

# Design As DNA: More Than Skin Deep

As consumer spending continues to rest precariously on the whims of an uncertain economy, businesses must continue to innovate in order to offer a differentiated product or service to a jaded public. Jet Blue and Starbucks are very well-publicized examples of companies who have embraced design as a core source of their uniqueness.

Across industries and service lines there are many companies that determined early on in their inception that design would be central to their mission—even part of their DNA. Often, this decision is led by a single visionary who understands the unique power of design to bring remarkable products and services to the marketplace. Three notable examples are consumer products company OXO International, investment research firm Morningstar and discount retailer Target.

When arthritis made it difficult for Sam Farber's wife to grip a potato peeler, he turned to design for a solution. Teaming with top designers, he was able to develop an entirely new product offering—not only incredibly functional but aesthetically appealing and delightful ergonomic kitchen tools. The result was the hugely successful Good Grips, an ever-expanding line of tools for use in both the kitchen and garden. Equally successful have been the company's sales revenues which have increased steadily each year since 1991.

When Joe Mansueto observed the growing popularity of mutual funds among baby boomers in the eighties, he saw an opportunity for design to fill a need. Using the principles of information design accessibility, he tackled the difficult-to-understand charts, graphs and other data in the investment materials. The result was Morningstar, a premier financial services company with a friendly, easy to comprehend star-rating information system that has become the gold standard for the industry.

No story about having design as DNA would be complete without mentioning Target. Chairman and CEO Bob Ulrich has long felt that in the discount retail category there can be only one lowest price competitor and that all others must use design. The company has effectively created a niche in high-end yet affordable design complemented by a focused emphasis on service, merchandising and quality. Their moves in recent years to partner with designers like Isaac Mizrahi, Michael Graves and Todd Oldham illustrate this continued commitment and resonate well with shoppers. The financial community has responded as well with a stock price that has far outperformed the S&P over the last several years by as much as fifty percent.

In order for design to become part of a company's core identity it must be woven into the organizational culture as an essential component and understood, embraced and believed in as the key to differentiation. It must be integrated into all stages of product development and the processes that surround it and precede it. Finally, it must be implemented as the key variable in the pursuit of a solution for perfect function and inspirational, delightful and beautiful aesthetics. Leveraging design has afforded each of these companies a means for differentiating their offerings in seemingly saturated markets for unmistakable competitive advantage.

*Contributed by Rodney Abbot, a senior partner at Lippincott Mercer*