

Added Value in Today's Economy: It's All About the EXPERIENCE

Randy White, CEO



Kansas City, Missouri

February 4, 2014

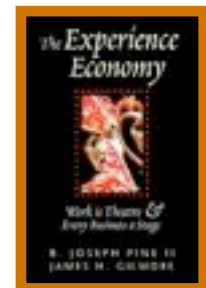
My farm direct marketing roots





500+ clients

16 first-place design awards





Feasibility, design, production & consulting for:

- Agritainment/agri-tourism projects
- Family entertainment centers
- Hybrid bowling centers
- Children's edutainment (play & discovery) centers
- At-home mom play cafes
- Adventure & discovery play gardens (playgrounds)
- Children's enrichment & informal learning venues
- Mixed-use entertainment, retail & dining projects



Feasibility, design & consulting services :

- Market feasibility
- Financial feasibility & pro formas
- Master plans
- Concept & mix development
- Full site, architectural & interior design
- Full food service design & set-up
- Management consulting
- Business audits

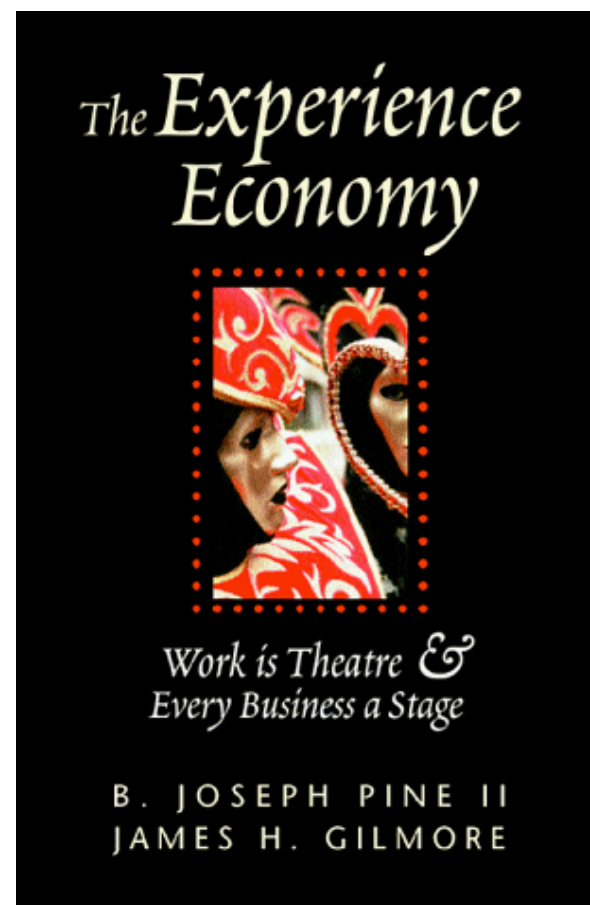
A Few of our Agritainment/Agri-tourism Clients



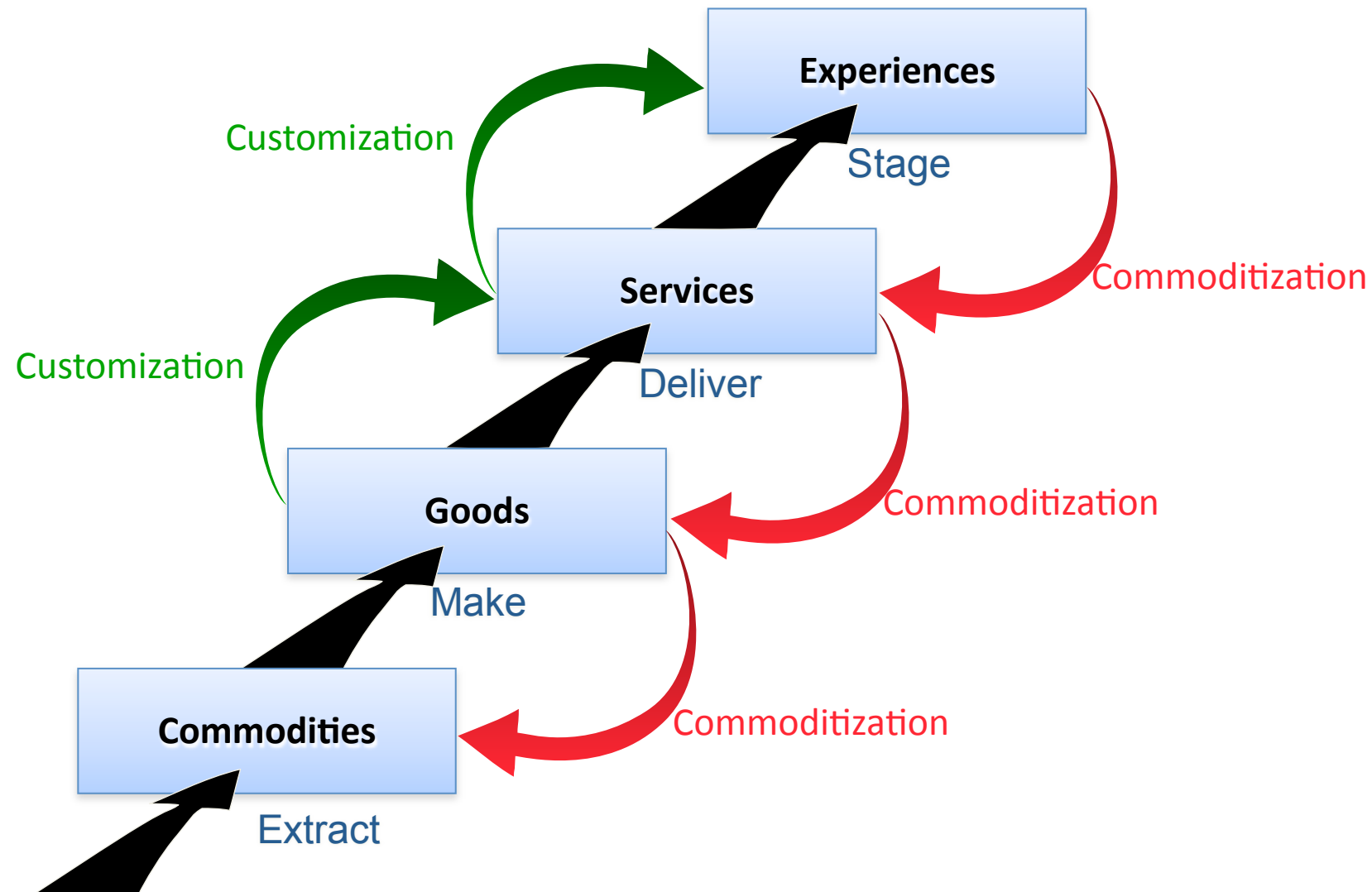
The only 5 ways to grow your business

1. Decrease defections
2. Increase per capita expenditures
3. Increase frequency of visits
4. Get new customers from existing geographic trade area
5. Expand the geographic market area

