Chapter 4
Design and the Transformation of Cities

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Abstract The relation between design and the city has changed considerably over the last years. Quite a few factors have interacted to produce this change: some are bound to the evolution of design culture and practice itself; some are bound to the transformation of cities; and some are bound to the transformation of social relations and their interaction with technologies.

In this context, the traditional disciplines of urban planning and architecture have undertaken profound transformations, but in the view of the author, the major changes occurred in the design that used to be focused on the small scale, where we had a progressive expansion of the territories of interest and application, which completely changed the role that design can play in the transformation of cities.

The purpose of this chapter is to offer an overview of the evolution of the relationships between design and the city. The author discusses the main practices of design applied to cities from the early 1970s to the present day. The discussion introduces the different practices of design for cities as a consequence of the radical transformation of the design discipline. Then, evolution of some experiences, like that of the Milan "Fuorisalone", is illustrated as clear representations of how the visions of the city that the author described coexist and are connected with the steady evolution of the culture of design.

Keywords Design culture • Transformational design • Design context

4.1   Design and the City: Visions, Approaches and Practices

The relation between design and the city has changed considerably over the last years. Quite a few factors have interacted to produce this change: some are bound to the evolution of design culture and practice itself; some are bound to the transformation of cities; and some are bound to the transformation of social relations and their interaction with technologies.

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The traditional subdivision of the design tasks was based on the scale of the objects to be designed, ranging from the whole territory or portions of the city (urban planning) to single buildings or structures (architectural design) to "accessories" such as urban furniture (product design). Within this subdivision, urban planners and architects were in charge of shaping the city: even if the idea of a cross-scale design ("from the spoon to the city", to say it with Ernesto Nathan Rogers) was expressed, specialisation has become the norm.

Today, the interaction between the material substrate constituting the city as we historically know it and the possibilities that the cyberspace is offering to reshape the relations between individuals, social groups, tangible objects and systems has led to a much more complex situation. Professional practices that used to be vertically specialised and focused on specific objectives are displaying many intersections and areas of overlap, and new practices are emerging.

Both urban planning and architecture have undertaken profound transformations, but in our view, the major changes occurred in the design that used to be focused on the small scale, where we had a progressive expansion of the territories of interest and application, which completely changed the role that design can play in the transformation of cities.

The first driver of this change is the shift from the concept of the city as a system of tangible artefacts (the whole city, the infrastructures, the buildings or the "accessories") to the concept of the city as a system of relations based on a tangible substrate. This is in truth a long-standing concept that has encountered many difficulties in being concretely applied. As Landry and Bianchini put it:

> In this century the main solutions went a step further, based on the theories of how to create 'the good city' associated with authors like Patrick Geddes, Lewis Mumford or Jane Jacobs. They emphasised not only how a city might be shaped physically but also what could improve people's lived experience of cities. Yet when these ideas were taken up by the emerging planning profession, they were interpreted mainly in physical terms, disregarding the more subtle psychological effects on people. (Landry and Bianchini 1995: 13)

Even if the idea of the city as a social system is far from being new, the recent transformations are connected to (and empowered by) the overall change of the economic paradigm, from an economy primarily based on the exchange of physical goods to an economy largely based on the exchange of services. The introduction of a service-dominant logic (Vargo and Lusch 2004) called for the capacity of giving shape to complex bundles of services, infrastructures and tangible goods and led to the development, experimentation and wide adoption of new design processes and tools. This transformation affected the design culture at large, but the city emerged as a paradigmatic field of application also because, due to the steady process of urbanisation, cities themselves have never been as successful as today and at the same time never as critical and challenging.

The relation between the tangible and intangible layers of the city, to which we refer today with the somehow abused term "smart city", constitutes the overall engine of the recent changes, but different pathways have characterised the transformation of the relationship between design and city. These pathways are

bound to different visions of the city, which bring along specific approaches, forms of practice and roles of design:

1. The city as a product or brand
2. The city as a space for creativity
3. The city as a space for services
4. The city as a participated construct
5. The city as a complex system

These visions are at some extent in contradiction one with the other, but they can be represented along a continuum: all of them originate from specific ideas and are related to different historical and cultural moments, but they coexist and are interwoven.

