

# Adding Design to the Mix

Greg Hinzmann

Level 4, LLC

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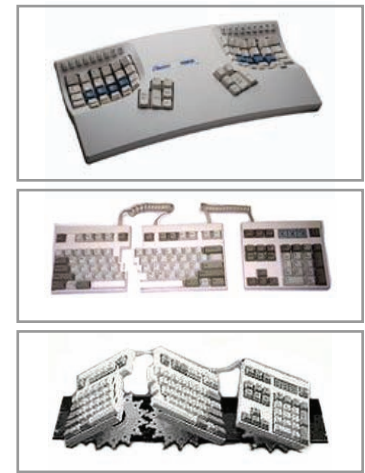
White Paper

Design. Marketing. Two distinct professions? Both disciplines are concerned with identifying, satisfying and creating user needs. While marketing has an established framework for understanding the areas in which a company can influence consumer buying behavior, known as the four P's, design is conspicuously absent. While understanding product, price, promotion and place helps marketing professionals to analyze and develop appropriate offerings to increase sales, design plays a crucial role in affecting the success of any one of these categories. However, design is often overlooked and underutilized.

This paper will explore the potential for design in each of marketing's four P's.



fig. 1



## Product

When it comes to the product, it is not uncommon to understand that design plays a role in its success. The visual look of the product and the human interface are largely dictated by the designer. Here, though, design is too often an afterthought, involved only after much of the features, and other parameters have been established. Many product briefs contain statements such as "the product should be sleek" or have "European styling". If we look a bit deeper, we can identify ways in which design can be strategically used to drive the product planning and marketing efforts.

One challenge faced by companies in new product development is driving adoption of the product. This is especially true in the case of technology products, but it can be true of any products which are innovative and inherently different from their predecessors. In this situation design can be especially helpful. Take the case of the Microsoft Natural Keyboard. With the widespread use of computers and their respective input devices (keyboard and mouse), there was a rise in repetitive stress disorders linked to typing. Several companies had developed ergonomic keyboards to address this issue. The keyboards promote a more natural hand position that is intended to reduce ligament stress from the unnatural wrist angle dictated by traditional keyboards. However,

none of these keyboards were in widespread use.

That is until Microsoft came along and introduced its take on an ergonomic keyboard. The difference between this keyboard and other ergonomic keyboards is evident (fig. 1). The product just looks like a more reliable, professional piece of computer equipment that doesn't scream "I'm using a specially designed keyboard". By taking a sophisticated approach to the visual design of the product, Microsoft quickly became the market leader in ergonomic keyboards and far exceeded its original sales projections of 25,000, selling over 250,000 in the first year.

Another situation regarding design driving adoption occurred when Palm introduced the Palm V. The preceding product, the Palm III had been a success in creating the PDA market by providing a doing one thing and doing it really well - being an electronic organizer. However, the introduction of the Palm V showed how design can be a critical factor in taking an existing, successful product and gaining even greater acceptance in the general marketplace. The Palm III was a boxy, grey plastic computer peripheral (fig. 2). Maybe attractive for geeks, or those who really wanted an electronic organizer, but there were still many consumers who were on the sidelines. With the introduction of the Palm V, consumers now had a chance to make a technology and style statement



fig. 2 Palm III



Palm V

in one product. The case for the Palm V was made of aluminum which afforded a smaller size and imbued the product with a decidedly non-plastic silver finish. Not surprisingly, it wasn't until the Palm V that women really entered the PDA market as customers.

Philip Kotler, in his book "Kotler on Marketing", puts forth that there are three types of marketing. Responsive marketing centers on fulfilling immediate and readily recognizable needs. Anticipative marketing fulfills emerging needs. And need-shaping marketing creates needs where none seemingly existed (think Post-It notes). We can apply this framework to products and arrive at the following:

**Responsive Products** are those that are created in response to stated customer needs or to competitive offerings. These are often "me too" products.

**Anticipative Products** expand existing product categories and create new use patterns.

**Revolutionary Products** are those that create new product categories. In technology, these would be considered discontinuous innovations.

