

## Marketing Munchies Podcast Transcript

## Episode #21

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Announcer: Welcome to the Marketing Munchies Podcast series hosted by Dr. Bridget Behe. Each week Bridget and her guests will share information, insights, research-based findings, and her 30 years of experience to help your horticultural business connect better with current and future customers. Now, let's join our host, Dr. Bridget Behe.

**Dr. Bridget Behe:** Hi, and welcome back to the Marketing Munchies Podcast. I'm your host Dr. Bridget Behe. I thought it would be interesting from time to time to talk about some key marketing books—give you a little bit of a synopsis of them and suggest them to be added to your reading list.

This week I want to start with a book that was published in 1999 by the *Harvard Business School Press*. It's by Joseph Pine and James Gilmore called the *Experience Economy*. When I first read this book, and heard Joseph Pine speak, at what we used to call the Management Clinic, which was held in Louisville, Kentucky, I knew that this book would be a life-changer for me. The title of the book is called the *Experience Economy: Work is Theater and Every Business is a Stage*. Although there weren't many horticultural examples in the book, I think there were a couple of key concepts that really helped me understand how marketing in the 21<sup>st</sup> century was probably going to progress.

The first concept talked about experiences themselves and how they're different from goods and services. Goods are things like cake mix. Services are things like baking a cake, but experiences things are like hosting a birthday party. While not every consumer is interested in every level of a product, in other words, not every consumer is going to want a birthday party experience. They may just want the cake mix. If you look at the pricing structure and the profitability structure, they increase exponentially as we go from goods to services to experiences. Really it's the value in experiences that can be very highly profitable (even more so than services).

What's the difference between a service and an experience? Pine and Gilmore tell us that the real difference is that an experience will create a lasting memory within the person—almost to the point where it changes them. While a service is really something that is done to your car or your hair or some other property that you have. Services really aren't going to change you.

The other key concept in the *Experience Economy* was the four types of experiences. These were identified on two key dimensions. The one dimension was activity and passivity. Some people prefer to be active in their experience while others prefer to be passive. The other dimension is absorbing or being immersed. Some people want to be bystanders and absorb the experience while others want to be immersed in that experience. Within those experience realms, they talked about educational experiences being actively absorbing. They talked about entertainment experiences being passively absorbing. They talked about aesthetic experiences being passively immersed, and they talked about escapist experiences as being actively immersed.

If you think about it, horticulture really has all four experience realms to offer. For example, the educational experience where you are actively absorbing information could be a workshop at a retail garden center, or it could be taking a class at college. An entertainment experience, where you are passively absorbing information, could help us understand the popularity of HGTV and why so many people want to see different homes and gardens radically changed. An aesthetic experience is one where you passively absorb it. Having a birthday party or a wedding in a beautiful garden is a very powerful aesthetic experience. Then the active immersion, or the escapist experience, would be something like going a garden tour or being in Linnaeus' garden like I talked about last week on the podcast.

We can also use the experience realms to help us segregate products and services that we're going to offer to potential customers. For example, if somebody just wants to be in their garden or enjoy a beautiful backdrop, we really don't want to market active experiences like classes or workshops to them, because they're simply not going to be interested. On the other hand, if an individual or a couple of individuals like a grandparent and a grandchild want an active experience to enjoy together, we would probably want to focus on some of those activities or classes more so than simply just the products.

Pine and Gilmore, through the *Experience Economy*, give us a really powerful paradigm or lens through which we can understand or classify different consumer segments. While I know that not all consumers will be interested in all of those experience realms, we can probably find different experience realms for each person. The key is to try to identify that through some sort of segmentation. Maybe the first question we should be asking when someone comes into the store is "Do you want an active experience with your plants, or are you more interested in sitting back and enjoying them?"

I think you ought to put the book on your reading list: the *Experience Economy: Work is Theater and Every Business is a Stage* by Joseph Pine and James Gilmore at the *Harvard Business School Press*. Experiences are very powerful, and they could be a very powerful marketing tool for your business.

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**Announcer:** Thank you for joining us on this week's Marketing Munchies Podcast. For more information or to download the transcript of this podcast, please visit, [connect-2-consumer.org](http://connect-2-consumer.org). That's C-O-N-N-E-C-T, dash, the number two, dash, C-O-N-S-U-M-E-R, dot, C-O-M.

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