Design Thinking -- A Dev's Experience

(aka "Models of Innovation" on the program)

last update: Sunday, 05-Jan-97 12:53:51

i am jm, owner & maintainer of beats.com, & webmaster of Golde

my man flynn's got his new EP out, and i'm diggin' it so far. (discl
& the website's here. make sure you contact eartube, and not me

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pager: 1-888-653-0480 (toll free)
(note that i'll only answer ld calls if i recognize the phone #)
e-page me (up to 120 chars)
email: jm@goldendome.com
         (jm@beats.com for personal stuff)
PGP Public Key Block
Geek Code
my domain, ill.beats.com.
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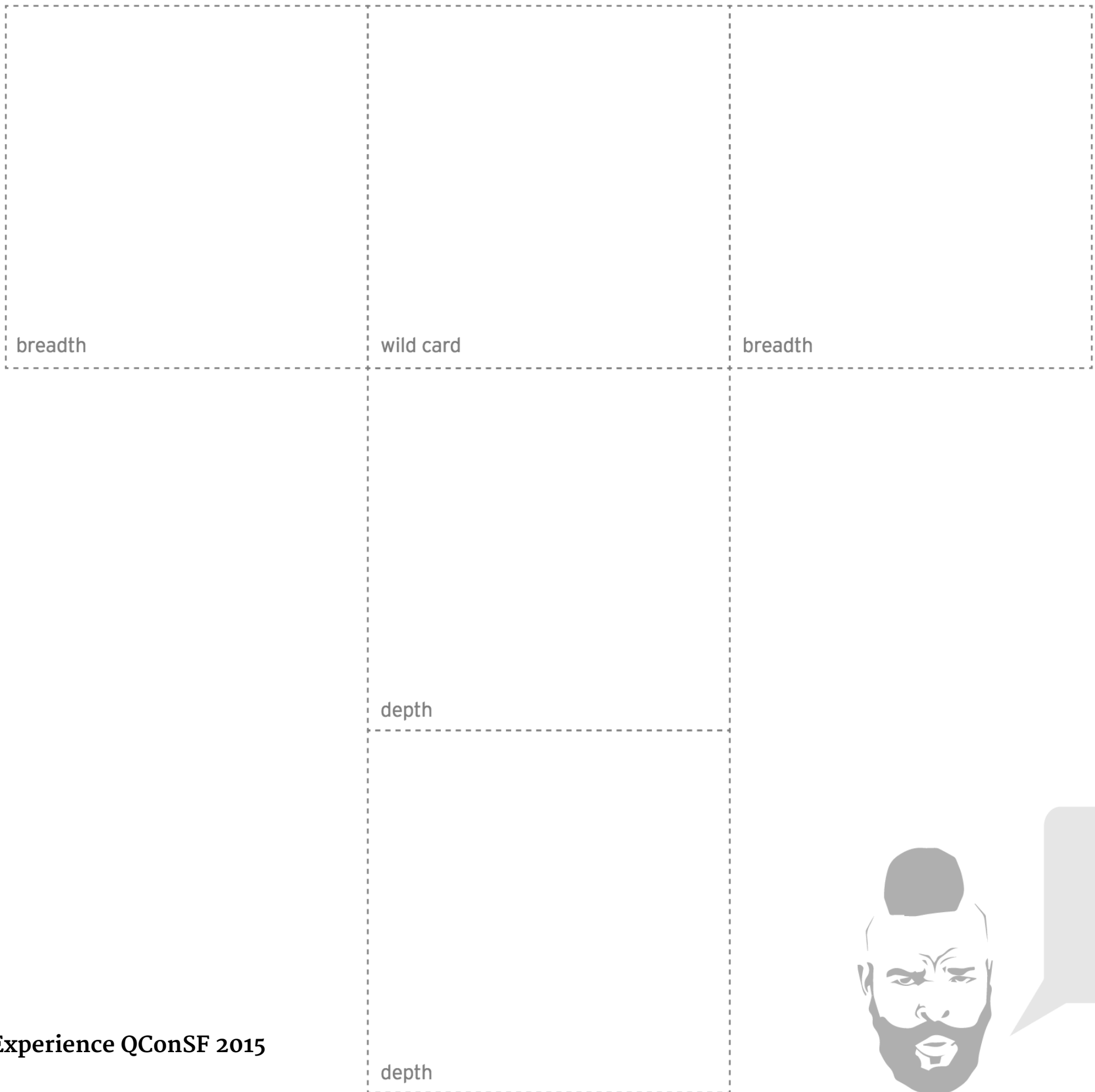
✨I like new things.✨

