics

4.4.1 The Promise: Provider intends to Induce Fun, Flow and Magic Moments

Although the experiences differ on many aspects, flow appears to be attained and to be at the very core of all of them. The interviews were seeking to explore if flow was indeed an essential factor in understanding the nature of experience offerings. Did the subjects themselves think it was important to get absorbed? If and how does it matter to them? How closely linked was flow and the subject's overall sense of value and appreciation for the experience offering?

Different angles and questions were selected to indirectly approach the matter and get a sense of these questions and to what degree they had been absorbed by the situation. In addition to their first response to the event and their thoughts and focus during the event, a number of follow-up questions were asked to go over the same theme more than once and from different entry points.

*How is it... what were you thinking of while you were up there/out there/ doing...
Then you are focused, and then you are... eyes on the screen and no nonsense.*

(Karaoke, female 21, Norwegian)

*Yes, nothing else exists. (me: "Right. Okay". Then he again nods firmly and repeats:)
Yes, nothing else exist!*

(Golf, male 69, South African)

I think... let me see what I was thinking of. I was thinking of my friends dancing out there. I was thinking of... When I was listening to the song before maybe... but it... And I was thinking of the lyrics of the song and sort of that family life that they have. It's about family, which is nice. But I don't think that I have my mind on any other ... agenda or any other thing like that, no. (...) Yes. Yes I think I was in the moment there, yes.

(Karaoke, female 22, American)

On direct questions on whether they felt absorbed and/or focused:

Absolutely! You're absorbed. You are captivated. Yes, you feel very present, but at the same time it almost becomes surrealistic when... I don't know. It's just bubbling all around you.

(Shark diving, male 31, Swedish)

Yes, I was only there and turning the laps and didn't think of anything else. Maybe about longer trousers, but that would be the only thing. I wasn't thinking of having anything to eat or something, whatever. The focus was there to drive.

(Karting/racing, female 34, German)

In that way the “what were you *thinking* of” question may have had its drawbacks. It may have tended to make some subjects search a little too hard to find and mention what had actually been only fleeting thoughts, rather than for them to simply acknowledge that they were primarily highly absorbed in the situation. Some subjects at this stage answered the questions by getting into descriptions of the technical side of the activities of what they had been doing. However, their descriptions then were always detailed accounts of the what/when/how of what happened there and then, and on how they had gone about behaving in the situation. As such, this as well seemed to point to that they were indeed focused and concentrating on handling it there and staying in the moment and the situation. (However, to get around this trouble of asking people questions that appear either distractingly obvious or distractingly odd – it’s awkward to ask people, “what were you *not* thinking of” – there were follow up questions, such as asking if they had been thinking of outside factors such as work or family.)

A few subjects were somewhat hesitant or vague on coming up with what they might have been thinking about during the event. However, when the wording was turned around to ask whether they had been thinking of factors outside the situation, their response was typically immediate and very clear. Some of the responses to such questions as, “Were you thinking about anything outside the situation, like work or family or...”:

No, nothing. That was blank. I was completely there ...

(Elephant feeding, male 55, French/Capetownian)

No. Just the focus on that jump, I was going to do it and..... Yes, focused on the jump, yes. I don't think about other things! I don't think about what might not happen if I'm not going to come back from the jump or something might break now. Just to jump.

(Bungee jumping, male 25, South African)

No, No, I was totally focused.

(Karting/racing, male 35, German)

No, not really. I... it's sort of not the same as... you're in a party and it's sort of like ... I'm... usually you only think about having fun, so this is when you put all those other things aside.

(Karaoke singer, female 21, Norwegian)

No, they became very focused on the robot and what they were going to do and the programming...

(Lego robot workshop, male 45+, Norwegian)

Just (thinking) about the event and nothing else!

(Oktoberfest, male 35, German)

Not Thinking, Just Being!!

At other times the subjects made a point of noting that they had been so absorbed that they did not know what they were thinking, they were just absorbed from simply trying to take in all the events that were happening around them:

In the beginning, before it turned wild and they began to attack us, I found it... then I thought “what fantastic animals!” It was thrilling to see them so close up. Later, when they began to attack us, then it was just hell! Yes, then I was so agitated that I don’t know what I was thinking, I hoped I got it on tape and... I was filming down there then. There were many of the same thoughts over and over again. And it was much swearing involved. Lots of swearwords went through my head... but no, very little else. I was fully occupied with just concentrating on where I was to place my hands.

(Shark diving, male 31, Swedish)

Likewise;

No, but meditation... when I say meditation then it’s sort of like... it’s just about being present. In other words, present in what one does, trying to let your thoughts flow and let them come and go. Not being so much “head”, but more just sort of ... more present in silence.

For example, when meditating in the morning then there was this chaotic breathing... you are supposed to breathe first and then you were allowed to be a little crazy, in other words allowed to scream and laugh and use your body as you like, and jumping up and down. So it’s kind of physical. But it is important for me just to be very – totally present in this physical part. And then I suppose I am not actually doing so much thinking.

(Meditation camp, female 42, Norwegian)

Others recognized that it was for them rather “not to think” that better described their state, so that “what were you thinking of” was also answered as:

Absolutely nothing. Just switching off. Completely off.

(Bingo, male 47, Norwegian)

No! I just think about nothing... only about what you can see, what you have to do. You get advice and you have to concentrate to do it right, because otherwise maybe you will lose control, or something like that. But there were no thoughts about anything (else).

(Parachuting, male 34, German)

Well, if it is a play I think is very good, then I notice that I tune out the rest of the world; then I’m very much present. That’s one thing, and the other thing is this feeling of flow that some talk about, right... when you feel that life to a large degree runs smoothly and you ... yes, have control over yourself – in a positive way that is, floating

around on the water. It's a very nice sensation to be at the theater and to unwind and just be there inside of it (the play), so as not to think about anything else.

(Theater, male 42, Norwegian)

Unwinding – Flow as a Break from Work and Other Thoughts

Subjects also pointed out how to get a break from work or other matters was something they wished for and tried to make room for through taking part in this experience – describing how they actively and consciously used and valued the activity, for the space it gave them to focus on the task at hand and getting other things off their mind and so aided them to unwind.

I try to free myself from other thoughts. I'm trying now. It's the first day of the holidays, so I try to forget about work. I most of all try to forget everything else. I think that now I'm on holiday, but since I'm not travelling... usually I would be travelling by now, but since I've decided to wait a few days, I feel that it takes some... it is a bit difficult to put it aside. Yes, it's a bit of winding down. I have to think of something to do, because had I stayed at home, it would have been even harder to put it aside.

(Munch Museum, female 52, Norwegian)

Yes, very absorbed. And also in the whole game, so it is one of those things we... if you have problems that you're dealing with, they tend not to intrude on a golf course. Know it is a good place to unwind and relax and get away from everyday rubbish you know. And generally, the small talk also tends to steer away from things like that.

(Golf, male 69, South African)

As a response to me asking – Are you thinking of anything outside? ...like work or family? The answer was:

No! Often I think too much about my work, but this morning I got up seven o'clock, and so that was the first time (since yesterday morning, before the visit to the fair), I remembered my work. So, it's good!

(Oktoberfest, female 41, German)

Flow – Making them Able to Disregard Tiredness and Get Recharged

Some subjects noted how – despite how tired they may have felt before the event – once they got into it, they got into the flow state. Their tiredness evaporated as the state made them so absorbed that they managed the task anyway, above and beyond what they had expected. They found a new energy and a sense of mastery, and they were transported away from their weariness and found great satisfaction from managing more and doing better in the situation.

Yes, I was just simply physically exhausted. And then I found that yes... and the instructor said; NN, you will really regret it like crazy if you have to come back to take those two dives later, you may just as well jump in and then just do it. And then I

discovered as soon as I got submerged under water then I wasn't tired, then I somehow had energy enough to focus and concentrate. But as soon as I came up again I was of course exhausted,... and then it was back into the water again to do the very last dive and even so I was sort of refreshed, and it went really great. When I came ashore it was like... it was an incredibly amazing feeling, and at the same time it was sort of completely crazy, because I had thought that I would be so exhausted that I wouldn't be able to do anything right, that I would be messing around and all incoherent, sort of... that the ascent would be completely wrong and the decent likewise, and sort of everything would go wrong. But it was completely crazy how I go into this frame of mind and handled it and managed the situation. That's really something, I think. Then it's kind of... you can say that now I'm exhausted so I don't bother doing anything, but if you bother to concentrate you won't really be that exhausted, at least not right there and then.

(Diving, female 41, Norwegian)

...I think that in the job I have, when I work as a psychologist, I meet a lot of people and their misfortunes and that does something to you. Life in general also makes me use a lot of energy, and I think a lot about things and a lot about feelings, and I'm influenced by people. You can get very tired, I mean tired as a psychologist... others can have aching arms and legs, but this is like being completely empty in your head in an indefinable way. ...like your head is stuffed full of cotton, you know, and you are tired and notice that it effects your mood, and you can become right out sad and feel a bit like... well, as if the air has gone out of the balloon. And then going to the theatre very often gives me a feeling of gaining new energy. So, even though I'm exhausted when I go there and think that I really am too tired for this now, but as I have ordered the tickets many weeks before, so I do it anyway, and in most cases when I come out afterwards, I feel that in a way I stand up more straight, have started to think a little differently and that I did indeed become fascinated.

(Theater, male 42, Norwegian)

Range and Intensity of Emotions

On site, while taking part in the various activities, it was not hidden but very evident that people present were experiencing a range of emotions, and that many of these were felt intensely. Even the most casual of observers will know from their own leisure experiences how penetrating the thrilled screams of joy and fear can be at amusement parks, football matches, musical concerts, movie theaters, etc. Not only the shrill and primal screams but everything from facial expressions to body movements give plenty of signals of the participants' internal state of arousal and emotion. How people are so filled up on adrenalin that they tend to jump up and down on the spot, while arms come up and flap around to get rid of some of their tension and excess energy. The wide eyes and the wild grins on people's faces, whether young or old, it's marked and similar. When programming the robots, the kids were grunting and growling as they were running between the pc and the robot track. Grown-ups were jumping up screaming, gasping and involuntarily scrambling frantically around

when the shark was hitting the cage. At the Oktoberfest, bodies were swaying and voices were booming in song, arms stretching out and up in the air, clinking of beer mugs, salutes and huge smiles, backslapping and bear-hugs shared all around. The tensed up bodies and rapid breathing displayed as people muster all their courage to force themselves to jump off a bridge and into thin air or into the deep ocean with their scuba gear. In these situations people's emotions tend to get exposed in very physical, spontaneous and revealing ways.

The interviewed subjects reported that feelings while doing the activity ranged from happiness, excitement, surprise, fear, exhaustion, ecstasy, feeling crazy, and so on. Furthermore emotions were often felt as intense as well as mixed, all going on at the same time. The young Swedish diver summed up what he had been feeling in the shark cage in this way;

Happiness, ecstasy, fear at some points; those it appears were the three that got mixed into some divine mixture. Mostly happiness and ecstasy, but fear surely, for a while when he (the shark) was constantly coming towards me.

(Shark diving, male 31, Swedish)

Others noted the rapid changes between the one pole to the other of the range of emotions, as when the skydiver was going from feeling absolutely terrified to feeling wonderful in less than a minute during her skydive. So, we go to the edge (by the open door in the plane) and sit there, and I was in the front and he was in the back ...two seconds it was ... I am so... "Totesangst"! (dead scared). It was crazy, and at first I thought, oh when this feelings is for 50 seconds then I will die... () But then we are (stabilized under the canopy) and so it was wonderful. I want to do this surely once more.

(Parachute jumping, female, 41, German)

Likewise the bungee jumper stated:

So I enjoyed it thoroughly. (...) yes, I do this just for the fun of it, it was good. Makes you feel like you're on top of the world and then, yes, the feelings just come back to earth and come back normalizing.

(Bungee jumping, male 25, South African)

However, one must not forget that others find much less physically challenging activities, such as watching a football match, just as intense... one football fan reported that he seriously at one point was starting to wonder if he was having a heart attack, the other football fan interviewed used such expressions as going from "heaven to hell in a very short time" and further described a good game in this way:

...they were 2-1 behind, and there were ups and downs, it was such a tremendous emotional roller coaster throughout the match and it ended ... culminated simply ... I

had such a... it was an important match and they won 3-2 just before the end and the attackers became... went completely crazy and we went crazy and I lost my voice and... it was really fun - and that was a really good match for me!

(Football fan, male 33, Norwegian)

Some extreme sport activities are well known to produce considerable adrenalin and consciously sought out for the near drug like affect for those who crave such adrenalin fixes.

I believe I am an adrenalin person. (..) I have a hard time understanding how one cannot like this kind of stuff. I care about adrenalin, I like being mesmerized, I like it. I feel alive when being part of these kinds of experiences. There must be those who do not need this to feel alive, I assume. (). But there must be something wrong with those other guys..., not with me... (laughs), yes that is how it must be (laughter). (...) When the adrenalin starts pumping around in the body... I wish I could subject my body to more of this kind of stuff ...in a legal way (more laughter)

(Shark diving, male 31, Swedish)

But also just happy and festive and social contexts evoke associations of being high on drugs in some subjects:

No, I'm really like on some kind of like a "drug" without being "drunk". It's like yeah!, funny and let's have fun!

(Oktoberfest, female 41, German)

Beyond Flow...

How the subjects in the interviews describe their mental state when in the midst of consuming experience products has many parallels to how Csikszentmihalyi describes flow states. All they think about is the activity; they feel totally focused, absorbed, nothing else matters, etc. When they do describe details of what they were thinking about, it is about specific technical details of the situations, monitoring what they do and if it works (rather than reflections relating to themselves or their own reactions). So at the core, the sensation of how flow is described as a focused mental state and does indeed appear to fit; however there are also some discrepancies worth discussing.

