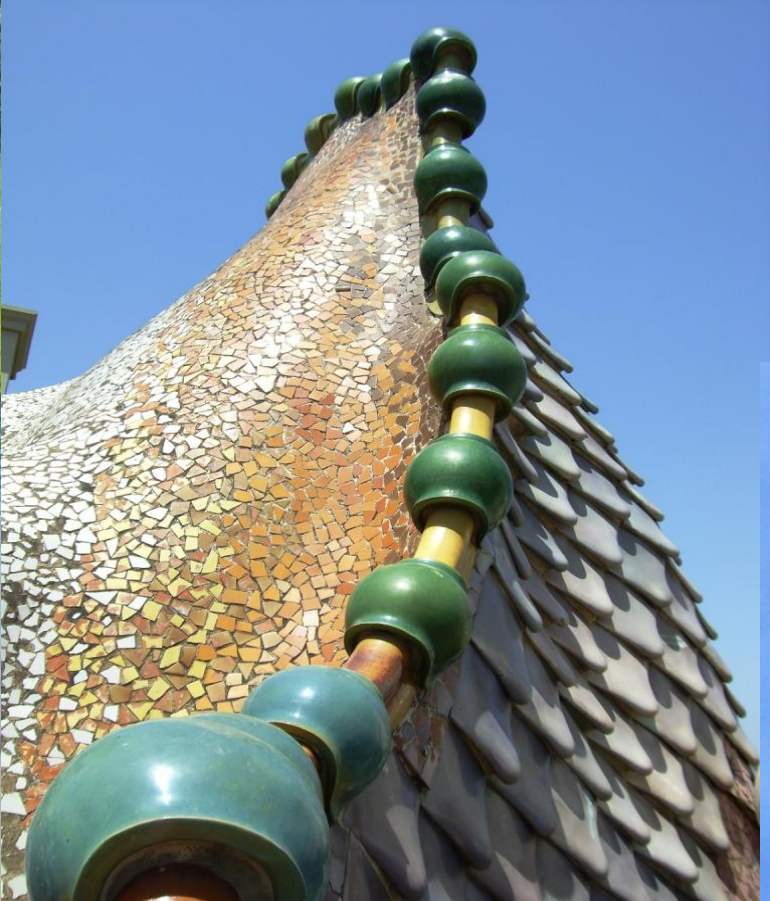
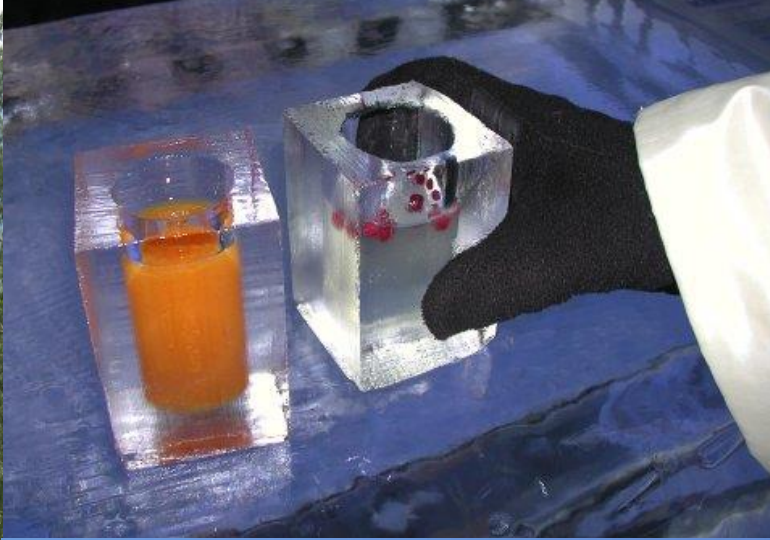




Experiences as economic offerings

- The co-creation of experiential value

Économusée Network Conference - 15 October 2017
- SUSANNE H.G. POULSSON // Amaze AS





The Experience Economy



*Work Is Theatre &
Every Business a Stage*

B. JOSEPH PINE II
JAMES H. GILMORE

The Experience Economy

Pine & Gilmore in *"The Experience Economy"* (1999):

- Experiences is its own separate category, as different from services as services are from goods.
- "Experience economy, a new economic era which all businesses must orchestrate memorable events for their customers that engage each one of them in a inherent personal way".
- **If Services and Experiences are different, so what?**
- **How does the difference matter?**

Services vs. Experiences

Services:

- Does something for you
- A means for an end
- Utilitarian value
- ***Customer must invest money***

Experiences:

- Does something to you
- A goal in itself
- Hedonic value
- ***Customer must invest not only money, but also time and effort, and have to be both physically and mentally present to have a experience***
- **Experiences always require CO-Creation. Consumer/provider interaction**