Progression of economic value



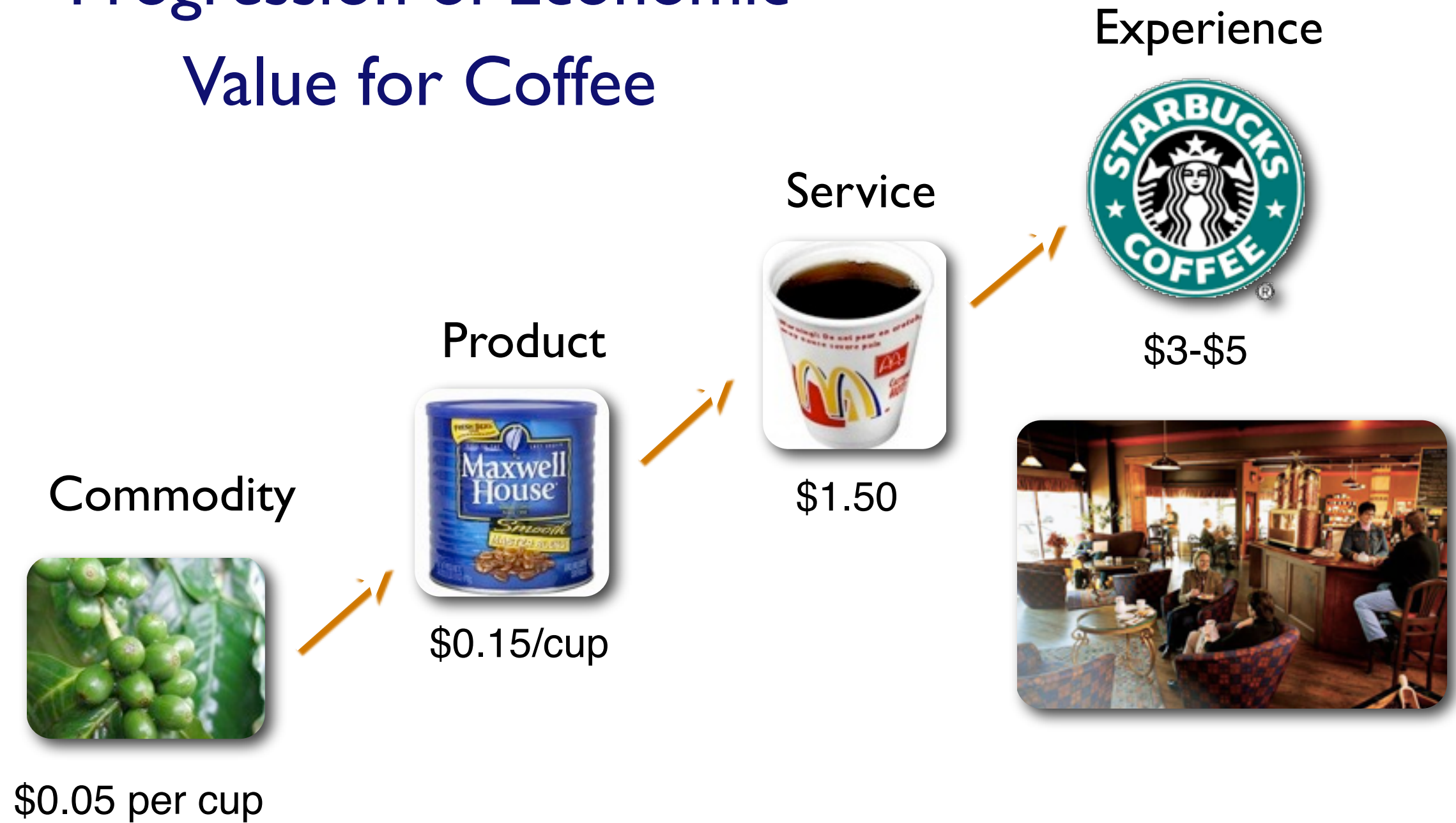
The Progression of Economic Value



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Source: B. Joseph Pine II and James H. Gilmore, *The Experience Economy: Work Is Theatre & Every Business a Stage*, (Boston: Harvard Business School Press, 1999), p. 22.

Progression of Economic Value for Coffee





\$0.70



\$2.00



\$200



\$15.00

Research shows that spending money on
EXPERIENCES, especially shared ones, make
people happier than spending money on Stuff

Stuff is less important to people today.

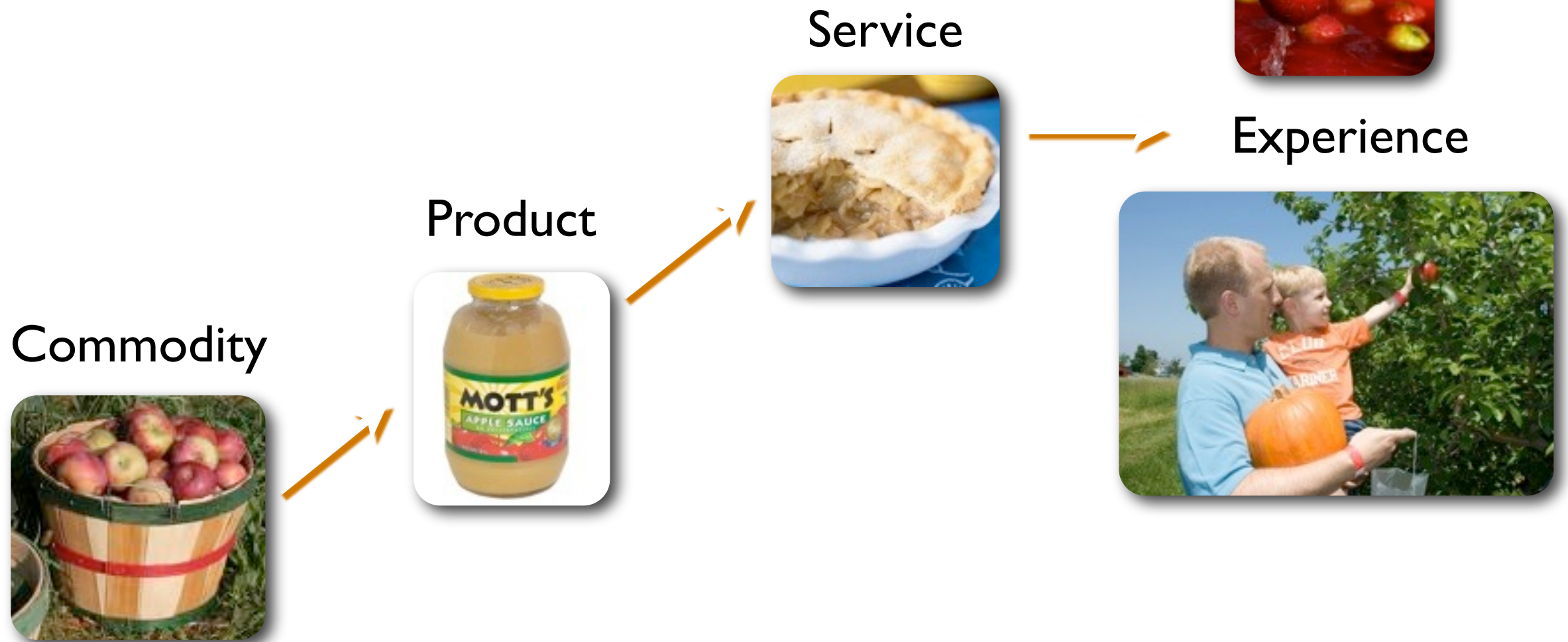
They are looking for sharable & memorable
EXPERIENCES.

Agritainment paradigm shift:

Move from selling commodities,
goods & services to:

Redefining agritainment at the
4th level of economic value:
Producing **EXPERIENCES**

Progression of Economic Value for Apples



Transportation = *Service*

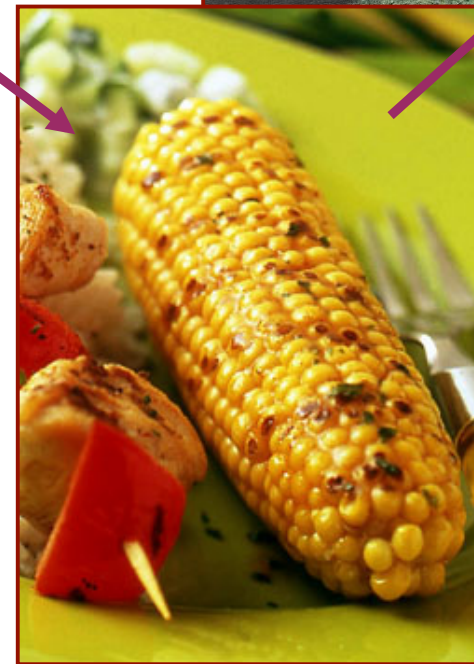


Narration/storytelling/
demonstration = **EXPERIENCE**

When can a commodity be
turned into an experience and
then be sold as a commodity?

