

Renderings



Getting through the recession with innovation: customer focus stimulus plan "v. 1.3"

By Mike Edwards, Editor

The headline above is taken from the title of an essay published online earlier this year by David Duncan, an industrial designer and president of IDWS.ca of St. Catharines, ON.

Most people in business understand that standing pat, even in the best of economic times, isn't an option. "Complacency can start to creep into a company and mediocrity can allow competitors to take away market share if nothing is initiated," says Duncan, whose firms helps companies develop "Form with Function."

It seems that once manufacturers have hacked and slashed operations to stop the bleeding in this recession, they have to ask themselves, "then what do we do?"

Duncan's whimsical "v. 1.3" could mean anything, of course, but what it does indicate is the need for a plan. "Most corporations know relatively well how to house clean and manage the cost and expense side of the business, but generating future products and innovations will be the challenge for going forward," Duncan states in his blog at www.idws.ca/blog?p=15.

Complacency and mediocrity can allow competitors to take away market share

He notes that corporations such as Xerox are preserving their investments in research and development, listening to their customers and not trading off the future for short-term bottom-line goals.

"The questions companies need to be asking are varied but some might be the following: Where should we be in one year, three years or five years for competitive advantage? What internal stimulus plan is in place to motivate our customer base? What products will bring income back into the company at the end of this recession? What will inspire consumer confidence in the future; will it be as simple as having the best-in-class product available? Will we be able to recognize a future need for the end user? Will we be able to differentiate ourselves with the right market trends?"

The road to customer-satisfying innovation isn't easy for new products developers, notes Duncan. "One of the most difficult parts of being innovative – the doing of new things, is giving that new 'thing' a body, a face – the creative style, feel and shape, that 'wow' factor to gain market share.

"This creative process for marketability is well developed in the automotive industry. Well before heavy investment is spent on engineering a vehicle, industrial designers create multiple concept sketches, 3D computer models and clay models of an idea. These virtual vehicles show the 'vision' of the new product, in a format that can be reviewed by management, en-

gineering, marketing and focus groups.

"The bottom line for companies will be the need to preserve cash, keep operations fluid, and at the same time develop innovative and stylish products. This might be okay for large corporations to absorb, but what if modifying a product is done only once every couple of years?" asks Duncan.

His idea for companies to keep "moving forward with ideas" is to implement an "Open Innovation" business model.

"The general idea behind the concept is to restructure some of the product de-

velopment overhead, by using external firms with experience in specific areas of R&D.

"For example; outsourcing the industrial design segment of the product development process means that a company can utilize the same design strategies as seen at Apple and General Motors, but at a more manageable level. "Coordinating the in-house process with outsourced knowledge means that a company can decrease the time to market and increase the customer focused value of the end product. Traditional production methods

are changing, and the Open Innovation model has many facets for a company's product life cycle.

"It is a process that will need to be evaluated and customized as companies try to stay innovative and competitive in this global economy."

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