



The reciprocal nature of the transformation economy

The Ultimate Economic Offering

- Premium price for co-created experience that prompts transformation.
- The field of success for the transformation economy relies on how well consumers/brands continuously understand the unique individual aspiration of their clients/customers.
- Example: Festival Ticketing
- Goaling transformation's achieving goals
- The offering develops as the customer evolves.

What's Next?

The transformation economy

- Changing how we work
- Changing how we play
- Changing how we live
- Changing how we learn
- Changing how we connect
- Changing how we create
- Changing how we consume
- Changing how we experience

Hierarchy of business imperatives and consumer sensibilities

Critiques/Challenges

- It is over-hip and business philosophy
- It is unsustainable during economic instability (GFC)
- Theories of its emergence already were well established before Pine & Gilmore
- Consumers pay a price premium for personalized experience



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

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Pine and Gilmore: Experience Realms - 4E's

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WALT DISNEY - THEME PARK

The experience economy has dated since 1955

1955

- Disney's first theme park
- Disney's first theme park
- Disney's first theme park
- Disney's first theme park

Pine and Gilmore: Key experience-design principles

- Transmute the experience
- Harmonize experience's with positive cues
- Differentiate experience
- Track its memorability
- Engage all five senses

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Re-Imagining
Crotonville:
Epicenter Of GE's
Leadership Culture
(B)

Experience economy?

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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

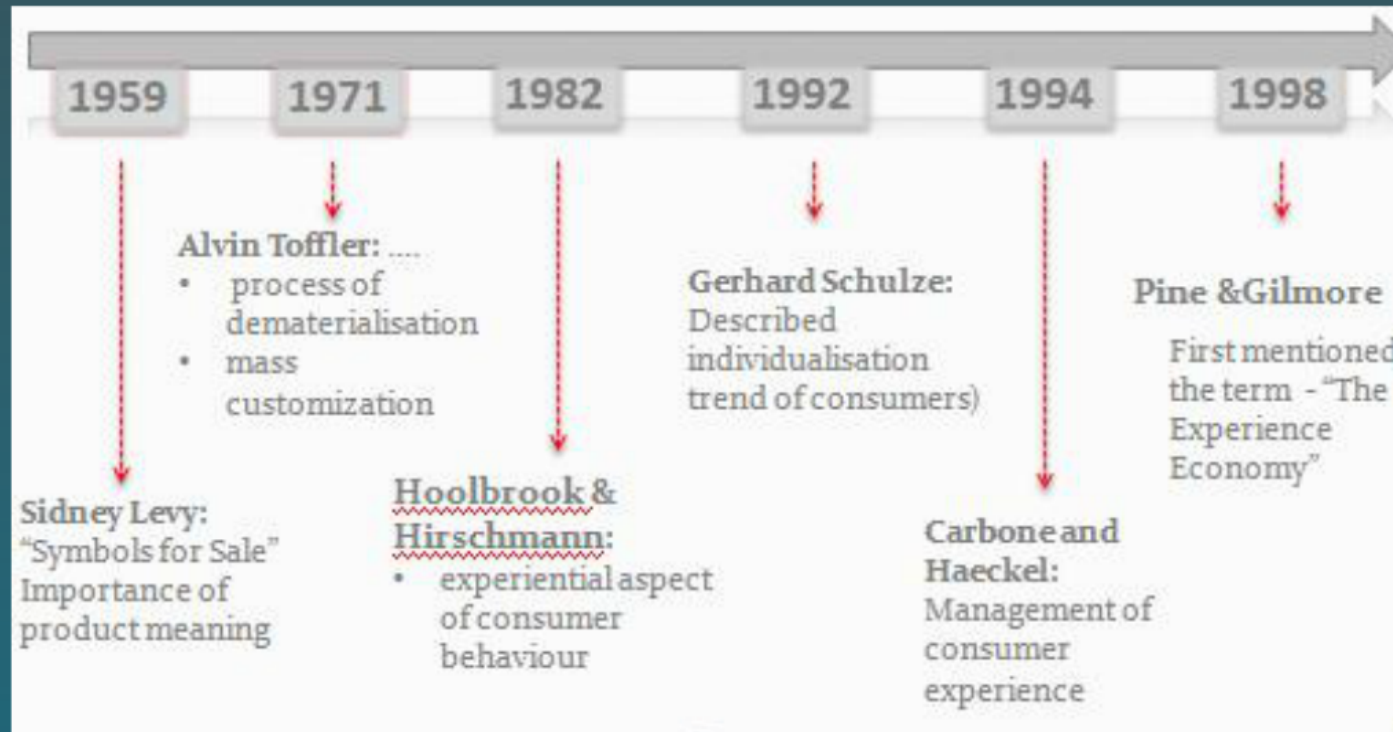
PROGRESS OF ECONOMIC VALUE

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TIME LINE – PIONEERS OF THE IDEA

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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)

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Differentiation and competitive advantage

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

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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 and therefore work is a theatre
(Pine and Gilmore, 1998) (in experience economy book on p. 53)

Characteristics of experiences

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2 DIMENSION

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

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