Leveraging neo-localism for experience innovation: A case study of an urban park and entertainment venue

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Leveraging neo-localism for experience innovation: A case study of an urban park and entertainment venue

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Abstract

In the past decade, spending on experiences relative to other types of consumer spending has increased dramatically. Companies with an experience economy mindset focus on differentiation as opposed to standardization and rely on innovation activities for growth. This design research project examined how an urban park and entertainment venue leveraged its unique brand and core experience to design and innovate memorable guest experiences. The Quartyard study integrated key concepts of experience economy logic and memorable tourism experiences with principles of human centered design. Interviews were conducted with key stakeholders to include the architects, general manager, members of the local business association, nearby residents, and guests to identify key themes and to frame the design challenge. A series of idea generation sessions were conducted to brainstorm events and activations aligned with the core experience concept. Personas and journey maps were created, and a select number of activations were prototyped and evaluated. Qualitative results comprised views of an emerging concept called neo-localism in the literature. These included being non-corporate, environmentally responsible, empowered and self-sufficient, authentic, and community building. Findings point to the importance of shared vision to motivate innovation in a context where innovation is collective, incremental, and ongoing.

Keywords: memorable experience; experience design; innovation; urban parks; neo-localism; education

1. Introduction

The past decade has seen a notable rise in experiential consumption, especially among the millennial generation, who are about to enter their prime earning years (Eventbrite, 2017). Emotional connection drives value for this modern consumer (Magids et al, 2015). They are on a quest for meaningful and memorable experiences to satisfy their unmet needs and potentially transform their lives (Poulsson, 2014). The increase in experiential consumption has prompted renewed interest in studying the workplace practices of firms that place the co-created guest experience at the heart of their innovation efforts (Zomerdijk & Voss, 2011). Companies with an experience economy mindset focus on differentiation as opposed to standardization and rely on innovation activities for growth (Sundbo, 2009; Pine & Gilmore, 2014).

Researchers have identified properties of memorable experiences relevant to the attractions industry to include immersion and flow (Csikszentmihalyi, 1990), renewal and escapism (Tung & Ritchie, 2011), and contact with the raw or real stuff (Bowswijk et al, 2012). The components that make experiences memorable can be levers for...
experience innovation activities. However, one size does not fit all. Best practices tend to be easily copied or adapted in the entertainment context where benchmarking is easy, and customer switching costs are usually minimal. Continuous innovation of the guest experience begins with a deep understanding of what makes it special and meaningful (Sipe, 2016).

*Quartyard* is an urban park and entertainment venue constructed from repurchased shipping containers. Its goal is activating urban land into a vibrant, outdoor community space (Quartyard, 2018). The *Quartyard* study integrated key concepts of experience economy logic and memorable tourism experiences with principles of design research. The goal of holistic experience design is to create a connection between the guest’s perceptions, design features, and the contexts of interaction between the offerings and guests (Tussyadiah, 2014). Interviews were conducted with key stakeholders to include the architects, general manager, members of the local business association, nearby residents, and guests to identify key themes and to frame the design challenge. A series of workshops were conducted to create personas and journey maps around the core experience of the *Quartyard* venue. Idea generation sessions followed, and a select number of event designs and activations were prototyped and evaluated.

### 2. Theoretical Foundations

#### 2.1 The experience economy paradigm: unique, co-created, and memorable

For many years, the predominant divisions of economic offerings have been goods and services. With the growing importance of intangible offerings and experiential consumption, the traditional product/service paradigm has become less relevant. Scholars identified the need for theoretical frameworks that more accurately reflect today’s marketplace. Pine and Gilmore (1998) called for the “untying” of services from experiences, and they articulated an argument to support their economic theory. The authors’ work created extensive interest in adopting the principles necessary to transition from a service to an experience economy. Three concepts relevant to experience innovation in the attractions industry are uniqueness, co-creation, and memorable experiences.

Central to the economic theory posited by Pine and Gilmore is that services have become commoditized, so competitive advantage has to come in the way of experiential offerings that engage customers in unique ways. There is certainly anecdotal evidence to support the notion that people are looking for, and willing to pay for, unique experiences in the hospitality and tourism industry. Novelty seeking has long been considered a key motivation for people to travel (Hjalager, 2011). The boutique hotel movement was sparked by the recognition that a certain segment of traveler was seeking accommodations that reflected their own unique sense of place (Tung & Ritchie, 2011). Theme parks spend millions on one-of-a-kind attractions each year to entice new and repeat visitors. Differentiation, then, is the key strategy in the experience economy. This may present challenges for organizations that have historically embraced service standards of consistency and predictability. Attractions, for example, will need to find ways to maintain safety and service quality components most valuable to the guest while simultaneously engaging the guest in novel experiential offerings.

