

# Experience This! Show Podcast

Hosts: Joey Coleman & Dan Gingiss ExperienceThisShow.com Official Show Transcript Originally Aired: March 16, 2021

## Episode 124 - Daily Dose of Personalized Experience

Joey Coleman (00:05):  
Welcome to Experience This!

Dan Gingiss (00:07):  
The podcast that celebrates remarkable customer experiences and inspires you to stand out from the competition by wowing your customers.

Joey Coleman (00:17):  
Each episode, we bring you a healthy dose of inspiring stories, funny interactions, and practical takeaways. Marketing and customer experience thought leader Dan Gingiss...

Dan Gingiss (00:30):  
shares the mic with customer retention and employee experience expert, Joey Coleman, helping you to get people talking about your business.

Joey Coleman (00:40):  
So get ready because it's time to Experience This!

Dan Gingiss (00:49):  
Get ready for another episode of the Experience This! Show!

Joey Coleman (00:55):  
Join us as we discuss a new way to take your vitamins, how government regulations affect businesses, and creating intentional friction in e-commerce.

Dan Gingiss (01:08):  
Caring, Legislating, and Preventing - oh my!

Joey Coleman (01:16):  
Sometimes a remarkable experience deserves deeper investigation. We dive into the nitty gritty of customer interactions and dissect how, and why, they happen. Join us while we're Dissecting the Experience.

Dan Gingiss (01:33):  
You know, Joey, I think it was the great Hulk Hogan that said, "Say your prayers and take your vitamins!" If I recall...

Joey Coleman (01:40):  
I cannot believe we just started this segment with a Hulk Hogan quote. For those paying attention at home, that is your second Hulk Hogan reference this season because you also referenced it in the LEGO episode I did about the Iron Man Hulk Buster costume.

Dan Gingiss (01:57):  
I did, I'm going to use it as an Easter egg for the rest of the season... Look out for more Hulk references! The Hulkster always told us to take our vitamins and I Joey, having a new way of taking vitamins. And I wanted to share with you because I actually acted on it based on a recommendation from a friend - my friend, Sarah Grace McCandless - and of course think about that people that's word of mouth marketing. That is what's happening right there!

Joey Coleman (02:25):  
You bought something! Positive review led to positive new customer acquisition.

Dan Gingiss (02:31):  
Yes. Based on a great experience of somebody else and we will put a link by the way to "Care Of" - this is a vitamin company they are at "takecareof.com" and we have a link in the show notes. And when you get to their website, it says, you know, your body, we know the science let's work together. And the first thing that happens, yeah. The first thing that happens is it asks you to take a survey and it asks these questions that are not particularly hard, but they

ask you heart health and brain and memory function, things about your hair, skin and bones, your health goals, and even things like stress, and whether you believe in things like Eastern medicine and you know, natural supplements. The whole thing took less than five minutes and the result was a list of vitamins and supplements, and a package that included a 30 day supply tailored specifically to me.

Joey Coleman (03:29):

So let me get this right? You take this quick survey, you tell them what's going on with your body, what you need, what you don't need, et cetera, et cetera, what you believe, what you don't believe, and in less than five minutes, you're getting some hyper-personalized vitamins, vitamins made just for you?

Dan Gingiss (03:45):

Indeed. That is True, Joey. But the experience does not stop there. So first of all, I'm going to share my results with you - And I don't think we're breaking any any HIPAA laws here, Cause it's mine...

Joey Coleman (03:56):

HIPPA alert, HIPPA alert. It's your stuff. You can say whatever you want!

Dan Gingiss (04:00):

It's my own, so I guess you give up your right to privacy when you share it with everyone. So here's what the system told me, according to my answers, that I should be taking. The first thing was ashwagandha, which I had to look up, and that was because that was for my brain and it was because, and I quote, "you told us you have trouble concentrating sometimes" Yeah, exactly. I guess...

Joey Coleman (04:24):

Ashwagandha gonna need some of that!

