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MANAGEMENT PRACTICES IN THE EXPERIENCE ECONOMY IN THE RESTAURANT SECTOR

Abstract: In the present paper I describe a brief statement of the concept of experience economy and its application in management practices, mainly in the restaurant industry. Firstly, I will present the concept of experience economics and its application in Polish and foreign literature related to the gastronomic sector. Then I will present the concept of culinary experiences. At the end, I will present a plan to fill the research gap existing in the current state of knowledge.

Keywords: experience economy, meal experience, a la carte restaurants, fine dining

JEL Classification: L26

INTRODUCTION

Experience is an area developing both scientifically and economically, increasingly becoming a competitive advantage for the markets of goods and services, as well as raw materials, such as food (Sundbo, Sørensen, 2013). Experiences, so far, are discussed mainly with a strong emphasis on the experience as a marketing aspect (Mossberg, 2007) and mainly from the supplier point of view (Sundbo, Sørensen, 2013). The concept treating the experience as a product offered to clients is the experience economy (Pine, Gilmore, 1998). Two translations of the concept of experience economy can be found in Polish literature: (1) experience market (rynek doznań) (including Kostera, 2008, Gajewska, Szewczyk, 2012), or experience economy (ekonomia doświadczeń) (Niezgoda, 2013, Majchrzak, 2014, Wójcik, 2016). Despite the differences in translation and polish-english meaning of the terms, literature agrees with the experience economy as the definition of a new type of market. One more advanced than the market of goods or services that have so far prevailed in management sciences. The basic tool for creating this market is matching the

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client’s needs (customization) - filling the gap between the goods and services offered on the market by the competition. The entrepreneur has the right to charge higher fee to the client in exchange for offering other experiences than those available at home or in other establishments. The experience market is perceived as the next stage of development that an enterprise can only go through by changing its management method.

The main goal of the article is to identify the research gap in the existing literature and present a proposal to complete it.

EXPERIENCE ECONOMY

The model of a service-based economy is constantly evolving. One of its consequences is the experience economy, defined as an economic system built around customer experience (Niezgoda, 2013, Majchrzak, 2014). This concept, which has its roots at the end of the last century (Pine, Gilmore, 1998, 1999), is gaining more and more importance in the subject literature and among entities conducting business activity (Wójcik, 2016). Two translations of the concept of experience economy can be found in Polish literature: (1) experience market (rynek doznań) (including Kostera, 2008, Gajewska, Szewczyk, 2012), or experience economy (ekonomia doświadczeń) (Niezgoda, 2013, Majchrzak, 2014, Wójcik, 2016). Despite the differences in translation and Polish-English meaning of the terms, literature agrees with the experience economy as the definition of a new type of market. One more advanced than the market of goods or services that have so far prevailed in management sciences. The basic tool for creating this market is matching the client’s needs (customization) - filling the gap between the goods and services offered on the market by the competition. The entrepreneur has the right to charge higher fee to the client in exchange for offering other experiences than those available at home or in other establishments. The experience market is perceived as the next stage of development that an enterprise can only go through by changing its management method.