Experiential value

Experiential/hedonic consumption

Pleasure based consumption

- Pleasures of the body
- Pleasures of the mind

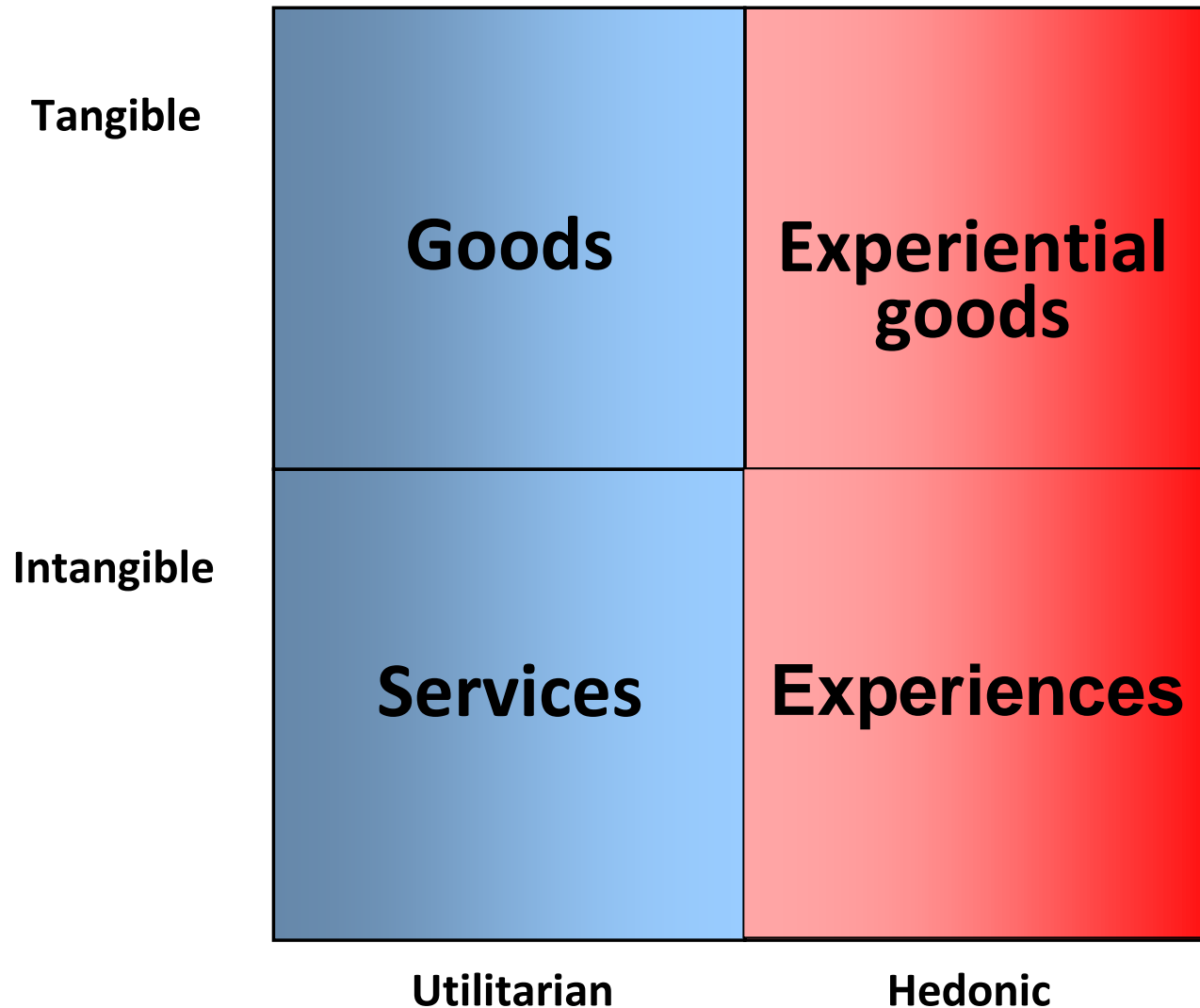
How has the economy changed?

The economy - used to be about securing the "daily bread" of mankind, providing for food, housing, clothes - **physical needs**

The economy now – is increasingly hasting to be catering for emotional gratification as well - **physiological wants**

-The economy has shifted from producing tangible goods in fields and factories, to triggering emotions in the consumers heads.

The Richer Matrix



Experiences as Economic Offerings

Definition:

*Experience offerings provide **access to staged stimuli**, intended to evoke sensations and emotions that interact with the consumers and their subjective membranes to **co-create experiential value** in the form of Fun, Flow and Magic Moments.*