Csikszentmihalyi (1990) states that for flow to occur, the activity must have a clear goal and provide instant feedback. Learning to dive or bungee jump does indeed present clear goals, but how are we to understand clear goals when it comes to watching a movie or a play or when visiting a cultural sight? And are there any clear feedbacks that may be given in these situations? Nevertheless, these situations still clearly produce flow. A number of the experience offerings I sampled did not provide clear goals or gave the consumer any specific feedback, unless one is really willing to extend the terms goals and feedback well beyond their regular use, but they still provided flow and absorption. Furthermore, the flow state is

described as one where one is so absorbed that one's own emotions, sensations and self-awareness are not reflected upon, rather the person just "is". However – and rather in contrast to the notion of flow and being so absorb in the activity that we are not aware of our self – Jantzen (2013) argues that to have an experience we need to be aware of what we are sensing and feeling. "Experiencing is more than just sensing and feeling, it is also awareness of the sensing and feeling. As long as we are alive, our bodies are constantly sensing and feeling something. Experiences are generated when we become conscious of these physiological processes." (Ibid, p.157)

Then there is the question of emotions. Even though the subjects are largely in flow and not in the self-reflective and directly sensing mood, there are many indications that they are experiencing strong arousal and an array of emotions. It's very possible that things just occur at different levels, that their brains are so occupied with processing the stimuli from all the novel things happening around them that all other aspects are blocked out. However, that does not mean that arousal and emotions are not there on a more subconscious level and may still influence their behavior. It may be the case that a higher level of arousal is occurring in the subjects, but that this leads to an increase sense of flow and focus in the moment rather than a reflection on their emotions. Emotions may be sensed as brief but strong flashes throughout the event and then assembled into a more coherent whole after the event when things have sunken in, emotions have calmed down and reactions and actions can be placed in context and thus can be recognized as what they were. For example, finding a subject to interview after a bungee jump was in part made difficult by people being so "high" that it seemed physically impossible for them to actually sit down, and much less to reflect and talk about the experience. They were literally walking around with a spring in their steps, arms flopping and heads wobbling. Friendly and happy, but apparently physically so filled up with adrenalin and energy that sitting down to reflect just there and then was close to physically and mentally impossible.

Flow is often a large part of what gives value to experiential activities. However, noticing unusual and curios bodily sensations also adds to the experience, as does those flashes of awareness of moments of emotional bliss and how they may change and turn, even when we are back in flow and fully focusing on the task again the next second. Experience offerings appear to include much more than flow. Moreover, flow, or immersion and absorption appear in addition to be able to regularly arise in other circumstances than just those that are goal directed and where the outside world gives continuous feedback. To lose oneself in reflection while surrounded by new and distinct landscapes on a safari, or noticing architectural features of the Nijo castle, pondering over situations and themes in the paintings of Munch. A good storyline can commonly induce quite intense absorption and flow by itself, and again such a context involves few clear goals or any external feedback; consequently goal directed behavior is often sufficient to cause flow, but it cannot be seen as a necessary condition for inducing flow. As seen in the examples given above, joy and pleasure in experience offerings can frequently be evoked by other triggers, such as those purely absorbing sensory richness, social interaction or a narrative. These experiences are no less valuable to the customer. Flow, Immersion, Peak experiences and Extraordinary experiences are concepts that are

interconnected and to some extent overlapping and have been pointed out and discussed by a number of academics (Schouten, McAlexander, and Koenig 2007; Jackson et al. 2001; Privette 1983; A. H. Hansen and Mossberg 2013). In the context of this study, it is not necessary to distinguish sharply between these concepts, but rather to conclude that they are all concepts that describe states that commonly are part of what contribute to value creation in experience offerings.

To account for the complexity, both in the empirical material and the literature, a highly dynamic process emerges as the norm in consumption of experience offerings. There is an ongoing switching in and out of different mental states, hence periods of flow and absorption on the one hand, but on the other hand this will be broken up by flashes of intense emotions, reflections and heightened awareness over the present. The findings suggest moments of peak experiences and altered states, but also distractions, discomfort or even boredom breaking the spell throughout the consumption period. These changes create a more dynamic process than the pure and enduring flow state described by Csikszentmihalyi.

Experiential value is one broad term one could use to describe what experience offerings to different degrees evoke. However, to flesh out this rather sober term and bring it closer to what most consumers actually connect with the value of experience offerings, I will use and denote the phrase, “*Fun, Flow and Magic Moments*” to highlight and represent the essence of what is typically intended and frequently also subsequently evoked by experience offerings.

4.4.2 The Premise: Consumer must Contribute – Time and Presence

Physical and Mental Presence – Sensory Base and Interface

Experience offerings require the consumer’s physical and mental presence – body and mind – and they also require the consumer to spend a certain amount of time on them. In all experience offerings the experience is built on some form of sensory input. The consumer is placed in, and interacts with, a physical world. They interact directly with the provider’s facilities/objects and through this take in the stimuli that trigger the experience in them. The encounter is between the physical world at the provider’s facilities and the consumer’s sensory apparatus, which functions as a kind of interface; therefore physical context is of primary concern in experience design (Pullman and Gross 2004). This is why to consume experience products the person has to be physically as well as mentally present. The consumer’s physical presence is required to be able to interact directly with the facilities, objects, and people on-site. It is a prerequisite that a body must perform the activity of sensing and feeling before one can have a responding experience (Jantzen 2013).

To some extent it may appear confusing because we are always placed in a physical setting, whether at home or at work, whether in business or pleasure, and hence we are always experiencing something (aside from sleep and unconscious states). While we are always in a physical setting and always experiencing something, experience offerings are about purifying

and enhancing the richness and intensity of sensory input. The physical stimuli act as the bases for creating an experience where the physical stimuli become not just something that is but something that is strategically used for creating sufficient value to render it an economic offering.

Time Matters

Experiences are not only set in a physical context, they are also time specific and have a given duration (Arnould, Price, and Zinkhan 2002; Carù and Cova 2007). Time is a factor that matters for many important aspects of experience offerings. How may the time dimension play into and influence value creation during experiential consumption? Frequently subjects would state that they would have preferred to be able to spend more time on the activity or in the given facility, spontaneously exclaiming that they would have been happy to have gone on with the activity for longer, there and then, or that they would like to have spent more time doing it again at some later point. This is in line with general psychological theories that humans have a tendency to want to have more of a good thing. If we do something interesting, we want to keep on doing it. If we are in a good mood, we want to stay in that state and prolong it. Because we value the event, we also value having more of it. Hence, the most basic way that time matters in experiences is that we want more time to do what we like, and so more time tends to generate more value.

Time to Mature

Another way that time increases value is because some elements of an experience may require some time in order to mature. If an activity has a level of complexity, it takes some time to get into and to familiarize oneself with the material and the task. Often things have to be explained, or things have to be practiced and tried out a number of times to gain necessary competence and mastery. To just be thrown directly into the activity may increase a participant's stress level to above what is preferable and therefore make some participants less able to get something positive out of the experience, as when at the karting track we all felt a bit at loss when trying to operate the racecars without any instructions. For one of the participants, the poor start affected the time on the track itself. The few minutes of racing on the track just continued and increased the bad start for her. The overall duration of the event was for her too short to regain her confidence or to feel any mastery of the skills of driving racecars, hence leaving her with an overall negative experience from the event.

Time to Build Expectations - Waiting for a Good Thing

Waiting time and preparation time may act as a buffer. They may be used for clearing out previous thoughts, to get rid of all those other distractions in your mind. It helps one prepare, to focus one's attention and to be more perceptible when the moment comes, to then be able to really take the moment in. Hence the drumbeat role at the circus before the trapeze artist

gets ready for the twisted somersault; hence the spotlight shining on an empty space on the stage before the star performer runs onto it.

Waiting may also be used for reminding you that the event or object you are about to get access to is a scarce resource. Waiting may be used to create the sense that something is special, that it cannot be had at any time, just like that. Emphasis is on the uniqueness of the experience; as with other scarce things, uniqueness tends to raise its perceived value. Hence, in a large number of incidents, the introduction does not only convey practical information about what is to come, but also makes the viewer see what is to come in a certain light. To frame the event, anchor subject's perception in this way, does have an effect. Some things do taste even better with a bit of waiting involved. Waiting may both focus and intensify one's desire (as anyone who has loved and longed can tell you). While waiting, one has time to imagine, to fantasize, to wonder about what the climax of a future event may be. To have to wait may raise one's awareness and focus on what is going to happen.

Having to wait for the Great White at the cage diving was yet one more factor for the arousal level to rise (hence for us to get more excited). The staff on board repeatedly stressed that there was no guarantee that the sharks actually would show up and that we would have to be patient. So we asked ourselves, "What if the sharks did not show up?" What if we had traveled all this way, most of us by planes, cars and lastly now the boat to see the Great White Shark and have this rare opportunity and that it would be all in vain, all for nothing? Hence of course, the relief was great and the joy the double when the shark did indeed show up.

More Time Generates More Value – Up to a Certain Point

To be allowed to spend more time at an experience offering, as previously noted, tends to increase the overall value for the consumer. However it's not a factor that increases value indefinitely; rather one would expect more time to yield more overall value to a certain point and from there on giving diminishing returns, hence, a curved invert relationship, a slope that rises to a peak and thereafter gradually declines.

Why more time does not yield more fun and value indefinitely is due to limited human capacities. Bodies get hungry, cold, tired, want to sit down, go to the bathroom and so on. This we are all well aware of. However, this limited capacity refers just as acutely to the brain as well as the body. Our brains can only take in and process so much sensory input. Likewise the cognitive system can only evaluate and sort through a modest amount of data and information at any given time. Nor do emotions stay with us as set entities; rather they are part of an ever-changing transformation that may increase and decrease and will flutter and fade away. Nor is our concentration a constant; we are only able to pay attention and be fully focused for reasonable periods of time, be the focus ever so interesting. After a point the brain needs to rest, digest and recuperate.

One should expect that there is some relationship between how intense the experience is – how much energy it consumes – and the duration that the body and brain can properly cope and benefit from the input. The shape and length of such an inverted curve should be expected

to differ for distinctive experience offerings, partly depending on the type of experience and partly on the quality of that one particular experience. Hence, time – the duration or length of an experience – appears to be an essential factor to consider when designing experiences offerings. Weighing up what may be the right amount of time to maximize the experience – not too short to give appropriate time to build up to increase the climax and overall value of the experience, but not so long as to exhaust or bore the consumer.

4.4.3 The Process: Co-Creation and the Role of the “Subjective Membrane”

What is special about the processes of creating experiences is the undeniably very close and intertwined relationship between the provider and the consumer. As suggested earlier, the process is seen as being an act of co-creation between the provider and the consumer. The provider gives access to stimuli in the form of objects, facilities and activities, while the consumer interacts with the stimuli, absorbs them, and reacts to them. I have previously described the basic dynamics of this process in the following paragraph by Poulsson and Kale (2004): “an experience offering is a result of the interaction between a subject (the customer) and an object (the experience provider), and the act of co-creation between the two.” In explaining experiences, on the consumer side of the dyad, we need to consider: 1) the feelings and sensations that take place in the customer during the experience encounter and on the provider side, 2) the tools and processes that are used by the experience provider to create those feelings and sensations, and finally, 3) the joint contribution that develops through the interaction. Co-creation is not only desirable but a necessary ingredient in experience products. It is vital to acknowledge that there are two sides to the dyad and that both parties are contributors in turning the interaction into a valuable product.

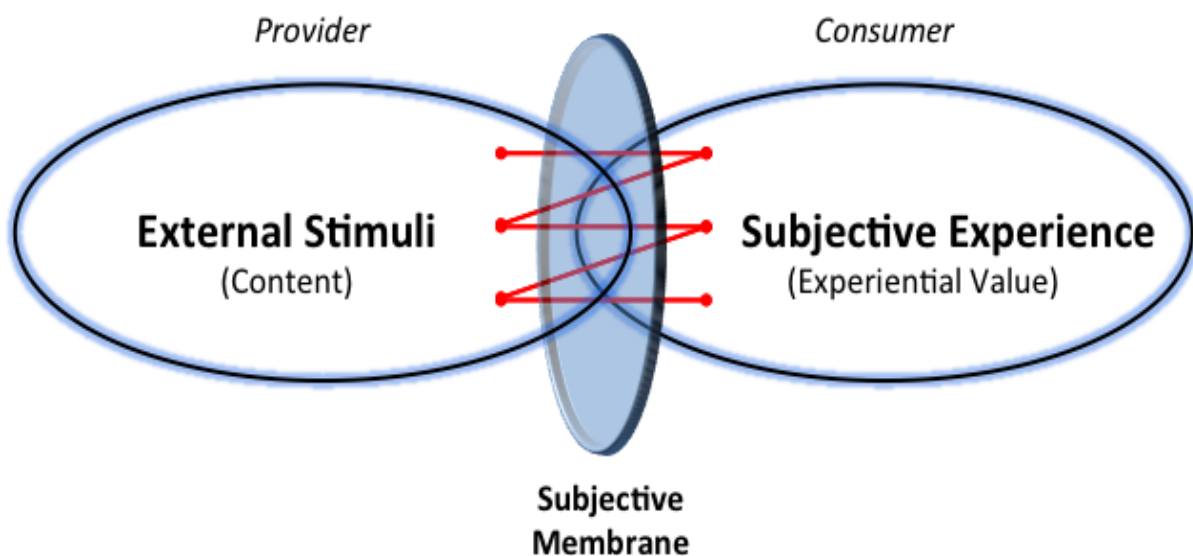
Furthermore, each person is different – the same person may have different preferences from day to day, or even from one hour to the next; hence, one can never guarantee that a certain type of stimulus will be successful and result in evoking experiential value in each instance. Not all types of stimuli provide experiential value for all persons all of the time! Neither the stimuli nor the experiencing person are fixed entities that can ensure experiential value independently; rather the key to whether the potential experiential value from a stimulus will result is determined by the subject’s individual filtering of the stimuli and each person’s personal preferences, character, skills and an array of other personal factors. All of these factors influence how the events are interpreted and whether the provider’s offering is able to interest and charm the consumer. On the one hand, the provider can do a good or poor job out of staging and presenting the experience they offer, and that will influence the overall value of the offering. However, on the other hand a provider can put on a great cricket match, a classical concert, a superb wine tasting, but if the consumer has no interest whatsoever in such topics, it may still be a lost cause. It will in such cases be that much harder, often just awkward, to try to impress the consumer. Likewise, in the midst of tragic events or physical pain, capturing someone’s attention and sweeping it away is pretty much impossible. However, in those circumstances, most people do not seek out and involve themselves in activities that they don’t feel up to, so these situations are in practice fairly rare. However, to

account for how it is not simply the stimuli in themselves, but how the stimuli are part of a process that is significantly influenced by individual differences and preferences, the concept of a subjective membrane has been conceptualized and will be presented next.

