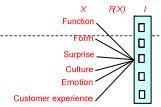


Design Strategy

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Based on D. Saffer, *Designing Interaction: Cognitive Innovative Applications and Devices*, New Riders, Berkeley, CA, 2010

Design Strategy: Definition



✓ Asking questions:

“What should we be designing to meet the organization and customer needs?”

“How should the solution look like?”

Components of the Design Strategy

- ✓ Framing the problem
- ✓ Determining key differentiators of the product to be designed
- ✓ Visualizing and internal (within the organization) selling of the strategy
- ✓ Creating a product roadmap allowing to achieve the design goals

Design Strategy vs Organization Strategy

Design strategy needs to be compatible with the organization strategy

Organization strategy:

- ✓ Corporate strategy – Deals with how the company is run, e.g., organization, finances, and oversees the other two strategies
- ✓ Operational strategy – Concerned with efficiency and effectiveness
- ✓ Business strategy – Deals with generating new products and looking for new markets

Business strategy

The business strategy is further subdivided into:

- ✓ Cost leadership strategy – Aims at producing low cost products that can be widely sold, e.g., Dell and Southwest Airlines
- ✓ Focus strategy – Targeting niches by creating products for a few selected markets, e.g., Leapfrog (a medical company) pursues such strategy
- ✓ Differentiation strategy – Creating products seen as unique and therefore a premium price can be justified, e.g., Apple computers

Design Strategy vs Business Strategy

Both strategies need to support each other

- ✓ E.g., IKEA business strategy is to invest in explanatory catalog and displays to avoid expensive customer service
- ✓ E.g., IKEA design strategy follows the business strategy by designing furniture that can be packed in compact boxes and easily assembled

Framing the Problem (1)

- ✓ Business usually discovers a real or perceived problem, e.g., the sales of the current product go down, or a new market has opened up
- ✓ Designers get involved next, however, not much is known at this stage and uncertainty is high
- ✓ For example, a company's new mobile device does not sell well. The reasons could vary from market downturn to poorly functioning sales department
- ✓ Framing the problem means establishing a border around the actual problem and then zooming in on details

Framing the Problem (2)

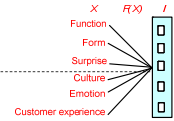
Methods used:

- ✓ Traditional research – Considers a multitude of information sources. Studying patents is tricky. Ironically, not knowing about the patent is the best defense in the patent infringement cases
- ✓ Design briefs – Provide initial design options/requirements, e.g., project goals, specifies constraints. Can be prepared an internal business manager at the beginning of the process or more often generated by a design team at the end of the framing phase
- ✓ Stakeholder interviews – People with interest in the product, including the customers (link to “gift economy” concept)

Interaction Designers Need to Be Aware of

- ✓ Metrics and ROI – The interaction designer needs to be aware about success metrics, e.g., anticipated sales volume
- ✓ Competitive analysis – Important to understand market trends, what industry leaders are doing, etc.
- ✓ Determining differentiators – A major task of design strategy is determining what the value proposition is, what a customer gets (Linkage to the soft requirements). Traditionally the value proposition has concentrated on, e.g., price.
 - A differentiator – something that sets a product apart from its competition

Types of Differentiators



- ✓ Product behavior (Linkage to the soft requirements)
- ✓ Specialization – Target one specialized market, e.g., Orbitz.com vs Google.com
- ✓ Generalization – A specialized product expanded into a wide audience product, e.g., rolling bags originally used by flight crews are in wide use nowadays
- ✓ Localization or changing context – A product working well in one context can be redesigned to work in another one, e.g., touch screen kiosks were used at point-of-sale locations before being used for passenger check-in

Fighting Feature-itis

- ✓ Both companies and customers like features
- ✓ Features can be easily replaced and therefore are a poor long-term strategy
- ✓ Feature paradox – Customers tend to be overwhelmed with product features, yet, find them attractive
- ✓ Customers do not like to pay for a product that looks simple, or perhaps some do
- ✓ The product strategy should focus on the story: meeting customer needs, discover a market niche, or create a new market

Pricing

- ✓ The sister of features is pricing – The revenue model needs to be determined at some point in time, e.g., a luxury item, a bargain item, supported by advertising
- ✓ Pricing is somewhat art – The profit margin needs to be determined, prices of competitive products are a factor in pricing
- ✓ Designers need to be aware of product pricing

Visualization and Visioning

- ✓ Visualization – Creating shadow products
 - ✓ Visioning – Creative synthesis of all ideas that have accumulated through problem setting, stakeholder interviews, competitive analysis, and differentiation
 - Indicating how the organization will know that the product is successful is important
 - ✓ Vision prototype – An imagination of what the final product may look like
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Project Planning and Roadmapping

- ✓ Project plan – Should be visible to the team
 - ✓ Product road map – Outlines the evolution of the product over time. It details features, technologies, platforms, upgrades, that will be created or added over time
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