

Executive Summary

Design for Business: Research
International Conference and Publications

**Market leaders
use design to
innovate beyond a
price driven model**

Presenting the very
latest thinking on
design as a strategic
resource for business

Issue #1 Sept-Oct 2014

Presented by agIdeas with the State Government of Victoria

‘Design capabilities and financial performance are closely linked but most companies barely scratch the surface of what design can deliver to their bottom line, while those that understand how to leverage design can create sustainable progress’

Soren Ingomar Petersen
Design Research Ph.D.; Author, 'Profit from Design'

The findings from a design value analysis by the Design Management Institute of Boston showed that in the past 10 years, design-driven companies out performed the Standard and Poor's 500 by 228%

This is the first issue of what will be a bimonthly bulletin sharing executive summaries of international research papers about design driven business strategy.

Researchers profiled in these Executive Summaries come from esteemed universities, research centres and businesses.

Their expertise in design and business-led innovation has been sought by leading businesses such as Coca-Cola, P&G, Turner Broadcasting, Unilever, General Motors, Kraft, Nielsen, Rio Tinto, BHP Billiton, Melbourne Airport, ANZ, Deloitte, Fuji Xerox, Vodafone, Bentley, Cadbury, Sydney and London Olympics, Nespresso, NFL, General Electric, IBM, Harley-Davidson, Nike, Converse, GAP, Caterpillar, British Airways, MasterCard, and many others.

This first issue presents

Design thinking to grow the market by Dr Elaine Saunders, Managing Director, Blamey & Saunders; Jessica Taft, Research Officer, Blamey & Saunders; David Jenkinson, Strategy Director, Designworks.

Design thinking to grow the market: Developing products that address industry and consumer need

Dr Elaine Saunders, Managing Director, Blamey & Saunders;
Jessica Taft, Research Officer, Blamey & Saunders;
David Jenkinson, Strategy Director, Designworks

Design thinking has the power to not only add value to a business, but to transform an established product industry and drive sector growth. In this paper, the authors present a detailed case study of the technology and design partnership between Blamey & Saunders (B&S) and Designworks, which began in early 2012 and culminated in the major rebranding of B&S at the end of that year.

Trading under the brand name 'Blamey Saunders hears', B&S is an award-winning online hearing aid company that sells self-fitting hearing aids that use Bionic Ear technology. The hearing aids are sold at a fraction of the price of other hearing aids in Australia, and the company provides customers with ongoing expert audiological and technical support.

Hearing loss is estimated to affect one out of every six Australians. Despite this, only one out of every five Australians who could benefit from a hearing device actually uses one, and the market is only around 20 per cent penetrated.

Beyond aesthetics

Using their respective backgrounds in biotechnology research and development, engineering, branding and design, the authors show that design thinking no longer solely concerns the aesthetics and packaging of the final product. Design thinking is a product development strategy whereby products are conceived and designed from end-to-end according to what consumers want and need, and can also be applied to the development of services and processes. It is now seen to be crucial, from the earliest research and development stages of a product right through the path to market.

B&S and Designworks developed a strategy to substantially redefine an industry category that had an entrenched model. Design thinking enabled B&S to achieve greater clarity of purpose and make the crucial distinction between creating a rival, competitive product, and growing a new category to create new market opportunities.

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It also enabled B&S to progress its business strategy beyond a price-driven model of offering an alternative to other hearing aid brands and competing for existing market share

Design as a strategic resource

In inventing a new product and collaborating with Designworks, B&S sought to use design thinking to change the meaning of hearing aids – from a stigmatised, expensive medical device for the elderly that required dependence on allied health engagement and signified disability, to an exciting affordable piece of new technology that people could purchase independently and set up themselves without audiological support.

The goal was to de-medicalise hearing devices and make them a mass-market product that people would buy with the same enthusiasm as buying a new hi-fi sound system.

They sought to grow a hearing device market for a generation of people who are internet and computer literate, who with the right product, can discreetly and comfortably purchase high quality hearing aids online (or over the telephone) and set them up to function optimally in their own listening environments.

B&S designed the product as an entirely new end-to-end solution to treating hearing loss in a way that could break the cost barriers to sale. B&S and Designworks then ensured that the brand 'Blamey Saunders hears' was positioned so that its organisational purpose could be conveyed to the market powerfully and consistently.

