

## Regional Specialization in the Experience Industry in Finland

**What kind of variation and differences are there in the Finnish regional strategies in terms of how they recognize and support the experience industry?**

**The regional strategies exhibit varying levels of emphasis on the strategic development of the experience industry. Four different kinds of regional approaches to experience industry were identified.**

This study examines how what kind of strategies 18 different regions across Finland have regarding the experience industry. The experience industry—encompassing tourism, culture, creative sectors, and digital experiences—represents a significant opportunity for regional economic diversification and growth. However, regions vary considerably in their recognition and strategic approach to this emerging and increasingly important sector. This aligns well with smart regional specialization strategies where a region prioritizes industries that they have unique strengths on.

The study assesses regional strategies through a comprehensive framework evaluating:

1. Recognition of the experience industry in regional development programs
2. Presentation of development plans for experience industry sectors
3. Integration into smart specialization strategies
4. Conceptual understanding of the experience industry
5. Collaborative approaches outlined in regional strategies

Based on these assessments, regions are categorized into four engagement levels (Very Significant, Significant, Moderate, and Minimal) and further analyzed according to their urban characteristics.

The analysis reveals that:

- 24% of regions have fully integrated the experience industry into their strategies
- 33% demonstrate significant engagement but lack comprehensive integration
- 39% recognize potential but show only moderate strategic engagement

Geographic and urban characteristics seem to significantly influence approaches to experience industry development. While most regions emphasize specific branches of the experience industry, such as tourism, culture, events, and other creative industries, four explicitly recognize it as a distinct sector, integrating it into their economic development strategies.

### Metaverse meets the Experience Industry

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### Data/materials

**Regional strategies were analyzed to identify how the experience industry is visible in different regions in Finland**

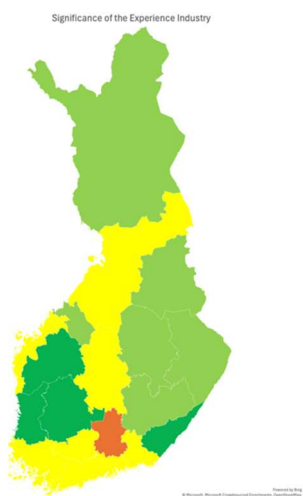
This analysis evaluates regional development strategies from all 18 Finnish continental regions. Regional development strategies typically present the strategic priorities of regions for the next three to five years. The analysis focused on identifying how experience industry is present in these strategies and what kind of different approaches regions have for experience industry development. Regions were characterized based on urban hubs. Regional strategies were scored based on five criteria:

1. Presence of Sub-Sectors: How i.e. tourism, culture, events, and creative industries are described and prioritized,
2. Development Plans: The specificity and depth of plans for supporting these sub-sectors,
3. Recognition of the Experience Industry: Whether the experience industry is explicitly identified as a distinct sector,
4. Strategic Support: How the experience industry's development is addressed in strategic goals,
5. Collaboration: The extent to which regional strategies promote cooperation across sectors.

Scores ranged from 1 (lowest) to 4 (highest) points across five sections, with a maximum possible score of 20 points (see Figure 1).

**Experience industry is clearly recognized in six out of 18 regional strategies in Finland**

| Region               | Score | Significance of the Experience industry |
|----------------------|-------|---|
| South Karelia        | 20    | 20-18 Very Significant (22%)            |
| Pirkanmaa            | 19    |   |
| Satakunta            | 19    |   |
| South Ostrobothnia   | 19    |   |
| Pohjois-Karjala      | 16    | 17-15 Significant (33%)                 |
| South Savo           | 16    |   |
| Kainuu               | 16    |   |
| North Savo           | 15    |   |
| Central Ostrobothnia | 15    | 14-10 Moderate (39%)                    |
| Lapland              | 15    |   |
| Southwest Finland    | 14    |   |
| North Ostrobothnia   | 14    |   |
| Kymenlaakso          | 13    | 9-5 Minimal (6%)                        |
| Central Finland      | 13    |   |
| Uusimaa              | 12    |   |
| Ostrobothnia         | 12    |   |
| Kanta-Häme           | 11    |   |
| Päijät-Häme          | 6     |   |



