“VALLEY CO-CREATION” – EXPLORING THE EMERGENCE OF A CULTURAL PRODUCT IN AN ENTREPRENEUR-DRIVEN VALUE NETWORK

Case study of a music and ski festival

Master´s Thesis
in Marketing

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FOREWORD

“You ought to dream. All our biggest businessmen have been dreamers.”

– Ernest Hemingway

I stand indebted to the following individuals for keeping up with me through this project. First and foremost I must thank my parents Riitta and Juha Zitting who encouraged me to get into studying business, despite my passion for the creative industries.

Thanks to this thesis, it was easier to forget that there was a “despite” in the first place, because I know now better than ever that art, science and business are intertwined in wonderful ways and their uncovering has been both challenging and fulfilling. This would not have been possible had my boss in Paris, Eric Chesnais, not given me a book called Fashion and Art Collusion, which got me interested in writing about cross-disciplinary collaboration. As you say, MERCI!

I would like to thank Laura Laaksonen of Aalto University in Helsinki for the encouraging discussion about artists and entrepreneurship and I wish you all the best in LA. Finally, I must thank my fellow IB alumni Kia Korpela and Pinja Pietilä for understanding the true meaning of adventure and friendship. We studied Arcadia together and I was crazy enough to pick up chaos theory from it. Also, I have a long list of other friends with whom I’ve had the pleasure of discussing through my travels, and a few of them happen to be fellow TSE alumni. For this specific project, I extend my gratitude to Lauri Pitkänen and Lu Ying for listening and advising, and sharing me their wisdom in the complex art of taking it easy.

Biarritz 30th of July, 2013

Maija Zitting
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1 INTRODUCTION

1.1 State of the art in emergent cross-disciplinary collaborations

A hot topic in research across disciplines at the moment is convergence. This is not new as a phenomenon, but the ability for scholars to identify it only recently has been explained through the interconnectedness highlighted by information age and globalisation. Convergence has been reflected on the level of academia too, as researchers across disciplines have been inspired by the collaborations between culture, science, and technology to explain emergent behaviour. A group of scientists (e.g. Ascott, Bast, Fiel, Jahrmann & Schnell 2009; Alexenberg 2008) have looked to theology and applied the term 'syncretism' to describe the process in which various disparate disciplines, namely arts, science, and technology, merge and produce new material and metaphysical properties in their surrounding environment. In marketing, syncretism has been defined as "the grafting of a newly introduced cultural element to a currently recognised cultural element" (Sherry 1987, 188). This is the driving logic behind this thesis.

To the extent that convergence is understood as a practice where new ventures are built from combining resources from seemingly disparate markets, organisation academia has based its theory largely on observations on cross-disciplinary ventures in manufacturing and technology. Conversely, the cultural industries do not share the same extent of attention. From the point of view that creativity is widely recognised as an important cognitive resource for individuals and the society as a whole, it seems odd that an industry operating on the abundance of such resource is given so little attention in marketing, as the call for papers of European Journal of Marketing stated in 2009. Another motive to study creative industries is the growth of its market value that can be explained by the aestheticization of the economy and the art market boom experienced in the 21st century. These trends represent a veritable commercial opportunity – for artists, designers, entrepreneurs, marketers and scholars.

Indeed, with the industry shifting towards private funding, artists and creative professionals have faced the issue of inventing new revenue streams since the 1980s (Bennett et al. 2010; O'Reilly & Kerrigan 2010). Simultaneously, a rising marketing trend is the use of art in experience and event marketing. The book "Taken by Surprise" by the creative curatorship Gestalten (Klanten & Ehmann 2012) illustrates the relation between marketing and art in great depth with examples from the last decade. Lately, academic journals too have begun to write about the relation, as shown by the special issues of Marketing Intelligence & Planning (2009), Journal of Marketing Management (2010), International Journal of Culture, Tourism and Hospitality Research (2010), and Journal of Knowledge Economy (2012). Furthermore, the launch of the Journal of Arts Marketing in 2011 acted as a symbolic gesture.
to bridge the schools of marketing and arts, which traditionally have been perceived as being ideologically distant.

Another aspect that may have impeded gathering knowledge on convergence is the slowness of cultural and creative industries to adopt a comprehensive view on economic theory. This is demonstrated by the research priority given to cultural policy, an implication of the state's role in financing cultural industries thus far. However, recent findings show that cultural industries have an unusually high share of self-employment in comparison to other industries (Söndermann 2012, 15), highlighting a dire need for knowledge on entrepreneurial practices within the cultural industries.

1.2 Description of the research gap

Management scholars have tried to explain organisations through complexity since the late 1980s (for a historical review of the epistemology of alternative theories in management, see e.g. French, Kouzmin & Kelly 2011). In the science of marketing management, this has set to motion a paradigm change. The main reason lies in the radical implication that firm boundaries can be viewed as permeable (Storbacka, Frow, Nenonen & Payne 2012, 52). When companies are seen boundary-less, economic roles can be understood in a different way. This would imply the eradication of industrial sector taxonomy, which Normann and Ramírez theorised in 1994.

From an epistemological point of view however, sectorial taxonomy has acted as substance for analysing differences between economic actors and stands as the semiotic foundation for labelling not only products and the individuals related to them, but also the relationship between them. This has influenced how the world has come to understand markets. Its eponymous school – marketing – has long defined individuals as consumers, entrepreneurs, or employees with terms to their role in production: as users or producers of output. Such logic was critiqued by service marketing scholars of serving only goods that were tangible or standardised (Vargo & Lusch 2004b, 326, 332), until the American Marketing Association (AMA) took intangibility and service industries into consideration in its glossary. This thesis uses the AMA definition of product as "a bundle of attributes (features, functions, benefits, and uses) capable of exchange or use; usually a mix of tangible and intangible forms. Thus a product may be an idea, a physical entity (a good), or a service, or any combination of the three. It exists for the purpose of exchange in the satisfaction of individual and organisational objectives."

As of late however, a group of marketing academics have focused on the term 'exchange' and extended the traditional view of economic transactions towards a view called value co-creation which stresses interaction in the relation between economic actors (Prahalad & Ramaswamy 2000a, 6). In the value co-creation process, the role of the customer is
endogenous (Vargo & Lusch 2008, 31) rather than predetermined by the company (Prahalad & Ramaswamy 2000b, 80) and role of the product “is no more than an artefact around which customers have experiences” (Prahalad & Ramaswamy 2000b, 83). Although Prahalad and Ramaswamy (2004, 11) initially asserted that “direct interactions with consumers and consumer communities are critical”, the mainstream school of value co-creation has traditionally observed the value created between a producer and a consumer (Plötner, Lakotta & Jacob 2013, 71). This dichotomy has been maintained, even if products are known to embody social properties – symbolic meaning – (AMA) implying a relation broader than a simple dyadic one. Adding to that, the postmodern criticism for marketing's atomistic view of the self has prompted a view that consumers and producers are the same person (Firat & Venkatesh 1995, 254) and should be grouped rather by their belonging to communities (Cova & Cova 2002, 595).

Noting that network researchers within marketing academia are incorporating a model assuming nonlinearity, the motivation to study value co-creation from complexity point of view seems current. As a dynamic view to structure, nonlinearity allows researchers to study emergence, brought upon by interconnection between collections of agents (French et al. 2011, 444). It also fits well with cultural production which is typically not concerned with the sequential flow of production (Kubacki & Croft 2011, 811). Any group of people or organizations “creating social and economic good through complex dynamic exchanges of tangible and intangible value” are hence referred to as a construct of “value network” (Allee 2009, 429).

Having laid out the context of interaction, an important question arises: how can marketing create value, if market boundaries are fluid? The logical approach would begin by substituting the construct of market by setting an alternative basis within which values are built, compared and accrued. Assuming nonlinearity, Biggart and Delbridge (2004, 31) have proposed “systems of exchange” as an alternative to the market view, drawing attention to the “synergistic” combination of elements that drives economic action. DiMaggio and Zukin (1990, 17) on the other hand note that economic behaviour is shaped by culture. Within marketing, research on consumer culture theory would understand the management of this as branding, which uses symbols, names and other artefacts to identify the product from that of the competitor (AMA). However, this academic discourse remains yet to be transformed by postmodern view of fluid and overlapping identities with terms to producer-consumer dyads. In this discourse, roles are assigned based on the firm-consumer relation. However, since entrepreneurs are neither consumers nor firms, they fit poorly to the definition of either culture. This is a critical down-fall, because individuals in business belong to several cultures within other fields of society (Håkansson & Snehota 1995, 15). Common sense tells that as individuals of society, entrepreneurs most probably belong to several cultures as well. Yet the collaborative practices of entrepreneurs, although receiving a great deal of interest as economic actors from business scholars, remain a scarcely researched area.
Hence it seems current to follow the call by Peñaloza and Venkatesh (2006, 304) for a second paradigmatic change in marketing research to incorporate a holistic, meaning-incorporating view to value co-creation. Indeed, co-creation has been recently defined as an organisation-engaged process driven by “transparent, open-ended flow of social communication built around the negotiation and renegotiation of meanings” (Ind & Coates 2013, 92). This is the definition of value co-creation used in this thesis.

Returning again to the condition that market boundaries are fluid, this highlights another research gap within marketing to research the emergence of a product within a network of entrepreneurs with regards to their roles in disseminating cultural meaning and symbols.

1.3 Research question

As a study in marketing research, this thesis sets to contribute to the research in entrepreneurial marketing by exploring how cultural entrepreneurs can act as a contributor of value in cross-sectoral collaborations. The research problem is approached from a value network perspective that considers artists and athletes as entrepreneurs.

The purpose of this thesis is to examine the emergence of a cultural product as it is co-created in a network consisting of entrepreneurs and boundary spanners from different industries. This is the driving question of the research. Under the formerly described ethos for holding cultural industries as an object of research, the research question is answered by studying a context where at least one of the contributors is a cultural entrepreneur. Hence the research questions are:

- Describe the pattern of resources and activities that give rise to the emergence of a cultural product in a value network
- Examine what role entrepreneurs and other network actors play in the co-creation of value
- Describe how cultural entrepreneurs orchestrate co-creation in a value network.

The methodological choice follows the advice from Arbnor & Björke (2009, 330) to choose a primary paradigm, complimenting it with features from a different paradigm. This thesis will use systems thinking as the main framework, with actors view assisting to link the emergent processes to the meanings each actor is connected to.

The questions are approached with a case study methodology. As established, art marketing literature is policy-oriented, and therefore some preconditions are drawn for the object of the study. They are that the observational context should not appear explicitly driven by public-private partnerships. Another reflection from the arts marketing literature is the recent view of artists as entrepreneurs, which this thesis has taken as a cue to set the ideal observational context as entrepreneurial.
An entity that fits these two conditions is a ski-music festival organised in the French Alps, which the author had the opportunity to visit in March 2013. The event is considered the object of study in this research. The scientific methodology will be explained in more detail in Chapter 4.

The theoretical part begins by a review on networks and co-creation (Chapter 2). Chapter 3 is structured around the controversies of cultural industries and commercialisation, ending in a review of some of the recent findings in marketing of cultural industries.
2 EMERGENCE IN VALUE NETWORKS

2.1 Perspectives of marketing for new ventures and entrepreneurialism

Within the field of marketing, a stream of research has found that the concepts of traditional marketing thinking have limitations when it comes to new ventures and small or medium-sized enterprises (SMEs). Stevenson and Gumpert (1985, 89) found that entrepreneurs have a different orientation to business-making, which differs from managerially organised firms on strategic orientation, the commitment to seize opportunities, the commitment of resources, the control of resources, and management structure. These five dimensions form much of the fundamental focus of the school of entrepreneurial marketing today.

In their seminal work, Bjerke and Hultman (2002, 16) define entrepreneurial marketing as "marketing in firms, which grow entrepreneurially, that is, by generating new business ventures". Entrepreneurial growth is different from the so-called managerial growth in many ways. Whereas managerial growth equals efficiency and results achieved through control of planned systems, standardisation, education, and financial capital, in entrepreneurial growth the antecedents are commitment of actors, surprises, entrepreneurs, culture, and processes guided by vision. The reason to specifically research entrepreneurs as a type of marketer is that in addition to aiming to turn profit, they are focused on creating something new. (Bjerke & Hultman 2002, 14; 148–150) This applies not only to new offerings, but also to brokering new business networks, which provides an alternative view to relationship marketing (Wilson & Stokes 2004, 219).

Recently, Read, Dew, Sarasvathy, Song and Wiltbank (2009, 14) identified that entrepreneurs replace conventional marketing strategy with processes of co-creation, thereby sharing some similarities with the currently dominant concept of service-dominant logic in marketing research. Entrepreneurship scholars, however, call this effectuation. According to the authors (2009, 14) in comparison to value co-creation, it has the distinctive advantage of avoiding the customer-supplier-stakeholder role typology that is typical to the academic marketing lexicon.

As identified by Ionita (2012) marketing considers entrepreneurial marketing to exist as a distinct strategic orientation (Schindehütte & Morris 2010) or a stage in the lifecycle of a company (Kotler 2003, 4–5). Both of the two latter perspectives have acknowledged complex environment as a factor in choosing entrepreneurial marketing as a strategic course. However, they have not explained how value emerges in that complex environment. Explaining this involves the combination of two perspectives, research on complex environments and value co-creation, both examined with attention to their applicability to entrepreneurship. In today’s
business research, complex environments are treated through systems theory and through networks in particular.

These will be examined across two chapters, with subchapter 2.2 considering the specificity of entrepreneurship to networks, and subchapter 2.3 describing co-creation in entrepreneurship.

2.2 Entrepreneurial aspects of network theory

2.2.1 Value networks

Scholars across disciplines have shown wide interest to theorising networks since the 70s. Within entrepreneurship literature, the seminal works in the canon on network theory have focused on patterns of connectedness (Granovetter 1973, 1360), to the motivation to engage in networks (Birley 1985, 108) and the combination of these two – the value of a network as itself (Burt 1992, 79).

According to Allee (2008, 12), value is “an emergent property of the network”. As a whole, 'value network' is "any set of roles and interactions in which people engage in both tangible and intangible exchanges to achieve economic or social good ” (Allee 2000, 6). Its core elements – actor bonds, resource ties, and activity links – are adapted from a strategy school model called 'ARA', short for actors, resources and activities (Håkansson & Snehota 1995, 26). However, recently attention has been drawn on the model's empirical roots in established industrial firms, leading some researchers to question the extent to which the theory is relevant for entrepreneurs and emergent value (see Keating & McLoughlin 2010, 996).

It has been found that in order to understand how entrepreneurs are able to shape the available resources into marketable products, one must look at the context in which resources are embedded (Gartner 1995, 70; Keating & McLoughlin 2010, 998; Welter 2010. 165) and where the products are consumed, or “accepted” (Allee 2008, 12).

Hence, by addressing each component of the ARA model and slightly widening them, Allee (2008, 14) reformulates that there are three elements in a value network: roles, transactions and deliverables. Within value network theory, roles are elements of analysis used to denote positions held by individuals or organisations and defined with terms to their ability to contribute to value conversion (Allee 2008, 12), which can be broken down to matching of network resources and positioning in the network (Gummesson & Mele 2010, 194). These network actors “initiate action and engage in interactions” (Allee 2008, 14). Because roles in value networks are not specified with terms to an organisation type or a job
description but to assets processed (Allee 2008, 12), it makes value networks a relevant perspective for investigating entrepreneurship.

2.2.2 **Actors**

Actor bonds have been researched in a wide range of schools. Value network theory gives a descriptive view, as it sees them bundled together as “patterns of roles” (Allee 2008: 12). Cova and others (2010, 883) classify them by their duration, level of trust, degree of interdependence, specificity of assets exchanged, and mutual gain. Actor bonds can be vertical or horizontal. For value creation, analytical views on actor bonds can be grouped in two types. The first is concerned with quantitative aspects: being connected to several different networks impacts the outcome of entrepreneurial opportunity (Aldrich and Zimmer 1986, 8), increases cohesion by network density (Wassermann & Faust 1994, 181) and extends the vision for opportunity (Håkansson & Snehota 1995, 200), by means of gaining access to financial, technical, and marketing resources (Stuart, Hoang, & Hybels, 1999, 345).

The second view is interested in the competencies embedded within the network, whereby the variety of different ties gives rise to diversity which fosters opportunity (Johannisson 1988), inspires the entrepreneur (De Carolis & Saparito, 2006), or, as a means of portraying membership to the network identity, increases the likelihood of a network actor to be included in an opportunity (Håkansson & Snehota 1995, 203). Conversely, Burt (1992, 72) identified a space between several interconnected clusters and introduced the concept of social capital to describe the value created in the network structure. Building on Granovetter's (1973) theory of weak ties, Burt argued that the space of a “structural hole” acts as a source for entrepreneurial opportunity within a network.

Lin (1999, 10, 12) defined social capital for networks that has since been used extensively. Social capital is defined as “investment in social relations by individuals through which they gain access to embedded resources to enhance expected returns of instrumental or expressive actions”. He sees embedded resources as the core element of social capital, which he breaks down to network resources and contact resources. Network resources are the range of resources, best available resources, heterogeneity of resources, and composition of resources. Contact resources emerge in specific actions, reflected by wealth, power and status.

Responding to the call by Gulati (2007) to further delineate the definition of network resources, Huggings (2010, 516) introduces the concept of network capital to create a distinction between the sources, mechanisms, objects and impacts of capital in a network, with regards to an organisation and the actors connected to it. Constructing a dichotomic framework, Huggings contrasts social capital with network capital. Stating calculation as one of the premises for exploiting network capital, Huggings (2010, 525) reasons that utilising the
distinction of network capital and social capital may help to rate certain networks for their investment potential and the state to be managed for financial returns.

However, it should be noted that for the purposes of researching entrepreneurial marketing, some of the network theories have limitations. This is because the methodology for mapping the connections in networks is based on quantitative analysis that uses patent filings as its data set. Although in technology patents are the basis of business logic in the industry, this type of data may not always be available for industries such as cultural production. Also, according to Greve and Salaff (2003, 13, 17), the field of entrepreneurship needs a specific method for investigating network relations, because the relations are neither concentrated to a single social structure nor quantitatively robust enough. Therefore, density scoring of network ties is harder to establish (cf. Wasserman & Faust 1994; Girvan & Newman 2002, 14), making the commonly used models of network management theory hard to apply. The model adopted by Greve and Salaff is an ego-centered network analysis (ENA). The method, as introduced by Knoke and Kuklinski (1982) involves asking a sample of entrepreneurs to "describe their networks, activities, and their relations with network members" (Greve & Salaff 2003, 9) and has been applied to studying the formation of strategic alliances (Suitor, Wellman, & Morgan, 1997). This analytical view on partnerships is alike to the driving logic of this thesis as well.

An alternative approach to research networks delineates from the weak tie view altogether, since it is not so much the strength of ties that matters, but the number and randomness that produce variety and "dynamics" within human interaction and learning. This is because when a network has a high number of random and informal ties, it is more likely to self-adapt, whereby spontaneous collaboration can lead to innovative action. (Stacey 1995, 489, 491) It is precisely this property that gives network theory an explanatory rather than predictive role within research (Stacey 1995, 493).

2.2.3 Resource integration

The classic view on resources departs from the premise that when heterogeneous, they are matched by different network actors and integrated in different degrees (Håkansson & Snehota 1995, 31, 136). It is only through this social process that resources can have value (Håkansson & Snehota 1995, 133). This is similar to Sarasvathy's (2001, 243, 251) entrepreneurial process of effectuation, where new markets are created by matching existing resources and engaging in strategic partnerships.

Sarasvathy (2001, 250) differentiates resources based on whether the level of analysis is done on the level of firm, individual or economy. Within the perimeters of this thesis the levels of firm and individual are of most concern.

A firm can have three categories of resources: physical resources, human resources and organisational resources (Sarasvathy 2001, 250). On the level of individual, there are three
categories of resources, classified in terms of who the entrepreneur is. These are traits, tastes and abilities. The context in which the individual is located, the 'knowledge corridor', is the second set of resources. The third set of resources are social networks, (Sarasvathy 2001, 250), which were described being connected to actor bonds in the previous chapter.

Resources have also been explained to be interactive. In this approach the mechanism for value creation is the network itself, through which value is converted from assets to deliverables (Allee 2008, 19). Deliverables are physical and non-physical “things” (2008: 14) moving from one actor to another and are similar to resources. The contribution compared to the ARA counterpart is that deliverables can move to any direction, which is useful when analysing the flow of information and knowledge (Allee 2008, 14).

