Jakob Nobuoka

Geographies of the Japanese Cultural Economy
Innovation and Creative Consumption
What is the role of the consumer in the contemporary cultural economy? Where are cultural economy innovations and competitiveness created? This thesis aims to provide tentative answers to these questions by focusing on some illustrative examples from the Japanese cultural economy. However, rather than primarily describing firm strategies or industrial dynamics, emphasis is put on the places and practices of users. The thesis is based on a series of qualitative studies carried out between 2007 and 2009. In these studies various forms of interaction between consumption, innovation and space are highlighted. In the first article, media mix is analyzed. Media mix is the space in which media, images and narratives interact: a space where the user contributes to the introduction of new innovation into already existing concepts, and thereby, plays a crucial role in creating the mix. In the second article, the Akihabara district in Tokyo is analyzed. This is a place where consumers enable high-technology and popular culture to merge and where new trends and consumer cultures are created. In the third article, the mega event Comiket is analyzed. Comiket is a market for amateur artists involved in Japanese popular culture. It is a space where plagiarism and provocation by mainstream Japanese popular culture are driving factors for creativity. The thesis concludes by suggesting that the role of the consumer needs to be further emphasized in research on the cultural economy, as many users are active innovators, and create trends and practices that shape global consumer cultures.

**Keywords**: Japan, Cultural Economy, Innovation, Consumption, Manga

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To Father and Mother,
to Brother and Brother,
to Charlotta and Taiba
Preface

When I began studying at University I had very vague ideas about what it would be like. It was not until the end of my undergraduate studies that I started to realize the pleasure and excitement of thoroughly examining phenomena and digging deeply into problems. Since then, the true motivation has always been the possibility of learning new things. Perhaps to learn is to listen, to discuss, to read, to watch, to write and to teach. For me, it also means creativity, transformation and facing dead-ends. The life of being a PhD student is so much more than simply writing a thesis; and as the manuscript has now become a book, I realize that we only catch a glimpse of all the stories I have heard and all the ideas I have shared throughout my research. On a personal level, it is not the outcome that has relevance but it is the experience of the path that matters. I am truly grateful to the many people who have enabled me to wander this path.

I wish to thank my supervisor, Prof. Dominic Power, for all the hours spent discussing research plans and ideas. For me, it has been both an intellectual journey and a true pleasure. Many thanks go to my co-supervisor, Prof. Anders Malmberg, for much needed encouragement and valued comments. It is a tremendous privilege to have had the support of two such talented and committed researchers.

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Finally, I wish to thank my family for their support and especially my
wife Charlotta.

Uppsala, July 2010
List of Articles

1. Nobuoka, J. Media Mix and Consumer Created Competitiveness in Japanese Cultural Industries.\(^1\)

2. Nobuoka, J. User Innovation and Creative Consumption in Japanese Cultural Industries – The Case of Akihabara, Tokyo.\(^2\)

3. Nobuoka, J. Comiket: Innovative Users and Playful Plagiarism.\(^3\)

\(^1\) Submitted to Industry and Innovation.
\(^2\) Accepted for publication in Geografiska Annaler (B) vol. 92, no. 3, 2010 and presented at The Association of American Geographers (AAG) Annual Meeting, Boston, 2008.
Sammanfattning (Summary in Swedish)

Japansk kulturell ekonomi. Geografiska aspekter på innovation och kreativ konsumtion.


I den andra artikeln analyseras stadsdelen Akihabara i Tokyo som sedan länge är känt som ett centrum för konsumtion av prylteknologi och hemelektronik men som alltmer kommit att präglas av konsumtion av populärkultur i form av dataspel och anime-relaterade produkter. Akihabara är ett exempel på ett rum där kunskap och trender förmedlas och sprids; men också skapas, utvecklas och förfinas. Platsen och dess användare speler en avgö-
randle roll i dessa processer och konsumtion och konsumenternas handlingar är en grogrund för kulturella innovationer med konkurrenskraftiga kulturella uttryck. Artikeln ger därmed ett bidrag till diskussionen om innovativa miljöer med ett exempel som ligger långt bort från företagsparker och industriella kluster.


日本の文化経済に関する地理的考察：イノベーションと創造的消費に着目して

今日、日本のポップカルチャーはますます世界中で親しまれるようになった。マンガやアニメ、特にデジタル・ゲームは若者を中心に人気を集めている。日本文化の世界的展開を前にして、西欧諸国の人々が以下のような関心を抱くことも自然であろう。これらの文化的表現は一体どこで生まれ、また、誰によって制作されているのか。本研究の目的は文化経済の地理的現象について、新たなトレンドや製品を生み出し、解釈し、そして発展させる人々およびその空間について探求することである。もっとも、ここでは、定評のある作家・クリエーターや製品開発者、企業、さらには産業動態といった、一般的に文化経済研究において注目される観点に重きを置いていない。本研究を構成する三つの論考において、特定の空間と商取引や学習、創造性、革新性との関係を描き、検証することを課題としている。その方法として、解釈的アプローチ並びに現象学より着想を得た定性的分析を採用した。分析データについては、主に2007年から2009年の間に日本において行ったフィールドワークより収集したものを利用している。

第一論文では、日本の玩具およびゲーム産業における製品開発を題材としている。物語や映像を展開する手段として、それらを様々なメディア形態へと配信していくことが一般的である。メディア媒体の混合を通じて、ブランドを創出し、根強い顧客を確保していく。西欧諸国において人気の高い二つの日本のキャラクターを検証して明らかとなったことは、メディア・ミックスの全体性を作り出す際の製品ユーザーの重要性である。その役割は必ずしも製品競争力に直結するようなライセンス取得者や作家・クリエーター、もしくは特定の企業であるとは限らない。むしろ、連結された体験こそがユーザーにとって重要
である。新たな映像や物語が取り込まれるにつれてメディア・ミックスは発展する。その強さを促進する原動力はしばしばユーザーの手中にある。

第二論文では東京都秋葉原を分析地域とした。この地域は家電製品やハイテク機器の商店が立ち並ぶ日本有数の電気屋街として知られている。近年では、デジタル・ゲームやマンガに関連した商品など、大衆文化の一大消費拠点でもある。秋葉原が知識やアイディアを交換する空間へと変化した結果、流行ならびに新たな文化的現象が創出され、評価され、そして発展していく場となっている。この過程において、秋葉原という特定の空間とその人々こそが重要であり、消費者の活動が文化的イノベーションと競争力のある文化的表現を育てる。従って、本論考は、一般的なビジネスパークや産業クラスターの諸研究とは異なる観点からの、イノベーションおよびクリエイティブ・ミリュー論への貢献と位置づけられよう。

第三論文ではコミックマーケットを分析対象としている。コミックマーケットは、参加者達のアイディアや物語、専門的技法といった情報交換の場として40年もの間に進化を遂げてきている。著名な作家・クリエーターにとって、本イベントは新たな読者・愛好家へと作品を広めるような開放的な空間をもつ大規模な催しへと発展した。そこで展開もしくは頒布される同人誌は挑発的であり挑戦的でもある。また、「コスプレ」を代表として、その他の多くの文化的現象も見られる。本イベントにおける創造的活動や遊びは、しばしば日本の文化経済に影響を与えるような新たなトレンドの契機となる。世界中にも消費者とクリエーターが出会い、触れ合うような同様のイベントは少なくない。本稿の事例は、大々的な催しを必要とするような、イベントを基礎とした経済活動の一例である。他方で、関連省庁やメディア・コンシューマリットとは異なるような、ボトムアップ型で成功的に発展してきた文化経済の制度的催しの一例ともいえよう。

以上のように、本研究では文化と経済過程の関係が相互的かつ互恵的となるような社会科学のアプローチを提示している。特定の場とユーザーは、大衆消費が確立され、大衆文化が発展するような空間において、文化的イノベーションを生み出す上で最も重要な役割を果たして
いる。従って、これらの空間は文化産業の競争力を間接的に左右している。今日、有力企業による大規模投資や高額な展示方法などに続き、消費者は文化経済の鍵となるイノベーターとして認識されよう。その理由の一つとして、文化的商品の価値が流行や誇張された宣伝のような偶然的要因によって決定される点と無関係ではない。これらはファンと創造的な消費者が有する独特の消費文化の中で開花することが多い。本稿が探求してきた点は、この消費と空間、延いては現代文化経済の理解についてである。文化産業に関する今後の研究は、制作プロセスに関与する積極的な主体として、ますます消費者に着目する必要がある。

延岡ヤコブ，2010
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1. Introduction

Last week I visited my Swedish friend’s new home in Uppsala and happened to get a glance at their child’s room. Among the multitude of toys scattered around the room I saw some quite peculiar objects. There were cute robot stickers on a notice board and some colorful drawings of heroic characters on one of the magazines on the bed. They were clearly Japanese toys. Just a couple of decades ago this would have been an odd scene in a Western European home, but today, Japanese images are part of many imaginations in both the East and West. All around the world Japanese popular culture distributed through media, such as manga⁴, anime⁵ and especially video games, has become extremely popular. Characters such as Pokémon and Hello Kitty are well known to most people, while movies like Miyazaki’s Spirited Away (2001) are Oscar awarded blockbusters. Along with this, people get sushi cravings, listen to Japanese music (J-pop), and watch Japanese TV shows. How did this happen?

There are many ways to answer this question and it has already been addressed from many perspectives. Firstly, there are powerful politics and influential corporate policies backing the globalization of Japanese popular culture. For instance, the shift has been described as the outcome of a new, cool, Japanese policy that would sequel the earlier successes of hardware and automobile manufacturing. Secondly, the globalization of Japanese popular culture must be seen in the light of emerging new technologies of information and communication. The migration of cultural fads and hypes is efficient and influential when media conglomerates and spin doctors set off new campaigns. Thirdly, structures, policies or technologies are one thing, but behind it all you will find people and places. Japanese culture is produced by large conglomerates, distributed by global corporations and consumed on a global scale; however, there are still individuals that shape the culture. In their everyday life, these people meet, exchange thoughts and trade with each other so that eventually new trends and new ideas will be formed. If people and interactions between people play an important role, we could also ask ourselves: Who are these people and where do they meet?

There is a great complexity in identifying people and places of significance. Anyone from product developers in Tokyo, to assembly line workers

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⁴ Manga (漫画) Japanese term for comics (Japanese comics).
⁵ Anime (アニメ) Japanese term for animated movies (Japanese animated movies).
in Guangzhou, to retailers in London and to visiting buyers from Los Angeles, all play their role in constructing the economy. However, it seems unlikely that all actions are equally important and evenly dispersed around the world. Perhaps some events are more important and some actors\(^6\) play a more significant role. If that is so, where can we find these actors and where do their undertakings and interactions take place?

This thesis addresses the seemingly banal question of where the Japanese cultural economy is created. The contextual focus on Japan is, however, of secondary interest. Contemporary Japanese popular culture is interesting as an example of the interdependence of economy and culture; where comics, animated films and digital games\(^7\) are the most intriguing constituents of its cultural expressions. I could find them in my friend’s house as if they were global commodities, and they are all examples of how societies that are spatially dispersed are becoming increasingly interrelated to a previously unimaginable extent. Globalization is a deep integration of both economies and cultures, and it rests upon a qualitative improvement in the flow of communications and information across the globe. Special emphasis must be put on the importance of local settings for the larger economy, even on a global level. The primary interest is the relationship between places and spaces of the cultural economy. This thesis examines different aspects of the geographies of the cultural economy in three separate articles. The articles are not to be seen as micro-analyses, or case studies of an innovation process, or industrial systems as we often find in economic geography, in order to clarify a specific regional economy or industry. Instead, they attempt to exemplify the places where culture and economy interact. They thereby follow a long tradition within geography to study places and people; the relationship between place and society, place and economy, and place and culture. All of which are parts of interwoven processes that are often separated in academic research in order to establish measurability and lucidity. A unifying aim of the articles is the attempt to find the essence of place and space in the cultural economy.

The first article has a broad scope and goes through the developments in the Japanese toys and games industry. However, instead of delivering a descriptive analysis of the industry, it tries to examine how value has been created by looking at the actual cultural phenomena that became successful products. It is argued that the media mix\(^8\), the ability to extend narratives through various media and technologies, creates a competitive advantage for

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\(^6\) Actor refers to a person or entity that enacts a certain action.

\(^7\) Here the phrase digital games is used as an umbrella term for video games, computer games, mobile phone games and other games mediated on digital platforms.

\(^8\) A simple definition of media mix is that one image or narrative is being reused in many various media. For instance one manga story is redeveloped into anime and then into a digital game. In the first article this concept is further developed and a more profound definition is applied.
many of the products. Furthermore, by examining two of the most globally successful phenomena – Hello Kitty and Pokémon, it was found that the consumers and consumer cultures played a significant role in creating value and hype around these phenomena. The consumers created a platform where companies could use narratives and technologies to expand the media mix.

The second article focuses on the city district as another platform where consumers and companies, culture and technology interact. More specifically, Akihabara in down-town Tokyo, has become a vibrant hub for youth subcultures based on digital games, manga and anime. The article argues that “place” is manifested by the practices of sophisticated users of these cultural goods called *otaku*. Their relation to place and the shaping of its unique blend of retail and scenery has created a hub for testing, promoting and the exchanging of values, ideas and goods.

The third article continues to explore physical space and how place is constructed by people, culture and economy. Comiket, the world’s largest amateur manga convention, highlights the role of amateurs, consumers and fans as innovators and active economic participants. Comiket has, from the start, been a free space for the fans of manga. Just as their practices are shaped by mainstream popular culture, so has their creativity shaped Japanese culture. The magnitude of the event and also its cyclical nature, have played a role in its importance. Furthermore, many similar events are arranged throughout Asia, USA and Europe indicating a growing global youth culture. What issues for the study of economy and society do these articles address?

The thesis wishes to discuss how cultural and economic events are interrelated in advancing meaning and value creation in contemporary developed societies in the East and West. It also raises the question of how local and global processes are interrelated and how we can study them. It does argue that a strong and sophisticated domestic market has had an impact on the Japanese cultural industries, and that this has led to children in the west buying Japanese products. But more specifically it shows how users managed to contribute to innovation and dynamism by creating places and spaces that have become important institutions in the cultural economy. It is argued that users play an important role in acknowledging trends and values; therefore, it will be discussed where this contribution takes place and who makes this contribution. Because it is argued that value is partially based on contingent factors as trends and hype, it will also be discussed how value is created within the cultural economy.

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9 *Otaku* (ヲタく / おたく) Persons with specialized and obsessive interests.
1.1. Aims and Research Questions

The intertwined processes of culture and economy are not new phenomena, but the changes in the means of both communication and consumption call for a deeper understanding of how the contemporary economy is formed. Therefore a general aim is to contribute to discussions on the relationship between culture and economy. This is manifested by an investigation of three spaces where these relationships are created. The first is the conceptual space of narratives that is manifested through media mix; the second is the retail and interactive node of a concentrated urban district, and the third is the temporary space of a trade fair. They are all different examples of spaces where consumer creativity stimulates innovation, and eventually, by indirect means, industrial competitiveness on a global scale. These three spaces are presented in three separate articles which all scrutinize the following general questions:

- How is value created in the cultural economy?
- How does place contribute to innovation and competitiveness in the cultural economy?
- What is the role of users for creating innovation in the cultural industries?

Broadly speaking, it is about the who, where and how of Japanese cultural economy. One purpose is to contribute to ongoing discussions of creativity and innovation within economic geography. The more general arguments address ideas of value creation within economies of culture, and some of the more specific illustrative cases will be of interest to readers interested in Asian or Japanese studies, culture studies or cultural geography.

1.2. Structure of the Thesis

Before presenting the articles there is a need to explain how they are connected. The thesis is constructed of two main parts. The first provides a background to the research, and the second comprises of three independent articles that are the outcome of the empirical research. The first part will establish the various theoretical and methodological underpinnings that shaped the three articles, and it is divided into five chapters. This chapter introduces the general aims and questions of the studies. Chapter 2 involves the theoretical foundation of the studies. Here, ongoing discussions within economic geography and adjacent disciplines will be discussed. A hybrid approach will be presented regarding the connection between culture, as in goods of symbolic value, and economy, as in the geographies of innovation, value creation and competiveness. Chapter 3 will describe the methodologi-
cal preconceptions of the studies. The study is based on phenomenological assumptions and ideals but also a pragmatic view to how research is created and mediated. The method section will also explain how the methodology was applied to the research. Chapter 4 gives the context of the empirical studies by introducing the economic and cultural preconditions of the contemporary Japanese society and its cultural industries more specifically. Finally, the major findings and conclusion of the articles are presented in chapter 5.
2. Theory: Culture, Economy and Consumption

This chapter will address the principal theoretical arenas of the thesis. The foundations of the studies refer to ongoing debates of the cultural economy within economic geography. Relevant research from adjacent disciplines is also brought in to provide a deeper understanding of the cases. The following questions will be addressed in this chapter:

- What is a hybrid approach to the cultural economy?
- How do users innovate?
- How is value created in the cultural economy?

The theoretical discussions are structured around two main debates within economic geography. The first is that of the cultural economy, and the second is that of user innovation. I aim to portray cultural economy as a phenomenon within economic geography. Terms discussed in these sections are cultural economy, cultural industries and consumption. After this, innovation and the debates of the geography of innovation will be outlined. A specific emphasis will be put on user innovation in relation to the articles. Finally, this chapter will focus on the preconditions for the cultural economy, and discuss value creation from a more general, economic theoretical perspective.

