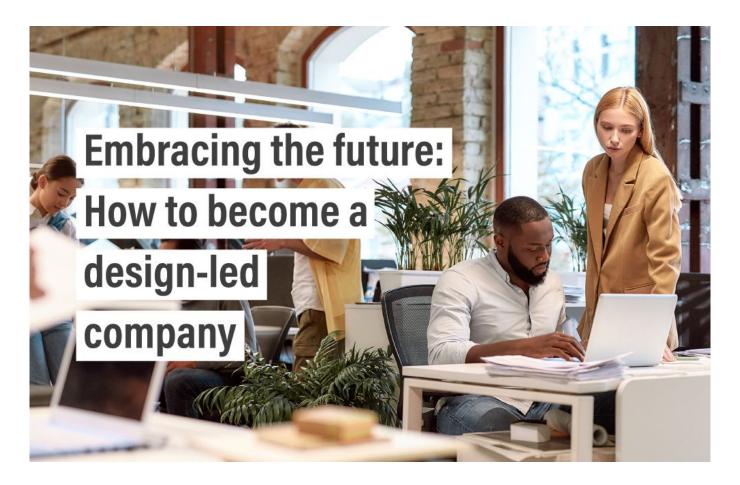
Embracing the future: How to become a design-led company





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Embracing the future: How to become a design-led company

Reading time 13 mins

Key Points

- Design has infiltrated all sectors of industry from technology to finance and is proving to be a critical driver of innovation and business growth
- A design-led company is one that understands the value of design beyond aesthetics: user-centric design, elegant solutions, meaningful user experiences, robust business growth
- 5 stages of design thinking: clarify and design, empathise, ideate, prototype, test
- 5 qualities of a design-led company: prioritises design at a strategic level, invests in design talent, fosters a culture of experimentation, instils empathy and a user-centred focus, and measures the impact of design
- Behaviours you can instil today to encourage design thinking: talk to your customers, encourage interdepartmental team collaboration, cultivate curiosity, and create personalised user experiences

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The business world has been significantly transformed by the rise of a new catchphrase: design-led thinking. While traditionally considered as a domain solely of the creatives, design now permeates all industry sectors, from technology to finance, proving its worth as a critical driver of innovation, brand awareness, and business success. In the digital world and tech space, design-led companies are winning thanks to their focus on creating integrated, relevant, and elegant customer experiences across all touch points.

The <u>Mi.Mu gloves that make music through movement</u>, which we helped to create, were a first in wearable music technology and a prime example of design thinking in action. If you're looking for a design-led partner for your next project, <u>we can help you innovate on demand</u> – get in touch!

Being design-led is more than looking good; it's a process. It requires us to understand our users, challenge assumptions, redefine problems, and create innovative solutions that can be rapidly prototyped and tested. It's about prioritising user-centred design in the value-creation process and ensuring that designers have a seat at the decision-making table.

At the same time, it's more than just a process. It's a way of thinking that revolves around a deep and genuine interest to understand the people that we design products and services for. It's what turns Apple customers into super-fans who then put the logo stickers they received with their purchase on their cars, guitars, and mason jars – effectively boosting Apple's visibility, popularity, and market positioning for free.

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What is design thinking?

At its core, this model places design at the heart of a company's business strategy. <u>Design Thinking</u> is a mindset that understands the value of design beyond aesthetics and appreciates its power to solve problems, facilitate user experiences, and ultimately drive growth.

A report by the Design Management Institute found that <u>design-led companies outperformed the S&P 500</u> by a staggering 219% over a decade. In another study by Adobe exploring the <u>benefits of being a design-led company</u>, 41% of companies reported a greater market share, 46% reported a stronger competitive advantage, and 50% reported more customer loyalty.

Why is this the case? At its heart, design-led thinking is about empathy and user-focused design that gets to the core of not only what customers want – but why. This human-centric approach leads to more engaging and meaningful customer experiences, fosters brand loyalty, improves retention rates and creates super-fans.

Real-world examples of design-led organisations in action

The landscape is rich with examples of companies successfully leveraging a design-led approach. Take Apple, for instance. Apple has consistently produced innovative and user-friendly products by understanding customers' pain points and delivering elegant solutions that have redefined entire markets. Similarly, Airbnb used design thinking to disrupt the hospitality industry by creating a platform that offers unique, localised, and personalised experiences for travellers.

