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filene
RESEARCH INSTITUTE

PREPARED FOR	Filene
PROJECT	Connecting with Customers
MEETING NAME	Webinar
DATE	April 20, 2010
ATTENDEES	Design Concepts Stefanie Norvaisas

today

About Design Concepts

Design Thinking Introduction

Connecting with Customers

Case Study – Why Choose a Credit Union

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today

It's important to balance rationality with creativity.

Make sure you are clear what you want to know before you get started.

Connect with people in a meaningful way.



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ABOUT Design Concepts

Nationally recognized, award-winning innovation firm

Four decades of experience in product design, service design and strategy

50 highly motivated, multi-disciplinary employees

2,000+ projects

22,000 square feet of development space

MISSION

To assure our clients' product success in world markets by the innovative application of insight, technology and design.

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 <p>We make it SIMPLER for a growing business to keep growing</p>	 <p>We make it SAFER for a kid to step up to the plate and swing for the fence.</p>
 <p>We make it POSSIBLE for an infant to receive life-saving medication.</p>	 <p>We make it EASIER to shine the spotlight center stage on Broadway.</p>

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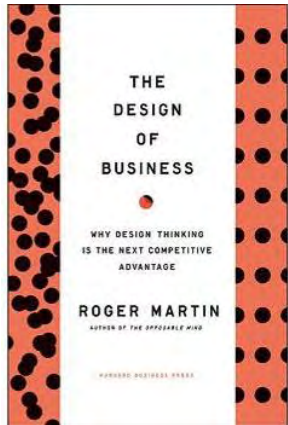


DESIGN THINKING

Balance

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“Great design is characterized by a deep understanding of the user, creative resolution of tensions, collaborative prototyping and continuous modification and enhancement of ideas and solutions.”

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Rationality



Creativity

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Art//Scient



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The Fundamental Tension

Reliability

- Production of consistent, replicable outcomes
- Substantiation based on past data
- Use of limited number of objective variables
- Minimization of judgment
- Avoidance of the possibility of bias

Vs.

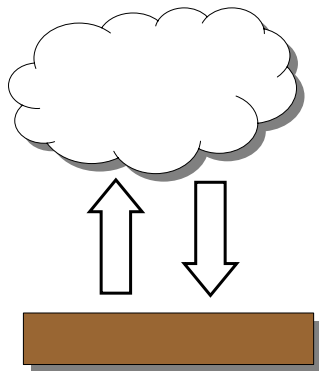
Validity

- Production of outcome that meets objective
- Substantiation based on future events
- Use of a broad number of diverse variables
- Integration of judgment
- Acknowledgement of the reality of bias

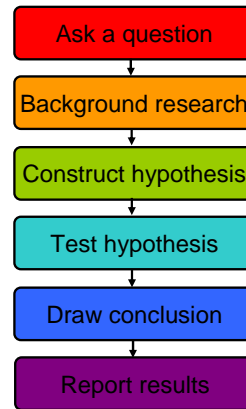
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Design Thinking: IS



Design Thinking:
IS NOT



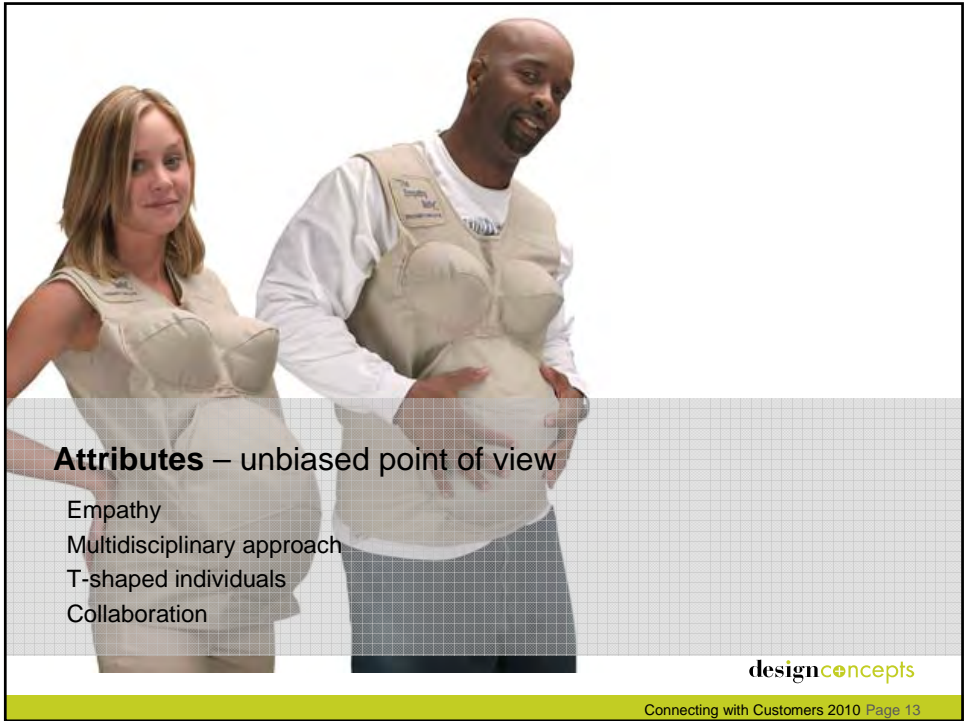
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Three Attributes