The flow of information and knowledge is important for several reasons. Firstly, emergence requires learning between network partners. According to Tikkanen (1998, 112–3) it is the ”limited, imperfect, bounded and subjective” knowledge of individual actors in a network that triggers emergence of value. Also, through a learning process the network creates itself an identity and operates on a “margin of beliefs and trust” (Håkansson & Snehota 1995, 32–33). In value network terms identity, as an intangible element, is classified as a deliverable among other resources lying in the network. Moreover, considering the communicational value of identity as a marketing tool (Balmer & Gray 1999, 175), and on the other hand, the historically ambivalent attitude towards strategic marketing within entrepreneurship (Ojasalo, Nätti & Olkkonen 2008, 96) there is a need for knowledge that would highlight how entrepreneurs learn and enact identity within a network, and thereby investigate the role of identity as a marketing tool within entrepreneurship. As put forth by Allee (2008, 11; see also Håkansson & Snehota 1995, 30) deliverables can be further delineated with terms to contractual transactions and expectation as tangibles, and with terms to the information and support behaviour that flows around the tangible network relations as intangibles. Hence it is useful to accept the view of deliverables as a perspective for knowledge-intensive resources. In terms of term denotation however, it is 'resources' whose adaptation in the recent knowledge management-themed articles points towards employing the original ARA term instead of deliverables.

From the point of view of entrepreneurship, what is lacking from the above altogether is a dynamic aspect, because the value network model assumes that actors are surrounded by pre-existing, identifiable, and exchangeable resources that can be plugged into the value creation process. Hence, unless received from another network actor, the model does not explain how resources appear to the actor in the first place. Indeed, it has been found that new venture development is strategically impacted by how network members are able to identify and assess salient resources, and that context has great influence on this ability (Garnsey 2002, 101–125). The 'how' is explained in the next sub-chapter.
2.2.4 Managing networks: order within complexity

The emergence and development of new ventures is a phenomenon of complex nature (Keating & McLoughlin 2010, 998, 1008). Since value network analysis has its roots in complexity theory (Desai 2010, 388), it is useful to reflect on how complexity theory can inform the process of value creation. As the theory on complex self-adapting systems states, random action, i.e. complexity, is not an eternal state, but a stage between chaos and order (French et al. 2011, 445). This requires a researcher to be able to identify emergence of an organised structure, or in complexity terms, order.

There are two main schools of thought with respect to how the original complexity theory, adapted from mathematics, is employed. Some researchers use complexity as a metaphor, while others interpret the theory more literally (Fuller et al. 2008, 2). The former mode gives a highly naturalistic description of the emergence of order. Having followed energy differentials in life sciences, McKelvey (2004, 337) found that entrepreneurialism was associated more with the emergence of order than equilibrium.

Understanding entrepreneurship requires to look at how “strategies are constructed, moulded and adapted in processes of interaction with environments” (Aldrich & Martinez 2001, 520). Yet organising for order within complexity is a relative endeavour, for networks come in all forms and sizes (Möller et al. 2005, 1275). The figure below presents a typology of network structures identified by Cova, Prévot and Spencer (2010, 885), classified on six dimensions.
Table 1. Characterizations of networks and dyads (Cova et al. 2010, 885)

<table>
<thead>
<tr>
<th>Meta-dimensions</th>
<th>Territory</th>
<th>Industry</th>
<th>Alliance</th>
<th>Community</th>
<th>Kinship</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of members</strong></td>
<td>Local companies and localized institutions (involved in a specific activity with a common interest)</td>
<td>Companies (suppliers/buyers/competitors)</td>
<td>Companies</td>
<td>Individuals</td>
<td>Individuals and families.</td>
</tr>
<tr>
<td><strong>Network configuration</strong></td>
<td>Regional, sectorial</td>
<td>Industry focused.</td>
<td>Trans-industrial. Trans-national</td>
<td>Cultural. “We-ness”</td>
<td>Ethnic.</td>
</tr>
<tr>
<td><strong>Network purpose and outcomes</strong></td>
<td>Regional growth (collective) and competitive advantage</td>
<td>Efficiency and optimization (individual and collective)</td>
<td>Multiple types of strategic goals</td>
<td>Individual and collective identity building.</td>
<td>Perennity. Self-preservation.</td>
</tr>
</tbody>
</table>
In order to pin down the thesis to its individualistic stance of viewing markets as permeable, the focus of analysis falls under the column “Community”, for it describes the actors in the network as individuals and not as established firms, which has been the fundamental problem of applying relationship concepts on entrepreneurship (Wilson & Stokes 2004, 219). In other words, the following discussion takes the assumption that individuals can have the identity of an entrepreneur.

According to Cova and others (2010, 883) community networks differ from industry, alliance and territory networks by closeness and the direction of relations. Next, when it comes to resource flows, there is a stark difference as to what is asserted to move between network actors in a community vis-à-vis industrial relations. There are three important implications. The first is the presence of “social” and absence of “economic” resources for community relations, which, when linked to the network purpose of 'identity creation', is understood as a road-sign to explore the meaning-creation process further. The second implication is the reliability of this characteristic, because the authors did not base their finding on self-collected empirical data, but on restudying a healthcare industry case by Andersen (2005). This links to the third implication, which is that given the absence of empirical evidence, it could be speculated that some network structure could fall into more than one category. One possible candidate could be the entrepreneurial structure, because as Stevenson and Gumpert (1985, 89) state, the management structure of entrepreneurship is often flat and spans several “informal networks”.

In conclusion, the critical view favouring emergent organisation states that the degree of control that can be applied on a network depends on the degree of stability surrounding the value system. In the most extreme case, a value system that is emergent, actors collectively create radically new offerings by combining heterogeneous fields of knowledge from distant domains. (Gillier et al. 2012, 373–4) However, goals are not pre-determined, and the collaboration is characterised by unpredictability and collective exploration. Moreover, complexity may increase even more, as the mix of different backgrounds may cause misunderstandings. (Gillier et al. 2012, 373-4)

In the other case, control cannot be directly applied, but it is increased through a mass following of an orderly signpost. For instance, order emerges when members from different networks partner to share their capabilities for a particular project during a limited time (Möller et al. 2005, 1277). The network self-adapts, as each member abides to technical and social norms (Cunha & Gomes 2003, 183). Network members can also spur order by choosing to follow some members' vision of the end goal (Möller et al. 2005, 1277).

Capabilities relevant to this type of environment are orchestration and visioning. Orchestration requires the main actor to have a strong position within the field as a means to identify and attract autonomous partners that support the venture goals. Orchestration is improved if the main actor is a member in several networks (Möller et al. 2005, 1281-2).
Visioning means the capability to develop an agenda that will be followed by network members. This needs to be supported by "strong communication and persuasive skills, coupled with the kind of credibility that can only achieved through both an intimate understanding of the field and a strong business position." (Möller et al. 2005, 1282).

Although the perspectives above highlight an interactive view to complexity, organisations are known to perform order in hierarchical settings, where one member demonstrates higher leadership potential as compared to others. Subsequently, a view has been put forth that constructs a more symbiotic relation. Gillier and others (2012, 386) found that order emerges through a learning process. This lies on the premise that partners have heterogeneous knowledge bases that encompass scientific and economic knowledge, databases and artefacts. During the collaboration though, there arises other knowledge-like information that consists of concepts and is more ambiguous. Throughout the collaboration phase, each of the partners aim to identify ways in which their own profile of knowledge and concepts overlaps or is deficient in relation to the profile of knowledge and concepts of the partner. In the first case where intersection exists, the relation is characterised as exploitation and the action as matching. In the second case, intersections need to be created, or built, and as opportunity is explored, both partners' learning processes merge into a collective capacity. This is the process of generating common purpose (Gillier et al. 2012, 378, 386), where informality enables network actors to share a common objective (Crimaldi, Cricelli and Rogo 2012, 310), hence bringing them together for value co-creation (Frow & Payne 2011, 231).

While the former exhibit a collective view to entrepreneurial opportunity, there are views that point to the strategic importance of the capabilities of the entrepreneur. These are explained in chapter 2.2.5.

2.2.5 Role of an entrepreneur in a value network

Much research has equated entrepreneurship with the individual entrepreneur (see Berglund et al. 2007). These theories carry the heritage of early entrepreneurship scholar Schumpeter (1934) and his writings on the hero entrepreneur. Scholars after him have continued to study how entrepreneurs impact the birth of new markets.

Some researchers have focused on situational managerial capabilities. When entrepreneurs start the venture, they rely on personal networking, but when resource dependence sets in, they begin forming alliances (Hite & Hesterly, 2001, 282; Johannisson, 1998). On the other hand, Keating and McLoughlin (2010, 998) focus on the knowledge embedded in the network and state that an entrepreneur's imagination – the ability to connect different knowledge amidst the conditions of the context – gives rise to opportunity. This is also mentioned in Sarasvathy's theory of effectuation (2001, 243, 251). However, as Stevenson and Gumpert (2001, 88) point out, the ability to discover opportunities does not qualify an individual as an
entrepreneur. Instead, they assert that in the pursuit of opportunity, it is key that an entrepreneur knows his context, is able to recognise patterns, and finally to promote the venture.

Hence, as straightforward as it seems, Sarasvathy's model is constructed to focus on one entity at a time. When the same view is extended to numerous actors within a network, the picture becomes complex. Decision-making processes overlap and are interdependent upon the processes of other actors (Lichtenstein et al. 2007, 238–240). Yet as established, value network theory has dimensions that map complexity sufficiently. It is therefore beneficial to proceed to incorporating Sarasvathy's means into the network view.

Network research within entrepreneurship is interested on whether the entrepreneurial idea has already been identified or whether a network incubates the creation of it (Baker & Nelson, 2005). In such research, the concept of bricolage by sociologist Levi-Strauss (1963) has been used to illustrate how entrepreneurial growth can be a result of exploiting the resources embedded in the surrounding network, instead of searching for resources outside of it. Indeed, Baker and Nelson (2005) describe that mutually reinforced patterns form intertwined processes and embedded ties, which leads to shaping a distinct business environment for non-standard products and services. On the other hand, an intensive focus on the network can prevent some entrepreneurs from recognising opportunities outside of the network. In a network with a more planned approach to marketing, it was found that entrepreneurs rejected bricolage once the business was established. This seems to indicate the occurrence of managerial characteristics in the course of entrepreneurial businesses, thereby suggesting that entrepreneurs alternate between entrepreneurial and managerial marketing. (Baker & Nelson 2005).

2.3 Co-creation of value in entrepreneurial context

2.3.1 The dyadic perspectives in co-creation of value

Value co-creation emerged from research that called for managerial integration of customer experience with corporate processes (Prahalad & Ramaswamy 2000a, 83) and theoretical integration of services with goods (Vargo & Lusch 2004a, 2), which later formed the school of service-dominant logic (S-D). Since then, researchers have defined value co-creation for two views: for interaction with other businesses and for interaction with customers and stakeholders (see Plötner et al. 2013, 70; Roser et al. 2013, 21). These market-oriented perspectives have employed so-called dyadic models, where the unit of analysis is limited to an interaction between two different actors, as in customer and producer. Because value as a concept imposes an inherent ontological problem regarding subjective cognition, it has been
argued on the grounds of operationalization that the dyadic perspective be kept (Grönroos & Voima 2013, 136).

However, Peñaloza and Venkatesh (2006, 309) believe that within the value co-creation context, the community in which it is produced is equally important. After all, as they state: "few communities exist comprised solely of consumers with-out production and exchange of some sort in markets.” Frow and Payne (2011, 234) assert that the dyadic view may overlook strategic opportunities for co-creation with economic actors other than customers. Moreover, for entrepreneurial marketing characterised by proactivity, there are obvious limitations in the adaptive, market-oriented model governing much of the research (Gaddefors 2005, 205). Therefore, it has been proposed that instead of service-dominant logic, researchers should accommodate a social-dominant logic (Edvardsson et al. 2011, 337).

This approach takes socially constructed context as a premise, studying different roles of actors through their embeddedness and the meanings this produces. As Normann and Ramírez (1994, 54) state: "Value is co-produced by actors who interface with each other. They allocate the tasks involved in value creation among themselves and to others, in time and space, explicitly or implicitly." Hence, it has been proposed that to research value co-creation, foci of research should be extended to "structures, interactions, positions and roles” (Edvardsson et al. 2011, 337).

2.3.2 Definition of value

Acknowledging a slight delineation from the key concept of service-dominant logic, it is essential to briefly state the definition of value as employed hereon within this thesis. In lieu of 'value-in-use', which is the term adapted by S-D logic authors (Vargo & Lusch 2008, 30), it would seem appropriate to use 'sign value' (Firat & Venkatesh 1995, 257) which is used for communicative attributes. After all, there is a fundamental ontological issue in that S-D logic uses the concept of value-in-use as its base. It seems that researchers have not questioned enough why co-creation theory should be structured upon delineating this term which was initially designed by Marx (1867). Indeed, as Baudrillard (1981, 63–64) states, consumption cannot be understood without retrieving an unconscious, metaphysical social logic for its base. In a fashion similar to the action of co-creation, he elaborates:

“[the object] is nothing but the different types of relations and significations that converge, contradict themselves, and twist around it, as such – the hidden logic that not only arranges this bundle of relations, but directs the manifest discourse that overlays and occludes it. ... It has, properly speaking, neither use value nor (economic) exchange value. The object given has symbolic exchange value.”
Understanding signification as a cultural element, the definition of Baudrillard proves congruent to the marketing definition of syncretism: “the grafting of a newly introduced cultural element to a currently recognised cultural element” (Sherry 1987, 188).

In this statement, convergent action and the bundle of relations share a similarity with the non-linear, systemic properties of complexity theory, as described in the chapter 2.x. To complete the system, Baudrillard also describes objects – ideas, conduct, products – as being autonomous (Baudrillard 1981, 65), exchanged within the process of *sign exchange*, where the type of value that emerges is a function of the signs overriding the object, but which may be influenced by the type of the relation (Baudrillard 1981, 78). This is congruent with Abbott's (1955, 40) early definition of consumer need: “People want products because they want the experience-bringing services which they hope the products will render”. What has therefore been the attention of academics such as Holbrook (see e.g. Holbrook & Hirschmann 1982) is symbolic meaning and subconscious processes in services.

Yet under the light of researching emergence, it is questionable how accurately these subconscious processes can be traced. Therefore, it is useful to regard alternative units of analysis. Schmitt's (1999) seminal work on consumer experience marketing has focused on the lifestyle connections identified through studying context. Even more so, Gaddefors (2005, 221) has proposed context creation as an alternative to value creation as the most suitable approach. Yet when taking into consideration that in “contemporary society, individuals possess multiple, fluid, and sometimes competing identities” (Trapp 2005, 1484), and that markets are filled with a multitude of products, not to mention the variety of situations in which each object or service is used, the value interaction between the offering and the user becomes extremely complex. Despite this, several authors have researched context in value co-creation (Saarijärvi et al. 2013, 10) explaining value creation through networks with several models, of which value constellation (2.3.3) and context of value creation in entrepreneurship (2.3.4) are considered here.

### 2.3.3 Co-creation in value constellation: reconfiguration of value

The value constellation model was first introduced by Normann and Ramírez in 1994. Their view is that value is generated in a business network, where roles are continuously reconfigured by business partners, allies and customers. The framework was introduced as an alternative view to Porter's value chain (1985), which assumed a linear production model made up of static roles, each defined by the operation it performed. In comparison, the value constellation theory states that asset liquidity and innovation render roles dynamic (Normann & Ramírez 1994, 28), and the flow of goods and services is viewed as multi-directional (Normann & Ramírez 1994, 32). Additionally, when knowledge flow is accounted for, the actors in a value constellation are seen to be linked in multiple ways (Normann & Ramírez...
These relations are resurfaced by offerings (Normann & Ramírez 1994, 52), but are not simply defined by the act of consumption; instead, they are defined by the value creation logics of an actor (Normann & Ramírez 1994, 54–55). Hence, although the dyadic choice is reasoned as being strategic (Roser et al. 2013, 25), it is possible for a company to engage in co-creation of value both ways at the same time.

This means that an offering's value changes as a function of its potential to trigger activities, and is dependent on the user's resources and his knowledge for the activities with which they are associated (Normann & Ramírez 1994, 57-8).

To facilitate such triggering, or value co-creation, one must take into account the behaviour of actors, which is guided by a 'code' built in an offering (Normann & Ramírez 1994, 57). This can be explicit, such as a user manual, or implicit, such as communal discovery of an application for a new product. Normann & Ramírez (1994, 58) use the post-it note as an example of such an implicit code. However, both of these cases illustrate how the user of an offering can use the offering, and therefore the explanation remains on the level of use-value.

Recollecting that academic knowledge has outlived the use-value approach, it is necessary to identify other ways in which activities can be triggered, if value constellation theory can be deemed as relevant. A similar explanation for triggering action can be identified in the original ARA model. Håkansson & Snehota (1995, 29) state that in a network, each actor's activity structure emerges as a reaction to the actions of another actor in the network. They stress that initially, the emergence can be spontaneous, but that it requires the integration of meaning over time for the activity to become rationalised. They then assert that the structures of activities constitute the substance reflecting the knowledge and skills embedded in the network. (Håkansson & Snehota 1995, 53) Concerning emergence, accessing substance is important from the methodological point of view.

At the dyadic level, Håkansson and Snehota consider activity links to be either sequential or parallel (1995, 29) in nature, and at most, they are “organic” or “unplanned” (1995, 55). On a network level, their theory accounts for another level of analysis, the activity pattern. It is characterised by its complexity and it can change entirely when new relationships and activity linkages are developed (1995, 30). This is thought to occur “when new technological paradigms are being accepted” by some of the network members (1995, 30). In practice however, such patterns are difficult to model (1995, 30). Moreover, the vagueness of the term 'activity' has lead to a bias where scholars view activities through an internal-external activity dichotomy (1995, 30).

The heritage of this dichotomy is most pronounced in the recent discussion on open innovation, which is a theory for the competitiveness of an organisation's ability to take advantage of its external resources (see e.g. Chesbrough & Teece 1996). There are nevertheless recent theories that are suggesting such distinction is becoming obsolete. From the study of Gidhagen and others (2011, 403) it is seen that when the network exchange is integrated enough, firm boundaries become blurred. This puts in question the relevance of
firm as a cognitive construct in value creation. Indeed, this was already raised by Normann and Ramírez in 1994, when they stated that the only barriers to the creation of new businesses, which they call value reconfiguration, are the mental models of business makers (1994, 75).

In a knowledge-creation system, value is created through the management structure, the tools, information, network and 'team' each actor is connected to, information, and the various guiding principles each individual is driven by: world-view, values, ethics, codes of conduct, and so on (Normann & Ramírez 1994, 101). These can be regrouped as market practices, a key element in resource integration and value configuration (Storbacka & Nenonen 2013, 243). There are two distinct cases for this: where the configurational fit of the market's elements is low and where it is high. In low 'marketness' situations, where market is still in the process of creation, a focal actor has a social role of a promoter for the new market and its value creation opportunities. In high marketness on the other hand, where the market is established, the focal actor aims to shape the market instead. (Storbacka & Nenonen 2013, 246). What misses from this continuum however, is a perspective for whether there are markets which are not as established, yet where the “core elements of the market reinforce each other” (cf. Storbacka & Nenonen 2013, 247). This is, in turn, one of the key arguments of the theory for value reconfiguration: the integration of resources across market boundaries (Normann & Ramírez 1994, 100).

From a social value creation point of view, Gidhagen and others (2011, 404) have turned to look at the continuous value creation processes within highly creative ventures, where firms were perceived as taking the role of an orchestrator. This is originally a term applied from Drucker (2007) who compared a firm to a musical orchestra. Contrasting with the traditional concept of resource conversion that is driven by a logic of allocation, the orchestrating firm is defined with regards to an interactive situation, whereby it is possible to highlight its role as a resource integrator (Gidhagen and others (2011, 405).

As an important side note to this thesis, it is interesting to draw attention to the scholarly attention to using the arts as a source for metaphors. The authors seem to take the liberty to apply the aura of the creative process on processes where creation is seemingly done on commercial terms. The discussion for whether these processes are similar is extended in chapter 3.

2.3.4 Role of entrepreneurial context in the emergence of value

In particular to entrepreneurship, it has been proposed that complexity is the best way to model entrepreneurial process (McKelvey 2004, Fuller & Moran 2000, 2001, Lichtenstein 2000). According to McKelvey (2004, 314) and Fuller and others (2008) there are similarities in the mechanisms described by Schumpeterian entrepreneurship (1934) and the cross-
disciplinary research on complex systems. Applied to entrepreneurship, nonlinearity is compared with disruptive and novel innovations. Complexity theory has then informed researchers on the emergence of start-ups (e.g. Katz and Gartner 1988; Fischer et al. 1997; Busenitz et al. 2003) and on the properties that support structural change (Lichtenstein 2000, Fuller et al. 2008). Explaining performance of entrepreneurial ventures, Lichtenstein (2000, 539) found that entrepreneurs start off with a high-growth ambition, increasing the acquisition and utilization of resources as the venture matures. Eventually, stress and financial restraints cause a dynamic tension to rise to a level where a threshold point forces the venture's goals and values to undergo a radical transformation. Pointing to the novel aspects in particular, Fuller and others (2008) argued that entrepreneurship entails several processes that work as a mechanism for emergent value. These processes are the experimentation with 'weak signals', sensitivity to changes in environment, restructuration of behaviour patterns, and the transcendence of structural change by identity in a business environment (Fuller et al. 2008, 14).