The concept of co-creation has been discussed theoretically in both the service and experience literature. The customer is present during the production of the service, and often plays an active role (Prahalad & Ramaswamy, 2004). In the hospitality and tourism industry, this gave rise to considerable attention being paid to the interaction between the guest and the employee during the service encounter. Employees can play an integral role in the guest experience through authentic engagement that connects on an emotional and personal level (Cetin & Walls, 2016). Additionally, the physical environment and surroundings are considered an integral piece of the co-created guest experience. Bitner (1992) coined the term *servicescape* to describe the impact of the atmosphere and physical design on guest and employee perceptions of experiential service. Research examining the realms of experience theorized by Pine and Gilmore (1998) has consistently demonstrated strong connections between ratings of aesthetics and environmental surroundings on guests’ overall satisfaction with their experience (Mehmetoglu & Engen, 2011). Emerging hospitality research extends the notion of *servicescape* by integrating natural and cultural dimensions as well as a focus on employees as interpreters in what the authors depict as the hospitality and tourism *experienscape* (Pizam & Tasci, in press).

Pine and Gilmore (1998) approached experiences from the perspective of the firm and focused on how they deliver or *stage* experiences. Other prominent researchers argue, however, that organizations can really only provide an
opportunity for an experience because experience is something that happens in people’s minds, based on their own feelings and perceptions of value (Sundbo & Sorensen, 2013). Consequently, tourism researchers, integrating work done in the field of psychology, have identified several dimensions of memorable experiences. Many of these constructs, not surprisingly, have found their way into the discourse of experience economy studies. The most memorable experiences are multi-sensory. People also tend to remember social interactions, the moments when they engage in some way with other people (Beltagui et al, 2015). Things out of the ordinary—surprises—as well as variances to our expectations are memorable. And people have positive memories when they are rewarded, as long as the reward results from their own actions (Tung & Ritchie, 2011). Another dimension of memorable experiences that has significant crossover with experience-related theory is immersion. For example, the theory of optimal experience based on the concept of flow posited by Csikszentmihalyi (1990) describes an immersive state in which people are so involved in an activity that nothing else seems to matter. Finally, hedonic or pleasurable experiences allow visitors to recall their experiences; memorable experiences are emotional in nature (Poullson, 2014).

2.2 Leveraging core experience for innovation

Although the field of experience innovation is just emerging, research points to the need to consider innovation as a holistic, organization-wide initiative, aligning guest perspectives and organizational culture. A recent empirical study, for example, examined the context-specific leadership practices that enabled organizational innovation in co-created guest experiences. The most compelling finding from the study, according to the author, was the importance of the leadership practices that involved developing a shared understanding of an experience company’s unique guest experience. The practices that made up the factor labeled Connect, had the largest impact on organizational innovation outcome variables (Sipe, 2016). According to the author, rethinking and reimagining the collection of offerings that comprise the essence of the unique experience is where innovation starts. Continuous enhancement of the guest experience begins with a deep understanding of what makes it special and valuable. What memories are created for these guests? What is the essence of the value as perceived by the guest? Best practices tend to be easily copied in the hospitality and tourism context, where benchmarking is easy, and customer switching costs are usually minimal. “The implication is that differentiation then, requires a commitment to dive deeply into conversations about the unique aspects of the total experience offered by the organization” (pg. 82).

Other research has highlighted shared purpose as a key enabler of innovation at the organizational level. Amabile (1988) emphasized the importance of purpose as a motivator for creativity and innovation, for example. At the individual level, she found that people were more creative under conditions conducive to intrinsic motivation. “Domain relevant skills and creativity relevant skills determine what one is capable of doing, but the presence or absence of intrinsic motivation determines what that individual actually does (p. 157)”. She argued that the same held true at the organizational level, identifying a compelling vision as the motivation to innovate. A meta-study of innovation capacity in the social sector called the connection to purpose mission clarity and outlined three ways it enabled organizational innovation. It made idea generation more relevant to the organization’s goals. Common mental models lowered the hurdles of communication and diffusion of the ideas. And stronger connections to the purpose meant lower levels of push-back for new ideas and change (Seelos & Mair, 2012).