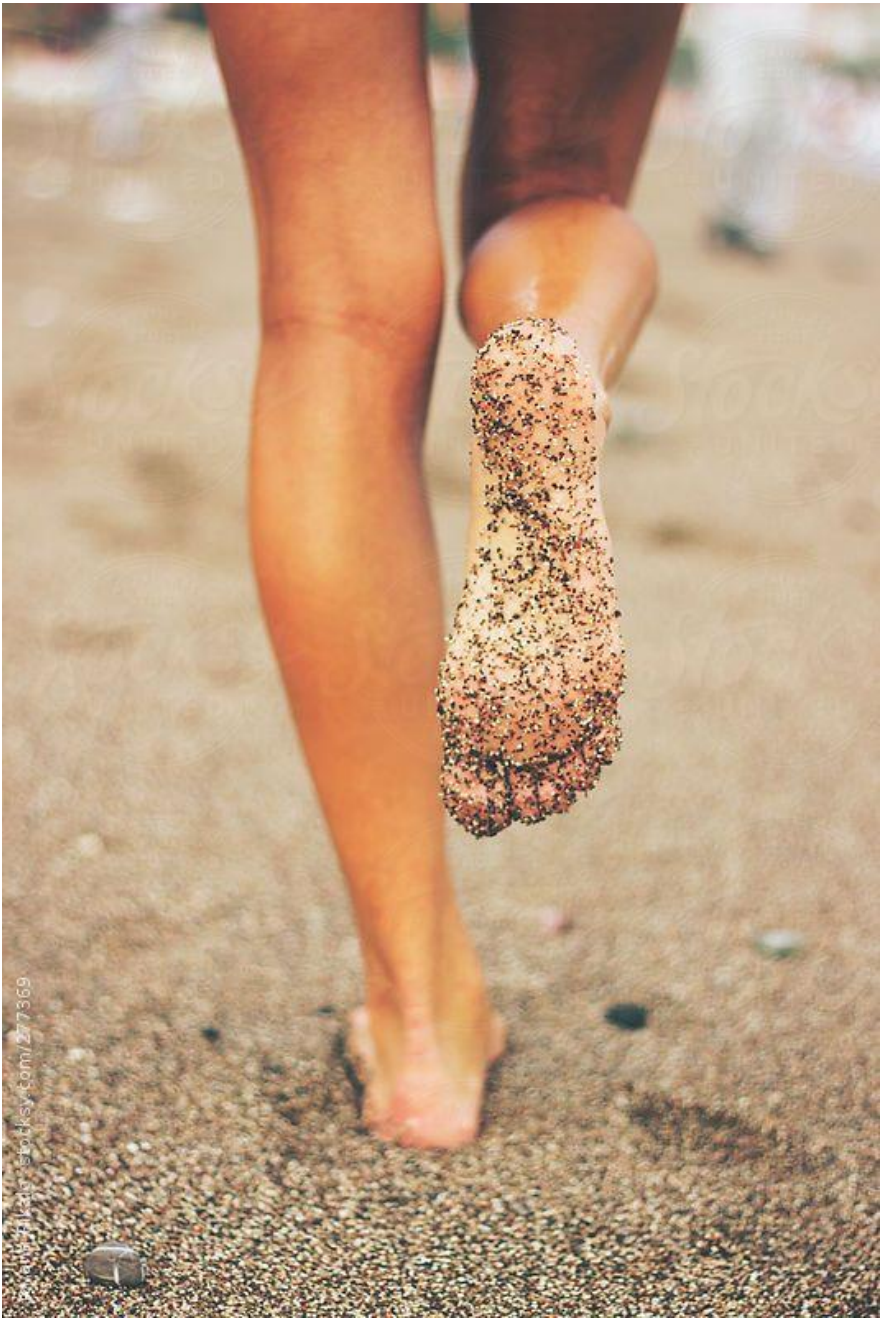
How to capitalize on cultural content

- Charge for the entry to access facilities/activities/objects
- Merchandise/souvenirs/spin-off
- Restaurants, cafés, accommodation