Dan Gingiss (04:27):

Yeah, here we come. Uh, then I was a, suggested some [inaudible] for my heart because I told them that I had slightly elevated cholesterol. Uh, also some garlic for my heart and then, uh, calcium, because I love this one. It said, "you told us you live in the North and rarely eat dairy." That is true. Ladies and gentlemen, we live in the North and rarely eat dairy. And then some American ginseng for a little stress relief.

Joey Coleman (04:56):

I didn't know there was such a thing as American ginseng, but okay, great.

Dan Gingiss (05:00):

There is. And I got this thing. So those are all, uh, vitamins in there, either capsules or little, you know, swallowable pills. But then I also got something that was called the pocket. Protector was just, that was kind of a funny name. And it's a blend of lactobacillus rhamnosus GG and Bifidobacterium lactis BL-04, which obviously you know...

Joey Coleman (05:23):

Did it come with a pronunciation guide cause I'm feeling like it must have. You're doing a great job on this! I have no, I'd like to buy a vowel, yeah - I'm not sure what's going on there.

Dan Gingiss (05:33):

Those happened to be two strains of probiotics that help support the body's immune system, because it's specifically asked in this day and age about whether you were around anyone that might be immunocompromised or whether you were, you know, in any particular reason, wanting to, uh, to boost your immunity and who doesn't these days. So now I want to tell you about the experience of receiving the vitamin. So I said, hit me. I ordered it up and I get this box. Now it comes in a bright red box, which really stands out in the mail and it has very clever messages on it. I don't want to ruin them, but you know that I love clever language and witty language.

Joey Coleman (06:09):

I do know that you love clever. Are we going to include some photos on the website? Do we have some of those or are they the kind of messages that well I'm asking, because I don't know that we should reveal too much. Like if...

Dan Gingiss (06:21):

I think we can. Yeah, it's fine. It's fine. So you open it up. And the first thing that you see is a guidebook and right on the cover, it says "Made for Dan" almost like, Oh wow, nice.

Joey Coleman (06:31):

Simple personalization. All they did was use his name and before you opened any further than the guidebook, my gut instinct is the endorphins are flowing. You're feeling good about what's going on cause this was made for you!

Dan Gingiss (06:46):

Yeah. And, and not surprisingly in this guide book were all of the vitamins that I had selected along with their supplement facts, which is like the nutritional info chart that you see on food, if similar ones for supplements. And as it is now, when I learned that they have clever nicknames for each one of these. So my ashwagandha pill is called the Chill Pill because focus and cognitive function, the garlic is called the Vampire Slayer, and the American ginseng is called the "Study Buddy," because it supports memory and focus. Now here's where it really gets cool. You get this dispenser box, this beautiful dispenser box that has daily pill packets in it. And you pull out a packet. Now, each packet is made from a hundred percent compostable material. They have

Joey Coleman (07:35):

Ooo I like it! Environmentally friendly, paying attention, I love it!

Dan Gingiss (07:38):

They have really neat quotes on them. Or sometimes it's a challenge or, or a fact, uh, they say, "Hi Dan,"

Joey Coleman (07:46):

To make sure I understand, their are messages on the individual pill packs that you're pulling out every day?

Dan Gingiss (07:50):

Yes. And every message starts with "Hi Dan," and then it has either a quote, a fact or a challenge. And so for example, one of the facts was that historically peanuts have been used as one of the ingredients in dynamite.

Joey Coleman (08:03):

Oh, nice. Nice.

Dan Gingiss (08:05):

See, you learned something new today too, didn't you?

Joey Coleman (08:06):

I did learn that new, ironically enough, uh, having my grandparents' farm when I was growing up, had dynamite on the farm and they kept it in a tin shed next to the house where we would actually go out and watch the dynamite sweat! But I didn't know that dynamite had peanuts in it. So yeah, that's an interesting newfound fact.