These are not isolated examples. Many <u>organisations across</u> industry sectors have reaped the benefits of embedding design thinking into their strategic DNA.

IBM boasted a 301% ROI (return on investment) and a 75% increase in team efficiency due to design thinking. This approach helped their teams form both intent and delivery outcomes designed to significantly improve the lives of the people their products serve.

The Mayo Clinic implemented a full-scale design philosophy. This allows them to work directly with patients and providers and prototype rapidly with all stakeholders to identify problems in healthcare delivery swiftly – and solve them insightfully.

The Ford Motor Company embraced design principles to help shape the brand's future. Central to that was asking questions such as: How does driving the car make the customer feel? How does the engine sound? Does the brand make the driver seem like a racecar driver?

5 stages of design thinking

The central <u>value of design thinking</u> is that it offers a defined process for innovation that's user-centric and solution-based. For example, when transitioning to remote work during the pandemic, many companies focused on how to deal with the problem of decreased productivity. Design-led companies, however, focused on the solution – how to increase employee engagement. It's a creative approach but also a somewhat linear one:

- 1. **Clarify & Define:** Identify the problem statement and possible ideal solutions. Make sure to frame this in a human-centred way and address the problem from the users' perspective. For example: How to increase remote workers' motivation by giving them more recognition and feedback so they don't feel isolated and uncertain.
- 2. **Empathise:** Research your user's needs to gain an empathetic understanding of the solution you're looking for.
- 3. **Ideate:** Actively avoid assumptions (remote workers are easily distracted and less productive) and look at the problem from different perspectives to come up with innovative solutions to your problem statement
- 4. **Prototype:** Produce a number of inexpensive, scaled-down versions of the product to investigate key solutions. This step isn't about perfection but rather experimenting with different ideas to see what works
- 5. **Test:** Rigorously test the completed product using the best solutions identified in the prototyping stage. This is the point where design thinking becomes somewhat linear as you often have to reflect on your results, re-iterate, test again, and keep refining or circling back (perhaps even re-clarifying the problem statement) until you get it right

5 qualities of a design-led company

A design-led company is centred around user research and testing, prototyping, and iteration to create products, services, and experiences that meet the needs and expectations of its customers. Design-led companies also invest in developing a strong design culture that fosters creativity, collaboration, and continuous learning – and all have the same key qualities in common:

- 1. **Prioritises design at a strategic level:** Top management embraces design thinking and incorporates it into their business strategy, demonstrating this commitment from the top down.
- 2. **Invests in design talent:** Whether it be hiring in-house design teams, training existing staff, or collaborating with design agencies, a design-led company always has the right people with the skills needed to execute this strategy.
- 3. **Fosters a culture of experimentation and iteration:** Encourages risk-taking, rapid prototyping, and iterative improvement. Teams are encouraged to try new ideas and learn from their failures or mistakes
- 4. **Instils empathy and a user-centred focus across the organisation:** Everyone, not just the design team, understands the users and is invested in creating exceptional experiences for them.
- 5. **Measures the impact of design:** An after-sales service procedure that follows up on each sale to assess customer satisfaction and impact on revenue.

10 behaviours you can instil today to encourage design thinking

Becoming a design-led company doesn't happen overnight. However, there are key behaviours that help to instil a mindset shift that ultimately results in products that exceed customer expectations and a business that has a holistic approach towards creating them!

- Talk to your customers: Set up a survey tool like SurveyMonkey, and arrange focus
 groups or telephone interviews with your customers to gain insights into their needs
 and preferences. <u>Download our product testing survey</u> to compile a list of probing
 questions to help you gain these insights.
- 2. **Encourage team collaboration:** Regularly schedule interdepartmental meetings to brainstorm and work together to improve the customer experience. Bring designers,