The Subjective Membrane

Each subject perceives and treats the stimuli provided differently and this both transforms and extends the stimuli, determining what each person's subjective experience ultimately will turn into. To capture the individual process of filtering, altering and arranging outside stimuli into an internal mental phenomenon, I have constructed the concept of a "Subjective Membrane". The purpose of this conceptualization is to facilitate the awareness and apprehension of the significance of individual differences, and how this accounts for how the same stimuli may result in very distinctive experiences in different people. It also brings emphasis to how the present experience ("opplevelse/erlebnis") is always influenced by the past (erfaring/erfarung). The subjective membrane has a decisive role in determining whether or not a given facility/activity appeals and evokes a valuable experience in each particular individual.

Figure 4.1 - The Subjective Membrane and the Co-Creation of Experiential Value



The theoretical foundation of this concept is drawn together from a number of fields in psychology, but in particular from Cognitive Psychology. Cognitive Psychology is the scientific study of mental processes. This field is interested in how the mind structures and organizes experiences. It sees experiences as arising from the reaction of receptors to the physical input from the environment and how it goes through a process of retaining meaning. Cognition has been described as those processes "by which the sensory input is transformed, reduced, elaborated, recovered and used..." (Neisser 1967, 4). Information processing and pattern recognition are among its particular concerns. Pattern recognition is in cognitive psychology seen as a process where sensory information is made sense of by matching and connecting it to previous experiences stored in long-term memory. Through this matching

process, the information from external stimuli becomes recognized and meaning is derived. Furthermore, process that guides and focuses pattern recognition is attention. Attention is the process of allocating resources or capacity to various inputs. According to capacity models of attention (Kahneman 1973), our cognitive capacity is limited, and if a single task demands intense concentration, no capacity is left for additional tasks. Rarely will it be the case that all information in the sensory register can be processed in the pattern recognition, and thus a person's attention determines what information will be processed. In the cognitive psychology view, people are not simply passively responding to external forces or blank slates, rather the individual actively and creatively arranges the stimuli received from the environment (Ellis and Hunt 1993).

However, the Subjective Membrane as it is conceptualized here includes considerably more than the information processing and pattern recognition, as this would constitute a much too narrow and sterile computer-like view of the process of generating an internal experience. The Subjective Membrane includes the whole of the subject's particularities, starting with the sensory apparatus and including pattern recognition, yes, but also other mental processes such as creativity and imagination. Additionally, such factors as the subject's moods and emotions, motivation, personality and preferences, as well as his or her personal history and cultural background have their bearings. In short, the totality of the subject's current being and status influences the quality and the value of the experience that a given external and physical stimulus induces. Consequently, the Subjective Membrane needs to include all the possible factors relating to the subject's individual differences that can influence how the stimuli get interpreted, altered and transformed into the person's resulting mental experience.

The co-creation process in experience offerings extends over a time period and multiple interactions between the provider and the consumer take place. The subject's reactions and responses – in how they interact with the stimuli and the environment – will in many cases influence and determine the stimuli they themselves will be provided with. At least this is the case when the external stimuli consist of other people, animals, facilities and technologies that are not fixed but dynamic in their response. When I decided to play tug of war with the baby elephant or to take on the role of riding in front and leading the group on the horseback safari tour, these actions altered and increased the value of my experience. Likewise, there were co-creation dynamics taking place when the bingo employees and the guests at the golf facilities decided that I needed guidance and instruction and made an effort to share their knowledge with me. Instructions given to me by strangers, that I well could have ignored, but that I, in the setting, found largely positive, natural and thus also tried to adhere to. All of these mutual adjustments, made not a trivial but a large difference to my own experience, as well as impacted the other guests' experience. These back and forth dynamics, these voluntary exchanges between the parties present to construct and develop the content in experience offerings are a large part of the co-creation process of value and a salient and special characteristic of experience offerings.

In other circumstances, the co-creation may only be of the mental kind and concerned with the making of meaning, so as when a person interprets a fixed content, such as a movie that runs its course or paintings in a museum. Then the co-creation and involvement are solely

deepening on the person's own abilities and their storage of what particularities they may have in their memory bank. However, the resulting experience may even so be a strong and valuable one, although more demanding and depending on the subjects own internal resources. As when the theater enthusiast relates to a play through his personal encounters in his work and life situation, and as when the visitor at the Munch museum would draw on her knowledge of painting techniques and brush strokes when viewing the paintings. Or as when the football fan uses his imagination and skills to makes up scenarios of what could happen next down on the field. This too, is a co-creation between the ever changing outside stimuli provided and the consumer's own contribution to enrich the internal experience they will have from it. All in all, it is essential to grasp how important the process of co-creation is and how the tightly intertwined contributions between provider and consumer on so many levels are necessary and an all-encompassing part of value creation in these economic offerings.

Propositions Relating to the Co-Creation of Experiential Value

Proposition I: Experiential value is evoked by (a provider's) external stimuli inducing a subjective experience to arise in the consumer.

Proposition II: Experiential value is subjective in so far as it is filtered by and occurs in the person consuming it. It is not the particular stimuli in themselves, but each person's "Subjective Membrane" that is decisive for whether the stimuli will be suitable and able to evoke experiential value in the consumer.

Proposition III: Experiential value is always co-created because there always has to be some content provided, as well as a subject that is physically and mentally present to interact with and react to the content in order for experiential value to come about.

To sum it up I offer the following definition of experience offerings:

Definition: *Experiences provide access to staged stimuli, intended to evoke sensations and emotions that interact with consumers and their subjective membranes to co-create experiential value in the form of Fun, Flow and Magic Moments.*

4.5 Part III - The Star Experience Model

A model was developed to visualize the elements that make up the process of co-creating experiential value. The model is developed based on the preceding literature and empirical data and sums up the analysis and findings that relate to experience offerings. The purpose of the “Star Experience Model” is to provide a visual overview of all the vital elements encompassing the co-creation of experiential value in experience offerings. It shows the various elements and the relationship between 1) the factors that trigger experiential value, 2) the co-creation process between provider and consumer and how the outside stimuli are transformed through the subjective membrane, 3) before this may result in Fun, Flow and Magic Moments in the subject itself.

Figure 4.2 - The Star Experience Model



This model encompasses a combined managerial and customer centric perspective on what matters for evoking experiential value. The Star Experience model's purpose is to visualize the elements from both the managerial and customer viewpoint, the relationship between them and the process of that underlying casual logic. There are necessarily many elements involved in this model, since both a producer and a consumer need to be accounted for, in addition to the interaction between them as well as the many dissimilar elements that can trigger an experience. The process of creating value in experience offerings is undoubtedly complex and multi-factored, and thus it is demanding to grasp such multifaceted occurrences as the co-creation of experiential value.

The very middle of the star represents the content in the consumer's mind. Here the experiential value, or the mental phenomenon, of having an experience is depicted and makes for the central locus of the Star Experience Model. The shadowed ring around the center indicates the subjective membrane: the consumer's individual differences, filtering and transforming the external stimuli. The customer's sensory apparatus and mind screens and blend their persona with the outside stimuli. This process thus ultimately determines whether a valuable experience results. The subjective membrane represents the interface and thus the line between the external physical stimuli and the internal mental experience. The setting represents what the provider controls, the facilities, activities and objects the provider gives the consumer access to. The arms of the star represent what the provider can stage, the features that the provider can build into and let characterize the facilities, activities and objects. And lastly, the outer rim represents the larger external environment, outside the facilities, that is not under the control of the provider, but still may influence the offering considerably (e.g. weather).²

² I preferred the visual model and name to have some kind of association to experience offerings, to aid and strengthen the comprehension of the material. The star figure and the term "Star Experience" may be seen to have such connotation and purpose. Star is here meant to imply experiences high above the ordinary and thus special experiences. Further, some experience offerings are associated with stars (the star actors of films and plays, star musicians at a concert, star athletes at sport events, etc.). Other experience offerings are comprised of attractions so well-known and celebrated that they may be viewed as star icons themselves, such as the Eiffel tower, the Oktoberfest, Cape Town's Table mountain, and the like. Finally, I myself like to associate the image with the northern star or also the polar star, as a symbol of a guiding star that may help to point one in the right direction. This star that shines so brightly in Scandinavia and Northern Europe and where inquisitiveness regarding the experience economy is so strong.

4.6 Concluding Remarks

This chapter has answered the following research questions: What are the main characteristics of experiences, and what are the main factors that trigger experiential value?

I have identified and explained the basis for the seven distinct triggers of experiential value. The findings expand and enrich current literature and add to the design principles of experiences. They support and confirm some of the previously suggested factors given as design principles to create experiences (Pine and Gilmore 1999) and as criteria for Flow (Csikszentmihalyi 1990), but they furthermore emphasize several new factors whose importance and role have been less noted in these contexts. The findings also provide an overview of some essential general characteristics of experience offerings, such as the co-creation of experiential value. The concept of a subjective membrane is conceptualized and discussed as a contribution to capture and account for the effect of individual differences in the co-creation process. The findings are summed up and presented in a number of propositions relating to the elements discussed. Based on this, an underlying causal logic for how the elements are related and why is developed. Finally, the result is visualized through the Star Experience Model, depicting the overall context and the various elements involved in the co-creation of experiential value, including both a consumer and a provider perspective. The findings have contributed to the development of a more comprehensive and theoretically and empirically based insight into experiences as economic offerings.

The experience economy literature has gradually arrived at a shared understanding of what experiences is a mental phenomenon, notwithstanding that they simultaneously, in a business setting, operate as a resource for economic value generating. This has been illustrated, underlined and discussed in many ways throughout this study. However, so far in the experience economy discourse, psychological approaches have to a very limited degree been referred to, with a few exceptions (Jantzen 2013; Boswijk et al. 2012). As I mentioned earlier, Pine and Gilmore (1999) described experiences as staged from the management side and they have been criticized for not placing enough emphasis on the individual and the psychological processes involved.

The field of Consumer Behavior has had an interest in understanding the consumption of experiences in relation to a number of leisure activities and does indeed include psychological perspectives and regularly relates to such psychologically based concepts as flow, emotions, subjective perceptions, etc. (Unger and Kernan 1983; Arnould and Price 1993; Celsi, Rose, and Leigh 1993; Thompson, Locander, and Pollio 1989; Addis and Holbrook 2001). Consumer behavior has investigated experiential consumption, but it has been conducted mainly through ethnographic studies in specific types of contexts. This has brought forth interesting findings, but it was my assessment that the time was ripe for a search for commonalities across contexts, rather than continuing the quest for more knowledge in even more marginalized contexts. Furthermore, consumer behavior studies rarely relate their findings to a managerial perspective (which in my opinion is unfortunate, because if they did, the experience economy discourse surely could have gained considerably more from many of

these interesting studies). Nevertheless, experiences, as economic offerings, are set in specific locations and are evoked through facilities and activities designed, constructed and operated with the help of managerial knowhow and decision-making. Experience offerings are constructed and staged means to give access to a specific content. This may be for commercial or non-profit purposes or staged by a government for the public good. But in neither case are they coincidental happenings – they are designed products. It follows that if we want to have any firm understanding of experiential value and experience as offerings, there is really no way around relating to both managerial and psychological approaches. This study provides a deliberate attempt to do just that, to combine both psychological and managerial perspectives in developing a theory for the process and elements that contribute to value creation in experience offerings. Moreover, the study was constructed with sampling and theorizing across a broad range of multiple contexts to provide a solid and broad base for the findings and to be able to further the generalization of the findings.

A more generalized toolbox – of design principles for how to create experience offerings – with knowledge of triggers that create experiences, should be useful for practitioners as well. For practitioners it would be valuable to be able to understand, transfer and compare between the similar and the dissimilar. To know the underlying principles will make it easier to borrow and develop good value generating elements from one context to the other. Many experience providers could use a far wider range of tools and techniques if they just looked outside their traditional boundaries. In the context of experiences as economic offerings, it is a conscious effort and endeavor to make accessible and present stimuli for a commercial purpose – a deliberate intention by a provider to optimize stimuli in the outer world through objects, activities and facilities to provide an experience to a consumer. The provider's aim is to optimize the interaction between the business entity and the customer by giving access to and staging an offering to optimize the chances of a manifestation of a worthwhile experience in the consumer. The findings presented in this chapter regarding principles of how to design and develop offerings that maximize the chances of evoking experiential value should be of direct relevance and use to practitioners as well.

5 Implications – The Services versus Experiences Divide

5.1 Some Surprising Contradictions

The forthcoming discussions will focus on examining whether it is more productive to view intangible offerings as services and experiences, rather than merely viewing them all as services. What really matters decisively, when buying a service versus an experience? The second research question directing the study has been: “*How do services and experiences differ, and how does the difference matter?*” In my findings and further analysis comparing the two categories, some surprising contradictions with regard to services and experiences became apparent. I will through the subsequent analysis, show how the value generated in services and experiences differs on vital dimensions that have directly opposing effects on whether or not the factors generate or diminish value in each of these situations. The dimensions of *time*, *involvement*, *predictability* and *people* will be discussed and their contradictory effects pointed out. I will argue that it is more fruitful – even necessary – to understand services and experiences as distinct categories if one wants to understand how they generate value from a consumer’s perspective.