Innovation is a discovery that makes an idea Desirable, Feasible, and Viable, when it previously wasn't.

breadth

wild card

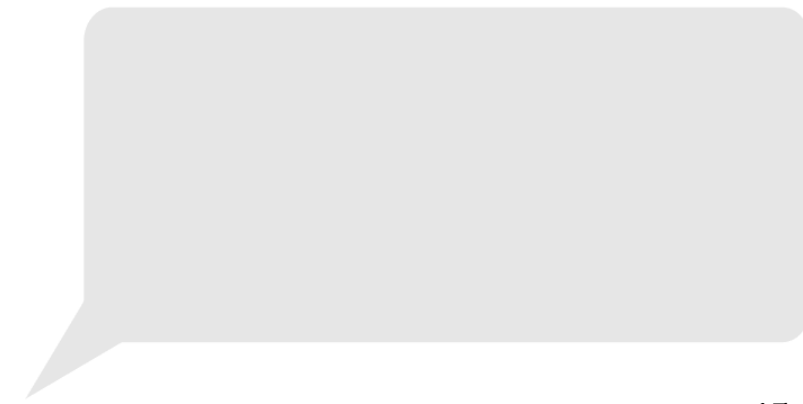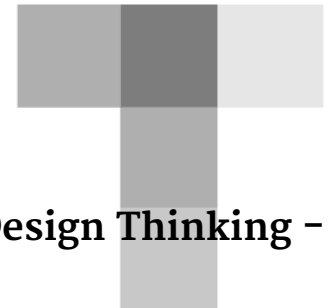breadth

depth

depth

KAIZEN

IMMERSE   FRAME   IMAGINE   PROTOTYPE

Key Partners

Who are our Key Partners?
Who are our key suppliers?
Which Key Resources are we acquiring from partners?
Which Key Activities do partners perform?

MOTIVATIONS FOR PARTNERSHIPS
Optimization and economy
Reduction of risk and uncertainty
Acquisition of particular resources and activities

Key Activities

What Key Activities do our Value Propositions require?
Our Distribution Channels?
Customer Relationships?
Revenue streams?

CATEGORIES
Production
Problem Solving
Platform/Network

Key Resources

What Key Resources do our Value Propositions require?
Our Distribution Channels? Customer Relationships?
Revenue Streams?

TYPES OF RESOURCES
Physical
Intellectual (brand patents, copyrights, data)
Human
Financial

Value Propositions

What value do we deliver to the customer?
Which one of our customer's problems are we helping to solve?
What bundles of products and services are we offering to each Customer Segment?
Which customer needs are we satisfying?

CHARACTERISTICS
Newness
Performance
Customization
"Getting the Job Done"
Design
Brand/Status
Price
Cost Reduction
Risk Reduction
Accessibility
Convenience/Usability

Customer Relationships

What type of relationship does each of our Customer Segments expect us to establish and maintain with them?
Which ones have we established?
How are they integrated with the rest of our business model?
How costly are they?

EXAMPLES
Personal assistance
Dedicated Personal Assistance
Self-Service
Automated Services
Communities
Co-creation

Channels

Through which Channels do our Customer Segments want to be reached?
How are we reaching them now?
How are our Channels integrated?
Which ones work best?
Which ones are most cost-efficient?
How are we integrating them with customer routines?

CHANNEL PHASES
1. Awareness
2. Evaluation
3. Purchase
4. Delivery
5. After sales

Customer Segments

For whom are we creating value?
Who are our most important customers?

Mass Market
Niche Market
Segmented
Diversified
Multi-sided Platform

Cost Structure

What are the most important costs inherent in our business model?
Which Key Resources are most expensive?
Which Key Activities are most expensive?

IS YOUR BUSINESS MORE:
Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing)
Value Driven (focused on value creation, premium value proposition)

SAMPLE CHARACTERISTICS
Fixed Costs (salaries, rents, utilities)
Variable costs
Economies of scale
Economies of scope

Revenue Streams

For what value are our customers really willing to pay?
For what do they currently pay?
How are they currently paying?
How would they prefer to pay?
How much does each Revenue Stream contribute to overall revenues?

