

# Notes on Isaac's pre-defence

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Christian Jantzen  
Dept. of Communication & Psychology  
AAU

# The structure of the paper

- Combining different theories / perspectives
  1. Innovation theory
  2. Experience economy (Marketing Management / CR)
  3. Organisational theory (RBV)
- Relating them to publications on food (industry) (when possible)
- Done in an internally coherent manner
- "Harmonica": comprised (but easy to unfold)
- Used on two cases
- One "major" finding (to be explored more systematically?)

# My background

- Market communication / Consumer Research
  - How messages are crafted to have effect
  - How messages are processed (perceived, evaluated, remembered ...)
  - What messages are used socially
- Aesthetics (design), cognition & culture
- “Experiences in/with economy”

# The topics of my discussion

1. Experience Economy:
  - the consumer perspective
2. The cases:
  - the design perspective
3. Your major finding:
  - the learning perspective

# Experience economy

- **Marketing management**
  - Prescriptive
  - Organisational perspective: "targeting", information systems, organizational structures/ routines
  - What to do efficiently?
  - Systematizing rules of thumb (best practices), 4 P's
  - Modelling managerial tools
- **Consumer Research**
  - Descriptive
  - Psychological or cultural perspective
  - How do they behave?
  - Understanding meanings (symbolism) or explaining responses
  - Qualitative/Quantitative

(Pine & Gilmore, Schmitt)  
(Kotler) **(Prahalad & Ramaswamy)**

(Holbrook & Hirschman, Cova & Caru)

# “Your” version of EE

- Predominantly MM (P&G)
  - “evolution”-hypothesis: irreversability, eschatology (development)
  - “staging”-metaphor: consumers are targets, “out there” (actor/audience) (active/passive)
  - “four realms”-model: entertainment, learning, aesthetics, escapism
- Some aspects taken at face-value (model), some discussed (thesis), some more or less reproduced (metaphor)

# “Voices of dissent” in the paper

- “The experiential product”:
  - A “special” product or an “add-on” to existing products (EE/MM vs. E-CR, H&H “consumption experiences”)
  - “Add-ons”: “staged” or automatically produced?
- “The co-creation”-metaphor:
  - Questioning the active/passive distribution in “staging” (Prahalad & E-CR)
- “The experience” concept:
  - “old phenomenon”, “ill-defined” (p. 6) (Darmer & Sundbo)
  - “enjoyable, engaging, memorable” (**Maslow, Csikszentmihalyi, Denzin**), emotions ...
  - “multiple sensory modalities” (p.7, H&H)

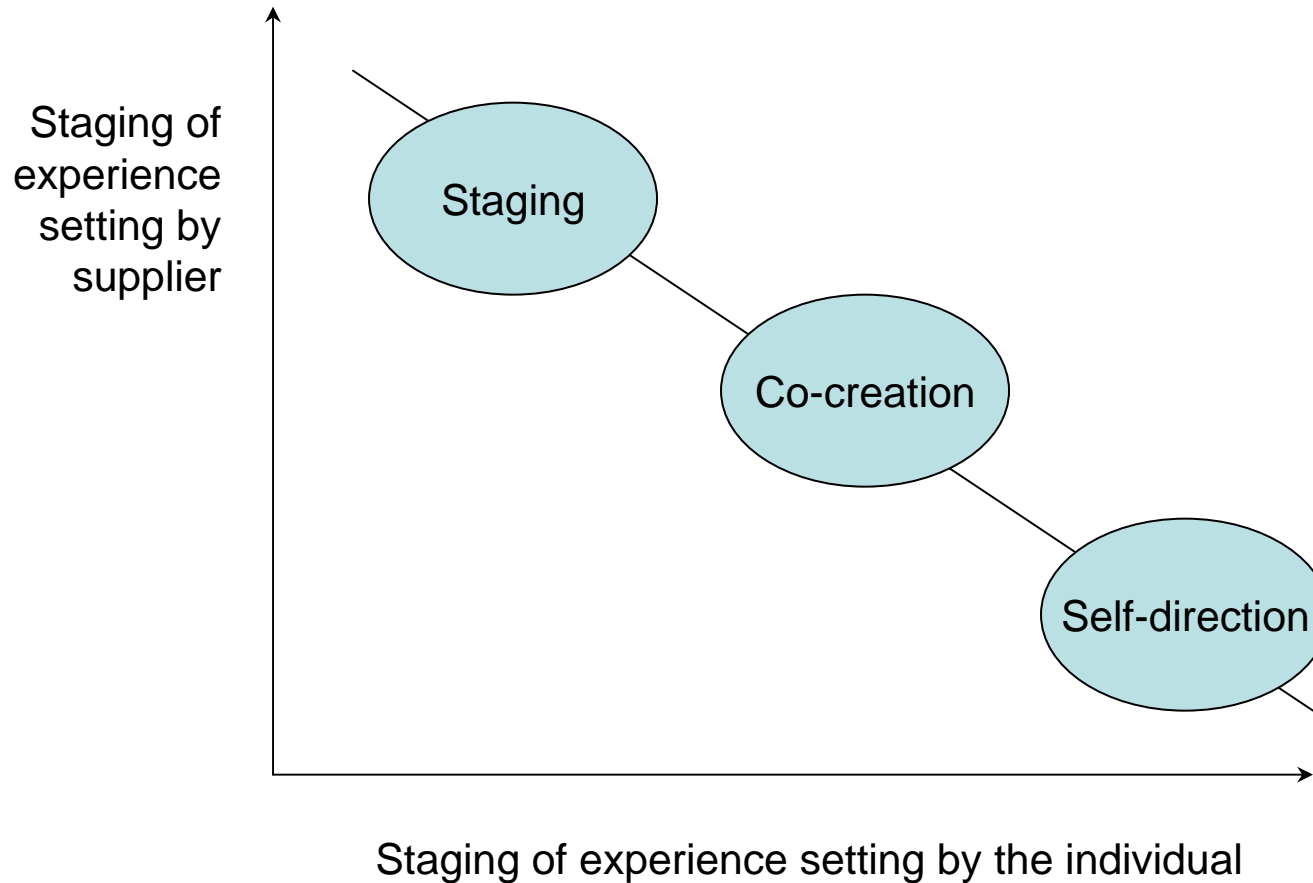
# Beyond “Active/passive”