In chapter 4 I identified and determined what the vital value-generating triggers that contribute to generating value in experiences were. The findings also established some fundamental characteristics of experiences as economic offerings and the process involved in creating experiential value. I will now move the study one step further by taking these results and asking what more the findings may imply for some other issues. I will examine how these findings stand against other established marketing theories and ongoing debates in the field. To begin with, if experiential value creation is triggered by those distinctive factors and by the process summarized in the Star Experience model, what, if anything, does this alter? What does this do to our understanding of how to differentiate meaningfully between experiential and utilitarian economic offerings? And if we choose to view services and experiences as distinct categories, how may that be productive? What new insights may such a divide between utilitarian and experiential oriented categories provide for our understanding of how value is generated in these offerings?

From the findings in the first part of the study, we now have a substantial understanding of experiences as a category. As presented in the Richer Matrix, the large bag of intangible offerings has been, in this framework, split according to the utilitarian/hedonic divide and segregated as experientially oriented offering on the one side (experiences), and the utilitarian oriented offerings on the other side (services). That, for a start, gave a much clearer identity and distinctiveness to both categories, delimitating the categories and their outer boundaries. Secondly, what experiences are about has been filled with content through the specification of the triggers and the process that creates value in experience offerings, as summed up in the Star Experience Model. Now with the category of experiences more clearly defined and filled with content, it has become possible to approach the second part of the study on a firmer

basis. The comparison between experience and services as categories has now become much more telling and consequential.

In this chapter I am thus undertaking a more purely analytical comparison and discussion of the findings. By following the logic and implications of the findings in the first part of this study, I have placed the conclusions into a larger picture. Here, I will take findings from the empirical case study and compare this newfound understanding of experiences with the prevailing notions and literature on value creation in services. I will dip back into the data to double-check and illustrate points as we next go through the differentiating factors. Afterward, I will return briefly to some long ongoing and rather tricky discussions about the experience economy and service marketing in order to raise questions and make suggestions that may help clear up some issues relevant to the question of viewing experiences as a distinct category.

5.2 How Services and Experiences Differ

I will next present and discuss some dimensions that become apparent when we look at intangible offerings in this more differentiated way. The dimensions I will discuss are related to *time, involvement, predictability and people*. What makes these dimensions so particularly crucial to note is that they are directly opposing and contradictory factors, meaning that while the factors increase value in the one category, they diminish the offering's overall value in the other category. Hence, a factor such as (more) time is a positive factor that contributes to value in an experience, while an activity taking more time rather tends to decrease the overall value of a service. With predictability it is the other way around; it's a key factor that is much appreciated in a service, but too much predictability in an experience decreases the value because it runs against and damages the effects of a number of the key factors, which according to the Star Experience Model, contribute to experiential value (such as the factors of suspense/surprise, novelty, challenge). Consequently, recognizing these differences is vital for strategic choices and helps avoid pitfalls and backlashes.

Services have been extensively researched over the last few decades, so the view of services presented here is based foremost on the prevailing literature and its view of services. Service quality is generally recognized as the critical success factor for service firms, and the best known and most commonly used measure for this construct has been the SERVQUAL scale (Ladhari 2009). This was developed by Parasuraman et al. (1985; 1988) and later further refined by Parasurman et al. (1991; 1994). The SERVQUAL instrument has been frequently and widely used to measure service quality over the last few decades in a variety of service contexts. It has pretty much been seen as the main defining norm for what creates service quality success and thus it would also apply with regard to what generally contributes to value in services offerings. The SERVQUAL model originally stated that the determinants of service quality were: *reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding and tangibles*. Later this was reduced to 5

dimensions: *Tangibility, Reliability, Responsiveness, Assurance and Empathy*. The determinants are seen as attributes the service provider should have and give during the interaction between a service provider and the customer. These determinants of service quality were originally developed and drawn from five service settings: retail banking, credit card services, repair and maintenance of electrical appliances, long-distance telephone services, and title brokerage. The authors claimed at the time to have selected what they considered to be a sample from a wide range of services. “While this set of service businesses is not exhaustive, it represents a cross section of industries which vary along key dimensions used to categorize services.” (Parasuraman et al. 1985, 43) However, from my study’s perspective, these settings all clearly fall only on the utilitarian side of the utilitarian/hedonic divide. When using the categories in The Richer Matrix they would all be described as services, none as experience offerings. As I see it, the SERVQUAL was developed by selecting settings from just the one side of the specter of intangible offerings and mainly representing what creates value in utilitarian oriented offerings. As such, I will here let the construct and determinants of SERVQUAL stand as a base for representing services.

Because of this, I will argue that the service quality construct and the SERVQUAL instrument may not very well be extended to experientially oriented offerings – here experiences. Rather, I will build on the Star Experience Model, its general logic and the following specific trigger factors for inducing experiential value: *Social Arenas, Sensory Richness, Novelty, Challenge, Interactivity, Suspense & Surprise, and Storytelling & Dramatic structure*. These are the foundation of what creates value in experience offerings. A generalized understanding of the logic of the service quality/SERVQUAL model versus the Star Experience Model will thus represent the theoretical basis for services and experiences as I compare the two categories.

My study of understanding experiences as economic offerings was designed to collect data to understand experiential value – by what and how it was created – not to test or confront the construct of the Service quality/SERVQUAL instrument. However, the differences between the two categories – the logic of service and experience value creation – is so large and apparent that I do find it vital to give an overview of the discrepancies, although the dimensions brought up are primarily analytically based and denoted. In my study I just asked a few control questions regarding what the interview subjects valued and wanted from services and had them relate these to a service they often use (mainly public transportation and take-away food). The thought was that if the subjects who just had explained how they enjoyed novelty, surprise and challenge in an experience – and thus may appear to be high risk takers and adrenaline junkies – may also be inclined to want surprises related to their pizza order and subway ride. However, “No, not at all”, was the summary of the subjects’ responses. Again, this was just a very minor control type of issue in my interviews, but the answers were very clear. What the consumer wanted from the utilitarian oriented services was something very different from what they said they had just enjoyed in the experience they had had. I will return with some examples of this as we move along.

5.2.1 Table of Differences – Services verses Experiences

An overview of how service and experience products differ is provided in the table below. The table is to be read as a listing of characteristics from the consumer’s point of view.

Table 5.1 - How Services and Experiences Differ

Services	Differentiating factors	Experiences
Value increases with:		Value increases with:
Less time spent	TIME	More time spent
Less involvement	INVOLVEMENT	More involvement
Consistency and reliability	PREDICTABILITY	Novelty and excitement
Less people	PEOPLE	More people
Satisfaction (SERVQUAL)		Experiential Value (STAR Experience)

5.2.2 Differentiating Factor: Time

All consumers’ participation in market transactions entails certain costs and provides certain benefits. Their investment in a market transaction to obtain the sought after utility requires not only a financial investment but also other resources. Consumers’ interest in conserving time and effort has frequently been noted (Anderson Jr 1972; Gross 1987; Gross and Sheth 1989; Nickols and Fox 1983; Berry 1979). Time is regularly viewed as a limited and scarce resource (Jacoby, Szybillo, and Berning 1976), as are consumers’ energy and effort. Obtaining the sought after utility can involve considerable mental resources, such as “the cost of thinking“(McIntyre and Kale 1988; Shugan 1980) and physical effort, such as picking up the goods purchased (McIntyre and Kale 1988).

With services you typically pay to save time. Not wanting to spend the time or effort to do a task in the first place is frequently a reason for buying a service. With services you typically pay more for having the service delivered faster – less time produces more value. The customer is getting more value from less time wasted, as long as the quality of the outcome is held constant. And with many services you can pay a premium to get the service outcome faster: to get the package deliver express, to get the dry-cleaning returned sooner, and to get a direct flight instead of a flight including stops, etc. Several of the determinants of Service Quality, as given by the SERVQUAL model, relate to the importance and significance of the time factor. “Reliability” involves providing the service at the designated time. The determinant of “Responsiveness” is specified as *giving prompt service*, while *immediate* and *quickly* are other words used for stressing the importance of timeliness for service quality in yet other items.

With experiences, on the other hand, you typically pay to get more time. While the consumers often buy services to save time, we buy experiences to feel time, to feel that we create moments that we will remember and to make the “here and now” become more intense and enriching. When I discussed what characterizes experience offerings during the analysis of the findings, spending time was cited as one of the premises for the experiential value to occur. I showed how value increases with the time customers get to spend, as it is the sensations and emotions had during the consumption event itself that are what constitute the core value of the offering. Time contributes to value in several ways: time for content to mature, time for skills to improve and to master a task, time to build expectations and simply by the fact that more time of doing a thing you enjoy creates more value. So, spending some more rather than less time, in general, increases the value of experience offerings. That is the clear general tendency, although there will be a diminishing return of value at some point, as the customer’s physical and mental resources are drained.

All the experience offerings sampled came with clear limitations on the time period the ticket/payment was valid for. Some were very explicit and down to minutes, like the Karting track, where time on the track was bought in bulks of 10, 20 or 30 minutes. Others were linked to how long the organized activity is prescribed to last, like the Safari tour and Inception movie. Yet others were tickets for the day where the facility’s opening hours set the outer limits, like the Munch Museum and Nijo castle. At the Bingo premises, each round lasted about 10-15 minutes, so you had to pay again to join the next round and so get more time to play. At many experience offerings, like Karting and Bingo, there is no quantum discount for spending more time; each additional minute of fun costs you as much as the first one. While at some other facilities, such as at museums or amusement parks, you can get some sort of discount when spending more time, like 2 or 3 day passes, or even a 1-year pass for locals, etc. However, the general principle is always the same; it costs more money to gain access to spending more time on the activity/attraction, hence with experience offerings you pay more for spending more time.

The most common response in the interviews when asked what would have been different or better about the experience was that they would have preferred for it to last longer.

The driving time could have been a bit longer. So it was a lot of fun. I enjoyed myself mindlessly there.

.. if you imagined that sort of anything could have happened, what might have happened that would have made it even better? It doesn’t have to be realistic...

Hard to say... The guy coming out saying, Hey, you got another half an hour! That would have been a nice surprise, more of it!

(Racing/karting, male 35, German)

So time went fast? Even though you were sitting there doing nothing, it didn’t become boring, but the time passed quickly?

No, two times 15 minutes while in those surroundings, was nothing, and the tour we had... and with the conversation in between it may have taken three quarters of an hour, and then it was three quarters of an hour for the tour and some information. So time went by very fast. So that was nothing.

Yes. And you would have wanted it to last longer, you mentioned?

Yes, I was actually sitting there thinking, it would have been nice to be there for a couple of days - in fact, that long.

(Meditation course, male 49, Norwegian)

Increasingly, time rather than money becomes the limiting factor for consumers in affluent societies. The scarcest resource as felt by many modern consumers is not money restraints, but available time. Increasingly consumers want maximum experience packed into the minimum of time.

Proposition A: The amount of time the consumer is using to consume/obtain a service tends to reduce the overall value of a service, while the amount of time spent on consuming an experience offering tends to increase the overall value of an experience.

5.2.3 Differentiating Factor: Involvement

The basic costs of consumption have been noted as money, time and effort (Downs 1961). Mabry (1970) has pointed out how stamina limits and influences choices among activities. So not only the time, but also the often unavoidable effort and involvement that come with obtaining a service, are often perceived as a cost.

With services, value increases when the customers get to be less involved. Not wanting to be involved (not having the time, the knowledge or the desire to do a task in the first place) is more often than not the reason for buying a service. Furthermore, for numerous services the consumer is actually thoroughly removed from the service provider's facilities while the service is being carried out. Having your car serviced, clothes dry-cleaned, or your tax return taken care of requires little to no customer participation, physical or mental. Involvement in itself, the process of participating in performing an activity, may well result in tediousness or frustration, rather than something positive for the customer. Flow is something that can be the result, but it is not always the result when people are involved in structured activities. However, activities that we want to be involved in are likely to be viewed positively and this leads to flow and engagement. It all depends on the characteristics of the activity – not the activity in itself, but how it is perceived and evaluated by the subject undertaking it! If you stand in line at the check-in counter for a flight or at a car rental you may be considered involved – in so far as you are taking part in the required task and resulting conversation to bring the transaction about – but this may result in boredom or stress, rather than a state of flow.

Some services involve their customers by allowing them to do part of the job in order to cut down on production cost, and hence be able to offer the service cheaper – as you do when you are filling your car with gas or walking around in the supermarket collecting your groceries. When customers are involved in this way by performing part of the service themselves, they will expect to be compensated by paying a lower price, or to at least ensured a superior outcome, compared to not having put time and effort into the production process themselves.

The reason service providers want to involve customers in service delivery tends to be for productivity gains. It would clearly be naïve of providers and academics to believe that this kind of involvement in itself represents something of value for consumers. It is more likely that the consumers find doing the job for the service provider to some extent acceptable and overall positive, only if their effort is compensated for either through time or monetary cost reduction. In Scandinavia the reason we increasingly check-in both ourselves and our luggage at the airport without complaining too much is because it saves us time. At IKEA customers collect their items from the warehouse, scan and pay for them at the check-out counter, and assemble the furniture at home themselves because it makes the cost of the furniture that much lower.

With experiences, involvement is a necessary investment to gain experiential value. The first part of the premise: time/presence outlined how experiences require time to come about. The other part of that premise relates to how it is a necessity that the consumer is present, physically as well as mentally, to obtain experiential value. In other words, the consumer has to be involved in order to have an experience. This reasoning is related to the co-creation debate as well, which has been extensively discussed. Consequently, I am here primarily referring back to what was discussed previously and partly to the whole of chapter 4. Consumers are willing to invest considerable effort (and time) in seeking out opportunities and involving themselves by taking active part, physically and mentally, because it's only through some degree of the investment of energy that the pay-off of flow and magic moments can be had.