Économmusée - Artisan content = core product

Stage and dramatize the content - package and promote it

-to make the core product more accessible and valuable to more consumers







FOR THE CLIMB OF YOUR LIFE!™







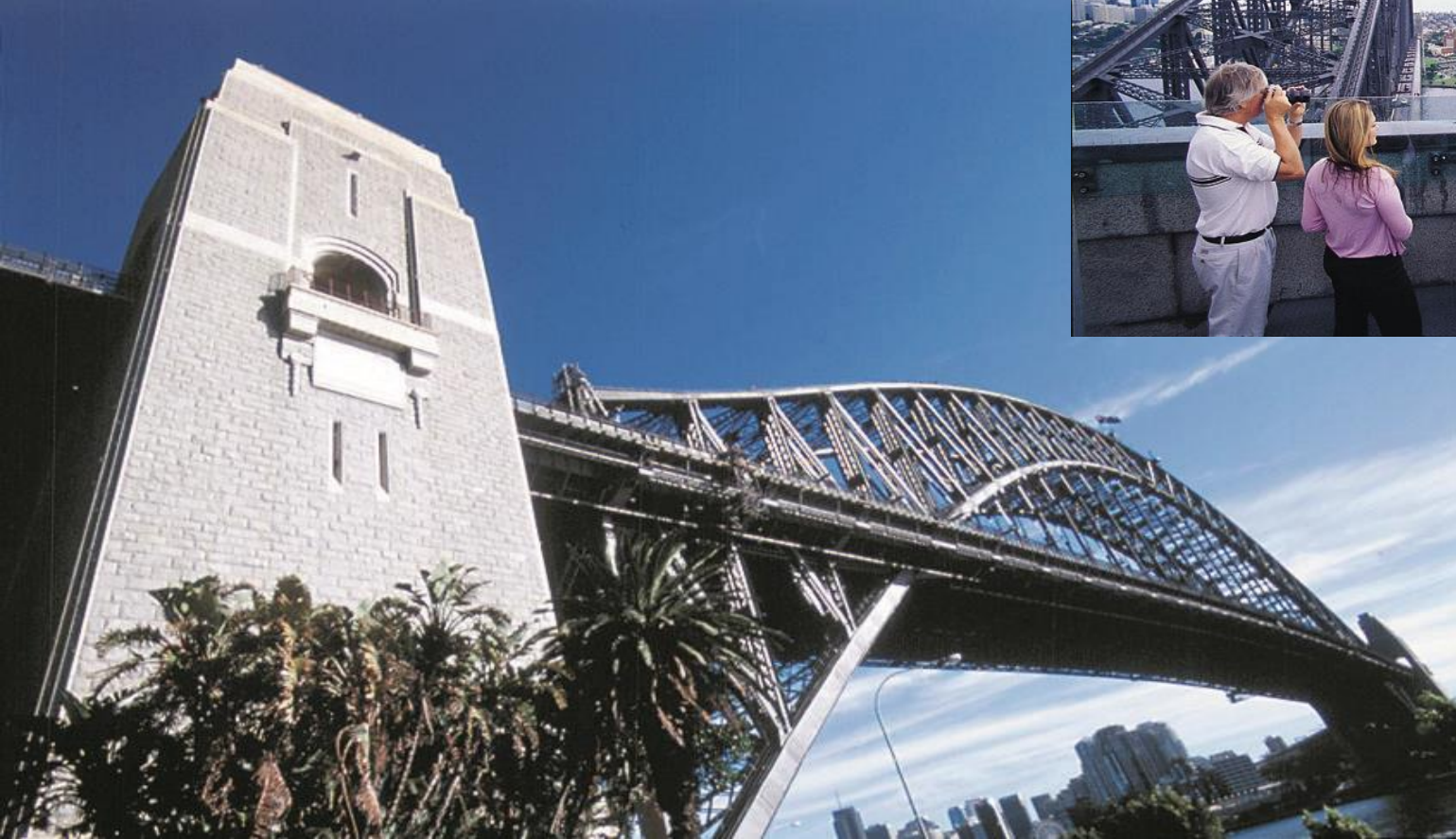




Bridge Climb

- - Paul Cave - Entrepreneur
 - - Opened in 1998
 - - Necessary to pre-book
 - - Operation hours: Dawn to dusk + /365
 - - Runs in all types of weather
 - - Duration is 3 hours
-
- Ticket prices: Typically +/- 330 AU\$
 - Number of visitors: 3+ millions

Pylon Lookout





Drivers of the Experience economy:

Affluence

Technology

A more individualized society / self realization

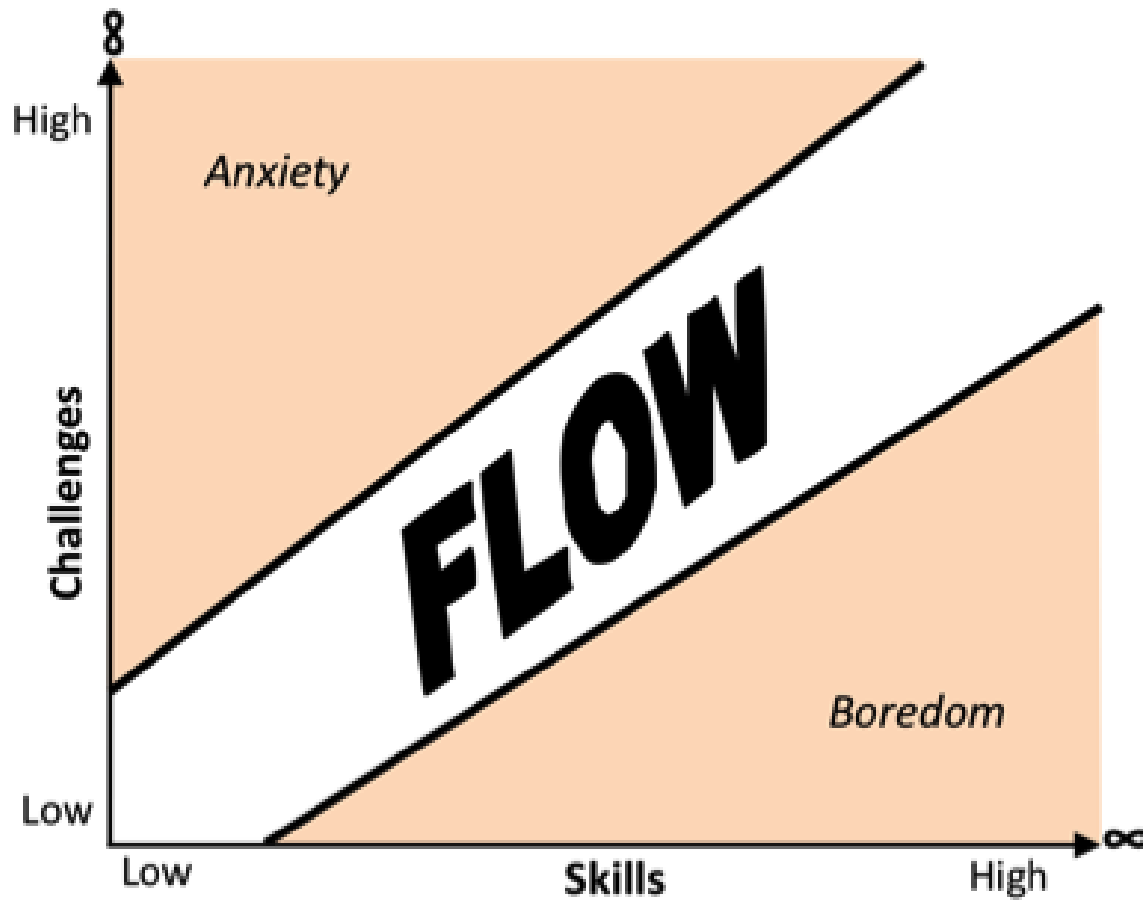
A more secular society

Post-modern man









Flow Model: Mihaly Csikszentmihalyi - 1990

Co-Creation

*Customers are always co-creators of value,
co-creation is vital for value creation in all
types of products* (Prahalad and Ramaswamy 2004; Vargo and Lusch, 2004, 2006)

Is it always positive for the customer to have to participate in creating a product? Or does it depend?

Customer Participation

Co-Production vs. Co-Creation



Customer Participation

Co-Production

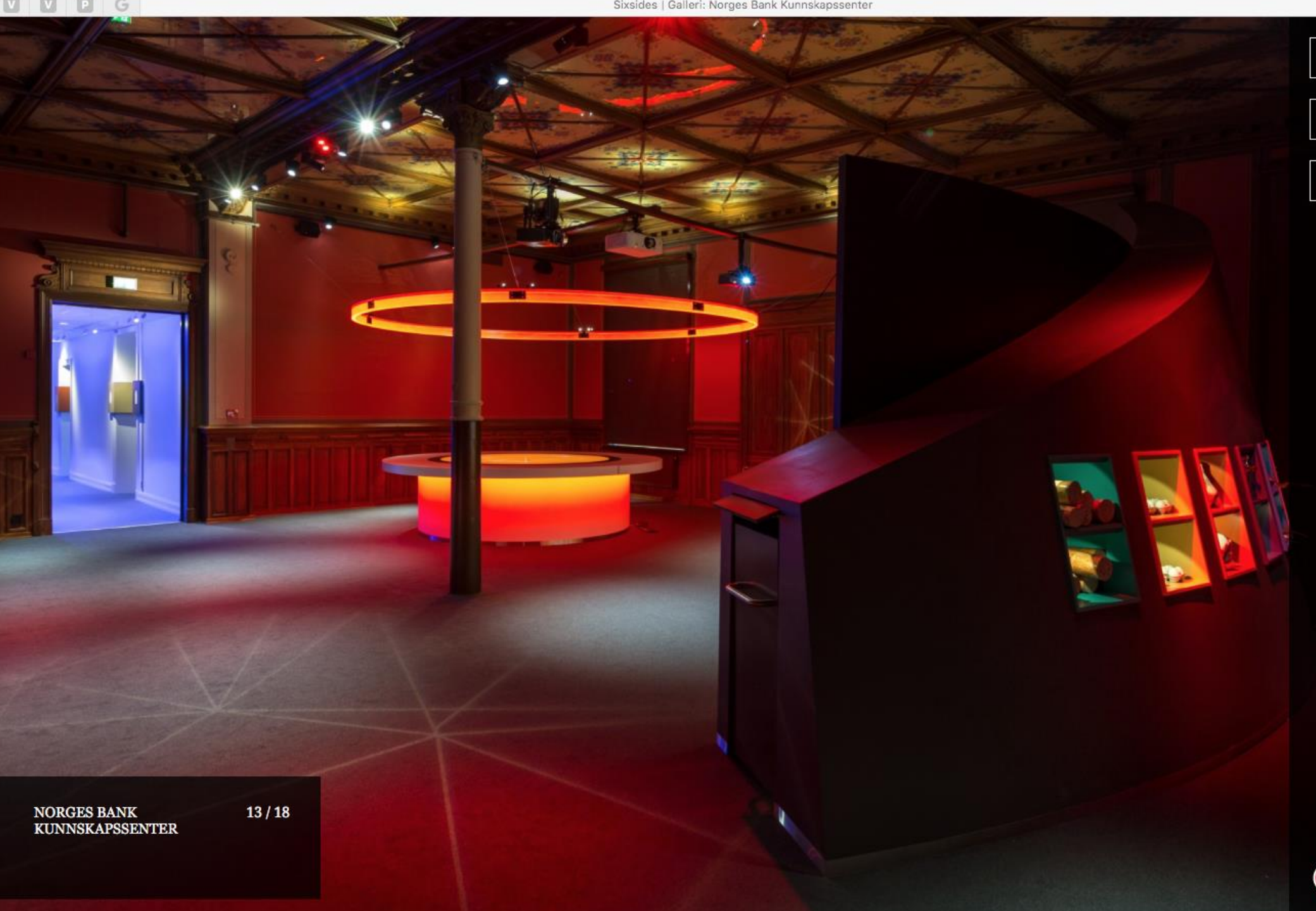
-Company cuts costs/shift **burden** to consumers who have to make use of their own time and effort to get the product.