Dan Gingiss (08:24):

Well, and then there was also a quote from a famous philosopher and it said, uh, "you can't be that kid standing at the top of the water slide, overthinking it. You have to go down the chute." And of course that famous philosopher is actress and comedian Tina Fey. So that gave me a little bit of a laugh, but this whole presentation is so amazing and it sits on my desk. And every day I open up my pill pack, I take my vitamins. I bring the empty pack over to the compost machine after reading the quote or whatever it is, and I feel like I'm taking exactly what I need for Dan. Not for anybody else.

Joey Coleman (09:05):

I love it. And this feels like such a better experience across the board. Not the least of which is the pre- personalized experience like the one you just described of going and buying, you know, the bottle of multivitamins hat it presumes that every human that buys this bottle needs the exact same mix of the same things. And you never know exactly what's in it or, you know, is it fresh? Is it old? Is it new? Is it for you? Is it not for you, et cetera? This one is...

Dan Gingiss (09:37):

I buy the ones that we should have, the one for men, so it must be right.

Joey Coleman (09:41):

That's nice. Yeah, exactly. No, I love this. And I think it speaks to this trend that we've talked about on the show before, where healthcare is something that every human needs and with all due respect to our friends and colleagues that work in healthcare, this system is just fundamentally broken right now. We, there are so many of opportunities to improve and enhance the experience. There's a lot of room for growth there and a lot of opportunity for us to improve.

Dan Gingiss (10:07):

You're so right, Joey, I mean healthcare itself has to be personalized. All of our bodies are different. We react to different things. We might be long or short, certain nutrients, et cetera. And so I think this plays on a number of themes. Obviously personalization is one of them. And we've talked about that a lot on the show, but health and wellbeing is such a hot topic right now, especially with people at home and not being able to exercise as much as maybe we used to. And just generally being more stressed and uncomfortable. Uh, and also this idea of brand connection, which we've

talked about to look, these vitamins are not as cheap as the multivitamins for men that I buy at the drug store.

Joey Coleman (10:49):

Dan - I was going to ask, can you give us a ballpark idea? Because I'm sure people are listening. They're like, wow. And you know, and lots of times the thought is, well, if it's going to be this amazing experience it probably means it's going to be a luxury pricing. But it sounds like while it's more than maybe the typical vitamins you would buy at the drug store, it's not like crazy, insane, expensive - would I be correct in assuming?

Dan Gingiss (11:09):

All in - including shipping - it was maybe 39 bucks for a 30 day supply. So, and that had five different vitamins as well as the pocket protector, the immune system stuff. So yeah, I didn't think it was too bad. It's more than I would normally spend, but I really loved, and frankly, I'm still taking the multivitamin because the multivitamin doesn't have any of those things in it. It doesn't have the ashwagandha, it doesn't have ginseng in it. So I've actually added. But again, I felt like, you know, I feel like the company knows me and I've gone back in by the way and adjusted some of my answers to play around with it a little bit. And so for example, the first time I'd asked me, I'll obviously I'll the joke before you do, but when it asked me about hair,

Joey Coleman (11:55):

Do you need some hair? I was gonna say, does ginseng help with hair growth? What's going on here?

Dan Gingiss (11:59):

Yeah, but I, you know, like I went in and like retook the skin and nails part. I was like, Oh, well, what happens if I say that I, you know, am interested in nail strength or whatever. And I just wanted to see how the things change.

Joey Coleman (12:11):

Do you get, do you get different answers then? And did they send you different stuff?

Dan Gingiss (12:14):

You do - and you can, at any point retake the survey, or sometimes they ask in this particular case, they asked me the next time I logged on, they said, Hey, would you like to take an additional couple of questions about, about nails and skin? And I said, sure, why not? And so then it recommended two more. I haven't ordered those yet, but the whole point is personalization, connection with a brand, and health and wellbeing - these are all themes that are really hot. And I think they've done a great job putting the whole package together and really making me feel like I'm doing something good for me. And so I highly recommend it. Thank you to Sarah Grace McCandless for recommending it to me. And I'll recommend it to our listeners as well. And again, we'll put a link in the shownotes!