Economic progression of corn

Product



Experience

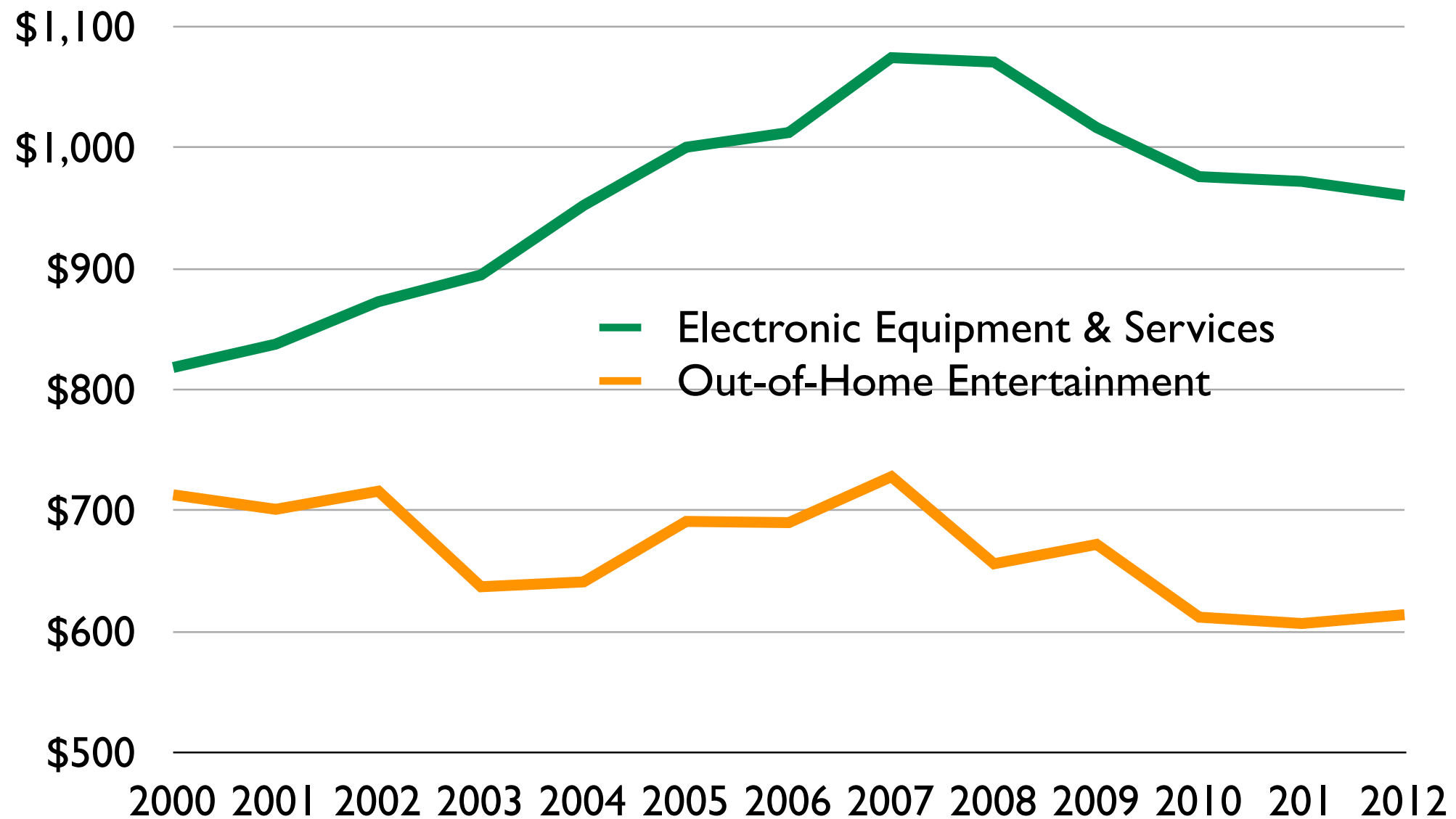


Commodity

Service

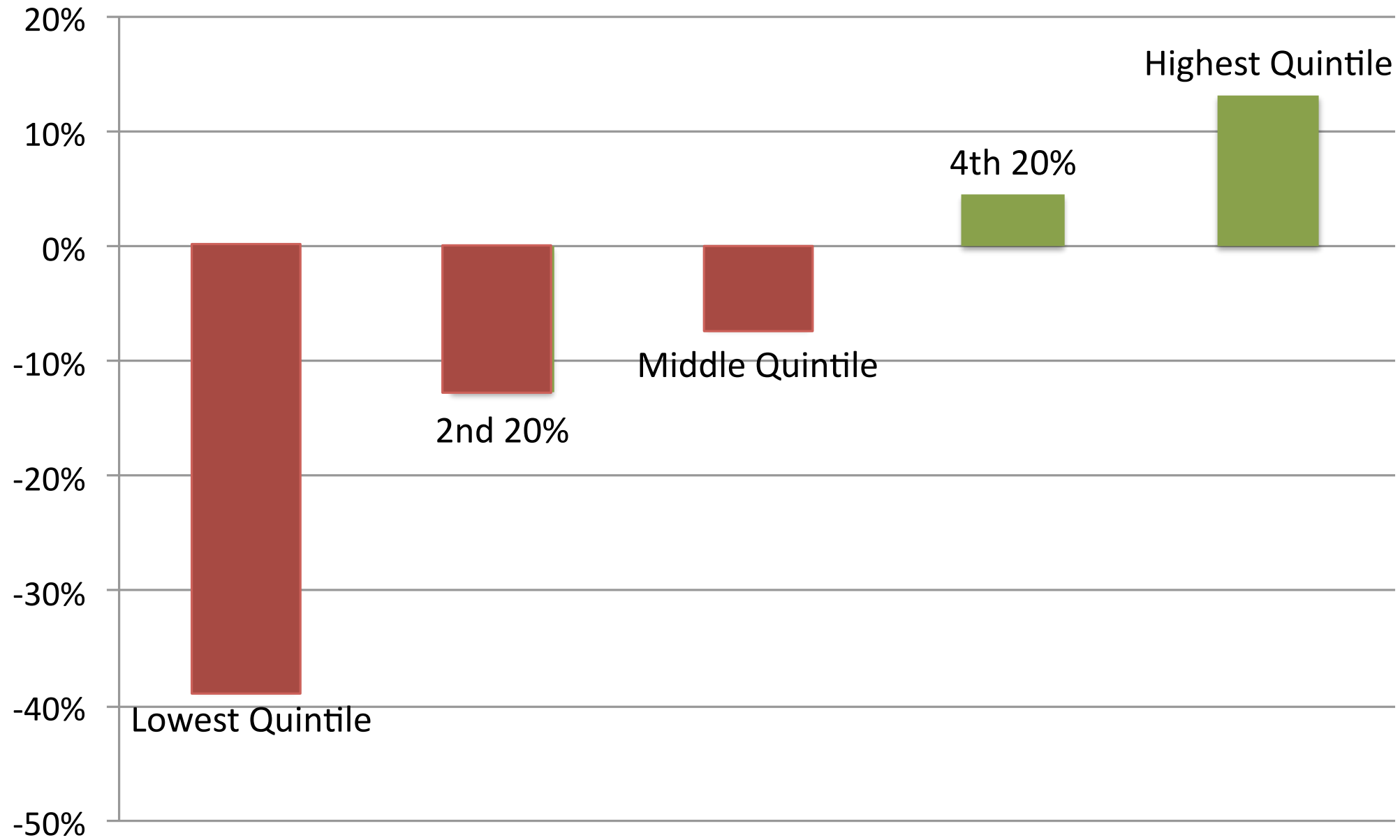
Trends in Out-of-Home Entertainment Spending