The market is evolving (Pine, Gilmore, 1998, Kostera, 2008), five stages are mentioned: (1) commodity market, (2) goods market, (3) services market, (4) experience market, (5) transformation market. With the evolution of the market, the producer can collect the bonus for matching the product to the individual needs of the client. The commodity market is the most basic form of market activity, where producers offer customers undifferentiated products that do not take into account the needs of customers at the market price. Examples are farmers, miners and mineral extractors. The next stage of development is the goods market, where the producers generally take into account the needs of customers, but they produce goods which are little differentiated and easy to copy. Then setting the price just a bit higher than market price. An example can be car factories that pro-
duce on an industrial scale. A more advanced form of functioning is **the service market** - offering more diverse service, distinguished by competition, targeted at customers’ needs and sold for just below premium. This market is the dominant form of advanced economic activity, especially in developed countries. **The experience market** is now considered the most sophisticated form of market activity. In it, the activities of individual players are highly diversified, client needs play a key role, and treats economic transactions as an experience, all for a premium price. The most complex economic activity is **the transformation market**, although considering its stage of development, it is rather an embryo of the market than the developed form of competition. The assumption of the transaction market is primarily the assistance offered to the client in achieving a higher level of awareness. This activity is individualized, directed at the self-fulfillment of the buyer. The client’s self-fulfillment needs are put on a pedestal and the whole activity is encapsulated around it. An example of it are the people dealing with personal metamorphosis: personal trainer, dietitian, make-up artist, hairdresser, etc. Companies can either gradually reach new levels of development from the goods market to the market of sensations, they can also start from higher levels, like Disneyland, pioneer the experience market. It is assumed that the transformation market is the future market, currently represented by a few enterprises. Table 1 presents a summary of the characteristics of the various stages of market evolution.

The characteristics of companies operating on the market of sensations include the pursuit of mass customization of the offer to the needs of individual clients. It is also very important for them to maintain a permanent relationship and contact with clients to ensure that they are constantly reminded of their wonderful experiences. It can be done with the help of personalized advertising, videos sent on the anniversary of events, or a souvenir that the client takes home.

The basic assumption of the market experience is to change the relationship between the company and the customer. The company’s task is to engage and help in experiencing the experiences of its clients, while the client should actively participate in arranging the experience. The role of the company’s employees also changes - they cease to be uniform service sellers - they are expected to be diversified, so as to better respond to the diversity of customers. All these efforts are aimed at developing a habit of loyalty to the company in the client, as building long-term relationships is one of the key conditions for success. The relation is changing, from “client-our master” to “our friend”. The second important element is the change of the company-product relationship. An important element is therefore the contact of the customer with the organization at particular points.
Table 1: The market development stage

<table>
<thead>
<tr>
<th>Market development stage</th>
<th>Product</th>
<th>Competitive position</th>
<th>Customer needs</th>
<th>Price</th>
<th>What a fee is charged for</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commodity market</td>
<td>commodity</td>
<td>undifferentiated</td>
<td>Irrelevant</td>
<td>Market</td>
<td>The value of undifferentiated substance / raw material</td>
</tr>
<tr>
<td>goods market</td>
<td>goods</td>
<td>Slightly varied</td>
<td>Considered</td>
<td>Market plus</td>
<td>The value of a separate material object</td>
</tr>
<tr>
<td>services market</td>
<td>service</td>
<td>Moderately varied</td>
<td>quite important</td>
<td>Premium minus</td>
<td>The value of activities performed by the manufacturer</td>
</tr>
<tr>
<td>experience market</td>
<td>experience</td>
<td>Very diverse</td>
<td>relevant</td>
<td>Premium</td>
<td>The value of customer feelings as a result of the producer’s involvement</td>
</tr>
<tr>
<td>transformation market</td>
<td>transforma-</td>
<td>Fully diverse</td>
<td>key</td>
<td>Premium plus</td>
<td>The value of the benefits the customer has gained from spending time on „consuming” the product</td>
</tr>
</tbody>
</table>


Pine and Gilmore (1998) list five principles on which the company’s management is based on the experience market: (1) striving to tematize the experience, (2) assigning positive signals to the experience, (3) eliminating negative signals, (4) attaching souvenirs, (5) engaging all five senses. The theme of survival should be based on the exact determination of experiences that are offered to the client and what they can expect in exchange for a fee, for example occasional Star Wars themed parties. It is also very important to harmonize the main subject of survival with positive signals attributed to sensations. Returning to the example of parties with the Star Wars theme, every element of the party should be kept in the convention of the film and should strengthen the positive reactions of the participants, such as the Stormtroopers as party security guards. It is very important to eliminate negative signals that may interfere with the reception of survival, such as confusing Star Wars characters with another science fiction movie in example – Star Trek. It is also important to provide participants with souvenirs reminding them of the event in eg a photo with Darth Vader. Engaging all five senses is probably the most difficult role of the company - it must make the consumer see, touch, hear, taste and sniff his experience. A good example is one of the dishes served in Atelier Amaro (first Michelin Star restaurant in
Poland) - rabbit smoked under the cylinder. A plate covered with a cylinder is placed on the table. Under the cylinder a rabbit dish is smoked in the sourdough. The consumer sees the whole process of smoking the dish, hears the crackling hay, feels the smoke aroma, then removes the topping himself, and at the end, to complement the aroma of the dish waiter adds flakes of frozen foie gras.