Not only do experiences require consumers to be involved physically and/or mentally in order to co-create experiential value, the value had from the offering also seems to increase with the degree of involvement. Consumers show their awareness of the connection between their level of involvement and the hedonic value they expect to get from the experience by regularly being willing to pay in accordance with the level of involvement. Customers often pay a premium to get even closer and deeper into the “action”.

In many experiences the whole concept of the experience offerings rests on making a novel activity or environment accessible. The concept is to let consumers get involved in activities they have not experienced before. Rather than only observing, they get the chance to participate. Physically involvement is easy to notice through observation and was an important part of the activities at several of the experience offerings I sampled. People frequently put in their effort with gusto to create their own experience. The hitting of golf balls at the driving range, programming of the Lego robots, eating, drinking and dancing at the Oktoberfest are all examples of active participation. But let me again emphasize that people can be mentally very much involved and engaged even when they are just observing and not doing anything directly in a physical sense. Consumers may put in a lot of effort and involvement themselves through playing their own little games in a purely imaginary fashion, and through this not only interpret, but also add on to what's taking place, and through this manage to involve themselves even more. A football enthusiast may involve himself by thinking up elaborate plays and tactics. This is how one football fan involved himself by thinking up scenarios while watching a match:

I'm thinking out different scenarios, it's a bit like that... it's sort of in that match like... then my head is constantly thinking; now we have to endure, we have to carry on, right, and I can imagine that in 90 minutes, it can be a little bit like this... it's like an obsession, not really obsessive thoughts, but that you continue to think that, no, now there is surely going to be a goal against us, right, you see different scenarios then. Or it's like... it's about the game, right, now we have to put in a new player, right, and then I can sort of visualize the situation.

(Football match, male 33, Norwegian)

The degree of involvement required by the consumer to obtain outcome/consume the product seems to increase the value of an experience but diminishes the value of a service. With services, value increases when the customers can be less involved – saving time and effort. But here again with experiences we see just the opposite dynamic. With experiences, value appears to increase when consumers become more involved.

Proposition B: A high degree of involvement tends to be considered a negative factor in services, while consumers perceive it as a positive factor in experience offerings.

5.2.4 Differentiating Factor: Predictability

With services the consumer likes to know what to expect, to have an agreed upon transaction, and for the provider to stick to it. The Reliability determinant of Service Quality is given as involving “consistency of performance and dependability,” the “Communication” determinant meaning such things as “keeping the customer informed” and “explaining the service itself”, etc. When getting on an airplane, we like to know where and when that plane will arrive. Many customers make a considerable effort to pre-book in order to secure a window seat, a particular in-flight meal or to make sure they choose an airline that has individual on-demand video available. Surprises in the form of unexpected events, the luggage getting lost, a thunderstorm or a strike resulting in delays, unexpected layovers or rerouting of the flight would, by the over-whelming majority of consumers, be far from appreciated. Suspense and surprises during air travel, as with other services, are generally not considered exciting and fun, only a hassle.

With experiences, on the other hand, it is often better not to know exactly what to expect, because knowing too much can easily ruin that sense of surprise, fun, wonder and excitement a consumer hopes to gain from the experience. Several of the trigger factors creating experiential value – as identified and discussed in The Star Experience Model, such as *Novelty, Challenge, Suspense & Surprise, and Storytelling & Dramatic structure* – are to some degree related to and depending on an element of keeping them unpredictable rather than too predictable. People feel the excitement of suspense mostly when the outcome is uncertain, when you don't know what will happen next. A challenge is similarly only a challenge as long as it is unclear whether the goal can be reached. Things are perceived of as novel because they are, to some extent, unfamiliar and you therefore don't know exactly what

to expect. Hence, these types of experience offerings – by their very nature – demand a certain level of unpredictability. If it were known in detail how an event would unfold – all the detail of what would be presented – then this would prevent the creation of suspense and surprise, the feeling of challenge, for the content to appear novel and surprising, and for curiosity to be aroused. It is the not knowing the whole story that creates the room for us to wonder about what will happen next. It is the not knowing – the uncertainty of the outcome – that drives us to follow and imagine what will happen next in any plot, play or movie. Suspense and surprise keep us on our toes and focused. It is the same thing that keeps a dedicated football fan on the edge of his seat throughout a good match. Neither at the movie theater nor at the football stadium do we want to know the result beforehand. Going to a football match is not the same if the winner is already known; going to see a new movie you don't want someone to tell you how it all ends.

...if the outcome had been given, if you knew beforehand that it would end 2-0, or something like that, what would that have done to it?

No, that would have ruined the excitement, it would. That would have been the same as... I enjoy watching the Derby, but it is... if I know that... to record a game and knowing the result, I can do that, but it's no fun then. It truly isn't. You never know when it's going to happen – will it happen in the 90th minute? Will it happen in the first minute? When will something happen? Right. So that... no that is the alpha and omega. Yes.

(Football match, male 33, Norwegian)

The upside of the suspense is of course the raised level of arousal, the equally intense joyful thrill of the experience when indeed all goes well. Surprises affect our attention and raise our level of arousal. When surprised or startled, the consumer's attention will immediately be focused on understanding and interpreting the unexpected event. Playing on the unexpected is an important factor in making jokes and humor work as well. When arranging for experiences – whether they build on humor or excitement – only enough information to evoke interest should be revealed, while at the same time holding on tightly to key content or else losing the impact of an otherwise good punch line.

The fears and risks involved in “not knowing what will happen”, trying to overcome a challenge, etc. can contribute to raising the adrenalin level and thus make the overall experience more intense and the sense of mastery greater once the subject finally succeeds. Emotions such as fear and surprise may therefore help make commercial experiences stand out as special or unique events, different from the toils of ordinary life, which may for – consumers in affluent societies – often appear as rather predictable and safe. Hence, the value had from experiential consumption regularly increases when (the right amount of) surprises and “scary bits” are thrown into the mix.

Let me return to the data and some of the question I asked regarding services. This is what one person (German male of 33) answered relating to what mattered to him when ordering a take-away pizza:

- It should arrive hot or warm. It should be made of ingredients with decent (and of a certain quality, which sometime it's not, and apart from that, it should generally just be what I expect it to be. It's a pizza, it should taste like a pizza. No experiments on that. So I just really expect it to be convenient.

Another subject (Norwegian female student of 21), answered much along the same lines, but here the topic got elaborated on somewhat more:

When you order take-away pizza, what matters to you then, for you to be happy with what you have ordered?

- It should get there on time. There should be nothing wrong with the order actually...

And wrong, that would be...?

- Well if they take... if they have like forgotten the pepperoni... That would be....!

So, if they decide to be a bit creative and assume that you might want olives instead, to surprise you a bit?

- No. No, that kind of thing should not happen! Because when I order pizza, it's because I am hungry, so then that would... then they can't take any liberties like that, No!

Other things the pizza people should think about? (to make you happy)

- It's good when one can order the pizza over the Internet. I like that because on the phone I am often not able to catch what they are actually saying, and then I feel stupid if I don't hear what they are saying. So I prefer if there are other ways to order than over the phone. I often feel that people are angry with me... so then I prefer that.

So it makes it easier for you to order the food that way, you get to note down the topping and so?

- Yes it's more specific that way, and then you can fix those kinds of things.

And that is good?

- Yes that is very good, I like that.

This is the same girl by the way, who wanted her karaoke evening to be unstructured and full of surprises, being very clear that she did not like the thought of her karaoke party being too much of a planned event. Furthermore, when asked whether her enjoyment of singing at karaoke evenings said something about her, she answered:

- Yes. I would characterize myself as often rather adventuresome and not afraid to goof around and a make fool out of myself. And that I like showing off and being in the spotlight in a way. So yes, I would say that it does.

For the karaoke evening she preferred an evening with no sense of structure and feeling adventurous and unafraid of going on stage and making a fool of herself. When using a service to get take-away food, however, she becomes very specific and meticulous about how to do the ordering so that the pizza she gets will be just right, and she gets uncomfortable with the thought of any possible misunderstandings while placing her order over the phone, or of feeling stupid and people getting upset with her. The contrast with what she prefers in the two settings is sizable and illustrative. However, one better be careful about evaluating this to be about a confused and inconsistent young girl. Rather she may just as well be interpreted as

being a very modern consumer and being conscious and confident about wanting quite different things in a service context versus an experience setting.

Proposition C: A large degree of predictability increases the value of a service, while too much predictability easily can diminish or ruin the overall value of an experience.

5.2.5 Differentiating Factor: People (Consumers and Employees)

With services, the presence of other customers being provided for at the same time tends to diminish the value of the service, while on the other hand, the attendance of other customers regularly increases the value of many experience offerings. When standing in a queue whether you are waiting for your hamburger, needing to see a doctor, or getting hold of a taxi, the fewer other customers present, the better, as the presence of other customers typically reduces the amount of resources available for consumers waiting to be served. In a service context, where obtaining the service outcome promptly is important, other customers are foremost competitors who you have to share the available resources with. The respective negative versus positive view of the contributing factor of other consumers has been pointed out and discussed by Mossberg (2003).

With experiences, the presence of other customers regularly contributes to – and is even often a necessary factor in – the product manifesting itself. With experiences, the other customers are often not viewed as elements that you have to share the limited resources with, but can be perceived of as an additional resource. The data showed numerous examples of how much and in how many different ways the social elements contribute as a positive driver to intensify and expand the value had in an experiential context. Most customers tend to like to have company in an experience setting, and many crave it. The customer at the elephant feeding noted how it was nice that I was there; although we had never met before and we had little in common, it was still good to just share the experience with a fellow human being. Likewise at the driving range, both I and the senior golfer helping me out got even more fun out of our practicing that day, because he volunteered to teach me some basic things about the game.

When cheering at a football match, going on a safari, or gambling at the tables in a casino, the dynamics and energy of a larger group typically contribute to, and increase the value of, the experience. Mossberg (2003) further concludes that the more the consumer seeks social interaction, the more important the presence of other customers becomes. How audiences feed from one and other, and how this helps build excitement came out strongly in the data and it included such examples as when people were encouraging and dragging the neighboring tables into joining the dancing at the Oktoberfest, sharing a screaming session after the goal at the football match or during the shark attack on the cage – to share the excitement and the magic of that moment, to gain support and courage from each other, to feel belonging, shared flow and *communitas* of almost cult-like moments of ecstasy. Hence, again, in experiences other people often play a very vital part in creating the event, because the social element is so important in many experience offerings.

One of the visitors that I interviewed about the Oktoberfest estimated that he had been there more than 40 times (he lives in Munich and attends the festival both for business purposes and pleasure) and enjoys the festival a lot. The sheer mass of 5000 bodies packed tightly in one tent has an almost physical impact in itself – the sense of crowd as a physical substance that one is a part of. The atmosphere in those crowds at the Oktoberfest appears very close to what has been described as “*shared ritual experience*” or “*communitas*” brought up previously (Turner 1969; Belk, Wallendorf, and Sherry Jr 1989). I asked if he felt like part of a group when he was there, in those huge tents. He compared it to a river he can step into and out of.

-I feel like part of a group, but it's only a very loose one. I don't really have to... The feeling isn't part of a group that has its own social dynamics that really make you do something you don't want to do, or pressure. But it's rather like a bit of a wide current you can step into the current and drift along a bit and get out any time, without any problems. So, it's not really a group but a certain target or certain... how do I but it... certain view of the world or certain attitude. It's just part of a group that is doing something at that time and for that purpose, only, and it will dispense afterwards, immediately. And even if you don't want to do what the group wants to do, it's no problem, because you've got your own bench (at the table you have paid for and thus reserved).

(Oktoberfest, female 41, German)

Later in the same interview I asked him about his preferences relating to a service, in this case about using the public transportation system.

When you take the subway, what kinds of things are important to you?

-It shouldn't be too crowded, not too many smelly people standing around me. I don't care whether I get a seat or whether I have to stand up, I just don't want it to be too crowded.

Again, he lives in Munich, so he may well be surrounded by many of the same people on the subway that he mingles with at the Oktoberfest. Even so, at the Oktoberfest he enjoys the crowd and compares it to a river. At the subway he wanted them gone and finds them smelly and not in a good way. Is he inconsistent? I rather interpret him as quite naturally appreciating different things in a service setting than in an experience setting.

Proposition D: *The presence of other consumers is typically a negative factor that diminishes the value of most services, while it is typically a positive factor that increases the value of many experience offerings.*

Next, when it comes to the role of employees, the divergence between services and experiences is not as strong as on the other factors, and the roles are not necessarily in direct opposition. The roles of both service and experience employees are of many types and on many levels, so the lines are definitely more blurred here. However, while this should not be oversimplifying, there still appears to be some differences that are worth noting.

With services, polite and respectful employees are always especially appreciated. SERVQUAL lists such things as *courtesy, understanding and empathy* as factors that are thought to apply to what is often wanted from service personnel. The word service derives from “to serve,” so we may use the image of a servant as one type of role for service personnel. For highly qualified professionals working in service roles, say doctors or lawyers, the role “to serve” or “to be of service” is probably better thought of as a well-respected “advisor/counselor.” However, both roles call for politeness and some suitable professional distance between the consumer and the service provider.

With experience offerings, however, it has been suggested that the role of the employee becomes more like that of a friend. It has been suggested that extraordinary experiences are likely to involve boundary open transactions. Boundary open transactions resemble a meeting between friends where the provider of the offering is expected to be actively involved and share his or her feelings openly (Arnould and Price 1993). Arnould and Price found while studying white water rafting trips that emotional attachment formed not only among the members on the trip, but also between the customers and the guides and that participants were often trying to establish more permanent contacts with some of the guides. In short, “people reported thinking of the guide not only in the service provider terms, but as a friend” (ibid, p 35). Although occurrences of boundary open transaction could also occasionally occur in a service transaction, we would assume that consumers’ expectations and desire for this type of transaction would be considerably higher for experiences.