Co-Creation

-Company adds value by involving **consumers** in active participation, so that the time and effort the consumer puts in, corresponds to the intensity, impact and overall enjoyment had from the consumption event.













- It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change.*



Sorting into groups

There are many ways to organise things. But while there are no correct or incorrect ways of **classifying** them, some are more useful than others.

Would you sort these by age?
Shape? Colour? Beauty? Value?

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Patterns of life

Scientists start by looking for similarities and differences. Grouping **organisms** like this helps us work out which species are most closely related.

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What's in a name?



s Great and Small

larke,
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ation about our events visit:
m.ac.uk/naturelive



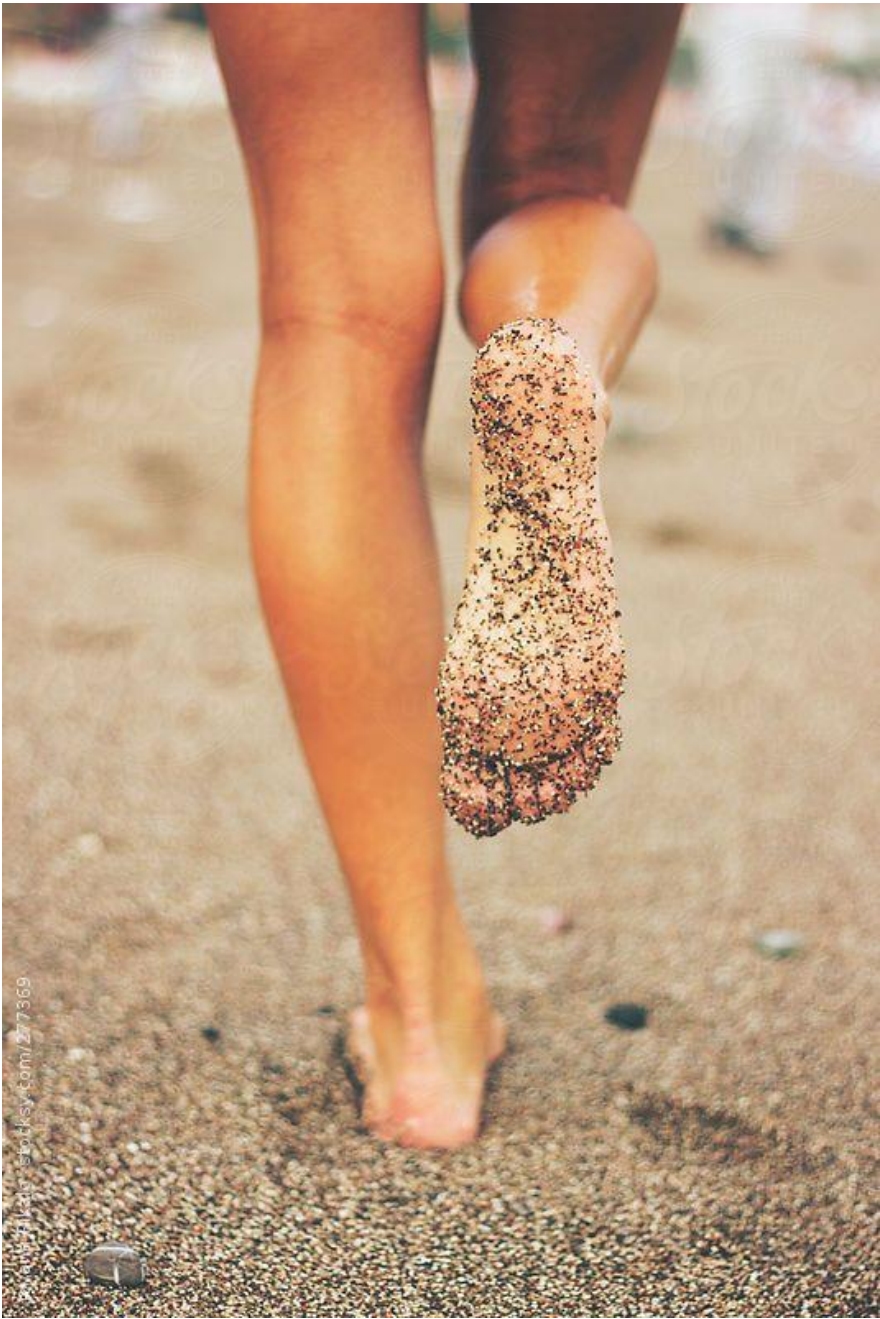
Zoology Department

For more information about our e
www.nhm.ac.uk/naturelive



New Trends... in the leisure industry

- More interactive experiences
 - High tech - **but also high touch!!**
 - Closer to the action/more up close and personal/behind the scenes
 - Differentiating the product/offering with a range of add-on options.
- *To get visitors to spend more money while in their facilities – and to be happy for having done so! 😊*



Staging the Experience

LOGISTIC	FORM	STRUCTURE
Pulsed/Continuous inlet	Originals	Random
Set route/Free flow	Copies	Theme based