We can categorize design in much the same way:

**Responsive Design** latches on to

*current design trends. It is often the level of design that is required to participate in a given market. If your products are highly responsive in their design you are likely competing on price.*

**Anticipative Design** is familiar but fresh, often by putting a new spin on a current trend.

**Breakthrough Design** presents the market with something not seen before in the category. It starts trends. Think Apple iMac or Herman Miller Aeron Chair.

How should a company that is developing a responsive product utilize design for maximum effect? Ideally a responsive product should be combined with a breakthrough aesthetic. Again, think iMac. There was nothing new about the iMac other than an updated processor. The all-in-one form factor had been introduced with the original Macintosh. Apple brilliantly utilized a breakthrough aesthetic. In this case it was a combination of simple bubble-like form with a unique transparent plastic, done in an eye-catching blue color. And what followed were other computer companies and peripheral manufacturers (not to mention many consumer products) developing responsive designs that included candy-colored translucent plastic and blob-like forms.



Traditional Metal Peeler \$1.99



OXO Good Grips Peeler \$5.99

fig. 3

Granted, it is not everyday that a developing breakthrough aesthetic is possible. Consumers can only be ready for really new designs once a saturation point has been reached. But responsive products present the best opportunity because they are usually commodity-level products with high familiarity and as such are ripe for the excitement that can be generated by a breakthrough aesthetic. Responsive products should at least use an anticipative aesthetic, lest they be relegated to competing mainly on price, promotion or placement.

Anticipative products are the most flexible. Because consumers are already familiar with them they can exhibit a breakthrough aesthetic. But because there is plenty that is new about them to promote in terms of features and/or benefits, they can also have more restrained responsive or anticipative aesthetics.

Revolutionary products often will need to have a responsive or anticipative aesthetic in order to give the consumer something familiar to relate to. Going too far with a breakthrough aesthetic here may be asking for too much from the consumer in terms of understanding how the product fits into their lives.

## Price

Design can also be a key factor when it comes to price. Design can enable a company to charge a premium price and pricing opportunities can be based on design alone.

As Kotler points out in "Marketing Management", one of the challenges faced by firms in a competitive market place is how to respond to aggressive price cutters. Certainly, if your product is not sufficiently differentiated, you will face little choice but to respond with similar price cutting. One way that companies traditionally respond is to differentiate the product through innovation. Innovation in features, or performance, or some other discretely measurable factor. But companies have also used design effectively to change the game with regards to price.

The inspiration for the Oxo Good Grips peeler came from entrepreneur Sam Faber while watching his wife (who suffers from arthritis) struggle to peel potatoes. He thought there was a market for a utensil that better addressed needs of the aging and arthritic. What he ended up with was a peeler that an awful lot of people would pay three times as much for and that he could build a company around



fig. 4,5



(fig. 3). The Oxo Good Grips peeler could have been merely an oversized traditional peeler. But it went far beyond that. The design introduced a new material to the segment - santoprene - for the handle, which was generously sized and oval in section. Additionally, the color was a departure from the standard stainless or wood of many kitchen utensils. Design reinvented the product in terms of form, material, and color. But notice that the configuration remains the same as does the peeling "technology".

New niches can be carved out with regards to price and design. IKEA has grown by serving the market for simple, often fun, Scandinavian design at price points that were unthinkable for "designer" furniture. Rather than being blatant "knock-offs" of similar high priced furniture items, IKEA strives to bring good design sensibility to original product designs at low prices. to the segment - santoprene - for the handle, which was generously sized and oval in section. Additionally, the color was a departure from the standard stainless or wood of many kitchen utensils. Design reinvented the product in terms of form, material, and color. But notice that the configuration remains the same as does the peeling "technology".

## Place

When it comes to the distribution of your products, how is design a factor? For large, mass-market retailers it is about new and exciting products. For niche markets it is about appropriately targeted offerings.

In the mid 1990's, Coleman purchased a smoke detector manufacturer in hopes of leveraging its brand attributes of safety and reliability into new markets. Initially, the company was unsuccessful in landing a major distribution contract with the big box retailer Home Depot. However, after a redesign of the product (fig. 4), Home Depot was excited about the account and the product was launched nationwide at the retailer.