Later, Welter (2011, 167–168) has clarified the locations and structures within which entrepreneurship takes place, and what impacts each dimension has. They are summarised in the table below.

Table 2. Spatial dimensions of context (Welter 2011, 168)

<table>
<thead>
<tr>
<th>Dimensions Type of context</th>
<th>Omnibus</th>
<th>Discrete (examples)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business</td>
<td>Industry; market</td>
<td>Stage of life cycles of industries and markets, number and nature of competitors</td>
</tr>
<tr>
<td>Social</td>
<td>Networks; household and family</td>
<td>Structure of network density, frequency of network relations; composition and roles of household/family</td>
</tr>
<tr>
<td>Spatial</td>
<td>Geographical environments; e.g., countries, communities and neighbourhoods; industrial districts and clusters</td>
<td>Characteristics of physical business location; physical business support infrastructure; characteristics of local communities and regions</td>
</tr>
<tr>
<td>Institutional</td>
<td>Culture and society; political and economic system</td>
<td>Societal attitudes and norms; legal and regulatory regulations; policy and support measures</td>
</tr>
</tbody>
</table>

In the business dimension, the analysis is focused on the structure and competitive forces within the industry in which an entrepreneur operates. The social dimension considers an
extended view on an entrepreneur as an individual in a society: focus is thus on the social ties held by the entrepreneur. In spatial dimension, the physical surroundings are analysed for their cultural and organisational characteristics. The institutional dimension has several levels, spanning from individual to governmental level and considering norms and rules as variables in the entrepreneurial venture. The four dimensions are intertwined (Welter 2011, 171).

**2.3.5 Boundary spanning as a co-creative entrepreneurial process**

One of the problems self-adapting systems has sought to solve is the behaviour for seemingly distant actors to interact. Small worlds is a network theory formalised by Watts and Strogatz (1998) which explains how some actors that do not appear close can reach each other with a relatively short path. Gulati et al. (2012, 451) take a sociological approach to this theory to show how entrepreneurial opportunities associated with accessing heterogeneous knowledge resources within social structures operate as an incentive for interconnection of clusters. They argue that to benefit from these sparsely located resources, actors need to form bridging ties, and as they become increasingly common, clusters occur. However, the authors noted that along with clusterisation emerges homogenisation of knowledge and resources, which drives the unique property of heterogeneity to oblivion. Therefore their thesis is that the diversity of the resources is not only the antecedent to clusterisation but also a strategic resource in the survival of the cluster as itself. In the light of the specificities of the single network investigated by Gulati et al. (2012), and considering that the authors called for further investigation on actor-level dynamics, this thesis could test whether a similar dynamic is present in another industry context.

However, it has been warned that the cluster approach to studying innovations is not directly transferable from approaches used in the manufacturing sector. The rationale of Sunley and others (2008, 695) is that in design agglomerations, inter-firm co-operation is limited. This indeed is problematic from the point of view of resources, but there exists an alternative approach.

Organization theory has found a specific type of interaction that facilitates dissemination of community practices and objects between different cultures, called boundary spanning. Initially the concept was identified in conjunction of career changes within organisation culture (Tushman & Katz, 1980, 1063; Ancona & Caldwell, 1992, 656). The theory has been applied to research on new product development (NPD; see e.g. Brion et al. 2012). Later, Williams (2013) has applied the concept to interaction in the relation between entrepreneurs and firms. Entrepreneur as boundary spanner was found to manage meanings and connect ideas and resources (Williams 2013, 21). The advantage of the theory is that it enables a thoroughly descriptive level of analysis that cannot be achieved with quantitative network
modelling, and as a contextual approach, is novel to relationship marketing research for entrepreneurship.

Thus in order to fit this within the research question of studying emergence of a value offering, a marketing view for boundary spanning is required. Currently, there are at least two occasions where this is identified. In the first, the process of marketing is restructured as consumers are crossing the enterprising-consuming dyad. In the second, an entirely new economic activity is transformed out of a leisure. Within the second type, there are two subtypes, sponsorship and leisure workers.

The first type is called participatory cultural consumerism, where fans ”take over tasks that used to be undertaken by paid professionals” (Lee 2012, 140). They are identified as a specific type of intermediary based on the observation that their approach to management and dissemination of products differs from that of corporations. Within the comic book industry, this is evident in the migration of translation work to fan culture, where consumers perform tasks more effectively and productively than professionals. As a result, the marketable product is de-commoditised. (Lee 2012, 140) In a similar vein, it has been noted that consumption not need occur within the market (Firat & Venkatesh 1995, 258). Therefore, this finding hollows out the substance in the binary terms ”producer” and ”consumer” and highlights the importance of a holistic view on value co-creation.

The second type, sponsorship, is a well-documented activity within marketing. Even though events can also be objects of sponsorship, in this context of defining boundary spanning, the interest to sponsorship is strictly explained as the relation that individuals have with a brand, product or company. Marketing research understands the relation as a means for marketers to direct consumer interest and affinity towards a brand by connecting it to a person that portrays desired symbolic properties, such as connection to lifestyle (McCracken 1989, 312). This is called co-marketing and the effect is called ’match-up' to show congruence between images of the endorser and the endorsed brand (Ahn et al. 2009, 8). However, these do not need to be congruent with the brand; a sponsorship relation can also be memorable by leveraging contrasting cultural codes (Nickell, Comnwall & Johnston 2011, 586). In those cases, marketers attempt to access a cultural complex, portraying thus a relation towards endorsers that seems to be driven by marketers, leaving the motives of endorsers thus unexplored.

Departing from the premise that rather than being opposites, work and leisure are intertwined, Ravenscroft and Gilchrist (2009, 24) propose that the new 'leisure society' implies also a redefinition of consumption as an exchange of both money and time. Their thesis reiterates on Gershuny (2000, 29), who has argued that ”high-value-added society must collectively develop new high-value-added occupational specialties and matching new high-value-added consumption habits”. The individuals employed in high-value-added activities tend to be creative individuals, such as graphic designers, who are willing to accept reduced consumption and lower financial returns in exchange to social and psychological rewards,
such as self-expression. This is linked to the lifestyle trend 'down-shifting' which aims to counteract the stress and demanding hours of contemporary working life. (Ravenscroft & Gilchrist 2009, 25, 37) In leisure societies, work gains creative elements associated with leisure life (Ravenscroft & Gilchrist 2009, 36). However, the authors alarm that to sustain the form of employment, the increased push of creative products to the marketplace requires a response in consumption, which they theorise to take the magnitude of an 'arts market' (Ravenscroft & Gilchrist 2009, 37). It remains to be seen whether this disruption and boundary spanning will lead to a consolidation seen in other industrial markets.

In any case, it is interesting to observe the form of production from an organisational point of view. What is particularly relevant for this thesis is that consumers and producers are no longer two identities but have converged. (Ravenscroft & Gilchrist 2009, 37). This supports the view that co-creation of value is no longer a view of the consumer, and highlights the research avenue for investigating the cultural context supported by literature from consumer research. This again presents a real opportunity for entrepreneurial marketing, because in contrast to sponsorship, where an individual is leveraged for what they look like next to a brand, an enterprising individual can add value through what he or she can do for the brand. In product management introduction of new meanings is called societal innovation (Cova & Svanfeldt 1993), and will be explained in further detail in chapter 3.2.3.

2.4 A value network model for researching emergence of value in co-creative entrepreneurial context

The theoretical review has spanned theories of value networks and value co-creation, with particular attention spent on entrepreneurship as it gives rise to emergent value. Concepts from various schools have been discussed and elements relevant to the research problem have been identified. As a synthesis of the elements, the following figure presents a value network framework applied in co-creative entrepreneurial context.
Figure 1. A value network framework for entrepreneurship

The figure above illustrates a simple conceptualisation of a value network where the interest of study is an entrepreneurial context, marked by a window of opportunity. The blue sphere in the centre of the window of opportunity is a value network that combines deliverables and actors to produce emergent value, which, after maturation, becomes in turn a part of the value network. The three horizontal planes portray the theoretical levels of analysis, each dotted with an unknown number of actors, co-creative activities, and deliverables, respectively. The image shows these planes as filled by semi-opaque colour but if the quantity of observations was known, those units could be represented on the plane by scatter plots. This quantification could also illustrate better the symbolic dispersion of value, as it is manifested by markets. They are visible on the actor-level as sub-planes, which are drawn as overlapping in this diagram. This illustrates the involvement of some actors in several markets simultaneously. If the plane 'deliverables' would signify only products and services, markets could be drawn on that plane. However, since it represents all the traded and non-traded resources flowing in the system, it serves no purpose to speak of markets. The reason to include markets in the diagram in the first place comes from the logic of code in reconfiguration, as presented in chapter 2.3.3

Finally, the central plane consists of the co-creative activities that the network involves itself in. It has a wider reach than the radius of the network sphere, because it is acknowledged that some actors within the focal network engage in other co-creative processes with actors not included in the network, and that this can have spill-over effects for the value co-created in the focal network. Likewise, at any given time resources and information lie outside the current network boundary. When the resources lying beyond the boundaries are recognized by network actors, their opportunistic intentions in engaging to co-creative practices alter the activity pattern and render the value created much higher, thereby increasing the potential scope of co-creation much further than the current processes, and is represented by the width of said plane.
As a complementary synthesis of the theoretical review, the figure above summarises the key terms. As presented above, there are three key levels of analysis, deliverables, co-creation/activities and actors. Throughout the review of the analytical levels, the synthesis has been informed by the knowledge on context, and it has also been guided by the specific lens of entrepreneurship. In the prior chapters, it has been found that there are dynamic mechanisms related to the emergence of novel value, as presented in the figure by the connecting boxes between the main elements.

However, this novel value is enquired in the research problem for a cultural product, so the analytical focus now shifts to explore the co-creation as it has been specifically researched in cultural industries.
3 THE RELATION OF CULTURAL INDUSTRIES AND MARKETING

3.1 Commercialising culture

3.1.1 Defining cultural industries

The first academic definitions of cultural industries were by O'Connor (1998) and Pratt (1997). According to UNESCO (2012, 15) these views defined cultural production as an organisation process that is characterised by cross-sectorial connections, cross-sectorial creation of value through creation of novel content and the economic potential of such content. Lately, the term "cultural industries" has been researched by various schools of thought, but a common definition has lacked so far (UNESCO 2012, 15). Despite a shared interest towards multi-disciplinary approach in business, the operability of such term in practice has suffered from the lack of an over-arching definition that would reflect such approach in research, too. What is commonly agreed to, though, is the notion of culture’s “complex interactions with other aspects and elements of the economy and society” (UNESCO 2012, 14).

Commonly, the cultural industries have been defined to “produce goods and services that are often associated with cultural and artistic value or entertainment” (Caves 2000, 1). This definition was based on a description of industries classically considered as cultural, such as music, film and theatre. Later, the identification of creative value in domains outside of classic forms of culture has brought researchers to expand their definition of cultural industries. These were discussed by Thorsby (2008) who proposed a concentric view that identified four levels in terms of intensity of artistic activity, to include core forms such as museums as well as related industries such as advertising and design.

For the need to measure the economic impacts of the increasingly important cultural industries, in 2009 UNESCO constructed a Framework for Cultural Statistics (FCS) and defined the cultural industries as ”activities [that] embody or convey cultural expressions, irrespective of the commercial value they may have. These activities may be an end in themselves or they may contribute to the production of cultural goods and services” (UNESCO-UIS 2005, 5). Cultural goods are defined as ”consumer goods that convey ideas, symbols and ways of life”, and cultural services as ”aimed at satisfying cultural interests or needs. They do not represent cultural material goods in themselves but facilitate their production and distribution”. (UNESCO 2009, 87)

Similarly to Thorsby's concentric model, the domains concerned by this definition were clustered to three domain categories: core, related and transversal domains. The core cultural
domains include "cultural and natural heritage, performance and celebration, visual arts and crafts, book and press, audio-visual and interactive media, and design and creative services". The related domains include "tourism, and sport and recreation". The transversal domains are "education and training, archiving and preserving, and equipment and supporting materials". A notable difference to Thorsby's model is the inclusion of tourism, sport and recreation, because even if the main activity is not cultural, participation can be linked to the national identity or to a consumption of another cultural activity. An example of such a relation is a concert experience for tourism (2009, 30–31). Also, UNESCO defined the domain boundaries to include not only economic and market-related, but also social and non-market related activity (2009, 19).

At least one academic paper has approved of the UNESCO definition (Usero & del Brio 2011). It is still common, though to see the term "creative industries" used. For instance, in the UK, "creative" is preferred over "cultural" as it is believed to account better the new role of creativity and innovation in society and business, the use of emergent technology, and also to allow more interactive dimensions. (Pratt 2005, 5; Galloway and Dunlop 2007, 18). Hesmondhalgh (2002, 11) defined creative industries as having a primary purpose of "creation and communication of symbolic meaning". Notably, Richard Florida (2002) has drawn attention to the way workforce in the creative industries is organised, particularly in terms of contingent employment. Theoretically, creative industries is a term that constructed through the operationalization of creativity as an individual skill. However, UNESCO (2009, 19) raised that the use of creativity as a threshold would lead to imprecise notations of what can be called as creative activity, such as R&D.

Yet when the research focuses on the qualitative, experimental effects related to culture, scholars have found appropriateness in creativity. According to Cunningham (2002, 2) "Creative industries … focuses on the twin truths that (i) the core of 'culture' is still creativity, but (ii) creativity is produced, deployed, consumed and enjoyed quite differently in post-industrialized societies.” Another motive for using creativity is political. Hayes and Roodhouse (2010, 47) assert that the definition “enables the creative arts to become enshrined within a definition that breaks down the rigid, restrictive, and elitist long-standing arts definitions to create coherence through democratising the arts in the context of business.” This definition could not only help arts scholars to achieve “coherence”, but it is possible that using an extended term illuminates opportunities for collaboration with other disciplines.

3.1.2 Researching cultural industries

Culture has a very young canon of economic research (UNESCO 2012, 40), despite being one of the oldest trades in the human history. From a socially constructed epistemological view, it would indeed seem that the lack of research is a direct result from a lack of corresponding
research. In fact, economic measures for valuing the aesthetic have been proposed only recently (Karpik 2010). However, if one accepts the broader definition of cultural industries, there are industry-specific differences that indicate an earlier interest in economic impact research on sports in contrast to arts; sports marketing has been a research topic since 1970s (McPherson 1975) while the first attempt to study marketing in the arts is traced to the eponymous work *Marketing the arts*, by Mokwa, Dawson, and Prieve (1980).

Yet the temporal aspect is not adequate to explain why the commercialisation of sports is so well documented whilst it is not the case for the arts. The key reason that is now elaborated is the general avoidance in the field of arts to make a strong statement in defence of a marketing-ethic. Mokwa and others (1980, 15) define marketing in terms of matching the artists' intentions with an appropriate audience while achieving the best financial outcome. In face of commercialisation, art has even been defined as a promotional tool itself (Bradshaw, Kerrigan, & Holbrook 2009, 414).

However, most researchers are not satisfied with simply stating what is marketing and what is not. Such scholars have generally adopted terminology from the mainstream marketing literature and experimented with the applicability on the market dynamics of cultural industries. It is a naive romanticism that art and commercial objectives should be separate. For in theory, there are two antecedents to commercialism in the arts: on one hand, the global art market boom since the late 1980s demonstrates the economic interest to produce and consume art (Uusitalo & Jyrämä 2008, 63, 65). On the other hand, the traditional nexuses of production and consumption are shifting in the face of new cultural production processes and the advent of technology (Bradshaw 2010, 10–11).

Within social sciences, there is a growing interest on arts marketing and arts management, with progressive contributions from Robertson, Fillis, Bradshaw and Hirschman most recently. In economics, Grampp (1989, 4) has stated that arts are like any other commodity, with Karpik (2010, 31) and Robertson (200x, 15) challenging such view on the grounds that the price behaviour of an artwork is influenced by uncertainty of the work's quality and its context. As a promising opening, Stoneman (2010, 4) included arts in his definition of soft innovations, which aims to draw attention to innovative output that has been overlooked by researchers previously focused on technological innovations.

The business of art, or art as business has several ways of being. First of all, there is the use of business practices in arts. This stream of research has traditionally focused singularly on the arts market to investigate the revenue making in the fields of arts. In this perspective, the objects of study have been arts policy or economic actors in the market, such as non-profit organizations, auction houses, art galleries, art dealers, and most recently, entrepreneurial artists. (cf. Evrard and Colbert 2000) The system of art worlds will be further explained in Chapter 3.2.

Second of all, there is the use of arts in business. By seeing arts and creativity as interchangeable terms, scholars have been able to be regard arts as a creative resource,
whether it is understood in conjunction to organizational studies or marketing. In management, the arts are viewed as providing inspiration through the creativity of individuals (Fillis 2002, Thompson & Downing 2007, 538). In innovation studies, the arts are seen as a discipline that drives a new generation of innovation (Hayes & Roodhouse 2010, 40). In marketing, arts has been seen as a source of best practices for marketing (Fillis 2009, Schroeder 2005) or an input of experiential functions that enables the differentiation of the product or service (Schroeder & Borgerson 2002). In other words, art seems to provide resources for marketing both in terms of managerial insight and content.

And finally, there is the belief that when art is understood as cultural production, business is an essential part of it much like it is in any other form of production, and therefore the two should not be studied as separate. The scholars that have contributed to the study of the commercialisation of arts have generally drawn attention to a change in the nature of cultural works, as manifested by design-intensity and "ubiquitous research and design" (Lash & Lury 2007, 9). As a demonstration of how this change can be seen in the business of art, McNicholas (2004, 57) states that sponsorship is no longer the only interface for arts and business, and that instead, artists and marketers are engaging in partnerships and collaborations: "Hence we are seeing the emergence … of a new discipline, strategic arts and cultural management, and an eclectic new field of strategic arts and business sponsorship relationships and partnerships, including the growth of cultural entrepreneurship.” (McNicholas 2004, 57) The existence of this new funding relationship and the global transition towards knowledge economy demonstrates that industries are dissolving, and that arts, too should be included in marketing and organisational studies. (Mercer 2003, 40)

However, there are already ideological positions that have been taken in fear of a loss of artistic integrity. Scholars sceptical of the outcomes of business-art-partnerships have expressed their concern for mixing management practices with artistic process (Holbrook & Zirlin 1983; Gahan et al. 2007), arguing that rationality would destroy creativity and that optimisation would compromise artistic freedom. In this argument, Guillet de Monthoux has employed John Dewey's (1934) descriptions of art experience to grasp the intangible aspects of creation, aligning them with metaphysical activity. The emergence of commercialisation in art is then equalled with design, which is associated to manufacturing and hence used as a vehicle to contain a contrasting definition that would allow art to exist as a separate, mythological creation of some higher form. (Guillet de Monthoux 2004, 52).

In contrast to the argument for high-low art, it could be argued that mystifying art deliberately denies not only marketers but artists themselves the possibility of understanding the art process. Thereupon, the epistemology of art marketing has pursued mainly to uncover the black box of art. Insofar, Stoneman (2010, 4) and Jaw and others (2012, 256) have pointed to the lack of attention to innovation research in art theory, with Stoneman noting that design is not the only form of marketable product to emerge from creative industries. His definition of soft innovation then includes also books, music and theatre.
When convergence and evolution of art forms is seen as an opportunity for new product development, interdisciplinary partnerships can be viewed as providing artists more depth to a project without compromising artistic integrity, as Hayes and Roodhouse (2010, 51) argue, pointing towards network value co-creation. In a similar way, the findings of Knell (2006, 8) suggest that with technology and convergence, newer art forms are more adapted to modern marketing practices. Kubacki and Croft (2004, 588) viewed the adaptation of marketing practices as an attitude gap between mass culture and high culture, stating that branding is generally accepted in popular music, whereas Le Cocq (2002, 9) proposed that the debate between art and commerce could be solved with a specific type of art form. Furthermore, assuming the cultural product to have self-promotional features Kubacki and Croft (2004, 586, 588) showed that on the other hand, the direction of its commercialisation could not be controlled.

3.1.3 The product in cultural industries

In art, the unit of production is generally a work of art, and the production can range from producing singularities, such as paintings, to recorded music, where the quantity is in thousands of copies. In addition to quantity, artwork can also be defined on referential, technical and circumstantial dimensions. On a referential dimension, the value of the artwork is determined relative to its connection to a certain field or genre, and in marketing terms, relative to competing or substitute products. It can also have historical value. (Colbert 2001, 29) The value-gaining properties set in to action as soon as the work is released into the art market, and those properties can be modified by the origin of the work or the country where the work is released to the market (Robertson 2005, 15). The technical dimension of the artwork refers to the production process and the quality of the product in question. This dimension is crucial as a modifier of the artwork because it influences the lifecycle of the product. Indeed, many artworks are created to last a limited time, for instance concerts or theatre shows. (Colbert 2001, 40) In terms of marketability, the limited lifetime contributes to the mechanism of demand. Colbert 2001: 45). On the other hand, time acts also as a fixed modifier of the product, which limits the engineerability of the product; indeed, as Scheff and Kotler (1996) note, "a performance of Beethoven's Fifth symphony will always require about 36 minutes and an orchestra of 70 musicians".