Average Annual Household Expenditures in 2012 Dollars

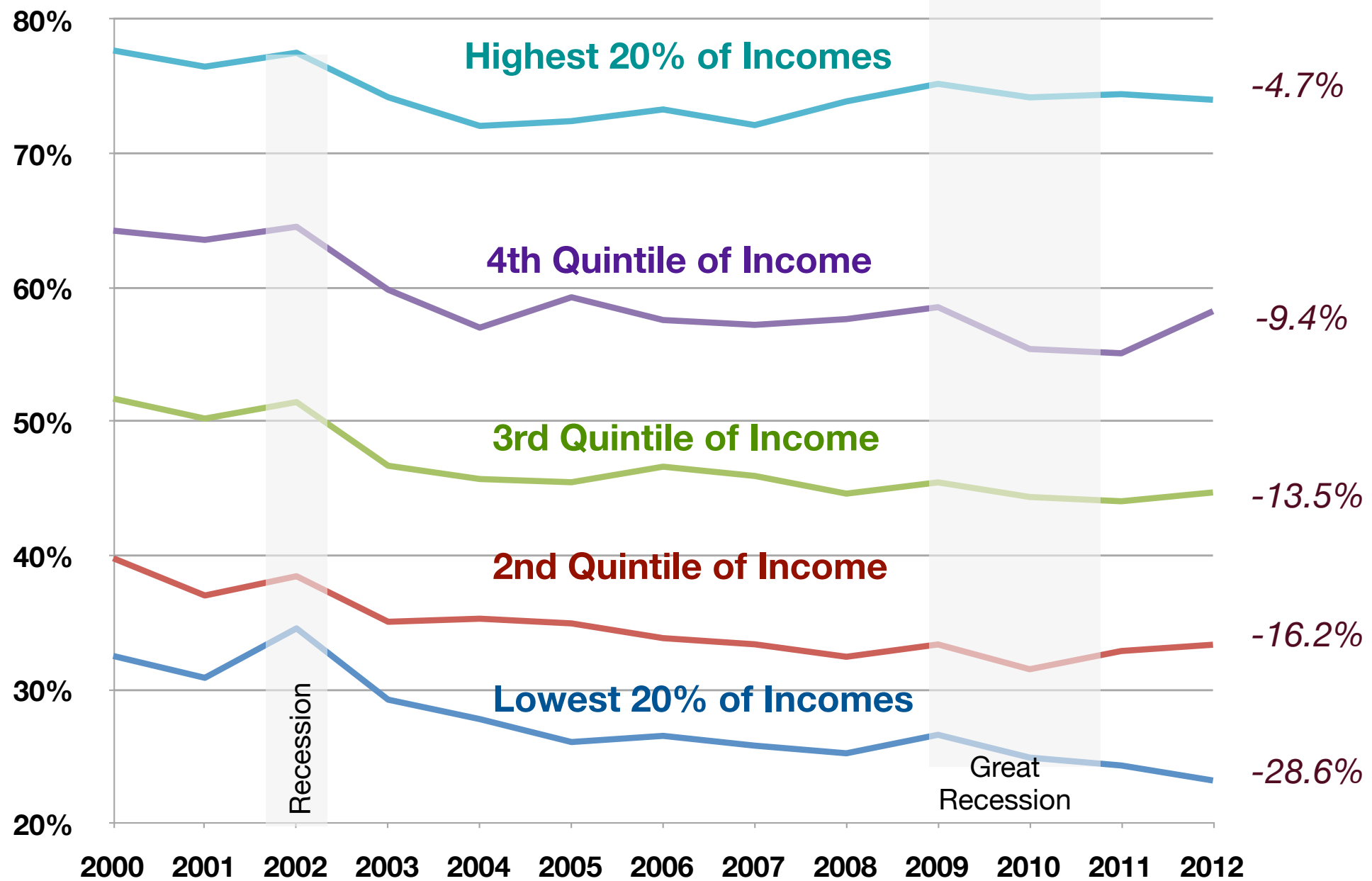


Source: US Department of Labor, Consumer Expenditure Survey

2000-2012 Change to Average Annual Household Community-Based Entertainment Spending by Income Quintiles (inflation-adjusted \$)

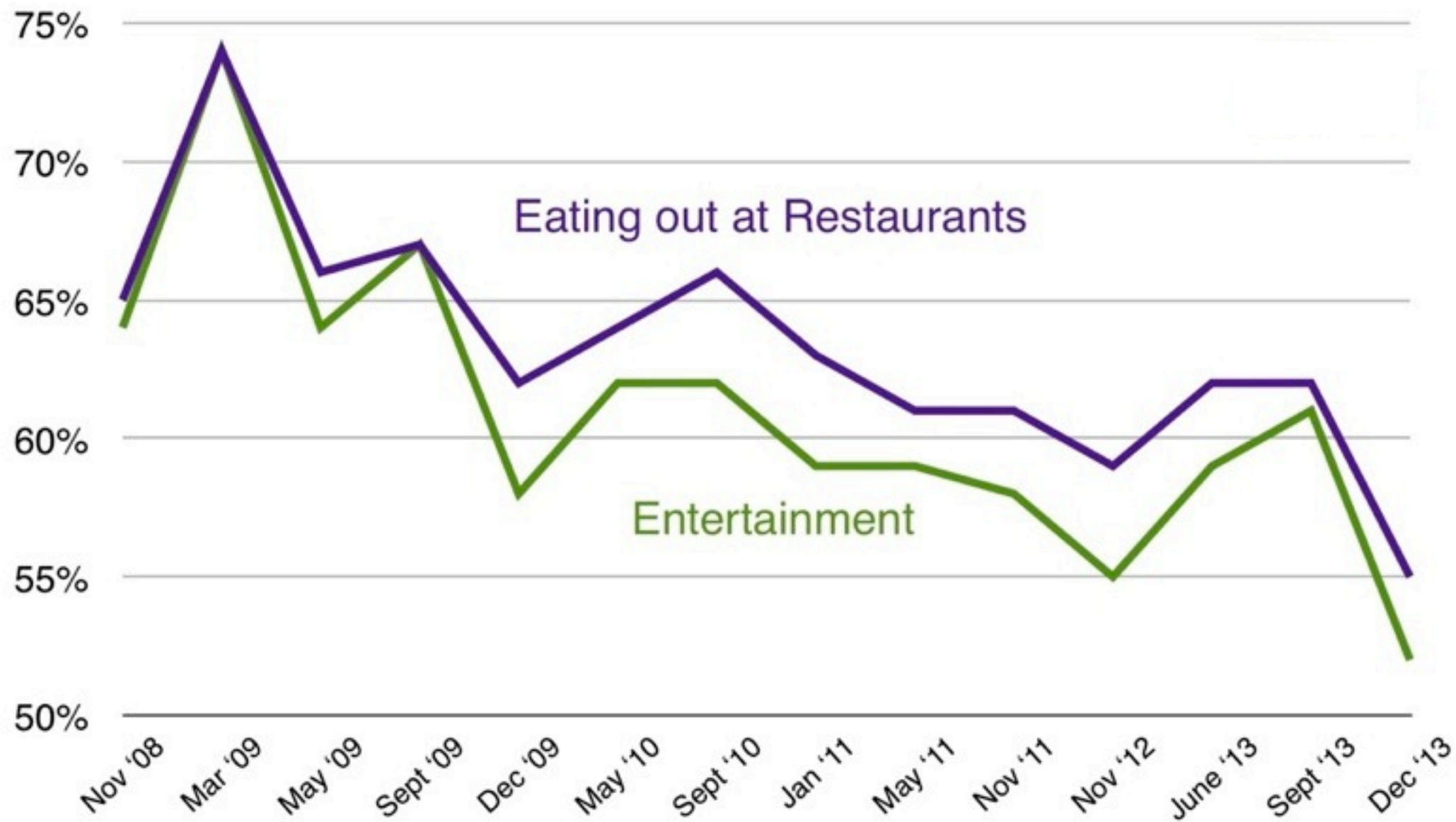


Percentage of Households Who Spent on Entertainment Fees & Admissions by Quintiles of Income