The importance of the staff as a contributor to the overall value of an experience should not be underestimated; one singular employee can make a significant difference. The Bingo staff made the glue and the atmosphere friendly and tight among the lesser social and scattered guests at the tables in the Bingo hall. The staff at the bungee jump were calming down the jumpers by keeping the atmosphere on the bridge light, cool, joking and friendly, to make the scary event more of a fun thing to just do, without too much soul-searching and hesitation. The staff’s appearance and jargon were more of a street- wise ghetto cool type, with a lot of physical bouncing into one another, bear hugs and back slapping and high fives going on. However, the philosophy spoken out for support was more linked to a Zen meditation course with “fear is only in the mind” and “stay in the now,” “focus on the small details” and “just do it.” This appeared to work well for building trust and relaxing the participants to the extent that the staff could give them a friendly but decisive, final push over the edge.

Hence, it appears that employees as service providers are appreciated and create value foremost when taking on the role of a servant/counselor, while employees providing experiences, on the other hand, should be closer to imitating the role of a friend.

Proposition E: The consumer prefers to relate to employees of services as servants/counselors, while they prefer to relate to employees at an experience offering as if they were friends.

5.2.6 Concluding Remarks on the Differentiating Factors

In this section I have moved the discussion one level up; after having discussed the characteristics of experience offerings, I have here been looking at the relationship between the two conceptual categories of services and experiences. In comparing the two categories, I have postulated that some factors are not only different but contradictory in how they contribute to creating value for the consumer. This is crucial as it means that decisions made with the intention to improve a product may actually diminish the offerings value if one is not sufficiently aware of whether the consumer motivation is turned towards utilitarian needs or experiential wants in a given setting. The differentiating factors I have presented as largely opposing are: *time, involvement, predictability and people*.

I have explored, compared and discussed how these vital dimensions appear to effect value creation in an opposite fashion for experiences and services. The comparison of these dimensions rather compellingly demonstrates how and why the difference between services and experiences matters – and how this can impact strategic choices in developing, designing and managing these offerings in order to optimize value for consumers to create successful and sought after products.

The differences between services and experiences may be summarized as follows: With services you pay for the outcome – for having the task performed and achieving a specific result. You purchase someone’s time and/or skills to perform a chore, either because it lets you spend time and energy on something you want/need to do or because others can do it quicker or better. As specialization grows in a society, numerous services are better left to those who have the necessary skills to deal with the situation in an efficient and superior manner (medical procedures, computer problems, legal proceedings, financial investments, etc.). Utilitarian consumption’s main focus is the outcome, and the quicker and less hassle it requires to obtain that outcome, the greater value it provides for the consumer. With experiences, on the other hand, you pay for the process. With experiential consumption, the focus and value stem from the consumption event itself, and so the customer is willing to pay for the factors that intensify and prolong the consumption event and thereby increase the overall value of the experience. The consumer wants to spend time and effort, and s/he wants to get involved and participate in a chosen activity. She wants it to the extent that she is not only willing, but happy and excited about being able to spend her free time in the provider’s facility doing chosen activities with employees and other participants. The facility, activities and employees’ interactions are all purposely designed to maximize the likelihood of various sought after sensations and emotions aroused in the consumer and resulting in experiential value.

A short guideline to improve the one or the other category may be this:

To improve a service: Maximize the utilitarian benefits of that service and compensate for possible negative aspects of the consumption event that may be needed to get the desired outcome. Only add experiential aspects in ways that do not diminish the utilitarian benefits or outcome. Be especially aware of not to increase the time and effort consumers must spend.

To improve an experience: Strengthen the experiential aspects of that offering by making it richer, more intense and more unusual, allowing the consumer to be more directly involved in activities while facilitating the presence of, and interaction with, other consumers and staff.

As you can see, service and experiences are foremost different, and they are bought for different reasons to fulfill quite different wants and needs. Understanding your product's core value is essential for all industries, and to channel these values into the factors that matter most to the consumers is key. It will be crucial for managers as well as marketers to have a clear understanding of whether they are a company that delivers a service or an experience. It will be one of a company's most basic strategic decisions. Other assessments, such as product characteristics, price level, amount of customer participation, duration and frequency of interaction, logistics, etc. will need to follow from the basis of that first main decision. For those companies delivering mixed offerings – such as, say, hotels that cater both to business and leisure travelers – to get it right is particularly challenging. Using benefit segmentation and dividing consumers into different market segments – based on whether (and/or when!) they seek utilitarian or hedonic benefits from their product purchase and consumption – will result in an improved fit with the target groups.

The differentiating factors of *time, involvement, predictability and people* have become more visible as a result of splitting the larger group of intangible offerings into services and experiences in line with the utilitarian and hedonic distinction as the categories thereby given. These dimensions will not necessarily be spotted and recognized as easily and their opposing effect will not be so clear and apparent unless the categories are separated in this way. As the comparison has brought forth, such opposing differences on such vital dimensions I evaluate it as support as a rationale for viewing service and experiences as distinct categories. Furthermore, I assert that a lack of differentiation poses the risk of greatly hampering and confusing our understanding of value creation in economic offerings.

Next, I will look at some other perspectives and issues worth consideration when discussing whether it is fruitful and more productive to view experiences as a distinct category – or not. There have been various forms of skepticism and opposition to viewing experiences as a distinct category and I will work through some of these arguments to better understand the complexity, possible misconceptions and real challenges related to viewing experiences as a distinct category.

5.3 Experiences as a Distinct Category – Related Discussions

5.3.1 Experiential Aspects – Dispersed verses as the Core for a Category

As mentioned earlier, it has been argued that all products have some sort of consumption event connected to their use and that this consumption event can be of considerable value or just mundane (Addis and Holbrook 2001). The authors here clearly recognize a utilitarian and hedonic division and have explained how the consumption experience can range from a hardly noticeable part to very significant part of the product's value for the customer and that this appears to correspond with the product's utilitarian or hedonic value. Based on this you may have thought you would try to relate the distinction to different types of market categories, but this has not been done. Rather, Holbrook has argued directly against Pine and Gilmore's notion of experiences as a separate category, and says that this idea goes against everything he has promoted (Holbrook 2000). Likewise, Zeithaml and Bitner largely echo Holbrook's argument when they write, "We use the term customer experience to encompass service processes that span the mundane to the spectacular, customer purchasing building maintenance and dry cleaning services still have experiences, albeit less exciting ones than consumers of entertainment or travel services." (Zeithaml and Bitner 2006). Furthermore, they explicitly state, "All services are experiences" (Zeithaml and Bitner 2006, 60). However, my point is that there is a vital difference between claiming that all services have a consumption event/customer experience connected to them, and claiming that services are experiences. Although the argument was not directly stated, as far as I can gather, Holbrook, Zeithaml and Bitner imply that since all products have a consumption event (give some sort of experience), experiences cannot be claimed to be a separate category. The rationale behind these and similar refutations of experiences as a separate category appear to me to be logically flawed. A consumption event can in reality be both a part of all products, and simultaneously be the basis for a separate category of offerings. Water is part of a number of solid materials (such as fruits, the human body, ice-cream, etc.) and on its own and in a fluid form we still categorize water as a liquid. We do not argue that liquids cannot be a separate category from solids just because water often is found to be a part of solid material objects as well.

I indeed concur with the assessment that all products have a consumption event connected to them and that this consumption event can be mundane or of considerable value. However, I would go even further. I believe that my findings have shown that in experience offerings the consumption event is of such importance that the consumption event constitutes the offering's core value and at the same time the product itself. There is no contradiction in arguing that the consumption event is an aspect of all products and that the consumption event on its own, and when it's significant enough, can be the basis for a separate product category.

Furthermore, I would like to emphasize that the recognition of experiences as a category in its own right, does not preclude the idea that experiential aspects may be part of, and a decisive factor in, consumption of goods and services as well. Indeed, experiential aspects are clearly increasingly diffused throughout the economy and now have a decisive role in many utilitarian-oriented products. This is due to market trends and standardization of technological benefits and legal regulations making the variance in quality of utilitarian benefits

increasingly marginal, and thus shifting the quest for competitive advantage to experiential aspects even for utilitarian products. Hence, many goods and services are increasingly adding experiential aspects as a means to differentiate themselves and to not let price become the only decisive factor distinguishing them from otherwise comparable products. This trend makes it even more vital to understand and have a raised awareness of the distinction between utilitarian and experiential aspects of all products. Altogether, the argument for granting experiences their own category – and introducing and adding the utilitarian/experiential dimension to our framework for classifying economic offerings – is from my side intended to be in line with Holbrook and Hirschman’s previous call for including experiential aspects in marketing thought, and to be seen as an attempt to answer this call, rather than wanting to oppose it.

5.3.2 Experience Offerings vs. Customer Experiences

Related to the previous discussion and further confusing the matter is the concept of a “customer experience”. This is yet another term that is frequently used, both in the experience economy discourse and in service marketing. All three of these concepts – “customer experiences”, “consumption event” and “experience offerings” overlap in various ways and make it somewhat challenging to differentiate between them. Be that as it may, the expression “customer experience” does include the word experience; however, we must not get tricked into believing that because an activity has a customer experience, it therefore is an experience offering! It may seem a bit banal, but pure semantics can be one reason for a conceptual mix-up here. Let me try to clarify by going through the different concepts and why they are not the same but related, and how they partly overlap.

The term customer experience has generally been used for the sum of all experiences a customer has with a supplier of goods and/or services over the duration of their relationship. In this period the customer can have a number of different interactions with one provider that can include awareness, discovery, attraction, purchase, use, cultivation and advocacy and many other things. However, customer experience is also sometimes used to mean just an individual experience at a particular transaction; and then it becomes more or less synonymous with what is usually referred to as the consumption event.

The *consumption event*, we recall, is the feeling and activities connected to consuming a product and thus all products have a consumption event, and this can be an unimportant or significant contributor to the product’s value. When the customer event (or the customer experience as some would put it) is the sole reason for buying and consuming the offering, it becomes the product itself and thus an experience offering.

Experience as offerings I have described as the staging of stimuli through facilities, activities and objects for sensory and emotional wants that the consumer gets through the consumption event. (Or also, as the full definition states: Experiences provide consumers access to stimuli intended to evoke emotions and sensations, and – as the stimuli get filtered through and interact with the customer’s Subjective Membrane – act to create experiential value in the form of Fun, Flow and Magic Moments.)

What appears to happen is that the discussion and train of thought sometimes erroneously lead some to conclude that; if an offering involves a customer experience then it also must be an experience product. As all products may involve a customer experience, this misconception would effectively rule out the whole service and experience category distinction. What is vital is not the presence of a consumption event or a customer experience, but rather whether this customer experience/consumption event in itself is what creates the core value and the product itself, or if it is just a necessary and instrumental part of producing an utilitarian outcome.

As discussed, experiential value resides foremost in the consumption event itself, while utilitarian value is primarily derived from its outcome. Because the consumption event is the offering's *core* value in experiences, the consumption event becomes the offering. With utilitarian offerings the consumption event is not core, but may still at times decrease or increase the offering's overall value. This is somewhat easier to grasp if we remind ourselves to look for what represents various offerings' core value from a customer's point of view. An airline may provide us with the positive outcome of transporting us from London to LA, or a health service may fix our broken leg. A consumer uses transportation services to get to places where she needs to go, health services to fix medical problems. The comfort of the flight (the consumption event) does matter; a comfortable trip is indeed preferred over an uncomfortable one. However, no matter how comfortable the time in the air is, if your flight from London to LA does not get you to your destination, the offering fails on its most vital premise (core value). But even if the consumption event of the service is negative, you endure it as the overall value of the *outcome* is more important.

For services, the term customer experience often appears to cover both the customer event and the outcome. So when evaluating a flight, both the check-in at the airport, the hours on board the flight, and whether you got to NY and on time, would be included in the overall "customer experience" of flying with Lufthansa today. Likewise for a medical treatment: the customer experience would include everything from the consultation with the doctor before the operation and how the operation was performed, to whether the outcome was successful. In services, the customer experience/consumption event can be mundane or even negative and still provide overall value because whether you are getting the outcome from the service is what matters the most. However, in experience offerings, such as leisure, tourism, and entertainment activities, it is the strength and intensity of the consumption event, the experiential value had from the consumption event itself that becomes the offering's core value. No other outcome, besides the fun, excitement and pleasure had there is of value. The consumption is undertaken for its own sake, rather than to achieve some other objective.

Furthermore, I argue that not only can the consumption event be either trivial or significant (Addis and Holbrook 2001), it can also be positive or negative. Because of this, the role and significance of the consumption event is of great importance and a key in understanding the difference between utilitarian and hedonic consumption. In a service offering, the consumption event can be important, and since the consumption event of services frequently is a negative one, it has the clear risk of diminishing the overall value of the product. In experiences, the offering depends on the consumption event as its source of providing the

products value; it therefore needs to have a considerable positive impact in order for consumers to find it worthwhile paying for. In experiences, the richness and intensity of a consumption event is the sole base for the offering. We need to be better at distinguishing between the outcome and the process of consumption, that is, whether the offering's core is best understood as the value had from appreciating the consumption event itself or from appreciating the *result* of the consumption event. This will make us able to better distinguish and understand the fundamental difference between services and experiences.

5.3.3 Co-Creation vs. Co-Production

Co-creation clearly is a tool for creating value in relation to some market offerings. My study has showed how co-creation, involving both the consumer and the provider in an interwoven process, is not only a tool but a necessity for experiential value to result. The question is whether the customer perceives getting involved in the production process as something positive for all types of market offerings, regardless of category.

Some of the recent claims regarding value co-creation tend to view the merits of customer involvement in an all encompassing way and as uniformly beneficial. Service-dominant logic in marketing proclaims that customers are always co-creators of value (Vargo and Lusch 2004; 2008; Vargo, Lusch, and Morgan 2006). Prahalad and Ramaswamy (2004) likewise claim co-creation is vital for creating value in all types of products. The question I asked – and my concern in the introduction was – are all products best seen as co-created and does co-creation always bring value? It is a rather sweeping claim. And again we seem to be presented with claims that are too abstract to really be useful and that risk disguising vital distinctions rather than illuminating them.