Pine and Gilmore (2014) extended the notion of core experience as a driver of experience innovation in a recent article discussing the implications of their theory. The authors contend that authenticity has become the new consumer sensibility. What this means is that consumers make purchasing decisions based on how well the offerings conform to their own self-image. Hence, companies in the experience economy will need to enhance the organization’s capacity for rendering authenticity. To render authenticity with customers the organization first needs to understand its own identity by asking questions like “what is the essence from which all our values flow, and what is the self to which we and our offerings must be true?” (pg. 29).

Viewpoints on organizational identity and culture are numerous and varying. Some view culture as something the organization has. For example, Scott and Bruce (1994) operationalized a culture of innovation with an instrument comprised of factors intended to measure vision, participative safety, support, and task orientation. Another approach views culture as something the organization is—the organization and culture are indistinguishable. This “root metaphor” (Smirchich, 1983) approach is more descriptive in nature and identifies the meaning connected with the culture. Using an anthropological approach, the richness of an organizational culture is identified by shared cognition, shared symbols and unconscious processes (Driskill & Brenton, 2005). A definition provided by Ogbonna
& Lloyd (2002) is consistent with experience-centric viewpoints. Culture is the “collective sum of beliefs, values, meanings, and assumptions that are shared by a social group and that help to shape the ways in which they respond to each other and their external environment” (pg. 12).

3. Research Methodology

As indicated, in experience-centric organizations, shared values and core experience are the levers for innovation activities and design decisions. The Quartyard study integrated key concepts of experience economy logic and memorable tourism experiences with principles of experience design. The goal of experience design in the tourism industry, for example, is to create a connection between the guest’s perceptions, design features, and the contexts of interaction between the offerings and guests (Tussyadiah, 2014).

Quartyard is an urban park and entertainment venue constructed from repurchased shipping containers. Its goal is activating urban land into a vibrant, outdoor community space (Quartyard, 2018). The vision for the venue began as a thesis project from students at the New School of Architecture and Design in San Diego, California. It was designed as a reusable infill project for a 28,000 square foot dilapidated lot that was designated as an affordable housing project. Construction on the housing units was not scheduled to start for two more years. The Quartyard installation included event space with state-of-the-art audio infrastructure, the only dog park in the downtown area, and three anchor tenants—craft beer, artisanal coffee, and food. The tenants were open daily, and the site was permitted to hold 56 events per year.

The design research project began two years after Quartyard originally opened, at its second temporary location, four blocks away from the original site. The goal was to design and innovate events and activations for the second iteration of Quartyard at its new location. The richness of unique guest experience is not likely to be revealed by just one or two pieces of information. This research project adopted methods of interpretative ethnography (Ybema et al., 2009), holistic experience design (Tussyadiah, 2014), and design thinking (Ideo, 2015). Characteristics are:

- It combines field work methods of observing, conversing, and reading
- It is context sensitive
- It represents multiple voices
- It involves meaning making and interpretation

As summarized in Figure 1, the project involved four stages. The first stage was exploratory. The purpose of the inspiration stage was to engage with the Quartyard community that we were designing for to understand their values, hopes, and aspirations. Interviews were conducted with key stakeholders to include the architects, general manager, members of the local business association, nearby residents, and guests. We asked them open-ended questions about what made Quartyard unique and special. We encouraged them to share stories about their memorable event experiences at Quartyard and other venues. The second stage involved synthesizing the data.

![Figure 1. Four phases of experience design and innovation at Quartyard](https://stars.library.ucf.edu/jteas/vol1/iss1/4)
Interviews were coded and themed. I conducted a workshop with Quartyard’s management team to discuss the data and to create statements of the Quartyard core experience. Stage three focused on the guest experience and involved observation and journey mapping. The outcome of this stage was a set of customer personas. A series of idea generation sessions followed to brainstorm events and activations aligned with the emergent themes and personas. Finally, four event prototypes were initiated and evaluated.

