



Using “biztainment” to gain competitive advantage

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Abstract *Biztainment* is a practice by which entertainment is added to a bundle of goods and services in order to gain competitive advantage. The achievement of this goal is illustrated herein using economic examples of increased revenue, repeat business, and profits, and by extending the product lifecycle, thus ensuring survival of the firm. The general premise is that biztainment is an increasingly popular business strategy, applicable to all industries. For example, consider the goods and services provided by Build-A-Bear stores: children can select the fabric, eyes, and buttons to create a unique tangible good, while the memorable process of building it (employing self-service, too) with family or friends adds extraordinary value to the purchase. Build-A-Bear’s use of biztainment has resulted in 370 stores worldwide on five continents, expanding at a rate of 25 locations per year, and earned revenue of \$474 million in 2007 (Build-A-Bear, 2008). This article concludes by offering examples of ways in which managers can evaluate their current product-service strategies against the environmental drivers of biztainment.

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1. Value-added entertainment

Why would people pay to pick their own strawberries, crush grapes with their feet, or make their own cosmetics? Might it be that the process of doing these things is as valuable to the customer as the outcome itself? Adding entertainment content to a

bundle of goods and services in order to increase the value perceived by the customer is nothing new (Chase & Garvin, 1989; Collier, 1994; Collier & Meyer, 1998, 2000; Grönroos, 1990; Holbrook & Hirschman, 1982; Pine & Gilmore, 1998). Nevertheless, the addition of entertainment to the organization’s bundles of goods and services is part of a broad competitive trend across many industries which provides unique opportunities for companies to grow revenue by designing new, and enhancing existing, products (Holbrook, 2000; Holbrook & Hirschman, 1982).

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Biztainment is the practice of adding entertainment content to a bundle of goods and services in order to gain competitive advantage. Biztainment initiatives must be thoughtfully designed and executed using service management concepts and methods (Collier & Evans, 2007). *Entertainment* can be defined as the act of providing hospitality, escapism, fun, excitement, and/or relaxation to people as they go about their daily work and personal activities. For example, a BMW automobile dealership in Fort Myers, Florida recently opened a new 52,000 square foot facility that offers a putting green, private work areas, a movie theater, wireless Internet access, massage chairs, a golf simulator, and a café, so that customers have multiple entertainment options during their visits (Diaz, 2008). The old business model of just selling and servicing a physical vehicle is gone. Today, how a firm bundles entertainment, information, and service to goods and services is often the marketplace order winner. The three objectives of this article are as follows:

1. To document and define the phenomenon of using entertainment in a wide variety of businesses to gain competitive advantage (i.e., *biztainment*);
2. To show how biztainment is a viable economic strategy that generates additional revenue and profits; and
3. To help practicing managers learn about biztainment and apply their knowledge, so that they can recognize opportunities to use biztainment in their product-service strategy.

Managers in every industry should be asking: How can we use biztainment to generate more revenue and profits?

2. Laying the groundwork for biztainment

We recognize four drivers for an increased awareness and application of biztainment. The first is the evolution of the consumer from an information processing perspective to an experiential view (Holbrook, 2000; Holbrook & Hirschman, 1982; Pine & Gilmore, 1998). Our conceptualization of biztainment is very much a practical operationalization of experience and entertainment in Holbrook's broadened view of the experiential consumer (Holbrook, 2000). Entertainment in itself can add value to most goods and services, such as music, wireless Internet, and a fireplace at a coffee shop.

The second driver is management's recognition of potential synergies between the consumer's willingness to view certain aspects of the operation as entertaining and the opportunity for the business to add value or save cost. Biztainment finds a particular advantage when blending entertainment with operational requirements and service-provider behavior. Consider, for example, the following situations in which entertainment is bundled with goods and services, thereby providing the opportunity for the business to charge higher prices:

- Playgrounds at fast food restaurants, with controlled patron access;
- Young girl makeovers at Libby Lu's that train customers in product application;
- Information-related stimuli like visual animation on a website, such as the online touring of a house for sale and its neighborhood;
- Powerful oratory from a wine steward that aids in ordering and enjoying a great wine with dinner;
- Factory tours that familiarize customers with the processes used to create value;
- Grape stomping in bare feet, invoking all the human senses in the service experience, thereby bringing customers closer to the winemaking process; and
- Retail product demonstrations that are funny and enlightening.

The third driver is an artifact of the economic shift from agriculture, to industry, to services, to information. Customers are becoming more distant from their agricultural and manufacturing roots. In these industries, this trend is likely to increase as offshore sourcing of goods continues with globalization. Many current U.S. service sector employees are not exposed to the farm and factory experiences of previous generations. This creates feelings of nostalgia, or simply curiosity, that drive customers to want to experience what it was like to work on a farm or manufacture goods in a factory. As proof of this claim, it is documented that there are now over 460 active factory tours operating in the U.S. (<http://factorytoursusa.com/>).

The fourth—and most important—driver of increased awareness and application of biztainment is as a powerful source of additional revenue and profits. Table 1 provides examples of how different industries use biztainment to increase revenue and

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