- engineers, marketers, salespeople, and other stakeholders together to collaborate and create products/services that are not only functional but also aesthetically pleasing and emotionally resonant.
- 3. **Cultivate curiosity:** Develop empathy for your customers by being humble and curious enough to ask lots of questions instead of making assumptions. This is what helps to create products that resonate with users on an emotional level.
 - Interview users, send out surveys, organise focus groups
 - Regularly ask your sales team and distributors for feedback
 - Phone a customer who hasn't purchased in a while and those who complain. What weren't they happy with? What could have been done better?
 - Read and watch reviews of your product on Amazon, YouTube, or Reddit
- 4. **Mentally re-set regularly to keep mindsets fresh:** This will help to break thought patterns and approaches to problem-solving modelled on repetitive thinking. Present a problem to a child and ask them to brainstorm solutions: their responses might not be what you're looking for but will help you see it differently!
- 5. **Develop a story-telling practice:** The ideas you generate in a brainstorming session will die on post-it notes without a compelling narrative to animate them. Stories are framed around people, their lives, peeves, quirks, and desires. They provide us with concrete details that help us to imagine solutions to problems
- 6. **Experiment early and often:** Be willing to experiment, take risks, try new things and test different approaches to find the best solution to a problem.
- 7. **Embrace an interactive approach:** They create prototypes and test them with real users, gather feedback, and refine your designs based on this feedback. This approach lets you quickly iterate and improve your designs based on real user feedback.
- 8. **Commit to continuous learning:** Complacency is one of the biggest reasons why businesses fail, as it reduces the hunger to innovate. By staying on top of the latest trends and anticipating the negative impact that new technologies could have (as Polaroid failed to do with digital cameras), you'll be able to future-proof your business
- 9. Create personalised user experiences: For example, Airbnb's "For You" feature provides personalised travel recommendations based on a user's preferences and past trips. They followed this up with the 'experiences' feature to connect visitors to locals offering verified and reviewed activities, thereby allowing customers to also book unique experiences and tours extending Airbnb's services beyond just accommodation and attracting a new user base.
- 10. **Look for patterns:** Look at a problem and recognise commonalities it has with other

problems you (or your competitors) might have faced. This might enable you to draw upon existing solutions – rather than starting from scratch – thereby accelerating the problem-solving process while still leaving room for innovation, custom solutions, and critical thinking.

Final thoughts on becoming a design-led company

Becoming a design-led company is a process, a mindset, and a strategy that can't be implemented overnight – even though results (e.g. ROI) must often be demonstrated quickly! It's a fulfilling but challenging journey that often meets considerable resistance because it requires change at a systemic level.

Furthermore, qualities such as empathy, collaboration, experimentation, and being user-centred are undoubtedly important. But they have <u>limited value when seen as mandates</u> that have been dumped upon you by a corporate crane.

See yourself as a gardener planting seeds of common purpose and allow them to take root across the entire organisation. With skilful and steady cultivation, ideas will sprout everywhere, and business will blossom – proving that the time and resources you invested were well worth the effort and cost.

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FAQ's

What is design-led thinking?

Design-led thinking is an approach that prioritises design principles and user experience from the outset of a project. It centres on understanding user needs and crafting solutions that are both functional and aesthetically pleasing, ensuring that design considerations drive decision-making.

How is design-led thinking different from other design

methodologies?

While many design methodologies might incorporate design as a component, a design-led approach positions design as the driving force behind every decision. It stresses the importance of beginning with user needs and preferences, rather than making design an afterthought.

What are the core principles of a design-led approach?

The core principles of a design-led approach include empathy for the user, iterative prototyping, a focus on aesthetics alongside functionality, and a commitment to solving problems through design-first methodologies. It values user feedback and constant iteration based on real-world use.

Why is there a rising interest in design-led strategies?

The increasing importance of user experience in product and service differentiation has elevated the interest in design-led strategies. Companies realise that products designed with the user in mind from the beginning tend to resonate better and have a greater chance of success in the market.

What is the outcome of a design-led process?

The outcome of a design-led process is a product, service, or solution that is tailor-made for the user. It merges functionality with aesthetic appeal, ensuring that the solution not only works efficiently but also delights the user in its presentation and usability.

How does design-led thinking influence product development?

In product development, design-led thinking ensures that user needs, preferences, and pain points are considered from the start. This can result in products that are more intuitive to use, more visually appealing, and more aligned with the needs of the target audience.

Which tools and techniques define a design-led approach?

A design-led approach utilises tools like user research, empathy maps, design sprints, prototyping, and iterative testing. These tools help in delving deep into the user's psyche, understanding their needs, and iterating solutions until they fit the user's expectations perfectly.

When did businesses start recognising the value of a design-led approach?

While design has always been a crucial aspect of product creation, the widespread recognition of a design-led approach as a primary driver of innovation and user satisfaction began in the late 20th to early 21st century, especially with the success of companies that prioritised design.

What challenges might one encounter in implementing design-led methodologies?

Implementing design-led methodologies might require a paradigm shift in how a company operates. There can be challenges in terms of adjusting to a new process, ensuring all stakeholders understand and value design, and potentially longer initial development cycles due to iterative testing.

