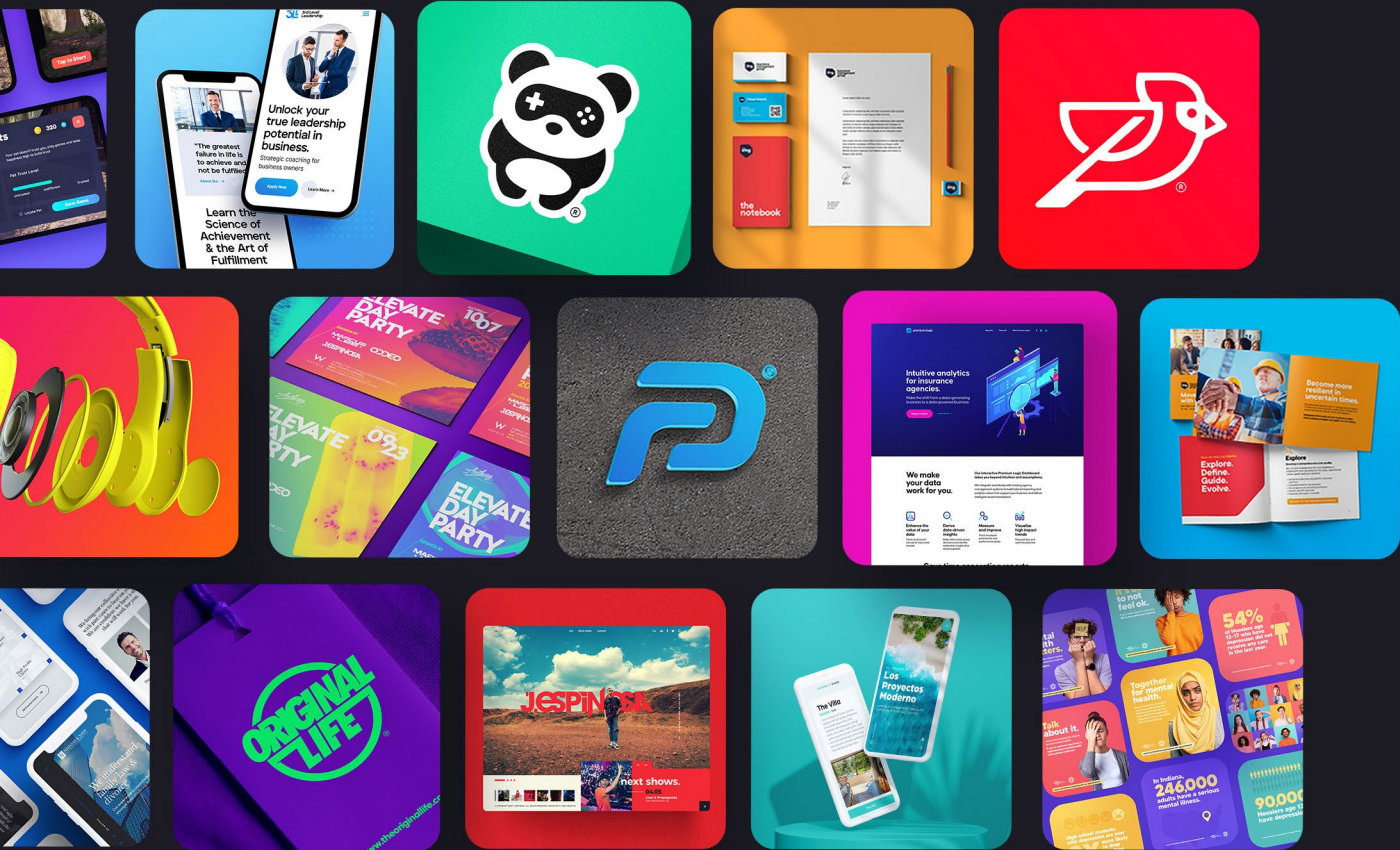


# The value of design for business.

This guide is intended for small business owners, entrepreneurs and managers as they consider how best to determine the value of their design investments.



# Table of contents

- 01** Introduction  
**Putting People First**

---
- 02** Chapter One  
**Design to Win**

---
- 03** Chapter Two  
**Design for Customer Experience**

---
- 04** Chapter Three  
**Design for Company Culture**

---
- 05** Chapter Four  
**Design for Sales Enablement**

---
- 06** Chapter Five  
**Conclusion**

---
- 07** References

# 01

INTRODUCTION

# Putting People First.



## **Design is a toolset and mindset which gives firms the capacity to solve customer problems.**

Over the last decades, businesses have evolved a greater appreciation for design that is human-centered, an approach that places people first. Today, most executives can easily recall examples where design has successfully overcome customer challenges and delivered a significant competitive advantage.