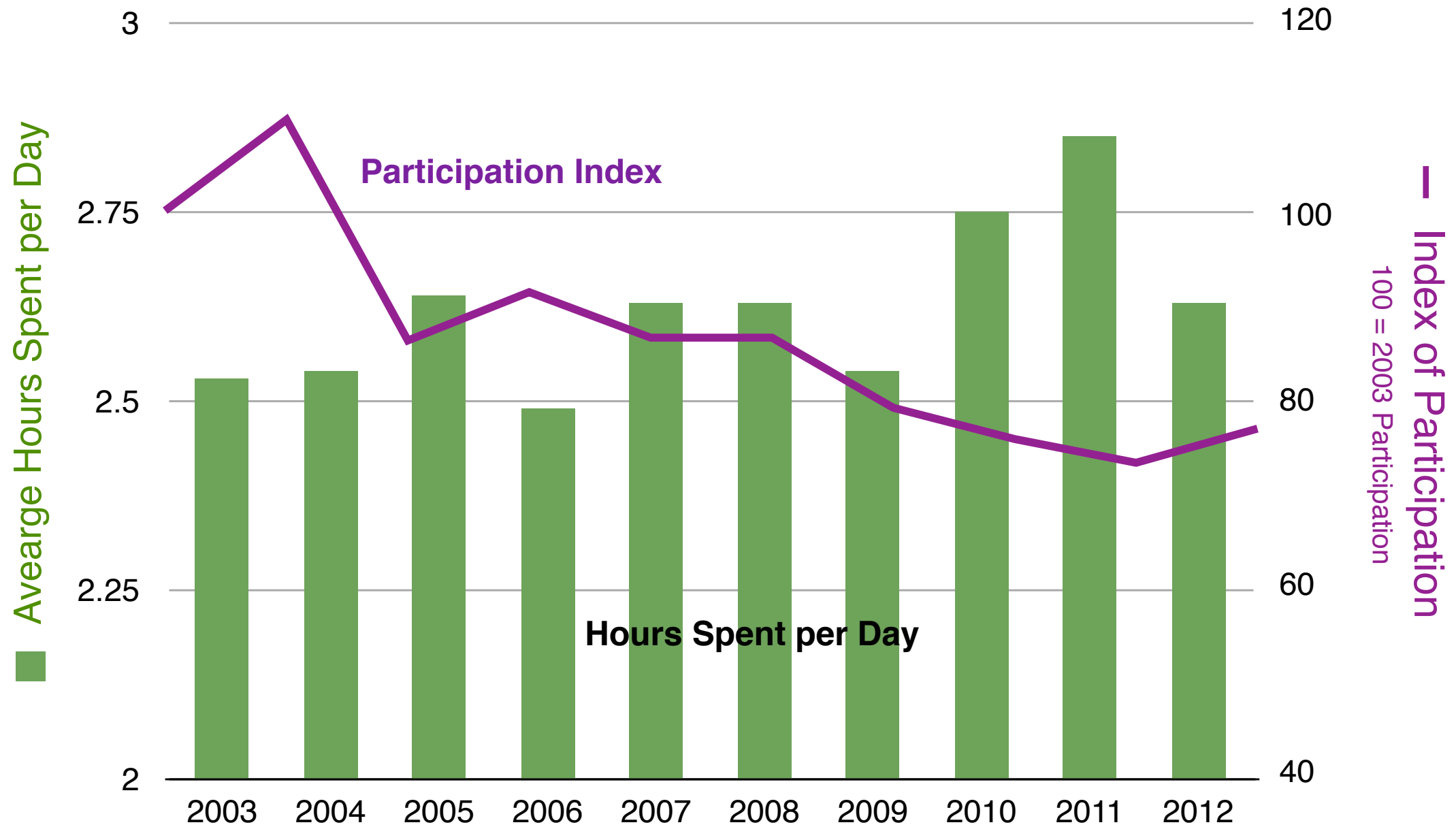
Source: U.S. Department of Labor, Consumer Expenditure Survey

How Likely Will You Be to Decrease Spending on
the Following Over the Next Six Months
(Percent adults saying very/somewhat likely)



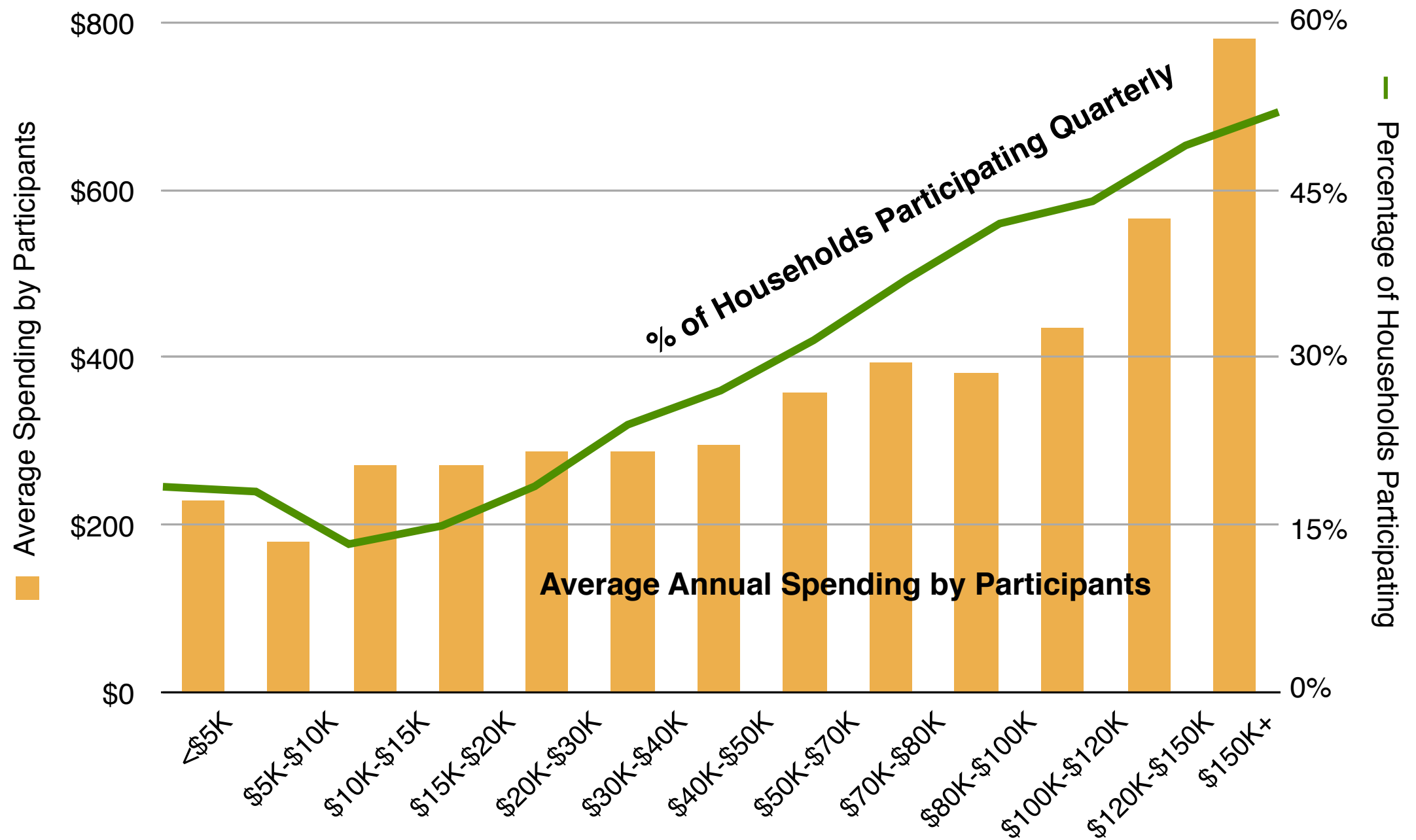
Source: The Harris Poll, December 11 & 17, 2013