| Significance of the experience economy  | Very significant 14%                         | Significant 14%                          | Moderate 57%  | Minimal 14% |
|---|--|--|---|-------------|
| <b>Urban-city driven region</b> (at least 120 000 inhabitants.: Helsinki, Turku, Tampere, Oulu, Jyväskylä, Kuopio, Lahti)                             | Pirkanmaa                                    | North Savo                               | North Ostrobothnia, Central Finland, Uusimaa, Southwest Finland | Päijät-Häme |
| <b>Medium-sized city driven region</b> (at least 60 000 inhabitants.: Seinäjoki, Lappeenranta, Pori, Joensuu, Rovaniemi, Kouvola, Vaasa, Hämeenlinna) | South Ostrobothnia, South Karelia, Satakunta | North Karelia, Lapland                   | Kymenlaakso, Ostrobothnia, Kanta-Häme                           |             |
| <b>Regions with small cities</b> (less than 60 000 inhabitants.: Mikkeli, Kokkola, Kajaani)   |  | South Savo, Central Ostrobothnia, Kainuu |   |             |

Figure. 1 Rank and classification of the Finnish regions regarding their recognition of the experience industry's significance and strategic planning.

## Results

The analysis revealed significant disparities in how regions prioritize the experience industry. Six regions explicitly reference the "experience industry" in their strategies. Of these, four (South Karelia, Pirkanmaa, Satakunta, and South Ostrobothnia) provide detailed plans aligned with their smart specialization strategies. The remaining 12 regions lack direct recognition of the sector. Major regions, including Uusimaa and Southwest Finland, do not explicitly recognize the sector, despite their resource advantages. Typically, regions with larger cities (populations over 120,000) do not seem to specialize in the experience industry, with Pirkanmaa being the sole exception. Pirkanmaa is strategically prioritizing the sector. Regions with medium and small cities seem to put more strategic emphasis on supporting the experience industry.

The results show that regional characteristics affect how important the experience industry is for a region. Based on the analysis, it seems that smaller and more rural regions tend to emphasize experience industries, hoping to find a new source of growth. Regions with larger cities focus much less on the experience industry, with Pirkanmaa being the exception. This might differentiate Pirkanmaa from all the other regions and thus enable smart specialization with support from adequate resources. The results show that Pirkanmaa is uniquely positioned within Finland and demonstrate utilization of smart specialization strategies.

## Recommendations for Regional Development:

### Major differences between regions have been identified.

#### 1. Conceptual Fragmentation

The most fundamental challenge facing Finland's experience industry is the persistent conceptual fragmentation across regions, where tourism, culture, creative industries, and digitalization are treated as separate entities rather than interconnected components of a unified experience ecosystem. This fragmentation is evident in the regional analysis, where, despite 18 regions having significant tourism and cultural assets, the term "experience industry" appears explicitly in only a handful of regional strategies. Other regions are discussing individual industries but do not combine them under an umbrella term such as the experience industry. This conceptual disconnect might create multiple inefficiencies: duplicated efforts across sectors, missed opportunities for cross-pollination of ideas, fragmented funding applications, and ultimately, a weakened competitive position in the global experience economy. The proposed solution is to establish a National Experience Industry Framework that would provide a unified definition, common language, and integrated approach to development and regional strategy work. This framework would not impose homogeneity but rather create a shared understanding that allows regions to leverage their unique strengths within a coherent national strategy. By moving from sectoral silos to an integrated experience ecosystem approach, Finland could unlock synergies that would multiply the impact of existing investments and create entirely new categories of innovation at the intersections of culture, technology, and tourism. When all the regions use similar terms and concepts, it becomes easier to see possible synergies and how regions are specializing and differentiating from each other.

## 2. Smart Specialization Integration Gap

It is crucial to understand the resources in the region that make smart specialization possible. The experience industry seems to be reliant on collaboration between industries, and this kind of network capital has to be considered as a significant resource in smart specialization. The data reveal that only four regions (South Karelia, Satakunta, Pirkanmaa, and South Ostrobothnia) have integrated the experience industry into their smart specialization strategies. Smart specialization is not merely a bureaucratic exercise but a gateway to substantial EU funding, international partnerships, and systematic innovation support. Regions that fail to position their experience industry assets within smart specialization frameworks are essentially leaving money on the table while also missing opportunities to build systematic competitive advantages. From the experience industry integration perspective, regions need to consider what kind of advantages they have in education, geography, industry structures, networks and collaboration that would enable them to succeed in the experience industry. More remote and smaller regions seem to discuss the experience industry more than larger and more populous regions. The regions should carefully analyze the resources they have and the advantages of focusing on the experience industry specialization.