A synthetic account of these visions will give the possibility to investigate the new roles of design in the transformation of cities.

4.1.1   The City as a Product or Brand

Starting from traditional consumer goods, the field of marketing undertakes a remarkable expansion of its territories of application, in which almost anything can now be seen as a product to be marketed. In this line of thinking, territories can be seen as offerings, competing in local or global markets, and cities represent a specific kind of product that can be positioned, communicated and marketed. Hence, most of the techniques applied to products in a competitive environment can be (and actually have been) applied to territories and to cities specifically. Going further, if we look at cities themselves as concentrated market spaces, single areas within the same city may be seen as competitors (Mäding 2006) or as actors that operate in a regime of "co-opetition" (Brandenburger and Nalebuff 1996).

The shift from the idea of the city as a product to that of the city as a brand represents a further step in the same line of thinking. Place branding emerged during the 1990s as a new paradigm in a growing global and local competition among territories (Kotler et al. 1993; Gold and Ward 1994), sometimes assuming the name of "destination branding" and being primarily focused on the touristic market (Morgan et al. 2002).

In the perspective of dematerialisation that we introduced, this passage is quite interesting, since the brand can be described as an intangible asset based on a tangible substrate. In this frame, the need of managing the interrelation between the tangible characteristics of places and the intangible nature of brands emerges as a key issue of place branding (Anholt 2007). At the same time, the limited possibilities of reshaping the "product" in accordance to the brand make place branding quite different from traditional branding practices, leading to an inversion of roles in which the product determines the brand, despite the overall strategic attitude of branding. This is one of the causes of the cosmetic attitude of many place branding initiatives.

Even if the competitive positioning of territories is a complex issue, bound to their long-term heritage and to long-term investments in their tangible and intangible assets (resources, forms of capital, infrastructures), the idea of "competitive identity" as expressed in place branding (Anholt 2007) has often led to operations where design is asked to give shape to the expression of territorial brands through the development of a visual identity (VI). As already noted, in the majority of cases, the approach is cosmetic: the city as a product or brand is assumed with its already existing characteristics, and the attention is primarily focused on building an appealing VI. The typical results of these operations are logos, taglines, communication campaigns, touristic routes with their websites, applications, brochures and signs. In other cases, even if the VI remains a fundamental aspect of place branding, a more profound work of interpretation and of strategic redirection of the brand through long-term operations has been done.

4.1.2 The City as a Space for Creativity

The concept of the creative city (Landry 1990, 2000; Landry and Bianchini 1995) represents a further step in the process of "dematerialisation" of the urban environment. In its more profound vision, it introduces the idea that the new pressing challenges that contemporary cities are rising can be faced only through a leap in the forms and the processes of governance, in which the imagination and creativity of urban actors and stakeholders help solve wicked problems.

The concept of the creative city is underpinned by the idea of an overall shift in the economic paradigm, where the interaction between creativity and culture taking place in urban environments can produce economic benefits (Landry 1990). Nevertheless, if we shift to practice, this wide concept seems to be overlapped and blurred with the transformation of districts where creative activities concentrate or are concentrated. Landry (2000) describes these places as "creative milieus", most often resulting from the conversion of downtown areas, where new communities are located. The combination of "hard" and "soft" infrastructures is the most relevant characteristic of creative milieus: within this frame, the city starts being described as the intersection or juxtaposition of a tangible layer, with its physical features and visual image and an intangible layer, made up of social relations, human interactions and flows of ideas.

To be objective, we should underline the pitfalls and the twofold nature of the transformations that have led to contemporary creative districts: on the one hand, we may see them as cases of revitalisation of deprived neighbourhoods and brownfields through the introduction of new activities in which creativity and culture play a major role; on the other hand, we must recognise that the introduction of these activities and of their related communities may be primarily meant to support real estate operations, in which the increased price of buildings leads to gentrification and social exclusion.