According to Pine and Gilmore (1999), in order to survive on the market, the company must undergo a transformation from the market of goods and services into the experience market, and thus must learn to create a rich and fascinating experience environment. Managing the market for sensations presupposes that clients in their choices will be guided by the search for amusement, fantasy, arousal, sensory stimulation, enjoyment (Holbrook, Hirschman, 1982), as well as the food for fun (de la Ville, Brougère, & Boireau, 2010).

Hjorth and Kostera (2007) in their book included ethnographies of many companies operating on the experience market in many countries, introduced a division into four main methods of management in this area: (1) directness, (2) subjectivity, (3) playfulness, (4) performativity and three main motives for transforming these ideas into organizational practices (1) uniqueness, (2) mediation, (3) massiveness. Directness is the placement of experiences at a specific time, place and cultural or social context. Subjectivity, in turn, is the linking of experience with its participant, who is itself a part of his creation and influences it at the same time undergoing transformation. Fun is called joy, the fun a consumer is experiencing is also his openness to accompanying experiences and not treating them seriously. Performativeness, is called transformation in progress, realization through experience.

The consumer in the pursuit of using the market of experiences may be guided by: the uniqueness of survival, which makes that both the company and the customer will receive them subjectively and as a unique experience. Mediation aims to change one event into another, more desirable, e.g. a company organizing birthday parties can change them from a feast into an experience remembered for weeks. Mass is the need to share your experience with the crowd who feel emotions similar to us, eg the Beyonce concert is not an ordinary musical performance, but it is a spectacle in which thousands of people participate.

A very important concept in the context of the economy of experience is the symbolic capital of the consumer (Bourdieu, 1984), that is, the resources available for specific groups depending on their status, their functions, the prestige they are endowed with, etc. It can not be easily exchanged for other forms of capital (economic, social, or cultural), but each of these forms can have its symbolic value. The same product acquired by various groups may have a completely different symbolic dimension depending on the context of culture, economy or society. Therefore, often the symbolic dimension is more important to the material dimension or ostentatious consumption emphasizing its status, for
example, at an embassy reception party, people will not meet with a large logo on a branded purse, because it would be taken away for a faux pas. In developed societies with the status of a man is no longer testimony to his wealth and state of ownership, but the lifestyle, Which is why the authenticity, emphasizing their style of consumption, becomes so important.

With the development of the environment, both the company and the consumer change (Gilmore, Pine, 2007), the latter begins to expect from the market a very personalized offer that matches and emphasizes its image. In other words, the customer expects authenticity, quality and price are not as important as before.

So far, clients, depending on the type of market they participate in, were guided by such criteria as (1) availability, (2) price, (3) quality, along with the emergence of the market of sensations, and also (4) authenticity. Availability characteristic of the commodity market dominated in the agrarian economy. For a client who could produce all the essentials necessary for his life, the most important thing was self-sufficiency. Therefore, the overarching goal was to acquire basic means to achieve these goals, i.e. construction of premises, agriculture or animal housing. The price was a key criterion in the industrial economy on the goods market. Consumers, because of the lack of time and conditions for self-sufficient production, had to meet their needs with ready-made products, and because most of them were workers in factories, they had to be guided primarily by money. Along with the increasing wealth in the service economy, consumers began to value free time, and thus they preferred to pay others for certain activities, such as cooking or building a house. Therefore, the most important criterion for them became quality, which has become a kind of standard required for services.