- Unbiased point of view
- Creativity
- Passion for problem solving



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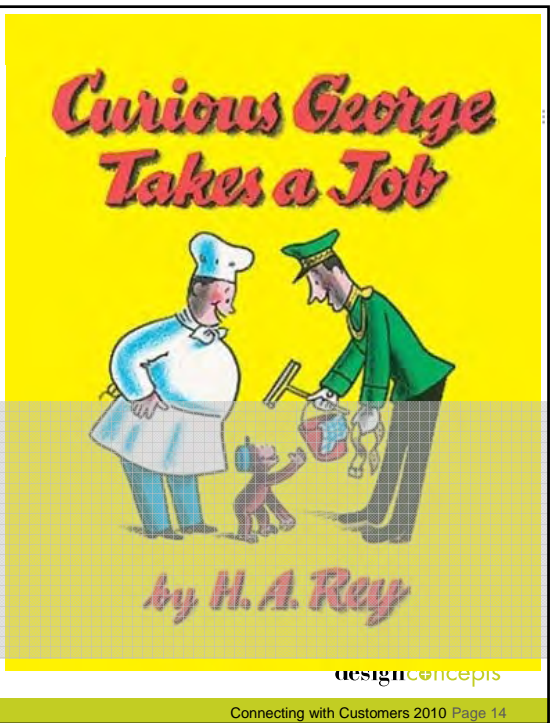


Attributes – unbiased point of view

- Empathy
- Multidisciplinary approach
- T-shaped individuals
- Collaboration

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Attributes – creativity

- Let ego go
- Curiosity
- Ambiguity acceptance
- Visual thinking/storytelling
- Challenging assumptions

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Attributes – passion for problem solving

- Process
- Risk
- Iteration. Funnel approach
- Coordination
- Dealing with constraints
- Ethics

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Attributes

- Unbiased point of view
- Creativity
- Passion for problem solving

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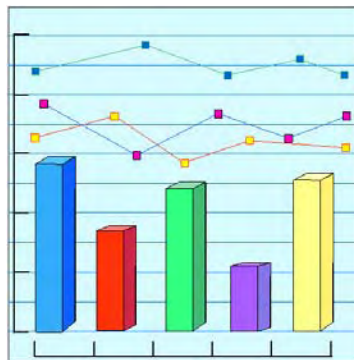


Connecting with Customers... Starts with a Question

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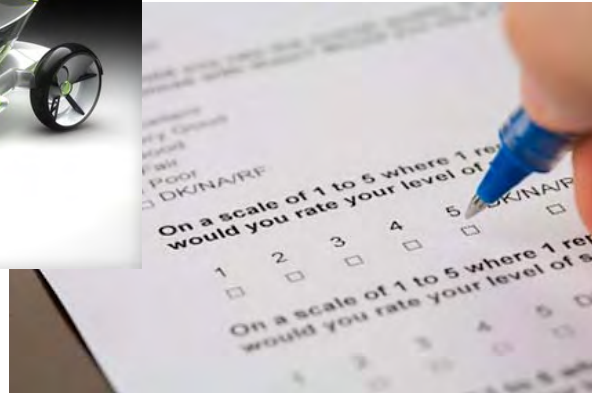
Validate