The location of art and design communities, in their expansion from the elite to the mass, has led to many of these twofold urban conversions. This process has been formatted and internationally applied with local variations to give shape to a variety of similar art, design and creative districts around the world. These cases may be more or less successful, but they somehow betray the original idea of the creative city, whose more interesting aspects should be found in the holistic and open perspective on the governance of the city and in the focus on "people's lived experience of cities".

4.1.3   The City as a Space for Services

Services are by far the main economic activity of contemporary cities: citizens themselves require a growing amount of services, and services in general tend to be concentrated in urban and metropolitan areas, where the service economy thrives. Seen from our perspective, services represent a perfect metaphor of the overlap of tangibles and intangibles. Services may be described as processes whose design often implies the concurrent design of tangible artefacts that support people's navigation along the same processes.

The sedimentation, in the last decade, of the concept of the smart city[1] has strongly influenced the recent success of service design as the approach that better fits the need of municipalities to face service innovation. In a period of crisis and a profound renewal of the welfare system, service design is gaining momentum as a methodology capable of supporting the implementation of public services as the result of a co-creation process. In this vision, the design and the delivery of services is a participatory activity that involves citizens, public bodies, businesses and third sector operators in complex forms of interaction, where the traditional distinction between providers and users becomes blurred.

The success of service design in the context of smart cities – and more in general its progressive entrance in the public sector – primarily relies on the suggestion to overturn the conception of services from the dominant paradigm that moves from technologies to solutions to the emerging one that moves from problems to solutions (design thinking approach). Service design, heavily rooted in the tradition of user-centred design – people centred, design led and based on projects – is expected

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[1]At its core, the idea of smart city is rooted in the creation and connection of human capital, social capital and information and communication technology (ICT) infrastructures in order to generate greater and more sustainable economic development and a better quality of life (Directorate General for Internal Policies 2014). In truth, there are many perspectives on smart city: some focus on ICT as a driver and enabler, while broader definitions include socio-economic, governance and multi-stakeholder aspects, such as the use of social participation to enhance sustainability, quality of life and urban welfare.

to bring higher quality to users and providers, new business opportunities and new methods and tools to deal with innovation in the public sector (Design Leadership Board 2012).

The rise of service design in the context of urban development is primarily based on its focus on the quality of interactions and experiences, on its capacity to support the creation of networks involving a wide variety of actors and stakeholders and on the effectiveness of an experimental approach that uses prototypes to assess solutions before any further resources are committed to implementation.

These same characteristics are also sustaining the introduction of design thinking and user-centred design processes in revising the approach to policy-making in cities, integrating a bottom-up perspective into a traditionally top-down process. The emergence of policy innovation labs that are trying to integrate design methods is proof that governments (not only in cities) are waking up to the need to look beyond traditional policy-making and top-down service delivery (Bason 2010, 2014; Burns et al. 2006; Kimbell 2015; Deserti and Rizzo 2015). The multidisciplinary approach characterising these policy innovation labs is slowly overcoming the technocratic perspective: public bodies are realising that there is huge value in bringing key stakeholders and citizens together around issues that matter to and affect them. At the same time, we must observe that – despite the attempts to push for the introduction of a new approach – innovation calls for an overall cultural change, which will surely be slow, incremental and related to the transformation of well-established organisations and practices. In this frame, the introduction of user-centred perspectives and of design practices in the sphere of public services constitutes one of the major challenges to be faced.

4.1.4   The City as a Participated Construct

Born as an approach to the design of technological and organisational systems (sociotechnical systems) that emphasises the active involvement of the users of the system in the design and decision-making processes, participatory design (PD) has been applied to a variety of situations within the context of urban planning and community building, especially during the 1970s and 1980s of the last century.

After a couple of decades in which the prevalence of a strategic perspective has driven attention towards other approaches, today PD is being rediscovered as the most suitable approach to create the conditions necessary to set up innovation ecosystems where citizens and networks of stakeholders can co-produce solutions in partnership with public actors (Bjorgvinsson et al. 2010; Concilio et al. 2014). Researchers in the design field are arguing that contemporary PD should be interpreted in a wider frame and not only looking at the involvement of end users: when contexts are complex, PD is a promising approach to envision and develop solutions engaging with local communities and responding at the same time to the contradictory needs of multiple actors and stakeholders.

