

# **Strengthening Competitive Advantage of Rural Businesses with E-commerce and Experience Economy Strategies**

## **Extension Educator's Guide**

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The *Strengthening Competitive Advantage* course is designed to be used by Extension educators who work with rural small business operators. It contains online tutorials, PowerPoint slides and assessment tools to be used with five lessons. The online lessons are intended to be self-administered, providing an opportunity for the viewer to visit illustrative Websites and to critique business offerings. The PowerPoint lessons are intended to be presented in a group setting where highlights of the lessons can be offered.

This accompanying educator's training guide describes the use of the course and offers plans for facilitating the course in a 1-hour and a 3-hour training session. Length of session might be determined by size of audience and accessibility to an electronic classroom with Internet access. If such a classroom is available, the educator can use a combination of illustrated lecture and hands-on approach to learning.

The PowerPoint materials and assessment tools were written for understanding at a basic or beginning business level. Extension educators are encouraged to adapt and modify the information to better meet the needs of their rural business clientele. Illustrative local business Websites can supplement Website examples offered in the lessons.

**Purpose:**

To prepare Extension educators to develop and implement a program for rural entrepreneurs to strengthen their business competitive advantage by incorporating Experience Economy strategies in their business offerings and establishing or adapting a Website presence to represent their business.

**Goal:**

Entrepreneurs will discover ways to assess Experience Economy strategies present in a business, use assessment tools to critique their current business, and apply experience-rich features to their business offerings.

**Handouts:**

- Assessment Tool I (a MS Word document) Marketing Plan Framework
- Assessment Tool II (a MS Word document) Development of Experiential Websites

The 5-lesson package is written in a concise, simplified presentation for use with local business entrepreneurs. Each lesson begins with a Quick Links frame to allow easy navigation to the major segments of the lesson. The lessons provide rich examples from business Websites, some with active links directly to the Internet. Business examples portray four business categories of Accommodation/B&B, Restaurant, Retail, and Rural Tourism.

The lesson topics are:

- Lesson 1. An Introduction to Experience Economy Strategies
- Lesson 2. Adding Value to Rural Businesses with Experience Economy Strategies
- Lesson 3. Aligning Experience Economy Strategies of the Business and E-commerce Website
- Lesson 4. Assessing Experience Economy Strategies of the Business
- Lesson 5. Assessing Experience Economy Strategies for the E-Commerce Website

**Details of PowerPoint lesson structure:**

- Lesson 1. An Introduction to Experience Economy Strategies
  - 1.1 A progression of economic value from commodities to experience
  - 1.2 Defining the 4Es: Education, Esthetics, Escapism, and Entertainment
- Lesson 2. Adding Value to Rural Businesses with Experience Economy Strategies
  - 2.1 The 4E strategies to differentiate your business from competitors
  - 2.2 Making offerings memorable through Experience Economy strategies
- Lesson 3. Aligning Experience Economy Strategies of the Business and E-commerce Website
  - 3.1 Importance of a consistent image for a multi-channel business
- Lesson 4. Assessing Experience Economy Strategies of the Business
  - 4.1 A 4E-based marketing plan to help define the firm's position and image
  - 4.2 4E-based strategy formulation
  - 4.3 Strategy implementation and evaluation
  - Assessment Tool I. Marketing plan framework
- Lesson 5. Assessing Experience Economy Strategies for the E-Commerce Website
  - 5.1 Experience Economy strategies reflected in Website Information design
  - 5.2 Experience Economy strategies reflected in Website Interface design
  - 5.3 Experience Economy strategies reflected in Website Interactivity design
  - Assessment Tool II. Development of Experiential Websites

**Preparation for presentation:**

Although the PowerPoint presentations are intended for training presentations, the Extension presenter should review the online tutorial component of the course to better familiarize himself/herself with the content to be presented.

Room requirements for presentation:  
Computer with CD-reader and audio capability  
Computer projection system with audio capability  
Laser pointer

**1-hour presentation:**

As audience gathers in room, have overhead projector display timed slide show of interesting business websites. Include illustrative local business Websites and/or use Full Lesson 5 for examples.