Joey Coleman (13:00):

Just because you have required elements of your business doesn't mean they need to be boring! It's time to get creative, have some fun, and make people sit up and take notice. Get your customers talking when you Make the Required Remarkable.

Dan Gingiss (13:20):

You know, Joey, I still read the newspaper - like an actual paper newspaper.

Joey Coleman (13:27):

Dad? What's a newspaper?

Dan Gingiss (13:30):

Exactly. I feel like, I feel like I've heard that question before.

Joey Coleman (13:34):

You're a bit old school... I understand that I actually read a printed newspaper as well. I read the Sunday, New York Times every week, but not, I think you read daily, don't you?

Dan Gingiss (13:43):

I read, I get a, uh, Wednesday, Thursday, Friday, and Sunday subscription to the Chicago Tribune. And I don't know why they do that.

Joey Coleman (13:53):

I know this segment isn't about that, I presume it's not about the Wednesday, Thursday, Friday and Sunday. It must have to do in the Cubs play? I don't know. It's something like that.

Dan Gingiss (14:03):

If it was actually when the Cubs play, I'll probably go to seven days a week because then I want to read it even more. Anyway, it kind of comes from the fact that when I was in college, I was an editor of the college paper, the Daily Pennsylvania, and I'm now on the board of directors so I still, I believe in journalism, I believe in newspapers, yes. Any event, it was somewhat surprising to me to come across a full page printed advertisement from Facebook. And it stood out to me, not because it was from Facebook, but because it had an actual size image or maybe a little bit bigger of, are you ready for this? A floppy disk.

Joey Coleman (14:40):

Wow. Now that is a blast from the past Dan. I have not thought about a floppy disc in a very, very long time. Now let me clarify here. It was an ad for Facebook, with a floppy disk, but was Facebook even around at the time that there were floppy that like I remember using floppy disc and I remember getting onto Facebook. I don't remember if those two things overlapped in any way, shape or form.

Dan Gingiss (15:04):

Well, it's a good question. Facebook actually launched in 2004 and by that time, floppy discs were really already on their way out. And this was a picture if you'll recall, because I know you, you and I are roughly the same age, certainly if I'm a little older and wiser, but this was the three and a half inch one, the hard floppy disk, which I sound a bit of an ozymoron, but the hard one versus those old bendable ones you remember that were bigger.

Joey Coleman (15:30):

Right, right.

Dan Gingiss (15:30):

And anyway, the headline of the ad read and I'm quoting the last time comprehensive internet regulations were passed. This is how files were shared. And the aunt goes on to say, it's been 25 years since comprehensive internet regulations were passed. It's time for an update. We support updated internet regulations to set clear guidelines for addressing today's toughest challenges, learn more at: [about.fb.com/regulations](http://about.fb.com/regulations). So of course, since I thought this was really fascinating, I had to go to that website.

Joey Coleman (16:04):

So you thought to yourself, "Hmm... Fascinating PR move Facebook! Let's see what's going on on this landing page.

Dan Gingiss (16:11):

Exactly. So I went there and it says on the website, "We continue to take critical steps to improve and secure our platforms. Facebook is not waiting for regulation. We're continuing to make progress on key issues. We've tripled our security and safety teams to more than 35,000 people and built new privacy tools. We're also working with tech peers to make it easier for people to move their data between platforms securely." And then it says that "Facebook is interested in promoting more legislation around a few topics." Now let me stop there for a minute. They want more regulation. Now you used to work in government, Joey...

Joey Coleman (16:48):

I did - and I'm a recovering attorney as well. Uh, so here's the thing, there's a part of me that reads this and says, wow, okay, nice. I like that. They're promoting for some regulation because the internet is the wild West. And while I didn't know that the last time we had comprehensive internet regulation, the floppy disk was the King of file transfer I do now. But I'd be lying if I didn't say Dan, that a part of me feels like this is a little bit of a "don't break us up. Don't break us up. We'd love to be in favor of new rules and new laws" that it's a little bit of a, a logistical legal strategy. Move here to act like they're for these things, because we know for anybody that's been paying attention to what's going on in the justice department, in the antitrust lawsuit. So it's maybe just me of all the people listening, but we know there's this pending case coming against Facebook that's, I would posit, there's a better than 50% chance, likelihood that they're getting broken up in the next two and a half years.