As a similar characteristic of manufactured products, cultural products too can have a product lifecycle. Yet contrary to manufacturing firms that have R&D departments to evaluate products, within cultural production, critique or the audience can be taken into account in subsequent shows (Colbert 2001, 42). This poses a condition for product management within cultural industries. This becomes strategic especially within the music industry, which is transitioning from the reliance on record sales towards digitalisation and exploitation of
alternative revenue streams, one of such being concerts (Pikas 2011, 142) Within record labels, this has led to engaging artists in so-called "360 contracts", which include not only direct sales from albums and songs, but also revenues from merchandise and concert ticket sales (Pikas 2011, 142). This is a response to leveraging on the celebrity of artists, seen today as personality brands that lend their semiotic aura on several categories (Uggla 2008, 19). Although this type of view, called co-branding, allows for the emergence of a type of individual that has both economic and associative properties, it carries the dyadic view lent from sponsorship. As Uggla (2008, 20) states, partner brands are selected by the company. Yet it has been found that the genuine support of endorsers in the planning of the offering increases the effectiveness of the endorsement project (Magnini et al. 2008, 65). This indicates that the role of different actors should be better understood as a strategic partner in the co-creation interaction. This is regarded in chapter 3.1.4.

The dimensions of the products can also include the circumstances surrounding the artist and the consumer, and ephemeral components. This constitutes the singularity of art experience, meaning that it cannot be repeated with similar results, because its characteristics cannot be perceived similarly nor verified objectively (Hirschman 1983, 51). This dimension is called the circumstantial dimension (Colbert 2001, 30). On the other hand, physical surroundings have not been investigated within cultural industries very well. Only recently Slater and Armstrong (2010) found how consumers perceive the settings in which cultural products are consumed. And yet, interestingly some settings are also classified as cultural products. Indeed, tourism is a sector within cultural industries classification. This delineation is important for the context of the case study, where a creative element is introduced in a sports resort. On the other hand, tourism has grown to exist as a separate research area. This entails the presentation of theoretical background in connection to the illustration of the case, in chapter 4.

3.1.4 Entrepeneurial artist and innovation

In academics of entrepreneurship, the influential work of Schumpeter (1934) has maintained creativity as an interest of scholars in explaining opportunity recognition. This trait is discussed particularly in explaining the role of individual talent in entrepreneurial success, with hero-entrepreneur commonly used as a term to signify such person. As an insight that could be valuable for arts marketing, some researchers have identified a type of behaviour in social entrepreneurship, which has thus far been linked strongly to creative individuals (Thompson et al. 2000, Dorado 2006, Shaw & Carter 2007, Borch et al. 2008, Korsgaard 2011). It is remarkable that this trend pronounces itself in social entrepreneurship, which is characterised by non-profit operations.
Although the tradition of the genius is continuously revised through folklore on spectacular entrepreneurial success, it seems that under the construct of interaction discussed in previous chapters, an individual's creative talent has not as large an impact to the outcome as thought. Another way to look at creativity is then to think of opportunity recognition as a creative process (Dimov 2007). Indeed, several scholars have adapted the term ‘improvisation’ from musicology to describe a process where execution and strategy converged (see Weick 1993, Eisenhardt & Tabrizi 1995, Preston 1991, Hutchins 1991, Miner et al. 2001, Baker et al. 2003). The nonlinearity aligned by that theory is also harmonious with the characteristics of complex self-adapting systems, and therefore this dimension could be used as a factor signalling improvisation as a type of strategic behaviour for the empirical analysis of this thesis.

While these findings are encouraging signs exemplifying synergetic knowledge across disciplines, their approach to entrepreneurs within the cultural field remains strictly metaphorical with little knowledge of artists as economic actors themselves. On the other hand, there may be limitations in exhaustively applying the often technological organization-related literature on entrepreneurship. Conveniently however, a sound term is used for an entrepreneur that combines artistic and managerial capabilities: the cultural entrepreneur (Ellmeier 2003, 10).

In contrast to the typical utilitarian entrepreneur, artists have been seen as specific genre of entrepreneurs because they are motivated by the creative process in itself, finding customers for their products only after they have been created (Hirschman 1983, 46-7). Cova and Svanfeldt (1993, 308) believe that an artist-entrepreneur's role, being neither function nor profession, cannot be programmed. As already discussed above, it is not common that an artist acts as a marketer per se, which Fillis (2010, 36-37) sees as a specific type of ”artistic counter culture”. In conclusion, it is more common to see two variations of marketing orientations in artistic entrepreneurs: the first is ”market creation” and the second is ”market follower”, with the first referring to innovative and entrepreneurial behaviour and the second a more conformist behaviour (Fillis 2010, 32).

Aiming to characterise artists as entrepreneurs, scholars have taken biographical approaches to entrepreneurial marketing, researching successful artists such as Andy Warhol (Fillis 2000, Schroeder 2005), Thomas Kinkade (Schroeder 2006), Van Gogh (Heinich 1996, Bamossy 2005), Pablo Picasso (Fillis 2002), Damien Hirst (Fillis 2010), Barbara Kruger (Schroeder 2005), Cindy Sherman (Schroeder 2005), Miles Davis (Macaulay 2010) and Chet Baker (Bradshaw & Holbrook 2007). First of all, the former studies have validated that the relation between individually qualitative work and commercial success cannot be characterised as a trade-off but rather of causal nature, with success resulting from highly creative and original work.

Higher intensity of involvement may also evolve according to the popularity of the artist. For instance, Damien Hirst built his licencing system and product line only after his first
exhibitions had brought him publicity. His production is now manufactured by a team of craftsmen and distributed rather creatively, provided that in the art system, artwork is generally sold through galleries, whereas Hirst's pieces are not. As an artist, Hirst is an extreme case in the trade, but not the first; Fillis notes that Andy Warhol was similarly entrepreneurial and business-savvy (Fillis 2010, 36–7). In addition to being an artist, he was a collector, a producer of music, film and television productions, and a publisher of the Interview magazine (Cook 2003, 71), which is still in business. Having said that, while Warhol serves as a celebrated case of multiple network roles, and there are a number of collaborations that can serve as evidence to make the same case for the other artists listed above, their activity within other networks remains academically under-researched. This is particularly interesting for two reasons. Firstly it would raise an important question with regards to the case that has been made for the value of personal brands which, put in an interactive context, could extend the knowledge on value co-creation. Secondly it is interesting to discover how artistic individuals organise themselves for network co-creation to produce a cultural product.

As an attempt to understand better the identity of an artistic entrepreneur, some researchers have seen it valuable to interview the artists themselves. As an example of such study, Kubacki and Croft (2011) studied jazz musicians in Poland. The results of their research suggested that there is a link between a higher intensity in involvement in entrepreneurial marketing if the musician is self-taught. In another study by Berglund, Dahlin and Johansson (2007) it was found that artists may carry a double-identity, that of an entrepreneur and that of an artist. Interestingly, some entrepreneurs even take advantage of the very dissonance between the two roles thereby searching for possibilities to actualise artistic visions. Placing the artist-entrepreneur in a stakeholder context, Berglund and others (2007) state that the legitimisation required for the emergence of an artwork begins from the artist discovering the idea but that the creation of the opportunity is produced collectively, whether the surrounding members are directly involved or peripheral. This is in analogy with Becker's description of art worlds, which are further described in chapter 3.3. A recent study (Laaksonen et al. 2011) has refined this for musical groups, expanding thus the operationalization of organisational theory for the cultural field. This study found that through several creator-entrepreneurs, the group sustained an entrepreneurial spirit which operated as a catalyst for innovation and generating global success (Laaksonen et al. 2011).
3.2 Co-creation in cultural industries

3.2.1 Towards co-creation research for the cultural industries

Under the lens of marketing terminology, the transition from value chain view towards value constellation and co-creation in the cultural industries has been sticky, if one looks at the methodology applied by national cultural boards (UNESCO 2012, 53, 20). However, contrary to the mainstream marketing literature which has studied co-creation and customer experience since the 1990s, arts marketing has researched the intangibility of experience since 1930s. In this context, scholars typically refer to John Dewey's seminal work *Art as Experience* (1934), which laid the philosophical foundation to the contemporary studies of aesthetics. He defines experience as “a matter of the interaction of organism with its environment, an environment that is human as well as physical, that includes the materials of tradition and institutions as well as local surroundings. The organism brings with it through its own structure, native and acquired forces that play a part in the interaction.” (1934, 256)

Social sciences only began to study Dewey's texts after the 1980s, but his ideas, while written 80 years ago, are congruent with value co-creation with its distinction of “human” and “physical”; intangible and tangible attributes. In particular, its stance to value co-creation can be interpreted as social constructionist, which is provided by the inclusion of tradition and institutions and a vision that the structure recreates itself and the value co-creation process.

As a particular difference to the findings of marketing and strategy scholars is that Dewey sees expression as an activity that overrides “barriers that separate human beings from another” (1934, 282). This is in stark contrast to segmentation and differentiation, which are fundamental processes in marketing yet as stated before, have led to an incomplete view of co-creation. Knowing that experience is something that does not happen somewhere in history or in the future, but is constantly shaped, this reveals a different logic to explaining co-creation processes.

Put simply, Dewey states that expression is an imagination-driven process where individual's expressions can be broken down to meanings (1934, 285). These meanings reach through time and space, yet through a shared culture, individuals' connection triggers an interpretation of the expressions (1934, 285, 339). This indicates that meanings are a resource in the co-creation process.

There is one work in particular that has influenced the study of art markets, and it is *Art Worlds* (1982) by H.S. Becker. He defined art worlds as consisting of ”all the people whose activities are necessary to the production of the characteristic works which that world, and perhaps others as well, define as art.” The cohesive structure of an art world emerges through repeated and even routine-like interactions, where the work produced and its methods of production are similar between actors of the network. Cohesion is sustained by ”a body of
conventional understandings embodied in common practice and in frequently used artefacts.” He stresses that art worlds are distinguished as a separate group only through the collaboration of its actors in production of art. The modelling of an art world begins by observing a work of art as a focal object and identifying all the actors needed for its production. (Becker 1982, 34–35) From the former definition, it would appear that the boundary-free art world bears a striking resemblance to the complex networks researched by academia of social science today, even if Becker did not use the term to denote his theory. In chapter 2.2.1 it was asserted that networks are a contemporary and holistic view of co-creation. Under this light, it is appropriate to study Beckerian network theory in parallel with co-creation in the arts.

3.2.2 Co-creation in arts

Similarly to the general approach on co-creation in marketing theory, arts marketing, too has followed Vargo and Lusch (2004a, 7) framework for service-dominant logic. As an example of an application to strategic marketing theory in arts, Boorsma (2006, 85) laid out specific conditions for the art market and for the consumers' role as co-producers in particular. Arguing that artistic freedom is necessary to the originality of artworks, she stated that cultural production should not involve consumers in the idea development phase. Letting this single view represent the interaction, the value creation process from the creator's point of view can be presented on the following continuum:

![Figure 3. A producer's view on value creation (Hirschman 1983: 49)](image)

The continuum represents the motivations and alternatives for a producer's marketing orientation, with the outer block representing the traditional marketing view, the central block a sort of network approach, and the core representing the core individual level (Hirschman 1983, 49). The two inner spheres are of interest here. The core confirms the findings from the discussion earlier of maintaining self-expression as an important property in cultural value co-creation. It should be also added that property is multi-dimensional in the sense that cultural
producers are not only focused on their own production but simultaneously, reserved towards marketing and organising occasions for public viewing of their products. This may impede co-creation both between an artist and the audience, and artist and its supporting organisation (Kubacki 2008, 408), which becomes more important as the view is adjusted towards market-orientation.

In the central circle, the objective has been stated in relation to the audience, so it can be interpreted as an initial sketch for investigating the value for a producer within co-creation. The central circle can thus be used for the purpose of mapping the stakeholders in co-creation practices, or in other words, who the 'co' is in co-creation of cultural industries.

This requires bi-directional interaction to exist. Lately, Ryan and others (2010, 223) have informed arts scholars that even as classically staged art form as theatre could apply practices that break the dyad between artist and audience, enabling customer co-creation. However, in the interaction described by Boorsma, only two actors were observed: an artist and a consumer. This view can be extended when it is seen from the point of view of art experience and art market.

As a system consisting of several networks, art worlds are connected to other networks by logic of resource exchange. Other worlds represent to art worlds a source of supply, income, labour, inspiration, and customers (Becker 1982, 36), where the contingent actors of the labour force collectively facilitate entrepreneurial action by taking different roles (Robertson 2005, 86).

Several countries have started to account for the network approach in their research on cultural industries, a framework for economic analysis called the "three-sector model". Principally, it is a diamond-shaped framework designed for government use, whereby the focal actor of a network is the entrepreneur, interacting with the private sector; public sector; and non-profit organizations. Some main economic measures in this approach are number of actors and their size, revenues, structure of the creative industries, value added, R&D, and innovation. (UNESCO 2012, 53, 56–57, 75) Viewing cultural industries from this perspective, the perspective allows the observation of an industrial partnership between cultural industries and private sector, i.e. other members of the economy, which uncovers innovations that are not only created in cultural markets, but include cultural properties as a product of said partnership. This is one approach to the challenging task of identification of such innovations (Stoneman 2010, 133–134).

The actors underlying the value co-creation interaction can vary from market to market. Proposing one approach to modelling non-linear movement of financial and symbolic value within the interaction, Rodner (2012) has proposed the following typology:
The figure shows the different stakeholders involved in the value co-creation process, and presents value as a both a financial and symbolic measure. It also shows the power of each player in the market, although the size of the wheel and its position in the framework vary from industry to another.

For arriving to a holistic framework for value co-creation in the cultural industries, Rodner's model is inadequate. For instance, it misses the work done by independent musicians, who are using the Internet to distribute their work (McLean et al. 2010, 1367). There is relevant reason to assess to what extent fairs and events on one hand, or art schools on the other, contribute to the success of artists during the age of online communities and rapid information distribution. Rodner's model neither incorporates the value for the artist himself, although White and others (2009, 779–780) have argued that the artist has a social role as not only a producer but also a receiver of value in the art experience. This is in line with Becker's description of an artist's position in creation (Becker 1982, 200, 202):

"Artists create their work, at least in part, by anticipating how other people will respond, emotionally and cognitively, to what they do. That gives them the means with which to shape it further, by catering to already existing dispositions in the audience, or by trying to train the audience to something new."

To sum up, artists are a highly co-creative group of individuals. They learn from responses of art-world stakeholders to modify the art experience (Becker 1982, 202).

Becker's interactive definition also implies a system-view to cultural production. According to White and others (2009, 779) entails that sequences are exploratory, and the
product of these sequences is in constant flux, characterised as an evolving experience. Therefore, recipients are seen not only as customers, but also as suppliers, since their interpretations and evaluations of the artwork modify the art experience and contribute to the discourse of the total product. Moreover, the findings of White and others (2009) state that whether a receiver can have an active role in co-production or co-creation depends on not only his or her motivation but also of the resources available that give access to the art experience. Through cultural assimilation and routinized conventions, audience is able to recognise the emotions conveyed by a melody played in a song, or gestures portrayed by an actor or dancer. Analogously to Dewey, Becker (1982, 203) states that this is precisely where lies the emotional power of arts. Arguing that artists are better at predicting audience's reactions than others, Becker goes as far as asserting that creation is a self-conscious process where an artist triggers effects in an audience (Becker 1982, 203). From a business academic point of view, this stimulus-response-model bears a striking resemblance to the core purpose of marketing, yet does not explain why artists' openness to marketing is described as poor. One reason may be that marketing has been defined for cultural industries on the grounds of definitions based on direct profit impact measures, and could gain from a view drawn from co-creation.

Such construct would need to take into account that artistic expression includes imaginative and predictive qualities. Therefore, contrary to a simplistic triggering effect, artists face a highly intangible meaning-creating process that is more complex than that. From the network point of view, art worlds do not consist simply of an artist, the receiver, and an art organisation, but several artists and other actors that take supportive roles in the production of an artwork (Becker 1982, 35) that are highly important. Also, in order for an artistic form to contain itself, there needs to be a sufficient body of work. Since the production of an artwork is a social process, without a minimum level of coordinated material the system would cease to function. (Becker 1982, 230). In sum, it seems that creative industries consist of systems laden with meaning.
The diagram above illustrates the processes of co-creation within cultural industries and is a synthesis of the theories presented above. The solid lines signify the flow of tangible deliverables, and the dotted lines intangible deliverables, although in events, it is likely that both are coupled. There are flows that can be viewed as multi-directional, such as inspiration: an artist gets inspired by the individuals among the audience, while the audience gets inspired by the artist and his work. Furthermore, an artist can be inspired by an artistic movement or genre, or simply a work of another artist. On the other hand, some flows are one-directional. One of these is the flow of money through payments for consumed experiences. Also, through the rise of online music distributors, a member of the audience may become labour for the cultural industries. Finally, audience may be seen as providing recognition for an artist or the artistic movement; however artists rarely portray similar appraisal, except for inspiration or study subjects. A specific type of flow is included, and it is directed from an artist towards the artist himself. This is the flow of self-expression, and should not be overlooked in the value co-creation process for cultural industries.

Another specificity is to remember that the function of financial value in the arts is strategically different compared to other industries. It has been explained above that musicians and artists are reserved towards commercial practices, and hence an interesting ethical question arises: to what extent can value in this case be accounted as objectively as possible? In absence of a theoretical answer to this question, it is put forth that as long as those actors collaborating and interacting with an artist and his work recognise the unique value-creating activity of self-expression, the novel aspects gained in co-creation may
compensate for the theoretical benefit forgone for not optimising the financial rewards. This highlights the importance of doing more research in this area.

3.2.3 Innovation in the aesthetics

As elaborated in the previous chapter, conventions make up the cultural context upon which meanings are created and disseminated and can give rise to societal innovations. These innovations, more intangible in essence, are created by unconventional matching of 'old material' with technology. Converging with socio-cultural trends, this creative process gives rise to a socially embedded, aesthetic innovative product or service – through a multiplier called linking value. (Cova 1997, 313). Again, it is important that the space where a linking value can take different dimensions is referred to as societal context, rather than market. For meriting the denotation 'innovation', an object or service must change behaviour, which is feasible in terms of technological development, relative to what is supported by the societal context. Yet from the point of view of differentiation, a socially-embedded innovation has the possibility to become a cult object or experience (Cova & Svanfeldt 1993, 300), thereby establishing a strategic property that is hard to imitate. The aesthetic and cultural properties of such innovations allow a unique appellation, i.e. brand name, that replaces any generic appellation based on category of goods or services (Cova & Svanfeldt 1993, 300). This bears close resemblance to the theory of blue ocean innovations, which Kim and Mauborgne identified through studying the Canadian circus company Cirque du Soleil (2004, 82). As one of the most referred types of innovation within organizational studies, blue ocean innovations are discussed as a strategic move away from differentiation (2004, 82). Yet what resurfaces when this is viewed from the perspective of cultural production is the relevance of convention in establishing value as creating a blue ocean, in comparison to establishing value within a red ocean. Cirque du Soleil reviewed the traditions as it was performing circus at the moment, and rejected those features that were too costly. Dramaturgical and musical inspiration was sought from other performing arts, new properties such as comfortable seating was added to make the experience more pleasurable, and finally the event resembled a converged performing art between musical theatre, dance and acrobatics. (Kim & Mauborgne 2004, 82). The case of Cirque du Soleil is a congruent example of market boundary reconstruction, and can be classified as a societal innovation because it creates "considerable economic and cognitive barriers to imitation". (Kim & Mauborgne 2004, 83).

Of course, this is not unique to cultural production only: Hargadon and Douglas (2001) for instance explained in great detail how Thomas Edison, the inventor of electric light, established a market for his innovation. By maintaining old user-friendly design elements, rejecting some, and introducing substantially radical technological elements, Edison managed to change the behaviour of gas lightning users. (Hargadon & Douglas 2001, 480, 489) The
authors point that these old design elements connect the new object to the user's current patterns of action, making its purpose and use more understandable. In design, these are commonly called skeuomorph properties (Hargadon & Douglas 2001, 492).

While these two approaches give a fair insight into how market boundaries can be shifted through meaning, there is one aspect unanswered, and that is the emergence of the blue ocean amidst all red oceans. In other words, what is the process through which emergent value is created? And more precisely, what are the characteristics of this process for a cultural product?

It is recollected that Chapter 2 discussed the actors-resources-activities view to business networks and its relation to complexity theory within value co-creation. Fittingly, when this has been operationalized to new product development, scholars have tried to explain complexity through inspiration from cultural industries (Cunha & Gomes 2003, 182; Baker & Nelson 2005).