Even with market evidence proving design investments enhance customer experience and loyalty, and improve business performance, business owners are frequently stumped when they try to define financial benefits of design in terms of traditional return on investment (ROI) analysis.

What does it mean for businesses to invest in design, and how can design help them achieve their goals? How do you quantify the value of a single piece of design collateral that heads off potential competitors?

The challenge with developing a business case for design investments is that the direct benefits of design can be tough to quantify, and nearly impossible to attribute. Design value can differ by industry, organization, and team. However, design value can be evaluated in a meaningful way.

We've sourced industry reports and business leader interviews to highlight the impact of creative design projects. The framework presented here can help business owners and managers with assessing benefits of a design project and demonstrate the tangible financial advantages of making design a business priority.





## Good design is good business.

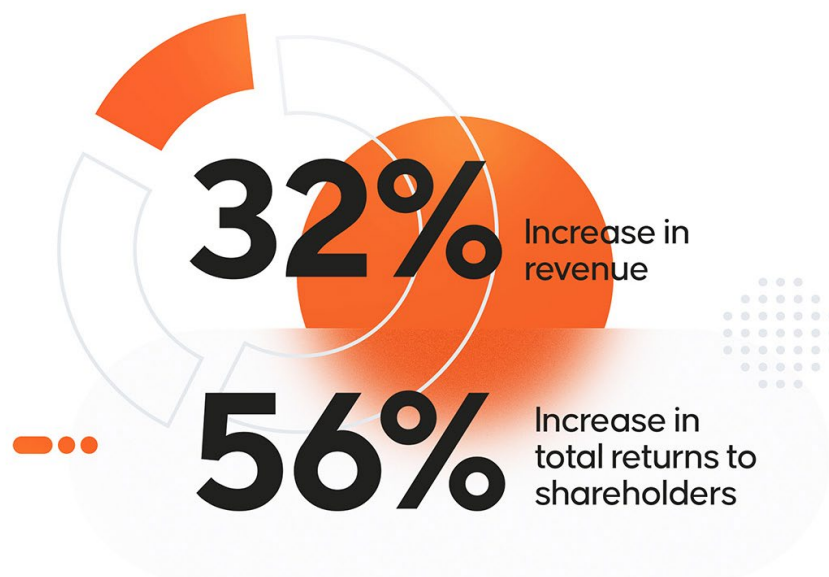
It's no secret that good design has a monetary value - the proof is right before us, in the choices we make as consumers every day. For decades, visionary business leaders have championed quality design as having a direct impact on a company's bottom line.

**"Good appearance is a salable commodity"**

– Raymond Loewy, designed logos for Shell Oil, Greyhound and the US Postal Service

## How much money can good design make?

In 2018, a McKinsey report "The Business Value of Design" put the impact of design on the corporate bottom line in context: Over a five-year period, companies who invested in good design had **32% more revenue and 56% more total returns to shareholders.**



## How can a small business grow value through design?

- Design must be a key consideration for any customer-facing touchpoint since it influences human decision-making
- Quality design and brand experiences make people feel better, and therefore can command better prices than competitors.



03

CHAPTER TWO

# Design for Customer Experience.



# Better customer experiences shift perceptions.

Customer Experience is the sum of all interactions a person has with your company or organization.

**“You’ve got to start with the customer experience and work back toward the technology, not the other way around.”**

– Steve Jobs, Co-founder of Apple

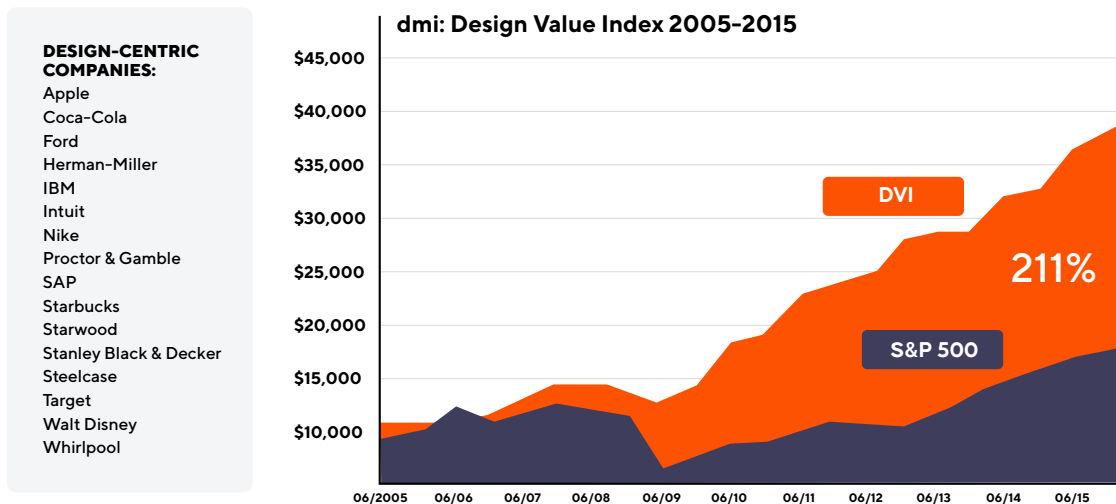
## How do businesses with a focus on branded customer experiences fare in the market?