2.1. Introduction

For the majority of people in both The East and West, leisure and entertainment are important parts of life. As a result, contemporary societies face an ongoing process where the two different spaces of economy and culture are becoming increasingly interdependent (Lash and Urry, 1994; Crang, 1998; Scott, 2000; Amin and Thrift, 2004). I have attempted to understand the role of the integration and increased interdependencies. Here, a hybrid approach refers to the combination of studies of both economic and cultural phenomena, how they interact and what their relationship is to each other. The intention is to discuss what cultural activities might mean for economic processes and vice versa. Here, economy refers to systems and practices of development, production, distribution, usage and management of resources and goods, in order to create prosperity and well-being. Culture is used to de-
scribe the material and symbolic (abstract) forms that originate in values and beliefs of people (cf. Crang 1998). I thereby try not to use culture as a stage of a civilization, characteristics of social/ethnic groups, excellence in arts and manners, knowledge or behavior based on social learning (www.dictionary.com). Global trends where human interaction is being capitalized, combined with a steadily increasing wealth, have expanded the relative expenditure on cultural activities; such as, hobbies, amusement, clothes and accessories. As a result, culture and economy are becoming progressively more intertwined, a process that thoroughly changes the production, distribution and consumption of these products. Maybe this is the reason behind the difficulties in studying the economies of culture. Crang (1998) makes an important note of how culture is often treated as the part of the economy that economics cannot explain, a sort of left over. Culture is either a social system in which the economy operates, or an irrational behavior. This calls for the need to study the economy from a cultural perspective, or to study culture from an economic perspective. The results are hybrid approaches that have generally been avoided in economics (Pratt, 2004b). Creating a misconception that laws of economy are different from the rest of the world implies that the economy is separate, not only to culture, but also to society as a whole. Also, the construction of a cultural economy can be a problematic concept. Pratt (2004a) has criticized the culture/economy approach for being a false dichotomy, just as production/consumption are two sides of the same coin. I see Pratt’s critique as justifiable. The notions are abstract constructs by social science and further strengthen the argument that the concepts ought to be studied from a hybrid approach. Amin and Thrift (2004), however, point to a growing literature that bridges the gap to provide a more holistic view on how society and economy interrelate. Essentially hybrid approaches represent an opening for diversity in the study of the economy. If the outcome of hybrid studies is effective, there can be alternative interpretations of how prosperity and well-being are created. Diversity potentially increases the possibility of new discoveries of how society functions. A hybrid approach can provide new understandings of how contexts such as culture, religion, history and politics affect the economy. Interdisciplinary work has ameliorated the study of economy and we can see similar approaches in economic sociology (Beckert, 1996) and economic anthropology (Wilk and Cliggett, 2007). In geography, this has a long history because the economy has been regarded as one out of many factors in a geographical entity.

Theoretically, I have found inspiration in standard economic geography but also many insights came from research conducted within the disciplinary traditions of anthropology, culture studies, business studies and sociology. Methodologically, I have attempted to study economic phenomena with an assortment of methods. This also is part of choosing a hybrid approach and I believe it has given alternative and hopefully illuminating study results. This is further developed in the methodology section. I see these reasons as im-
important motivations for a hybrid approach, but at the same time by no means do I wish to allege that my approach is better than, for instance, evolutionary economics or political economy. It simply tries to adopt another story, new answers and alternative readings of core questions in economic geography – that is why, how and where innovation is created.

2.2. The Cultural Economy

Two different themes have transpired in the economic geographical debate regarding the cultural economy throughout the last few decades (Gibson & Klocker, 2004). The first is the discussion about creativity and the importance of creativity and knowledge production for innovation, urban renewal and competitiveness. The second theme is the creative industries or the cultural industries. The cultural turn in economic geography is often seen as a change in how products have changed from being “pure” products to being products with an embedded culture. Furthermore, the debate has resulted in studies of how these products are being produced. Some focus on the artists and designers, and some focus on industries such as publishing, music industry and fashion. Geographers more commonly prefer an institutional approach, to provide a contextual understanding, to cultural production (Storper, 1997; Scott, 2000). Few studies in economic geography have looked at the consumers that demand products with symbolic value, and the spaces and places where this value is created. In order to fill this gap, these geographies of the cultural economy will be explored.

2.2.1 The Culturalization of Economy

As stated above, a large portion of the economy is characterized by being increasingly “culturalized”. This is a process that renders products culturally assorted (Du Gay and Pryke, 2002; Power and Scott, 2004). To start this argument one could claim that globalization has a dispersive effect on the market, as the producer/consumer relationship is getting less dependent on proximity. Today we can obtain information from remote places about all sorts of products. This is, perhaps not surprisingly, a hot topic for geographers, but the deteriorating importance of placebound relations has been stated

10 This simplified notion is based on Gibson and Klocker, 2004. A more complex investigation of cultural economy as a field/discourse within the social sciences was presented by Flew (2009).
11 “Symbolic means something that refers to something else” (Nöth, 1990 in Östberg and Kaijser, 2010:74). Symbolic value indicates a value that primarily does not have monetary value but instead is based on values and beliefs that are socially constructed (culture). This will be further developed in section 2.4.
12 Here, place is understood from a humanistic definition of place as a focal point for human meaning and experience (cf. Cresswell, 2004).
by authors such as Negroponte (1995) and Cairncross (2001). Many others argue that spatial proximity and cities are still of great importance for economic development. Empirical findings show that the internet is still place-bound and that it is reshaping the economic space but not cancelling it (Zook, 2001; Jansson, 2005). So the culturalization of the economy has given rise to many new questions in economic geography.

One question is what kinds of products will be innovative enough to create competitiveness in the new economic order. The idea is that products will have to find their niche to be able to compete on a diverse market. Low price is not the only factor that matters for the customer; so competitiveness can therefore be produced by emphasizing the uniqueness of a product. Many products are not prized because of their intrinsic value, as in cost of refined raw material, but because of their cultural connotations that add value to them. Individualization, branding, design or just simply oddness, are all examples of things that produce added value for goods (Veblen, 1899/2008; Grubb and Grathwohl, 1967; Shein, 1984; Wilkins and Ouchi, 1983; Kotter and Heskett, 1992; Keller, Apéria and Georgeson, 2008; Jobber and Fahy, 2009). Santagata (2004) thoroughly discusses the new economic behavior of customers. He sees how customers will choose products not because of their quantitative and qualitative values, but because of their symbolic value. This will determine the course of action. The time, money and effort invested in gaining knowledge of a particular product are too high because the information flow today is gigantic. Instead, the customer will rely on the symbolic representations of goods. The rational customer will buy the product that a) can embrace the most amount of symbolic value and b) has the least amount of information cost (Santagata, 2004). Below, in chapter 2.4, value creation within the cultural economy will be further investigated.

Since the 1990s, economic geographers have become increasingly interested in cultural or creative industries (Power and Scott, 2004). This has provided the discipline with new research challenges, and it has also led to a stronger bottom-up approach to economical change than previous studies. The cultural turn could be described as both an epistemological and an ontological change within economic geography (Hudson, 2006). Although the desires of the consumer are identified as some of the most important factors in this industry, the consumer is seldom viewed as a creative resource. French et al. (2004) analyze the value chain of fashion, music and

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13 The cultural turn is a somewhat ambiguous term within human geography, mainly because it can refer to quite a few different things (Barnett, 2002). To Barnes (2001), it refers to the theoretical and epistemological shift taking place within economic geography in the latter part of the 20th century, emphasizing hermeneutic social sciences rather than quantitative studies. It is also used as a critique by, for instance, Gibson and Klocker (2004) to outline how the cultural turn does not only imply an increasing interest in the relation between cultural production and economy, but also a discourse of work that stresses the importance of culture and creativity for regional growth.
financial service in Europe and USA and find that it has four stages. They are the networks of creativity, reproduction, distribution and consumption respectively (French et al., 2004). Their aim is to examine how the introduction of the internet has changed these value chains. They find that it depends on which commodity you are examining and that the internet reshapes parts of the economical space. For instance, production localization is being reinforced but consumption is being decentralized. Then again, the ubiquitification effect of e-commerce, that of making products available anywhere, might also have a reverse effect. Products that can only be purchased at one place are becoming rare and desired (Maskell, 1999).

Another example of how the culturalization of the economy has changed the role of the consumer is illustrated by Leyshon. He has made a study on how the introduction of new computer technology has restructured the music industry. When Leyshon discusses networks of consumption, he refers to the networks, or the many intertwined actors, that sell music and the places where music can be purchased, all the way from department stores to small independent backyard shops. In the case of the music industry it is quite clear that new formats and down-load-ability, together with e-tailors on the net, have great impact on the whole value chain of the industry (Leyshon, 2001). Another study on the Swedish fashion industry touches upon the role of the consumers in the innovation process. Here, consumers and producers are in a give-and-take like situation. Consumers buy the products that are being retailed but the designers also find inspiration in what their customers are wearing (Hauge, 2007). This has also been described by Kawamura. She shows how teenage creativity influences designers and fashion companies around the world (Kawamura, 2006). Creativity is seen as a source for innovation. So let us look more into how creativity has been studied in the economic geographical context.

Creativity was seen as an engine for capitalism by Marx. Marx and later Schumpeter, however, described this in a negative sense. Capitalism destroyed society in order to be able to reinvest and thereby gaining new profits. This was called creative destruction as destruction was necessary for invention (Johnston et al 2000:119f). Lately, the same ideas have been reused in a more positive way as creativity has been seen as a source for innovation. People such as Charles Landry (2000) and Allen Scott (2006) but also Lash and Urry (1994), and Zukin (1995) have discussed the role of creativity in relation to the urban economy; but the term was also reinterpreted by Richard Florida (Gibson and Klocker, 2004). In Florida’s book *The Rise of the Creative Class* (2002a), the main hypothesis is that creativity and the people being creative, the creative class, are the main elements for urban and regional development. Creativity is a necessary condition for economic growth and competitiveness in the present society where new ideas,
new technology and creative content are important (Florida, 2002a). Florida also writes about the creative class. These are the people that, in a quite wide sense, are being creative at work. Their main resource is that they have the ability to be creative. In later articles he also speaks of similar qualities but phrases it as being talented (Florida, 2002b). Florida also argues that these people have common values. Talented and creative people highly appreciate creativity, individuality, diversity and competence. The creative class demands goods produced by creative people. To attract talented people, the cities have to be open to diversity and immigrants. Vibrant cities with an attractive street life and open attitudes can be seen as a means of achieving competitiveness and economic growth (Jacobs, 1963; Florida 2002a). For me, creativity is associated with how people within any sector of the economy act or behave. I find this term vague and broad and therefore also hard to adopt. A related term is the creative industries. Music, film, theatre, fashion could be called creative industries, but also architecture, design, and marketing or advertising. For this reason, many other industries such as cars, high-tech and construction are highly related to the creative industries (Gibson and Klocker, 2004). Creative industries are defined by UK authorities as being based on individual creativity, skill and talent (DCMS, 2008-11-07). It is an industry definition based on characteristics rather than products, thus stressing the importance of innovation and dynamism within the economy. This might be positive, but the question is whether this clarifies it or if it just generates another dimension of vagueness. Who is not creative at work? Anyone from street cleaners to professors is in some way creative in solving everyday problems. One could also ask what kind of environment produces creative people (Florida, 2002a), or what characterizes a city with many creatives (Scott, 2006; Landry, 2000). Although the articles often relate to creativity and creative people, I have chosen not to embrace the uncertainties of using the term creative industries. Another term with greater relevance for this thesis is content industry. The content industry has been defined more narrowly in the “Western” context than in the Japanese. In Europe and the USA the content industry is an umbrella term that encompasses companies owning and providing mass media and media metadata. This can include, music and movies, text publications of any kind, ownership of standards, geographical data, and metadata about all and any of these. Content is also used when discussing the information and communications technology (ICT) industries. ICT industries are usually viewed as comprising of four key components; hardware, software, services and content. Hardware is the physical machine; software is the computer program that delivers the interface be-

14 The critique of Florida’s work has been extensive. Some of the major objections from geographers can be found in Pratt (2008) and in Peck (2005).
15 The word creatives refer to people who are creative. This is slightly different from a creator, a person who creates.
tween hardware and human. Service refers to the software based helpdesks and human-to-human communications that provide information on use and utility of the product as an entity. Content can be seen as material that provides function and meaning to the hardware and software. In a Japanese context, content industry comprises of movies, music, game software and animation (Yoshimoto, 2003) mobile telephone content, internet content and home electronic appliance content could also effectively be added. The content industry is special and unique in its ability to combine different sets of cultural and technological applications in order to invent and reinvent entertainment/utility for users. I personally believe that the term content industry has several positive advantages; most importantly because the embedded co-evolution between technology and culture is used as a force for innovation in both sectors. However, in the thesis I use the term cultural industry to relate my studies to other studies within economic geography.

2.2.2. The Cultural Industries

Some of the most highly valued firms manufacture and distribute popular culture worldwide. Their economic, political and social influence on society is of substantial importance (Hesmondhalgh, 2002). An increasing number of products and services are combined with, or even dominated by, cultural forms and meaning, to the extent that one could say that we are experiencing a commoditization of human culture (Adorno, 1991; Scott, 1997) as well as an acculturation of the economic sphere (Lash and Urry, 1994). Today many products that have some kind of cultural feature are not only those traditionally associated with some artistic performance. The outcome is a form of continuum where you, on one hand, have purely cultural products such as film or art, and on the other hand you have purely utilitarian products such as wheat or copper wire (Hirsch, 1972; Scott, 2004). Between these extremes are products such as healthy sport drinks that sell on symbolic value and the arty crystal weight used as a book support. To define the term by looking at the products that the industry produces is therefore difficult. One early attempt of definition was formulated by Hirsch (1972). He provides several clear definitions of the term cultural industries. Following Thompson (1967), he adopts an interorganizational approach to an understanding of the value creation of goods. I choose not to follow this tradition as I believe the technological developments have changed the value chain of cultural goods. For instance, Hirsch claims that all cultural goods must first a) be selected and then promoted by entrepreneurial organizations, and b) benefit from extensive mass-media promotion to enter the market. Many cultural products still follow this cycle but phenomena like YouTube have, to a large extent, changed this rationale. The symbolic value of a movie clip can be boosted without large investments in mass-media and a product can be homemade and spontaneous instead of exclusively handpicked. The consequence is that
the term cultural industries becomes ambiguous and even confusing. Cultural industries ought therefore to be seen as an umbrella term consisting of industries mainly producing cultural goods; such as, advertising, architecture, design, film, games, and music (Power, 2002). What constitutes them are that 1) the value of the products mainly consists of symbolic and aesthetic elements (Scott, 1997). 2) The consumption of its products increases as the disposable income increases disproportionately higher (Engel’s law). 3) The companies and supporting business tend to agglomerate in local clusters or districts, even though most products are attained on the global market (Scott, 2004; Power & Scott, 2004).

The second part of the term cultural industry is industry. It is generally defined as “the horizontal segmentation of production firms on the basis of their primary product” (www.businessdictionary.com). In present day experience-based economy the term industry is becoming increasingly ambiguous (Pine & Gilmore, 1999). There are many examples of traditional products where the function and use has changed to become inferior to other traditionally secondary functions such as design and content. To many customers the function of a mobile telephone is not primarily to call friends and colleagues, but to express a life-style or as a status symbol. It is also problematic to solely focus on production firms as many of the findings in the articles state that the products are produced by users. Hence, industry is better understood as an intellectual construct in order to discuss various economic phenomena. Hartley exemplifies this by claiming that:

“…industries are abstract aggregations of agents, prices, commodities, firms, transactions, markets, organization, technologies and innovation (Potts et al, 2008). ‘Industry’ is often used even more loosely, interchangeably with business, trade, market, or even community…” (Hartley, 2008:4).

To summarize, the cultural economy refers to the system of production, distribution, consumption and management of goods that primarily have a symbolic value which serves the preference to express culture. An important part of this economy is the cultural industry. The cultural economy is also connected to certain cultural and cognitive spaces. These can be institutions, traditions and values of a specific group of people. Here, geography plays an important role as either a container or mediator of these values. However, culture alone cannot build sustainable economic systems. The cultural economy, just as other economies, is dependent on a dynamic landscape that can distribute goods, ideas and wealth to different actors on a market. One important driver in an economic system is innovation. The next section will describe how geographers have discussed innovation, and how this thesis will build on such arguments in order to create new ones around innovation and economic development.
2.3. Geographies of Innovation

The globalized economy has resulted in interwoven processes of transnational corporations, global finance, and consumer networks constructing complex global networks of firms, capital and individuals (Gereffi et. al., 2005; Hughes, 2000; Hendersson et. al. (2002); Dicken et. al, 2001). The consumption of cultural products and the companies behind them may be globally dispersed, but the production of culture is still often a local process (Scott, 1997). Regional economies of agglomerated actors are nodes of significant importance for the economy (Cooke and Lazzaretti, 2008). The basic assumption is that these agglomerations cause positive externalities that ultimately lead to advantageous competitiveness (Porter, 1990). This has been shown through various theoretical approaches emphasizing unique regional constituents for national competitiveness such as Innovation Systems (Lundvall, 1994; Cooke, Heidenreich, & Braczyk, 2004; Carlsson, 2005) and Clusters (Porter, 1990), or those approaches following the implications of the knowledge economy such as Triple Helix (Etzkowitz & Leydesdorff, 1997), Learning Regions (Morgan, 1997), Epistemic Communities (Haas, 1992) and Clusters of Knowledge Creation (Malmberg and Maskell, 2002; Lorenzen and Maskell, 2004). Another common way to explain agglomeration within the cultural economy has been the urbanization economies approach (Hoover, 1937; Jacobs, 1969; Glaeser et. al., 1992). Throughout the articles Tokyo is described as an engine for the place-based economy. The unifying theme of urbanization economies approaches is that they highlight the positive externalities of being situated within a region of a multitude of economic actors with varied expressions and orientation. Cities become growth pools and foster explorative symbolic knowledge (Cooke, 2007). More crucially, cities are factors for innovative cross-overs, as a shared pool of skilled labor force and diversified clusters of related businesses. For many of the culturally embedded enterprises, the metropolitan regions are the most important settings (Scott, 1997). This section will further analyze the relationship between place and innovation. In this thesis the city of Tokyo is the arena for most of the case studies.

