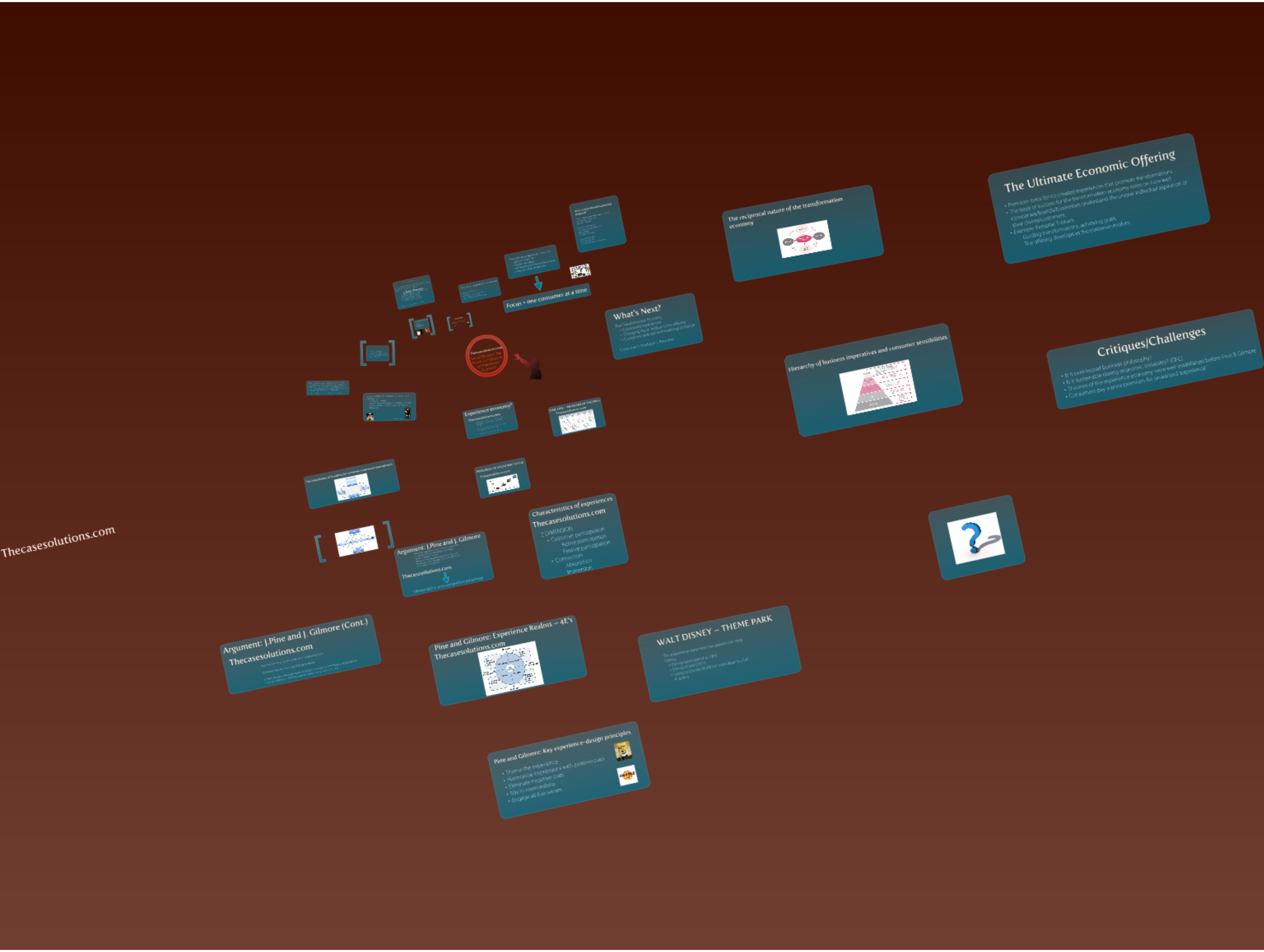


The Ultimate Economic Offering
Example: Personal Trainers
Guiding transformations, achieving goals
The offering develops as the customer evolves
The reciprocal nature of the transformation economy
What's Next?
Focus = one consumer at a time
Hierarchy of business imperatives and consumer sensibilities
Critiques/Challenges
Is it over-hyped business philosophy?
Is it sustainable during economic instability? (GFC)
Theories of the experience economy were well established before Pine & Gilmore
Consumers pay a price premium for unwanted 'experience'
Experience economy?
Thecasesolutions.com
Characteristics of experiences
Thecasesolutions.com
2 DIMENSION
Customer participation
Active participation
Passive participation
Connection
Absorption
Immersion
Argument: J.Pine and J. Gilmore
Thecasesolutions.com
Differentiation and competitive advantage
Argument: J.Pine and J. Gilmore (Cont.)
Thecasesolutions.com
Pine and Gilmore: Experience Realms – 4E's
Thecasesolutions.com
WALT DISNEY – THEME PARK
Disneyland opened in 1955
Disney World (1971)
Pine and Gilmore: Key experience-design principles
Theme the experience
Harmonize impressions with positive cues
Eliminate negative cues
Mix in memorabilia
Engage all five senses
Thecasesolutions.com

Thecasesolutions.com

Secret Recipes: The Power of Culture in an Experience Economy

Experience economy?