4. Summary Findings and Results

4.1 Core experience themes

Qualitative interview results amplified the notion that Quartyard created a sense of place for the adjacent neighbourhood of downtown San Diego called East Village. Neighbours described the place as “authentically theirs, not like the busy Gaslamp district nearby, unique, different, special to us, our personality, and the local spot.” Many of these insights were consistent with an emerging concept called neo-localism in the literature. For most of human history most of what was consumed was of local origin. Progress in technology led to the mass production and transport of consumables, helping to create an indistinguishable, flattened geographic urban landscape. Neo-localism is a response to the homogenization of the economy and urban landscape; it is an active, conscious attempt to create a new sense of place. Research cites the growth of microbreweries as an example of neo-localism at work in the United States. Looking for the sense of and connection to place is behind the strong pull of hometown loyalty and yearning that encourages people to buy locally brewed beer (Schnell, 2013).

The tag line for the space was Your City Block. Five key messages represented voices of the Quartyard community.

- Sustainability and environmental responsibility
- Authenticity and transparency
- Cooler than corporate
- Empowered and self-sufficient
- Community building

The project architect said the project was “conceived with the principles of sustainability and renewal at its core.” From the shipping containers to our tree planters made from recycled dumpsters. The wood for our beer garden tables are all reclaimed wood, some are more than 100 years old.” Another founder talked about how “migrating architecture” can bring the city together through adaptive spaces.

One of the event sponsors and activators discussed how impressed she was with the general manager’s “authentic way about himself and transparent approach.” She described how open he was with the financials during their initial contract discussions. It felt more like we were partnering—it was empowering.”

The site’s general manager echoed the importance of partnering with the right activators. “We can’t be perceived as too corporate—it’s not the East Village vibe. I look for activators that can bring something unique, that they’re passionate about. That authenticity usually is contagious and they bring along their own community of interest to the event”. A member of the East Village business association commended the general manager for his “innate ability to find the cool events and musicians that don’t step on anyone else’s toes in the community.”

Several of the people we talked with felt a sense of ownership around the project. One frequent guest said “a lot of us are proud to have helped get this done. I contributed to the Kickstarter campaign. We all have to keep coming to the events and giving our feedback so Quartyard remains self-sufficient, even if it has to move again.”

The city’s politicians have been supportive of the project as well. “It’s a good talking point when we’re looking for the cool factor…when describing our unique neighbourhoods,” said one of the council members I spoke with. It’s a good example of a pop-up space bringing together like-minded community members.
4.2 Personas

Another method used to bring the data to life was the creation of journey maps and personas. As opposed to designing products, services, and experiences based upon the preferences of the design team, it has become standard practice within many human-centered design disciplines to collate research and personify certain trends and patterns in the data as personas. Personas add the human touch to research facts, and they are helpful to understand patterns in the research (Ideo, 2015). Personas provide meaningful archetypes which you can use to assess your design development against. For the Quartyard study, gleaning data from the onsite observations and interviews, we created six user archetypes. The personas, represented in Figure 2, were titled Dog Devotees, Curious Neighbours, Coffee Enthusiasts, Music Movers, Old Souls, and Instagrammable Foodies. For each persona, we developed a visual alongside supporting facts and bullet points that summarized the interests, values, and patterns of behaviour for the composite Quartyard visitor. In some cases, secondary research was presented about the persona. For the Dog Devotees, for example, secondary research included data about dog parks in general, dog charities, dog related event best practices, and the financial impact of the pet industry segment. The bullet points summarizing the Dog Devotees persona included:

- Enjoy socializing with other dog lovers
- Treat their pet like a well-loved child and spend accordingly
- Drink beer and coffee while their dog enjoys the dog park
- Think dogs are cool, but doggy day care facilities are uncool
- Follow dogs on Instagram – some host their own dog’s site
- Pick up after themselves and their dogs

Figure 2. Examples of Quartyard guest personas
4.3 Prototypes

Data from the core experience themes and personas helped focus the ideation stage of the action research initiative. During this stage, students enrolled in a course titled Innovation in the Experience Economy were asked to generate ideas for memorable events for Quartyard. Inspiration and support for the idea generation sessions came from several sources to include experience economy logic, key messages of the core experience, visitor personas, and contemporary trends and best practices.