16 Cowen (2004) argues that most forms of creative activity rely on complex networks of production distribution and consumption. A more complex network can create a greater number of potentially fruitful combinations of culture and technology (Cowen, 2004:34). Cities are agglomerations of complex networks of resources that service cultural production. It is however not only the multitude of people or multitude of knowledge that generate competitive culture. Apart from other sectors of economy, the cultural economy of cities relies on scarcity and uniqueness as important factors for success (Cowen, 2004:51). This follows an old tradition of describing the city which can be found in, for instance, Kroeber (1944), Porter (1990), Hall (1998), but perhaps first mentioned by Roman historian Marcus (Gaius) Velleius Paterculus in A.D. 30 (Cowen, 2004:74).
2.3.1. Innovation and the Study of Economy

Theories of innovation and growth provide explanations for how innovation and technical change have a positive impact on the economy (Schumpeter, 1934; Marshall, 1890/2009; Dosi, 1982; Freeman, 1982; Romer, 1990). Innovation is therefore a major issue for understanding change in the economy. The Dictionary of Human Geography identifies innovation as “the introduction of a new phenomena and the phenomena itself.” (Johnston et al, 2000:397) A main concern in geography has been to study the origins of innovation (Johnston et al, 2000). Schumpeter contributed further to the thought that innovation was “a new combination” (Lundvall et al, 2002; Schumpeter and Clemence, 1989: 239) and combined the values of the past with the value of the future. This has also been called incremental innovation. It can also be compared with the definition of invention as “activity directed toward the discovery of new and useful knowledge of products and processes” (Schmookler, 1957:321), which is more similar to the term radical innovation. To this “the commercialization of innovations” (Feldman, 2000) must be added as an important factor in the aim of economic activity. Consequently, innovation is the “process where ideas, through economic activity, are being transformed into sustainable value creating outcomes” (Livingstone, 2000). Schumpeter defines innovation as both continuity or a combination of already existing phenomena, and conversely, as a radical change or a new constellation (Lundvall et al, 2002:216). This is important as it means that innovation does not occur from nowhere, but instead is to be understood as an output of intentional actions. Two main focuses in economic geography have been a) the spatial origin of innovation and b) the spread of innovation (Johnston et al, 2000:397). The origins of the innovation discussion follow the observation that some places generate more innovations than others, and thus examines the spatial differences between places that are important for economy. The other focus discusses how innovations travel in space, and thereby follows a long debate on knowledge diffusion (Johnston et al, 2000:397). As stated in the introduction, the thesis is most concerned with the first focus and the origin of innovation.

2.3.2. Localized Learning

This thesis also has a geographical delimitation that refers to a national entity. It is argued throughout the articles that Japan today has a competitive advantage in producing popular culture. A general aim of the thesis is, therefore, to provide a deeper understanding of this advantage. A key question about economic geography is why some countries are winners and others not, and a key assumption for geographers is that context, and to some extent proximity, matter for innovation and competitiveness (Ash & Cohendet, 2005; Boschma, 2005). Studies in economic geography also point out the
importance of innovation for development and economic growth on a local, national and regional basis (e.g. Maskell et al, 1998; Storper, 1997, Cooke and Morgan, 2000). Learning processes, knowledge transfer and diffusion are central for innovation and commercial success. These studies have shown a great benefit to companies that are agglomerated in space, and different aspects of these benefits have been emphasized. Studies of industrial districts such as Silicon Valley (Saxenian, 1998) and Third Italy (Boschma, 1999) have noted the importance of trust and collective norms in supporting innovation and development. One concept is the firm’s dependencies on domestic institutions for development and deterioration. Another concept is that the social life of individuals in agglomerated firms can explain why some are winners and some are not (Ash & Cohendet, 2005). Competitiveness, innovation and, today, even creativity are key concepts for understanding the economy. The thesis follows these lines of argument by connecting the geography of innovation to competitiveness and economic dynamics.

In the pursuit of understanding why some countries were able to take a lead in economic development while others were falling behind, structuralists in the 1960s and 70s such as Hirschman, Perroux and Dahmén, maintained that the differences in production means were important (Lundvall et. al., 2002; Lundvall and Maskell, 2000). The industry of some countries, such as USA, consisted of machine tools production, and had the potential of fast reconstruction and adaption to new market needs. Other countries that mainly produced semi-manufactured goods, such as France, did not support this kind of dynamic (Lundvall and Maskell, 2000). Since this approach left out many smaller countries from the possibility of growth, and it lacked the ability to explain growth in many of the smaller European countries, in the late 1970s and 1980s, the National Production Systems theories were developed by Andersen and Lundvall (Lundvall and Maskell, 2000). In these studies, it was made clear that there was an important link between the user and the producer sector. Countries with vivid and demanding home markets had an advantage over the international arena and were able to develop growth and wealth. Therefore, the qualities of demand characteristics were an important focus for studies. However, critics upheld that this approach could not explain the role of institutions in the economy (Lundvall and Maskell, 2000). In the so called National Business System approach, scholars such as Whitley (1998) pointed at the difference in governance factors, and organization of the economy, as important for explaining the difference in growth among countries. Issues of culture bound and space bound practices became important for the economic outcome (Lundvall et. al, 2002). This was an introduction of sociological studies of business and opened up interdisciplinary and heterogeneous approaches in economics (Lundvall and Maskell, 2000). However, there is more than institutional organizations to economics, and in the late 1980s, economists such as Freeman, Nelson and Lundvall introduced the term innovation system (Lundvall and Maskell, 2000). The earlier ap-
proaches of discussing either demand or supply factors or its institutional context were synthesized in a model called National Innovation System. In many empirical studies the interaction between producer and the market had been seen as contributing to innovation. It was in these exchanges that knowledge creation and entrepreneurship took place. This exchange was more complex than to be explained solely by rational market relations. Other more fuzzy factors, such as, power, trust and loyalty held an essential value.

Another influential theory adopted by many countries as an analytical tool for policy strategies is the cluster approach (OECD, 1997). The cluster approach is based on the idea that firms and industries organize themselves in clusters of vertical and horizontal relationships. Four major factors influence the developments of a cluster. Rivalry among firms triggers the specialization refinements of the firm’s strategies and structures. Additionally, the factor conditions, such as infrastructure and level of education, play an important role. This, along with the demand conditions, forms the circumstances that will be advantageous for the supporting and related industries (Dicken, 2003). So, in Porters “diamond-model” defining industrial clusters and what makes some countries more competitive than other countries; the demand conditions, especially the home market conditions, are of great importance. Sophisticated and demanding buyers of goods press local firms to achieve their best; and therefore, these companies will have a competitive advantage over competing firms on the global market (Porter, 1998). Porter states that physical proximity and cultural understanding between producers and users are the explanations to why local or home demand conditions are important. Firms can sense, understand and satisfy the needs of their local buyers in an efficient way, and these producer-consumer interactions can become important in future commitments of the firm (Porter, 1998). Demanding buyers can help the firms to develop specialized goods in unique and segmented areas of production (Porter, 1998). This kind of knowledge might be proven useful when the company or industry faces global competition or new markets (Porter, 1998).

Economic geography has, for decades, discussed how firms in agglomerated or clustered constellations have benefitted from location specific demand conditions. Yet these theories face problems when encountering the economy of culture. Not only are they heavily ‘productionist biased’ (Urry, 1990:277), focusing on firms as the entity of analyses, but the theories are also not able to provide an understanding of how culture and creativity are being constructed before being capitalized and industrialized. It is assumed that innovation and competitive advantage do not come from nowhere. Instead there are place-specific circumstances that contribute to factors that eventually may result in economic success. But when it comes to the cultural economy, the solution does not always lie in research labs and it is difficult for firms to tell the chart busters from the failures beforehand. Instead, the seemingly unimportant local events of subcultures and individuals are important for the economy on a larger scale.
2.3.3. User and Consumer

The importance of users in relation to innovation is emphasized throughout the articles. What is a user? In the studies, users are referred to as individuals and not as organizations or businesses, thus also known as end-users. Users will also be regarded as actors and not as a passive unitary group. I do, however, apply the plural form and thereby automatically create a generalization of the deeds of individuals. In the articles I try to exemplify these general and imprecise statements by telling the stories of real persons whom I encountered during the fieldwork. Another term that I often apply as a synonym to user is consumer. A quick look in the business dictionary reveals that a consumer is a person who purchases a product or service in retail, or is the end user in a distribution chain. An important point is that the consumer or the end user is not necessarily the person who does the purchasing. This is of great importance as consumers do not always act as buyers but still consume products. In addition, as they consume a product, they also absorb it, employ it, interpret it, change it and produce or reproduce it. Consuming is about using and is, therefore, an interactive and performative undertaking. To some extent this is the quintessence of the thesis, to acknowledge the role of consumption. The term consumer, therefore, also relates to the discussions of Veblen (1899) and Bauman (2007) discussed above, where consumption is studied as an important part of contemporary social life. The term buyer will not be used as a synonym for user and consumer because it indicates that the act of purchasing is the primary focus.

2.3.4. User Innovation

The term user innovation, or user- or demand-driven innovation, is part of a growing and relatively new field within the studies of product innovation (Hippel, 2005; Aoyama and Izushi, 2008). Theoretically, it is the opposite of supply-driven innovation. The basic finding is that, traditionally, innovations have been described as outcomes of research and technological progress. Firms investing in product refinement and new developments can gain an advantage over competitors as they have the ability to constantly upgrade and renew their product base. For many firms, an innovation is an outcome of their own work and they are also limited to their own ability to develop new products. On the other hand, demand-driven innovations refer to a scenario where a firm can adopt or apply knowledge that is constructed outside the company laboratory into the production line (Bar and Riis, 2000). The company can learn from people using the products, or they can even let the users decide on how to modify existing products (Bisgaard and Høgenhaven, 2010). This is therefore called user-driven innovation, although the term can have different meanings in different settings. In the thesis I use the expression user innovation as I believe this is a better term in the following classi-
fication, four different forms of user innovation have been identified to clarify the different aspects of this term.

1) The first is innovation where the wants, needs and demands of the user are exploited by the company. This is done by traditional market research and it can effectively help the company to realize how it should adjust or modify its products, in order to meet the demands of the customers (Carson, Gilmore and Gronhaug, 2001).

2) The second form is user involvement. Here users encounter the product at an early stage of the product development process in order to understand how the products will/can be appreciated by future customers. A common way is to assemble user panels or study groups for this task (Carson, Gilmore and Gronhaug, 2001).

3) The third way is to let users develop products. This has been described by Chesbrough (2003) when discussing so called open source innovation. This means that, for instance, the source code is available to everyone so that when users have the need to develop a product extension or a new application, they are free to do it themselves. One example of this is the computer operating system Linux.

4) A fourth way is to manufacture products that are already developed by users. Hippel (2005) has shown how sport equipment is developed or even invented by users. Some of which can be modified into items of mass production. (See the skateboard example above).

This thesis tries to understand what the term user innovation could mean in a cultural economic context. Additionally, it aims to take a user-centered approach rather than a firm centered approach. The result is the development of a complementary form for studying user innovation following the fourth way presented above. User innovation is when users develop products that change demand in a way that firms inevitably need to follow, in order to be at the market frontier. The articles will point in this direction as they show how consumer cultures, trends and hypes are important for innovation within the cultural economy. It is argued that innovation is not necessarily a process that is either detached or reliant on commercial interests, but that it can be both. Commercial interests are, however, reliant on innovation for growth and success.

User innovation can then be understood in several ways. One thing that separates the four definitions listed above is intentionality and agency. In some definitions, firms are actors with the intention of tapping user’s knowledge; whereas, others accentuate the innovating capacities of users. Furthermore, a standard conceptualization would dichotomize the firm and the user but a more complex interpretation perceives the process as reciprocal. This also opens up a critical debate of power relations. I will, however, not pursue this thread but instead focus on how users and user innovation have
been applied in the thesis. The next section provides further insight to the sophisticated users of the Japanese cultural economy.

2.3.5. Consumption and Consumer Creativity

For an increasing number of people, consumption is becoming an important part of daily life (Bauman, 2007). Consequently the study of consumption is becoming more and more important for the social scientist (Miles and Paddison, 1998). Subsequently, as consumption becomes an essential part of life, we need to ask for a clearer and more complex conceptualization of consumption such as: What is consumption? What is the role of consumption in society and what can we learn from it?

A basic definition of consumption would be to use or to buy things; but by classical economists, such as Adam Smith and David Ricardo, consumption was described as the destruction of production (Antonides and van Raaij, 1998). The idea is that the production circuit ends when the product is consumed by consumers. Therefore, the economic interest in the study of consumption has often been limited to the studies of wants or preferences of the population, in order to realize and clarify product potentiality. We have seen these kinds of studies in marketing and consumer research. Although research on consumer behavior is broader than the classical economic approach, it still views consumption as buying goods or services, and additionally tries to elucidate the motives and causes of this act (Moutinho and Evans, 1992; Antonides and Van Raaij, 1998; Cooke and Buckley, 2008). According to this view, the act of consuming is that of being economically active. It reduces consumption to a utility maximizing act. Again, this is what could be called a “productionist biased” approach (Urry, 1990:277) where the consumer is reduced to a customer or a buyer.

A more complex understanding defines consumption as an act, per se, and as recognizing its various components. One of the early studies of consumption in sociology was done by Thorstein Veblen in 1899. His intention was to point to the role of consumption as an indicator of social prestige and status. An interesting point in this study is that consumption is not studied as an end, but as a means to other ends. From the 1980s and onwards, the literature on consumption has grown in many disciplines such as marketing and business sociology (Östberg and Kaijser, 2010). In geography there are many examples of studies that focus on the consumption locale and shopping experience, market places and malls (Campbell, 1995; Wriglet and Love, 1996; Miller et. al. 1998; Crewe and Gregson, 1998; Wriglet, Guy and Love, 2002; Jackson et. al., 2006; Aoyama, 2009). A recent contribution of linking studies of urban renewal and economic geography to consumption was done in 2009 in Urban Geography 30:4 Special Issue on Consumption-Centered research for Diverse Urban Economies (passim). The argument of consumption as a driving force in the urban economy is in many ways similar to the
concerns in the Akihabara article. Studies like these have constructed a more vivid definition of consumption. For instance Campbell (1995) sees consumption as “the selection, purchase, use, maintenance, repair and disposal of any product and service” (Campbell, 1995:102). Consumption can be understood as the usage of goods, and this act can be excluded from the production-selling act. Consumers are therefore not necessarily buyers or customers but also creatives. Consumer creativity can be understood from at least three perspectives.

Firstly, the act of consumption can be regarded as creative. Behavioral studies have long analyzed consumption in relation to creativity. In (post) modern society, novelty seeking and innovativeness are considered virtues and therefore consumption increasingly depends on the ability to choose and evaluate the products (Hirschman, 1980). Consumption does not only satisfy a specific need for the product as such, but also fulfills the need for novelty, adventure and defining self. Consumption and consumer culture are important parts of life.

Secondly, consumption is a transformative act and consumers may transform the symbolism of goods. When a product is consumed, it is the consumer who owns the possibility to both reinterpret and create novel meanings of the product (Fiske, 1992). One example of this is how football hooligans used the famous fashion brand Burberry’s check clothing to mark their group belonging. Another example is how Hip Hop artists and fans use sportswear, thereby transforming the connotation or symbolic value produced by manufacturing firms (Aoyama and Power, 2009). The intertwined notions of material and symbolic values are created by firms and advertisement, yet consumers have a unique ability to transform these notions to serve their own goals.

Thirdly, many consumers gain exclusive knowledge about the products they use (Hippel, 2005). Sometimes products originate from consumers. One example is that skateboards were not developed by sports manufacturing firms but by children in the early 1900s. Roller skate wheels were attached to wooden boards and the skateboard was born. Later when companies began the manufacturing of skateboards many of the adjustments and improvements were developed by the skateboard users (Shah, 2000). Therefore, consumer creativity can also be understood as user innovation, which will be discussed further below. Consumer creativity and user innovation are, however, not to be seen as a play on words. It also indicates two different phenomena. Consumer creativity refers to consumer culture and consumption. Regarding the skateboard, the tricks and techniques of skating and perhaps even a skating subculture are part of the consumption of skateboards. From a cultural economic perspective, these were important components for the economic success of skateboards.
2.4. Place and Space

Two key concepts in this thesis are space and place. Many of the arguments involve questions about the role of place, or the relationship between people and place. For geographers, these concepts are both seminal and complex. There are several interpretations, understandings and uses of these terms and I will not go into detail and describe how these terms have been used by various scholars. This short section aims to somewhat clarify how space and place are being used in the texts, how they relate and what they try to describe.

The first article deals with media mix as a conceptual space. Media mix is the convergence of various media such as movies, games, pictures and it is defined as an “innovative space where old and new technologies can be applied, combined and merged with a brand, a character or a story.” (cf. Article 1 page 5) The media mix is therefore reliant on three distinctive spaces. Firstly, there is a technological space of available hardware solutions that can mediate images and narratives. Secondly, there is an economic space of underlying institutions or firms, legal systems and policy. Thirdly, there is a cultural space in which the narratives and images can be interpreted and understood. These spaces are conceptual because they refer to general notions that help us understand how cultural economic phenomena are constructed.

