Policy Brief

Digital, Regeneration and Experience Economy Modelling (DREEm)

Modelling and Supporting Recovery of the UK's Experience Economy: Enhancing Audience Resilience and Engagement via Digital Methods

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Summary of the research

In collaboration with businesses, local Government departments and third sector organisations from across the UK, DREEm seeks to uncover practical and innovative strategies taken by places over the course of the COVID-19 pandemic to ensure development of meaningful digital experiences and content; to understand the impact of these experiences on the economic, social and cultural wellbeing of places; and to develop policy instruments to support the UK experience economy, and ensure its resilience. The mixed methods study has collected and analysed quantitative data to measure the scale and characteristics of the UK experience economy in three selected case study locations; qualitative data to understand how experience economy organisations have responded to and adapted during the course of the pandemic; and mixed data to assess audiences' perceptions of digital experiences. It also reviews digital strategies, offerings and policy interventions implemented locally, regionally and nationally, and evaluates the extent to which these have supported recovery and resilience among experience economy organisations.

Policy recommendations

Access to Skills

The experience economy and adjacent industries urgently require UK-grown talent in virtual production at postgraduate and postdoctoral level. Government should be looking to increase spending on subsidised postgraduate education in hybrid technical-creative disciplines, particularly across the computer sciences, analogue and digital design fields. Fast-track programmes which enable students to study whilst placed with a company or network of companies should also be explored.

Public Sector Support

Public sector organisations play a pivotal role in making the case for experience economy activity politically, as well as sustaining networks and validating the reputation of individual businesses. Dedicated financial instruments at national, devolved and regional levels would make a difference to experience economy organisations' continued resilience.

Strengthening Networks

The most resilient places in the UK are characterised by strong interconnectivity. Experience economy networks, composed of businesses from the creative and visitor sectors, are vital to maintaining a coherent narrative at place-level, attracting investment and audiences. Platforms and initiatives targeting places with lower connectivity could spread the level and rate of recovery more evenly across the UK. These platforms could also connect organisations to new global audiences that may help to support resilience strategies.

Data
Official data available via the ONS significantly under-reports the number of enterprises engaged in experience-related activities (because a disproportionate number are small or micro-enterprises). A reassessment of the SIC system to enable easier identification of the range of organisations involved in experience creation is needed, along with more rapid capture and dissemination of data between businesses, freelancers and local authorities.

Visibility
A key challenge for organisations alongside monetising content is making it discoverable via platforms that have the trust of the public. Finding ways to support effective digital output in reaching its audiences, including both established and emergent global audiences presenting new opportunities, could play a critical role both in supporting recovery and building trust; this recommendation overlaps with reviewing the role of Destination Management Organisations and/or High Street regeneration initiatives.

Key findings

- The UK lacks a skill base of workers with hybrid creative and technical skills needed to create the high quality digital experiences and content expected by contemporary audiences.
- The UK's experience economy has a high degree of regional variation in its composition and strength as measured by connectivity and concentration of businesses.
- Monetisation of experiences cannot be accurately measured by 'pay-per-view' metrics, which fail to account for digital membership and counterpart physical spend.
- Experience economy organisations are agile and adaptable in response to physical restrictions in their operation, but require additional financial and human resources to achieve their ambitions and meet audience expectations.
- Local authorities have played a pivotal role in supporting businesses during COVID-19. Critical to this function is the ability to identify businesses that are at risk, evaluate capacity for digital adaption and connect businesses with complementary skills.
- Audiences and consumers of digital experiences across all age groups have expanded significantly over the course of the pandemic, with the biggest increase seen in 55-64 year olds.
- Digital experiences are not considered by audiences to be a direct replacement or substitute for physical experiences but offer an important counterpart and alternative when physical experiences are not available. Digital experiences therefore benefit from a different approach to their creation to maximise their reach and monetisation where appropriate.

Further information and contacts

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