Yet the operational challenge is that the ARA model is not seamless in terminology with that of art historians. It is not impossible however to identify similar mechanisms as described by the ARA model. In the former two views, convention was used as a guide by entrepreneurs to connect customers with their product. In value co-creation terms, convention could therefore be seen as a resource for value creation. However, according to Becker, conventions may at some point counteract and limit the scope of creation (Becker 1982, 227–228). Conventions counteract also when the resources provided by the surrounding environment appear to be inadequate for the making of a desired product. This may occur if the labour available is not skilled to perform in a way imagined by the artist, resulting in the artist himself training the personnel (Becker 1982, 81). By way of finding the right collaborators and conceptualising those skills, activity patterns are forced to reorganise themselves and this is how an art movement is born (Becker 1982, 304). In this manner, art worlds clearly represent the bricolage behaviour as described in chapter 2.2. Together, these views educate a researcher that in a cultural product's co-creation process, conventions can be a resource that either leads to value creation or value destruction.

Although improvisation is a part of every artist's work, the organisational practice of improvisation has drawn little attention in art research. An example of an artist who interpreted improvisational capabilities in marketing practices is the late Jean-Michel Basquiat, who currently holds the title of the world's best-selling contemporary artist (ArtPrice 2012). When he was starting out his career, he lacked artistic supplies, studio space, and an agent who would market him. To create awareness for his art, he began to paint postcards, which he sold and distributed around New York (Davis 2010). Research on arts confirms several cases where artists have used improvisation to create innovations. In chapter 3.1.2 the concept of entrepreneurial artist was presented. This concept has opened new possibilities to researching how art movements are born.
In the arts, the birth of a new art movement – or in science terms, a paradigm – is preceded by avant-garde (Wu 2002, 125). To explain this further, it is important to understand the meaning of avant-garde. According to the Oxford Dictionary of art, avant-garde describes "contemporary pioneers or innovators in any of the arts and also signifies work which challenges accepted standards". This definition has two implications for this thesis. First of all, there clearly exists a role for an entrepreneurial artist in the making of innovations. As an allusion to marketing, entrepreneurial artists foster innovation because instead of responding to demand, avant-garde creates it (Fillis 2010, 35), and in this process, the entrepreneurial artists acts as a key innovator (Harrison et al 1998), and through personifying visionary qualities brings value to the corporate image (Wu 2002, 125). Secondly, considering that the measure for innovation in cultural industries is still under development, this thesis will henceforward use 'accepted standards' as a benchmark for defining the threshold for novel ventures. It should be noted that this definition is done on the level of meaning, and therefore the threshold also points to emergence of value but specifically in its syncretic form.

According to Becker, an innovation in the art world causes a shock in the way of working, even if it is generally viewed as a natural stage in artistic production. He observes that the sudden rearrangement of working relations impacts standard activities of the art world, thereby necessitating a release of a mission statement, commonly called as a 'manifesto' (Becker 1982, 304). The first phase in innovating is characterised by experimentation and a lack of clear guidance due to an exploratory search for the members of the collaboration (Becker 1982, 314). For an emerging aesthetic form of production, it seems that the involvement of a separate industry is required for the innovation to survive against the power held by current convention. For instance, Becker describes the birth of new crafts as follows: "The sequence begins when some fine artists look for new media in which to explore a current expressive problem. These artists happen on one of the crafts and see in its materials and techniques a potential for artistic exploitation" (Becker 1978, 867) Indeed, it is believed that intellectual movements usually involve actors from distant disciplines (Harvey et al. 2011). This perspective reveals a downfall in terms of defining avant-garde for co-creation since the role of distant disciplines in emergence of cultural value is not reflected in the theoretical construct. They have, however, received a decent level of academic interest.

These groups that emerge from opposition to the general conventions are generally called secessions. For instance, the Société nationale des Beaux-Arts was founded in the late 19th century as a response from artists who did not receive exhibition space. Going against the conventions of the era, the members of the secession exhibited their paintings outside the salon. Later on this group became known as the founders of the dominant visual movement of the turn of the 20th century, the Art Deco. Originating from the same era, the Ballets Russes was established as an alternative ballet company. Since the musicians and craftsmen of traditional ballet companies produced music along the conventions of the classical music genre of the time, Sergey Diaghilev, the director of the ballet company, invited unknown
artists to produce avant-garde music and costumes to match his unconventional choreographies. (Poesio 2011).

Under the light of innovative collectives and collaborations, some researchers have questioned the singularity of artists in the innovative activity. For instance in Germany aristocracy had an important role as an impresario and mecenas, enabling through funds the ramp-up of aesthetic ventures and sustaining cultural education, which were the antecedents to the creation of Bauhaus movement (Has-Ellison 2008). Scholars also suggest that higher collaborative activity is linked to a particular time and place, late nineteenth-century Paris being a recurrently cited city in this regard (Hargrove 1998; Montagné-Villette & Hardill 2010). This is in line with Welter's (2011, 168) view that entrepreneurship is contextual and depends upon the market, networks, family, geographical environments, culture, and society.

3.3 Different types of collaborations

3.3.1 An introduction to the typology of collaborations in the cultural industries

Thus far the focus has been on the co-creative activities within creative industries. Yet in the case of convergence, co-creation occurs in an interface with other industries. This interface can be identified by studying business relations between artists and other partners. McNicholas (2004, 60) distinguishes six types of relationships: donation, patronage, marketing promotion, public relations campaign, integrated corporate image program, and arts and business partnership. These types can be classified by their strength, depending on how deeply the artist is integrated in the company processes and the degree of sophistication in the communication of this relationship. At the simplest level, there is simply a financial transaction between the artist and the firm, with company funds being directed to the work of the artist. Olson (2010, 194) has noted that in general, there is a growing pressure in sustaining the sincerity of sponsorship. As a counteraction to regain sincerity and regain the trust of devoted fans, the author proposes that brands seek partnerships further away from mass markets. (Olson 2010, 195) This is in line with a general spirit in the marketing of cultural industries. McNicholas (2004, 61) explains that in the 1990s, strategic emphasis in marketing practices shifted the role of arts as being a simple recipient of funds to becoming a promotional tool, associating the values contained in the artwork to the values contained in the corporate mission statement. In a quest of further authenticity, businesses began to integrate arts in more synergistic, on-going processes. In this case, the business-artist relationship becomes an alliance or shared venture, resulting in cultural fusion of core values. (Kan 1999; McNicholas 2004, 61). However, not all cultural industries operate alike. Within sports marketing, at least one study has highlighted how multi-sectorial roles from sports,
media and business were interconnected in events and contracts of sponsorship (Olkkonen 2001, 322). The system aims to generate profit, which is achieved through attracting media attention, public interest and sponsors. The media attention and public interest was seen to increase or decrease as a function of the reputation of the sponsors, sponsored and the event's organizers. Similarly to the art worlds, sports system too operates as a brokerage, but here advertising and PR have a more central role (Olkkonen 2001, 320–321).

Scheff and Kotler (1996, 53) define strategic collaborations as creation of joint authority and structure which pools resources, operates well-defined communication channels, combines the unique reputations of each participant, and finally, shares the benefits for both participant. They can be between an arts organization and another non-profit organization, or between an arts organization and a business. A third type is a partnership that involves multiple organizations, which can be found in leisure and tourism industry for instance where interests are common.

Following research on the emergent examples of art-business partnerships, Evans (2003) has proposed four factors for synergetic collaboration. They are strategic matching of core values, development of interactive relationships, sincerity conveyed by longevity of commitment, and creativity. Scheff and Kotler (1996, 62) stressed execution and design, and reminded that in order to achieve desired benefits, both parties must be fully aware of the purpose of the strategic collaboration. Because they considered the arts partner to be a non-profit organisation, it could be argued that there are limitations to applying the principle of execution and design to partnerships with individual artists. This suggestion is made based on the information that some profiles of entrepreneurs are less inclined to plan and control, as well as the reservations artists hold against limiting their artistic freedom.

This is why the following chapters explain synergetic collaborations as partnerships between individual artists and firms, explained and defined further along examples of partnerships from several different industries across time.

3.3.2 Predecessors of collaborations

In today's common language, multi-taskers are referred to as 'renaissance men'. Indeed, in art, coproduction has been in effect since the Renaissance (Cronin 2012, 25).

From an epistemological point of view, it is important to understand that in order to speak of cross-disciplinary collaborations, there need to exist disciplines that are distinguishable from each other. Discipline owes its signifying power to cultural institutions and facilitates the creation of value for the cultural product (Bourdieu 1987, 204–205). Discipline also serves as an incubator for innovation in the cultural industries, as could be seen in the artistic revolution of the 19th century (Robertson 2005, 15). Coinciding with the industrialisation of the era (Herbert 1997, 1276), manufacturing and design submerged (Balmer 2009, 569). In
the UK, the studio of William Morris took central role in commercialising a multitude of art objects, such as wallpapers, tapestries, fabrics, furniture and glass objects. As a networker, Morris made his enterprise a co-operation between an artist, an architect, an engineer and a mathematician, thereby creating a cross-disciplinary group united by an objective to revolutionise art. (Harvey et al 2011, 247, 254) In this entrepreneurial art collective, the cohesion of the aesthetic style was coordinated by Morris who exhausted close control over the production of objects and projects. In terms of marketing, Morris held lectures to convince the audience of his philosophy. He also networked with wealthy individuals who acted as patrons of his creations, thereby securing him the position as the leading taste-maker in the UK at that time. (Harvey et al 2011, 251, 265).

Indeed, in the early 20th century, collaborations were very common among European artists. A central figure in matching creative individuals with each other was Jean Cocteau, who introduced Pablo Picasso the painter, Erik Satie the musician Guillaume Apollinaire the writer and Leonide Massine the choreographer to Serge Diaghilev, the director of the Ballets Russes. Together they created a revolutionary form of spectacle, which did not only involve famous artists, but gave rise to new ones. (Haldey 2005, 573) According to Massine, there was a deliberate intention to create a contemporary and new form of popular art, which is why the company mixed ballet with elements from advertising, music-hall tradition, and the cinema (Buckle 1979, 312). The driving logic was that under one visual idea, different elements could be brought together and curated under the creative direction of an artist (Haldey 2005, 586). Garafola (1988, 334-335) has identified a wider breadth in the synergism of the Ballets Russes, namely in the alliance with the Futurists. It is an artistic movement "which encompassed not only the visual arts, literature and music but also film, clothing design and cookery" (Oxford). This connectedness of highly idiosyncratic collaborative groups highlights a pattern of organising that seems to driven by the network breadth in cultural terms. Cookery and film were not new inventions, but they were culturally different enough which ensured that their combination was revolutionary. These two innovative collectives in question could have been competitors. Yet instead, the Ballets Russes and Futurists formed an alliance. This indeed highlights the base motive for the network's organising; highly innovative activity and connectivity.

The outcome is that the Ballets Russes have been credited as accruing value and appraisal for professions that were formerly considered peripheral or supportive, such as set design (Haldey 2005), which under the direction of Pablo Picasso absorbed the influences from his personal work as an artist (Hargrove 1998). The company was also connected with fashion through a close partnership between Stravinsky and designer Coco Chanel, who financed the dance company and hosted artists at her villa as means for providing a facility for composing (Davis 2006, 437, 445). In conclusion, in this case the elements leading to the emergence of cultural product were the combination of disciplines through actor bonds and cultural elements, a social matching figure, a strategy for innovation, and facility support from a
network member. By not being limited to merely financial means, the facility support given by Chanel thus provided an opportunity for network learning.

The synergism of the Art Deco acted as precursor to the increasing number of industries art was seeing as potential partners, but it wasn't the last time industrialism impacted the art world. The American pop artist Andy Warhol went as far as calling his artistic collective 'Factory', housing artists of all kind – singers, musicians, actors, models, photographers, writers, and painters. The appellation Factory also refers to Warhol's way of working, which employed elements of mass production, such as employees who assisted in the making of his work. (Schroeder 2005, 2010) Since Warhol was particularly literate in documenting his working approach, there is evidence of a precondition of dissonance he required for producing creative work (Fillis 2002), which is similar to the Futurist and Ballets Russes movements.

Looking at the cases of creative cross-disciplinary collaborations above, they seem to share one organisational characteristic, the artistic director. This is a common practice in advertising team organisation today. In turn, in the field of design, Adriano Olivetti and Peter Behrens are cited as coordinators of a group of visual artists and architects known as Wiener Werkstätte, whose works were commercialised in the production of AEG and Olivetti Group. From a corporate marketing point of view, the two had the role of integrating the visual identity of the company (Balmer 2009: 569).

3.3.3 Convergence

Although there is an active debate on finding a proper definition for design (see for instance O'Sullivan 1998), it is with certainty that aesthetics are an important element in product design (Cova & Svanfeldt (1993, 300). There is a distinction to be made to McNicholas' (2004, 57) view that arts and marketing are being deeply intertwined through strategic collaborations: there is evidence that shows the integration of arts, not simply aesthetics, as a product attribute.

The blurring boundaries between art and technology have been discussed mainly in the articles on luxury consumption (Evans 2003, Ryan 2007; Dion & Arnould 2011, 511). This may be because art has been found to act as a vehicle for connotations to luxury lifestyle (Hagtvedt and Patrick 2008, 379). To explain art's impact for appearing in different design settings, Hagtvedt and Patrick (2008) coined the term "art infusion", which is defined as: "general influence of the presence of art on consumer perceptions and evaluations of products with which it is associated" (Hagtvedt & Patrick 2008, 379). Their definition is based on observing the "spill-over" effect in marketing, which is two-fold: firstly, spill-over in terms of the content, and secondly, in terms of connotations and representations. They found that the positive effect is content-independent, meaning that the association with art influences a positive perception regardless of the content of the product. (Hagtvedt & Patrick 2008, 384).
That strategy was popularised initially by Andy Warhol, who not only painted soup cans on his canvas, but also designed imagery for a vodka brand.

Modelling such mechanism to the industry at large is limited however, because solely high art is acknowledged to be known linked to luxury and exclusive connotations (see Hagvedt and Patrick 2008: 381). Yet the contemporary art scene is inclining towards so-called democratised art forms, namely street art, digital art, and collaborations with the new media. Hence, there exists a research gap for art infusion in those contexts.

An alternative approach is to harmonize the concept of art for marketing. Biehl-Missal & Saren (2012) took the cue from Böhme (1993, 2003) to use the concept of 'new aesthetics' in marketing theory. The operationalization of new aesthetics makes things simpler for a marketer, because the term focuses principally on the experience and perception of the observer, but avoids the definition of art and the ideologies related to that debate, while including the range of new marketing approaches that are converging with aesthetics. There is reason to explore this further: for instance, in the study of Zhu and Meyers-Levy (2005) it was suggested that the impact of a commercial message could be increased if the stimulants contained by a musical melody or the style were modified.

Biehl-Missal and Saren (2012, 177) thus speak of the confrontational nature of art in consumption settings and call for analysis of the "emerging forms of performative interventions". By performative interventions, they address consumer experience from a perspective that studies bodily and sensorial participation in consumption and claims that it can be altered (Biehl-Missal & Saren 2012, 177). Their findings were based on a study on how architecture impacted retail experience. While artistic atmospheres are sensually stimulating spaces where individuals explore moods and forms of self-expression, as well as experiment bodily perceptions, retail atmospheres are commercial spaces which have a purpose to trigger a purchase (Kotler 1973: 50), where the role of the aesthetic element is to detract the customer's attention from noticing the explicit signals of purchase. Creating brand associations through architecture is becoming an increasingly popular part of corporate marketing (e.g. Evans 2003, Sari 2004, Sklair 2010 and Dion & Arnoult 2011), to the extent that it has been viewed as "architainment" (Fernandez-Galliano 2000). It seems as if though brands are taking a page off the Andy Warhol book of marketing. The artist has been quoted as saying: "All department stores will become museums, and all museums will become department stores" (in Portas 1999).

It has been argued that of all the arts, architecture is the closest to the business world (Jameson 1991), and by theorizing this practice, the definition of cultural products is being stretched towards a concept that is the most practical for not only experience marketing and service design, but also for innovation theory. The concept of atmosphere can be further operationalized through three facets (Heide & Groenhaug 2006): ambience, interaction and design. Design refers to the design of the environment and activities practiced by the architects.
Taking the cue of atmospheric marketing, there are dimensions of ambience which have received research attention, such as olfactory properties (see e.g. Chebat, Morrin, and Chebat 2009; Hirsch 1995; Michon, Chebat and Turley 2005; Morrin and Chebat 2005; Schifferstein and Blok 2002) or music (Milliman 1982; North and Hargreaves 1998; Zhu & Meyers-Levy), or both (Spangenberg, Grohmann, and Sprott 2005). All of these studies have focused on integration of aesthetics in industrial products but not on cultural products.

3.4 A value network model for researching emergence of a cultural product in co-creative entrepreneurial context

To put the approaches and mechanisms discussed thus far in the context of this thesis, they must be reflected against the research questions, where the focus is on value networks. Correspondingly, the philosophy guiding this thesis is a systems view, whereby the research questions are arranged under the three states of complex self-adapting systems, adapted from French (2011). Recollecting that the three states of complexity are chaos, emergence and order, the approaches and mechanisms found in the theoretical review can now be mapped with regards to their relevance to each state in complexity. On this basis, the operational framework is constructed for guiding the empirical analysis. It is presented in the figure below.
Figure 6. An operational framework for researching emergence of a cultural product in an entrepreneur-driven value network.

As it can be seen from the two dimensions depicted in the figure above, there are three research questions and three states of complexity. They are represented in such a way that for each research question, there are processes and artefacts that can be classified on an axis expressing whether the term occurs in a state of order, emergence or chaos. It can be seen that some terms situate on two states. For instance, for research question “Describe how cultural entrepreneurs orchestrate co-creation in a value network”, entrepreneurial imagination is a process between chaos and emergence, whereby improvisation, a cognitive process, makes sense of ambiguity. On the other hand, on the same axis, spontaneous action can be expressed
as the opposite of managed behaviour, or order. It is not emergent action however, because emergence requires the appearance of a pattern, a condition that does not hold for spontaneity. Mapping the terminology with regards to complexity has the benefit of uncovering the processes underlying complex behaviour. The state of order, where things have materialised, can be used to identify how emergence is brought about from ambiguity, which otherwise cannot be accessed.
4 METHODOLOGY

4.1 Research approach

As gathered in the theoretical review, context merits an object position in network research. Hence the empirical study employs the methodology of a case study, as it has been described to suit inquiry on a contemporary phenomenon whose context is considered “important” and “pertinent” (Yin 2009, 18). The questions that a case study answers are “how” and “why” (Yin 2009, 29).

A case study can have a social-anthropological approach, which is adapted to studying how relations and interactions operate in a particular setting. (Berg 2004, 266) There are different case study designs that can produce descriptions of the research problem. As a qualitative type of such case study is the snapshot, which is focusing on one research entity, at one specific time, where sub-entities are observed in comparison to each other (Jensen & Rodgers 2001, 237). In this study, the task is not to compare, nor to generalise to a larger population, and hence focusing on one research object is in no conflict with the overall structure of inquiry.

The introductory chapter explained the foundation for choosing a cross-disciplinary project as the object of study. The former trends in literature as well as the cues taken from calls for paper have influenced the research design to have a focus on entrepreneurial context. Furthermore, it has been noted that a research setting must be accessible, its members should be contactable, and that the setting's conditions are favourable for observing the processes, interactions, structures, and so on as related to the research question. (Berg 2004, 32)

Cross-disciplinary collaboration is a fluid concept and it corresponds to the possibility to regard a very wide view of the context in question. In terms of research design, this poses the requirement of forming a stern theoretical framework and choosing the unit of study before empirical study (Berg 2004, 257). All of the above have led to the choice of Black Weekend as the focal cross-disciplinary project.

4.2 Data Collection

Generating new knowledge requires the use of primary data. The qualitative research methods for gathering primary data are observation and interviewing (Eriksson & Kovalainen 2008: 77).

This study combines two types of observation techniques, non-obtrusive and non-structured participant observation in natural settings (Eriksson & Kovalainen 2008, 86). Network actors are surfaced by conducting preliminary queries with individuals on site.
are identified by approaching event organisers during the event. Establishing contact with the festival crew, the researcher proceeds to interview individuals, both during the event and afterwards in order to establish an understanding of key actors in the network.

Once the key actors are identified, they are interviewed. Interviews are held on the telephone, and on-line using computer-mediated technologies (Eriksson & Kovalainen 2008, 85). The interviews are held in June 2013. Altogether four informants are interviewed, with interviews lasting from 45 minutes to 2 hours. Informants are two organisers of the festival, one audience member, and one musician. In the interviews, primarily positivist questions are used to model the patterns of connection between actors and events as reliably as possible (Silverman 2011, 170). Where it is required to focus on the descriptive nature of the phenomenon, constructionist questions are used (Eriksson & Kovalainen 2008, 80). Constructionist research is interested in asking questions dealing with the 'how' and 'what' of reality (Holstein & Gubrium 2008, 6). Within interview typology, the combination corresponds to semi-structured questions, which is characterised by a conversational tone and a predefined thematic outline that is used to raise relevant issues (Eriksson & Kovalainen 2008, 82). The interview questions are presented in the appendix of this study.