Currently, uniqueness, exceptionality and originality are becoming more and more important for the client. This is of great importance especially in the age of social media, where people share their lives with others. It is important that the experiences shown by them are not only unique, but also authentic. Any kind of impersonation or counterfeiting is often ostracized by acquaintances.

Gilmore and Pine (2007) indicated three axioms of authenticity:

1) If you are authentic, you do not have to ensure that you are authentic
2) If you ensure that you are authentic, be sure to be authentic
3) It is easier to be authentic if it is not ensured that you are authentic

The authenticity in question is the subjective feeling of the customer referring the product to his own image. Customers strive to acquire products that are compatible with their perception of themselves and their perception of themselves in the environment. Gilmore and Pine (2007) distinguish 5 genera (genes) of authenticity: (1) natural, (2) original, (3) unique, (4) reference, (5) inspiration. Natural authenticity refers to products of natural origin, uncontaminated with synthetcity or artificiality, such as organic food. Original authenticity charac-
teristic of the first versions of original products, e.g. iPad, iPhone, etc. Works of art, as special achievements of humanity will be qualified as exceptional authenticity. There is also a category that refers to other authentic things (reference authenticity), for example, the exhibition of the best photos organized by National Geographic. The last type is the authenticity of inspiration, that is, products that are supposed to evoke feelings, thoughts and associations in the mind of the consumer, which in turn may contribute to the pursuit of bigger goals or promise something more exalted, for example eggs from organic farming. Gilmore and Pine argue that the new basic source of competitive advantage is the management of the perception of authenticity.

**MEAL EXPERIENCE**

The concept of meal experience is often combined with the atmosphere in Kotler’s definition (1973), that is: “effort in designing the shopping environment to achieve specific emotional effects that increase the chances to buy” (Gustafsson et al., 2006). Hansen et al. (2005) defines the atmosphere as a combination of two main factors (1) senses and (2) environment.

Senses can be described as an internal frame, subjective experience of consumers, constituting experience. They include (1) sight, (2) hearing, (3) fragrance, (4) taste, (5) touch. See the appearance of the dish, its individual elements and colors, size, shape, surface texture, gloss, transparency. Hear the sounds accompanying the preparation (eg flambéing) and eating eg crunching, chewing. The smell of the dishes, the taste of the various combinations of flavors used in the dish. The touch is the texture of the individual elements of the dish and the contrasts between them. To create a positive culinary experience and the creation of its internal framework, it is necessary to bring harmony between all senses, and also to remember the culture and social context that determine what is considered good and what is bad. Often in the context of the senses, the concept of sensory marketing (eg Hultén et al., 2009) is used, i.e. the actions involving thoughtful overall engagement of all the senses in order to evoke specific memories, associations and reactions in the clients, which in turn lead to increasing brand awareness and attachment to it at the emotional level. the eyesight is to be engaged by factors such as: packaging, its color, design, in the case of premises - colors and decor; hearing - is to be a distinctive signal, a leitmotiv, sound information, but also to create an atmosphere; smell, distinctive atmosphere, intensity and attention; taste - compositions of flavors, pleasure and mutual connection with other senses; by touch are understood - temperature, weight, texture, shape and softness.

Another important element mentioned by Hansen (2005) is the environment known as the outer frame of the meal, its representative in the room. The envi-
The environment includes: the core product, the interior of the restaurant, personal social meetings, the company, and the restaurant atmosphere. The basic product are the dishes served in a given restaurant; the interior of the restaurant - the decor, cleanliness, lighting; personal social meetings - that is, the presence of other guests, both at ones table and the others; company - or opinion about a given restaurant; atmosphere in the restaurant - including service closer - waiters and further - noises from the kitchen as well as smell and music.