Four examples of event prototypes are depicted in Figure 3. Some version of each of these four prototyped guest experiences were adopted and pilot tested at Quartyard. The first prototype was titled **Qamp Quartyard**. The idea integrated the core experience themes of authentic, non-corporate, and community building. It took advantage of the outdoor venue, and it was designed with the curious neighbors and old souls personas in mind. It was also supported by the contemporary trend of suspended adulthood. Three successful activations that resulted were a cornhole tournament event, a sponsored rock-climbing event, and an ongoing series of bingo nights with guest callers.

The prototype titled **One People, One World** integrated sustainability, self-sufficiency, and community building. It was designed with the old souls and instagrammable foodies in mind. The week-long event was intended to bring awareness around how our everyday actions affect the planet. A DIY flower crown and succulent making event was offered as well as an ECOllaborative art installation during National Parks month.

Designed with the coffee enthusiasts, dog devotees, and curious neighbours in mind, a series entitled **Seize the Day** was prototyped. This concept sought to increase visitors during the day with events that focused on the early risers and dog walkers, as well as those who utilized the urban park space to get some work done throughout the day. A Quart Tank themed event focused around sharing the talents and insights of the East Village business association. A garden themed brunch with interactive art was introduced. A partnership with activators that provide unique fitness events has been particularly well attended, especially doga (yoga with dogs).

The fourth prototype, titled **Local Love**, integrated local artisans and pop-up market style activations with themed music. A particularly interesting event tapped into the old souls love of everything vintage and highlighted a jewellery trading post where attendees could swap old jewellery based on a point system organized by the activator.
5. Discussion and Conclusion

Innovation research, with its roots more than 30 years old, is hardly freshly sprouted; however, the study of experience innovation is just emerging. Despite the vast quantity of innovation business literature, many of the findings from new product and service development are simply too narrow to be useful for organizations whose main economic offering is an experience. In this industry context, innovation is less about producing new things and more about creating memories. Managing innovation requires ongoing efforts to encourage and support creativity from people within and outside the company, as well as cultivating a culture that can turn novel ideas into enhanced offerings and improved business performance (Kindstrom & Kowalski, 2014). This study offers an updated perspective on innovation in experience-centric organizations, both from a process and an outcome perspective.

Findings point to the importance of shared vision to motivate innovation in a context where innovation is collective, incremental, and ongoing. This is consistent with other research linking core experience/purpose and innovation business performance. In the case of Quartyard, the core experience comprised views of an emerging concept called neo-localism in the literature (Schnell, 2013). These included being non-corporate, environmentally responsible, empowered and self-sufficient, authentic, and community building. Many of these concepts were tacitly embedded in the original vision of the project architects. As illustrated in this study, though, the process of dialogue and engagement about an experience firm’s unique and memorable aspects needs to be ongoing. A relaunch of Quartyard, at a second site, provided a timely opportunity to reconnect with stakeholders and develop collective understanding around the five meaningful themes encompassing Your City Block.

Results of the case study also demonstrate the power of narrative and visuals in experience design and innovation. The theory of human-centered design involves grounding the design in the needs and aspirations of users, their environments, and their contexts. Guest survey data is unlikely to provide sufficient rationale for innovation activities. It is often difficult for guests to articulate the emotional and memorable value of their experiences. Stories can provide rich description of these subjective states (Tussyadiah, 2014). The personas developed as part of the Quartyard design research (see Figure 2) helped the management team develop a more holistic interpretation of their guests’ values, behaviours, and desires. It is interesting to note, for example, that Quartyard’s marketing director accelerated the use of quirky and touching dog photos in the venue’s social media strategy.

The innovation process described in this project integrated experience economy logic with design research methodology. The results of this integration are illustrated in the event prototype ideas (Figure 3). The prototypes were grounded in deep understanding of what Tussyadiah (2014) calls the meta concept. Events and activations were designed to leverage Quartyard’s unique brand of neo-localism. They were outlined with particular personas in mind. In many instances, they were also supported with data from current market trends. Many of the prototype components have been implemented. Others continue to be pursued as part of ongoing experience innovation.

Since the findings are based on data collected at one research site, it does not make much sense to discuss how the results might be generalized to the larger population of the experience industry in the same way that quantitative studies are generalized. Instead, the results are best consumed as a unique case study that may nudge the reader/scholar to think differently about experience design and innovation, specifically or generally. Although experience innovation is intrinsically incomplete, the findings presented in this paper offer a rare behind the scenes glimpse of a place where most of us would not usually have the opportunity to go.

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