This notion of PD primarily refers to the conceptualisation of Ehn (2008) and of Bjorgvinsson et al. (2010), who propose a radical shift from the traditional view of PD that considers the object to be designed as a well-defined product or service, where the final users become active agents or codesigners, to a new definition that sees participation as key to the realisation of long-term partnerships for the sustainability of new collaborative services.

In this vision, both the object and the modes of design are new: from products designed as answers to specifications to services codesigned and co-produced to transform a social context (a city, a neighbourhood, a square, a street) facing unmet social challenges. From this point of view, the novelty that design introduces with respect to the tradition of participation in planning and urban studies (Sclavi 2000) is twofold: on the one end, the notion of design here introduced refers to the capability of constructing partnerships and networks that reside at the core of new services; on the other hand, at the micro-scale, PD is applied to concretely give shape to services and the quality of interaction with users rather than to govern decision-making processes on infrastructures, policies and regulations.

On the basis of this new notion, PD can be described as a complex and highly dynamic process (Deserti and Rizzo 2015) that can be applied to cities to generate public and collaborative services[2] (Baek et al. 2010).

4.1.5   The City as a Complex System

The city as a complex system is a well-established concept, both in studies rooted in the complexity theory[3] and in studies that introduce the concept of complexity without reference to a specific theoretical background. Nonetheless, the evolution of technologies, and particularly of ICT, somehow acted as a game changer: the modes in which different variables and agents interact in urban environments have been profoundly transformed by the introduction of ICT infrastructures and platforms, which multiply the possibilities of interaction among different subsystems and different levels of the same subsystem, making complexity grow.

The main characteristic of complex systems is the interaction of a relevant number of independent variables in interdependent and unpredictable ways. Interdependency with other systems is in fact a typical trait of many of the systems we deal with every day. In this respect, the city may be described as a paradigmatic case. We could more properly call it a "system of systems", meaning that it can be

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[2]Collaborative services possess a set of characteristics that the Study on Collaborative Production in eGovernment (SMART 2010–0075) (European Commission 2012) has clearly described and analysed through 150 cases from across Europe: "Not purely bottom-up (. . .), not all about government data (. . .), applied across all services".

[3]For a critical review of the complexity theories of cities, see Portugali 2012.

interpreted as an overall organism, structured in subsystems that interact with wider systems whose main terminals are concentrated in the city itself. Transportation, work, education, healthcare, etc. are examples of such complex systems which interact with one another and whose terminals are typically concentrated in urban environments. At the same time, we should notice that urban environments do not represent only a setting but also places where new needs and challenges take shape and call for solutions. In other words, some questions may be understood and solved by only taking into account their "urban" dimension: cities, with their peculiar complexity, generate specific problems or attribute specific characteristics or intensity to long-standing transversal challenges.

When operating in complex systems, there's always a thin line between expected results and unintended consequences. Even if this is a typical problem of innovation in general, it may become particularly critical when systems are complex and the linear cause-effect relations are substituted by constant, non-linear changes in which a multitude of variables interact and modify each other. The design and the management of such systems are quite difficult and call for the adoption of new tools and the integration of knowledge across disciplines. As Irene Sanders (2008: 276) put it: *Thinking of cities as complex adaptive systems challenges us to review and revise our current planning, engineering, and design methodologies, which in most cases reflect a more linear, Newtonian worldview*. Even if the necessity to break knowledge silos has been clearly enounced for years, it still seems far from being realised. This is in our view the major challenge for design today and not only with reference to cities: that of being open to dialogue with other disciplines while at the same time being capable of displaying and making use of its own competencies. A challenge that should be overcome in the first place within (a new generation of) designers, before becoming a question of relations among disciplines; interdisciplinarity is in fact a question of revising disciplines themselves. In this sense, the application of design knowledge and practices to the transformation of cities is emerging as one of the most interesting and promising laboratories of multi- and interdisciplinarity, where the integration of different cultures of innovation may be realised. The evolution of some experiences, like that of the Milan "Fuorisalone" that we are about to illustrate, can be seen as clear representations of how the visions of the city that we briefly described coexist and are connected with the steady evolution of the culture of design.