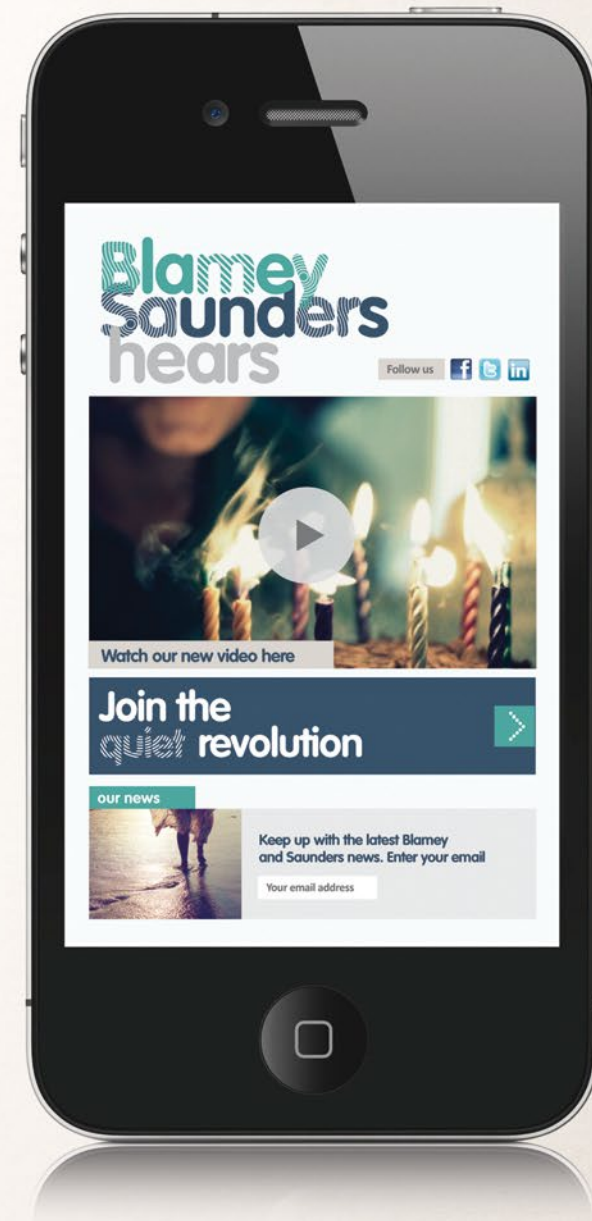
Adding value to business and industry

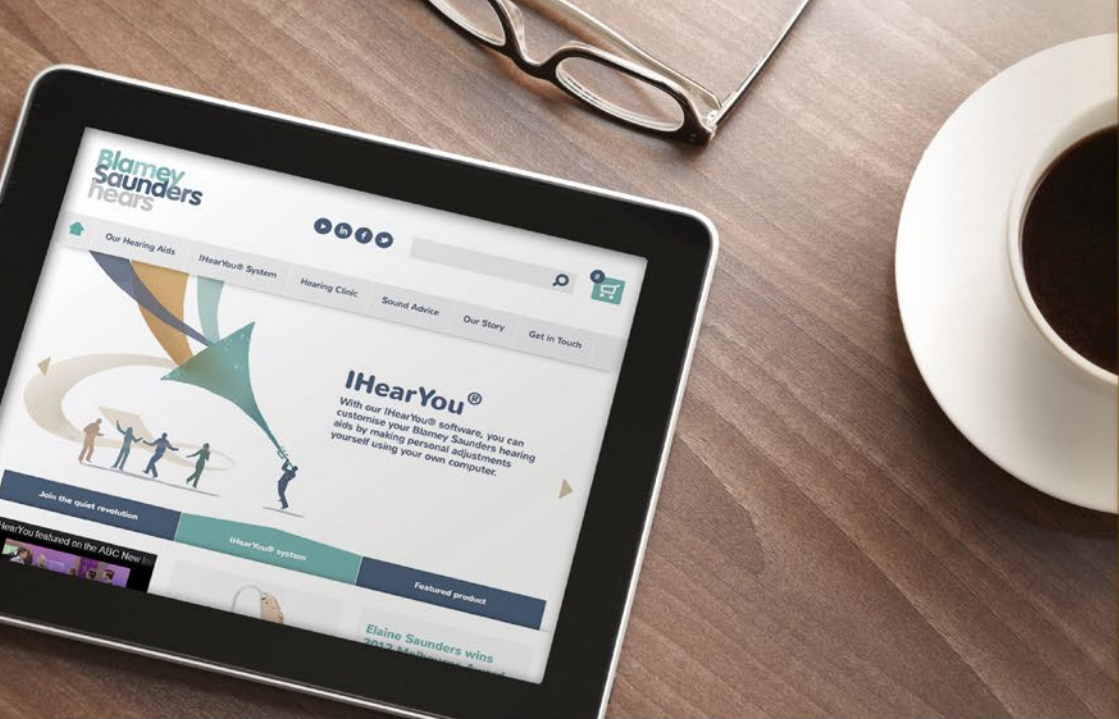
Strategic design thinking enabled an innovative solution to the barriers of hearing aid uptake.

