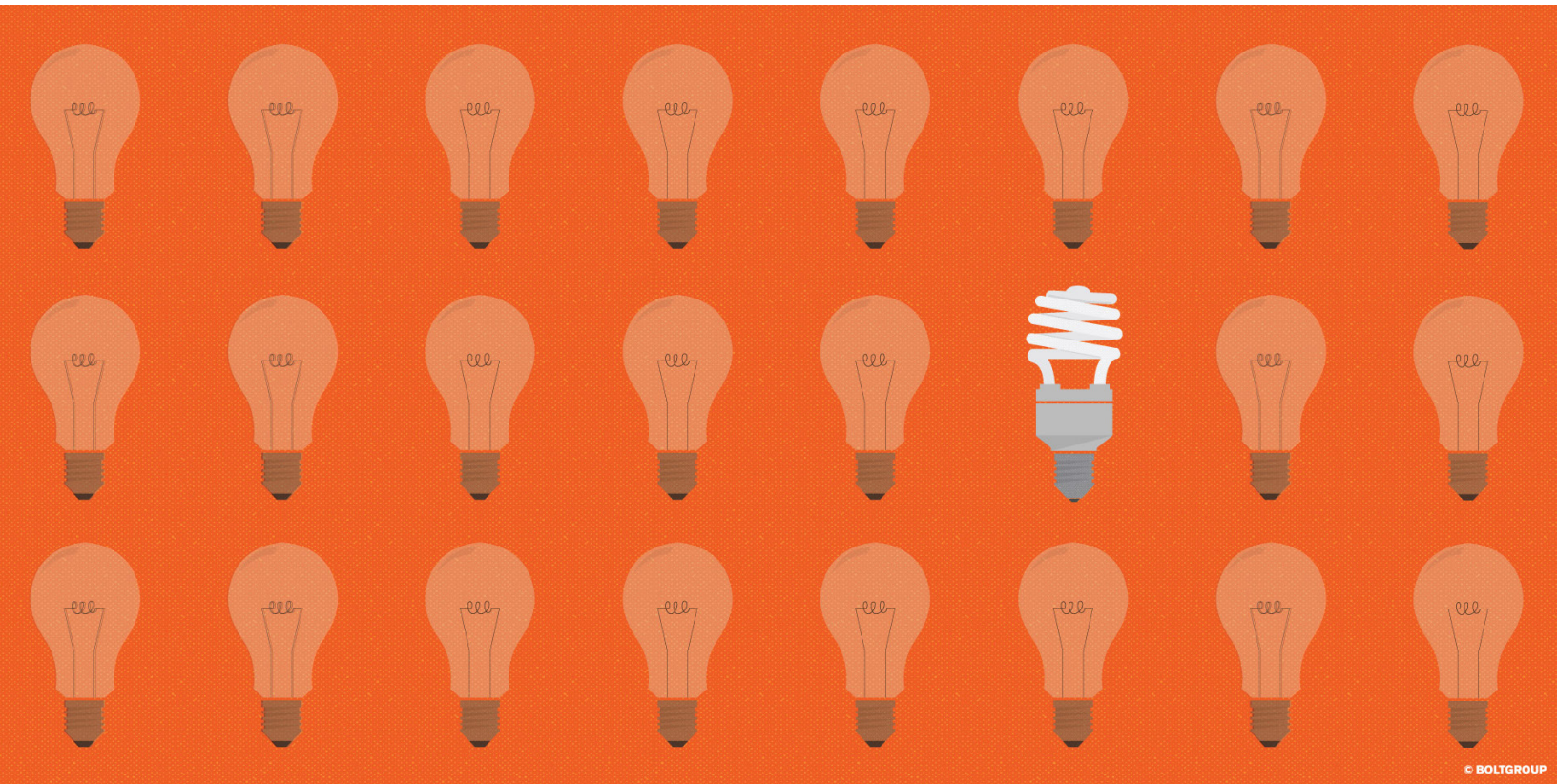


WHITE PAPER

# Time for a Product Design Game Changer

by **Bob Gibson**



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There's a new game changer in business. It happens when a company from outside an industry breaks into that market using an approach completely different from the status quo. It disrupts the industry, and often the newcomer grabs the lead.

But for every Uber, Netflix, and Tesla in your industry, there are many more companies that have worked for years to trump your game. One thing is clear: sooner or later, disruptions are coming to your industry. Should you be the one who makes waves?

If you find yourself stuck behind a competitor, unable to gain market share or worse, in a "commodity" business with shrinking margins, start by asking yourself a few questions:

- **What does your company really do for your customers?**
- **What should your company really do for your customers?**
- **What if I was entering this business today?**



Here's what Clayton Christiansen, Harvard Business School professor and author of *The Innovator's Dilemma*, had to say in a recent presentation:

**“In the beginning, everybody in a company has a clear picture of the job to be done. However, over time, even well-managed companies lose that ability.”**

As the company grows in size and complexity, it organizes around products or types of customers, rather than its own reason for being. Complexity also leads to a greater dependence on metrics to measure performance, as each department becomes increasingly disconnected from real customer needs. As a result, the company slowly loses sight of its original goal, leaving the business ripe for disruption.”

Generating and executing great ideas is the key to staying ahead in our rapidly changing world. It seems so basic, but in practice is very hard to get right. The real problem is that people are asking the wrong questions about their business—or asking none at all.