The second article deals with the idea of place. Here, the focus is a city district or an area in Tokyo called Akihabara. On one hand, a simplistic definition of place is used as it describes how the area has developed over time, and its contemporary place brand has been strengthened by commercial and political initiatives. On the other hand, Akihabara is also described as a space where different cultures, technologies and practices can meet, interact and develop. Therefore, in this article, space is also used in an abstract way. However, the main outcome of the article is that it is the users of the area that shape it - they construct place by their practices (Cresswell, 2004:7). In the article, the essence of Akihabara in relation to innovation and economic endeavors is identified as functioning as a place for exchanging, promoting and testing ideas.

In the third article, the trade fair works as a space for mediating trends and for knowledge diffusion. Comiket is a temporary space, meaning that it only has a function within the cultural economy for a short period of time and within a limited area. However, it is also a cyclical space as the event happens twice a year. Furthermore, although the occurrence of Comiket is unique and particular, it can compared to many other similar events in Japan and also a growing number of other Japanese popular culture events around
the world. Today, fan conventions of manga and cosplaying\footnote{Cosplay（コスプレ）is an abbreviation of costume play or costume role play and refers to the play of dressing up as characters from manga, anime or video games. For a detailed description see article 3 page 39f} are becoming part of a global youth culture. Throughout the three articles it is emphasized that images and narratives, the symbolic values, are locally produced/consumed. The articles are on different scales. Article one tries to combine the individual level with the national level. Articles two and three work on a small scale at local level but have consequences on a global level. There is an obvious relationship between the local practices defining place in Japan, and global practices reinterpreting “Japan”. These processes open up the debate of what constitutes “Japaneseness” in Japanese popular culture; if the scope of the culture goes beyond that which is produced within the national borders of Japan (Iwabuchi, 2002; Goy-Yamamoto, 2004). Perhaps, to speak of a Japanese culture might therefore be inaccurate. Instead, we see that place is a contested idea and that different people and cultures try to define identities, histories, and boundaries of place (Massey, 1997).

Altogether, the articles have different notions of space and place, yet they are also unified by a humanistic approach (Tuan, 1977; Relph, 1976), in which the experiences of place help us to understand human behavior, and where space is a mediator of knowledge and ideas. A term to describe the function of place is platform. The platform is a limited area that functions as a mediator, a meeting place and/or a market place. In the articles, this proximity is realized by the connection between narratives and images in a more abstract way, but also by emphasizing the importance of actual encounters at a physical place, such as Akihabara or Comiket. They follow a tradition in economic geography “that stands for the necessity of economic process to be grounded in specific locale.” (Gregory et. al., 2009)

2.5. Towards a Contextual Approach to Economies of Culture

This section will conclude the theoretical chapter in the thesis by approaching economic theory. I believe it is important to be more explicit in trying to define the foundations of reasoning by discussing one of the most fundamental questions of economy; how is value created? To do this, I turn to the fragmented, yet influential, line of reasoning called pragmatism.
2.5.1 Pragmatism as a Critique

Pragmatism is perhaps most well known to be a social theory encompassing Northern American social sciences since the early 20th century\(^{18}\) (Plummer, 2000). In economic geography, pragmatism has never had much influence (Barnes, 2009). An exception is Trevor Barnes’ (1989) critique of economic geography based on Marxist or Neo-classical theory. To understand the critique on essentialism he draws on the works of Richard Rorty\(^{19}\). Rorty says that the problem with essentialism is that it wishes to provide a fail-safe system that can explain reality by reducing it into certain laws of logic. The verification of the economic theories can only be proved by using models provided by the theories themselves (Schütz, 1953:62ff). Barnes exemplifies this by quoting Marx in Das Kapital, volume 1:

> What distinguishes the economic variations of society - the distinction between for example a society based on slave-labour and a society based on wage - labour-is the form in which... surplus labour is in each case extracted from the immediate producer, the worker. (Marx in Barnes, 1989:302)

The unique geographical conditions of place and time are overruled by the laws of labor value. Barnes quotes Harvey when he claims that “the inner contradictions of capitalism are expressed through the restless formation and re-formation of geographical landscapes.” (Harvey, 1986:150). Uneven developments can be reduced to a single cause – contradictions in the labor value form. Under the surface of place lie the structures that determine the developments. Similarly, Neo-classical economics draw upon the assumption of utility maximizing. Utility is seen here as the most fundamental essence of human needs and wants. To give one example, Huff, in 1963 created a model to calculate where people would go shopping based on assumptions of travel time and information on the shopping areas associated with each city center. The underlying assumption was the rational behavior of the shopper (that is the rationality of the model-maker) and the utility of fast shopping (that is the utility defined by the model-maker) (Roy and Thill, 2004). The seemingly different approaches of Marxism and Neo-classical economics thereby both combine an essentialist and exclusive claim for understanding the world. Any possible agency of the individual is left out as place and people are blurred by modeling. Barnes (1989) writes that conclusions drawn from *Homo economicum* fail to provide answers as it is only

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\(^{18}\) Some of the foregoers are George Herbert Mead (Social Psychology), John Dewey (Functional Psychology and Education), Williams James (Educational Psychology) and Charles Sanders Pierce (Mathematics and Philosophy). Their thoughts were later revived in the late twentieth century by Richard Rorty and Hillary Putnam (both in Philosophy) (Plummer, 2000).

\(^{19}\) Barnes also states that this is part of a broader criticism encompassed by other pragmatists but also by hermeneutics, for example, Bernstein, 1983; and Wachterhauser, 1986; and in human geography Curry, 1985; and Gregory, 1987.
valid within the framework that the theory itself has provided. It is rational to maximize utility and, therefore it is rational to assume that people will maximize utility. I believe the use of essentialist argumentation in social science is problematic, but it does serve the purpose of presenting explanations of cause and effect of a societal dilemma. Albeit a middle way approach, Marxist theory within geography might have moved away from pure essentialism, but instead talks of socio-spatial dialects, thus emphasizing a combination of structure and agency (Soja, 1980; Soja, 1989). Soja states space as an:

environmental ‘container’ of human life [...] and its phenomenological essences [...] have been a misleading epistemological foundation upon which to analyze the concrete and subjective meaning of human spatiality. Space in itself may be primordially given, but organization, and meaning of space is a product of social translation, transformation and experience. (Soja, 1989:79)

I agree with Soja that space\textsuperscript{20} is as a scientific object removed from politics and that ideology is a misconception. However, I do not wholly concur with Rorty’s notion of power relations as unimportant because everyone has equal rights (and also equal prospects) to argue for their cause. I see this as a confusion between is and ought, that follows from the postulate of consequentialism in pragmatism. Nevertheless, Soja’s statement is still based on the same a priori argument that is common in structuralism. Structuralism is based on an idea that society is determined by underlying structures that cannot be verified by experience (Unwin, 1992). Here, Giddens structuration theory, followed by Gregory (1981) and Pred (1984), attempted a way in which structures were “both an outcome and medium for human agency and an aim was therefore to study the production and reproduction of these structures” (Unwin, 1992:172).

Instead what Barnes puts forward, is a contextual approach to value the theory of economy. Here he draws on the extensive writings of Allen Scott that ultimately draw on the works by the Italian political economist Piero Sraffa.

2.5.2. Value Creation in the Cultural Economy

This thesis adheres to the theoretical concepts of value creation that were originally expressed by Sraffa (1960) and have also been interpreted and developed by Barnes (1996) and applied by Scott (1985). In Sraffa’s book *The Production of Commodities by Means of Commodities* (1960), he creates a conceptualization of value creation that is context sensitive (Barnes, 1989). Every production circuit has an input and an output. If the output corres-

\textsuperscript{20} Soja uses spatiality as term to indicate socially constructed space, differentiating it from space as physical or geometrical image.
ponds to the input value a reproduction may occur. If the output does not exceed inputs another round of production is impossible. If, however, there is a surplus, there is a possibility of social distribution. Figure 1 is Barnes’ 1989 conceptualization of this economy.

![Diagram of the Sraffa economic system](image)

*Figure 1. Sraffa's Economic System (Barnes 1989:309)*

Both the input, that is the technical conditions of production, and the surplus, the social conditions of distribution, determine the prices. The technical conditions of production are based on the amount of input invested in the system. The surplus, however, can be distributed as wages or as profit. Sraffa shows that if there are only two forms in which the surplus can be distributed, one has to decline if the other rises. In other words, prices are only determined by the former production period and so is the amount of possible inputs or the amount of possible social distribution. Social and technological conditions are interdependent; and every industry is dependent on contextual factors that are rooted in time and space. This can be compared with value systems (Porter, 1990), global production networks (Hendersson et. al., 2002), global value chains\(^{21}\) (Dolan and Humphrey, 2004; Gereffi et al., 2005) and production circuits (Dicken, 2007). These models indicate that

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\(^{21}\) The global value chains approach evolved from the structuralist inspired approach of global commodity chains by Gereffi in 1994. It described the relationship between global actors and specified three dimensions: an input-output structure, a territorial structure and a governance structure.
industrial production, distribution and consumption also are dependent on contextual premises as institutional frameworks, infrastructure, and financial systems. Gereffi writes that “Clearly, history, institutions, geographic and social contexts, the evolving rules of the game, and path dependence matter; and many factors will influence how firms and groups of firms are linked in the global economy.” (Gereffi, 2005:82) What these approaches have in common with Sraffa is that they describe how value is created along the distribution line, and that they stress the importance of geographical conditions for this process. In the case of Sraffa, there is no general external factor that can determine the prices. Prices are not based on labor value nor utility, but on how people have changed their production methods and how they have shared the profits among them; and this differs between industries. So what about the cultural industries? Does the cultural economy have its own preconditions? Can the findings add anything to how we understand value producing systems?

It has been argued that one of the prime values of cultural products is symbolic value. Symbolic value differs from monetary value in the sense that it has to be reinvested in the same cultural context as where/when it was produced. There might be tonality and rhythm that is biologically inculcated in humanity, but the reason why Brahms can be enjoyed hundreds of years after his death can only be understood by the fact that his decedents have learned to appreciate his music. Symbolic value is slippery and variable in space and time, and terms such as trends and fads are often mentioned in industries as fashion, music and design. Nevertheless, symbolic value is of great importance, especially in contemporary consumer society (Veblen, 1899/2008; Pine and Gilmore, 1999; Bauman, 2007; Östberg and Kaijser, 2010). This has remarkably changed some of the preconditions for some parts of the economy. New technology is not by default a lucrative innovation. Cost reduction is no longer the strongest incentive for increasing demand. Instead one of the most important innovations to create a sustainably increasing demand is to develop or follow trends, hypes and fads. This is especially important in the cultural economy where it is the symbolic value that will create monetary value. But trends are also a double edged sword

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22 In the case of Porter the system is, however, not described as circular (Porter, 1990:40ff).
23 Marx made a distinction of use-value and exchange-value or price (www.wikipedia.com). A postmodern argument about contemporary capitalism is that this distinction is less important as symbolic-value (affective-value); and sign-value (value in system of objects or prestige) has become more relevant within consumer society (Baudrillard, 1981; Flew, 2009).
24 Symbolic value is not to be confused to Bourdieu’s symbolic capital (What you work with or where you live, type of education, what your parents have worked with etc.) (Östberg and Kaijser, 2010:55). Symbolic value is instead to be understood as value that rests on the symbolic content that can be experienced and appreciated by users (cf. Power and Scott, 1994:3; Pine and Gilmore; 1999).
25 It can of course be invested in a different cultural setting but then it will have different cultural connotations and implications.
that can cut back on firms unable to keep up with market trends. In order to understand how this works, I would like to try to supplement Sraffa’s model of an economic system with the symbolic value as a component that can add value into the production circuit. It is a contingent factor that can create more input and profit but also build uncertainty into the system if the appended source is diminished. This process is described in figure 2.

![Figure 2. Modification of Sraffa’s Economic Model with Symbolic Value as a Contingent Variable.](image)

For firms in the cultural industries, symbolic value is a great risk as well as their most important asset (Banks et al., 2000). The next question would then be how firms can minimize this risk. This is where the articles have sought to establish an argument. They are all examples of how users create competitiveness within industries of cultural production. The articles also give examples of how spaces and places have served as milieus where the symbolic value has been embedded into cultural production. One example, from the first article, is how media mixing has been used as a platform to create new products, and adopt new technologies by using successful narratives. So, how can these global cultural products be created locally by users?

Globalization has become a true buzz word used on a daily basis in- and outside of academia to describe anything from climate change, to global trade agreements, to how people around the globe surf the same websites. In this thesis, a global cultural product is a product that is consumed on geo-
graphically dispersed locations. This is similar to the same movie being seen in cinemas at almost the same time in both Tokyo, New York and Cape Town. Another way of describing this is how certain cultural products have global impact, or constitute the ability to attract consumers in different cultural settings. The production itself, as in original manufacturing, does not necessarily have to be found at different locations. This is rather different from other products and industries. An automobile would normally be assembled by parts that have been constructed in several locations and then finally distributed around the globe. Cultural products, however, are first produced by a company that might have affiliations around the world or that might not have. They can be assembled by parts constructed in various locations or it can be composed locally. What separates, at least in theory, a cultural product from other products is that they also are co-produced by the consumers. Consumers add the most valuable asset in the value chain of global cultural products, the symbolic value. Companies can use marketing campaigns and other means of creating trust, hype or expectation but, as argued in the articles, the users are themselves often as effective in creating these values. In the assembly lines of cultural productions the most important element, the symbolical value, is assembled by the consumer. This is what makes it culturally dependent. Culture or symbolic value is a volatile and sometimes transient constituent. It is generated by rumors, power relations and chance. The more money spent on producing a power generator will hopefully lead to a more efficient, more reliable generator. However, as we all too often learn, a huge movie budget does not automatically lead to a better movie. In the first article there are several examples of how the consumer created symbolic value played a sufficient role in creating the successes of Pokémon and Hello Kitty.

2.6. Summary

This chapter has discussed the theoretical foundations of the thesis. To start with, the cultural economy was described as a hybrid approach, where processes of cultural production and economic endeavors were intertwined. The consequence was a call for a more holistic view of the interaction between society, culture and economy. In relation to this, consumption was argued to have a potentially huge implication for the study and understanding of economy and economic behavior. As consumption becomes an important part of many people’s life as a means of expressing life-style and identity, it also changes the role of users for the economy. Here, the growing literature on user innovation has opened up a more detailed understanding of the relationship between economic dynamism and innovation on one hand, and users and creativity on the other. Furthermore, the geographical implications for these processes are striking. Today many products are globally distri-
buted and transnational corporations drive the developments in many cultural industries. However, culture is often the outcome of local processes. This resulted in an attempt to describe a contextual approach towards value creation. A key term here is symbolic value which is to be understood as an abstraction of the cultural economy; and its value is an outcome of cultural processes.
3. Methodology

The key enterprises for the social scientists are to describe, understand and explain societal phenomena and processes. The study of people, their interactions in institutions and groupings, is the goal or purpose of social science. Economic geography is traditionally concerned with the location and agglomeration of firms, transportation and trade. A major issue is the spatial organization and distribution of the economy. But economic activity is also dependent on many hard-to-measure factors like milieu, culture and history. I decided to study the Japanese cultural economy and how users contribute to innovation and competitiveness. I found that an effective way to conduct research was to encounter people and places by using qualitative methods, ethnography but also the in-depth studies of a cultural phenomenon as Hello Kitty. The essence here is a question of how users contribute to value creation. I believe the best method at hand was to study the users from a close distance; by encountering them, learning their beliefs, and learning more about cultural artifacts. This chapter discusses the methodological concerns of the thesis.

3.1. Introduction

The purpose of this chapter is to provide an overview and background to the research design, methods and methodology used in the thesis. This section will therefore aim to answer the following questions:

- What were the reasons behind the chosen methodology?
- How is phenomenology interpreted in this study?
- How were the studies carried out in the three articles?

From the onset, I wish to make clear that the methods used for the studies, that eventually became three separate articles, were not an outcome of a preset pattern of blueprints for conducting research. Instead, paths were chosen along the way as study objects and focuses became clearer. Two major principles that are somewhat interrelated were important when deciding on the method. The first premise was to work in an inductive way. Here, the simplistic meaning of this term is that I attempted to decide on questions, study objects and findings along the way and not the other way around. I
wish to come back to this below when I describe how the methods were chosen. The second presupposition was to have an empirical focus. I wanted to be honest to the phenomena studied and not compromise findings because they did not fit theory, the subject or earlier studies. The focus on phenomena will be further developed in the section below, titled Phenomenology. An outcome of this was that much of the research, both theory and method, is often situated between different traditions in human geography and also relates to other disciplines of social science. For instance, a method such as ethnography is not so often found in economic geography. The section called Ethnography, describes how this was carried out during the field studies. Another outcome is that all three articles are based on slightly different methods. Below I will also describe the different research designs of the articles. Finally, I will address the question of how the field work that was conducted in Japan affected the methods and study results.

3.2. What is Method?

To define methods and methodology I refer to Kaplan (1964).

Methods are techniques […] or philosophical principals sufficiently specific to relate especially to sciences as distinguished from other human enterprises or interests. […] The aim of methodology, then, is to describe and analyze these methods, throwing light on their limitations and resources, clarifying their presuppositions and consequences, relating their potentialities to the twilight zone at the frontiers of science‖ (Kaplan, 1964:23).