To arrive at a qualitative and reliable depiction of the object of study, it is necessary to combine several sources of information, such as field notes, interviews, photos, observations and artefacts (Berg 2004, 266). A three-day visit to the festival in March 2013 facilitates the author to record and collect field notes and visual material. Such observation in natural settings is used as an explorative approach to understand the embeddedness of producer-consumer dyads within networks of differing cultures, since it cannot be "fully visualized today" (Kotler 2012, 43).

4.3 Data analysis

In order to thoroughly understand individuals' actions and the environment in which they act, the complex systems underlining the phenomenon are modelled by thick descriptions (Woodside 2010, 6). Thick descriptions are “detailed accounts” of the context and individuals' experience of the phenomenon in study (Denzin 1989, 83).

Based on the theoretical review, an operationalized model was synchronised, presented and discussed in chapter 3.4. This model is used as a basis for coding the empirical data. Applying theory to empirical study involves the "conscious application of reasonably clearly formulated rules” (Arbnor & Bjerke 2009, 49), meaning a choice between one of three methodological views: analytical view, systems view and actors view. Put simply, the difference between the three views is that the first two create knowledge by explaining reality through models and the third by understanding reality through engagement (Arbnor & Bjerke 2009, 51). Explanation is relevant, because business is the study of an environment beyond the boundary of a focal
system (Arnbor & Bjerke 2009, 128) and therefore it is not enough to study it in isolation; its context must be taken into account (Arnbor & Bjerke 2009, 114). Explanation can be also used to study control in systems through subsystems (Arnbor & Bjerke 2009, 107).

The study of subsystems sometimes entails that the researcher need incorporate meanings into the system concept. This is the case when studying the reaction of a system to a change in its environment (Arnbor & Bjerke 2009, 337), which is relevant for emergence as it is the subject of this thesis. There are three types of change: temporary deviation, structural change, and paradigmatic change. The two former ones have irreversible impacts on the system. (Arnbor & Bjerke 2009, 108) To understand what triggered the change, the system view is not enough. In this case, it is allowed that the researcher uses primary methodical procedures from systems theory and complements them with meaning-concerned techniques from actors view (Arnbor & Bjerke 2009, 343).

On a global level, the reporting of results follows the research questions and is adapted from a methodological tool called value network analysis. Value network analysis (Allee 2008) is a technique that incorporates actors view to systems theory. Value network analysis begins by mapping the elements flowing in the value exchanges across the network: roles, activities, and deliverables (Allee 2008: 14). It has been introduced conceptually in chapter 2.2.1.

For performing this methodology, Allee (2008, 14) proposes a variety of approaches, yet her recommendation is to construct a visual network map and then proceed to an analysis of exchanges in the network (Allee 2008: 20). The value network analysis begins by mapping the roles, deliverables, and transactions involved in the network (2008, 14). As stated before, Becker's concept of art world is similar to a value network. Becker recommends analysing the art world by identifying the network members with regards to their connection with the cultural product (Becker 1982, 34–35). For clarity in graphical representation, it is suggested to use solid and dashed lines to indicate tangible and intangible flows, respectively (Allee 2008, 14). The exchange analysis consists of questions regarding the structure of the exchange (Allee 2008, 15) and are compatible with the research questions through the underlying logic of complexity. From operational terms gathered in the theoretical review, a framework has been constructed that enquires the structure of exchange at each research question. The results are classified according to these terms.

Once the structures, content and context of the co-creation is laid out, the analysis can move on to examining how the product is matched to its context; the activities and roles in the process of co-creation. By looking at patterns of roles between actors in the interaction, their contribution to the value network can be better understood (Allee 2008, 12). To find out the patterns, actor bonds are identified.

Finally, the nature of management is described by looking at the management structure, guiding principles, learning, and solutions identified in the network. It is acknowledged that the investigation of the absolute truth of the imagination, traits and tastes of the entrepreneurs
is an important aspect and a unique characteristic of entrepreneurship. However, as an observable variable, they demand far too lengthy investigation with regards to the scope of this thesis. Instead, the aim is to find out how the network actors approach the management of the festival and performances. Since several articles illustrated management approaches with metaphors borrowed from the cultural industries (e.g. improvisation, orchestration), and management in cultural industries is still a scarcely researched area, the methodological approach here is left open, in order to allow leisure-related traits, tastes and abilities to emerge. The analytical part is interpretative and focuses on finding connections between management and leisure activity. This, of course, needs to be taken into account in the transferability of the results.

4.4 Generalizability, reliability, limitations

A case study approach is a very specific choice in contrast to other research methodologies, because this approach limits the generalizability of the results. Research design in case studies includes analytical generalisation (Yin 2009, 15). On the other hand, it is not of concern, because according to Berg (2004, 259) scientific value does not need to be a result of generalisation of the results of empirical data; on the contrary, if properly performed, case studies can operate as significant contributors to describing human behaviour. Hence, case studies are generalised with respect to broader theory (Yin 2009, 43).

Performing a case study based on interviews with a small number of informants can at most be very qualitative with terms to its depiction of context, which, as explained, can be useful for studying value networks in entrepreneurial settings. However, aside from the limited number of informants lie a number of informants who could have been interviewed for this thesis. Since not all requests for interview were not obtained, the number of interviewed individuals is four. What was lacking in the pool of respondents was compensated with a representative selection of informants, establishing a list of informants that spanned different industries or festival organisations. Questions asked from the informants include queries of that person’s membership in networks. This should ensure that different decision making units have expressed their views.

The singular nature of festivals as a production context is acknowledged, but it is not considered as the main interest of the study. On the other hand, it should be accounted that the limited duration of the event inflicts a restraint to the partnerships, which can render that variable sensitive for variations between actors. In the future, the same study may be repeated taking a longitudinal view as a way to evaluate deviations in network relations.

As a last concern for reliability, it is noted that spending time in the festival makes the writer well-positioned to holistically report the findings (Verschuren 2003, 131). On the other hand, participatory observation can have shortcomings since its link to the researcher's
personality is thought stronger than for other methods such as interviewing (Verschuren 2003, 127). This is why the study combines multiple sources of data.

4.5 Case presentation

The case is based on a festival that has been held since 2007 in the French Alps, at the ski resort of Chamonix-Mont Blanc, which is a valley surrounded by hills with skiable areas said to be among the world's most challenging ones. The festival runs typically for a few days and takes place in March. Its programme consists of concerts and DJ sets, mostly within the electronic dance music genre (Black Weekend 2013). The concerts are held on the slopes during daytime, with the programme continuing in the valley once ski runs are closed around 4 p.m. This is generally called after ski in most of European ski resorts and means an afternoon refreshment in one of the resort's bars.

During Black Weekend in Chamonix, several bars have guest DJs. In the night-time, the programme continues in a nightclub built in an ice rink. The festival has an opening party and a closing party, which is held in a hotel lobby bar. However, as most of the events took place on the slope, all concerts except nightclub events were free of charge, as long as the skier had a ski pass.
5 EMERGENCE OF A CULTURAL PRODUCT IN ENTREPRENEUR-DRIVEN VALUE NETWORK

This section presents the empirical findings as they were found in the entrepreneur-driven value network. Following the methodology of Value Network Analysis, a visual map first presents the patterns of resources and activities as well as roles and orchestrating practices in the network. The sections that follow are structured around theory-derived themes that are exposed by analysing captions from interviews performed in June 2013 as well as photography and field notes recorded by the researcher during the festival in March 2013.

Out of the four interviewed informants, two are organisers of the event. For Entrepreneur A, organising events is his profession, and he is involved in the festival for the second consecutive year. Entrepreneur B is a former athlete and co-founder of a ski brand Black Crows, based in Chamonix, France. The two other informants are a young woman (Visitor) who came from Berlin to attend the festival for the first time and a French musician who has performed in the festival for two consecutive years (Artist).

5.1 Visual map of an entrepreneur-driven value network, case Black Weekend

The value network map is constructed with aid from descriptions retrieved from interviews.

![Value network map](image)

Figure 7. Value network around the Black Weekend festival.
As can be seen from the image above, the Black Weekend is a complex system of actors, resources and activities. The central node of map is the festival around which the network organises itself. This node is represented by the mountain symbol. On a macro-level, the map aids to identify some key patterns.

### 5.1.1 Intangible and tangible flows

The lines that oscillate from the central node are connected to actors that participate in making the festival. Following Allee's (2008) recommendation, lines can be drawn in dotted or solid format to allow a distinction between intangible and tangible resource flows. As can be seen from the map, a large number of lines are dotted. Where there are solid lines an intangible resource is deemed tangible, because its classification depends on its value conversion potential. According to Allee (2008, 11) knowledge resources can be considered tangible if they can be directly attributed to a financial gain or to a contract linked to a financial gain.

Entrepreneur B tells that skiers can participate to the concerts for free during the day. This entails that the value creation potential of skiers cannot be directly accounted for.

### 5.1.2 Network members

A clarification must be made with regards to the typology used for classifying roles in the value network map. The roles are coded first-handedly according to the cultural system in which they create value and only secondly on an alluded or stated profession. This is because based on the theoretical review, it is believed that there may exist an overlapping of roles with regards to conventional career paths.

Interviewing both an artist and festival collaborators revealed that enthusiasm for music may be shared by several network members, as could the enthusiasm for skiing. For the network member for whom music was a leisure, skiing was a profession, and vice versa. To allow the coding of syncretic properties, it was necessary not to leave out either, and this resulted in spliced categories for these subcultures. For instance, if all musically linked actors would be collected, their list would be as follows: music enthusiasts, renowned musicians, local musicians, artist managers, event organisers, and producing technical crew.

Hence, attention can now be drawn to the aspect of entrepreneurialism. When looking at the map, only four actors can be treated as companies: Black Crows, sponsoring brands, bars, and the PR agency. This satisfies the condition elaborated for boundary spanning where individuals can act as economic actors while holding several identities. For instance Bertrand Brême works at the clothing company Diesel and lives in Paris, yet is involved in organising festivals in destinations such as Biarritz and Calvi. In theory plural roles such as this is are an
opportunity window for context creation in networks, and it is explored in further detail in the subsequent chapters.

5.1.3 Contexts

The importance of context in co-creation (Peñaloza and Venkatesh 2006, 309) has been noted and discussed in the theoretical review. In the value map, different communities can be identified through the substance of meaning. Consumer culture theory researchers have found the study of symbolic exchange effective in explaining the impact of marketing when defined for a customer tribe (see Cova & Cova 2002), yet limited by the traditional producer-consumer view, researchers have thus far been uninterested to apply the methodology on entrepreneurialism.

In the value map for Black Weekend, self-employed cultural producers are not only highly connected to several artefacts within one culture, but also to another culture. These two cultures are music and skiing. The ensemble of artefacts and culture make up the context. Contexts are highlighted in blue in the value map. They are Paris, nightclub, other festivals, slopes, and Chamonix-Mont Blanc. It should be interesting to study how such diverse contexts were found to be connected within a value network of one cultural product.

Normann and Ramírez (1994, 54) found that contexts can be strategically exploited to create new value. On the other hand complexity theory sees this process as something unplanned and difficult to control. The description of how this occurs at Black Weekend is exposed in the last chapter of this section.

5.2 Patterns of resources and activities

5.2.1 Emergence through patterns of resources

In organisational science, adaptive tension explains how novel value emerges from random connections, especially informal ones (Stacey 1995, 498, 491). Earlier a collection of seemingly distant cultural artefacts and subcultures were identified to be linked to each other in the value network map. In value co-creation, value emerges through actor-to-actor interaction and resource, process and outcome integration (Gummesson & Mele 2010, 190, 193). The process of integration is important for this thesis particularly because the focus is on researching the emergence of a product as a bundle of resources. Therefore it is important to distinguish the ways in which resources are matched and positioned.
In the map, words shaded in grey are the resources. They are: instruments, food and drinks, budget, heavy travelling, leisure time, sensory pleasure, performance, promotional tools, accommodation, visibility, and canon of genres. What is tried to identify here is firstly how these are connected by different actors and finally whether they integrate these resources in a co-creative way.

*It's different because it's placed in the mountains, there are not so many festivals in the mountains, they don't put everything in the tent, or in the big venue, they but the gigs everywhere, in the town, and the ice rink, in the clubs, and also in the nature...* (Artist)

The differential value of the festival is explained to be based on a mix of unusual elements. The conventional festival experience is interrupted by a mountain scene.

*I especially enjoyed the setting at Grands Montets, where there was a hangout area with a stage against the magnificent mountain background surrounded by drinking tents and easy but good food (tartiflette). You could also try Black Crows skis. The atmosphere was relaxed and happy.* (Visitor)

Altogether, it is just as evident that the mountain scene is actually interrupted by festival elements: stage, “drinking tents”, and a “relaxed” atmosphere for a “hangout”. This contrasts with the sports atmosphere of skiing while maintaining the local Alpine aspect with the provision of relevant food, the “tartiflette”. Among these aspects that could be characterised as 'authentic' there is a commercial aspect that is brought by sponsorship. Hence some resources that integrated to the festival are promotional tools, brought on by brand partners.

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**Figure 8. Logos of Black Weekend and Black Crows. Extraction from a Black Weekend flyer.**

Probably the most visible partnership is the relation between Black Crows and Black Weekend. The event started as a spin off party from a corporate event for the Black Crows brand. The connection is manifested by the visual similarity between the festival and the brand's logos, as presented above. It repeats the same typeface and has similar use of symbols as the ski brand. This allows the brand to enjoy from awareness that spills over from the event. The visual aspect is distinctive also in the slope.
As can be seen from the image above, promotional materials create an atmosphere of an event. They add colour to the slope, and with their grandiosity, give a sign to the skiers that there is something happening.

In addition to Black Crows we need some other partners. Since a few years we have Schweppes for example, and so we work with them with some budget and with some logistics. So every partner dedicates some group or crew. (Entrepreneur B.)

There are alcohol companies like Pernod and Havana, they borrow us tents, a lot of things... They do little promotional activities that give visibility to the event. The festival has very good taste in the choice of partners. (Entrepreneur A.)

The role of the partners seems straightforward: providing facilities and promotional tools so that the festival gets visibility in its location. However, that Entrepreneur A expressed his opinion of the quality of partners indicates that a communicational value is plugged to the product by the involvement of certain brands. This is called co-marketing (Ahn et al. 2010). Yet given that this thesis strives to overcome the shortcomings of strategic marketing literature for entrepreneurship (Ojasalo, Nätty & Olkkonen 2008, 96) and noting the communicational value of identity in corporate marketing (Balmer & Gray 1999, 17) and persons as brands (Uggl 2008), it is interesting to combine these views into an entrepreneurial model of co-creation and examine how identity is enacted in the network.

Håkansson & Snehota (1995, 32–33) observed that it is a learning process, which takes place in the intersection of "limited, imperfect, bounded and subjective” knowledge of the network individuals (Tikkanen 1998, 112–3). It is appropriate to investigate what sort of resources are possessed by individuals that participate in the network.
It's for people who's living in mountains, or people who's got money to go in the mountains, skiing. So its a mix of a two kind of people. If you don't know skiing, you don't go to the festival, I think. So its not for poor people. ... [Compared to Calvi on the Rocks] it's more for sports people. (Artist)

It is put forth that accessing the experience requires geographical proximity to the venue, or good level in skiing skills and financial resources. This was also noted by the audience member:

At the Black Crows ski stand it occurred to me that they were assuming that people here had already a really high level of skiing. To what I saw, among skiers there was a very high level of skiing. (Visitor)

These conditions limit the access to only certain individuals, which may act as an exclusive element for the festival identity. This is remarkable because the artist refers to another festival by the same event organisers, called Calvi on the Rocks. Similarly to Black Weekend, the festival is organised outside. However, Calvi on the Rocks is organised in July on a beach city of Corsica, France, whereas Black Weekend, organised in March, has snow conditions. There is also another skiing element, which is connection to a ski equipment brand.

The Black Weekend, it's around Black Crows, and for which we always did parties. It started in 2006. The main idea then was to create a ski brand and perform in the ski product category, but also to create an environment around the brand, because it's only how we are living in fact. We love skiing, and skiing is great but when you finish your day it's nice to talk about something else, and not only about it. (Entrepreneur B.)

Entrepreneur B, the co-founder of Black Crows, explained where the creators of the festival got the idea for it. What is seen from this comment is how a set of enterprises are created around the entrepreneur's lifestyle, parties and skiing, which are essentially activities with attached meaning. Hence the view turns to analysing patterns of activities.

5.2.2 Emergence through patterns of activities

According to Håkansson and Snehota (1995, 30, 54) the activity pattern changes when any network member adapts to new technological paradigms or when relationships are developed, causing activity links between members to shift. This effect does not require the members to be close to each other (1995, 30), because the change is systemic.

After two full days of skiing, waking up at 7 to be in the slope at 9 and going to bed at 4, I feel exhausted and wish I could sleep. But we have just come back from the slope and must shower fast before heading off to the afterski, since it has already started. We will need to eat late, and have chosen a creperie not too far from the nightclub where we are going tonight. We have checked the
lineup ahead and we don't want to miss a single gig. Andy, a guy we met yesterday in the afterski, just texted to tell that he can't go out tonight, because he needs to sleep off the gig where they stayed late yesterday. (Field notes, 8 March 2013)

The contexts of nightclub and ski slope include similar activities, but their simultaneous or sequential performing is either impossible or physically exhausting to an extent where other activities are compromised on the grounds of adverse effects. The full musical programmation throughout the near 24 hours of the day is conflicted by the energy needs for sports. What does this mean for the cultural product?

Figure 10. Changes in activity pattern in the value network, adapted from Håkansson & Snehota (1995, 54)

The figure above illustrates the situation. The changes are modelled after the framework proposed by Håkansson & Snehota (1995, 54), which was focused on industrial processes and inter-firm relations. From the field notes and the musician's description, the experience is mapped on the framework for changes in activity pattern for music and ski activities in general, and also for the individual.

Music performance and ski were found to be lifestyles in which any confrontation with another activity causes a major change in the other activity. That there is a confrontation between the activities points to disruptive nature in the participant's experience in question, which translates to the finding that the festival is emergent in nature.

From the knowledge point of view, market emergence has been explained to occur through the confrontation of network actors' limited views of their context (Tikkanen 1999, 112), whereby it is understood that an individual's enactment is never equal to the network's enactment, but rather a structural element that constructs novel meaning as perceptions are negotiated. Entrepreneur B told that there was firstly an audience development approach that aimed to introduce metropolitan clientele to the alpine sports and Chamonix in particular:
In Chamonix, the nightlife was going down, the after-ski was going down, and we really wanted to interest different kind of people, like city people, so that they could come in Chamonix, spend three days skiing and enjoy music on ski, and meet different kind of people, mix the mountain people and ski people, and not to only meet in a ski lift. (Entrepreneur B.)

According to Entrepreneur B who was involved in designing the festival, the nightlife-favouring lifestyle of metropolitan individuals brought an aspect of aesthetics that Chamonix had been missing since a long time.

My role is to relate contacts – proposing to bars to participate in the festival by placing a dj in the bar. I interface with both the artists and the bars. The bars become a festival participant through this. (Entrepreneur A.)

Entrepreneur A. details how contexts are aligned practically on the level of activities. It is the bars' information asymmetry regarding the music offer that explains how novel value creation can take in place in a sector as established as hospitality. Here again it is important to note the difference between the cultural product consumed at night and during day. It was found that the aesthetic qualities of the product were more novel for nightlife than they were in the daylight context. All informants noted that the idea to bring music to altitude was not new and that there were other festivals or events taking place on the mountains.

5.2.3 Emergence through social ties

According to Allee (2008, 12), emergent value can be identified by identifying the patterns of roles within the network. The first step is to identify what kind of relations the actors have between each other.

Entrepreneur B told that during the first years of the festival, the festival crew was lodged in the same chalet with artists. When asked how the idea for the shared chalet was created, Entrepreneur B told:

In fact it's Edouard and Bertrand who knew the artists in the beginning, they were friends with them. ... And we really wanted to make it intimate, like you could feel like at home. We provided all the artists the ski gear, and put them on skis, we went skiing with some of them. It was a good time, to share that with some artists. (Entrepreneur B.)

Here the organiser tells that there was a conscious construction of an intimate atmosphere. Hence, Stacey's view (1995, 489, 491) could not be supported because the relations were not random or spontaneous enough.

No, I listen to music, and that's it. But I like music, and I have friends who are involved in music, like the people that created the Black Weekend. (Entrepreneur B.)
Entrepreneur B goes on to explain that although Black Crows throws parties, he himself is not in the nightlife or music business. The above comment already reflects that he draws attention to 'being involved' in a leisure culture, if only through second-tier relations. Indeed, when asked to describe the creators of the Black Weekend, Entrepreneur B. immediately refers to the variety of social ties:

So Bertrand Brême, from Paris, he's working in marketing. And he's involved in different music festivals, in terms of partner or production, and he's also a good DJ. And also, with Edouard Rostand, he's doing a lot of things, but he is involved in the production of music festivals, he's the chief editor of one of the main electronic music magazine, called Trax, and yeah, we had these ideas together. (Entrepreneur B.)