Average Time Spent by Participants and Index of Participation in Out-of-Home Entertainment (excludes sports)



Source: U.S. Department of Labor American Time Use Survey & White Hutchinson Leisure & Learning Group

2012 Household Spending on & Participation in Community-Based Entertainment by Household Income



Source: U.S. Department of Labor Consumer Expenditure Survey

Increasing Social Stratification of Location-Based Leisure

Total Population



Participation

Participants

Higher
Lower
Socioeconomics
Age

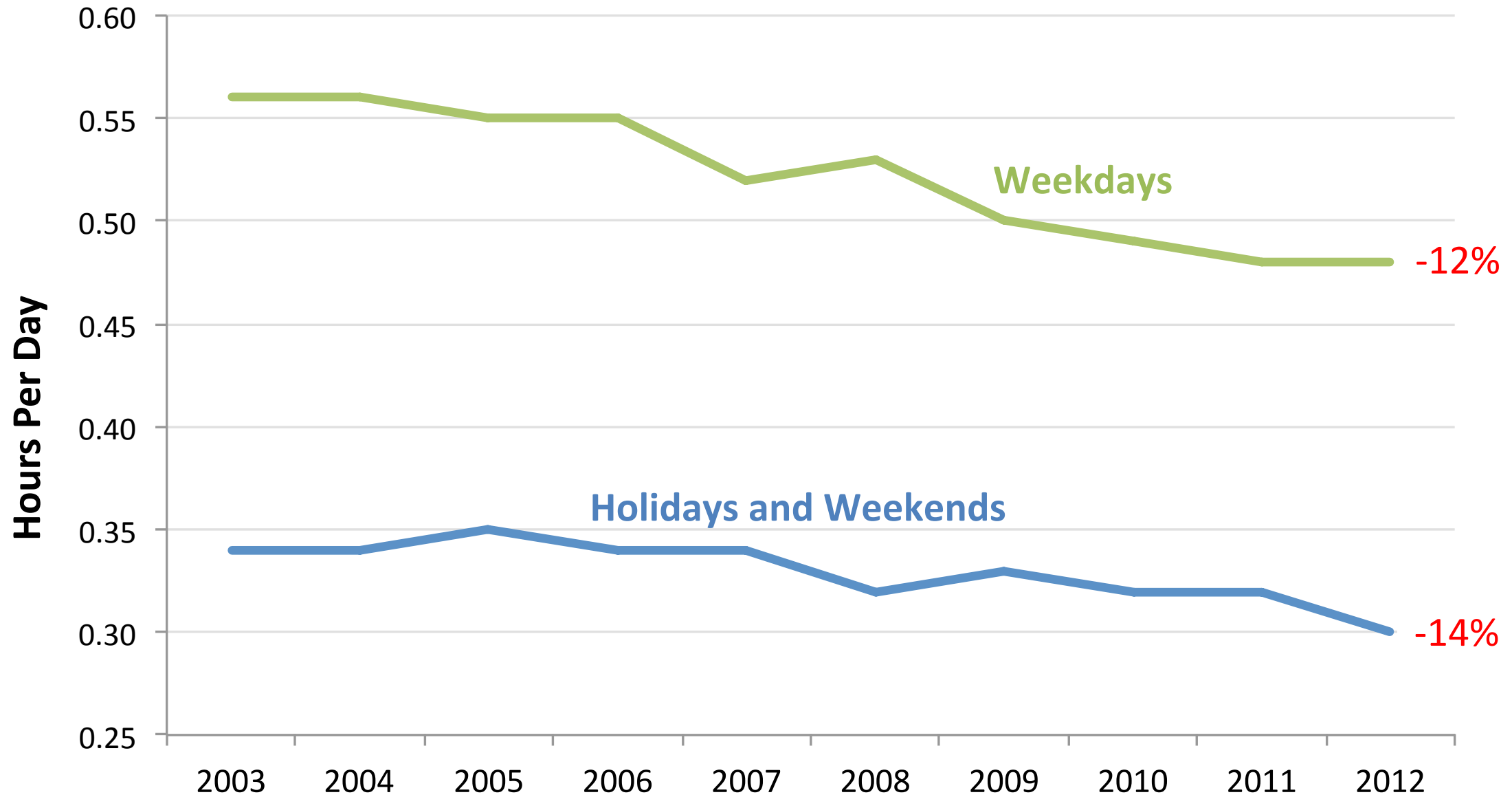


Spending



Amount
&
Quality
of Time

Average Hours per Day Spent Purchasing Consumer Goods by Population Age 15+



Source: U.S. Department of Labor, American Time Use Survey

Big Issue Today

Creating a compelling HIGH FIDELITY
unachievable at-home or mobile experience
to compete with