This is a straightforward definition of method and methodology. Kaplan was one of the leading American pragmatists on methodology in behavioral science, studying cultures and belief. Although many of his examples come from a different discipline, time and context, his insight into methodology is apparently adequate. He asserts a pragmatic view on choice of method that is based not only on the questions and aims, but also on the possibilities and experiences of the researcher. This is not to be seen as an “anything goes” approach; instead, the choice of method is justified by its ability to develop adequate answers. I believe this is an attitude towards methodology that could enrich human geography as a discipline. A perhaps fuzzy yet vivid definition of method has been visualized by Widerberg, “…method is the landscape where we as scientists wander around and where our projects blossom” (my translation of Widerberg, 2002). This definition gives a good view of the purpose of a method but also how it is constructed. A scientific method is a landscape that is in many aspects already shaped. Its contours and contents are already given but it is we, as humans and scholars, who have the power to interpret and use it. The method is also a way for our own projects, private agendas or altruistic passions, to materialize. This means
that method, as Mills put it, decides how we ask and answer questions, and that methodology decides which words we use and what they imply (Mills, 2000). Method and methodological considerations determine how the researcher confronts the study objects and they are the way in which empirical raw material is being processed and later mediated. Method is much more than techniques and procedures because the chosen methods will affect the whole study. There is a reciprocal interaction between method, study object and researcher that cannot be ignored. Method is more to be regarded as a cognitive action where theoretical, political, ethical and contextual matters are crucial concerns (Alvesson & Deetz, 2000). The choice of method will therefore be determined by questions like: What questions will I ask? How will I filter my impressions? Why do I do research? How will I present my findings?

3.3. Understanding Economy

The reason behind the design of the studies leading to this thesis was the wish to further develop knowledge on how the economy in contemporary society is constructed. This statement does, however, accentuates the many problematic and multifaceted debates within human geography and social science. It is challenging as it assumes that the economy is constructed and interpreted, instead of naturally given or an outcome of objective factors. Below, I will briefly give an overview of a long methodological debate and also show how this thesis is positioned within the discipline.

For instance positivism, or naturalism, as Giddens (1996) calls it, claims that social science must follow the same rules that constitute natural science. Methods, models and also the questions asked and answered must be put under the same microscope. The theories that are constructed by social science must be empirical statements from which universally applicable laws can be concluded. Therefore there are also causal connections between a set of actions. The theory is universal if it can describe and explain how one event or a set of events leads to another event or a set of events (Cohen, 1968). However, some of the research conducted on society turned out not to be able to develop the universal laws of the same rigidity that the study of nature was able to successfully produce. One of the most evident reasons for this failure is the so-called double hermeneutics (Giddens, 1996). The study of people, human activity and humanity is performed by individuals. Individuals have their own beliefs and own values and it is almost impossible for the individual to objectively separate oneself from these values. Biases affect any question asked by the scientist and all of the results that transpire from the research. Any study of society will also, most probably, affect the phenomena studied in some way. The objects studied in social science are both concept-carrying and concept-inventing. Therefore, a social scientist in pur-
suit of understanding the society will always have to take his or her own
experiences and motifs into consideration before conducting research; and
furthermore, take the context of the object examined into consideration. A
qualitative researcher is a hermeneutic (interpreting) researcher as the focus
lies on the meaning, or life-course, that transpires in social relations (Alves-
son & Deetz, 2000). Interpretation can therefore never be avoided in social
science. These conditions were further developed by Jürgen Habermas
(1984). He continues the discussion of the double hermeneutics by suggest-
ing that all statements are partially composed of three different communica-
tive dimensions. Any given communicative actions are 1) claims of factual
knowledge, 2) claims of dramaturgy or expressive acts and 3) normative
claims (Habermas, 1984). It is common for natural science to claim factual
truth, for the art to express something, and for a law to point out a normative
standard. However, all statements include all these three claims, and so does
the expressions of science. Perhaps this is especially evident in social
science. When the geographer claims that a specific region contains a set of
characteristics; which will have a certain effect on, for instance, industrial
growth, the geographer also claims to express a fact. Not to forget it is also a
normative statement of the need for industrial growth and it is a sort of dra-
matic composition of expressing the results in an adequate manner. The
study of the economy is a hard task and I believe there are many ways of
doing this. Some ways provide data and answers that are easily applied in
society. Other studies can help us understand how the economy is organized
as a fully integrated part of our life and our society. For me personally, one
way does not exclude the other.

The methodological approach in this thesis can broadly be defined as hu-
manistic. In geography it was (re)formulated during the 1970s as a reaction
to the logical positivism that then had pervaded the methodological climate
for decades. “Humanism provided geographers with the central task of re-
fecting ‘upon geographical phenomena with the ultimate purpose of achie-
veng a better understanding of man and his condition.’” (Tuan, 1976 in Un-
win, 1992) Perhaps misconceiving, humanistic qualitative method is often
understood to be the opposite of quantitative method (Alvesson & Deetz,
2000). It is somewhat fashionable among social scientists to label themselves
as practitioners of either quantitative or qualitative methods. The former
claim to be the only social scientists that do “real” science. It is non-fuzzy
work being able to produce useful knowledge. On the opposite side, the lat-
ter claim to have reached a higher form of insight and be able to really un-
derstand what they study. The debate between these two standpoints has
been intense and even hostile over the last half century (Alvesson & Deetz,
2000). As for myself, I believe that mixed method research (Bergman et. al.,
2009) has many advantages and should be further investigated, especially in
a discipline such as geography that has a long record in both positivism and
constructivism. In economic geography the use of statistical techniques for
analyses has a long history. The so-called quantitative revolution of social science in the 1950s had, in the case of geography, probably started one hundred years earlier in Britain. In the case of economic geography the revolution was more of a reinvention or an evolution (Barnes, 2001). The quantitative legacy implies an even stronger need for arguing over method. Then again, the question of method is perhaps not the most important. The elementary starting point must instead be the ontological, epistemological and philosophical beliefs or claims of the researcher (Alvesson & Deetz, 2000). This will generate specific aims, purposes and perhaps questions, which will induce certain techniques or methods. The choice of underlying philosophy leads to a choice of research design that gives us certain problems to solve which hopefully result in new geographical knowledge (Flowerdew & Martin, 2005). My research topic may be regarded as an attempt to understand more of the relationship between place/space and economy. To describe this relation, a qualitative research design is suitable since it calls for a more open ended and contextual answer (Alvesson, 2007).

3.4. Phenomenology

If my method is broadly characterized as qualitative and humanistic, it is phenomenology that has provided a more direct inspiration to the research design of the field studies. This section will briefly summarize some of the main elements of the philosophies behind the thesis. However, to fully explain phenomenology cannot be done here; neither are the articles clear examples of phenomenological studies. Instead, these succinct and explanatory remarks will attempt to show why phenomenology was one of the more important building blocks for this thesis.

Phenomenology, as a philosophical movement and a methodological approach, has been developed by many scholars in many disciplines. Among the main predecessors are late 19th century Husserl, studying how phenomena appear through consciousness; Heidegger’s hermeneutical phenomenology, Merleau-Ponty’s (1971) existential phenomenology, and Schütz’s social phenomenology (Schütz, 1953; Finlay, 1999). Among the more renowned geographers interpreting phenomenology are Relph in Place and placelessness (1976) and Tuan in his Space and Place (1977). The transcendental phenomenology, developed by Husserl, starts with our intuitive experience of phenomena and in so doing, extracts the essence of the experienced. Therefore, essence transforms into existence and this creates a phenomenological definition of ontology, whereas the transcendental phenomenology rather defines an epistemology. Heidegger’s existential phenomenology asserts that the phenomenological vision of the being can only be reached by being. The knowledge takes its starting point in the subject and the subject is the centre of the studies. (Aspers, 2001). Edmund Husserl is seen as the crea-
tor of phenomenology although some of the ideas can be traced back to Kant (Alvesson & Sköldberg, 1994). Husserl wanted to free himself from prejudices and instead be open to the influences of the surrounding environment. He meant that all experiences of the world are pointed towards something particular, they are intentional, and it is these experiences that give meaning to things. Every consciousness has a centre that is intentional and that describes the fundamental structure of the conscious. Mental phenomena, such as beliefs and wishes, refer to intentional objects; these are the believed and the wished (Aspers, 2001). From this ontology and epistemology follow certain preferences of methods. Phenomenology as a method develops concepts. It establishes and relates to theory and to claims of knowledge that are based on experience (Bengtsson, 1992). Merleau-Ponty says that phenomenology can be seen as a way of thinking or an approach. This also helps us to understand how the method of phenomenology works in practice. At the same time, it is only by using phenomenology as a method, that its essence can be fully understood (Merleau-Ponty, 1973).

3.4.1. Geography and Phenomenology

Phenomenology became popular in geography as a response to the quantitative era in the 1950s and 60s (Relph, 1970; Buttimer, 1971; Tuan, 1971; Entrikin, 1976; Relph, 1976; Ley, 1977; Tuan, 1977; Gregory, 1978; Seamon, 1979; Wilson, 1980; Jackson, 1981). It was an alternative to the structuralist approaches of the 1970s and 80s; but one could also link the ethnographic studies to the Chicago-school of Sociology in the 1920s (Robinson, 1998; Outhwaite, 2000), or if you will, there is a link between geography and anthropology. Unwin (1992) writes that Husserl’s phenomenology in geography was something that researchers would debate rather than publish. The explanation is that Husserl’s transcendental phenomenology is mainly a reflective exercise and therefore difficult to apply in research. Therefore, geographers such as Tuan (1974), Relph (1976) and Buttimer (1976) applied Schütz’s constitutive phenomenology that emphasized the search of meaning. The focus was the intentionality of human action in order to gain understanding of social meaning. Therefore the purposes of the articles are often formulated as: What is the role/meaning of human action [A] for social construct [B]? Similarly, the studies are to firstly understand how people acted and what their roles were in a specific location or setting; and secondly, how this effected the cultural economy on a more general or conceptual level.

An essential focus of the phenomenological geography was the study of “place” (Tuan, 1974). Places, in positivist geography, can be studied as locations or functional nodes in a more abstract space of mathematical data analyses. On the other hand, in a phenomenological approach, place can only be described as a unique entirety. The content of the whole can only be understood in terms of the people that experience it (Aldskogius, 1979). Places are
not to be understood as trivial nodes. Instead, places are essentially centers for human existence defined by ordinary aspects of life (Aldskogius, 1979 and Tuan, 1977). Another way to describe phenomenological geography is to examine the two concepts of insideness and outsideness. A place can be studied from the outside, but it can also be experienced from the inside. This must, however, not be seen as a dichotomy but as a continuum where our understanding of the place is being transformed (Relph, 1976). This gives us important consequences for the geographical method. The researcher has to approach its study objects from an inside perspective.

A way to solve, many of the above stated epistemological challenges is to choose an ethnographic method: the researcher tries to become part of the study object and study the phenomena from the inside. The researcher observes the object and participates in its undertakings in order to increase the understanding of the object’s life-world. This will help the researcher to understand the situation and increase the possibility of describing the essence of the phenomena (Robinson, 1998).

3.4.2 The Phenomenology in this Thesis
Throughout the 20th Century, Phenomenology has been one of the more influential philosophies in methodology. It has also had some impact on qualitative methods in human geography. Below summarizes what a phenomenological approach has meant for the methodology of this thesis. I present a definition that is partly based on Finlay (1999), but I believe that this modification develops a stronger focus on geography.

Phenomenology is manifested through five characteristics:

1. The search for essence.
2. A reduction of presuppositions.
3. A focus on milieu.
4. A commitment to description over explanation.
5. An acceptance of interpretation.

The first characteristic is a search for essence. In the text "What is Phenomenology?" Maurice Merleau-Ponty states that the goal of phenomenology is to "find the essence." (Merleau-Ponty, 1973) One fundamental undertaking for studies based on phenomenology is to constantly try to define and understand the essence of phenomena; that is, to theoretically abstract and clarify its main characteristics in its most scientifically (wissenschaftlich) acceptable way (Turner, 2000:274). In the articles on Akihabara and Comiket, a large portion of the intellectual work has been to understand the essences of these two study areas. Questions, such as “What role does place play for an industry?” and “What is the essence of place?” had a sufficient function in
providing insight into the relationships between place, people and economy. In the study of media mix, the essentialism is perhaps even more evident. In this article media mix is the essence of different images, technologies and narratives. The value of goods lies in the mixture or combination of expressions.

The second issue concerns reduction. In this context it refers to the struggle for presuppositionlessness (Voraussetzungslosigkeit) (Turner, 2000:274). This does not claim reluctance towards theory, or nullification of previous experiences. Instead, it is to be viewed as a postulate to strive for reducing presuppositions by questioning beliefs and assumptions (Turner, 2000:275). Personally, I believe these are fundamental deeds for the social sciences but I also see them as difficulties. Self cannot be parted from body, and research is always constructed and interpreted by the researcher. This was also remarked by Merleau-Ponty who wrote that “The most important lesson which the reduction teaches us is the impossibility of a complete reduction” (quoted in Finlay, 1999:302). Reduction was used in the most efficient way during the field studies of the Akihabara paper. However, as this was the initial experience in the field, the themes in the two other articles were somewhat outcomes of this study.

Turning to the notion of milieu, two terms are important in the study of humans; understanding (Verstehen) and lifeworld (Lebenswelt). An overlapping goal is to understand how and why people act by studying elements of their lifeworld (Johnston, 1986). This is clearly a key point of the three articles in this thesis as they are preoccupied by the study of milieu. The term milieu comes from French, via the Latin word, medius lucus; and it originally meant “intermediary” or “the midpoint between two extremes” (Spitzer, 1942:169). This means that the aim of these studies is to understand the lifeworlds of people and the essence of phenomena. The two extremes are economy and culture, and their interconnectivity is further developed in the theoretical section. The medius locus is the dynamic area in Tokyo called Akihabara, the huge comic market for amateurs and interrelated, crossbreeding media mixes.

The fourth characteristic is to favor description rather than explanation. The experience of phenomena is a point of departure for the investigation. This must be understood in opposition to positivist research methods which aim at finding causality and explanation by mirroring theories and methods in natural science. Phenomenology therefore emphasizes description over explanation (Finlay, 1999). Original data in the field work were naïve experiences such as, a log-book, open-ended discussions with informants, descriptive observations and photography. Afterwards, the material could be processed and categorized in order to find the underlying structures of the experience. This is then followed by an attempt to portray the findings in a descriptive manner using quotes, word-painting and narration. In the three articles, this has been the technique used to construct the groundwork of the
empirics. It would however be wrong to claim that I managed to fully carry out these ideal procedures. In all three articles different methods were used, as will be further developed and explained below. Furthermore, the format of presenting the material in articles influenced the final product to be presented in a conventional manner. There are many explanations to possible causalities and theorizing. Hypothesizing is often done without clear reference to experiences. The reasons behind this are mainly pragmatic but there is also a deliberate idea of the discrepancy between text and basic data. The methods for collecting material are different from how findings and rationale are presented in the articles. Often the major findings are presented in the beginning of the articles giving an impression that they were known before the field studies were carried out. This has more to do with the textual form or presentation technique rather than describing the method of inquiry.

Finally, in order to mediate knowledge, the researcher undertakes a processing of data that consists of categorization, explanation, reasoning and simplification. Both readers and writers of a presentation will find it limited by imagination and language. Furthermore, qualitative research emanates from the idea that different people perceive and understand reality in different ways (Robinson, 1998). Therefore, research is an outcome of interpretation; and the interpretation process, by default, causes obscurity between reality and the interpretation of reality. I believe that a general purpose of social science is to provide insightful and correct solutions to the problems of society. The researcher has to adopt a humble attitude towards scientific outcomes by acknowledging that both answers and questions are inevitably outcomes of interpretations. This does not diminish the importance of the findings but accentuates the importance of meticulous and honest research.

3.5. The Methods Applied

Many qualitative research methods are close to the empirics. This is particularly evident in inductive ethnography. Ethnography chooses to focus on the life-world of the studied phenomena, and to come as close as possible to describing the complexity of the “real” world. Ethnography could be defined as “the art and science of describing a group or a culture” (Fetterman 1989 in Alvesson & Sköldberg, 1994). Silverman describes ethnography in much wider terms as: all research that includes observations of events and acts in their natural localities and acknowledges the reciprocity of theory and empirics. However, it is common to use the term only as a description of the method of physically visiting a group, place or society over a longer period of time in order to get a closer insight of the studied phenomena. It is not to be seen as a well-demarcated procedure but is more of an attitude towards research. Ethnography, as a geographic method, has been described as observing people and participating in their life in order to understand their reality
(Robinson, 1998). Epistemologically, the collected material is based on experience and the method is therefore empirical. An explorative approach calls for inductive knowledge that is defined “along the way”. However, our knowledge is being produced as our presuppositions merge with the experiences of others.

An ethnographic approach can achieve a form of triangulation by using a wide range of data and methods (Alvesson & Sköldberg, 1994). The term comes from surveying, using different bearings to give a correct direction. The researcher can apply many methods, try to engage the object from many angles, and try to reach a deeper understanding and nuanced interpretation of the study objects (Flowerdew & Martin, 2005). The ethnographic researcher often uses various study methods that necessitate close contact with the studied phenomena; for instance, observations, interviews and studies of artifacts. In this section I will exemplify how these methods were used during the field studies.

**Observation** is a method that is performed by spending a great deal of time observing the study objects. The researcher can watch, listen, record and experience every day practices or even participate in the actions of the studied object. According to the case, an appropriate set will be chosen. The researcher can for instance be fully incognito not to “contaminate” or influence the environment, but there can also be complete openness about the intentions of the study so that the studied can help the researcher to find important features. An active and interrogating contact with the theories and purposes that preceded the study is needed (Robinson, 1998). During the studies carried out for the work at Comiket and in Akihabara, observation was one important study method. I will try to exemplify how this method was applied in Akihabara and what the outcome of the field work later would become by merely being there physically. Throughout the field work I also tried to experiment with more systematic observations. I tried to make myself conscious of certain aspects of place and people by using various techniques that would expose my own understanding of the ongoing processes. Here, the notebook was a useful instrument. For instance, I made notes of what kind of people would enter a certain shop in Akihabara, their behavior and how they were approached by shopkeepers. What I learned by this was that some behaviors would only be apparent after spending a good deal of time at the same location. In the beginning, certain phenomena would be obvious, I saw people that for some reason stood out in the crowd. After a while I began to recognize the ordinary. It became apparent what separated the every-day happenings from the unique. Because I revisited Akihabara over an extended period of time, I eventually began to become aware of a pulse in the city. I began to realize that it had many faces and that these altered from morning to evening, from weekdays to weekends. Although still being an outsider and visitor, I believe I became closer to understanding the
essence of place. For me, observation was a fruitful technique when combined with other methods to give a more complete picture.