The involvement in music circles was already raised in 5.2.1, where it was informed that the crew had rented a chalet which they shared with the artists. Musicians and quality music is described to be the key aspect of the festival, but according to Entrepreneur B, the variety could be increased even more from what it is today:

I would like to open the festival to different disciplines. For example images, I really would like to show some short movies, some slideshows, not really about skiing but to open it to some artists for their images and video, in town and in the mountain. ... It's really important to have different creations, not only music. It's important to listen to good music and have a good party, but after, you can also show different tribes. Last year, we invited a chef from the city. (Entrepreneur B.)

This comment leaves much room for research. Does a developer of a cultural product look incessantly for different resources?

There is an accent to be made on the word creation. Whether it is imagery, cooking, or music, Black Weekend seems to be constructed around the desire to attract a creative buzz around the festival. Another accent that is important is the use of the phrase “to show different tribes”. The communicative aspect is important for the concept of context creation. From the point of view of the visitor:

"It was easy to join the crowds as it was the passion for skiing and this music that made the event so good. It didn't matter where you came from but if you were ready to spend a long day skiing and also enjoy the music and stay up late to hear the best lineups, you were accepted.” (Visitor.)

In this caption, the visitor, who was visiting the festival for the first time, introduced the word "acceptance”. This again shows that what was happening in the festival was actually an integration of tribes. Cova and Cova (2002, 598) has researched tribes and associates them with shared passion and meanings when it comes to consumers.

The bars took me better than Edouard, because I really know Chamonix. This facilitates to find solutions the fastest. ... Now I see more and more that artists
demand to come. So I adapt the artist and the place. They are enthusiastic and happy to participate. Bars are happy because artists give more energy, and after all it's them who create the evening... Bars never complain about it. These DJs also know how to adapt to the clientele. So it's a true collaboration. (Entrepreneur A.)

From the above there can be seen two things: that the local bars prefer to trust a local agent and they place a value on the taste-making abilities of the entrepreneur. By reducing the uncertainty factor in this way, bars are more willing to take the risk of hiring a musician. Indeed, network identity is shaped through a “margin of beliefs and trust”, where relations between multiple actors impact the collective identity (Håkansson & Snehota 1995, 32). This interactive process is evident in this case in the sense that the different actors, artists, organisers, bar owners, and mediators place a value on each other's involvement, which in turn supports the involvement of other actors further. On the relation level, this exposes a co-creative mechanism. On the level of the network identity, the “energy” and understanding of the audience brought by musicians are signs that the relation converts value through the co-creative structure.

5.2.4 Syncretic properties

The theoretical review produced a definition for syncretic properties. They are defined as bundles of value that emerge from an interaction between distinguished types of relations or cultural elements. Through a contextual analysis of actors, resources and activities, this chapter describes the emergence of syncretic properties.

Whether it is in Chamonix or in Paris, or in Nice or Cannes, it's a crew that goes out a lot. But they also ascend to the altitude, and also really party, they stay out late, they are active... They even wake up early for ski. (Entrepreneur A.)

When asked to describe the festival, Entrepreneur A spontaneously brought up the type of people who attend the festival. The mix of visitors and the activities they represent are a combination that is not totally evident. After all, nightlife and skiing are two physically demanding activities. When put together, they stand as a hedonistic maximum. Attention should be also drawn to the spontaneous recall of cosmopolitan locations whose residents or frequent visitors the Black Weekend crew are described as being.

They are in good spirits, they drink, but at the same time in the slope there are risks. You take care of yourself, so you take things more easy. They also go to mountains to think about something else. (Entrepreneur A.)

From the above, it seems that these activities could be viewed as destructing value. On the other hand, the comment indicates that the association of such activities can also bring
opportunities for value creation. In this regard, it is possible to split the value creation opportunities between two different musical experiences. These experiences are different because the concerts held during night-time take place in a bar or a club, whereas the concerts of daylight are usually occurring at festivals at different locations. Thus, in the case of above, it is the culture of mountains that lends a harmonious quality to the nightlife side of music experience. When it comes to the music experience enjoyed in daylight, it was found that the confrontational nature of aesthetics described by Biehl-Missal & Saren (2012, 177) was triggered by the scenic element of nature. There were both complementary and conflicting elements with the alpine experience.

The mountains mean a lot, because there is a mystical part to them. And also, with the power of nature, it's beautiful and mysterious at the same time. (Artist)

This sensorial aspect is clearly valued by the artist, pointing that the artist is not only participating in the production of an experience in the festival, but also consuming it at the same time (White et al. 2009, 785). This allows the experience to be shared, which viewed from the complexity perspective allows for the formation of syncretic properties.

[The role of skiers ] is very important. The day before I was staying at the festival, skiing. I think you have to mix both, because it's boring just to play and go to another place. I like to discover new countries, new cities, new places. So skiing is a good way to do something else than music. ... I like unusual places; I already played next to a swimming pool! (Artist)

This comment illustrates the purpose of syncretism. Combining music with an active lifestyle like skiing ensures that there is a break in activity pattern. The reason why this is important is that a touring artist sees many venues during one year, and in this context, the source of excitement must come from something else than a simple change of scenery. This can be seen as a key element in value conversion and designing a differential experience.

[The artists] are very excited to play in altitude. And for example like a big band who played last year like WhomadeWho – who did some big festivals in Europe after the Black Weekend – we just saw an interview after they played in Calvi on the Rocks in Corsica, and they said that the live they did at Black Weekend was one of the best lives, because they were in a very nice environment, it was super sunny, they were playing in high altitude...

(Entrepreneur B.)

Having another band explain their appreciation for the unusual scenery suggests that the convergence attracts other artists as well. Further though, value conversion could not occur simply from the heterogeneity of resources.

In addition to quality hills, there was quality music everywhere in Chamonix. Not only were the after-ski parties very alive in the town, but the partying had started already in the morning, with continuous music at the slopes with live djs.... Some skiing days were spent mostly just dancing. (Visitor)
In conclusion, playing at an event organised in an attractive location seems to create value for the artist. However, travelling is an aspect that has not been paid attention in academic articles covering professions in the cultural industries, although cultural factors related to expatriate careers are well known in organisational literature.

Worthy of note is also the reoccurrence of the reference respondents draw to the beach location, although the discussion is on a winter destination.

*In the mountain, there is always a leisure feeling, just like being on the sea in the summer. The mountains here are also quite different from others.*

(Entrepreneur A.)

From the quote above another thing can be noted. It is found that Chamonix is not just any winter destination. For those who practice freestyle skiing, it means a wide range of off-piste areas in a good altitude. This is the hedonic maximum that Visitor dubs as “good quality skiing and good quality music”.

The discussion above highlights not only that context is important, but also that Black Weekend exhibits syncretic properties combined from the lifestyles of a cosmopolitan crowd of co-creating individuals. These syncretic properties are a strategic resource that makes the festival unique and creates value for the network as a whole.

### 5.2.5 Conventions flowing from emergence to order

The value in cultural industries operates on a tension between following conventions (Becker, 1982, 34–35) and breaking them (Cova 1997, 313; Hargadon & Douglas 2001, 480, 489).

*I used to have this image for Black Crows, that I wanted to make people experience skiing, and experience also the culture before skiing, because the ski crew in the 60s and 70s was a bit more noble. There was something very special.*

(Entrepreneur B.)

When describing their product, respondents evoked references to similar work that was created in the past. For the entrepreneur B, there was even a sense of nostalgia that clearly influenced him to produce a specific kind of cultural product. Insofar, there was a considerate selection of elements that the organisers derived from music and nightlife and from alpine lifestyle. On the other hand, they rejected some elements to set themselves apart from what could be considered as conventional market practices.

*If you take some of the ski brands like us, in general for a brand like that they try to ... if we would want to do our own event, we should do a ski competition, with big air, snow park, free ride competition or something like that. But for Black Crows, if we wanted to do that, we would have to do it unique, something special. And so Black Weekend happened- to allow more people to discover ski and introduce the music element.*

(Entrepreneur B.)
Entrepreneur B. also informed that he is in charge of marketing for his ski brand. He portrays here the awareness for competing brands practices and a conscious avoidance of choosing the conventional marketing tactics.

On the product level, the introduction of music to the skiing experience highlighted a clash of effects on the conventions regarding the lifestyle associated to each cultural product.

*[The people involved in Black Crows] are people who go out, even though they go to slopes. If you talk about mixing, you might as well ask: why do bars put music and why not?* (Entrepreneur A.)

Here Entrepreneur A seems to pose this rhetorical question as if to claim that service concepts can be broken and their conventions challenged. Accepting that conventions can be exploited in value co-creation, it is useful to inspect what kind of effect this has on value.

*There are not so many festivals in the mountains ... it's so unusual and funny, because you are not only going to the festival, you are also going there to appreciate the mountains, the town, everything around.* (Artist.)

From the above, it is seen that though the physical exhaustion from associating skiing and nightlife seemed to destroy value, breaking both lifestyles' conventions created value. This was because some elements were kept untouched, such as the system of ski lifts, or the provision of traditional Alpine food, or the performance of club concerts in a nightlife setting. As Hargadon and Douglas (2001, 480) explained, familiar elements are necessary to help evolve an emergent form of product beyond its existing frame of being.

### 5.3 Roles in co-creation of value

The traditional view on cultural industries sees artists and audience as two separate entities, which was found similar to the conventional logic behind marketing. For instance, an artist's role in the production of a cultural product is thought to be performance or recording, whereas the audience has the role of experiencing. The social constructionist view on co-creation enables two views: the plural view of operating several different roles and the the interactive view it shares with the classic co-creation theory.

#### 5.3.1 Multiple identities and boundary spanning

The objective of the thesis is to regard convergence and that is why it is of interest to identify what kind of overlapping roles the participants in the value network have, and what meaning each role brings to the network. Here it is reminded that the intention is to produce a descriptive and not an exhaustive representation of the phenomenon of carrying multiple identities.
I have my own event organising company. I also started recently as an agent for a French group who is recording at the moment. I also work with other festivals in jazz for instance. Also, I organise events in different unusual places, and my task is to find the appropriate artists for those locations. (Entrepreneur A.)

This comment illustrates poignantly how it is not only social ties that actors can integrate to the network, but also context through finding “appropriate artists” for events in “unusual places”. What rises thus from this aspect is that the theory on multiple identities and boundary spanning is not individual career-linked but contextual. What is interesting for this particular event is the presence of sports as a frame of context. Indeed, it is not so much the kind of identities each of the actors had but the access and intimacy with different lifestyles that gave rise to the opportunity.

*Edouard Rostand, he's doing a lot of things, but he is involved in the production of music festivals, he's the chief editor of one of the main electronic music magazine, called Trax.* (Entrepreneur B.)

It is remarkable that the three key organisers of the festival Camille Jaccoux, Bertrand Brême, and Edouard Rostand all occupy multiple professional roles. Jaccoux is involved in the sports industry through the ski manufacturing company, Brême in the clothing industry through his role at Diesel fashion, and Rostand in the music and nightlife industry through his artist managing company Parissi (Black Crows 2013). The value that arises from the aggregation of these roles ex ante is the wide scope of potential visitors for the focal event and collaborators for product extensions through co-creation.

*People were free to appreciate it or not, to stay or not, skiing or have a drink, listen or not. That's nice: it's not as in festivals where you are in an area where you can't move ... This was more open, open to the people.* (Artist.)

While the multitude of roles were used to created value on the basis of attaching meaning through combining cultural codes, when it came to the cultural product itself, the product itself made it easy for actors to assume different roles. Under this light, their role could be described as being free or even emancipated, because compared to the conventional, activities on the slope seem hardly restrained or confronted.

*The drummer, his family has got a house in the mountains, so he loves very much the mountains. ... The day we arrived, we slept at his house, in Annecy, its like 1 hour. And yeah, the mountains means a lot ... it's big but in a way, you can't control it.* (Artist.)

The emancipation does not only apply to the participant's activity at the festival. This comment demonstrates eloquently how the performer can access a similar sensorial experience as an audience member, and points that there are plural roles for individuals in this cultural product. This is congruent with White and others (2009, 780) in the way that “those engaged with art often inhabit a dual role of both supplier and consumer of art experiences”.
5.3.2  Entrepreneurialism and network actors

Throughout the academic discussion on creative industries, the attitude towards business practices has been described as reserved. In this study however, all the interviewed respondents showed no sign of reservations towards business practices. On the contrary, what appeared was a proactive and positive attitude towards entrepreneurialism. This gives polar support to the findings from Kubacki (2008, 408) who stated that reservations impeded co-creation. Kubacki found that artists preferred playing for themselves rather than for the audience (2008, 405).

Our music is a music of musicians, who love to play with instruments. We are very few, two or three. At first we were only two. When we are two, its a lot easier to improvise, to have a lot of communication together. So when we are three, we play close to each other. To see each other, and to react to the other. (Artist.)

Interviewing the artist revealed the importance of doing more research in the cultural domain, for the results confirm Kubacki’s argument but extend it towards peer-oriented creativity, as was argued by Hirschman (1983, 49).

I'm also a DJ. Its not at all the same thing, you just have to play the songs you like most at the moment, to make people dance. It's more difficult to do live music of course. But you get a more pleasure too. (Artist.)

At first sight the musician's attitude could be suggested as falling into Hirschman's (1983: 49) third class of creativity, which is on the level of commercialisation. This creativity is directed towards the “public-at-large”, but it would be an exaggeration to deduce this from the above quote. Rather, it is found that similarly to Laaksonen and others (2011, 31) artistic passion can facilitate opportunity recognition. Additionally, it is suggested that in this process, an artist must be skilled to understand his audience. This skill must be alike to the entrepreneurial creativity associated with “improvisational competencies” as characterised in SMEs by Baker and others (2003, 267).

Furthermore, it was possible to identify entrepreneurial marketing practices in the network. For instance, there was a peripheral profession whose role was to reduce uncertainty and promote quality musicians for local bars. This profession turned bars into partner of the festival, whereas before they were not. Therefore there was active work done to reduce the gap between venue owners and artists described by Kubacki (2008, 407).

5.3.3  Feedback: expression and evaluation

The construct of the cultural product consumption system is based on John Dewey's (1934) theory of the art experience, and in its core, it has self-expression as an important leverage for
value creation. Self-expression could be identified to occur with almost every type of actor in the festival.

![Figure 11. Audience at the Black Weekend.](image)

Artists expressed themselves through performances in the valley in bars or stores, or on the slope on a stage. During the concerts, whether it was on the slope or in a bar, people listening to the performance danced to the music in front of the stage, as can be seen from the image above. The image also confirms that some took the ski lift to the slope simply to enjoy music, as they did not wear ski boots. As was described before by the artist and the entrepreneur, the individuals on the slope were free to come and go, as the festival was accessible by the ski lift but was not organised in a gated area. Although the case for self-expression is not as strong for the entrepreneurs as it is for the artists, it is noted that the venture falls into the description of working society of leisure, which is associated with self-expression according to Ravenscroft & Gilchrist (2009, 25, 37).

All in all, the case event provided a good context to research the communicative role of self-expression in branding, as the involvement of brands did not crowd out the authentic symbolic content contained in the musical performances, fashion of the festival visitors, nor the food in restaurants, save for some alcohol brands that sponsored the event. Indeed, for the partners who were involved with providing tangible resources, the role of self-expression seemed limited or it was not particularly mentioned.

*To make the festival happen, we have some partners ... because most of the events in Black Weekend are free. Partners can build their tents, and some of them are doing some animation. ... You need to make sure that all the bars in*
town have managed the sounds, managed the visibility of the partner and the visibility of the brand. (Entrepreneur B.)

From the above it seems the role of these partners is clearly defined and peripheral, and also contractual. There is a difference between the value accrued for firms and value accrued for individuals, because the involvement of partners is rationalised through the acquisition of visibility, and the value accrued for the individuals is rationalised through liberty, sensory pleasure, excitement. Yet there is still evidence that some partners are invited to collaborate with a deal for self-expression:

*It's really important to have different creations, not only music. ... Last year, we invited a chef from the city. We should open the festival to different disciplines.* (Entrepreneur B.)

It is noteworthy that here, when referred to 'different creations', the partner is a chef and not a firm. Hence, it seems that including partner brands is a bare necessity.

*There is very good taste in the choice of partners.* (Entrepreneur A.)

Although the comments above show that there is considerable work done to acquire partners and successful work done to select them, the attention goes to achieving an eclectic group of creations. The effort is similar to the concept of creative collectives referenced by scholars that studied the Russian ballet, futurism and the Arts and Crafts movement (Buckle 1979, Garafola 1988, Hargrove 1998, Cook 2003, Haldey 2005, Poesio 2011, Balmer 2009, Harvey et al. 2011).

Atypically to cultural industries, what is missing from the process is the critic. Instead, the selection performed by the entrepreneurs show a degree of evaluation that increases the value of their collaboratively produced product. In fact, it is appropriate to describe it as co-curated.

### 5.4 Orchestration

It has been elaborated above that co-creation of an emergent product is managed through a process of value reconfiguration, where the entrepreneur has a key role. The mechanism is based on the form of management structure (Normann and Ramírez (1994, 101), vision (Sarasvathy 2001, 243, 251; Keating and McLoughlin 2010, 998; Baker & Nelson, 2005), and shared purpose (Gillier et al. 2012, 378, 386; Frow & Payne 2011, 231). This process is applied to a value network, whereby it is necessary to understand that order emerges through partnerships of members from different networks (Möller et al. 2005, 1277) who try to adapt their behaviour to technical and social norms (Cunha & Gomes 2003, 183). Defining a new activity involves the orchestration of actors, because through social ties, an entrepreneur can identify symbolic resources which become embedded to the product (Poesio 2011). Applying the actors view, the orchestration process is studied in a value network that is driven by entrepreneurs.
5.4.1 Form of management structure

The theoretical review explored the characteristics of networks (Cova et al. 2010, 885) with regards to individuals and firms, and found that entrepreneurs did not fit in perfectly to either category. It was deduced that it should be investigated whether a network's organisation structure could portray both community and alliance characteristics.

According to entrepreneur B, the festival is run by three original founders of this event. On the operational level, there is an organised system for different tasks.

*With Black Crows, I have a small team who is dedicated to the festival before and during the festival: the marketing effort, but also the creating aspect. ... We are a crew of five people dedicated to the station. ... Then there are partners who can build their tents, some of them are doing some animation, and we have music there also. Then we have some food and drinks, animated by many people who are there. Then, we have all the technical music part, on the piste, the after ski, and on the night. They handle the music and technical part, like 10 people. And then, we have some people who are dealing with the promotion, before the festival, online, and in different cities: because we do some different events to promote the festival. We may make some nights in clubs in Paris, Lyon, Grenoble... (Entrepreneur B.)*

The product comprises of aspects that reflect several industries, such as sporting goods, restauration, beverages, marketing, audio-visual production, and nightlife, in countries like France and United Kingdom. These portray dimensions of trans-industrialism and transnationalism, which Cova and others (2010, 885) have found to be associated with an alliance structure. The festival's network structure also points towards alliance, because due to the promotion of both skiing and music, and the deliberate mixing of those two, there are "multiple types of strategic goals" (Cova et al. 2010, 885). This argument needs to be confirmed on the substance level however.

*These people are professionals. We get that through a company in general, a music production company. There is a list for each artist, which they need in term of technics, and we have to provide or rent all that. ... To do that, we used to work with different companies. The more the festival is growing the more we need to develop this aspect because it is becoming more technical, with more requests. We need more budget. To do that properly, we have to work with professionals. So we make some contracts and deals every year.* (Entrepreneur B.)

Seeing from the above quote that some of the flows in the network are contracted, this points towards an alliance profile rather than a community profile. Neither did the artist raise complications related to mixing artistic process with management processes, as has been warned by Holbrook and Zirlin (1983) and Gahan and others (2007). Moreover, given that the
contracted partners are changed often, it cannot support the affective condition of community networks (Cova et al. 2010, 885).

However, a more complex issue is the intensity of social ties, which is a dimension related to the communities being seen as systems comprised of individuals (Cova et al. 2010, 885). Earlier, attention was drawn to the creation of an intimate atmosphere between the organiser and artists through a joint lodging scheme. Correspondingly, here is how the artist described the relation between the organisers and network members.

[Edouard] has always got the same crew. He always works with the same people, because you know it's so difficult to organize things like this, you need to feel close to the people, they are all friends of him. (Artist.)

When asked to explain why closeness is important he replied:

Because when you have problems, it's important to deal with people with whom you feel well. Anyway, professionals are boring, and if you don't feel someone, its so hard to work with. Its better to work with someone you feel and who is friendly, even if you don't know so much, than someone who knows the job very well, but you don't like working with. That's my way of thinking, and I'm sure Edouard is the same. (Artist.)

It is seen that there is an orchestration of social ties, orientated towards informality and intensity due to the difficulty of tasks. Informality has been linked to increase performance of organisations through a common goal (Crimaldi, Cricelli & Rogo 2012, 310), yet there has not existed an application to project-based, truly open creative work thus far. In the case of Black Weekend, this aspect can be identified on the other hand as a collaborative mode, and on the other hand as a structure orchestrated by the organisers.