4.2 Milan Fuorisalone: An Exemplary Story of the Relationship Between Design and the City

4.2.1 A Brief History

Milan "Fuorisalone" (literally, outside the exhibition), now renamed "Milan Design Week", is one of the most important international design events, which involves the entire city of Milan in a frenzy of events and installations. Together with the annual

furniture exhibition, it attracts people from all over the world and has become the major business event taking place in Milan.

Born in the 1970s along with a few side initiatives organised during the annual furniture exhibition and held in the showrooms of very few furniture brands, Fuorisalone started growing in the 1980s and had a push in the 1990s.

Initially, some furniture brands started to independently organise presentations of their new collections in their in-city showrooms. In 1991, Comitato Organizzatore del Salone del Mobile Italiano (COSMIT), the organiser of the official exhibition, moved the 30th edition from September to April. To fill the space left open in the calendar in September, the *Interni* magazine launched the first design week, in the form of a set of events for the presentation of new products taking place in a network of in-city furniture showrooms, and published a leaflet that would have become the first guide to Fuorisalone (Cuman 2012). This attempt of creating an alternative and fully autonomous business came to an end after the 2nd edition, when the design week was realigned with the new calendar of the official exhibition, becoming de facto its side event and assuming the name "Fuorisalone".

4.2.2 A Bottom-Up Multifaceted Initiative

Compared to the official furniture exhibition, Fuorisalone was thus born as a bottom-up initiative, characterised by a loose ownership, which drove most of the institutional actors to look upon it as a non-legitimate competitor. Fuorisalone actually appeared from the very beginning as a multifaceted initiative, with a mix of cultural and commercial activities: on the one hand, it hosted the more experimental work of young designers and companies who could not find place in the official exhibition; on the other hand, it took the form of a parallel commercial exhibition in which some of the established companies found it more convenient to use their showrooms or other in-city venues rather than renting spaces in the official exhibition buildings.

Fuorisalone appeared more as a social than a business event: showrooms used to be (and still are) open after hours, offering an "aperitivo" and organising parties, addressing the whole community gathering around the creative professions – and to a growing number of common citizen and visitors – an opportunity to meet, exchange ideas, network and have fun. At the same time, despite its "social" nature, the growth of Fuorisalone as a business was constant. While estimating it is quite difficult, as there are many operators and the borders between the core and satellite activities are quite blurred, the growth of the number of events can give an account of its expansion: where in 1991 there were 50 events with one organiser, in 2015 there were nearly 1,250 events with a multiplicity of organisers.

Today Fuorisalone involves a multitude of subjects, operating in a regime of "co-opetition" (Brandenburger and Nalebuff 1996). This multifaceted nature makes it quite different from the many design weeks that have been established and are being established at a quite fast pace around the world. While most of these events are

"compact" – meaning that they assume the nature of a fair with an official organiser (or at least a structured group of organisers) and a target market, as a model – Fuorisalone is to some extent the opposite of a fair: there is no official organiser (nor many official organisers), no brand (nor many sub-brands) and even no official name (nor many official names for the different sub-brands).

4.2.3 The Relation with the City

The engagement of the city is a key characteristic of Fuorisalone. Milan is not only the setting of the event but also its motor. Fuorisalone depends on the city, but at the same time, it acts on it. In this sense, Fuorisalone is at the same time a representation and an occasion of transformation of the city: an agent that provokes transitory and permanent changes. The areas where it takes place are temporarily transformed by the events, which have a visible impact on the tangible characteristics of the interior and exterior spaces, the number and kind of people visiting the spaces and the intangible atmosphere resulting from the interaction between people and spaces.

The different areas, with their identities and vocations, work as a stage, but the events and the installations turn them into something different. The locations assume a peculiar atmosphere that makes them special and attractive, allowing many hidden places ready to be discovered not only by the growing number of foreign visitors but also by the citizens themselves.