Figure 2: Factors influencing diners’ experience


Figure 2 presents a different way of describing environmental factors influencing customer experience during a meal (Andersson, Mossberg, 2004). The authors to the stimuli influencing the reception of experience mentioned (1) cuisine, (2) the restaurant interior (3) service, (4) good company, (5) other guests and the most important key element - (6) food. In the described study restaurant guests were asked to evaluate their willingness to pay for the mentioned aspects of the experience. Undoubtedly the most important is service, guests were able to pay more for a meal whose service would be perfect compared to the one they received. Hansen et al. (2005) showed that the service is also of great importance for regular customers, he also showed (Hansen, 2004) that bad customer service, including excessive waiting for the check, can effectively discourage the customer from returning. However, although the service is such a strategic point of contact between the client and the company, the companies spend minimal expenses on its training (Pratten, 2003).
CONCLUSION

The concept of experience economy in relation to food is a relatively young topic. Articles describing the phenomenon largely focus on traditional products in Denmark (Eriksen, Sundbo, 2016) and the Nordic countries (Mossberg, Eide, 2017) combining them with concepts such as eg narrative (storytelling), culinary tourism (food tourism), or the concept of a meal experience concept. However, the very subject of change in the production of food and its consumption is a topic described in literature from many fields.

The literature of the subject (including Andersson, Mossberg, 2004, Hjorth, Kostera, 2007, Mossberg, 2007, Sundbo, Sørensen, 2013, Kostera, 2016) indicates that the experience is a strongly developing field of science and the implication of elements of the economy of sensations in building a competitive advantage is also becoming an important concept in practical terms. Nevertheless, experience is mainly used in the marketing aspect (including Mossberg, 2007, Lien, Hsiao, Huang, 2010, Gajewska, Szewczyk, 2012;) or economic (including Niezgoda, 2013; Majchrzak, 2014; Wójcik, 2016). In addition, the view of the experience provider has mainly changed (Sundbo, Sørensen, 2013).

Until now, the management of restaurants focused only on the taste and aesthetic values of the dishes served or on the management of a team of employees, some publications talk about managing the market of sensations in the catering industry, such as traditional products (Eriksen, Sundbo, 2016), they also determine the impact of management experience in the restaurant industry can help influence the economy and increase the attractiveness of the country as a place to see other people (including Lien, Hsiao, Huang, 2010).

The importance of service in the market management of sensations was reported by Andersson & Mossberg (2004, 2005) indicating, the service has a key impact on the final reception of the culinary experience, while Pratten (2003) indicated that despite such a significant role as the service in creating meal experience, the entrepreneurs still do not spend money on this goal.

Previous studies on the catering sector in Poland were conducted in terms of (1) the condition and directions of the sector’s development (Kwiatkowska, Levyskta, 2007, 2009), (2) factors determining quality and safety for consumer health (Grębowiec, 2010), (3) specific behavior of tourists on the market of gastronomic services (Kowalczyk, 2013), (4) managing the market of sensations in terms of sensory marketing (Gajewska, Szewczyk, 2012).

This article shows the research gap, which can be considered a lack of literature describing the perspectives of other market participants, users and employees. Above all, indicating the differences in defining elements of the economy of experiences and the significance that this brings with it for the development of the organization’s activity and building its competitive advantage.
Therefore, research is planned to complement the research gap. This research aims to fill the research gap in the form of (1) indication of the success factors of fine dining restaurants from the perspective of market participants (2) indication of the possibility of using the experience economy to build a strategic advantage of the company, not only in terms of marketing. The project can be divided into four basic goals: (1) critical analysis of the current one; (2) showing differences in the perception of concepts (experience, experience economy, meal experience, fine dining, wine paring) among market participants; (3) examining the perspectives of management in the catering sector in terms of various market participants; (4) indication of the success factors of using the experience economy from the perspectives of market participants.

The research was divided into 6 main stages: (1) selection of restaurants for testing based on the selection of the study group (2) field research (3) initial analysis of the collected material with indication of research gaps (4) the second round of fieldwork to complement research gaps (5) comparative analysis of the collected material, (6) description of case studies.

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