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Refine



Explore





Exploration



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Approach



Study competitive landscape



Secondary research



Product teardowns



Look at related stuff



Primary (field) research

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Focus

Your
company



People
and
Places

World

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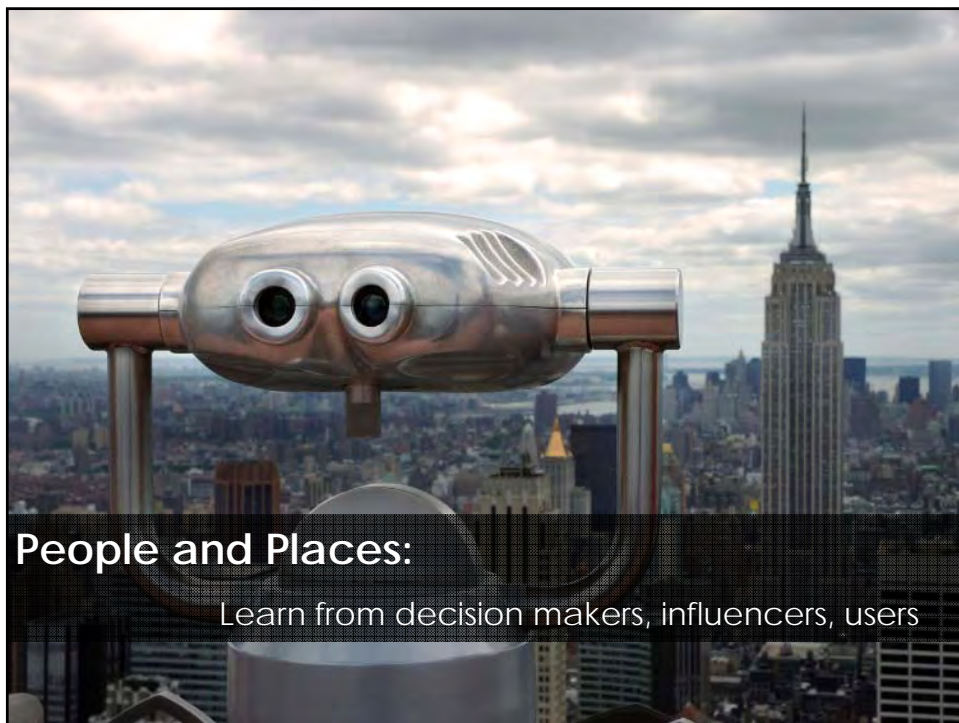
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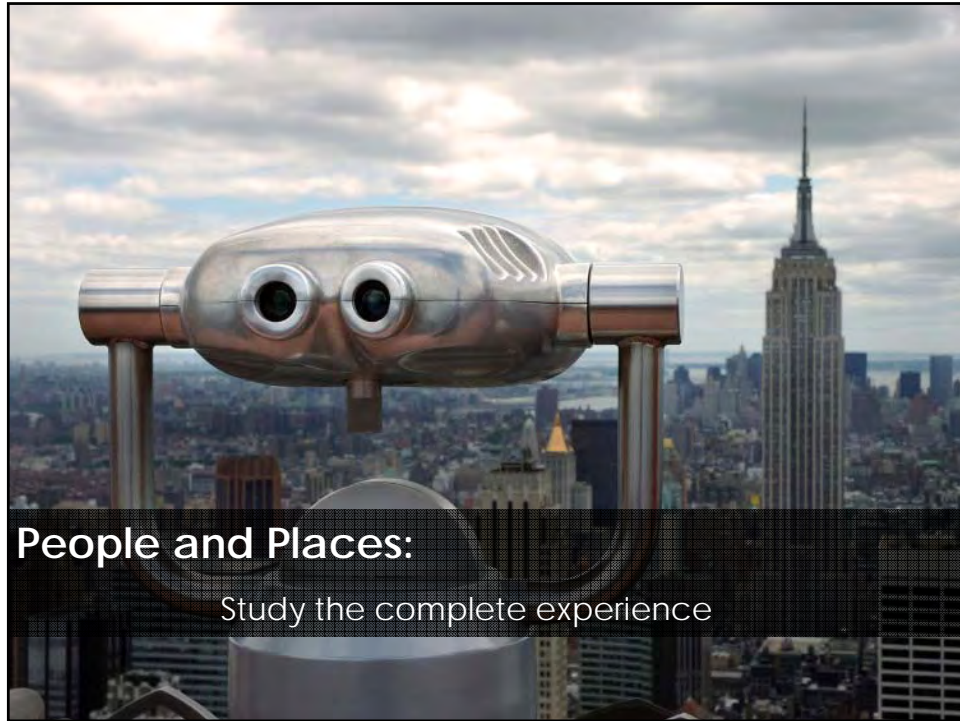