Discovery is actually a fundamental element of Fuorisalone's value proposition, as the unveiling of new products and design trends goes along with the unveiling of spaces. The scattered geography of the events, the difficulty in finding places, the crawling of crowds between different districts, the awareness that seeing everything is simply not possible, the emotion of just stumbling into something unexpected and the pleasure of getting somewhere due to word of mouth are all elements of the Fuorisalone experience.

An interesting aspect is the relation between the transitory nature of the event and the long-term change of the city. The transformation that Fuorisalone brings is not only temporary: its presence has contributed to building an overall imagery on top of some of the areas where it takes place (and actually on top of the whole city), which becomes the actor of their long-term change and appropriation by the expanding creative communities.

This phenomenon is not original per se, as it has taken place in other cities around the world in connection with operations of urban renewal and branding (Anholt 2007): where creative communities have sometimes been used as largely unaware actors in valorisation processes of real estate, often leading to gentrification and the expulsion of the vulnerable social classes (Cameron and Coaffee 2005). Even if we may recognise some of these negative effects in the case of Milan, what happened with Fuorisalone and the creation of the Milanese design districts is quite far from other much more "artificial" processes of transformation of contemporary cities. In the case of Milan, the construction of the design districts was based on

a real vocation of the city, historically acting as a strategic knowledge hub for a wide system of manufacturing clusters located in the Lombardy region and in the whole country (Maffei and Simonelli 2002). The city's districts build on this overall character and on their specificities: some are more bourgeois, residential and commercial; others have a more ex-industrial and now tertiary identity. Not only do the operators managing events in these districts act as competitors, but the same could be said about the districts themselves as collective entities: each district fights its way to become the "place to be" in the next edition of Fuorisalone. This perspective is in line with some already described characteristics of urban development, where single areas within the same city may be seen as competitors (Mäding 2006), or as actors that operate in the already-cited regime of co-opetition.

4.2.4 The Transformation of the City

Fuorisalone is actually configured as a multicentre event, taking place in different districts and locations, whose geography is in constant evolution. New entrants challenge the established organisers, districts and locations: each of them tries to develop its own value proposition and identity, based on the vocation of the territory and on the specificities and capacities of the organisers.

The background of the organisers largely hails back to design culture and integrates skills that are in constant evolution. Their modes of action provide a lively representation of how the different visions of the relationship between design and the transformation of the city coexist and interact with each other.

Initially, the main players were specialised design magazines, such as *Interni*. Their business model (Perkmann and Spicer 2010; Teece 2010) was based on the synergies made with their publishing activities: they edited, printed and freely distributed to visitors a pocket guide of the events, through which they could sell advertising spaces to the exhibitors, from a simple citation to a more visible presence in the guide. At the end of the 1980s, when a few new entrants started publishing alternative guides, *Interni* put together its publishing activity with the organisation of events or rather expressions of a direct cultural presence in the form of installations in public or semipublic spaces that after a few years found their stable venue at the cloisters of the University of Milan. To these actors, Fuorisalone represents a form of diversification of the core business and a way of creating value by leveraging the event and its international fame. The dynamics of business diversification through brand management and their connection to the exploitation of the overall brand of the city through "unofficial" forms of co-branding can be easily retrieved in the characteristics of the business model of these operators. In the first step of the evolution of their business model, they tried to create sub-brand architectures or "branducts", exploiting their guides and registering umbrella brands for the whole Fuorisalone (such as *Interni*'s "Milan Design Capital"), interpreting the city as a brand to be developed and exploited. Today they exploit Fuorisalone as a lever for their core business and – due to the crisis of the traditional publishing

industry – as a means to enter the field of event planning and management, as a promising side business where they can exploit their network of relations and integrate their core knowledge on publishing and advertising. In this direction, we can interpret also the entrance of foreign players such as Wallpaper.

