

DESIGN STRATEGIES IN DEVELOPING COUNTRIES

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Countries which are not heavily industrialized, are typically based on a large number of small and micro size companies. This kind of enterprises have as a, so-called, competitive advantage, the flexibility to adapt themselves to rapid changes from the market. The problem is, unless they have sufficient regular orders from larger companies to supply specific components, they need to develop their own products and their own markets if they want to keep their facilities running in order to survive. This situation demands new strategies for many SME's (small and micro size enterprises) which must now incorporate **design** into their resources, as another competitive tool just as valuable as marketing or finances.

Despite the fact that design is a well known resource within large, world class companies, it is hardly taken advantage of in smaller companies of all types. This is particularly true in micro size businesses where entrepreneurs face the typical financial problems that prevent them from benefiting from any kind of design input, let alone a larger investment in tools, molds or some other production resources. The paradox is that without the development of truly competitive and differentiated products for well defined markets, these companies stand a very little chance to survive within the international markets context. Strategic design is, therefore, desperately needed in this industrial sector.

Another part of the same problem is design education. The traditional educational programs designers get in many "emerging countries", are very much based on programs developed for different industrial contexts. Designers, therefore, get quality training which is good enough for the purposes design is required in large companies, but not necessarily good enough to solve the problems small companies typically face. New design strategies for both, SME's and designers, are therefore desperately needed !.

DESIGN STRATEGIES FOR SME's

Small companies need design at different levels. However, because of financial constraints, it is very difficult for them to afford different kind of projects (ie. product design, a label, a logo, packaging, etc.). Rather than investing separately in several projects, they need ONE design answer consisting of a single medium term program, strong enough to guarantee short term responses from the market in order to self finance the later stages of the program in a consistent and coherent way. One design answer would mean for the designer to make sure that the company's strategic objectives are

fully understood by everyone involved in the process (including the general manager, director or owner of the small company, who – believe it or not - are not always completely aware of the importance of concepts such as strategic planning, strategic positioning, or strategic advantages). One design answer would also mean that the proposed program involves all the elements required to build a coherent corporate identity (product, communication and environment), to make sure that the projects developed as part of the design program CREATE **value**, COMMUNICATE **value** and MAKE **VALUE** VISIBLE.

A strategic design program created for SME's would have to consider one final aspect: a strategic implementation. This means that all proposed actions that are part of the program, are carefully considered in terms of both an initial investing budget that must turn into a revolving fund to guarantee further development of the whole program, and a consistent follow-up by all parts involved in order to assure coherence between the company's strategic lines and the design actions being implemented.

As it may be observed, the influence design has over a large proportion of what it is considered of "value" in the client's mind, goes far beyond the impact of a simple label or a packaging. In fact, the lecture of this chart clearly indicates that design is an essential ingredient that must be included from the very beginning in a product development if the perception of value is to be increased and, therefore, the product competitiveness augmented.

New Paradigms

Design has gone through a process of specialization, indeed just like any other modern discipline in today's world, in which designers -very much like doctors- have to decide whether to remain "generalists" or to specialize themselves in a particular area in order to professionally stand out from other designers, as well as to better serve a specific industry's requirement. That is, of course, in industrialized countries, although not necessarily true in many developing countries where the demand of the large majority of industry -the micro-size kind- begs for a different class of design response more adequate to, both it's needs for new product development, corporate identity, branding, etc., as well as to it's **financial** needs.

So far, design seems to have placed a strong emphasis in privileging large or, financially sound, medium size companies, since it is well understood these companies will be able not only to afford the expenses any design process has to go through, but also to successfully implement a comprehensive design programme because their organizational structure will allow for such an input, even if design has to face a cultural resistance to change. Unlike medicine, law or business administration, design has developed good

strategies to better serve the interests of “world class” large companies, however, very little has been done to strategically help small companies through design.

A realistic view of SME's is that they quite simply cannot afford several design projects (i.e. a product design, a company logo, a label, etc.) undertaken by two or three different design specialists, for their many requirements, let alone a comprehensive design programme carried out by a well equipped multidisciplinary design consultancy. In fact what these kind of companies need is a low cost **single integrated design answer**, which means solving all the problems related to their products (generally low-tech, or non sophisticated products), and their communication (all their visual identity, including packaging, exhibitions and point of sale material) with one comprehensive design strategy (that will emerge from the corporate strategies -including product business plans-), and a well defined set of actions to be carried out as fast as possible in a professional way within this “entrepreneurial” approach, and at an affordable price. The question of course is: can designers do this? The answer (which will be reviewed in detail later on) is : yes, although not if the same strategies designers use to give service to a large company are tried in a similar way on small ones.

The important point to be remembered by SME's managers or owners is they have to make sure the designers they hire can understand a business orientation and can read a business plan, and they have to be truly open and transparent to them in terms of providing relevant strategic information, if a competitive advantage is really meant to be gained through a systematic design effort.

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