**Interviews** are perhaps the most well known of qualitative research methods and therefore a lot can be said about them. Interviews can be formal or informal, structured or unstructured; they can be completed in a minute or continue for hours; they can be conducted over the telephone or in groups. Not all forms of interviews are compatible with an ethnographic approach. An interview that is fully standardized is not qualitative (Widerberg, 2002), and questionnaires or schedules should therefore only be used with care (Robinson, 1998). Donovan (1988) has described indepth interviewing as phenomenological. The purpose is to keep the integrity of the studied so that their life-world and reality can be genuinely understood (Robinson, 1998). Phenomena are studied in their true sense and it is not the reality of the researcher that is being transmitted to the interviewee. During my field studies, I tried several different interviewing methods. In Akihabara I had the opportunity to use the contacts as guides. In three separate visits to Akihabara (each some weeks long in the winter of 2007, the summer of 2008 and the winter of 2009), three key contacts guided me within the area. These guides were introduced to me by friends I knew beforehand and were selected because of their unique knowledge and insight into the cultures of Akihabara. You cannot therefore speak of my interviews as a list of questions and answers. Instead, I asked the persons I got into contact with to introduce me to their experience of Akihabara. Although I had already visited Akihabara several time alone, Sugimoto, one of the guides still managed to familiarize me with completely new practices in which he and his friends enacted. Sugimoto mainly visited Akihabara to engage in his hobby as a fan of a voice-actress. Here he could find out about new releases, sales events and product displays where she would participate. These actors, that dub the voices in animated movies, can sometimes gain an idol-like position, and their fan clubs of supporters lobby for their continued careers. Before I came to Akihabara, I could not have realized that the devotion to these idols had such a great influence on the fans, the actresses and the anime production. Sugimoto was one of the interviewees or guides that truly opened up my eyes to the importance of *otaku*, the sophisticated users of Japanese popular culture, and their relation to Akihabara.

In the article based on my field work at Comiket, the scene was quite different from that of Akihabara. This study was less exploratory and the research design was quite different. I only had the chance to visit one single event, so the preparations had to be rigorous beforehand. During Comic Market number 75, 28-30 in December 2008, eleven shorter, semi-structured interviews were conducted. The interviewees represented various groups categorized by gender and function at the fair; such as, amateur manga artists, volunteer staff, cosplayers and publishers. Additionally, a questionnaire of eight questions was handed out and answered by 108 arbitrarily selected
amateur artists in three different exhibition halls. Before visiting the convention, I decided that the interview checklist I had constructed would be changed into a prompt questionnaire with several open-ended questions. It turned out that I could, quite successfully, distribute them to the exhibitors. It provided me with many interesting statements of how the participants themselves experienced the event, but also gave me a broader insight to different views and facets of the event. These questionnaires gave me helpful raw material that effectively supplemented the shorter, semi-structured interviews.

By studying artifacts, the researcher can understand important elements of the study objects (Alvesson & Sköldberg, 1994). Artifacts can be any kinds of material things or mental constructions that uphold important signs or symbolic values for the study objects (Robinson, 1998). Artifacts can be described by function or significance, sometimes the history and construction of the symbol is important. In order to understand the cultures and subcultures, I also had to learn more about the artifacts of these cultures. Not surprisingly, one way of doing this has been to watch anime, read manga and play games. However, since my personal interest in these cultures is quite insipid, I found that it was more rewarding to study the items as phenomena. One result of this was the idea that eventually became the article about Media mix. Trying to unfold the characteristics of the relation between industry, cultural goods and its usages, the term media mix became more and more relevant for understanding competitiveness of the products. To some extent, the whole article is a study of cultural phenomena. The empirics are not based on interviews or partaking. Instead, it is my attempt to interpret the artifacts, that resulted in a few assumptions of the essence of the dynamics in the cultural economy of toys and games in Japan.

3.6. From Experience to Text

Ethnography is formed by the Greek words ethnós, as in people or the study of people, and the word graphia, as in writing. Ethnography should therefore also be seen as a way of transcribing the experienced into written text. This can also mean that the texts used as empirical findings have been produced in the context of the study objects (Aspers, 2007). As a result of the ethnographical method, the final result must be truthful to the empirical encounters but also to the philosophical concerns. Below, I will firstly further emphasize the philosophical postulates that inspired me as a writer. Secondly, I will discuss my experience of conducting research in Japan, and finally, I will show in what way the articles correlate and how they differ from a methodological concern.
3.6.1. Pragmatism and Findings

As mentioned above in the theoretical section, a great inspiration for me as a writer and reader of social science, has been pragmatism. This approach is of course difficult to adhere to phenomenology as an essence-seeking methodology; while pragmatism can be understood as an anti-essentialism. This is however a misunderstanding. Schütz (1953) introduced a combination of pragmatism and phenomenology by stating that it is not the reality in itself that is important, but our own experience of reality (Turner, 2000). Among what could be said to postulate the objective relativism of pragmatism, is that:

Many accounts of reality are possible, depending on whose standpoint is taken. History, for example, is always accounted of the past from some person’s present. Likewise, any theorist or theory is open to an array of different interpretations and reinterpretations (Plummer, 2000:197f). Furthermore [...] it suggests a plurality of shifting truths grounded in concrete experience and language, in which a truth is appraised in terms of its consequences. (Plummer, 2000:197).

This means that I have no intention of claiming universal truths as an outcome of my research. Sometimes both the descriptions and the conclusions are expressed as truths; but they should be seen rather as part of a discussion, or part of a search for my own interpretation of reality. I often present one expression of phenomena, yet I believe there are thousands of expressions that I have left out of the story. In, for instance, the article on the comic market, I try to understand an event that has half a million visitors annually and a history of more than 35 years. It would be quite ridiculous to claim that I have understood all of it, or grasped the essence, or found cause and effect behind the event. Nevertheless, based on solid field work, I have strived to provide a thesis that makes it possible to further discuss the role of milieu for creativity and how amateurs and consumers shape the cultural economy. For me, the desirable condition of statements is that they can be practical and compatible findings. One aim of writing the studies was that they would have potential consequences as applicable and useful findings.

Before concluding this methodological discussion, I would like to briefly comment on the possibilities and specific difficulties of conducting research in Japan.

3.6.2. Field Studies in Japan.

I was often asked the question, “what it was like to conduct research in Japan and to use a foreign language?” Traditional geography often conducted research in foreign settings, so I do not believe my experience to be unique. However, perhaps this final part in the methodological section can encourage
others in a similar position of *in-betweenness*. I believe that the crucial point is translation. The words of the early 20th century Japanese reformist Okakura vividly describe the dilemma:

Translation is always a treason and [...] can at its best be only the reverse side of a brocade,—all the threads are there, but not the subtlety of colour or design (Okakura, 1906/2008).

As argued above, research is in itself a translation of a perceived reality into abstract and simplified text. Research, in a foreign language, results in even more layers of interpretation and potential misinterpretation. For me on a personal level, having half Japanese/half Swedish ancestry, conducting research in Japan was a great opportunity. The important question here would be: How has my personal background affected my research? Did it affect the results? I think the answer would simply be: Yes, it did affect both the direction of my research and my results. Then again is this different from other studies. It is quite common for researchers to undertake studies in alien environments and even researchers doing domestic studies encounter cultures that can be much differentiated from their own. I guess for me, being quite familiar with Japanese society and social codes, many phenomena were perhaps not as alien as they would have been for someone who was visiting Japan for the first time. I am often amazed at how other foreigners find some Japanese manners and behaviors peculiar or remarkable. On the other hand, this also limits my ability to observe phenomena with new eyes or from an outside perspective. Outsideness/insideness is sometimes discussed in methodological manuals. A key concern is of course the language issue. Throughout this whole project, I have tried different strategies to account for my limited knowledge of the Japanese language. During my field studies I met both people who had severe problems in expressing themselves in English, and people who only spoke in Japanese. As long as we had sufficient time and decent dictionaries, this was no problem. Building up a relationship with the contacts helped a lot, so one could say that the ethnographic methods were necessary for successfully carrying out the field work. Although I tried to use interpreters, this method turned out to be more problematic than helpful as the empirics faced yet another line of interpretation. The research also gave me the opportunity to work with Japanese as a written language. I have to some extent tried to use articles and reports written in Japanese. Mainly because I found interesting research that was unfortunately not translated into English, but also since many of the topics illustrated are not being discussed within the Anglophone academia. Similarly, with the field work, time turned out to be a crucial factor for reading these texts. Perhaps the most time consuming endeavor was to translate the questionnaires for the Comiket article. This also turned out to be rewarding as it provided many insightful quotes which could be used in the text.
### 3.6.3 A Comparison of the Articles

Before summarizing the methodological chapter, the articles will be compared. Table 3 shows the interrelations of the three articles and how they contribute to fulfilling the aim of the thesis. By introducing this overview, I believe that the articles are better understood as a whole and not only as three arbitrary cases. The names of the articles are shortened to Media mix, Akiba and Comiket. The table answers the questions of: how space is interpreted in the texts, how value creation and innovation is discussed, how the cultural economy is regarded, what method was applied, and how the material was collected. The table also shows what discussion relates to which research questions (RQ).

<table>
<thead>
<tr>
<th>What space is analyzed?</th>
<th>Media mix-article</th>
<th>Akihabara-article</th>
<th>Comiket-article</th>
<th>RQ</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Conceptual platform</td>
<td>Place, Physical</td>
<td>Temporary, Cyclic</td>
<td>3</td>
</tr>
<tr>
<td>How is value created?</td>
<td>Creative consumption, user innovation</td>
<td>Creative consumption</td>
<td>Creative creativity, plagiarism</td>
<td>1, 2</td>
</tr>
<tr>
<td>How is innovation created?</td>
<td>Hybrid</td>
<td>Hybrid</td>
<td>Hybrid</td>
<td>1, 2</td>
</tr>
<tr>
<td>What is the relation between culture and economy?</td>
<td>Hybrid</td>
<td>Hybrid</td>
<td>Hybrid</td>
<td>1, 2</td>
</tr>
<tr>
<td>What methodological approach were used?</td>
<td>Essentialism</td>
<td>Inductive, descriptive</td>
<td>Abductive, analytical</td>
<td></td>
</tr>
<tr>
<td>Method and material</td>
<td>Secondary sources</td>
<td>Ethnography</td>
<td>Qualitative triangulation</td>
<td></td>
</tr>
</tbody>
</table>

Table 1. An Overview of how the Articles Relate to Each Other and How they Diverge. (Source: Author)

In the first article called *Media Mix: Consumer Created Competitiveness in Japanese Cultural Industries*, space is seen as a conceptual platform.26 “The Media mix is the innovative space where old and new technologies can be applied, combined or merged with a brand, a character or a story.” (cf. article 1 page 5) The concept behind this definition of media mix is to recognize how technology, culture and economy are constructed into one entity by its users. Some of the connotations of space are results of marketing and product extensions but some are consumer created. The article thereby strives to define the essence of cultural value production, namely, media

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26 The term conceptual platform is used to describe a space that works as a unifying groundwork on which several different images, narratives etc. can be placed.
mix. The examples and arguments are based on empirics from various secondary sources.

In the second article called *User Innovation and Creative Consumption in Japanese Cultural Industries: The Case of Akihabara, Tokyo*, it is shown how a small dynamic down-town area can be a mediating space for popular culture, high-technology, mass consumption, tourism but also avant-garde creativity, extremism and sub culture. It is the users, especially the nerd lead users – *otaku*, who create place at Akihabara. The agglomeration of cultural practices and consumption at this specific urban locality is becoming an engine for creativity and innovation with importance for the whole cultural economy of Japan. The study was based on inductive research by using ethnographic methods.

In the third article called *Comiket: Innovative Users and Playful Plagiarism*, agglomeration of innovative practices is based on amateur creativity and fan plagiarism. Comiket is a temporary innovative space, only present for a few days throughout the year; but it is also cyclical, since the event reoccurs every year and also is becoming part of global cultural practices. This event was analyzed and understood by abductive analyses of theories of creative milieus in relation to the empirical case. Data was collected by using a triangulation of different sources and qualitative research methods such as interviews and questionnaires.

### 3.7. Summary

The aim of economic geography is to provide useful and intriguing answers about the economy of societies and people in relation to space and place. To fulfill this aim I chose to focus on describing and understanding certain aspects of the Japanese cultural economy and I was inspired by phenomenology. The rationale behind this choice was that this methodology would bring me closer to the studied phenomena and thereby allow me to understand and interpret the ongoing dynamism from a different angle. I attempted to describe essences and milieus by studying phenomena of contemporary Japanese popular culture. Qualitative methods, such as, various sorts of interviews, observations and studies of artifacts, were developed and applied in order to come closer to the studied phenomena.

The articles address specific questions about the cultural economy. In order to keep the text as precise as possible, the articles seldom engage in broad descriptions of context. Nevertheless, the advancements and history of, for instance, Comiket naturally depended a lot on developments in society as a whole. This chapter aims to provide a brief description of the broad context in order to put the case studies in perspective. The following questions will be addressed:

- How have Japanese cultural industries developed alongside the general developments of the Japanese economy?
- How did manga and video games develop to become export industries?
- What characterizes the Japanese cultural industries?
- What is the role of the sophisticated users of Japanese cultural products?

4.1. Introduction

One cannot fully comprehend the developments in the Japanese cultural economy without having a glance at the general condition of the economy. This section will point at a few issues relevant to the study. To begin with, it will treat the inflow of culture and technology from abroad and describe how this has been reshaped to fit Japanese standards. Secondly, it is the organizational structures of Japan that have had a great impact on Japanese economy as a whole, and also on the developments in the cultural industries. If we look at the Japanese post-war economy, it has often been described as the “Japanese wonder”, claiming uniqueness or even superstitious explanations to the developments. The country is also often considered as an economic superpower of raw capitalists, corporative organizations and workaholic labor forces (Flath, 2005). Even if these stereotypes are partially true, they do not provide an accurate picture of the whole story. A story that is closer to reality presents a diverse country with social and political turmoil where dogma and realities are constantly negotiated among individuals, groups and institutions. In the three articles, this ongoing debate that shapes culture and society is exemplified in several fields. For instance, Akihabara is a controversial area where all sorts of wanted and unwanted representations of con-
temporary society and culture converge. New and old, popular and avant garde, high-tech and low-tech; all exist side by side. Akihabara is one of the old transportation hubs in Tokyo. It even dates back to Edo Castle City when the area was a canal dock where goods would be brought in from all over Japan. It changed from being a fruit market, to a black market for radio goods, to becoming the centre for high-tech retail. Today it is also a terminal station with many high-rise skyscrapers as well as a popular tourist spot. In many ways it is an example of how the economic history of Japan has shaped the cultural economy.

4.2. The Japanese Modern Economy in Relation to the Cultural Industries.

The beginning of modern Japanese economy must be traced back to the development of the country during the Tokugawa era (1603-1868). Although it was repressive and feudal political, regime the government provided relative peace compared to previous periods of civil war. This did not only develop regional cities and the capital, but also the countryside gained advantages in rice production and proto-industrial production such as textiles and sake. The money economy flourished in urban areas, transportation routes were well developed and the degree of literacy was high (Beasley, 2001; Hayami, 2004). Economic historians nowadays state that the changes came from within the country, but outside events were a breaking point (Beasley, 2001; Hayami, 2004). The consequence was the so called Meiji-restoration in 1868, named after the emperor, but commenced by an oligarchy of several progressive intellectuals (Beasley, 1999). Japan swiftly began a thorough restructuring towards becoming a modern society. This meant industrialization and internationalization. In the beginning, the government took an active role in setting up factories for textile industries, ship-making, mining and so forth. Fairly soon these were sold to develop private companies, often founded by entrepreneurs from the recently abandoned military class such as Mitsubishi and Yasuda, but also old well established merchant houses, such as Sumitomi and Mitsui (Karan, 2005). These constellations, called zaibatsu, formed strong vertically integrated conglomerates with a holding company at the top, followed by several subsidiaries including banks, which provided finance to the group. Throughout the first part of the twentieth century, zaibatsu continued to provide a pool of capital and technology transfers that would gradually build an increasingly advanced industry, such as chemicals and machinery (Karan, 2005). Up until the 1930s, the Japanese heavy industry was of modest standards in an international comparison; but the pre-war years demonstrated a strong growth in several sectors. Inter-Asian trade and the fast growth of military expenditure contributed to the growth; but it also led to a diminishing consumer industry and shrinking incomes from foreign
imports of textile (Beasley, 2001). The war eventually led to a total collapse in society and also for the economy. What was left was the strong industrial ownership structures reformed as *keiretsu* with for example, Mitsui and Mitsubishi as examples of surviving conglomerates. Moreover, the skills and technologies gained before the war were still at hand and a huge unemployed workforce was able to begin rebuilding the country (Nakamura and Odaka, 2004). However, apart from the internal factors, the American support and policy had an immense effect. The world economy entered a period of expansion from which Japan could proliferate (Beasley, 2001).