Other organisers come from the communication design field: Fuorisalone is at the core of their business, and they exploit it primarily by creating area brands on top of which they can build an integrated offering of services. In this case, the design and the offering of services becomes the core business, but place branding is still a relevant initial asset. The brand of the organiser tends to be invisible, or to appear with a lower level of visibility, while all the branding strategies and operations are focused on branding the areas of the city that they "control". We can take Studiolabo – the business entity behind fuorisalone.it and Brera Design District (run by two graduates in design at Politecnico di Milano) – as the benchmark of these kinds of companies. On the one hand, Studiolabo operates as a media company. In this branch of the business, revenues come from the sales of advertising spaces in multichannel media platforms, in a variety of formats for all the digital media and the printed guides to the events: these spaces may be part of the offering to the sponsors, but may also be sold as separate packages, as done in media broadcasting and in traditional publishing. On the other hand, Studiolabo operates as a service design company and as an intermediary in a multisided market (Caillaud and Jullien 2003; Rysman 2009). The difference compared with the traditional business model of a fair, where the venue is conceived from the very beginning to host the business, is that here the transactions require a much more complex operative structure. In the majority of the cases, locations do not belong to the organisers, nor do organisers control just one big venue that can be subdivided and allotted. In many cases locations are spaces normally hosting other activities that can be temporarily used to show products and installations. The variety of these spaces is impressive: local shops, factories and warehouse converted into tertiary spaces, small laboratories, private houses, bars and restaurants, hotel lobbies, institutional venues, public squares, etc. While for some of these spaces there might be a direct relation between the owner and the exhibitors, in the majority of the cases, the organisers provide an intermediation service, whose importance has grown in correspondence with the progressive internationalisation of the exhibitors. This service, even if theoretically similar to that of a fair, requires much stronger networking skills and the capacity of showing the potentialities of the locations to faraway prospect clients. Due to these peculiar characteristics, it has taken the shape of a side business, run through digital platforms (a typical character of two-sided business models), such as Milano Location and Brera Real Estate for Studiolabo and Tortona Locations for Tortona Design Week. In all these cases, the business involves and exploits local resources and is based on the capacity of creating networks and partnerships to co-produce value.

The co-production logic is often at the core of the modes of value creation: for example, fuorisalone.it was conceived from the very beginning (before the era of social media) as a crowdsourcing platform, where independent "design

enthusiasts" – primarily young designers and students of design schools – were engaged as reporters to cover the many scattered events, feeding the platform with live updates and reports of what was happening.

One of the relevant issues that these organisers face is that of "unseasoning" their business, making the event live throughout all the year. Pursuing this goal, operators like Studiolabo concretely act on the city in order to tangibly and intangibly transform the urban areas where their events are located into permanent locations for the design activities, enforcing and speeding up the spontaneous long-term transformation of those areas into design districts or into privileged locations for the cultural and creative industries. This strategy is quite well expressed in the Brera Design District's tagline "The best of design all year round". Concretely, this means on the one hand finding permanent locations and on the other hand organising activities beyond Fuorisalone.

4.2.5   The Spin-Off Activities

Another interesting phenomenon is that of the spin-off activities and businesses. Fuorisalone has a relevant direct impact on the economy of the city, but it is also the driver of specific initiatives that build on the presence of an enormous number of visitors and on the mobilisation of people during the design week. Among others, we can describe Elita as a paradigmatic case. Born as a non-profit association organising a music festival during Fuorisalone, Elita has subsequently created a for-profit entertainment company, organising the Design Week Festival and launching side initiatives, such as the ExtraSmall designer's market and – again in the perspective of "unseasoning" the business and of leveraging on the community – the Elita bar, a permanent place for the gathering of the creative community. It is interesting to note that the Elita Design Week Festival, although different in what is shown, assumed the same networking and pervasive character of the other Fuorisalone events: initially (and still) headquartered at Teatro Franco Parenti, it is expanding throughout the city involving a growing network of music clubs.

4.2.6   The Relation with the Institutional Frame

Another interesting aspect is the interconnection of single operators and of their specific business models with the institutional frame.