Dan Gingiss (17:50):

Well, I'm glad you asked this joy because as we like to do here on the show, I reached out to Mark Zuckerberg to give us audio. Yeah. And listeners, he said, no, so we're not going to have any audio from Mark, but I see, I hear what you're saying Joey. And here's what I thought about this. So I came from the healthcare industry and the financial services industry, both are, which are two of the most highly regulated industries in the United States. And over a period of time, I started to adapt some of my own philosophies about regulation. And in fact, in particular HIPAA, which we mentioned in the last segment, which is the privacy laws in the United States around healthcare information, HIPAA also has not been updated since the advent of social media or at least since 2004, when Facebook came aboard. And I know this because when I worked in healthcare, I read the entire HIPAA law.

Joey Coleman (18:46):

Such a good overachiever.

Dan Gingiss (18:47):

I know. Well, you know, I'm, I'm a recovering wanna-be-attorney. So in that way, but what's fascinating is that here we have one of the most major pieces of legislation in our country on privacy. And it, there is no reference to social media. And so you think, well, gosh, all these years later, maybe somebody should update the darn thing and explain what that means. And I had a real case when I worked at Humana, where we had this situation where somebody left us this really long post on Facebook, talking all about her daughter's illness and how we had rejected her claim. Now it turned out that the rejection of the claim made perfect sense because the doctor had actually prescribed the wrong thing. And so the claim was properly rejected and he just needed to re-prescribe it. Well, the lawyers initially did not want us to say anything, not even to acknowledge with any sort of response and, you know...

Joey Coleman (19:41):

'cause it was on social media. Yeah, yeah, yeah. Right.

Dan Gingiss (19:45):

And you know how that made me feel?

Joey Coleman (19:46):

Yeah. The lawyers basically took the standard move of, let's avoid any likelihood of the appearance of impropriety by even commenting on this, and you being somebody who puts customer experience far above legal requirements, obviously you want to play within the bounds, but you're going to try to, over-index on taking care of the customer. You're like, no, we need to respond to this!

Dan Gingiss (20:07):

Well. But also it didn't make logical sense to me because I figured, Hey, if somebody is going to come to social media and tell the world that they have XYZ disease, what privacy are we protecting anymore? They've already, they've waited. Right. And so what's, you know, and so how could you hold a company responsible then it's not, they didn't share the data in any event. The philosophy that I came up with in both industries is that I actually think most government regulation has the right idea in mind, the right ideas to protect the customer and to make sure that the little guy isn't taken advantage of by big companies. Now from a CX perspective, I find that most of this regulation, when you just boil it down to what are they trying to achieve, it actually makes good sense from a customer experience perspective, right? We don't want to screw over our customers either so inadvertently or on purpose. And so the concept is there, it's usually where it usually falls apart is in the execution, is that, that then we'll have, uh, you know, the government telling us how to protect people's privacy. And, and I want to get into politics here, but I'm a believer that business can figure that out in a more innovative way. In any event, I think it's smart to Facebook, whether it's a PR play or not to get out in front of legislation before it happens, because then they at least have a chance to impact it and to have their voice included in it. I think they probably resigned themselves to the fact that we're going to have new legislation at some point breakup or no breakup. And so, Hey, we might as well be part of the solution. And for that, I, maybe I'm giving them some benefit of the doubt, but I think that smart, I'd like to see the healthcare industry push for an update to HIPAA, to include social media. It's something that's missing. It should be there. And I, if I were still in the healthcare industry, I'd want to help write that.

