## Autumn Edition (Monza - October 2014)

## It's design, stupid!

Inspiration comes in the most impossible places to people who think. Our synapses create brainware in every situation and build up concepts and solutions without pause. Consultancy work being just that, as our company name justly puts it; a pit stop to fulfil a physiological need isn't a hindrance to keep the mind going. So on my way out of miserable Italy the other morning, I was entering the loo of Malpensa airport and couldn't avoid noticing, that in a space barely one square meter wide, a host of conception errors were made, obviously in the name of design. Made in Italy is known worldwide for the design appeal of the peninsular realizations, but this confined space contained so many blunders, that it made me wonder one time more about what place design should take in product development.

The clicks of my Galaxy phone must have had an exhilarating effect on the neighbor in the next cubicle, but I wanted to illustrate my findings in a few pictures:



A good idea, namely creating a round corner for ease of cleaning, has turned into exactly the opposite in the concreteness of the application. The rounded profiles in the corner connected with a 45° miter joint have created a heaven for dirt and the shape conflicted with the door profile, creating unnecessary work for an un-esthetical result.

The Italian manufacturer of this lock made a fortune before the decline of their activity, after having launched the device on this picture. The design is extremely minimalistic, and that is obviously what has appealed to nearly every architect designing public space in Italy and in several parts of the world. The design is also extremely non-intuitive, as the need to put an illustration above every lock to explain the functioning is demonstrating.



The cleaning process eroding slowly the quality of the print, it is always only a question of time, before the unknowing visitor from Houston Texas gets to have a pee under inhuman conditions, not knowing how to lock the bathroom door for the necessary privacy. The lock manufacturer missed the train of magnetic card solutions, which swamped the hospitality market and is still trying to recover nowadays, according to latest information.







Villeroy & Boch invented the modern "throne" to satisfy our biological need in contrast with the old traditional stand-on Turkish Loo, where some gymnastics are required to do your job without spoiling your shoes or your clothes.

The designer here at Malpensa, fearing the need to clean the seating ring, has simply taken it away, creating a hybrid half-sitting, half-standing new version of bowel- and bladder-emptying device. I leave it to your own imagination to muster the efficiency of this design!

In our day to day work on products in the innovation process, we are strongly advocating the consideration of design aspects from the early beginning of the development process on. But we also recommend equally strongly not to practicing design for design sake, on products which have to fulfill a function. "L'art pour l'art" is meant for home decoration and museums. Product design has to support functionality, make the functionality appear under its best light and appeal to the optic and haptic expectations. It is not the other way around. So, next time, when you are staring at the front door of the toilet cubicle, let your eyes wander and see if the architect and the construction engineer in charge of the edifice you are just using has done a good job. And do the same with all products you are buying and all the ones you might develop and launch in your markets. The right balance between design and function is a difficult exercise and time has to be spent on that equilibrium, rather than on trying to impress some Design Award committees. Remember one important thing: these guys are not the one buying your products and paying your bills, but just making money on judging a design signature. The paying customer's real and justified expectations have always to be considered first.

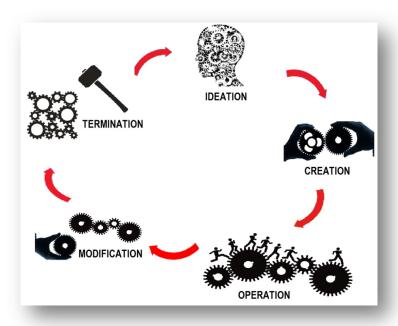
## Total cost of ownership

In most mature markets the competition is getting fiercer. The cake there isn't getting larger, as it does in emerging markets, and therefore the fight is for market share. What makes life even more difficult for producing actors in those markets is a certain decline in the factual competency of mostly younger purchasers. The job of choosing raw materials, components and equipment isn't seen with the same eyes as the "good old pals". Personal relationship and customer loyalty have left place to rapidly changing interlocutors with little if any product and market knowledge, but with plenty of will to make quickly an impression on the top management. Therefore, the decision process is very often led by short term thinking and especially immediate cost saving.

In this process, competitors from low cost countries are increasing their chances manifold to be considered as a potential supplier. Decade long experience is threatened with disappearance, if reason isn't returning into play. And reason means here the consideration of total cost of ownership in the process of investing into new equipment or into choosing components for the production of own goods.







**Illustration Synapse:** Total lifecycle of product usage

The proposal is here to understand not up-front pricing of goods and services, but the full implications of a purchasing or investment decision from the first moment on the idea is born, to the last moment this product or service is impacting the activity. Every phase in the decision process, in the usage and in the termination of usage of a product or service is not cost neutral. By looking at every cost implication in all these phases for the different choices possible for the company, the decision process becomes extremely cost efficient for the company as a whole. The concept seems complex at the beginning, but by diving into the process of analyzing every step of the lifecycle of a product or service, the room for optimization becomes clearer and the saving becomes more important. Our consultancy offers a very comprehensive package on implementing this kind of approach and I invite the readers to ask for an offer of our *Total-Lifecycle-Cost-Reduction*® support.

