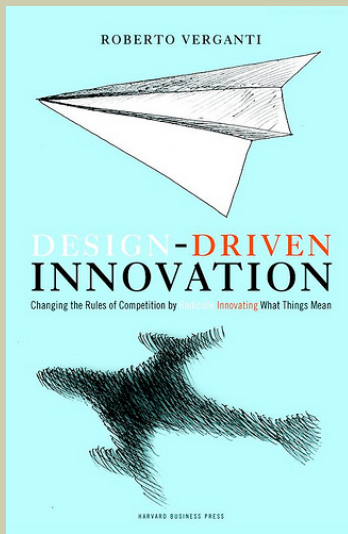


Design Driven Innovation

Roberto Verganti



Designing Design

If someone asks you what a really beautiful lamp would look like, chances are you would think of a suaver edition of what's on the shelves in your local home improvement store. But would you imagine an ambient glow with no immediately visible source that embraces you as you enter a room, and is so soothing and restful that it feels as good as half an hour with your therapist?

That is the kind of lighting devised by one of the enterprises¹ featured in Roberto Verganti's *Design Driven Innovation*, (Harvard Business Press, 2009). "Light" in this context is no longer just a stand and lampshade – it is a new way of looking at what light can do for you. It has been invested with new "meaning."

And the "meaning" of products is what, in Professor Verganti's view, is needed if a company is to be sustainably successful. For a company to be successful and to stay that way it must keep presenting to consumers ideas that radically change the "meaning" of the products they wish to purchase – that is, how we think of them, and how we use them. It's beyond design, beyond innovating, even beyond markets.

The chairman of Artemide (the lighting company) asserts rather gruffly:

"Market? What market? We do not look at market needs. We make proposals to people..."

This runs counter to the notion that good business needs to work from what the consumer wants. Verganti heaps scorn on this approach. He notes with satisfaction that successful innovators – the late Steve Jobs being a poster boy for this kind of process – have a "significant unawareness of established management theories." The first of a series of clever sketches that launch each chapter in the book shows Jobs looking in the mirror in the morning and pondering what new technological wrinkle would really wake him up. In this style of thinking the business "proposes" to the consumer what he or she wants – having figured it out through a process that includes the work on meaning, but also a "design discourse" and some key individuals, or "interpreters," along the way.

Verganti shares his approach to some degree with Tim Brown, author of *Change by Design*. Both authors are passionate about the impact of radical ideas and scornful of incremental improvements which ensure that no matter how hard you run you really won't move very far. But in discovering where the ideas are, Brown is content to look hard at consumer needs as consumers see them. Verganti goes a bit further – he wants to see the consumer in his or her culture, how lives are led, how they can be enriched with new meanings.

¹ Artemide, based in Milan, creates spectacular lighting for both domestic and large scale civic uses. The lights described in Verganti's book are part of their "Metamorfosi" series.

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The language of new meaning is emotional. For example, Verganti quotes the consultant who came up with the idea of the Swatch, a watch whose meaning took it from mere time-keeper to fashion accessory—

“...we were not just selling a consumer product, or even a branded product. We were selling an emotional product...”

To turn something as esoteric as meanings into products in stores Verganti takes us through a number of stages:

- First, the creative impetus is limited to a research few who ask the critical questions (what is the meaning, for example, of a shelf? Of light?).
- Second, a lengthy “design discourse” is conducted between corporate leaders and “interpreters,” those in the culture who can understand and support the radical proposals and opportunities that are being created.
- Third, the firm's leaders identify the company's special skills and assets that can achieve the new vision.
- Last, the external discourse and in-house resources are combined to create a unique vision, which is radical yet viable. The “shelf” that finally emerges will not be just a piece of wood on brackets, nor will the “lamp” be merely a lamp.

Verganti also differs from other authors in that he expects the new radical idea to face some challenges in being accepted. He therefore adds a further stage: to pitch the idea before delivering the product – to ease people into it in effect. This is done by a selective pitch (the “proposal”) to consumers, often through books that explain the new “meaning” and why it matters. These go to the “interpreters” who will absorb and popularize ideas that may be disconcertingly radical for the average consumer. Then the products, under the usual constraints of cost and time, follow. By then the language is established and consumer appetite whetted. Leadership is critical throughout of course but especially as a product progresses through production. The leader must “protect that personality.” Constraints emerging downstream must not be allowed to jeopardize the vision.

It's an interesting book although hard to read. Verganti tends to be a bit professorial (he is professor of the management of innovation at Politecnico di Milano) and his discussion is minutely elaborate and occasionally repetitive. So although his thesis grows steadily more compelling, there were times when it flagged for me.

A Challenging Prescription

It may all prove too radical for some – indeed it may be suited only to specific companies like Artemide whose products are aimed at the kind of people who are willing and able to pay \$1,000 for a lamp. Definitely not for denizens of the Dollar Store like me. I suspect that the kind of firm that can invest the effort needed to generate Verganti's meanings, must be one that can successfully charge a premium. The results are wonderful, but are they really for just the enlightened (and wealthy) few? I wonder how universal these radical ideas will become.

So, is there anything in it for fundraisers? Just this thought – Verganti is part of a growing drumbeat on the need to innovate, and the strength of his book is the thoroughness with which he pursues both the process of radical design and its impact on any organization that commits to such a process. His research is impressive and his verdict is salutary: keep producing new ideas, consistently. Or you will run and run and get nowhere.

Fundraisers have embraced new visions before. Interestingly, they have followed a path that is in tune with Verganti's assessment. Recall how radical Penelope Burk's book² on donor focus seemed when it first came out. Today the idea of putting the donor at the center of any fundraising strategy seems obvious – but until Burk spelled it out in her book, it was nothing of the sort. That's exactly the kind of radical new meaning Verganti is getting at, and exactly the impact new meaning should have. At first startling, but over time and with experience, perfectly reasonable.

Once upon a time, even the venerable campaign model was new.

The question therefore is: what new meanings will transform our approach to our jobs? Who will redefine what we "mean"? What radical new approaches and ideas will emerge? We may be sure that when it happens, the charity that achieves the next new meaning will have also achieved a significant advantage in the increasingly competitive field of winning donor dollars.

² *Donor Centered Fundraising*, 2003