

## Making Merchandising Memories



Should a big pile of hay, stacked up in the parking lot be part of your merchandizing considerations?

What about:

- The broken rusty old farm equipment?
- Weeds from the ditch?
- The old dead tree out back?
- The rusty old wash basin?
- Grampa's old mash cooker and still?

## Making Merchandising Memories

### Merchandising:

To promote for, or as if for sale

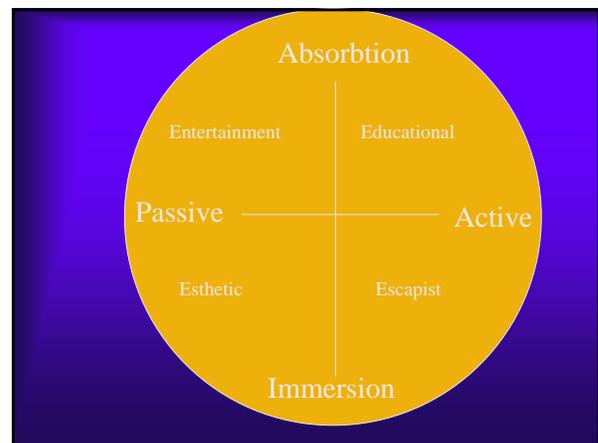
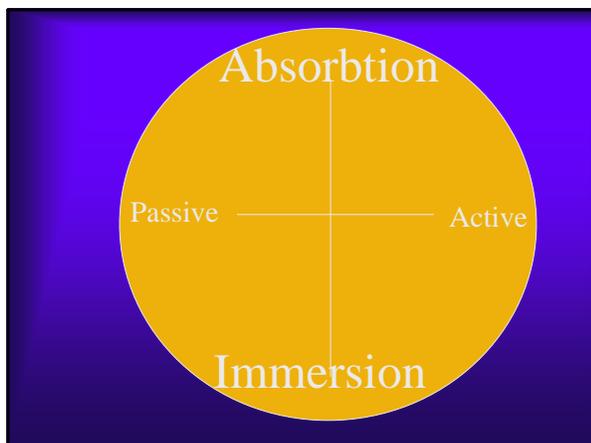
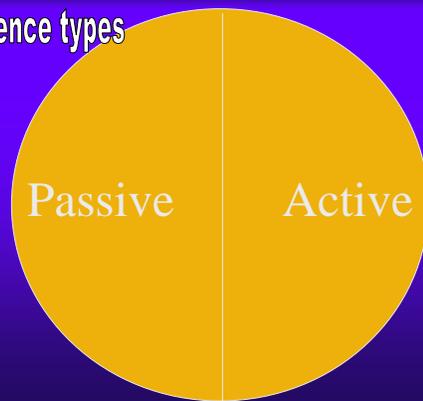
### Memories:

The store of things learned and retained from an organism's experience

### Experience:

The capture of a thought, or emotion through the senses or mind

## Experience types





|                                             |                      |          |
|---------------------------------------------|----------------------|----------|
| Juan Valdez gets 2 cents/lb for his coffee. | A commodity          | 1 X      |
| MJB sells for \$1.80/lb                     | A good               | 90 X     |
| Cherry Hill gets \$8-\$12/lb                | A customized product | 500 X    |
| Greasy spoon sells \$1.25/cup or 10gr       | A service            | 2800 X   |
| Grand Wailea Resort Maui \$4.95/cup         | An experience        | 11,000 X |

If Juan could sell his coffee for \$0.36/cup he would need to harvest and sell 1/1000<sup>th</sup> as much coffee to make the same money

Juan would have to grow 11,000 lbs of coffee to pay for a cup of his own product in Maui

- ### Moving up the value chain
- ♦ Producing commodities is the traditional function of farming!
  - ♦ Manufactured goods or products is value-adding to commodities
  - ♦ Service provides a competitive advantage and increased value over products or goods alone.
  - ♦ Experiences are staged for competitive advantage over the service industry
  - ♦ New quality experiences limit customer sacrifice, deliver customer satisfaction, create customer surprise, and craft customer suspense.
  - ♦ Traditional small lot farms need to move up the value chain in some way or be assimilated by extremely efficient commodity production or go out of business.



Work is theatre!  
Every business is a stage!

“The Experience Economy”

J Pine II & J Gilore

Experiences generally are produced



Our farms make great stages



The Staff are the Cast and Crew!



The displays are the props









Trade show Marketplace  
Standard margins



Farm Experience for Sale \$1700.00

Take most of the goods home





- ### Making Merchandising Memories
- ◆ Memories come from experiences
  - ◆ Experiences are staged
  - ◆ The farm is the backdrop/ theatre house/ stage
  - ◆ The front-end staff are the cast/ or actors
  - ◆ Back-end staff are the crew
  - ◆ The displays are the props
  - ◆ You are the producer and probly the director too!
  - ◆ *Memorable experiences engage the guest*

Customer Satisfaction  
*is equal to:*  
 What the  
 Customer expectation is  
*minus*  
 What the Customer  
 perceived they got

Customer Satisfaction  
 “I got what I wanted for the price I  
 was willing to pay”

Customer Sacrifice  
*is equal to:*  
 What the  
 Customer exactly wanted  
*minus*  
 What the  
 Customer settled for

Customer Sacrifice  
 “ I paid my price and got  
 something that is good enough”

## Customer Surprise

*is equal to:*

What the customer  
perceived they got

*minus*

What the Customer expected

## Customer Surprise

“I got more than I bargained for” or  
“It cost less than I was ready to pay”

## Customer Suspense

*is equal to:*

What the customer  
does not yet know

*minus*

What the Customer remembers from  
the past

## Customer Suspense

“They had a haunted house last  
year I can’t wait to see what they  
are doing this year”!

New quality experiences should;

- reduce customer sacrifice,
- deliver customer satisfaction,
- create customer surprise
- craft customer suspense.

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