Why Should Design Thinking Be at The Core of Your Business Strategy?

Max Leung
Aug 2021
Hello, I’m Max
Products and services may not fit in every space or culture. That’s why we need an empathetic way to understand our customers.
The idea of design thinking was popularized by IDEO and the d.school at Stanford.

Widely used in the business, NGOs and even public sectors.

“We are at a critical point where rapid change is forcing us to look not just to new ways of solving problems but to new problems to solve.”

– Tim Brown (CEO and president, IDEO)

© 2016 The Design Management Institute
Top 12 reasons startups fail

Base on 111 startups failure post-mortems

[Source] https://www.cbinsights.com/research/startup-failure-reasons-top/
Why We Need Design Thinking?

1. The world is changing rapidly
2. The life cycle of knowledge becomes shorter and shorter
3. Experience is relatively not so important
4. Some new problems cannot be solved merely by our knowledge and experience
5. Design thinking allows us a new approach to deal with these complex and wicked problems
What is Design Thinking?

Initial state ➞ Design Thinking ➞ Future state

Current situation ➞ Transformation function ➞ Desired situation

It is the way designer think
What is Design Thinking?

<table>
<thead>
<tr>
<th>Conventional Thinking Approach</th>
<th>Design Thinking Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flawless planning</td>
<td>Enlightened trial &amp; error</td>
</tr>
<tr>
<td>Avoid failure</td>
<td>Fail fast</td>
</tr>
<tr>
<td>Rigorous analysis</td>
<td>Rigorous testing</td>
</tr>
<tr>
<td>Presentations</td>
<td>Lightweight experiments</td>
</tr>
<tr>
<td>Arms length customer research</td>
<td>Deep customer immersion</td>
</tr>
<tr>
<td>Periodic</td>
<td>Continuous</td>
</tr>
<tr>
<td>Thinking</td>
<td>Doing</td>
</tr>
</tbody>
</table>

Problem-solver                                  Opportunity-finder
Why we need Design Thinking in Business?

Reducers risk of product not meeting customer needs.
Reducers dependency on individual knowledge, hunches, and opinions.

Human-centered. Discovers customers’ latent needs - “wows” and delighters.

Establishes measurable criteria for product definition.

Encourages cross-functional ownership of new product concepts.

Transform research into outcome in shorter period
Discover

Empathize

Human Centered

Empathy is the ability to share someone else's feelings or experiences by imagining what it would be like to be in that person's situation (Cambridge Dictionary)

Find customers' needs and pain points
Define

Collect and analyze data

Define the problem

Design Thinking is not a linear process

Define and **Redefine** the problem
Events

What's seen

True Problem

What's generally unseen
Events

What’s happening?

Patterns of Behavior

What conditions create / trigger the behavior?
What are the trends / motivation?
What changes have occurred?

Structures

What influences the patterns?
What are the relationships among the parts?

Mental Models

What values, benefits and assumptions do you have?

What’s generally unseen
Develop

Brainstorm ideas

Encourage cross-discipline collaboration

Encourage bad ideas, but unique and innovative

Ideate
Prototype & Test

Prototype: Turn ideas into an actual solution. To come out quickly with a concrete version of the idea and see how it is accepted by customer.

Test: to observe how customer interact with your prototype, and collect feedback on your work.
Prototyping and Testing

More now

Traditional prototyping
A way to test functionality

Empathy gaining
Exploration
Testing
Inspiration
5217 failed prototype

dyson
Modelling
Case studies
Empathize your stakeholders

- The Walkabout Program
  - Designers visit cities and dive deeply into the market to learn their food culture. Also study the transportation and logistical infrastructures

- Order shadowing
  - Better understand the needs of customers which designers cannot replicate in the office

- Fireside chats
  - Discussion with delivery partners, restaurant workers and customers on their experiences with UberEATS

- A/B Testing and Operations team experiments

[Source]: https://is.gd/IhiMhx
Internet companies are focused on younger generations who have high online participation rates but lower spending power. Mobile apps that specifically target seniors are still rare, but the apps that are popular among elderly groups are focused on health care.
疫情加速银发群体拥抱数字生活，第三季度老年人手淘月活用户同比增速远高于其他年龄组，较总体水平高出29.7个百分点

数据显示，盒马线下到店订单占比最高的老年人群体，疫情前后消费习惯发生了改变。疫情过后，80岁以上的老年人盒马线上订单占比增速最快，同比增加10个百分点；老年人盒马线上的购买习惯逐步养成，线上订单占比继续提升。

银发群体画像：操作复杂难倒老年人

老年人线上求助场景
- 退款问题 42%
- 商品相关问题 17%
- 物流问题 16%
- 支付问题 8%
- 账号及操作问题 5%
- 其他个性化问题 12%

遇到问题放弃占比高达50%

多数求助亲友或直接放弃，放弃的主要原因是麻烦和不会操作。
Alibaba: The results

• Use bigger fonts
• Product image search
• Over 20M elderly account linked with their families
• To use facial recognition to authenticate identity and do away with passwords because many seniors have poorer memories;
• Elderly University: To teach elderly to use internet
• and feature a homepage that shows products and services (i.e. utilities payment and relevant to the elderly.

[Source: https://www.alibabanews.com/?p=8672]
Design thinking is more than a linear problem-solving process but an **ATTITUDE AND APPROACH** in addressing problems in your business.
Empathy + Imagination
= Business Opportunities
DESIGNING YOUR 2021

TED: The Most Interesting Design Problem is Your Life & New Event Dates