During the 1950s and 60s the country could not only recover but could also develop and flourish. This led to an expansion in consumer industries and mass culture. Japanese-constructed private cars, TV-sets and household appliances are examples of this (Ivy, 1993). However, the Japanese products were often a combination of local demand and tradition as well as new technologies. For instance, the need for compact and smart solutions demanded by the highly competitive Japanese market has developed many small and efficient high-tech products. One example is the demand for air-conditioners that are compact and subtle so that they fit into the small Japanese houses, yet are efficient enough for the sometimes hot and humid Japanese climate. The same can be seen in many other home electronic products that follow the slogan of *keihakutansho*. The consequence of the demand conditions, which originates in the specialized needs of the consumers, is a whole industry of compact, portable and user friendly products that attract consumers all around the world (Porter, 1998). However, not discussed by Porter is the history of traditional craftsmanship which has emphasized the petite and meticulous as beautiful. One could argue that this cultural heritage is now being reproduced in contemporary high-tech designs, and therefore also contributed to the development of an internationally competitive home electronic industry (Yanagi, 1989). Similarly, some of the cultural goods developed today follow traditions that can be traced to the pre-westernization era of Japan. More correctly, one could say that the articulated Japanese cultural goods are the outcome of a blending of traditional art forms, combined with new influences from West, and new possibilities of technology. All of which were outcomes of an increased cultural trade taking place in the late 19th century and early 20th century, and in the post second world war era. They are two key periods of significant impact in the modern history of Japan for introducing social, cultural and economic change. But this also leads us to the current state of the Japanese economy. This is the burst of the so called ‘bubble economy’.

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27 The private car is often called maikā in Japanese. It is a japanification of the word “my car” and it somehow symbolizes the East-West combination in many Japanese consumer products; comics and games are no exception.

28 *Keihakutanshō* (軽薄短小) (light, thin, short and small)
In the late 1980s, Japan’s economic supremacy peaked, but only a few years later the country faced a severe recession that fundamentally would change the prospects for the future. “The lost decade” began as the so called bubble burst in the early 1990s. The real annual GDP growth rate had been stable at 4 % per year since the mid 1970s, but it suddenly fell to around 1 %. Compared to other developed economies, such as USA and Western Europe, this went against the trend. The reason behind the recession has been discussed by many. Most economists agree that it can be explained by problems in the financial sector (Yoshikawa, 2002). One example of how this worked was how Sanrio, the license owner of Hello Kitty, built a lot of its wealth by speculative investments (Belson and Bremner, 2004). In 1982 the company made it into the prestigious first section of the Tokyo stock exchange and this created opportunities for new projects such as films and theme parks. Like many other companies in the boosting Japanese economy of the 1980s, Sanrio earned most of its money from trading equities that sometimes exceeded the firm’s income. Additionally, stocks were moved into the nowadays notorious Tokkin-funds (special monetary trusts) that enable the investor to hide profits of shares, bonds and property from taxation (Johnston and Selsky, 2006). As the bubble-economy burst, so did Sanrio. In the mid-1990s the stock value peaked at ¥9,040 and only two years later it had fallen to ¥640. This was not the only rollercoaster ride for Sanrio stocks over the years (Belson and Bremner, 2004). Just as in other parts of the Japanese economy, the good years of the 1980’s meant large investments in the cultural industries. This is clearly shown in the first article when the development in the toys and games industry is discussed. From the late 1970s onwards, many of the major titles of manga and anime were first created. The stable growth of the Japanese economy enabled people to spend more money on leisure and entertainment. Large investments in TV-series and animated movies resulted in a boom in popular cultural productions. Maybe the globalization of Japanese popular culture during the 1990s was an effect of these investments. In the first article, I point at recent publications of Japanese scholars that argue that innovation in Japanese cultural industries has declined over the last ten years or so. Koyama (2006) argues that many productions are reuses of older stories and Kanzawa (2006) argues that the character markets are declining. Similarly, a recent government report focuses on how Japanese cultural production can avoid lagging behind competitors globally (METI, 2007). Many indicators speak against a decline within the media mix industries, for instance in article two and three I point at the massive and increasing popularity of cultural hot spots like Akihabara and Comiket. To some extent, parts of the

29 The bubble has also been explained by overrated land cost or a combination of inflation in real-estate and stock prices (Saxonhouse and Stern, 2004).

30 One of the prime investments of Sanrio was the establishment of Amusement Parks, such as Puroland outside Tokyo which opened in 1990 and Harmonyland in Oita Prefecture which opened in 1991.
cultural consumption have moved from for instance video games to mobile content (CESA, 2007). The Japanese economy has, however, not yet managed to return to its former position. The GDP growth rate from 1991 to 2006 had a fluctuation between -1.3 percent and 3.2 percent with an average growth of 1.3 percent. The fiscal year of 1990 showed a 6 percent GDP growth (Yoshikawa, 2007). The recession can also be seen as a shift towards an industrially and demographically mature economy. Far from everyone agrees that the Japanese economy is in a downward spiral (Abegglen, 2006). Wealth and health are still prominent standards of the society; and just as many other well developed countries a focus on increasing quality of life, instead of production growth, is a solution (Abegglen, 2006).

4.3. Cultural Industries in Japan: Manga and Video Games

After this short exposé of Japanese modern economic history, the present section will briefly introduce two of the most important cultural industries in Japan. The first is manga which has seized an iconic status for contemporary Japanese culture; the other is digital games, the most successful in terms of foreign export.

4.3.1. Manga

Perhaps not surprisingly, the development of manga as an art form and cultural industry follows the development taking place in the country as whole. It was mainly developed after the Second World War even though contested traces can be found in woodblock printings from the Edo-period, 17th century and onwards (Schodt, 1983; Kinsella 2000).

From early on, manga was not only seen as books for children but also as serious and adult material. Manga could deal with politically challenging matters that other expressions could not comment on, such as the American occupation or the Chinese Cultural Revolution (Kinsella, 2000). Over the years, as an increasing number of people have began to read manga, it gained recognition among large corporations, cultural institutions and government agencies in an attempt to make it part of the cultural heritage (Kinsella, 1999). In the 1990s, the commercial manga industry had 12 magazines with over 1 million readers and about 50 magazines with 150 000 to 1 million copies in circulation (Kinsella, 1999). In 2001 over 3.2 million different manga were issued in Japan which points at both cultural and economic significance. Manga has become an international success and many Japanese original series are bought all around the world. In North America there are
around 1,500,000–2,000,000 manga fans and the sales value is estimated to be around ¥300 billion\(^{31}\) (Asahi Shimbun, 2007-10-13).

One of the most influential creators of the manga genre was Osamu Tezuka (1926-1989). He revolutionized Japanese comics by applying techniques often used in film, such as close-ups and varying camera angles. He also frequently addressed political, religious and social debates in his books (Aoyama & Izushi, 2003). Many of his influences came from western literature and Disney’s works, but the scope of his extensive production list is wide and versatile. It includes violence, science fiction and the life story of Buddha. His most known work is *Tetsuwan Atomu*\(^{32}\). This child character first appeared in a manga in 1951 but became famous when the anime-series was aired on Japanese TV; 193 episodes were broadcast and its rating peaked when 40% of the population with TV access watched the show (Schodt, 1983).

Today, many of the globally successful products have a history of manga. Dragonball is one example that started as part of the Weekly Shonen Jump in 1984 (Wired, 2007). Now Dragonball is a fully fledged media mix product with video games, collectable figures, anime series and more in its repertoire. Another example is Doraemon that started as a manga in 1969. The plot of most of the stories tells how the blue robot cat called Doraemon helps the fourth grade Nobita Nobi to solve problems at school or with friends. Usually the problems are solved after Doraemon has constructed a futuristic machine. Eventually Nobi uses the machine wrongly so that more injury than necessary is caused. As a result of his great popularity, Doraemon was elected first anime ambassador of Japan in 2008 (MOFA, 2008). The connection between the different cultural industries will be further investigated in the article concerning media mix. So, even if manga has had, and still has, an important record in domestic cultural industries and recently also as a cultural export, the most internationally important industry is video games.

4.3.2. Video Games

After World War II the home electronic export of Japan mainly consisted of various hardware products. The connotation of these items had little or nothing in common with Japan but was instead aimed at fitting into a Western-European context. For instance, the Sony Walkman was introduced to the Western economies in 1979 and immediately won great impact on the home electronic market. Sony Corporation managed to sell not only a brand new product type, but also a new concept of listening to music and perhaps also a new lifestyle. However, the music on the cassettes was western. Another example is the videogame industry. One of the first manufacturers of video-

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\(^{31}\) About $2.52 billion in 2007

\(^{32}\) Eng. “Atomboy”
games was Nintendo, who introduced their game console to Japan in 1983. The development of Nintendo Entertainment System was tightly intertwined with hardware improvement (Aoyama & Izushi, 2003). Its content was more or less formulated within the boundaries of the hardware capability and it did not contain any references to the place where it was produced. In the last decade, however, The West has seen a broader spectrum of Japanese content products with much stronger regional influences. These products do not only provide leisure and entertainment but also thorough examples of Japanese society and culture. How this affects the beliefs of users familiar with European or Chinese culture is an interesting issue that is not part of this story. However, the impact of these products can be exemplified by the following example. In 1996 Pokémon saw daylight in Japan as a Game Boy game (Al-lison, 2002). Six years later, a zoologist researcher in the UK examined primary school children’s knowledge of nature and living creatures. The study showed that children between the ages of 8 and 11 substantially identify Pokémon “species” better than oak trees and badgers (Balmford, 2002). The TV animation of Pokémon is today broadcast in 68 countries. (METI, 2004). In one way, the rise of the Pokémon popularity manifests a change in the global market of heroes, icons and fantasies that until now has been monopolized by western, mainly American, producers of cultural industry. Today, not only is western society surrounded by Japanese products, but also by Japanese culture.

The first video game is said to have been patented in 1947 and was inspired from a military missile radar surveying system, but it would take until 1972 before the first video game console for home entertainment was manufactured. It was called the Magnawox Odyssey and became a commercial success with 80 000 consoles sold the first year. This was only a start, and gaming has since become an enormous leisure activity, where personal computers are part of almost everybody’s everyday life in the developed world. Today, Americans have listed computer and video games as their number one leisure thus pushing down the TV to second place (Bjork et al., 2002). Recent developments in internet usage have revolutionized gaming by creating on-line gaming (World of Warcraft had 8.5 million players online on 27th March 2007), and portable games have been rediscovered by the releases of Sony PSP and Nintendo DS (which sold 35.61 million consoles by the end of 2006).

Gaming continues to be an important part of the future of cultural industries, and the Japanese advantages will probably continue to have a positive impact on its competitiveness. This is a fact that has not been neglected by the Japanese authorities. The following section wishes to show the current state of the Japanese culture industries.
4.4. Characteristics of the Japanese Cultural Industries

In 2007 the Japanese Ministry of Economy, Trade and Industry (METI, 2007) declared its own view of the strengths of the Japanese cultural industries. METI listed four specific strengths (media mix, technology, finance and the domestic market) that they suggest would summarize the industry’s characteristics and supplemented it with a fifth (policy). Below, I wish to comment on and analyze these characteristics based on the experiences from studying these industries. It will, perhaps, also reveal some of the future prospects for the industries. The figures presented are based on official statistical data and, despite the apparent difficulties in measuring/defining the cultural industries they do provide some estimates of proportion and size.

Firstly, the media mix, referred to as the power of multi-contents by METI, basically represents the innovational benefit of crossbreeding similar narratives across various media containers. It is apparent that this has had a major impact on developing cultural products. However, Kanzawa (2006) claims that an overexploitation of the media mix momentum may lead to an innovational stagnation and a saturated market. Both METI (2007) and CESA (2007) have noticed a decline in demand. The meaning and developments of the media mix is thoroughly explored in the article about media mix.

Secondly, developments in the cultural industries go hand in hand with technological progress. This was seen during the expansion of video game production and it happens again with mobile phone development. The result is an innovation-friendly climate where educational institutions, public infrastructure and the investment climate favor technological progress.

Thirdly, the financial climate is said to be of importance. The traditional Japanese organizational structure with large and stable conglomerates that grant long term investments also affects the cultural industries. For instance, Sony is a horizontally diversified business group with financial services and several different media groups, and a vertical web of keiretsu SME’s, both are more or less tied to the media conglomerate that facilitates entrepreneurial long tail businesses (Anderson, 2006). Another example is the Tokyo Broadcasting System (TBS), a TV network that has funded the release of several TV animation series. TBS has strong connections to Mitsui Group which is one of Japan’s largest Keiretsu conglomerates.

Fourthly, the public policy towards the cultural industries has shifted during the last few decades. This is, of course, not an isolated event but part of a more general trend in the developed world. The recent interests of policy makers for the possibilities of cultural industries of problem-solving within the post-industrial society have changed all forms of business around culture.

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33 METI uses the term content industries but here the term cultural industries is used to establish a coherent terminology throughout the thesis (see definitions of these terms in theory chapter above).

34 CESA is the Japanese Computer Entertainment Supplier’s Association.
(Volkerling, 2001). In the Akihabara article, I touch upon how policy makers have begun to show interest in these topics and how the subcultures have undergone a shift from being unnoticed or overlooked to becoming top issues for foreign trade and innovation policy. This shift can be noticed in acts, such as Doraemon becoming a cultural ambassador, or when a former prime minister during his election campaign called himself a fan of manga in an opening ceremony in Akihabara. Other examples are the many reports from, for instance, the Ministry of Economics, Trade and Industry.

Finally, the huge domestic market has significant importance for the industry developments. The basic argument here is that a large demand has made it possible for the industry to first develop and refine its products before entering an international market. Japan has the second largest market in the world for cultural industries but there is a slow growth (METI, 2007).

The diagram below sums up the market size of Japanese cultural industries with a total of ¥13.7 billion

![Market Size and Value by Segment in Japanese Cultural Industries 2005](image)

*Figure 3. Market Size and Value by Segment in Japanese Cultural Industries 2005. Estimates are in billions of yen (Source: DCAJ, 2006).*

The diagram shows that Publishing and Newspaper/Image and Text (42.3%) and Visual Media (35.3%) have similar market shares, while Music and Audio (14%) and Video Games (8.4) have limited shares. The details of

35 $ 125,464,600 based on mean currency exchange for 2005
these figures reveal that between 2001 and 2005 there is generally little growth; about 1.3% annually (METI, 2007). What stands out is that while some markets, such as games and publishing, slowly diminish or remain in size; other markets, such as movie box offices revenues and audio software sales, show a growth. This growth comes from content delivered by mobile phones or internet (DCAJ, 2006). An updated look at these figures would probably reveal a similar development as mobile technology and internet use has developed since 2005. If Japanese companies wish to sustain growth it has to occur within the new media. Another estimate on the competitiveness of the industries can be made from an international comparison. The figure below shows the market size in Japan, USA and the rest of the world.

<table>
<thead>
<tr>
<th>C.I. ($ trillion)</th>
<th>GDP ($ trillion)</th>
<th>C.I./GDP</th>
<th>Foreign sales/C.I.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>0.1</td>
<td>4.6</td>
<td>2.2%</td>
</tr>
<tr>
<td>USA</td>
<td>0.6</td>
<td>11.7</td>
<td>5.1%</td>
</tr>
<tr>
<td>World</td>
<td>1.3</td>
<td>40.9</td>
<td>3.2%</td>
</tr>
</tbody>
</table>


The largest market is USA and although Japan is the second largest, it does not compete in terms of cultural products. This is something that has troubled Japanese policy makers and resulted in a new deal regarding cultural economic policies in Japan. If the industries have a possibility to grow, it must take place abroad (METI, 2004). The Japanese Ministry of Economy, Trade and Industry and the Agency for Culture Affairs have promoted the cultural industries for a decade now. Some of the promotion has been witnessed abroad as releases of Japanese movies and music (Yoshimoto, 2003), but the real breakthrough is still absent.

This section has outlined some of the characteristics of the Japanese cultural industries on a more general level. The last section will, instead, investigate the more particular part which links the theories of creative consumption with the Japanese context.

4.5. Otaku: The Sophisticated Users of Japanese Cultural Industries

During the field studies, it became clear that it was not only the consumption en-masse that was of importance but also the specialized consumption cultures of the so called otaku; fans of Japanese popular culture. For me, this finding was also an eye opener for the theoretical links to user innovation. The following section will discuss the importance of otaku and relate it to the research on users and lead users.
4.5.1. Lead Users

A major result from empirical research on user innovation is that most of the innovations are made by users with “lead user characteristics” (Hippel, 2005:22). These characteristics can be described by the following two qualities. Firstly, the lead users reshape products to fit their own sophisticated requirements. In lead user theory there are a few users that are at the leading edge of the user collective, and their needs will soon be experienced by many users in that market. So in Hippel’s words these people are, “ahead on an important market trend.” Needs are not static and the well informed users can more easily follow the underlying trends that help to shape and evolve the market. Secondly, the lead users gain relatively high benefits from inventing new solutions to their needs (Hippel, 2005). As Figure 4 indicates the lead users do not have to be the major buyer group; but what characterizes them is that they are early adopters of new trends and consequently, important for the initial developments of the product life cycle.