Joey Coleman (21:58):

I think that makes, I think that makes perfect sense Dan. What I will say is that what is fascinating to me and let's, let's narrow the scope of this conversation. If we could briefly just to the concept of privacy, cause we've talked about it in the context of HIPAA, let's look at it in a context of two of the biggest, three of the biggest texts, tech players in the space, Facebook, Google, and Apple. All three have remarkably different beliefs, actions, policies, attitudes around privacy. And depending on where you personally fall on the privacy meter, you are necessarily drawn towards the behavior of one or the others accordingly because their corporate beliefs or viewpoint or perspective aligns with your personal viewpoint or perspective. I happen to think that what Apple is doing about really saying, look, we are, we're going to go toe to toe with Google and with Facebook, and we are going to be champions of protecting your privacy. There are some people that, that is going to actually decrease the experience because it's not going to make things as convenient. You're not going to be able to be fed ads based on, you know, certain data that these tools were collecting. But I do think that it's carving out a space in the customer experience where they will attract a certain type of customer. And so I agree with you. I think what we're seeing is that the companies are leading the charge on these legal issues and the behaviors they're taking, because let's be candid, the legislators are just woefully behind and, and I come from a family of politicians and lawyers, I say that respectfully, but you can't see senators grilling Mark Zuckerberg on Capitol Hill in a hearing saying, but wait a second, how do you make money without saying, "okay, Boomer.

Dan Gingiss (23:55):

Do your homework.

Joey Coleman (23:56):

as the kids would say, I wouldn't say that, but you know, go, go do your homework. Like you have to understand how this technology works a little bit, if you're going to be asked to write laws about it.

Dan Gingiss (24:07):

Right. And, and I, Oh, I wonder in the healthcare space, you know, how many people in healthcare are helping to write healthcare laws, right? Because if you just have politicians writing healthcare laws, you're gonna run into problems. Anyway, you might remember by the way for, uh, uh, listeners of longtime listeners to the show back in Episode 101, you and I had an agreed to disagree segment on privacy versus convenience. So listen to that. And that was an interesting conversation. Anyway, back to Facebook. So the items that they called out were combating for an election interference, certainly an important one, protecting people's privacy and data, enabling safe and easy data portability between platforms and then supporting thoughtful changes.

Joey Coleman (24:51):

Aww - that's an artful term!

Dan Gingiss (24:51):

And this is definitely the PR part that is the Communications Decency Act. And that is the section that specifically eliminates Facebook and other tech companies from being responsible for the content on their site. So Joey...

Joey Coleman (25:05):

It's their get out of jail free card. Let's be honest. That section was written by tech companies as a blanket, get out of jail free card. We're not responsible. Now, should they be a hundred percent responsible for stuff on their side? I don't think so, but should they be a hundred percent not liable? No, that doesn't work either. We got to find some middle ground on this.

Dan Gingiss (25:24):

And frankly we have the technology to do it, right. They have technology that can, I can look at posts and identify things. And they actually listed a couple of topics with the illegalities that they think would be reasonable to add to such a policy. So I think the summary here was look, I was stopped in my tracks because I'm reading a printed newspaper, I see a printed full page ad from Facebook that is talking about additional regulation. Now yes, they may be doing it to make the politicians happy. But I did think that it was well thought out and I would encourage companies that are in regulated industries 'cause man, I spent more than half of my career there and it can be a bear get involved in the creation of these regulations. Talk to your Congressman and your senators and be part of the conversation because oftentimes companies act like regulation is something that happens to them. And I do think if Facebook is smart, they're not going to wait for regulation to happen to them - they're going to contribute to it and try to at least make it in such a way that they can work with it.

Joey Coleman (26:33):

Almost everyone has interacted with chatbots, but all too often, it's been a bad experience. In MythBusters presented by Solvvv, we explore a common myth about CX chatbots and see how the right technology can create a positive experience every time.