TYPES
Asset sale
Usage fee
Subscription Fees
Lending/Renting/Leasing
Licensing
Brokerage fees
Advertising

FIXED PRICING
List Price
Product feature dependent
Customer segment dependent
Volume dependent

DYNAMIC PRICING
Negotiation (bargaining)
Yield Management
Real-time Market

Now that Elmo's killed the opposing families, I've won the Game of Thrones!
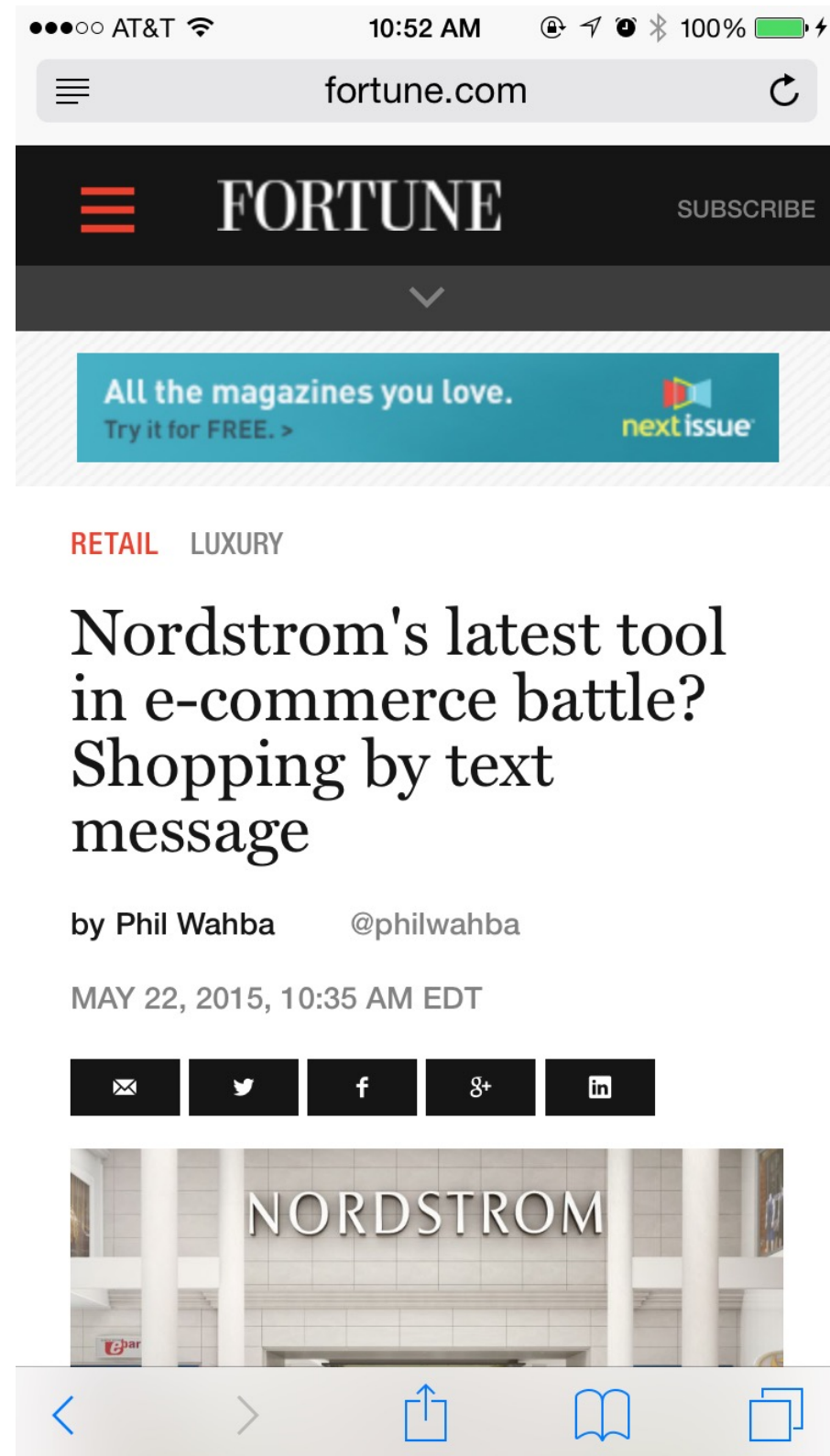
NORDSTROM
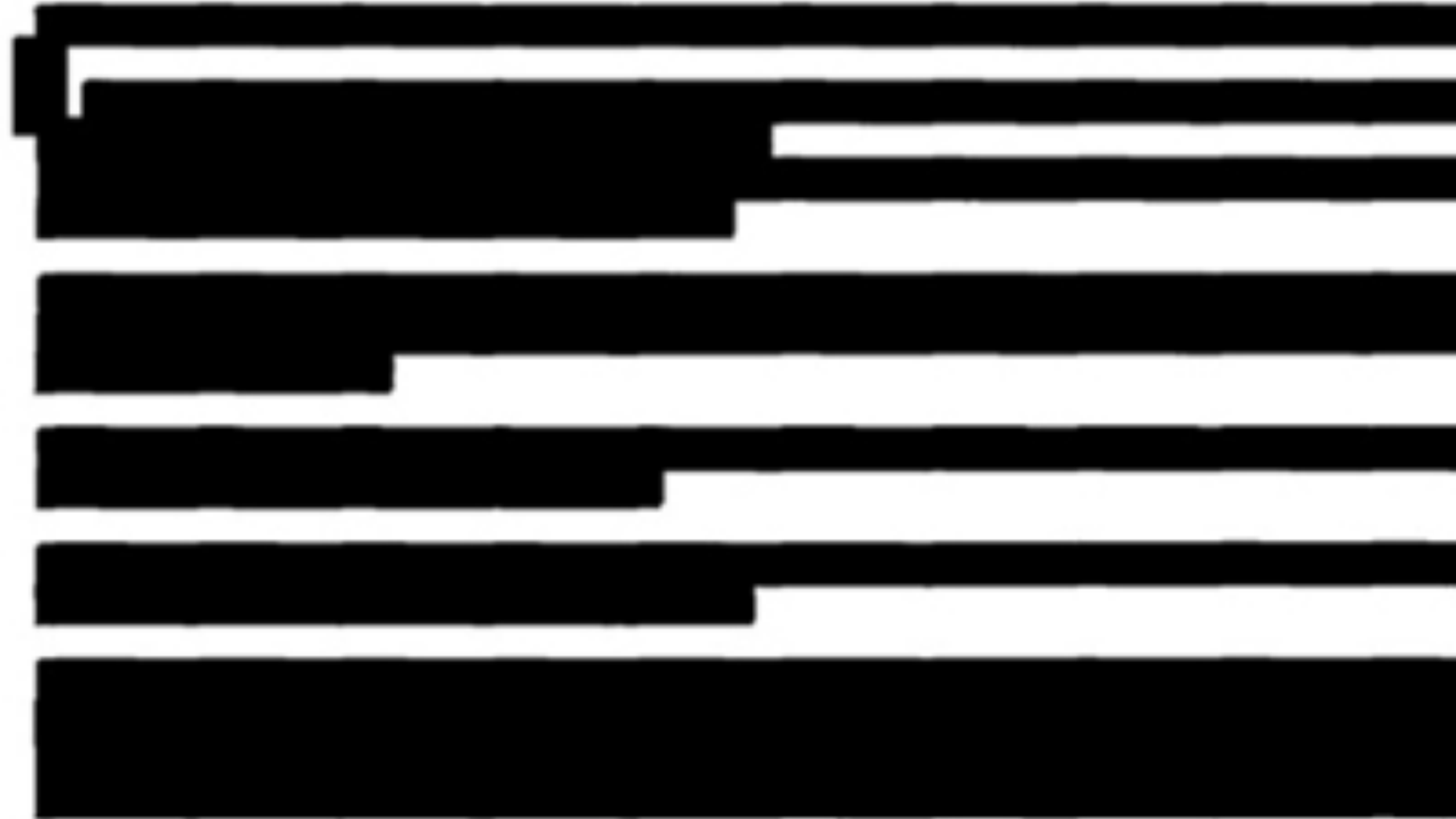## INNOVATION LAB

WE'RE CURRENTLY PIVOTING...

We are currently working on a new website that reflects our recent changes in our process and purpose. *We still strive to make customers feel good.*

» understand the problem

» bias towards action

    » prototype and show!

    » build to learn (and show!)

» embrace failure (the same way we do with TDD :-) (and show)!

» defer judgement of ideas

» diversity is better

    » be curious, ask many people

» share!

Questions?

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jon madison on most of the things

References

Better Best Practices (InfoQ)
5 Things Every Old Programmer Should Remember (Medium)
Nordstrom People Lab Design Thinking (Nordstrom)
IDEO – an innovative design company (youtube)
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