I was fortunate to help lead a game-changing disruption of the sport fishing industry with the development of the first family of LCD fish finders. I was recruited by Humminbird to

build an innovation team and help leapfrog the #1 competitor, Lowrance, something Humminbird had been trying to do for years with no success.

The six key elements we used are relevant today (although today's execution tools are quite a bit different).

#### **1. Senior management must be committed to changing the business**

In the Humminbird example, the CEO was the driver of change. He and other senior management knew that their long-term survival would only come at the cannibalizing of their own product line, and they wanted to do it before a competitor did. They started making the required changes to process and personnel.

#### **2. A significant investment in research will be required**

A.G. Lafley wrote, “Great innovations come from understanding the customer's unmet needs and desires, both articulated and unarticulated.” Unfortunately, it's common today for designers and marketers to have no use for research that involves talking to the customer. The point being that the customer cannot articulate what they need. I disagree. I think you just have to be a skillful listener and observer.

## It may be time to consider a “Game Changer” of your own. It’s a bold strategy but one thing is for sure. Someone will make it happen at some point in your industry. Why not you?

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Henry Ford said if he asked people what they wanted (before the car) they would have said a faster horse. Mr. Ford knew that it was not the horse people wanted, but the “faster.”

Humminbird made a significant investment in research to better understand consumer needs, and where consumers ranked each need regarding importance. The research turned up common complaints such as, “I can’t see the display in bright sunlight.”, “If I look away I miss things on my flasher.”, “The display is hard to understand”, and “Chart recorders are expensive and unreliable in a wet environment.”.

When I came to Humminbird improvement programs were in place for flashers using non-glare coatings and large hoods to “make a flasher easier to read in sunlight”. After spending

many hours on the water observing users, we knew these were band-aids. What we really wanted to do was to find an out-of-the-box, game-changing solution that would address most of our customers' problems.

Knowing that many successful innovations begin with a user need, our innovation team “listened harder” to the consumer. We broadened our sights to include the benefits customers want; we worked on hearing the “faster”, not the “horse”.

### 3. Put your best people on the innovation team

It’s up to senior management to assess their creative team and supplement as necessary. This may include bringing in experienced outside resources.

Our senior management team came in and aligned incentives with company goals. Employees were now able to see how their individual efforts linked to the overall company strategy and helped generate momentum for change.

We applied design thinking (a methodology to help with problem solving) to rethink products and services from a customer’s point of view, including the application of new technology opportunities.

Our team found an intersection of consumer need (can’t see in bright sunlight) and emerging technologies (LCDs). Two of us went to Japan to learn and establish a relationship





that would lead to a partnership, giving us a competitive advantage for years to come.

Some team members wanted to hold out for a high resolution screen to make paper chart recorders obsolete. However, one hiccup was that high resolution LCDs could not take temperatures above 120 degrees—a temperature all too common on the surface of boat equipment in southern Florida or in a shipping container. But the low resolution displays could already operate at much higher temperatures. We knew the large pixel would be easy to see in bright sunlight. The display could show a charting presentation similar to a paper chart recorder. There would be less of it, but when coupled with innovative automatic operation, it would be much easier to understand than the popular flashers. We moved forward with it and it became an instant hit.

Our creative solution addressing consumer problems in a different way led to a major change in the market / product category (a game changer).

#### **4. Involve all key company areas early so they accept required changes**

Senior management must expand the team early to include all areas of the business that will have a stake in the success of the venture. This will be game changing for their areas of responsibility too. Use this as an opportunity to coach innovation into the culture.

Humminbird's heads of production, quality, purchasing, and sales were briefed early on so they'd be up to speed with new technologies, components, and assembly techniques, as well as prepare new production lines for the record-breaking sales volumes we were about to experience.

#### **5. Go beyond the product**

Innovation should go beyond the product's big idea to encompass the entire customer experience. Innovate all product touchpoints like assembly and installation, product availability, customer service, packaging, and warranties.

Humminbird's creative team designed the "LCR" series of fish finders to set the direction for the Visual Brand Language across all product lines over the next several years. It became a powerful voice for the Humminbird brand.

Innovation of this type not only solves problems for a targeted customer segment, but can also provide the opportunity to grow a market (not only get a bigger slice, but expand the entire pie). While hard to define, innovation can be

something new that creates new opportunities for growth and development.

#### **6. Leverage an innovation process with a speed to market strategy and create a culture of innovation**

Learn to innovate faster and you'll be more flexible to take advantage of changing markets. The once market leader, Lowrance, tried to ignore our innovative new products for over a year. It almost put them out of business. Then the best they could do was follow Humminbird with a series of late to market, "me too" products.

### **While advances in technology aided the success of this product line, it was focusing on improving the consumer experience that made the difference.**

The relationship we developed with our key technology suppliers, the speed to market focus, and consumer insight gathering approach created a repeatable process and an innovation pipeline. The result was Humminbird not only moved into the #1 market position, but expanded the overall market.

So, if your business is stuck in a no-growth position, it may be time to consider a "Game Changer" of your own. It's a bold strategy but one thing is for sure. Someone will make it happen at some point in your industry. Why not you?



#### **MEET BOB**

*Bob is BOLTGROUP's CEO. He champions our vision to bring meaningful innovation to our clients' products and brands through extraordinary design and customer service. An award-winning designer, Bob has spent the past three (+) decades managing international product development teams, and creating innovative product lines and brands for companies such as GE Lighting, Sears Craftsman, Coca-Cola, and Lowe's.*