It also enabled B&S to progress its business strategy beyond a price-driven model of offering an alternative to other hearing aid brands and competing for existing market share.

It moved B&S towards growing both a product category and the market for hearing aids, thus adding value to both the business and the hearing device industry as a whole.

The design relationship between B&S and Designworks will be an ongoing partnership as the product journey continues to unfold.





Design for Business

The Design for Business program conducted in Melbourne is a key event at the annual Melbourne International Design Week. The program is presented by the Design Foundation and agIdeas in partnership with the State Government of Victoria. The program includes a Business Seminar and Research Program.

Research Program

Initiated in 2011, this trans disciplinary conference invites researchers and professionals from Australia and around the world to present their latest studies on the intersection of design and business. All submissions are subjected to rigorous peer review. Reviewers are drawn from a panel of over 100 internationally acclaimed experts.

By encouraging discourse on design and its benefits to business, we help our stakeholders to further understand the role of design in creating value. Full papers presented at this conference are published globally via Intellect Books and the University of Chicago Press.

This research program is presented in partnership with Swinburne University with support from Auckland University of Technology and RMIT University School of Business.

Business Seminar

Another key event for business presented annually by the Design Foundation during Melbourne International Design Week, Business Advantage, presents business case studies about how design can make a difference to awareness, performance and profits.

The selected speakers for Business Advantage are pivotal in applying the power of design to achieve highly effective solutions. Through their case studies, we show how design is essential for innovation.

Design Matters

The Victorian Government Department of State Development, Business and Innovation has partnered with the Design Foundation to establish Design Matters. We exist to highlight, celebrate and nurture all forms of design in the state of Victoria from an international perspective and present the Melbourne International Design Week. Our goal is to help raise awareness about the role of design as a catalyst for innovation to raise standards of living and increase economic prosperity.

designmattersvictoria.com should be your first port of call when you're looking for Design Matters events during the year. This online portal will promote design events across Victoria throughout the year for the Victorian public, and national and international visitors.

Partnership Opportunities

The program offers a number of key opportunities and benefits for brand awareness across a range of diverse marketing channels, including event publications, current partnerships and event tickets.

Contact us for information about aligning your brand with a world class research program committed to sharing and developing design and design thinking for improved business outcomes.

Additional Resources

For video content from the business seminar and Research conference and details about the next live event or to find Research Experts for your business needs, go to agideas.net

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The agIdeas Research Conference is organised and presented by the Design Foundation under the guidance of an advisory board of eminent academics.

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Future bulletins

Upcoming issues of the Design for Business bulletin will present abstracts from papers addressing the following topics:

- Transforming consumerism by design: reconsidering sustainability and behaviour change
- Allocating the consumer research budget: Trying out the new or the tried and true?
- A new behavioral methodology: Measuring the effect of packaging design on shopper's memory
- 'Ethicalization' and greenwashing: Business, sustainability and design
- Design thinking and futures thinking, strategic business partners or competitors? Exploring commonalities, differences and opportunities
- Collaborating with design consultancy firms for effective strategic decision-making in new product development
- Ambush Marketing: Learning from Nike

Subscribe to Design for Business

Design for Business is a free subscriber-only bulletin. To receive your bi-monthly issue, fill in your details at agideas.net

The Design for Business bulletin is published by the Design Foundation, a not-for-profit organisation that manages Ideas on Design, agIdeas events, Design Matters and Melbourne International Design Week.

We seek to encourage excellence in design and promote design-driven innovation.

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