Dan Gingiss (26:57):

Today's myth about chatbots, they can't help you with urgent issues. Joey, have you ever been stuck with a chat bot when you had a more serious issue that needed human support? The worst thing is being stuck with a robot on the phone or website with no good way to get to that real person, especially when you need an answer - Now! I've even tried to hunt down a customer service number, which of course is often a challenge for some companies. And one time the chat bot wouldn't even stop after the human joined the conversation.

Joey Coleman (27:29):

I love it. Now you're having a conversation with the chat bot and the human and you're loving both of them!. Well, the reality is modern chat bots can seamlessly get you to a support agent when you need one intelligent chat. Bots can understand when your issue is urgent or it requires agent support and will quickly route you to the right place in those specific cases. Similarly, requesting to speak to an agent hands you directly to a real person - ensuring you don't waste time, looking around for a phone number or sending an email to support or pounding on the "O" repeatedly in the hope that if you push it harder, it will get you to an agent faster.

Dan Gingiss (28:06):

Well, I'm not sure we should have shared this secret to super fast customer supposed support Joey, but I have to say, if I knew I could get to a human at any time, I'd probably be a little more patient with the old chat bot.

Joey Coleman (28:18):

That's another Myth Busted - thanks to our friends at Solvvv, the Next Gen Chatbot.

Joey Coleman (28:27):

There are so many great customer experience articles to read, but who has the time! We summarize them and offer clear takeaways you can implement starting tomorrow. Enjoy this segment of CX Press, where we read the articles so you don't need to!

Dan Gingiss (28:45):

This week's CX press is by Branwell Moffatt on the Future of Customer Engagement and Experience website, which is managed by SAP CX - which in full disclosure is a client of mine, but that's not why I'm sharing the article. And in fact, they don't even know that I'm doing it. The article is entitled "Friction in e-commerce - sometimes it's a good thing."

Joey Coleman (29:08):

Now wait a second, Dan, we've talked about this on the show many times. Isn't friction, usually a bad thing when it comes to customer experience?

Dan Gingiss (29:16):

Yes, of course it is. Which is why I thought the article was so interesting as Moffatt writes and I'm quoting convention tells us to remove as much friction as we possibly can, but there, but is there such a thing as having too little friction, can we go too far and actually damage our customer experience by making it too easy for them unquote. Now he points to Ikea the iconic furniture retailer that sells high quality pieces that the buyer has to assemble themselves. I'm quoting again. He says, "you'd expect the main advantage that this gives Ikea is a lower cost of sale, which can then be passed on to customers. However, the very fact that customers have to invest more time and effort into the collecting and building of the furniture causes them to place a higher value on it." Unquote, now this psychological phenomenon actually has a name and it was coined in 2011 by researchers from Harvard, Gail, and Duke. It's known as the "Ikea Effect."

Joey Coleman (30:14):

Oh my gosh, I love it. Here's the crazy thing, Dan, we just moved a few months ago and for the, let me count that, uh, one, two, three, four, five, six time I moved a dozen Billy bookcases from IKEA. Now I guarantee you when IKEA made this less than a hundred dollar bookcase, they did not think I was going to take it from Virginia to DC, to Colorado, to three different locations in Colorado, and back to Iowa. But I did. And I totally get that idea of being connected to the furniture in a different way, because you built it. And something like the Billy bookcase super easy to build, they have other bookcases, not so easy to build. Uh, and, and that's kind of the adventure. Whenever you buy something new from IKEA, are you getting the easy to build one of the more difficult to build one, but I, uh, I resonate with this idea that even though there's some frictions, uh, of building it, it does create more connection because I built this darn thing, I'm going to take care of it and get the optimal use out of it. Before you move on to another, giving it up so fast, that's giving it up. I said, yeah, I spent a good amount of time on this. The Kallax, by the way, is the one that is just a killer. If you see the Kallax five by five cube, go get a PhD in furniture building, it'll be easier.

Dan Gingiss (31:42):

Well, we actually talked about this way back in Season 2, Episode 42, when I bought some furniture from Target. And I expressed that and I still express it. I do not enjoy putting together furniture, but that Target's directions made it really fine and easy. But I started thinking about some other examples. Well, first of all, actually, there were other examples in the article. And then I, I thought of some additional ones. He mentioned growing your own vegetables in the garden right there. They taste better because you grow them.