Today It's all about Creating HIGH FIDELITY EXPERIENCES

The Fidelity Trade-off



HIGH
FIDELITY



Fidelity
Belly



High
Convenience

Trade Off - The Fidelity Swap

NORDSTROM



amazon.com



Fidelity
Quality of the Experience



Convenience
Ease of Getting & Paying

Trade Off - The Fidelity Swap

MCCORMICK & SCHMICK'S
SEAFOOD RESTAURANT

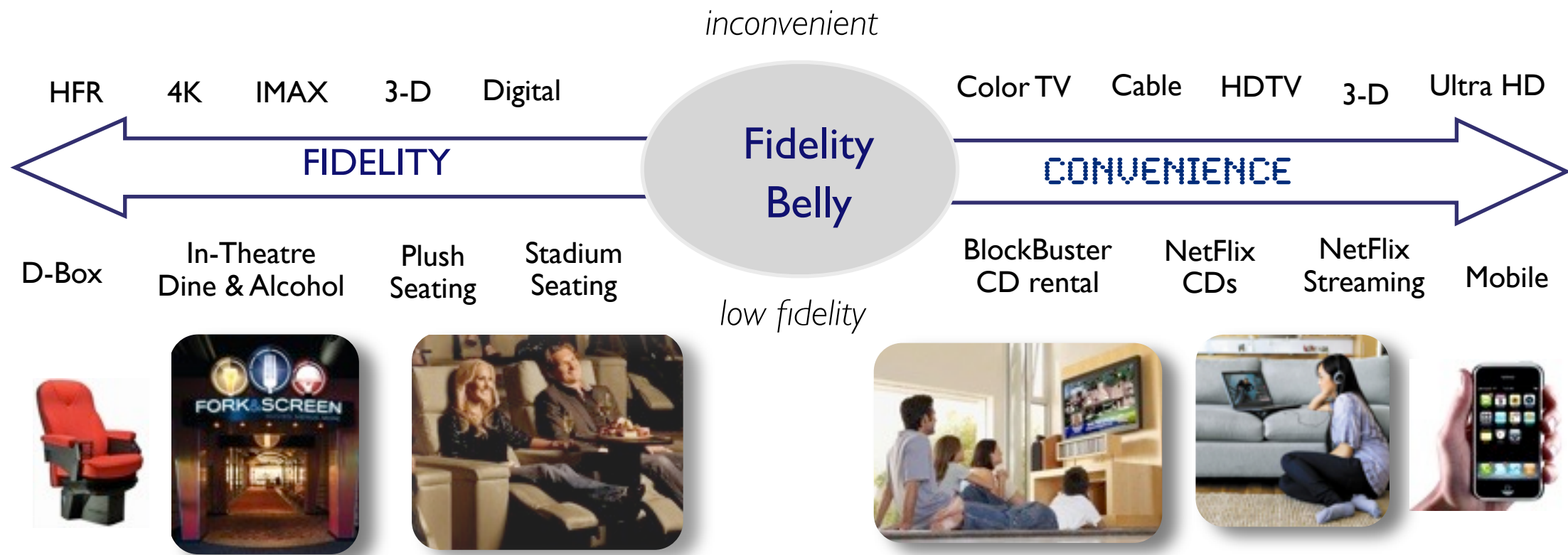


Fidelity
Quality of the Experience

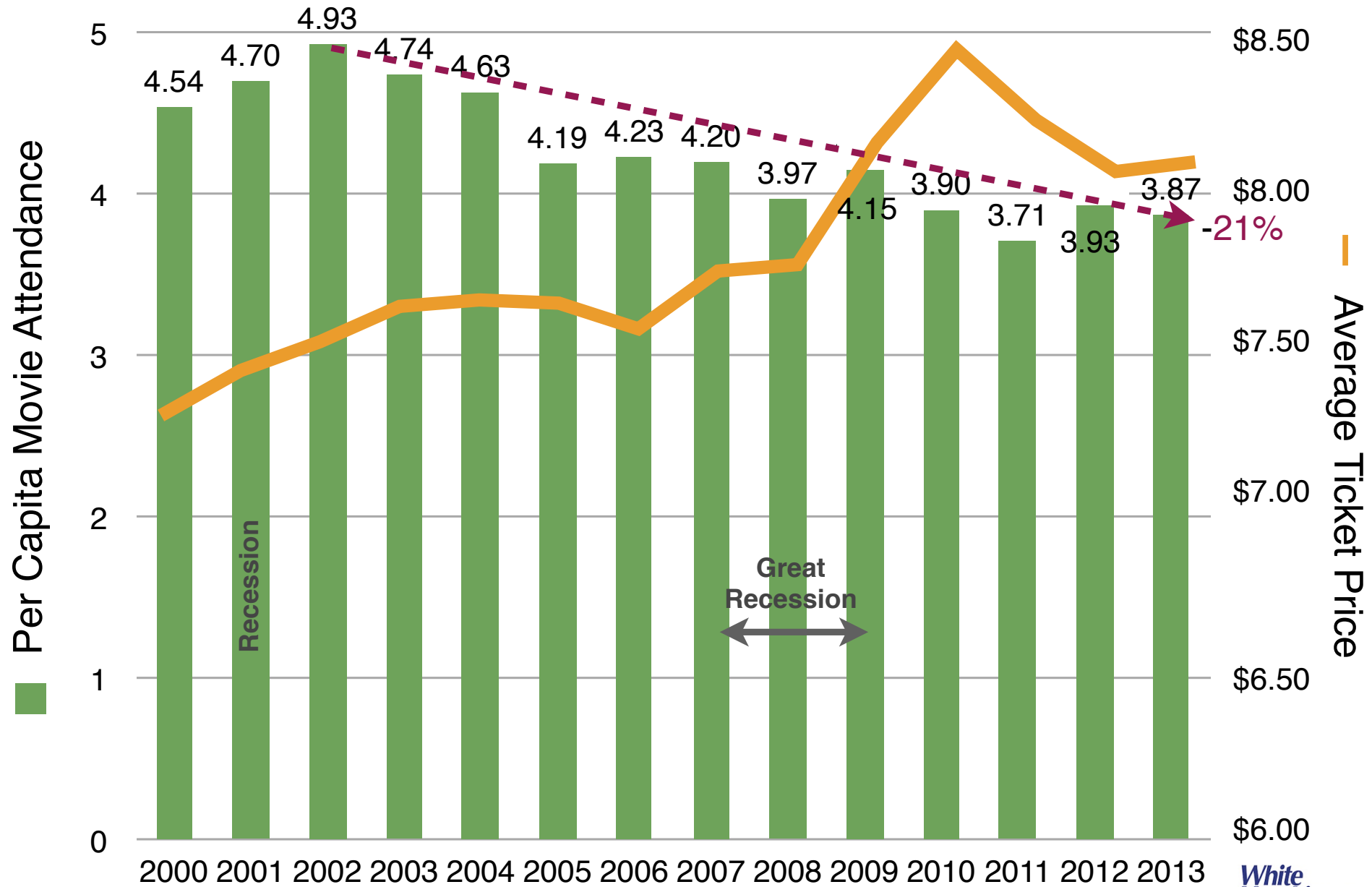


Convenience
Ease of Getting & Paying

Increasing Convenience Drives Increasing Fidelity



North America Cinema Per Capita Attendance & Average Ticket Prices (in 2013 Dollars)



Sources: White Hutchinson Leisure & Learning Group, Box Office Mojo, MPAA Theatrical Market Statistics, U.S. Census Bureau & Statistics Canada



AMC Theaters raises the Fidelity of the moviegoing Experience



Decrease # of seats by 64% = Attendance up 84%



+ \$6.15 per capita F&B

HIGH FIDELITY



Wizarding World
of Harry Potter

Fidelity Belly



Convenience



In-Home & Mobile
Digital
Entertainment

Framework for Understanding What is Happening: It's a Bifurcated Market

Premium/High Fidelity

Convenient



Premium Price

Low or No Price

For today's higher socioeconomic customer,
value means much more than price.