Company:

Influencers, decision makers

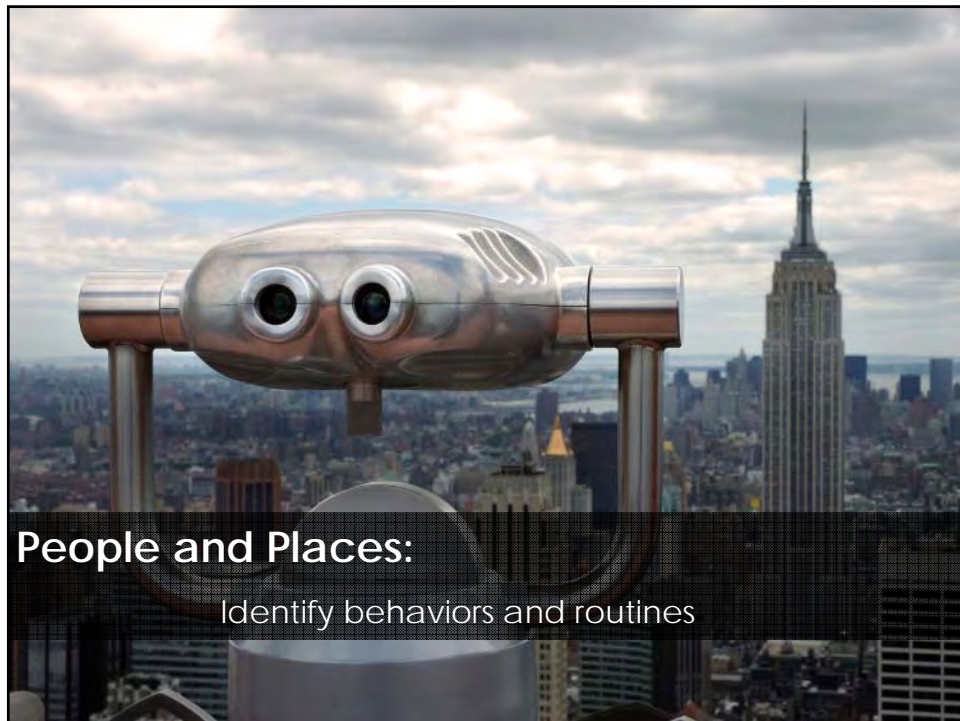






People and Places:

Study the complete experience



People and Places:

Identify behaviors and routines



People and Places:

Identify perceptions and expectations



World:

Competitive landscape and existing markets



World:

Trends, new materials and technologies



World:

Legal matters, patent searches, etc.