- 5 min. Introduction to session, presenter and audience  
As audience members introduce themselves, have them also indicate their business, and determine if they represent one of the four selected business categories (Accommodation/B&B, Restaurant, Retail, and Rural Tourism) included in materials.
- 5 min. (Short Lesson 1, Slides 1-2) Overview for information to be covered in session. Distribute CD-ROM or information for obtaining individual copy. Indicate that this training session is using a short version of each lesson, and detailed lessons (full version) are included for more extensive study of the concepts.
- 10 min. (Short Lesson 1 – total 34 slides) Outline Pine and Gilmore’s Experience Economy perspectives and strategies to create experiential value in small businesses.  
Slide 7 Recount the Starbucks example for adding experiential value to the business offering  
Slide 9 Relate progression of value chart illustrating movement from an agricultural economy to today’s expectations for Experience Economy  
Slides 12-17 Introduce the Experience Economy framework.
- 5 min. (Short Lesson 2 – total 18 slides) Describe experiences as a key competitive resource for rural entrepreneurs.  
Slides 2-11 Consider strategies for achieving differentiation in business  
Slides 12-18 Recall memorable experiences and their positive impact
- 5 min. (Short Lesson 3 – total 11 slides) Presenting a consistent image in multi-channel business distribution systems, with focus on Website  
Slide 6 Show the direct effect of consistent image among various presentations  
Slides 7-11 Scan experiential examples of business Websites
- 10 min. (Short Lesson 4 – total 34 slides) Using 4Es marketing plan to define business position  
Slide 5 Review marketing plan building blocks graphic  
Slides 11-17 Conducting an internal audit of offerings using 4Ps  
Slide 20 Introduce Assessment Tool I
- 10 min. (Short Lesson 5 – total 22 slides) Illustrate Website design characteristics for competitive advantage

Slides 6 Discuss 3Is – key components of Website design  
Slides 7-11 Consider Information Website aspects  
Slides 12-18 Consider Interface Website aspects  
Slides 19-22 Consider Interactivity Website aspects, including 4Cs.

10 min. Conclusion and review  
(Full Lesson 5 – total 119 slides) Slide show display of examples.

### **3-hour presentation:**

This longer presentation is especially useful when audience is in an electronic classroom with Internet access. They will have the opportunity for hands-on exploration of recommended linked Websites.

As audience gathers in room, have overhead projector display timed slide show of interesting business Websites. Include illustrative local business Websites and/or use Full Lesson 5 for examples.

10 min. Introduction to session, presenter and audience, assess current practice  
As audience members introduce themselves, have them also indicate their business, and determine if they represent one of the four selected business categories (Accommodation/B&B, Restaurant, Retail, and Rural Tourism) included in materials. Determine those in the audience who currently have a Website to represent their business.

5 min. (Short Lesson 1, Slides 1-2) Overview for information to be covered in this session. Distribute CD-ROM or handout of information for obtaining individual copy. Indicate that this training session is using a short version of each lesson, and that detailed lessons (full version) are included for more extensive study of the concepts.

20 min. (Short Lesson 1 – total 34 slides) Outline Pine and Gilmore's Experience Economy perspectives and strategies to create experiential value in small businesses.  
Slide 7 Recount the Starbucks example for adding experiential value to the business offering  
Slide 9 Relate progression of value chart illustrating movement from an agricultural economy to today's expectations for Experience Economy  
Slide 11 Describe progression of value from agricultural corn product to experience-rich Cereality offering.  
Slide 12 Introduce Pine and Gilmore's Experience Economy framework.  
Slide 13 Discuss graphic with four quadrants highlighting those experiences that require active or passive participation, and qualities of absorption and immersion