When a business prioritizes quality design for customer experiences, it further cements a personal relationship with the customer as a brand. Companies that are design-led and customer experience focused hold greater market share than their counterparts. In 2015, The Design Management Institute (DMI’s) Design Value Index analyzed the portfolios of 16 publicly traded stocks from design-centric companies like Nike, Apple, IBM and Starbucks, Intuit, and SAP among others. **Design led brands performed on average, 211% over the S&P 500.**

211%



## Performance of design-led brands vs S&P 500



From content to visual design, the strength of audience engagement is directly related to the strength of good design, as these efforts work to define a credible, trustworthy brand through consistency, predictability and visibility.

## How can a small business create better customer experiences?

- Optimize customer experience at its various stages, from discovery, engagement and delivery.
- Deliver superior, design-led digital experiences across search and social to be accessible to their customers and serve them better.



04

CHAPTER THREE

# Design for Company Culture.



# Good design comes from deep customer empathy.

Design-led organizations are obsessed with creating better customer experiences, and placing customer priorities first when creating brand experiences or touchpoints. This approach is referred to as “Design Thinking” and contributes directly to nurturing a workplace culture of open collaboration and constant innovation.

**“From the beginning, we’ve always put customers at the center of everything we do. The key in this approach is making sure we obsess about falling in love with the customer problems and not our solutions. By keeping this focus, we can continue to remain nimble and flexible in seeking new, innovative solutions to evolving customer problems.”**

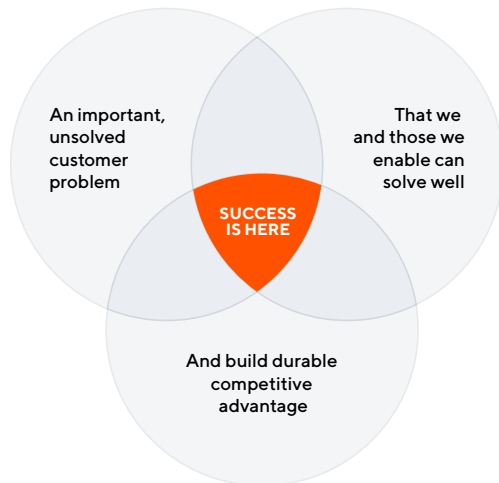
– Nico Valencia, Intuit

## How much money can good design-thinking make for a business?

For Intuit, a design-thinking approach has paid off:

- Intuit generated **\$10 million in additional revenue** in the first year it empowered its teams through design thinking.
- Doubled its customer base over the past five years, to **60 million**.

### Customer-driven Innovation



*How we choose problems*

### Design for Delight



*How we solve problems*

**Intuit's approach to innovation has two core competencies that differentiate the company and allow it to deliver solutions that truly change people's lives.**

1. Customer-driven innovation, which is a mindset and methodology to uncover important, unsolved problems.
2. Design for Delight, a process where small teams collaborate to delight customers and deliver awesome customer experiences.

When a company embraces a culture of ideation, tackling even the toughest challenges can be enjoyable. Problems that were once seen as barriers to success become opportunities for teams to collaborate and be creative. **Doing so can give an organization a competitive cultural edge.**

## How can a small business grow into a design-led organization?

By bringing together people with differing knowledge and skill sets, establishing cooperative environments, and encouraging ideas from everyone, collaboration begins to flow, first as a process and then as part of an ingrained organizational culture.

- 1. Break down silos.** Designing better customer experience requires cross-functional teams (stakeholders) to bring forward opportunities for improvement, provide insights into customer perspectives and organizational challenges, and participate in developing solutions.
- 2. Encourage an egalitarian mindset.** Design-thinking considers all stakeholder voices regardless of title and hierarchy. It leads with information, data and human needs rather than ego.

A company that incorporates design thinking as a process and an organizational culture is setting itself up for innovation, happy employees, and a healthier bottom line. In short, it's setting itself up for longevity and success.