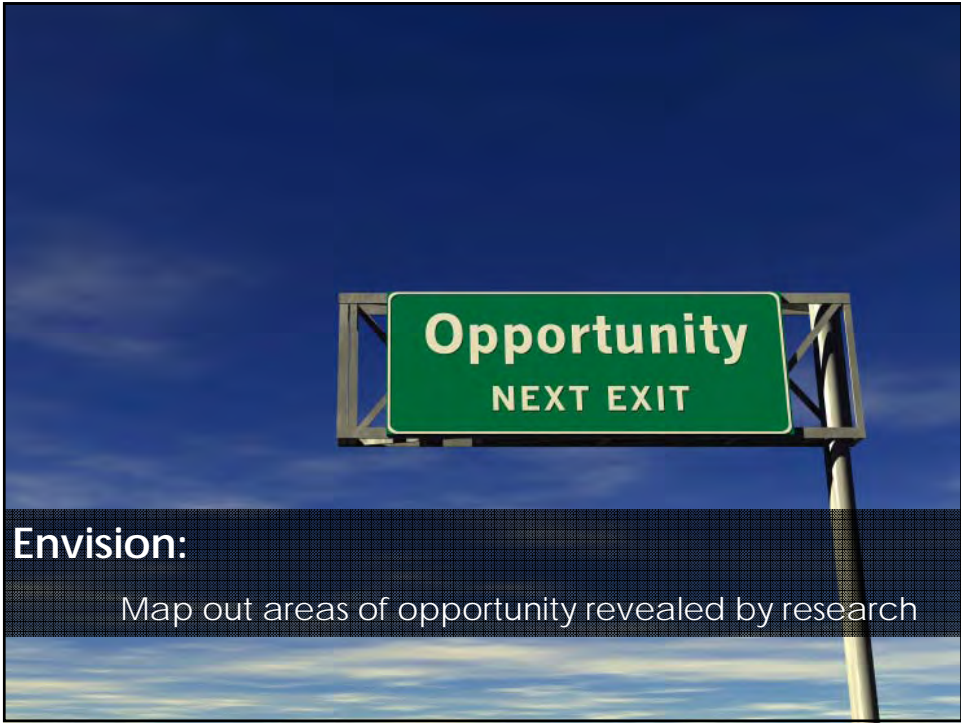


Structure Information
ORGANIZE INFORMATION

Prioritize and share
PRIORITIZE AND SHARE

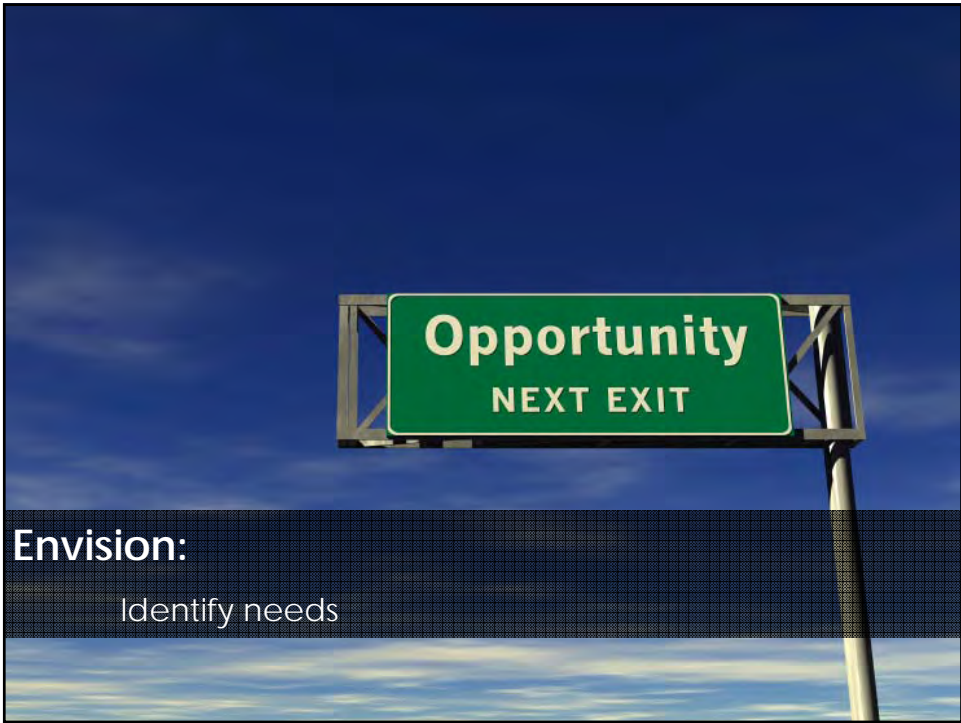
Prepare to ideate
PREPARE TO IDEATE!