## **Crisis! Which crisis?**

The impression after recent visits to some tradeshows in mainland Europe, many conversations with manufacturers of different goods in France, Germany, Italy and the UK and reminders of my summer break thinking bundled together are not putting me at ease.

The economy in most of Europe is suffering. Italy is continuing its slow, but steady slide into the danger zone and if Matteo Renzi doesn't deliver facts beyond the nice speeches, Italy will join Spain and Greece in the idiot corner of Europe.

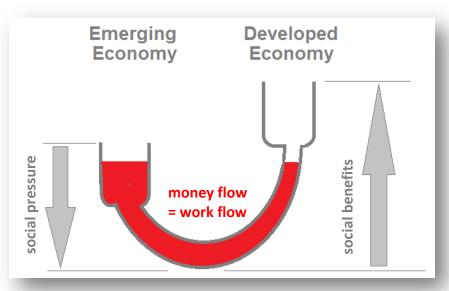
Interestingly, but for different reasons, even France is not escaping the current turmoil. Having given the impression of being above the crowd up to recently, the dive of the hexagonal economy is therefore even more forceful. And at one stage, almighty Germany will be hit as well, as their export oriented industries need European customers to fill their





orderbooks; at the current rate, these European customers will concentrate on fulfilling basic needs in a few weeks from now, rather than flattering their ego with nice German cars or beefing up their factories with innovative German machines.

Whilst politicians in the opposition everywhere in Europe, especially on the extremes, are seizing the opportunity to appeal on the basic instincts of the most uneducated and fragile part of the society, politicians in power are cooking up one populist recipe after the other to contain the disaster. And more and more, they are wondering, where to take the money for whatever action they plan to redress the country. But where the hell is the money gone? It is rather simple; it's gone where work is gone: in emerging countries.



**Illustration Synapse:** *emerging versus evolved economies: an input-output equation* 

Our schizophrenic population (see my previous comment in the New Year's newsletter from December 2013 download able on the website) has still continued to trying optimizing both income and spending. And while they are still trying to keep on getting more and more for their money earned, it is continuing to erode the production capabilities of all the countries in evolved economies. Clever economist supported by clever media who have blown in the same horn, were predicting that evolved economies could turn into service oriented societies, with their population programming iPhone and iPad applications, serving pizza and massaging the neighbors to make a living. Unfortunately, and more to the point, logically, this principle isn't working for many reasons:

- Emerging countries are catching up with developed one's at a much higher speed than in the past and they create clever citizen who don't need us to invent things or write code for their computers and phones.
- Evolved countries are not "sooo" evolved; actually the literacy level in Europe and America for example is at a gob-smacking low level, only matched by the poorest cultural level in many layers of the population; only recently in a discussion with some university educated young travelers in Düsseldorf at the airport train station





- did I discover that they were believing, that Marco Polo was only a clothing brand! And according to latest research, a mere 60% of the American population still believe, that the earth was created some 4000 years ago by an act of Divinity.
- The less educated part of the population, which still makes the bulk of evolved countries, needs to use their hands, rather than their brains to make a living. And this type of work is gone. And with the work the money and the entrepreneur who is willing to take a piece of wood or metal, granules of plastic or lumps of glass and turn it into a manufactured product.

So, with all respect for futuristic trend forecasting, I think the trend we have to recreate in Europe, in America and in other places under duress is the trend to re-industrialization. Obviously, not with the want to compete on cost with people who are willing to work without social coverage, drudging 7 days a week 12 months a year and ready to sleep at the end of the assembly line of the production. Their hunger is too great and their suffering acceptance too high to compete against. What we need to do, is clear:

- Use the brains we have to innovate and create products which are spot on with the needs they have to fulfil in our own economies foremost and in middle classes of the emerging countries as well.
- Concentrate on quality and not always quantity in order to save resources and offer sustainable solutions.
- Use the proximity of millions of potential customers to serve just in time and without lengthy container trips products which respond to real expectations, playing with customization and personalization.

It is still time to reverse the tendencies, even if it will take major efforts to recreate acceptable conditions for entrepreneurs to take the manufacturing risk. It is still time also to reeducate consumers and get them to think about buying products made by their neighbors whilst these workers in turn, will buy products they have done. By sharing the same cost basis for income and consumption, economies can return to equilibrium, if consumers are becoming mature as well, concentrating on what is important instead of what is superfluous.

People who know me well, know that I am rather an optimist. But even as an optimist, I am not convinced, that we are shortly up to the challenge. For sure we cannot do it without making some significant steps back (which in reality, will turn out to be steps forward). But we need the support of politics for such a tremendous change and the problem is: nowadays, countries are still functioning despite of politics, not thanks to politics. We need again to be able to vote FOR somebody, not AGAINST somebody. We need true leaders with a vision in line with reality. And this is not the type of people we see around nowadays.

So, let's work hard into the right direction and let's make the first steps without waiting for the modern political messiah to help us.

The copyright and intellectual property of all brands cited in these articles belong to their respective owners.