How does a design-led approach affect a company's brand perception?

A design-led approach can significantly elevate a company's brand perception. When users encounter products or services that are intuitive and beautifully designed, they often associate the brand with quality, innovation, and a deep understanding of customer needs.

Why is design-led thinking important?

Design-led is a methodology that places design at the forefront of product and service creation. This approach prioritises user experience, ensuring solutions are intuitive and aesthetically pleasing. It often leads to more innovative outcomes and increased user satisfaction.

How does a design-led approach differ from traditional methods?

A design-led approach begins with understanding the user's needs and experiences, whereas

traditional methods may start with a technical or business requirement. This means that solutions derived from design-led thinking are often more user-centric. This shift can result in products and services that are more engaging and effective.

What are the benefits of adopting a design-led strategy?

Adopting a design-led strategy can lead to improved user satisfaction, increased product usability, and enhanced market differentiation. By focusing on user needs and experiences, businesses can create solutions that resonate more deeply with their target audience.

When should a company consider a design-led approach?

A company should consider a design-led approach whenever they want to innovate, improve user experiences, or solve problems in a way that prioritises design and user needs. This can be during product development, service design, or even when rebranding.

Which industries benefit most from a design-led approach?

While any industry can benefit from a design-led approach, those that require frequent user interaction, such as tech, fashion, retail, and hospitality, might see the most noticeable improvements. It ensures that the user remains central to the solution, regardless of the industry.

Who are the main proponents of the design-led philosophy?

Many of the world's leading companies, from tech giants to forward-thinking start-ups, are proponents of the design-led philosophy. They recognise the value of placing design at the core of their strategies, ensuring better user experiences and more successful products.

Why do some companies resist a design-led approach?

Some companies resist a design-led approach because they are rooted in traditional methodologies or may not understand the value of design. There's also a misconception that design-led strategies might be more costly or time-consuming, even though they can lead to better long-term results.

How can a company transition to a design-led mindset?

Transitioning to a design-led mindset often begins with education and training. Companies can hire design thinkers, invest in design training for staff, and foster a culture where design and user experience are highly valued. Collaboration between design and other departments is also key.

What tools are used in a design-led process?

In a design-led process, tools like user personas, journey maps, prototyping, and user testing are commonly used. These tools help in understanding the user, visualising their experiences, and iterating based on feedback to refine the solution.

When did the design-led movement begin?

The design-led movement began gaining traction in the late 20th century, with the rise of design thinking and user experience design. As companies recognised the value of designing with the user in mind, this philosophy became more mainstream.

Which companies are known for their design-led approach?

Companies like Apple, Airbnb, and IDEO are often cited as examples of organisations that have successfully integrated a design-led approach. Their products and services showcase a deep understanding of design principles and user needs.

Who should lead a design-led initiative in a company?

Ideally, a design-led initiative should be led by someone with expertise in design thinking and user experience, such as a Chief Design Officer or UX Lead. However, it's crucial for leadership at all levels to buy into and support the approach.

Why are design-led products often more successful?

Design-led products tend to be more successful because they are tailored to the real needs and desires of the user. By prioritising the user's experience, these products often offer more intuitive, enjoyable, and functional solutions that resonate with their target audience.

How can a design-led approach save costs for businesses?

A design-led approach can identify potential issues or misalignments early in the development process, leading to fewer costly iterations or post-launch fixes. By creating products that users love from the outset, businesses can also reduce marketing and customer service costs.

What challenges might a company face when adopting a designled strategy?

Adopting a design-led strategy might require a cultural shift, which can be challenging. Companies might face resistance from employees used to traditional methods, a lack of necessary skills within the team, or the need to reallocate resources to focus on design.

When is it not suitable to use a design-led approach?

While a design-led approach offers many benefits, it might not be suitable for projects with very tight timelines or where the primary concern is not user experience. However, even in these cases, elements of design-led thinking can still be beneficial.

Which skills are crucial for someone working in a design-led company?

Someone working in a design-led company should possess strong empathy, creativity, and problemsolving skills. Understanding users, collaborating across teams, and being open to iterative feedback are also crucial abilities in such an environment.

Who benefits most from a design-led approach?

While companies certainly benefit in terms of product success and market differentiation, the end users are the primary beneficiaries of a design-led approach. They receive products and services

that are intuitive, effective, and tailored to their needs.

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