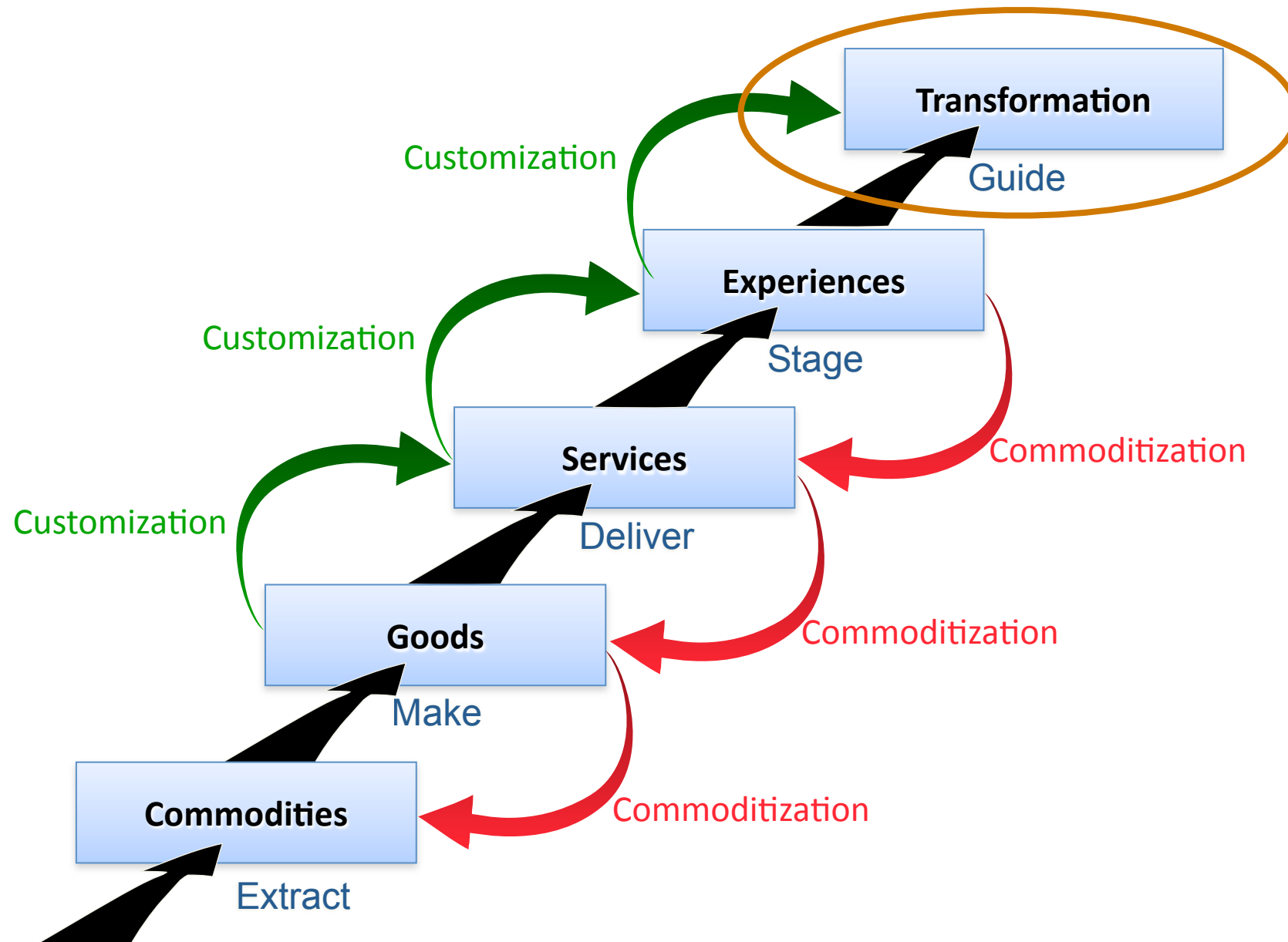
Disposable leisure time typically has greater
value than disposable income.

Rising expectations. Bar to entry much higher
today than in the past.

Today, we have a new attitude about leisure

- Opportunity to improve ourselves and our children
- Opportunity to do worthwhile things

The Progression of Economic Value



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Source: B. Joseph Pine II and James H. Gilmore, *The Experience Economy: Work Is Theatre & Every Business a Stage*, (Boston: Harvard Business School Press, 1999), p. 22.

Transformational Experiences

Permanently change people in some way, offering them more than just the memory of an experience that may fade in time

Progression of Economic Value for Experiences

Passive
Entertainment



Interactive
Entertainment



Enriching
Experiences



Transformational Experiences



We seek out multi-task leisure experiences

Having **fun** and **learning** at the same time
has twice the value as spending our valuable
time on only one alone

Some other examples of High Fidelity Experiences

Experiential Retail (retail-tainment)

Mega Recreation Stores



Experiential Retail (retail-tainment)

Adrenalina



Build-A-Bear Workshop



High Fidelity Maze







Display Cooking



Sampling with story



Sampling with humor



Hands-on Demonstration



Cooking Class



Display Baking



Tour with Story



Farm to Table Dinners



The EXPERIENCE needs to be 24/7



Customer's first EXPERIENCE is usually digital

Your business are only as desirables as
your website and social media portray it.



Eckert's Walmart Affiliate Contact

Free Concerts in the Country Store
Every Saturday 1pm-4pm
January 18th-March 29th [View Lineup >](#)

WINTER CONCERTS

Country Store & Garden Center | Online Store | Pick-Your-Own | Country Restaurant | Activities & Tours | Events Calendar | About Us

HOURS OF OPERATION
Country Store: 8am-8pm
Garden Center: 8am-8pm
Restaurant: 7am-8:30pm
Custard Shop: closed

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WINTER CONCERTS in the Country Store
Every Saturday 1pm-4pm
January 18th-March 29th [View Lineup >](#)

RIB MANIA
Receive a FREE rack of applewood smoked ribs every Tuesday through the end of March when you buy one rack at regular price. Place your order by calling 618.233.0513 x 5.

COOKING & WINE CLASSES
Looking for a fun activity on a cold winter day? Join us in our classroom where we offer wine, cooking and kids classes. Fun for all ages. [Class Schedule >](#)

ECKERT'S CATERING
Let us do the work and cater your next get-together. Check out our catering menu below. [Click here for more information](#)

2014 Eckert's Cookbooks • 1101 South Government Road • Belleville, IL 62220 • (618) 233-0513

Eckert's Country Store & Farms
We create unique family experiences and lasting memories by providing our guests with quality products and friendly service with a unique country atmosphere.

www.eckerts.com

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4.5 stars (4,424 reviews)

1111 South Green Mount Road, Belleville, IL 62220

Hours: Open until 8:30pm (Show more)

Menu: Breakfast, Brunch, Lunch, Dinner

Credit Cards: Yes (Amex, Discover & Visa)

WiFi: No

Outdoor Seating: Yes

Eckert's Country Store & Farms is the largest family-owned and operated pick-your-own orchard in the United States. Established as a farm and simple roadside stand, the Eckert family now owns and operates farming, entertainment and retail entities in Belleville, Grafton and Mt. ... [View all](#)

7.5 / 10 Based on 422 votes
People like this place

More Like Eckert's Country Store & Farms

- St. Louis Bread Company** 2.4 (112 reviews)
- Silver Creek Saloon & Grill** 3.5 (200 reviews)
- Don Gorditos Mexican Bar** 3.5 (161 reviews)
- Walmart Supercenter** 3.5 (1,000 reviews)
- Target** 3.5 (1,000 reviews)

Eckert's Country Store & Farms
Restaurant

911 S Green Mount Rd (Shopping), Belleville, IL 62220

Hours: Open until 8:30pm (Show more)

Price: \$\$\$

Reservations: No

Outdoor Seating: Yes

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Eckert's Geckertfarms

The largest family-owned Pick-Your-Own orchard in the U.S. The Eckert family operates retail, entertainment and farming entities in southwestern Illinois.
Belleville, Illinois · eckerts.com

1,817 TWEETS | 1,095 FOLLOWING | 1,593 FOLLOWERS [Follow](#)

Tweets

Eckert's Geckertfarms Jan 31
Lunch plans? Dine with us today and enjoy a free meal at [#eckerts](#) [eckerts.com/coupons/coupon...](#) [Expand](#) [Reply](#) [Retweet](#) [Favorite](#) [More](#)

Eckert's Geckertfarms Jan 31
Get your free ground beef from [#eckerts](#) today. One free pound when you buy one pound at reg price. Limit 2 free. [Expand](#) [Reply](#) [Retweet](#) [Favorite](#) [More](#)

Eckert's Geckertfarms Jan 30
It's [#1st](#) at [#eckerts](#). Today only get Eckert's Homegrown loose apples for only \$0.20/lb. Prices haven't been that low [Expand](#) [Reply](#) [Retweet](#) [Favorite](#) [More](#)

Eckert's Geckertfarms Jan 29
We're giving away \$20 worth of groceries today on our [#facebook](#) page - like and comment on our post for your chance to win. [Expand](#) [Reply](#) [Retweet](#) [Favorite](#) [More](#)

Important

- Keep it 'farm' authentic
- Tell your story
- Not too slick
- Maximize the appeal of the setting --
outdoors & nature, a 'farm' experience
- Emphasis fresh, local food & local economy

It's all about the
Experience!!!

Make sure it is
High Fidelity

The End



Thank You

randy@whitehutchinson.com

816.931-1040, ext 100

Our agritainment web page

www.whitehutchinson.com/leisure/agritainment.shtml



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