From a historical analysis, it is clear that Fuorisalone was largely built outside institutional boundaries. In this, the difference with most of the design weeks popping up all over the world is huge. Apart for some sponsorship and other minor efforts, local institutions did not play an effective role for years and simply observed the surging phenomenon. At a certain point, it became so huge that it was simply

impossible to not take stock of it, but still the competition between the official exhibition and the independent Fuorisalone was a barrier to an explicit institutional support. Today – since all the players realised that they are not only competing among themselves but also in the much larger international arena – institutions are actually trying to support Fuorisalone as a fundamental element of the overall value proposition of the annual furniture exhibition and as one of the elements of qualification of the city of Milan as the major international design hub. The Milan municipality, as well as other public institutions, is thus trying to smooth the bureaucratic processes behind its realisation in order to foster cooperation between the multiplicity of actors involved and to combine the official fair and the "unofficial" Fuorisalone into a single value proposition. In all this, the umbrella brand "Milan Design Week" is still much weaker than the single sub-brands that it is supposed to cover, to the point that the umbrella brand itself has a name but not a defined visual identity nor a subject really taking control of it. This is leading to a quite complex process of negotiation and alignment: due to the ways in which Fuorisalone took its current shape, institutions seem to be aware that the alignment of the whole system cannot be taken in the perspective of its management, but in that of its governance.

4.2.7   The Twofold Role of Design

In all this, design plays a twofold role. On the one hand, design is the content of the exhibition: it is what is shown and what people come for. On the other hand, design is the intangible culture behind the event (Julier 2013): it is the knowledge that gives shape to the event as it is. In this sense design is intended in its larger meaning: a culture expressing or underpinning a special way of doing things. Design is a fundamental character of the culture of Milan, which may be retrieved at all the levels in which the culture of organisations has been articulated: visible artefacts, explicitly espoused values and invisible underlying assumptions (Schein 1999). Design permeates the city, with its visible pervasive presence, but also with its invisible processes, values and beliefs. The evolution of Fuorisalone, and the transformation of the city that it brought both at the tangible and at the intangible levels, can be thus described as led by design thinking (Brown 2009; Lockwood 2009) and culture (Deserti and Rizzo 2014; Concilio et al. 2014) as pervasive characters of the city.

Design is also the engine of innovation of the event. Its unique competitive positioning in the international markets builds on design-driven innovation (Verganti 2010), or else on the combination of technological innovation (in particular an advanced use of digital technologies and platforms) with an innovation of meaning, based on the specificity of the cultural environment in which the event takes place and on its relation with the material substrate of the city.

4.2.8 Conclusions

The modes of operation of Fuorisalone may be described as similar to those of an industrial cluster. The phenomena of cooperation, competition, innovation, imitation, knowledge creation and exchange are actually the same that have been described in industrial clusters (Porter 1990). The transformation dynamics of Fuorisalone in its steady internationalisation process are also similar to those observed in industrial clusters during the globalisation of competition: networks remain anchored to their local core but become much larger in their geographical base, while competition becomes international, calling for the capacity of connecting a situated know-how with international markets and the local culture with the global trends. Fuorisalone, and actually the whole design network underpinning it, works as a tertiary district characterised by an intense interaction of actors: operators cooperate, compete, innovate and imitate each other, advancing overall knowledge and generating value.

The mix of culture and business resides at the base of its value proposition, but at the same time, it poses a dilemma to the organisers, challenging the business's sustainability. Visitors are in search of a different experience than the one that they can have at the commercial fair: experimental designs, perspectives on new trends, emotional installations and relaxed networking. Organisers must provide all this, but they have to find ways of making it economically viable: they manage the constant tension and trade-off between being commercial and incrementing revenues and being experimental and cutting-edge. This tension may be interpreted as mostly similar to that occurring in organisations striving to combine exploration and exploitation (Martin 2009) or to manage product portfolios where sheer economic performances must be combined with other ratios. The organisers of Fuorisalone – typical design-driven companies – can be described as ambidextrous organisations (March 1991), as they must combine the capacity of constantly innovating their offering with that of honing processes to create conditions of efficiency for economic exploitation. In this sense, Fuorisalone itself paradigmatically represents some of the unvarying dilemmas posed to design, while its evolution describes the constantly changing ways in which they can be faced, and reflects the profound transformation of the ways in which design is applied to cities or, vice versa, of the ways in which design can contribute to the transformation of cities.

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