- Slides 14-17 Illustrate the 4 business categories that will be considered throughout the materials, and recognize elements of the 4E experiences  
 Slides 18-34 Consider the specific applications illustrated for each experience type and business category.
- 15 min. (Short Lesson 2 – total 18 slides) Describe experiences as a key competitive resource for rural entrepreneurs.  
 Slides 2-11 Consider strategies for achieving differentiation in business. Query audience to identify specific competitive aspects that differentiate their business offering.  
 Slides 10- 11 Theater example. Invite audience to suggest a business example that applies this framework  
 Slides 12-18 Recall memorable experiences and their positive impact
- 15 min. (Short Lesson 3 – total 11 slides) Presenting a consistent image in multi-channel business distribution systems, with focus on Website  
 Slides 3-5 Survey audience to determine business operators who currently use a multi-channel distribution system. Estimate the proportion of sales achieved through various channels.  
 Slide 6-7 Show the direct effect of consistent image among various presentations  
 Slides 8-11 Scan experiential examples of business Website
- 15 min. Break
- 10 min. Review and refresh. Welcome comments and questions from audience.
- 30 min. (Short Lesson 4 – total 34 slides) Using 4Es marketing plan to define business position  
 Slides 3-4 Emphasize the importance to the business operator of establishing and/or currently reviewing their business marketing plan  
 Slide 5 Review marketing plan building blocks graphic  
 Slides 11-17 Conducting an internal audit of offerings using 4Ps. Review characteristics/items relevant to each P.  
 Slide 20 Introduce Assessment Tool I Marketing Plan Framework. Distribute handout copies of Assessment Tool I
- 20 min. (Assessment Tool I – total 53 slides) Presenter introduce this segment, then allow audience to explore on their own. Browse assessment tool examples. These real-world examples portray marketing plan elements. Encourage audience to consider examples as they begin to conduct internal audit of their business. This activity is time intensive and must be completed at a later time.  
 Slides 36-43 Review examples of 4Ps that contribute to 4Es examples  
 Slides 51-53 Summary advice for initiating marketing plan action
- 20 min. (Short Lesson 5 – total 22 slides) Illustrate Website design characteristics for competitive advantage

Slide 6 Discuss 3Is – key components of Website design  
Slides 7-11 Consider Website Information aspects  
Slides 12-18 Consider Website Interface aspects  
Slides 19-22 Consider Website Interactivity aspects, including 4Cs.

- 10 min. (Assessment Tool II – total 12 slides) Introduce Assessment Tool II:  
Development of Experiential Websites  
Distribute handout copies of Assessment Tool II  
Presenter introduce this segment for determining enhanced features of Website, and areas for further enhancement, then encourage audience to assess suggested Websites on their own.
- 10 min. Conclusion and review  
(Full Lesson 5 – total 119 slides) Slide show display of examples.

**For reference:**

Alphabet soup—4Es , 4Ps, 3Is, and 4Cs

- 4Es: (Experiential strategies to add value) Educational, Esthetic, Escapist, and Entertainment experiences
- 4Ps: (Elements of business offering) Properties, Product Presentations, Promotional Applications, and People
- 3Is: (Key components of Website design) Information, Interface, and Interactivity
- 4Cs: (Aspects of Website Interactivity ) Connections, Customization, Communication, Competition

*Strengthening Competitive Advantage* Course Impact Inventory

This inventory is to be completed by the Extension educator to document impact of the *Strengthening Competitive Advantage* Course.

Dissemination session.

1. Describe session characteristics: (date offered, location, number of audience participants, length of session in hours)
  
2. Describe session promotion used: (brochures, newsletter announcement, email invitation, etc.)
  
3. Number of people reached.



*Strengthening Competitive Advantage Course Evaluation*

This follow-up survey is to be completed by rural business operators four weeks after they have participated in the course. The survey can be administered by telephone or email and responses will be compiled to evaluate the usefulness of the *Strengthening Competitive Advantage Course*.

For each statement below, circle the word in the column to the left of the statement that indicates your response.

- |     |    |           |  |
|-----|----|-----------|--|
| Yes | No | Uncertain | 1. Lesson structure provides for user-friendly navigation.                                   |
| Yes | No | Uncertain | 2. The 4Es framework was explained well.   |
| Yes | No | Uncertain | 3. Illustrative Websites demonstrated concepts accurately.                                   |
| Yes | No | Uncertain | 4. Assessment Tools were easy to use.  |
| Yes | No | Uncertain | 5. This Course is a valuable resource.   |
| Yes | No | Uncertain | 6. I have identified aspects of 4 Es to incorporate in my business.                          |
| Yes | No | Uncertain | 7. I have performed an internal audit of my business offerings.                              |
| Yes | No | Uncertain | 8. I have implemented at least one new strategy in my business offerings.                    |
| Yes | No | Uncertain | 9. I have begun plans to align my Website presence to complement my business physical image. |