1. Experiences are psychological products
    - In and by the brain
  2. Produced by the individual/organism as a reaction (response)
  3. ... And as an anticipatory effect (e.g. pain)
  4. Motivational: acting in certain ways and preferring certain objects
  5. Expectations; Surprise - Disappointment
- “Prosumers” (Toffler), “pro-users” (social media)



# The active “experienter”

(Prahalad & Ramaswamy 2004, Boswijk, Thijssen & Peelen 2007)



# Consequences

1. Experiencing may be uncontrollable for suppliers
  - Not a predictable response to a stimulus
2. To generate experiences the individual has to be actively involved
3. The supplier delivers props, frames, ingredients, materials for generating experiences in the mind of "the experiencer"
  - The supplier does not produce the experience

# Experiential qualities

- "Experience" has a dual purport
  - *Erlebnis/oplevelse*: sensitivity, emotion, enjoyment, relaxation: **a response, an impulse**
  - *Erfahrung/erfaring*: habits, identity, meaning: **a driving force, an interpretational framework**
- "Experience" is about change
  - Bodily state; how we are "feeling"
  - Behavioural state: how we "behave"
  - Mental state. How we perceive/judge ourselves and others
- An experience is a structure: various qualitative changes

# What is a "good" experience?

1. Touching sensory modalities, arousing
  - Physiological change
2. Emotionally satisfying
  - Activation change
3. Comprehensible yet challenging
  - Habitual change
4. Developing
  - Identity creating
5. Socially communicable
  - Meaning creating

# The Reflexive level

Habitus

## The Habitual level

Scheme/  
scripts

Activation  
change

## The Evaluative level

Emotion

Bodily  
change

## The Physiological level

Stimulation

# The Social Structure

# Implications of the CR perspective

1. Experiences are very much a demand issue:
  - Consumers are not the black boxes of S-R, even though their reactions are highly complicated
2. The research topic: how can supply meet this demand
  - e.g. for co-creation or self-direction
3. The design perspective: how to design props, frames, ingredients, materials for “experiencing”

# The design perspective

1. What kind of experiential formats does the design support/afford?
  - Staging, co-creation, self-directedness
2. What kind of experiential qualities does the design support/afford?
  - Sensory modalities, emotions, habits, identity, social meaning
3. What kind of activation is supported/afforded?
  - Physically: on location/detached
  - Socially: group/individual (socio- vs. ego-pleasures)
  - Neurologically: which mental faculties? Arousal, reward/relief, new information etc.

# Implications of the design perspective

- Selecting a variety of cases: arguments for why the cases are representative and what we might learn from them
- Analyzing the experiential aspects (formats, qualities, activation) of the cases more in depth
- Analyzing the resources and capabilities of firms for supplying appropriate designs
- Examining various innovative strategies: which well-known elements may be combined in a new way.



# The learning perspective

- Your "major" finding:
  - The two firms in some/many ways already practice "experientially" on the market
  - They are not yet fully aware of this, or may even deny the relevance of EE for their business.
- Is awareness necessary for being an experiential agent on the market? Or is a more general consumer orientation or innovative thinking the decisive factor?

# The learning perspective

- What should companies become aware of?
  - The importance of understanding the theories, methods, prospects etc. of the Experience Economy?
  - The importance of innovation and how to practice this in a way that is gratifying for consumers?