Joey Coleman (32:11):

Ironically enough Dan, you may recall, we talked about earlier this season about the, uh, special lettuce grower I got from my wife. We actually ate the lettuce from it the other night, the first time we harvested the lettuce that we grew in the basement. And I got to tell you, we asked around the table, the family and everybody was like, this tasted really good. And I, we talked about the fact that does it taste better because we know that we grew it as opposed to buying it at the store.

Dan Gingiss (32:37):

Yeah, for sure. For sure. And the article also mentioned the great brand build the bear, which is the store that lets you assemble your own Teddy bear, which in theory should be less expensive because they don't have to pay for the labor, but it's actually more expensive because you're paying for the experience. So he says Moffatt writes, "by adding friction to the purchase process, these companies have managed to increase the perceived value of their products while also reducing their costs."

Joey Coleman (33:04):

You know, it's interesting, Dan, I understand the way that friction is being used here, but I, I'm not exactly sure that it's the best word because I get what they're, you know, friction is so regularly associated with an impediment or a slowing

and yes, this is arguably a slowing, but when you're enhancing the experience by slowing, like they do at build a bear, you're actually increasing the experience. So I guess it's the point that is being made. If you're not going to make it uber-convenient, make sure that everything that takes time in your customer journey is a remarkable experience

Dan Gingiss (33:42):

Is worth the time, right? Because the issue with Build-A-Bear is it's not about, I mean, it is a great experience, but it's that they can charge more for that, right? Is that a, is that an already assembled teddy bear, which is a whole lot easier and faster and more convenient costs significantly less than one that you have to build yourself. Now I was starting to think of some other, uh, products. I, I was thinking over the holidays, I almost bought my son this, but you know, you see in the catalogs, those like those puzzles that you lock a a hundred dollar bill or a \$50 bill in, and they can't get to the money until they solve the puzzle. Right. It was dry. But man, when you get that money, you're going to really feel.

Joey Coleman (34:21):

a different level of appreciation cause he had to work for it. Yeah. I get that. You know, I'm also thinking of things like cooking classes, right? Where you maybe go to a cooking class. I did one years ago where we learned how to make our own sushi. And that was awesome. And I feel like it was some of the best sushi I ever had. It probably wasn't the best sushi I've ever had, but because I felt invested in the creation of it, I think it changed my, the taste profile or at least my experience of the taste profile.

Dan Gingiss (34:49):

Absolutely. So here's the takeaway for our listeners. Even if you have a product or service that can't be assembled by your customer, still try to look for ways to make it their own, right? It could be as simple as using their name on your website when they log in and then asking them if they want to change it to a nickname or a spouse's name or something else right? Now you've made the product their own. So every time they log in, it feels like it's something that they were invested in. So understanding that you may not be selling, you may not be a furniture seller that sells, made to build furniture. There are ways in lots of different companies to allow your customers to invest in the experience. And what we found from this article is that that ultimately pays off in a willingness to spend more.

Joey Coleman (35:46):

Thanks for joining us for another episode of Experience This! You are the best listener ever!

Dan Gingiss (35:52):

And since you listened to the whole show,

Joey Coleman (35:54):

Yay, you!

Dan Gingiss (35:55):

we're curious, was there a specific part of this episode that you enjoyed the most? If so, it would mean the world to us if you could share it with a coworker, a friend, or someone that just loves listening to podcasts.

Joey Coleman (36:06):

And while you're in the sharing mood, if you felt inclined to jump over to iTunes or wherever you find your podcasts and write us a review, we would so appreciate it. And when you do, don't forget to let us know as we might have a little surprise for you.

Dan Gingiss (36:21):

Thanks again for your time. And we'll see you next week for more,

Joey Coleman (36:24):

Experience.

Dan Gingiss (36:24):

This!