Self directed/Guided	Models	Category/Hierarchy
Individual/Group interaction	Abstracted	Chronological
Visible/Hidden technology	Dramatized	Narrative

The Star Experience Model



7 Triggers for Experiential Value

1. Sensory
2. Novel
3. Challenge
4. Interactive
5. Suspense and surprise
6. Storytelling
7. Social

Advantages of Ecomuséums

- Luxury/quality products, that are sensory rich and taste/smell/feels good, are beautiful and aesthetic
- Products made on site
- Facilities/workshops
- Artisan/Employees with expertise and practical know-how on the products
- Authentic – Historical roots/local origin
- Disadvantages?

Thank you...



- E-mail: susanne@amaze.no
- Phone: (+47) 45 48 70 40









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WARNING
This is a sharp object. For your protection, please
do not touch the sharp object.

**Absolutely
No Standing
or Kneeling
at Any Time**

Dec
of
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Star Experience Factors

Ths 7 facors are main the triggers that evoke and increase experiential value

Sensory: evoke and intensify consumers' experiential value

Novelty : particularly in combination with familiarity; a new twist on an old favorite etc.

Challenge: as in tasks that is perceived as hard to accomplish but achievable

Interactivity: participation, being able to influence and receive feedback on performance

Suspense and Surprise: created through the building and breaking of expectations

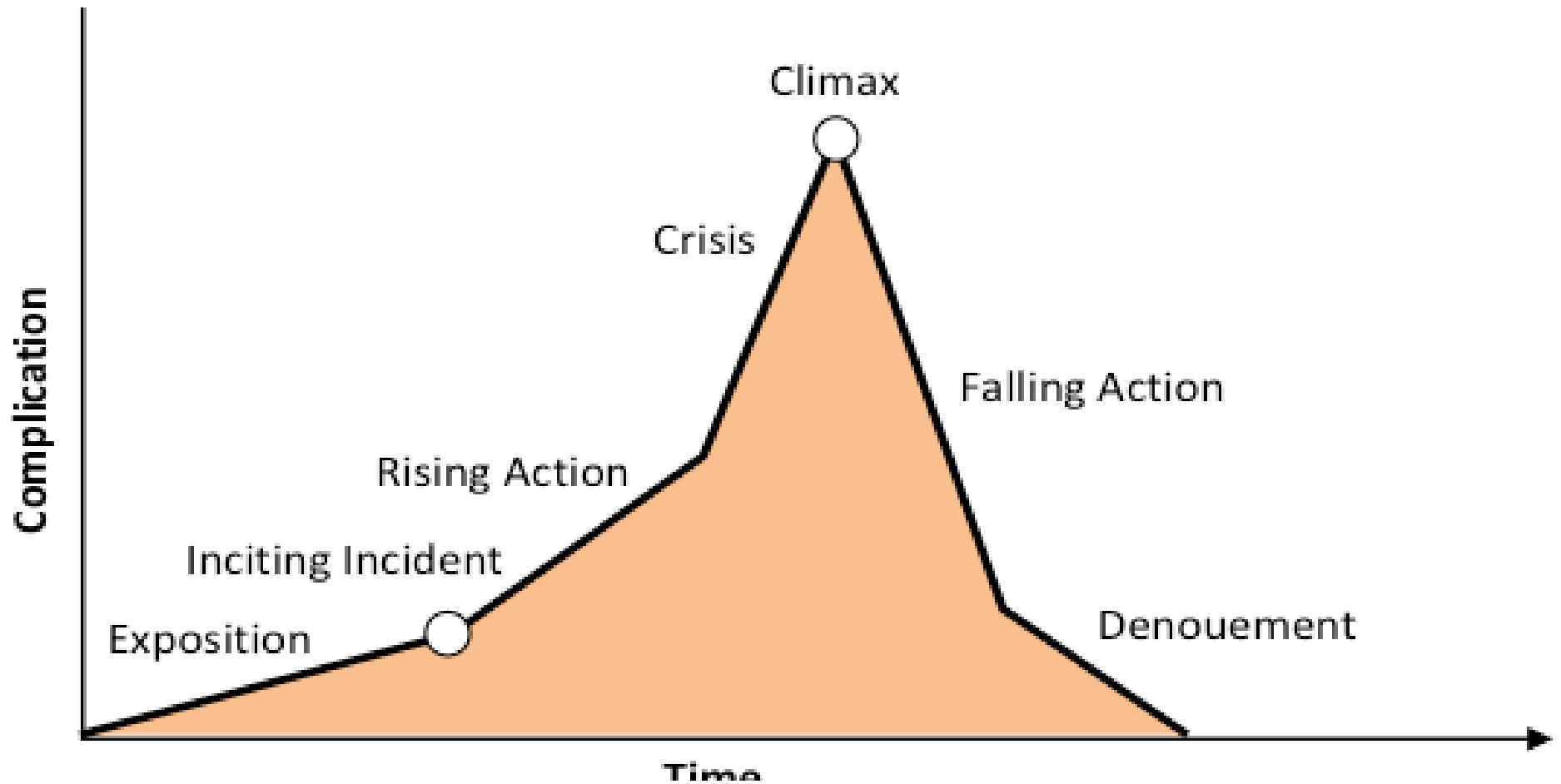
Elements of Storytelling: content given a narrative and/or dramatized structure