05

CHAPTER FOUR

# Design for Sales Enablement.



## Good Design empowers sales teams.

Traditional sales tactics are losing their efficacy. With the onset of digital the B2B and B2C sales cycle is becoming increasingly complex as customers demand a more personalized experience.

**“The future of communicating with customers rests in engaging with them through every possible channel: phone, e-mail, chat, Web, and social networks. Customers are discussing a company’s products and brand in real time. Companies need to join the conversation.”**

– Marc Benioff, co-CEO Salesforce

### How much can good design-thinking help a sales team?

Salesforce’s “Sell by Design™ system” is an innovative approach to sales development and empowers its sales professionals with design-thinking skills that transform relationships and accelerate revenue growth. Using their Sell by Design™ system, Salesforce was able to:

- Generate 100% pipeline increase and over \$1.5 million of additional revenue closed
- Cut Number of touches to get to one meeting by 50% (15 touches versus 30)

- Create a renewed sense of passion amongst their sales team for customers and their business challenges
- Increase sales team energy and confidence in finding bigger deals
- Retain sales talent
- Increase sales team credibility with clients

## How can a small business grow into a design-led organization?

Design thinking—which is especially well suited for solving ambiguously defined problems—is key to establishing a genuine connection with customers and engaging them throughout the sales process. It's key to sales success.

1. Develop client personas and develop content that speaks to their needs and motivators
2. Craft a sales pitch and supporting collateral that strikes a strong emotional chord with the customer

# 06

## CONCLUSION

**Design-led  
companies work,  
but not without  
designers.**



# Good design is not art or science, it's human.

**From the visionary leaders, top companies and array of reports discussed here, the news about the value of design has been spreading for years. Even so, it remains a closed-off discipline to many businesses, and difficult for non-marketing executives to understand and rationalize.**

Traditional businesses reach for quantitative data and research that might work in a predictable environment. However, that approach doesn't always work when we're operating in a world that is far from redundant and predictable. Humans can be irrational, often unpredictable, and emotional. Approaching the value of design like a linear relationship won't work because there is no standardized formula.

Design offers a direct path to understanding people, and placing their needs, motivators and the context of their world first. Businesses hoping to drive customer loyalty and stand out in an increasingly competitive landscape must recognize design as a value add and a competitive differentiator across all areas of business. Given the potential, businesses must prioritize quality and expertise in design execution to maximize every available opportunity.

Design isn't limited by geography or borders, and the teams that create it don't have to be either.



# References.

- 1. Adobe “State of Create” Design Management Institute.** Retrieved Sept. 18, 2019 from: [https://s23.q4cdn.com/979560357/files/doc\\_events/2016/11/1/AdobeStateofCreate\\_2016\\_Report\\_Final.pdf](https://s23.q4cdn.com/979560357/files/doc_events/2016/11/1/AdobeStateofCreate_2016_Report_Final.pdf)
- 2. Market share of design led vs non design led companies.** <https://landing.adobe.com/en/na/products/marketing-cloud/350450-forrester-design-led-business.html>
- 3. Rae, Jeneanne. “2015 dmi: Design Value Index Results and Commentary.”** Design Management Institute. Retrieved Sept. 18, 2019 from: <https://www.dmi.org/page/2015DVlandOTW>
- 4. FastCompany, “How Intuit Used Design Thinking To Boost Sales By \$10M In A Year”** from: <https://www.fastcompany.com/90147434/how-intuit-used-design-thinking-to-boost-sales-by-10m-in-a-year>
- 5. Intuit Press Release, “The 30-year-old Startup: How Intuit’s Innovation Engine Thrives”** from: <https://investors.intuit.com/news/news-details/2013/The-30-year-old-Startup-How-Intuits-Innovation-Engine-Thrives/default.aspx>
- 6. Salesforce “2020 Trends: Using a Design Thinking Approach to Create Meaningful Constituent Experiences”** from: <https://www.salesforce.org/blog/2020-trends-using-a-design-thinking-approach-to-create-meaningful-constituent-experiences/>
- 7. Forbes “Why Design Thinking Is The Future Of Sales”** from: <https://www.forbes.com/sites/falonfatemi/2019/01/15/why-design-thinking-is-the-future-of-sales/?sh=4f7b37344683>
- 8. Business 2 Community “These Customer Service Quotes Will Inspire You to Change Your Service Philosophy”** from: <https://www.business2community.com/customer-experience/customer-service-quotes-will-inspire-change-service-philosophy-01160620>



**Ready to  
get started?**

**Get in touch now at  
[info@r1creative.com](mailto:info@r1creative.com)**

**r1creative**

**[www.r1creative.com](http://www.r1creative.com)**