Figure 4. The Lead User Curve. The figure shows how lead users can be ahead of market trends by being the early adopters of new products. They are not necessarily a large buyer group, but can still be important product developers or build up a sufficiently large amount of consumption for further commercialization. (Hippel, 2005)

So, who are the lead users in this thesis? When I began to become familiarized with Japanese popular culture, I found that there were many persons who, from my point of view, had quite an enunciated fascination for certain aspects of the culture. They were called *otaku*; which can be translated as

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nerd or geek. *Otaku* are often portrayed as people with extreme individualistic, particularistic, and infantile social behavior. This view is clearly a stereotype, but when the phenomena started to be noticed, it caused severe public outrage. Social scientists saw them as expressions of the generally decayed characteristics of the Japanese youth society (Kinsella, 1998). The term *otaku* may have been coined by the humorist Akio Nakamori in 1983 after he found that the word *otaku* was commonly used by nerds when addressing the first person singular. The pronoun is usually used to address formal and distant relations to other people and would therefore not usually be used by teenage boys. The term, used as geek or nerd, was generally introduced in 1989 in Nakamori’s story of the serial killer Miyazaki Tsutomu who was reclusively obsessed with manga and anime (Kanayama, 2007; Wikipedia.org, 20080105). One of my contacts (Kanayama, 2007) was a bit uncomfortable about being called an *otaku*. He said he would not use this epithet for describing himself, but that he might fall under the description of one. He said it was used to disparage people with a genuine interest but that the term has had an upswing and even positive connotations after blockbusting TV-series such as *Densha otoko*. This series about the ideal type Akihabara *otaku* gained great popularity when broadcast in 2005-2006 (Tōhō, 2005). The show not only created a mass media craze about *otaku*, but also introduced the term and phenomena to a wider audience. On the other hand, Kozakai, one of my other contacts, said that he was not ashamed of being an *otaku* and that he referred to this term when describing himself amongst his friends. Kozakai said that he had seen T-shirts with the text *Akiba-kei* printed on the back. This means a person with Akihabara style, which he thought to some extent was synonymous with *otaku*-style (Kozakai, 2007).

### 4.5.2. The Otaku Culture and the Otaku Market

*Otaku*, and *otaku* culture is a form of consumer culture. This refers to literature studying consumer groups as formative actors, constructing symbolic value and content by gathering around certain forms of consumption (Östberg and Kaijser, 2010). Related arguments have been put forward by, Schouten, Koenig and McAlexander (2005) discussing consumer communities as consumption subcultures; Füller, Matzler and Hoppe (2008); Muniz and O’Guinn, (2001) discussing brand cultures and innovation; and Belk and Tumbat (2005) discussing loyal Mac users. A difference here is that Otaku are not necessarily devoted to a special brand, but often to a certain practice or product (See the categorization below).

The otaku market has been thoroughly examined by Kitabayashi (Kitabayashi, 2004; NRI, 2004; NRI, 2005). His studies range from a number of

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36 *Akibakei* = アキバ系

37 *Otaku culture* = おたく文化
fields, such as market estimates and structure to consumer characteristics and their role in innovation. As stated before, *otaku* can be viewed as an umbrella term. The usage of this term has both advantages and disadvantages. In one way, the thesis is more of an attempt to show that the identification of *otaku* provides tools for understanding interests of a specific consumer group. Additionally, the group can be seen as an exclusive target group for niche marketing and retail, and it can also be viewed as a group of experts. Many of these people are, therefore, potential innovators of new trends and products. However, using a broad and even vague term such as *otaku* makes it hard to be specific on firstly, defining the term, and secondly, to align this term to actual individuals. As mentioned above, *otaku* can be defined as a nerd or geek but also as an enthusiast or even expert. It is perhaps hard to pinpoint what differentiates an *otaku* from any other sort of enthusiast; but two attempts will be shown below. The first is to consider the individual characteristics of the enthusiast and the second is to consider the things or products which are the focus of the enthusiasm.

Nomura Research Institute (NRI), that has been studying *otaku* from an economic perspective, and has defined *otaku* as "people who spend almost all their spare money and time for leisure or hobbies on a field in which they have a strong interest, and who possess unique psychological characteristics" (NRI, 2005). This definition mainly focuses on two factors; the enthusiast factor, which is notably measurable by comparing expenditure of time and money, and the vaguer psychological factor. The psychological factor is defined by a set of individual desires; the desire to belong and to stand out, the desire to collect and to be creative, and the desire for a common identity or to be independent. From their studies, they then concluded that there were five different types of *otaku* (see below) and that they all had somewhat different interests and aims within their interests. The different types were generalized from a survey of 365 internet respondents carried out by NRI in 2005. From this survey it was concluded that 25% of the *otaku* were anonymous spare time hobbyists who spent limited time and money mainly on their mechanical or PC assembly hobby. Here, group belonging and the collection of items were desired. Another 23% were striving to collect and spread information on their area of interest. This group mainly consisted of single males in their twenties and thirties, devoted to mechanical hobbies, PC assembly or show business idols. A third group mainly consisted of younger people of both sexes. They were interested in sharing their hobbies with others and interacting with other enthusiasts on BBS’s. Neither the second nor the third group could be identified as having any group specific desires. A fourth group was experienced enthusiasts in their thirties and forties, predominantly interested in sharing their assertive values in specific fields of interest. They had both a desire for a common identity with others

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38 Bulletin Board Systems.
and a desire to manifest independence. The fifth group was predominantly female in their twenties and thirties, who had a strong interest in creating amateur manga and fanzine magazine creations. In this group the creative desire was evident. This study is interesting as it aims to provide a more complex view of the ‘whom’ of otaku. Then again, it has many shortcomings. The number of respondents was limited so the generalization is not reliable and the internet survey reduced the possibility for a broad sample of the respondents. In spite of this, the key impediment seems to be the categorization itself since the various groups lack comprehensible definitions and divisions.

Another way of categorizing different kinds of otaku is to look at their areas of interest. The table below shows an estimate of the number of people in Japan interested in various areas, and the market size that these people generate.

<table>
<thead>
<tr>
<th>Type</th>
<th>Population (thousands)</th>
<th>Market size (billion yen)</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manga</td>
<td>1000</td>
<td>100</td>
<td>Number of participants in spot sale of fanzine (e.g. Comiket (Author)) and circulation of specific magazines</td>
</tr>
<tr>
<td>Anime</td>
<td>200</td>
<td>20</td>
<td>DVD sales and circulation of specific magazines</td>
</tr>
<tr>
<td>Idols</td>
<td>800</td>
<td>60</td>
<td>Size of concert audience and sales of first release CD.</td>
</tr>
<tr>
<td>Games:</td>
<td></td>
<td></td>
<td>Numbers of hours spent playing games, participants in network gaming events and circulation of specific magazines</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Home use 570</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>PC 140</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Network 30</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Arcade etc 60</td>
</tr>
<tr>
<td>PC Assembly:</td>
<td></td>
<td></td>
<td>Number of PC parts sold, sales figures in specialized shops in Akihabara and circulation of specific magazines</td>
</tr>
<tr>
<td></td>
<td>Premium 30</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Junk 20</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

Table 3. Estimates of Otaku Market Scale in Japan in 2004. Otaku market is divided into manga, anime, idols, games (various) and various PC assembly. Each type is estimated by number of people and market size. There are population overlaps in each field. The estimates are based on NRI interviews and questionnaires and other forms of research. (Source: Kitabayashi, 2004)
The table is based on estimates by NRI in 2004. Although these figures lack accuracy and credibility as exact measures, I believe they point in a direction showing that the consumer group loosely defined as *otaku*, or sophisticated users of Japanese cultural products, is considerably numerous. This indicates that Japan has a steady base of early adopters of new releases, steady fan bases and a critical mass of innovative users.

### 4.6 Summary

Over the last 150 years, the Japanese economy has undergone a great change of industrialization and internationalization. The cultural economy, on the other hand, remained a domestic concern until the 1980s when Japanese video games became best sellers around the world. Along with what was initially only hardware also came software and cultural content. The real breakthrough that had a major cultural impact was Pokémon entering the scene in the early 1990s. Today, Japanese cultural goods are consumed on a global scale and most youths in the developed world are familiar with manga and anime. Behind this success lies a globally competitive industry. This can be summarized by five characteristics. Many products evolve as media mix products, there is an exchange between high-technology actors and cultural actors, this together with the conglomerate business structures provide sufficient financial support to cultural investments and finally, there is a large domestic market for these products. Among the consumers one group in particular stands out. This is the sophisticated users that serve the industry as foregoers and cultivators of cultural trends and products. They become lead users of products that later can be sold to larger market segments.
5. Summary of Findings and Conclusion

This chapter is to be seen as a conclusion of the first part of the thesis and also as a guide that will briefly summarize the articles presented in part two. The conclusive chapter will address the following issues:

- What are the main findings presented in the articles?
- What are the implications of these findings?

5.1. Overall Findings of the Thesis

This thesis asks a few rudimentary questions in order to understand contemporary society: How, who and where is value created in the cultural economy? Although this general concern is partitioned into more detailed discussions in the articles, this question goes back to the fundamental concerns of studying the geographies of economy. In so doing, it also builds on at least two basic assumptions. Firstly, the question assumes agency in economic/cultural production, meaning there is an underlying idea that value of cultural goods is created, instead of being an immanent feature. Secondly, it is assumed that the cultural economy is different from the rest of the economy. Namely, value in the cultural economy is created in a different manner than in the rest of the economy.

In the articles, it is argued that symbolic value is an outcome of both marketing strategies by key organizations and of consumers using their products. What distinguishes the cultural economy is that non-professional individuals also create value that has an impact on industrial systems. In the Japanese cultural economy, media mix was an effective way to enhance economic outcome from cultural production. The cases showed that the users often had an important role in creating the symbolic value on which successful companies managed to capitalize. In Akihabara these sub-cultures intermingled with popular culture and high-technology. Place became a mediator of symbolic value that could nourish industries, such as digital games and tourism, political agendas and local retail establishments. Comiket showed examples of fan art and how hobbyists contributed to the cultural industries of manga and anime. Plagiarism and provocation of mainstream culture was often a driving force for the artists.
Furthermore, the thesis wishes to look at how consumer society has transformed the cultural economy. A basic assumption is that the preconditions for cultural production have changed as the consumption of these products has changed. The question asked was: What is the role of users for creating competiveness and innovation in the cultural industries?

In the articles it is argued that users have an explicit role in cultural industries that goes beyond personalizing market demand. Users often take an active role in constructing, interpreting and improving products, narratives and practices. For instance, users of Pokémon cards developed practices that boosted sales figures. Amateur manga artists at Comiket widened the experiences for fans of established pop-icons as Naruto-characters. In Akihabara the merger of cosplaying and coffeehouses developed a new and growing trend of so called Maid cafés. To further develop the findings of the studies, several forms of user innovation can be put forward. The list below categorizes some of these varieties by constructing a typology of cultural innovation.

**Typology of Consumer Created Cultural Innovation**

A. **Incremental innovation.** Exemplified in the cultural innovativeness found at Comiket. Plagiarism, refinement of existing narratives, and reuse were important innovative strategies. Both cosplayers and amateur artists employed these strategies to incrementally develop cultural practices and products.

B. **Differential innovation.** For many of the sophisticated users of popular culture, it seemed important to differentiate their own practices from others. This created consumer cultures that strived to define identity in relation to others or in relation to mainstream culture. A common strategy was refinement of skills and knowledge about certain characters, narratives or products. In Akihabara, specialized knowledge became an essential factor for the area as an important hub for mediating trends and ideas.

C. **Experimental innovation.** Innovation is, in one sense, always experimental, but not all cultural productions are. The media mix article shows, in another sense, how innovation was developed from already successful projects. However, in all three articles there were also examples of quite daring experiments in cultural expressions, some explicit and provocative or even illegal. Many of the subcultures of Japanese popular culture could be called avant-garde as they experiment with new genres, new images and new expression.

The thesis also puts forward a conceptualization of the role of users in the cultural industries. The market space can be viewed as a hierarchy where the most well known and successful cultural productions have a top position.
Here you will find Pokémon and Hello Kitty and large companies such as Nintendo and Sony. However, all articles have shown examples of how consumers created non-commercialized goods, genres and narratives that hold a bottom position in the hierarchy. Although being of limited commercial importance, these phenomena are sometimes important for the cultural developments, hence also economic progress for the industries. As shown in figure 6 below, consumers contribute by creating symbolic value, trends and innovation (also see Cohendet et. al., 2010).

![Figure 5. Conceptual figure of hierarchy of cultural products with low-high commercial value and the flows of innovation, trends etc within the market space. (Source: Author)](image)

It is argued that the creative consumption by users, especially sophisticated users often called *otaku*, contributes by forming new and innovative practices and products. Indirectly, they thereby create innovations and trends that establish a competitive cultural economy.

Finally, it was asked: How does place contribute to innovation in cultural economy? All the articles employ various spatial focuses in order to provide more detailed case studies. They are all examples of creative milieus where users can interact to deliver externalities with importance for the cultural economy. The three spaces that are addressed here are the media mix, Akihabara and Comiket. The media mix is a conceptual space of images and
narratives that artists, marketing agencies and users construct to connect cultural artifacts. Akihabara is an urban district that has become an important meeting and mediating place for sophisticated users (otaku) of cultural and technological products. Comiket is a temporary agglomeration of a large number of enthusiasts of amateur cultural production. It is an example of a bottom-up constructed creative milieu which has, by its magnitude, reoccurring and iconic status, become an institution within the industries.

5.2. Summary of the Articles

In the introduction, I raised the question of where and how the cultural economy is constructed. I also mentioned that a traditional focus has often been to study companies involved in cultural production, a corporate sphere of networking organizations. This can be done by studying the institutions and the corporate landscape or it can be done by studying entrepreneurs. All of these approaches provide useful understandings of how and where the economy is constructed, but they often fail to incorporate the great shift that consumer society has meant for the production and consumption of culture. This thesis has attempted to give a few examples of other platforms where these endeavors take place.

The first platform is the media mix. In the media mix, narratives and images from one media are combined with other media and technologies. It constructs an innovative space that gives momentum to expand the usage of existing cultural products. In the article a more detailed study of different forms of media mix is carried out, and the term is put in relation to the competitive landscape and history of Japanese cultural industries. Additionally, a more detailed case study of Hello Kitty and Pokémon is made. These are among the most successful phenomena but they also represent quite different types of media mixes. One of the findings of the studies is that in the process of constructing a profitable media mix, the consumers often play a significant role in developing, expanding and interpreting cultural phenomena.

Another platform is the urban district. The second article examines Akihabara, a down town retail district for electronic appliances with a recent influx of popular culture, mainly digital games and manga/anime related goods. The article portrays how a city district has become a space where culture is bought, consumed, created, enacted, tested and promoted. Consumers, especially the sophisticated consumers called otaku (nerds), have shaped place into a creative milieu where high technology and popular culture co-exist and interact. It has become a center for subcultures and it has many specialized shops. Exoticism and low prices attract tourists and it also gained symbolic status for political ambitions of boosting the cultural economy. Akihabara is a vibrant part of the city but it is far from unproblematic. Many features are controversial from both a legal and a moral point of view.
The last platform is Comiket. It is the world’s largest amateur comic event, taking place twice a year in Tokyo and gathers half a million visitors. It is a fan convention combined with a bazaar of consumer created culture, but it is also a female dominated, bottom-up constructed fair, where large publishing companies only have a marginal presence. Not only has it become a free space for all forms of cultural expression through manga, but it is also an arena for learning and mediating knowledge among amateurs and semi-professionals. In their works, the participators often reflect mainstream mass-culture and they also construct and refine new trends and genres. A driving force is provocation and plagiarism of mass culture but play is an also essential feature. This is clearly manifested by the cosplayers, mainly young females, expressing the art form by dressing up as their favorite characters; an extravagant articulation in a society where women are often pushed aside. Although a temporary space, it accumulates cultural innovativeness and has become an institution-like phenomenon by its cyclical reappearance and magnitude. Today, it stands as a raw model for many similar events all around the world.

5.3. Implications of the Thesis

What can these articles tell us about the cultural economy? To start with, all three articles are examples from the Japanese cultural economy, but it may not necessarily limit the implications the findings have on a more general level. Japanese cultural products have, over the decades, moved from being quite scarcely seen outside of Japan to becoming a natural part of everyday life for many children, youth and adults all around the world. The thesis, thereby implicitly points at how the local affects the global. Therefore these cases are not solely to be regarded as remarkable or extraordinary case studies from Japan. Instead they illustrate processes that might be worth noting in other contexts or parts of the cultural economy.

What is worth pointing out in the thesis? Firstly, users play a significant role in shaping the cultural economy. The essence here is that the value of many of the cultural goods stem from contingent factors, such as trends and hypes, instead of production costs or function. It is a symbolic value which only reflects the wills and the wants of the consumers. The creation of symbolic value is sometimes initiated by elite fashionistas,arty gurus and corporate marketing agencies. However, what this thesis shows is that today’s forgoers of fashion can come from the street, arty gurus can be amateurs, and marketing can sometimes be out of the control of the license holder.

Thus, secondly, there is a hierarchy in the cultural economy that perhaps differs from many other spheres of the economy. It is true that innovation and value are often led by large companies, such as the game company Nintendo or Hello Kitty’s Sanrio Corporation. It is also true that innovation and
value are constructed from below. For example, a female amateur manga artist, drawing cartoons with her friends, could inspire youth all over the world to do their own manga. This process also has implications for companies in these industries. Sometimes, the knowledge and enthusiasm of a voice actress fan in Akihabara can construct refinements in the art of producing unique and globally competitive anime.

Thirdly, the articles also point to the importance of different platforms as mediators of culture. Place provides meaning and context to the users. In the media mix, the narratives and images are a conceptual platform that consumers can relate to, and in Akihabara consumers construct a place that mirrors their dreams and wishes. At the same time trade and commerce is an important factor that drives the developments. The amateur manga artists sell their creations and their fans buy their products.

Finally, this exchange would probably not occur without the commercial element. Akihabara is first and foremost a retail district. The cultural exchange and sub-cultural melting pot would not be there if there were no shops or bargains. In the media mix it is the large corporate actors that eventually stand for the production and distribution of goods. Therefore, culture and economy cannot be viewed as separated spheres; and production and consumption are two sides of the same coin.
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