Social aspects: such as social interaction, sharing and a sense of belonging to a group

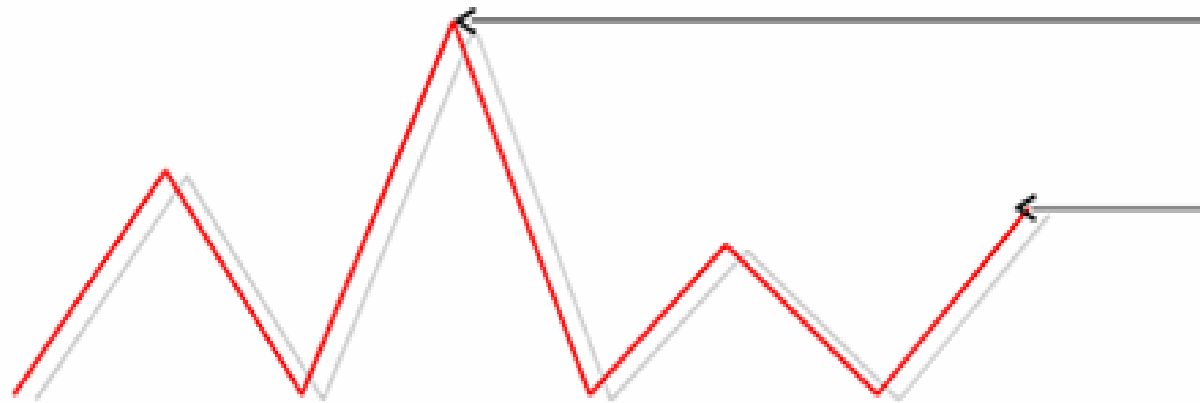
Co-creation of Experiential Value

- Experiential value is evoked by (a provider's) external stimuli, inducing a subjective experience to arise in the consumer
- Experiential value is subjective in so far as it is filtered by and occurs in the person consuming it. It is not the particular stimuli in itself, but each person's "**subjective membrane**" that is decisive for whether the stimuli will be suitable and able to arise experiential value in the consumer
- Experiential value is always co-created because there always has to be some content provided, as well as a subject that is physically and mentally present to interact with and react to the content, for experiential value to result.

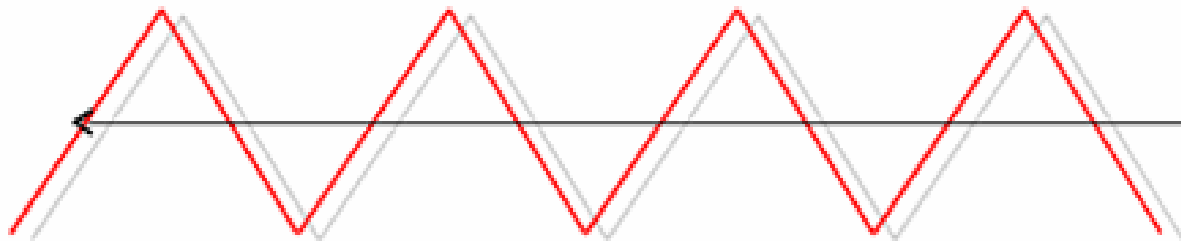
Gustav Freytag - Technique de Drama 1898



Peak-end Rule - Kahneman



We judge our past experiences almost entirely on how they were at there peak and how they ended



Net pleasantness or unpleasantness, or the length of the experience is almost entirely disregarded