5.4.2 Vision

In cultural industries, the emergence of a venture starts from the discovery of an opportunity by a cultural entrepreneur (Berglund et al. 2007, 280)

Before, there used to be Les Arcs on the rocks, it was in Les Arcs in France and Edouard was one of the people in charge of that. It was the same crew of the Calvi on the rocks. And it was stopped because I think they were missing time and people and money. So in France there was no more music festival on the ski resort, at this time. And so I said, instead of night, let's do a proper festival. I had no idea how to a festival, but I said cool, let's do that, we started like that. (Entrepreneur B.)

It was found earlier that the interviewed network actors proved highly passionate about music, which might have aided them in recognising the opportunity. Although the comment
above shows that the venture was not novel, the entrepreneurs took an idea that was underperforming in another environment and introduced it to another context with modifications.

Visioning and imagining are key capabilities for artists and entrepreneurs in the process of orchestration. The characteristic of inspiration however has thus far been observed within the artistic profession (Becker 1982, 36), perhaps because entrepreneurship exhausts that identification of signals in the surrounding environment is inadequate without success (Stevenson & Gumpert 1985, 88).

*We love skiing, and skiing is great but when you finish your day it's nice to talk about something else, and not only about it. ... And so when we launched the brand in December 2006, we did a party to launch the first skis ... I like music, and I have friends who are involved in music, like the people that created the Black Weekend.* (Entrepreneur B.)

In this case, there was support for the claim that entrepreneurs are inspired by their lifestyle and may use their passion and favorable conditions to connect domains and actors. After all, what happened was relatively simple. A company organises an event to celebrate the launch of the brand. Yet the entrepreneur happened to be surrounded by individuals who belonged to networks where these events were commercialised, that is to say, the music industry.

On the level of resources, orchestration involves imagination, which means creating connections between different resources embedded in the surrounding network, whether they are physical or knowledge-based (Sarasvathy 2001, 243, 251; Keating and McLoughlin 2010, 998; Baker & Nelson, 2005). In Chamonix though it was not yet the case. Therefore the “knowledge corridor”, as Sarasvathy (2001, 250) describes it, was visible for the entrepreneur, and he could act upon it.

On the actor level, value networks are orchestrated by identifying autonomous individuals from different networks, and engaging them in the collaboration with a persuasive agenda (Möller et al. 2005, 1281-2). In the Black Weekend, it meant selecting a qualitative and original lineup of artists that would persuade musicians, music-lovers, and nightlife aficionados that enjoy to spend time on the Alps.

Having access to cultures of skiing and music, the entrepreneur now had to organise the actors from these sub-cultures for co-creating the product. Because the final product was not sketched by designers, nor researched by market research, the entrepreneur had to imagine the value that should emerge from the collaboration. Being in close contact with professionals in music industry, the entrepreneur has access to the complex structure of value conversion for cultural production. He does this by finding out what is valuable for each actor. In the production of a musical performance, one of the most evident actor is the artist.

*That's the kind of thing the artists are looking for: looking for the public. ... [The role of the PR agency] was really to touch the good target around the festival: people who go to Calvi on the rocks. We started like that and step by step we opened more. So to talk about the festival in cool trans-media in Paris,
music magazine, blogs, et cetera. I touched more the mountain media. I do some mailing to my distributors in the ski industry in Europe. (Entrepreneur B.)

Attempting to reach and connect with two distinct subcultures reflects what Burt (1992, 79) identified as structural holes in social ties, and what Kamoche and Cunha (2001, 748) described as improvising with minimal structures for social cohesion. From the quote it is seen that for the emergence of this cultural product, determining value is not a feat of accurate prediction but rather a pattern that specifies Sarasvathy's (2001) theory of effectuation.

5.4.2 Legitimisation

Gillier and others (2012, 378, 386) as well as Frow and Payne (2011, 231) have identified common purpose as generating the mechanism for a network's organisation, and within the artistic domain, passion was found necessary for leading successful creative group work (Laaksonen 2001, 31).

Bars are happy because artists gives more energy, and after all it's them who create the evening... bars never complain about it. These DJs also know how to adapt the clientele. There is a real collaboration. (Entrepreneur A.)

Attention should be drawn to a few things here, first to the choice of the word “energy” that artists are solely credited with, and second, to their interactive capability for receiving feedback. Third, attention is drawn to the appreciation of bars for the entertainment content, which reflects the “real” level of collaboration that reveals the value creation mechanism in the network.

According to Berglund and others (2007, 281) the legitimisation process is collective and involves shaping and disseminating the venture through a combination of multiple identities. An identity can include the entrepreneur's personification of visionary capabilities (Wu 2002, 125) or connection to symbolic codes that match to a desired lifestyle context (McCracken 1989, 312). In this venture, the legitimisation fell more into the former category and portrayed features that classify the marketing of the cultural product as syncretic marketing (Sherry 1987, 188) as explained before.

We try to find an identity, in terms of music. ... We try to keep the price of the parties as low as possible, because we want to touch different kinds of people, and mix different kinds of people. Maybe that's the special aspect of Black Weekend, developing the ski aspect. That's how Black Weekend is different from other festivals. ... What we are going to try next winter is that we will try to make some Black Weekend in different resorts. ... Smaller than Black Weekend, but something cool. And to develop the audience. (Entrepreneur B.)

The above comment suggests that at the heart of the cultural product, the opportunity does not lie in the functional dimensions of the product, but in the audience. In this regard,
entrepreneurs cannot be associated with total accountability in terms of creation in the network, but rather a cognitive role as identifying an opportunity within an intersection of sub-cultures. This identification could be characterised as an entrepreneurial capability to understand a degree of complexity in the cultural production process, rearranging the actors for value co-creation.
6 CONCLUSIONS

By exploring co-creation in the value network for the Black Weekend festival it was found that social ties are not simply considered for access to resources but for the creation of a tribe of people. Combining a systems view with a social constructionist perspective to entrepreneurship in cultural industries, it is possible to model the process of orchestrating the co-creation of a cultural product. The figure below presents the key findings of the study, with a passage of concluding remarks that round up the discussion of results.

**WHAT THE SYSTEM**

Cultural entrepreneurship  
Bridging communities  
New cultural products

**WHO THE ACTORS**

Cultural entrepreneurs in arts, crafts and sports

**HOW EMERGENCE AND ORDER**

Syncretic properties  
Legitimisation processes  
Organising around context and identity creation

Figure 12. Key findings of the study

The figure above also stands as a framework that concludes the process of cultural production for entrepreneurial context. It comprises of three main aspects, the ‘what’, the ‘who’, and the ‘how’ of the process. Attention has drawn through the study to the applicability of mainstream managerial theory on entrepreneurship. By studying cultural entrepreneurs and their process of resource integration, it was found that as economic actors, they fit poorly to the classification proposed by Cova and others (2010, 885). Moreover, there were specific elements that suggested the process in question was not simply entrepreneurial, but strongly related to co-creation a cultural context. The particularity of cultural entrepreneurship differs from other organisational forms by the value created through proximity to context. The first benefit from proximity comes through trust, which seemed to form the value configuration logic for evaluating the best quality of cultural elements, and
explained the strength between some actor bonds. This revealed a candid nuance between the structures of community and alliance, which indicates that identity building activities carried out by individuals are not limited to community type structures. Iterating from Håkansson and Snehota (1995, 33) that this collective identity can then take a “life of its own”, it is asserted that emergent market structures are mediated by individuals through a cultural integration process of meaning, called syncretic marketing. This explains how value is created out of matching cultural codes, an aspect that has been proposed by the early 2000s value emergence scholars Kim and Mauborgne, and Normann and Ramirez, who modelled its process, yet did not explain why the effect of reintegration was so powerful. Cultural entrepreneurship is, as a social constructionist perspective, an alternative to the industrial framework for co-creation, which tends to look at co-creation processes through manufacturing and sees co-creation e.g. as customisation. Yet from a genuinely equal participatory perspective, a product to emerge from such a process as novel would be absurd, because the action that is shared is already framed according to the firm processes.

Hence, this thesis falls right into the phenomenon Kotler (2012, 34) projected: an integration of consumer networks to firm networks. This provides the possibility to respond to the effects he projected: “the clash of values, interests, dependencies and vulnerabilities”. However, Kotler’s assumption is another of segmentation, one that assumes values and interests as ex post for explaining and recreating barriers between groups of individuals. Yet without barriers, there will be no clash but instead, an ex-ante understanding of the shared values and interests that create communities to which individuals can identify to. In this case, this was confirmed by learning that artists were not treated like resources programmed to perform in the process of value creation, but rather as receivers of value themselves. Revealing this dual identity confirms White and others’ perspective (2009, 779–780) of the artist as both the consumer and producer. However, what this thesis could not confirm was the reserved attitudes of artists towards commercialism.

Conversely, audience was not treated as a simple receiver of value, but viewed as something that could be developed in two ways. First of all, the communities of the visitors of the festival could be matched and developed in a way of context creation. On the other hand, in the network, co-creation was driven by a process of identity creation. It is believed that this type of organization structure should be called as cultural entrepreneurship.

As was the ethos for writing thesis explained in the introduction, the academia of marketing could develop its outlook to reach the start up culture, developing much-needed tools for early-phase brand identity creation and communication. In fact, under the peripheral light of consumer brands identified as being outnumbered within the meaning-laden synergism of the festival, it can be argued that the paradigm of brand obsession has little if any effect in the context of this festival. Still, it would be wrong to turn this argument to its polar opposite so it could be interpreted as refusing branding practices. This is not the case –
as a matter of fact, there were branding practices in the network, yet these were controlled – orchestrated – by the festival organisers.

Hence, in line with earlier studies that have drawn attention to the creativity of cultural entrepreneurs, this thesis has found that these individuals orchestrate ties that connect the network to resources and individuals that lie in disparate contexts or communities. Through the structural holes, this lets new cultural products to be created.

In the logic of individual cult of the entrepreneur, Sarasvathy (2001) speaks of the role of cognition in discovering opportunity. In this case it was identified that what precedes the emergent product is actually an opportunity identified in the cross-section of cultures. This points that the traditional marketing segmentation approach, which is based on grouping customer data on predetermined groups creates barriers that separate certain lifestyle groups, or tribes (Cova 1997; Cova & Cova 2002) from others. While there are certainly benefits in this practice, there are also features that close out potential value collaborators. This was precisely the case with the artist, because as a performer, it is ex ante seen as a part of the cultural product. However, it was identified that the artist portrayed just as much interest for travelling and identified organisational characteristics as any other visitor to the festival. This finding illustrates the benefit foregone from ignoring to enquire from exceptionally talented individuals like musicians. Understandably, this bias in scientific enquiry may have been blinded by the arts coy play with the ideology of “art for art’s sake”. Yet with the developments in new media, the attitudes must change. Although more study in different situations needs to be conducted to say for sure whether the end result is different when artists are considered as actors in the co-creation process, it is clear that this study has identified a managerial view that has not previously been brought forward.

It might also be interesting to apply similar methodology to other knowledge-intensive professions, such as consulting or teaching. On the other hand, if the actor view is adapted to processes, researchers may find that by learning to exploit the convergence of cultural domains, their processes can be interrupted and recombined with synergetic elements, which can inform the research of experience design.

This thesis has studied a particular network of collaboration, where self-employed or entrepreneurial professionals engage in B2B marketing within lifestyle communities in an intimate and candid way. This confirms Wilson and Stokes (2004) that entrepreneurs in the cultural sector focus on legitimisation instead of B2C-marketing. Not only does this give support to the view as a wider application, but taking into account that there is a high degree of entrepreneurs and self-employed creative actors in the network, the results also indicate that the intense relations and informal structure enable a strategic value co-creation potential.

Where cultural entrepreneurialism shares dimensions with Cova and others (2010) community networks, there are possibilities to extend tribal marketing tactics to business-to-business- relations. Within that frame of thought, individuals could be seen as holding overlapping roles as producing, experiencing, evaluating, communicating and imagining.
Entrepreneurs were highly inspired by their lifestyle culture, which was highly reflected in the cultural product they co-created. Hence, for co-creation research to properly grasp the wealth of cultural codes embedded with lifestyle communities, it is necessary that the consumer culture theory (CCT) builds bridges with literature on entrepreneurial marketing.

Hence, this study joins the research on product and identity development and is ready to be adapted for entrepreneurship. It is wished that research on cultural industries continues its collaboration with management academia and strives to incorporate entrepreneurial processes in the marketing of cultural products, as this thesis once more confirms the view of scholars before that art worlds are embracing business. In turn, management academia must extend its view to understand co-creation as more than a practice of customisation or open innovation. On these grounds, it is suggested that future studies carry out from contextual research on value networks. Given the era of convergence, it is likely that marketing scholars will need to partner with the academia of aesthetics and technology in this regard. Given the juxtaposition of different disciplines, it is suggested that future research may arrive at descriptions that are not similar to those provided by this research, and as a qualitative study, this thesis warmly welcomes them.

The logical managerial implication is that entrepreneurs can soon access marketing practices in a way that was previously unattainable for them. Restricted on resources, few entrepreneurs have had the budget or the team to construct elaborate marketing campaigns. Yet the results from this study propose that syncretic marketing reminds bricolage as an organisational process. For instance, an entrepreneur may use the cultural elements surrounding him for learning, creation of interesting new product types, and access to wider audience. It should be noted that these are, of course, only exploratory findings, and more research is needed in the topic, particularly for computing the value flow more accurately.

When these flows begin to be more apparent to researchers, they can be used for driving the quality of co-creative experiences, which is important as individuals become more exigent as consumers and producers, employees and managers. In essence, what facilitates the view is that entrepreneurship is already as itself a converged state between the individual and the company, but marketing has not taken advantage of this in the study of consumer cultures and innovations. The literature on open innovation for instance is misleading, because value creation and ideation continuously takes place in the "open". Perhaps the reason why entrepreneurs have been thought particularly innovative is because their proximity to those identifiable opportunities has seemed closer. Indeed, while this thesis has described how an entrepreneur orchestrates value, it is only one perspective to orchestration. On a wider organisational scale, future research should investigate how intrapreneurs and other employees within firms draw from imagination and their cultural context in orchestrating meaning.

Regarding that the research has limited its view to a cultural product during the state of its emergence, it means that there may be network actors who enter the value network only as the
viable product is developed further, or actors whose role diminishes or grows as the system settles to order. Hence, studies that focus on the dynamic aspect of a venture could explore relations between different actors. Some examples could be a longitudinal study of the dynamic relation between marketing agencies and artists, or sponsored athletes and sports brands. Furthermore, it is proposed that future studies experiment with similar exploratory research designs yet choose a different cultural domain as its focal study. It may be that the highly collaborative and creative processes intertwine only in music, and that the attitudes limiting commercialisation were particularly low for this case only.

In conclusion, this thesis found several topics and problem sets that future research will hopefully follow. It is believed that the world of performance and athletic activity are full of undiscovered material for marketing and organisation scholars. Hence, instead of being left as simple metaphors, orchestration and improvisation deserve to be probed and studied with a curious eye.
7 SUMMARY

This research departed from a need identified in value co-creation research to understand the context of entrepreneurship in value networks. With research on entrepreneurship chronicling the creation of unique value extensively, this thesis selected emergence as its focus of study. The knowledge gap regarding the under researched cultural industries in network studies was thought necessary to be incorporated in the research query. Therefore, designing and measuring for this study relied on three research questions:

- Describe the pattern of resources and activities that give rise to the emergence of a cultural product in a value network
- Examine what role entrepreneurs and other network actors play in the co-creation of value
- Describe how cultural entrepreneurs orchestrate co-creation in a value network.

The network view and research interest in emergence required the application of systems view, which is compatible with complexity theory and directed a clear choice of research philosophy for the thesis. This enabled complimenting the study with a premise that market boundaries are fluid and permeable, curtailing thus the myopic view of producer-consumer dyads. This allowed for the actors-resources-activities framework to properly identify different sources of value flowing in a network and their patterns.

Through a review of literature in arts marketing and aesthetics, it was understood that there were many interactive features in the system of an art experience which were compatible and even transferrable to the co-creation view, yet scarcely. Through the case of the Black Weekend, it was found that value was created and even destroyed as the actors mobilised themselves to participate in the various events. Through the variety in the resources, a unique identity was created for the festival, and through the actors' adaptations on their activity links, the conventional cultural experiences of both skiing and festival got new, redefined meaning.

Managerial implications can be found readily in the creative industries, but businesses in small to large scale can benefit from the learning of this thesis too, for instance in experience design and collaborations involving creative individuals. This was found through enquiry with cultural entrepreneurs, where a critical view uncovered organisational aspects unnoticed by the industrial marketing paradigm. These aspects were the impact of sensory perception to experience and its implementation in co-creation as a performative component. This was found to be associated with syncretic marketing, and offered as a way for entrepreneurs to sidestep product branding. This delineation is proposed as a managerial implication for entrepreneurs struggling with resource restraints for marketing.

Research findings were identified to inform product development and open innovation practices, this thesis contributed by explaining the emergence of value in the intersection of different patterns and systems of actors. Here the thought is particularly on scholars interested
in applying co-creation theory to entrepreneurial marketing and other projects dealing with emergent ventures.

As a study in value networks, the findings of this study agree with prior studies that have asserted that the development of opportunity cannot be attributed to one single entrepreneur. However, an outstanding capability to understand the producer's view was identified, leaving further research to develop this cognitive dimension further.

Further recommendations for future research involve an encouragement to actively be involved in producing convergence. Foremost, fellow marketing scholars are encouraged to attempt bridging theories of consumer culture theory and entrepreneurship. Such theory would explain how co-creative experience can be driven and how it can be used as a form of capturing market information and finally as a tool for innovation. This thesis has taken an explorative step towards such theory.

A practical implication that follows from this thesis is also the uncovering of cultural industries as a black box. For it has been shown above that artists are economic actors just like entrepreneurs, the audience and event organisers. Finally, the research was able to explore corporate identity practices for entrepreneurs. It is perceived that through these exploratory findings, there are several interesting research streams to be followed. On a highly metaphorical level sympathising with epistemological challenges related to convergence, this thesis has drawn from several different schools and has intended to bridge the knowledge of them where possible. Thereby researchers and practitioners are encouraged to keep exploring the available streams proposed in a syncretic manner and to establish a robust discourse through cross-disciplinary research collaborations.
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APPENDIX 1

Interview questions / Organiser

0. Background
0.1 What kind of work do you do?
0.2 How long have you been involved in this festival?
0.3 What kind of other activities are you involved in? (work and/or leisure)
0.4 Are you involved as an individual or do you represent a company? (which one)
0.5 [IF=backgr_company] what type of collaboration is it?

1. About the festival
1.1 Tell about Black Weekend – how is it different from other festivals
1.2 What types of people are involved, who are the key people involved in Black Weekend? (their profession or hobby)
1.3 Role of skiers, musicians, and audience during the festival?
1.4 Describe the relation between you and other people involved in the festival. (include: How long you have known them)

2. Organizing the festival
2.1 How is this festival organized?
2.2 what was needed to make this festival happen?
2.3 Name 2-3 challenges in coordinating this festival and how they were resolved
2.4 Who is in charge? (can name several people; are these people formally in charge)
2.5 how is the festival developed and how are ideas treated?
2.6 Do you think people have the same vision?

3. Closing
3.1 What should I take into account when performing this research?
3.2 Name at least two other people who you think I should interview in terms of networks for this research? … + Other comments.

Interview questions / Artist

0. Background
0.1 What kind of music do you play?
0.2 What other activities are you involved in?
0.3 Did you play in the mountains before? If yes, tell about that experience.

1. Organisation of the festival
1.1 How did you organise the concert?
1.2 Did you see other artist’s performances at this venue?
1.8 What is your relation to the organisers of the festival?

2. Experience
2.1 What other festivals have you played in?
2.2 How is Black Weekend different from the other festivals?
2.3 What is the role of skiing in the festival?
2.4 What is the role of the audience?
2.5 Do you think there is a specific type of people who are attending this festival?

3. Closing
3.1 Any additional comments?
3.2 What should I take into account when performing this research?
3.3 Name at least two other people who you think I should interview for this research?

**Interview questions / Participant**

0. Activities background
0.1 Describe your activities in work + leisure time
0.2 What kind of music do you listen to?
0.3 What type of ski do you do? Do you do it often?
0.4 Where do you usually ski?
0.5 Do you go to festivals? Which ones?

1. Experience at Black Weekend
1.1 Could you describe the experiences you have had in connection to Black Weekend.
1.2 Was it the first time you participated in this festival?
1.3 What brought you to Chamonix?
1.4 How would you describe the audience here?
1.5 Do you sense belongingness with the audience? Explain why/why not.
1.6 What do you think is the role of the audience in this festival?
1.7 Do you know people from the festival crew?
1.8 Do you think you contribute to the making of this festival. If yes, how?

2. Future and development
2.1 What kind of people might enjoy this festival?
2.2 What kind of experiences might work well with this festival?

3. Closing
3.1 Any additional comments?
3.2 What should I take into account when performing this research?
3.3 Name at least two other people who you think I should interview for this research?