This becomes apparent if one moves down from the comfortable, smooth level of the abstract and tries to apply these thoughts to various actual products. Is a consumer who is utilizing an already made good (driving a car) or consuming the outcome of a service (like putting on a dry-cleaned suit) really co-creators of value? I don't think I deserve too much credit for having co-created my car, although I enjoy driving it, or for co-creating my house although I live in it, or for co-creating the medical procedure that once saved my life, although I appreciate now being healthy. The goods, like cars, houses and mobile phones are physical objects most often created without the consumer's presence or their direct input. Likewise, numerous services are executed without the consumer being present or providing input that makes any real difference to the outcome of the process, such as those provided by health services, postal services or energy suppliers. Enjoying the output can – to some extent and on a rather abstract level – be viewed as aspects of value creation, but it leaves out a substantial part of what it takes to create goods or services, as well as the range of value the products may represent. The situation is rather limited to the sense of value the consumer hopefully gets from enjoying the end result. But again, do we want to perceive customers as co-creators of value when they are not involved in the production and thus have no noticeable impact on the production process or on the outcome?

When buying a service a consumer typically purchases someone's time and/or skills to perform a task, either because they want to be able to spend time and energy elsewhere, or because the service provider has special skills they themselves do not possess. The consumer is in fact often paying *not* to be there and do the job, but to have things taken care of anyway. Utilitarian consumption's main focus is on the outcome. Typically the quicker and less hassle it requires to obtain that outcome, the greater is the value the offering provides for the consumer. A service promises to provide one or more utilitarian benefits and a requirement to participate in the production can easily contradict precisely the benefit sought in the first place, such as saving time and effort or getting someone with specialized skills to take care of a task. If an offering providing some utilitarian benefit, then turns around and requires the customer to get involved in the production process, they risk not adding value but rather adding a burden to the consumer. When the consumer delivers the PC for repair or hires a company to clean the house, being asked to participate in producing the offering hardly represents a positive. On the contrary, in most cases this type of request would just be an annoyance or downright absurd. Requesting consumers to volunteer time and effort is likely to diminish the service's overall value and my only work if it is compensated by other means (reduced prices, increased convenience or improved quality).

Again, how does that fit in with the notion that all value is co-created in services? As much as I agree that co-creation is vital to the understanding of how value is created in experience offerings, I believe the merits of co-creation need to be differentiated and nuanced. When does the apparent consumer's value-creating element kick-in and take place? Is it during product development (market research, product testing or feedback)? Is the buyer of a manufactured and a mass-produced good doing any part in creating value during production of the good? Is a consumer co-creating value while sitting on the bus or lying on the operation table during the medical procedure? Is co-creation related to post-production – outcome based (enjoying landing in LA, life after a surgery)?

Foremost, I would like to call for the recognition that customer involvement and participation may well create a burden rather than value. The awareness and increased understanding of what provides customer value in the various categories is something managers need to constantly keep in mind when making priorities and trade-offs and when designing and positioning their offerings. The separation of consumer value into utilitarian and hedonic value shows that different product categories answer to separate needs/wants and provide the customer with distinct kinds of value. Not only does this difference extend to the kind of value the offering delivers, but also to what elements are required to provide and create value. The key elements that create utilitarian or experiential value appear to be distinct. The role of co-creation needs to be further investigated in order to decide when co-creation is suitable for adding value – and when it is not.

I propose that the customer's view on participation as positive or negative will be related to, and differ along, the hedonic versus utilitarian consumption divide. I suggest that, to clarify matters, one may use co-production for customer participation in services where the goal is cost reduction and productivity gains. Co-creation may then be kept to value creation and the co-creation of mental experiences and experiential value.

5.3.4 Concluding Remarks

An important key and starting point for the whole experience economy discourse was the following Pine and Gilmore (1998, 97) statement: “Economists have typically lumped experiences in with services, but experiences are as distinctive economic offerings, as different from services as services are from goods”. Following this, there have been debates concerning whether experiences should be classified as part of services or not. Particular differences between the categories have been recognized (Nilsen and Dale 2013), but, generally those that have discussed the issue have so far concluded that the differences are not clear enough to justify seeing them as a separate category (Holbrook 2000; Zeithaml and Bitner 2006; Nilsen and Dale 2013). Nevertheless, the experience economy discourse has continued to relate to the view of experiences as a distinct category, although how the question of how to distinguish between the two categories has been muddled and unclear. It is a complex issue, due the fact that service and experiences can be considered as part of the service sector, as they have in common the typical service criteria of intangibility, perishability, etc. (Poulsson and Kale 2004). What has been complicating and blurring the distinction even more is the fact that services (and goods) are often used as part of the production and staging of experience offerings. Hence the differences between experiences and services may appear confusing and unclear if viewing them merely from the provider side and with a production perspective. However, if we look at intangible offerings from a customer perspective and use the customer’s tendency to distinguish between offerings with utilitarian as opposed to hedonic value, the differences and contradictions with regard to what customers want and appreciate from services versus experiences become evident.

When attempting to categorize, there is a general principle that one looks for similarities within a category as well as for differences between categories – that you strive to group together elements that have common attributes as well as to distinguish between elements considered to be different with regard to one or more central properties between those within and those outside the group (Bowker and Star 1999). In my study, I have likewise first searched for commonalties and characteristics within and across the multiple experience offerings within the category, while now I have taken steps to distinguish between the categories of services and experiences on several vital dimensions.

The differentiating factors I have presented are *time, involvement, predictability and people*. I have further argued that these dimensions are vital, in that they are not only different, but also largely contradictory. This is crucial, as it means that these factors differ in such a way that – although the elements tend to be positive and contribute to value for the consumer in services – the same factors may actually diminish the value of an experience and vice versa. The fact that the comparison has brought forth opposing differences with regard to central dimensions is taken as further support for the rationale of viewing services and experiences as distinct categories.

The previous difficulty in conceptually differentiating between services and experiences may also be related to the frequent use of several terms that overlap both conceptually and semantically. Consequently, I have debated and sought to straighten out some of the mix-up,

overlap and possible misconceptions related to the concepts of *consumption event*, *customer experiences* and *experience offerings*. Furthermore, I have brought up my reservation against seeing all products as co-created and customers as co-creators of value (Vargo and Lusch 2004; 2008; Prahalad and Ramaswamy 2004a). I have suggested a more nuanced and differentiated use of the concept of co-production and co-creation in accordance with the services and experience's distinction.

This studies conclusion supports Pine and Gilmore's claim that services and experiences are distinct categories and evaluate the view as a productive and necessary perspective for understanding these offerings' true value. However, the basis and rationale for the separation is based on a rather different fundament. My claim is that it is the utilitarian/hedonic distinction that explains and justifies why it makes sense to divide intangible offerings into these two separate categories. What the Richer Matrix implies is that service and experiences are distinct because they cater to different needs and wants. This explains why consumers seek quite dissimilar benefits in services verses experiences settings. The Richer Matrix further visualizes the categories as counterparts that are both able and apt for generating profits. Experiences are not to be viewed as "upgraded" versions or on a higher level than services. Profitability will depend on understanding what contributes to value in each of the categories and how to optimize the factors and tradeoffs between *time*, *involvement*, *predictability and people* in order to maximize overall value. Providers that understand what is crucial for the customer's sense of value – and thus produce offerings with elevated levels of either utilitarian or experiential benefits in the most cost-effective way – will reap justified profits, whether this be by providing services or experiences.

6 Summary

The objective of this thesis has been to contribute to theory related to experiences as economic offerings. I have explored and explained the essences of those products that have us pay for play and pleasure and looked at how these offerings facilitate the occurrence of such mental phenomena as Fun, Flow and Magic Moments through co-creation interactions with – and within – consumers. The overall argument and motivation for the study has been the conviction that value and value creation in affluent economies cannot fully be understood unless we recognize the significance of experiential aspects and include the role of experiential value in contributing to economic diversity and growth.

Tourism and travel, art and culture, entertainment and leisure, luxury and play in all forms do not any longer only constitute minor eccentricities in the market. Rather, we are in the midst of a large-scale industrialization (Sundbo and Sørensen 2013), as these sectors are growing to become large and central sectors of the economy. However, so far little scientifically based generalized knowledge of what these offerings are about has been developed. I hope that, through this thesis, I hope to have contributed to the understanding of commercialized experiences by outlining their main characteristics and the processes and factors involved in the co-creation of experiential value. Simultaneously, I have searched for a possible stronger rationale and underlying foundation for Pine and Gilmore's claim that experiences and services are distinct categories.

The premises and assumptions for my work and the setting for the foundation of the study was that: 1) Value is subjective, 2) Subjective value consists of two kinds – utilitarian and hedonic, 3) Utilitarian and hedonic value are distinctively different. These premises led me to suppose that the utilitarian vs. hedonic divide has implications for what factors create value, and that these factors were likely to be different. This is the basis for assessing why services and experiences should be seen as distinct categories. The key premise running through the whole thesis discussion is the utilitarian and hedonic divide – how it may be utilized to capture the differences in consumer value and consumption and to categorize offerings according to clear distinctions.

The research questions in my study have been:

- 1) What are the main characteristics of experiences, and what are the main factors that trigger experiential value?
- 2) How do experiences and services differ, and how does the difference matter?

The first research question was answered through the empirical study presented in chapter 3; then in chapter 4 the analysis and theorizing was done, building on these field studies and interviews. Thereafter I explored and discussed why experiences ought not to be conceptualized just as a subcategory of services, but rather as a separate category, and in doing so answered the second research question in chapter 5.

6.1 Summary of Propositions and Contributions

Based on the field study observations, the literature studies, and the interviews I identified factors that were particularly salient in evoking experiential value in the consumers. The seven triggers of experiential value were identified as: *Social Arenas, Sensory Richness, Novelty, Challenge, Interactivity, Suspense & Surprise, and Storytelling & Dramatic Structure*. An accompanying proposition for each of trigger factor was developed and these are listed below:

Proposition 1: Social aspects tend to evoke and increase experiential value (such as social interaction, sharing and a sense of belonging).

Proposition 2: Sensory richness and intensity tend to evoke and intensify experiential value.

Proposition 3: Novelty tends to evoke and increase experiential value.

Proposition 4: Elements of challenge tend to evoke and increase experiential value (as in tasks that are perceived as hard to accomplish, but achievable).

Proposition 5: Interactivity tends to evoke and increase experiential value (being allowed direct participation, to influence and receive feedback on performance).

Proposition 6: Suspense and surprise tend to evoke and increase experiential value (created through the building and breaking of expectations).

Proposition 7: Utilizing Storytelling and Dramatic Structure tends to evoke and increase experiential value.

Furthermore, three propositions were developed relating to the co-creation of experiential value:

Proposition I: Experiential value is evoked by (a provider's) external stimuli inducing a subjective experience to arise in the consumer.

Proposition II: Experiential value is subjective in so far as it is filtered by and occurs in the person consuming it. It is not the particular stimuli in themselves, but each person's "Subjective Membrane" that is decisive for whether the stimuli will be suitable and able to evoke experiential value in the consumer.

Proposition III: Experiential value is always co-created because there always has to be some content provided, as well as a subject that is physically and mentally present to interact with and react to the content in order for experiential value to come about.

I constructed and presented the concept of a "Subjective Membrane" – the aim being to draw attention to and to have the means to capture the individual process of filtering, altering and arranging outside stimuli into an internal mental phenomenon. The purpose of this

conceptualization was to facilitate the awareness and apprehension of the significance of individual differences and how this accounts for how the same stimuli may result in distinct experiences in different people.

Finally, in chapter 4, I proposed the following definition of experience offerings:

Experiences provide access to staged stimuli intended to evoke sensations and emotions that interact with consumers and their subjective membranes to co-create experiential value in the form of Fun, Flow and Magic Moments.

The process of creating value in experience offerings is undoubtedly complex and multi-factored, and thus it is demanding to grasp such multifaceted occurrences as the co-creation of experiential value. Hence, these findings were developed into a holistic model and visualized through a model that I have denoted “The Star Experience Model,” depicting the various elements, including both a consumer and a provider perspective, and the causal relationship of the co-creation process in the hope of making the material more accessible.

Next, in chapter 5, I moved the discussion one level up and looked at the relationship between the two conceptual categories of services and experiences. In comparing the two categories, I postulated that some factors are not merely different but also contradictory in how they contribute to creating value for the consumer. These differentiating factors were: *time, involvement, predictability and people*. I explored and discussed these dimensions and looked more closely at how and why the differences between services and experiences matter regarding these factors – and why they impact on strategic choices concerning developing, designing and managing these offerings in order to optimize value for consumers and thus create successful experience products and businesses. The following propositions summarize the different roles and impacts of these factors across the two categories of services and experience offerings:

Proposition A: The amount of time the consumer is using to consume/obtain a service tends to reduce the overall value of a service, while the amount of time spent on consuming an experience offering tends to increase the overall value of an experience.

Proposition B: A high degree of involvement tends to be considered a negative factor in services, while consumers perceive it as a positive factor in experience offerings.

Proposition C: A large degree of predictability increases the value of a service, while too much predictability easily can diminish or ruin the overall value of an experience.

Proposition D: The presence of other consumers is typically a negative factor that diminishes the value of most services, while it is typically a positive factor that increases the value of many experience offerings.

Proposition E: The consumer prefers to relate to employees of services as servants/ counselors, while they prefer to relate to employees at an experience offering as if they were friends.