Nike is moving into the skateboarding market once again, after failing in 1996. How are they doing it? By designing shoes that exhibit visual styles that appeal to skateboarders and address functional user issues such as ankle and knee strain. The shoes exhibit color and material choices, as well as overall designs, that are markedly different from typical Nike offerings (fig. 5). Nike is able to move into the niche distribution channels of skate shops where they can garner more authenticity in the market than they could



fig. 6

through mass market retailers. Without targeted shoe designs, this placement strategy would be unlikely to succeed. And let's not forget the design of place itself. Nike reinvented retailing with the design of its flagship NikeTown stores. And Starbucks was as much about the pleasing, progressive design of its cafes as it was about the coffee.

## Promotion

Whether it's advertising, sales promotion, public relations or direct marketing, it's all about getting attention. As such, design plays a crucial role in the promotional mix. Companies work hard to develop a unique selling proposition, so why shouldn't they work as hard to develop a unique design image in their promotion? Human beings are primarily visual creatures. We are very adept at quickly assessing visual information. In fact, it has been found that people form a positive or negative impression of something in less than a second.

The illustrated example above (fig. 6) highlights the use of design in print advertising. These ads appeared in the same issue of "Fast Company" magazine in May of 2003. Two technology companies

are advertising their newest printers. Which printer company is the more progressive of the two? Just by the visual elements and page layout, each company is trying to attract a certain target customer, and establish a certain brand image. I would argue that one company has given much more thought as to how to express its message and image in a unique and engaging manner, while the other has chosen the literal expression of a particular product attribute. Look at how the HP ad on the left uses progressive design elements to draw your eye to the product, from which an interested reader can continue on and read the copy. Contrast this with the Xerox approach. Here, the "Whoosh" text and image may catch your attention, but you may not continue down the page to the copy and the product. Further, the Xerox ad, for better or worse, could have appeared ten or twenty years ago, whereas the HP ad is very "of the moment" in terms of its visual style.

Advertising and product are inexorably mixed and it can be fruitless to launch a massive new advertising campaign without first addressing product design issues. Such an example occurred in the late 1988 when Reebok, reacting to Nike's aggressive and progressive advertising decided it needed a new ad firm to

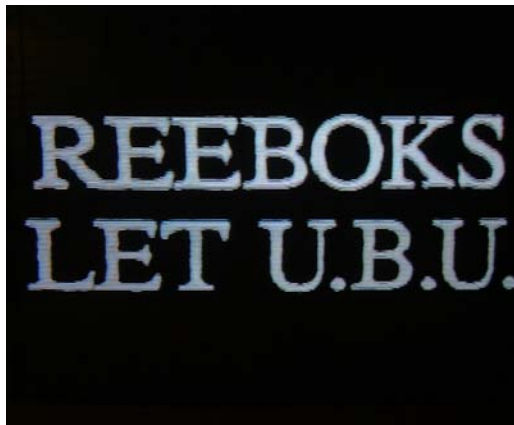


fig. 7



develop a cutting edge campaign. What resulted was the "Reeboks let UBU" campaign (fig. 7) with ads showing funky, unique individuals engaged in self-expression and activity with rapid cuts and quirky voice-overs. The unfortunate missing element was new and exciting shoe styles! Reebok was still trying to milk its popular white, soft leather aerobics shoe, which was now available in red and black. Meanwhile Nike was cranking out new designs and new technology (NikeAir).

Greg Hinzmann is founder and principal of Level 4, an innovation and brand strategy firm that helps companies build better brands, innovate, create new markets, increase ROI, and grow - with design.

## Conclusion

Each of the 4P's is a chance for marketing to utilize design to differentiate its offering and grab some attention, in addition to satisfying needs. Design is an extremely effective tool in supporting a strategy for each of the 4P's. Marketing professionals need to become more design savvy (and vice-versa) and understand design as a discreet factor in the successful execution of their strategy. With every strategic initiative, marketing should be asking itself, "How can design help drive or support our strategy?"