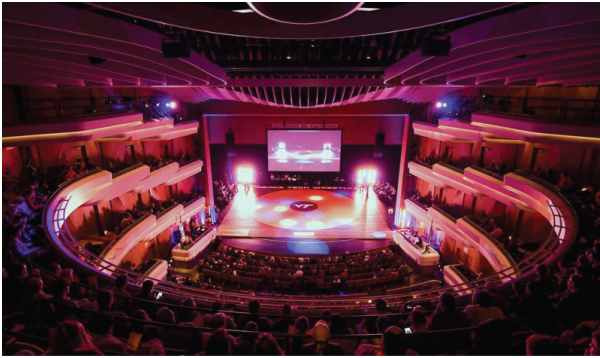


How to profit from the experience economy

6 MIN READ



The Experience Economy

In the summer of 1998, the *Harvard Business Review* published a new [article](#) titled “Welcome to the Experience Economy” that detailed an emerging economic offering set to advance beyond commodities, goods and services which were the offerings that have evolved to date. The article stated that if companies were truly going to succeed and evolve their value proposition, they “*will find that the next competitive battleground lies in staging experiences.*”

The authors B. Joseph Pine II and James H. Gilmore were spot on and way ahead of the curve by prognosticating how the perception of value will be based on the perception of each individual and their personal experiences. As the article states, “*experiences are inherently personal, existing only in the mind of an individual who has been engaged on an emotional, physical, intellectual, or even spiritual level.*” The article also goes on to say that experiences have always been at the heart of the entertainment business. Other industries began looking at the entertainment industry for inspiration and ideas to apply to their goods and services to differentiate themselves and shift their offerings.

At the same time, the technology sector was expanding at a rapid pace, opening new doors of opportunity to curate experiences across the entire customer lifecycle. The combination of the experience economy and technology transformed how leading companies have evolved offerings beyond a basic transaction. Companies like Apple, McDonalds and Nike started transforming their consumer experiences by adding, well, experiences.

Apple got rid of checkout counters and encouraged browsers to touch and feel their products right on the store floor. They began offering classes and turned their products into a lifestyle. McDonalds has been successful for a long time, but started building kids playgrounds across their locations and created games such as Monopoly, all experiences designed to sell more hamburgers. Nike launched Niketown stores with interactive opportunities to not just try shoes on, but to shoot hoops with a picture of Michael Jordan flying high in the air. Kids everywhere wanted a pair of Jordans so they could experience what it was like to dunk like MJ, even if they couldn't.

Live Events – The Original Experience Economy

So while other industries were leaning into the experience economy, what was happening in live events? In some ways, we were ahead of the curve. The tickets that are sold to events are really experiences, whether or

not they are positioned that way by live event organizations. But was this industry getting lapped by goods and services? In some ways, the answer is yes. Improving event experiences has been ongoing for centuries in the live entertainment space. Promoters, producers and venues were always looking for ways to improve the already existing experiences that happen on stage.

But new experiences were introduced that threatened the purpose of live events. Technology has allowed consumers to engage with more entertainment than ever before from the comfort of their home. Netflix, Amazon and others have inserted themselves into the fight for consumer entertainment time and share of wallet. So the live events industry is under attack from more competitors than ever. And some organizations have woken up and gotten into the ring to fight back.

Leaders in live events and venues are reshaping their experiences throughout their venues and finding new ways to stay relevant with existing relationships and become interesting to new consumers. And while our industry has to fight elements of consumer laziness, we also have attributes that are unique and powerful. For one, live events bring communities together for a shared experience in a unique and memorable way. In addition, our venues are some of the most iconic landmarks in each community around the world. Use this as an advantage. Beyond this, start to get creative about what you represent in your community to maintain relevance and stay top of mind for consumers.

Competing in the Experience Economy

Looking around at leaders in the industry, there are a few strategies you can develop to offer more compelling experiences in support of your business goals.

Extend Your Events

Your primary events might always remain the centerpiece of why someone chooses you, but there are ample opportunities to expand your offerings in support of creating more experiences and memories. Here is list of ideas:

Pre and post show events

Tours

Tailgating

Dining packages

The Grand Ole Opry, the home of country music in Nashville, Tennessee, offers a variety of tours, pre-show and post-show experiences that significantly add to the overall experience. Experience such as the Dolly Parton exhibit that uses an otherwise empty part of the Opry venue and has transformed into a look into Dolly Parton and her costumes over the years. The Opry is also a place where love gathers, as evidenced by [these two college sweethearts](#).

The Tobin Center for the Performing Arts, a beautiful landmark in San Antonio, Texas, offers themed dinners as packages based on the show on stage that night. These are just a few examples of how some are building additional experiences that not only add value, but can represent significant new revenue streams.

Add New Events

Fight the urge to stay dark and start looking at creative ways to add new events and experiences outside of what is on stage. Inserting more events with more variety gives you an opportunity to find consumers and develop new relationships in support of your overall mission. Look for new and interesting content to present in your main venue that isn't just more of the same.

On campus at Virginia Tech, athletics and arts partnered together to host a wrestling match inside the Moss Arts Center on their primary stage rather than at their standard wrestling facility. Imagine watching a musical one night and a wrestling match the next! Get creative and bring in new audiences.

Get Outside

Plenty of events don't make sense in your traditional venue. Don't let that block your ability to give your community new and engaging experiences. Launch a theater in the park, host a sports clinic at a local park or hop on the yoga with goats train! Whatever you do, think about the experiences you are designing and how they support your brand and overall mission.

Put Your Plan Together

The good news is that you are in the industry that began the experience economy ages ago. You are built for this. Live event organizations are full of creative designers that know how to create experiences and make them memorable. Look in our industry and look outside for inspiration. Talk to your peers. Take stock of what you have today and how your audience feels about your experiences. Put a plan together that makes your experiences more compelling than staying home. Your business depends on it.

And we can help. Just ask!