Thecasesolutions.com

Experience Economy is an economic offering, that has emerged as the 4th stage in the economic evolution.

It refers to a structural change in our economy that has been going on in the last decades.

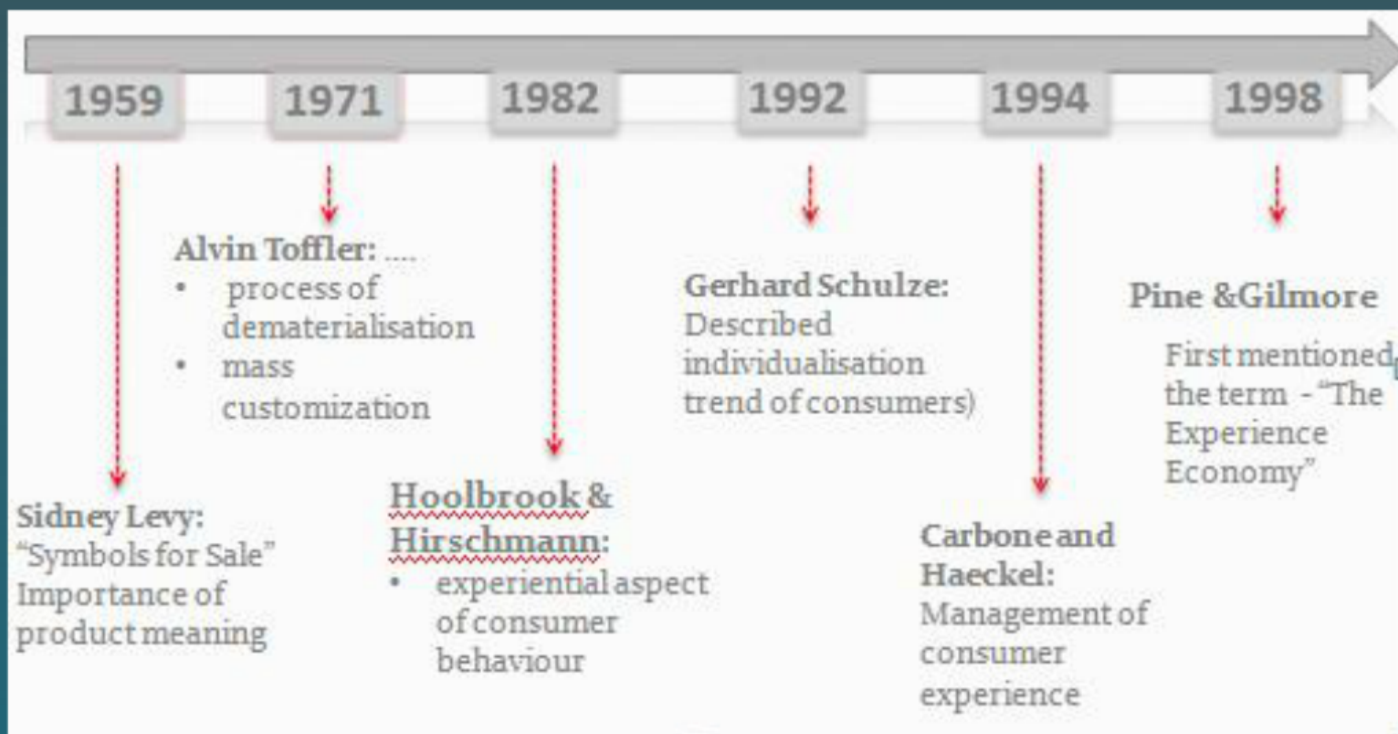
Term was first described by Pine & Gilmore

PROGRESS OF ECONOMIC VALUE

Thecasesolutions.com

TIME LINE – PIONEERS OF THE IDEA

Thecasesolutions.com



Argument: J.Pine and J. Gilmore

Refer to experience as a new source of value creation
Customer need to perceive experiential value
Quality of goods & services
Interactions with people and places (co-creation)
Experiences need to be seen as distinct offers (not in combination with services)

Differentiation and competitive advantage

Argument: J.Pine and J. Gilmore (Cont.)

Experiential value can be added to all types of product

Customer need to be charged for experiences

In the Experience Economy every business is a stage an therefore work is a theatre
(Pine and Gilmore, 1998) (in experience economy book on p. 53)

Characteristics of experiences

2 DIMENSION

- Customer participation
  - Active participation
  - Passive participation
- Connection
  - Absorption
  - Immersion

Pine and Gilmore: Experience Realms – 4E's

Thecasesolutions.com