The result that the comparison brought forth such opposing differences with regard to central dimensions was taken as further support for the rationale of viewing services and experiences as distinct categories. Lastly, in chapter 5, I discussed and sought to clarify some of the mixing-up, overlaps and possible misconceptions related to the concepts of *consumption events* and *customer experiences* in relation to *experience offerings*. In this discussion, I brought up my reservation against seeing all products as co-created and customers as always being co-creators of value (Vargo and Lusch 2004; 2008; Prahalad and Ramaswamy 2004a). I have called for a nuanced and differentiated use of the concept of co-production and co-creation. I suggest that, to clarify matters, one may use co-production for customer participation in services where the goal is cost reduction and productivity gains. Co-creation may then be kept to value creation and the co-creation of mental experiences and experiential value.

6.2 Future Research and Implication

The aim of this study was to give an outline of the complex and dynamic processes of value creation in experiential consumption and experience offerings. This kind of theory building leaves ample ground for possible and much needed further exploration through testing and filling in and fleshing out to aggregate more substance and detail. Hence, several elements of the Star Experience Model could very well be explored further independently. Moreover, the Subjective Membrane concept provides a rather generic model that could easily be transferred and adopted for use in a number of contexts. I have here not discussed whether the Subjective Membrane is best seen as a mediator or moderator; however, I suppose that would depend on the particularities of each setting.

As drawn up by the Richer Matrix, experiential goods, play gadgets and luxury items provide experiential value as well. I would expect the Star Model's triggers to be largely applicable to what triggers experiential value in general, not only in experiences, and therefore in experiential goods as well. Although these are physical goods you buy to own and the others are intangible offerings where you only buy access to the experiential content for a given time, I propose that the relationship between the two categories and what creates value are largely overlapping. For instance do many toys draw on novelty, challenge, suspense and surprise. Furthermore luxury items draw on sensory richness in general and luxury brands draw on creating stories and social belonging (in the form of connoted symbols, images, and reference groups), enabling them to be sold with a price often widely above both the production cost and the utilitarian value of the item.

The Richer Matrix framework and classifying scheme of economic offerings – with Goods, Experiential goods, Services and Experiences – may be extended and used for additional means and purposes. On a micro level, the matrix may be used for a closer analysis of the value creating elements of any one particular economic offering, in order to investigate the relationship between its core value and other elements that may increase or decrease the

offering's overall value. Applied to a higher level of analysis, the Richer Matrix could possibly be used as a tool for analyzing an industry, a company or destination, by providing a visual overview placing different actors/offerings within the analytical framework. Some conceptual work on this was commenced, but I decided to put it aside as it became clear that this would require extensive work well outside the current study.

The study has been conducted with the ambition to deliver output that could have implications for practitioners as well. The Star Experience Model was developed to make the findings easy to present and communicate, also to practitioners seeking useful and concrete conceptual frameworks along with guidelines for generating valuable, professional experience offerings. Likewise, the constructions relating to the distinctiveness of services and experiences – with the differentiating factors of *time, involvement, predictability and people* – will hopefully be instructive for practitioners seeking advice and a more structured approach to the analysis of their experiential businesses and to their strategic decision-making.

Johan Huizinga (1950) suggested that the species of mankind should perhaps neither be called Homo Sapiens (wise man), nor Homo Faber (man the maker), but rather Homo Ludens – “Man the Player.” In his study of the playful elements in culture, he investigated the meaning of play and the contribution of play to civilization. Maybe now the time has come to investigate Humo Ludens' significance for and relationship to the economy as well. I hope to have contributed some basis and inspiration for those of you who want to continue or commence your exploration of this in your future research.

6.3 The Rise of Experiential Factors as a Paradigmatic Shift

During the last century the economy has gone through multiple major shifts, of which the emergence of “the experience economy” is noted as one. The economy that used to be predominantly about allocating resources for material needs is now hastening to provide for more of our psychological wants as well. The growing importance of experiential consumption comes as a result of the increased affluence in our societies in combination with radically declining costs in the production of goods and a number of services (transportation information, communication activities, etc.). Less affluent markets are primarily driven by a need to satisfy basic needs by producing utilitarian oriented goods and services. However, as affluence rises, consumption patterns change. In advanced economies, which have been industrialized and have been able to ensure the material needs of the consumers, the surplus increasingly goes towards spending that caters to psychological wants, like experientially based offerings that deliver value by contributing to emotional and mental well-being.

As utilitarian aspects are increasingly treated as a prerequisite and taken for granted, the focus of the economy has increasingly shifted towards experiential aspects as a driving force for growth, innovation and competition. Not only has the range of products grown steadily, but also the general level of quality we expect and get from products has increased tremendously. The cost of producing utilitarian value has also decreased, and an acceptable level of quality – that products function properly and deliver pretty much what they promise – is expected.

Hence, the functional quality of products has become more even and equivalent. Producers have to ensure that the utilitarian value expected from a product is up to the general standard; if not they are in due time removed from the market by competition. Furthermore, present technologies easily manage to exceed the capabilities of our sensory apparatus, making for a decreasing return on the high-tech attributes of, for example, sound systems or digital cameras. This makes yet again design and other experiential aspects the differentiator rather than the utilitarian benefits. Hence, the utilitarian benefits have to an increasing degree become expected, yes, even taken for granted (the fridge will keep the food cool, the airlines comply with the same safety standards, etc.) and so less noticed, and thus utilitarian aspects have become less important as a differentiating factor and have less of a unique selling position. Thus competition tends to move towards experiential aspects in affluent economies. This brings not only an upsurge of experientially oriented products, but also forces utilitarian based products to increasingly fight it out on this new battleground (e.g. Nokia, Microsoft vs. Apple).

As for the future, affluence will – probably and hopefully – continue as before to spread and increase across the world. On the global scale, the middle classes are likely to keep on swelling. In addition, the super rich are just getting richer. So both spending on the general range of fun and pleasure for those new to prosperity – as well as increased spending from those well bestowed and able to seek out the most exotic of experience offerings – is likely to rise, making experiences and experiential content make up a share of economic offerings. At the same time, future globalization will likewise continue to expand competition and standardization on the utilitarian aspects, and the frontier of competition will thus be progressively shifted and battled out based on experiential aspects. Unless global economic growth comes to a halt or human natures changes, the importance of experientially oriented offerings and the experience economy is like to increase and spread.

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Appendix 1: Interview Guide

Date: Sex:
Location: Age:
Leisure activity: Nationality:

Formal Introduction

My name is Susanne Poulsson, I am working for BI Management school, conducting a study related to leisure activities. This interview will be pretty much as a normal conversation, but perhaps with someone who is a little more interested than most about various details. I am hoping to get to hear your own descriptions and opinion about how you have experienced this event/activity. There is no right or wrong answers. I am using a method called active interviewing. This means I may bring up description and points too, to hear if you disagree or agree with it. The content of the interview may made available to others trough quotations or other means, however subjects names/identification will not be exposed, hence all subject will remain anonymous. If you have any questions about anything, please feel free to ask me questions at any time.

Subjects own general summary

Please give a description/summary of what you have been doing and how it was
Was it a pleasurable experience? What made it a good experience for you?

Expectations

Why did you decide to do this? What did you want /hope to get out of it?

Feelings/ sensations

How did you feel while.....? Was it fun? How fun was it to ..? What was fun about it?
Did you get excited? Did you get nervous? Where you curious about how it would be?
Would you say you had emotions that where more intense than usual while doing this?

Where you especially aware of any particular sight/sound/taste/smell/touch... which?
Did you focus and pay attention to this. Was it an important part of the experience?

Flow

What were you thinking about while you were doing this? Did you think about outside factors, like work, practical issues, relationships, the economy..etc.?

Would you say that you where absorbed by what you were doing? How would you describe it?
Was this just at some moment, most of the time, pretty much the whole time?
Captivated, awestruck, enthralled, absorbed, immersed, engaged

Involvement

Did you feel like you participated in what was going on? In what ways did you take part? What did you do specifically, for example? Was this important for how the experience turned out?

Being involved and contributing in this way that you have described, did that feel positive?
.. ..or would you have preferred to not engage in these ways?

Predictability

Did you feel you knew pretty much what was going to happen on this day?
Did you feel curious about what was going to take place?
Would you have preferred to know more exactly what was going to happen? What information?

Challenge/mastery

Was there anything about this activity that you were a bit worried about initially?
Did it feel like a challenge? How nervous/excited did it make you?
Did it feel like you were competing with anyone? Others/ yourself?
Does it now feel like you have achieved, learned, mastered something?

Social aspect

Did you go alone/group/ family?
Were there other people present that were important for how the event turned out? Visitors/staff?
To what extent do you feel connected to other people doing this? Belonging, in common, at home?
Do you think of this as a good place to meet new people, enjoy friends/family, -is that important?
Do you find it somewhat special to have done this?
Do you expect to talk with others about it? Do you believe you will think about it yourself?

Identity

That you have done this activity today, does it say anything about who you are? What?
Background -Have you previously been doing similar things, what?
How do you think this may have influenced your experience of XX, and your interest for it?
Do you think during/through this activity you feel like you get in contact with who you are and what you are?
During/ through this activity do you feel like you learned something new about yourself

Improvements- more value if?

- Anything else you can think of that made you enjoy this experience, that helped make it a good one?
- Was there something you did not enjoy, what was it that you rather would not have had happen?

- What, if anything, could have made this experience better? What could you have wished for, dreamed up, that would have taken it one step higher...? (no restraints, any crazy thing is quite okay!)
- How /why would this have made it better?

Appendix 2: Interview Subjects

No	Location – Month of interviews	Subjects Nationality, (sex), age, (occupation)	Attraction/activity - Experiential offering consumed (Name of producer/company), Duration of activity	Transcript in full	Digital record
	Oslo, Norway – Jan/Feb 2010				
1	Pre-studies/ Post event	Norwegian (f) 41 (Technical support)	Diving - scuba (P.A.D.I Open water course), 1-week	Yes	Yes
2	Pre-studies/ Post event	Norwegian (m) 33 (Academic)	Football (a number of games), 2+hrs	No	Yes
3	Pre-studies/ Post event	Norwegian (m) 42 (Psychologist)	Theater (a number of plays), 2+ hrs	Yes	Yes
4	Pre-studies/ Post event	South-African (f) 46 (Real estate agent)	Safari tour, 4 days	No	Yes
	W. Cape, South Africa – Feb/Mar 2010	Subjects	Experience (type of)		
5	On-site	German (m) 63 (Musician/Manager)	Safari (Botlierskop Private Game Reserve, Mossel Bay), ½ day	No	Yes
6	On-site	Swedish (m) 32 (Carpenter)	Diving - Cage Shark diving (Shark Africa, Mossel Bay), ½ day	Yes	Yes
7	On-site	South-African (m) 69 (Retiree)	Golf (George Golf Club/Driving range, George), 1 day	Yes	Yes
8	On-site	South-African (m) 25 (Medical assistant)	Bungee jumping (Face Adrenalin, Bloukrans Bridge), 1 hour	Yes	Yes
9	On-site	French/CT (m) 55 (Gallery owner)	Elephant encounter (Botlierskop Game Reserve), 1 hour	Yes	Yes
	Oslo, Norway – Jun 2010	Subjects	Experience (type of)		
10	On-site	Norwegian (f) (Nurse)	Museum - Art (The Munch Museum), 1 hour	Yes	Yes
11	On-site	Norwegian father/daughter (age 10)	Museum - Science (Norsk Teknisk Museum - Robots), 2 hrs	Yes	Yes
12	On-site	Norwegian mother with two kids	Museum - Science (Norsk Teknisk Museum), 1 hour	Yes	Yes
13	On-site	Norwegian (f) 31 (Judge)	Movie theater. (Ringen kino, The movie “Inception”), 1 ½ hrs	Notes	Yes
14	Post event	Norwegian (f) 42 ()	Meditation course (Rural farm location), 1 week	Yes	Yes
15	Post event	Norwegian (m) 33()	Football match (English Premier League Stadium event), 2 hrs	Yes	Yes
16	On-site	Norwegian (m) 47()	Bingo - Gambling Hall (OK Bingodrift, Arkaden), 2 hrs	Notes	Yes
17	On-site	Norwegian (f) 21 (Student)	Karaoke (Zinatra - Aker Brygge), 2 hrs	Yes	Yes
18	On-site	American (f) 22 /Student)	Karaoke (Zinatra - Aker Brygge), 2 hrs	Yes	Yes
	Kyoto, Japan – Jul 2011	Subjects	Experience (type of)		
19	On-site	Spanish (siblings) (f) 22, (m) 31()	Museum -Art. (Nijo castle, World Heritage Site), 2 hrs	Yes	Yes
20	On-site	American (f) 31 (Teacher)	Museum -Art. (Nijo castle, World Heritage Site), 2 hrs	Yes	Yes
21	Post event	Norwegian (m) 49 (Manager)	Meditation course (Shunkoin Temple), 2 hrs	Yes	Yes

	Munich, Germany – Sep 2011	Subjects	Experience (type of)	Transcript in full	Digital record
22	On-site	German (f) 41 (Insurance broker)	Festival - Oktoberfest (“Beer festival”, Munich), 1 day	Yes	Yes
	Post event	- same subject, second topic	Parachute jumping – Tandem, 1 hour	Yes	Yes
23	On-site	German (m) 34 (IT-technician)	Festival - Oktoberfest (“Beer festival”, Munich), 1 day	Yes	Yes
	Post event	- same subject, second topic	Parachute jumping – Tandem, 1 hour	Yes	Yes
	Benidorm, Spain – Dec/Jan 2011/12	Subjects	Experience (type of)		
24	On-site	German (f) 36 (Graphic designer)	Karting - Motor sport (Finestrat Karting, Benidorm), 1 hour	Yes	Yes
	Post event	- same subject, second topic	Festival - Oktoberfest. (“Beer festival”, Munich), 1 day	Yes	Yes
25	On-site	German (m) 35 (Financial adviser)	Karting - Motor sport (Finestrat Karting, Benidorm), 1 hour	Yes	Yes
	Post event	- same subject, second topic	Festival - Oktoberfest. (“Beer festival”, Munich), 1 day	Yes	Yes

– *Not all those who wander are lost*

(Tolkien)

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