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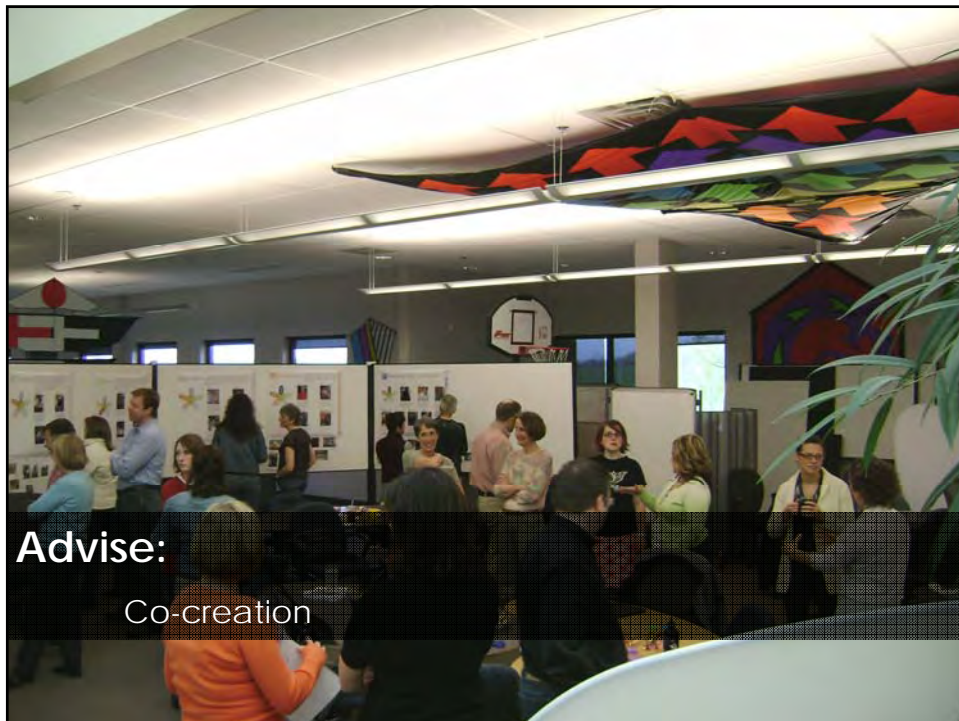
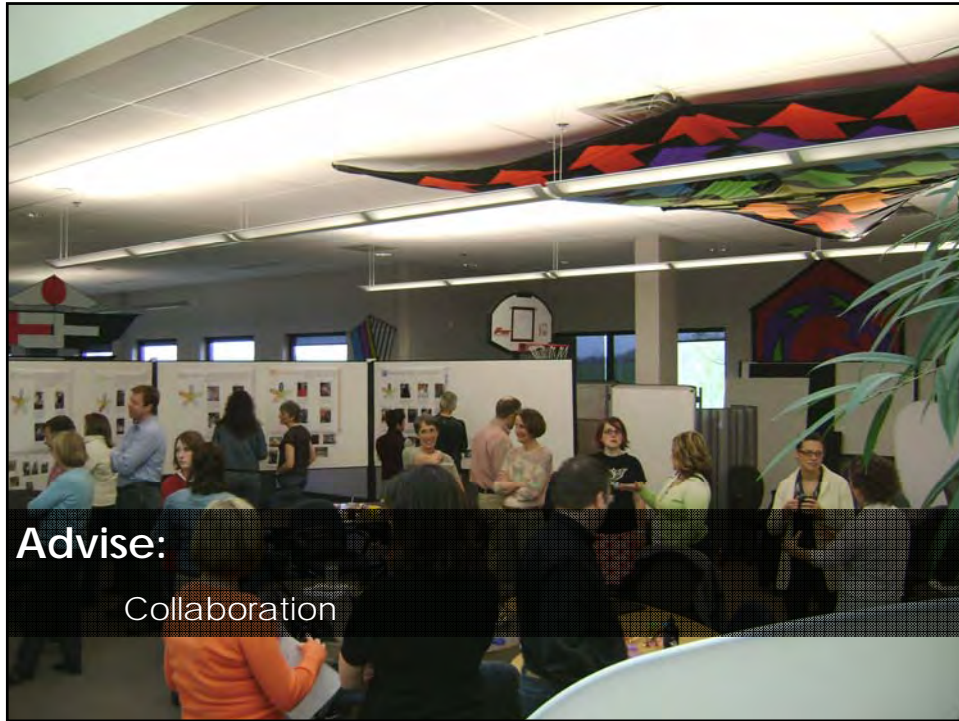
Envision:

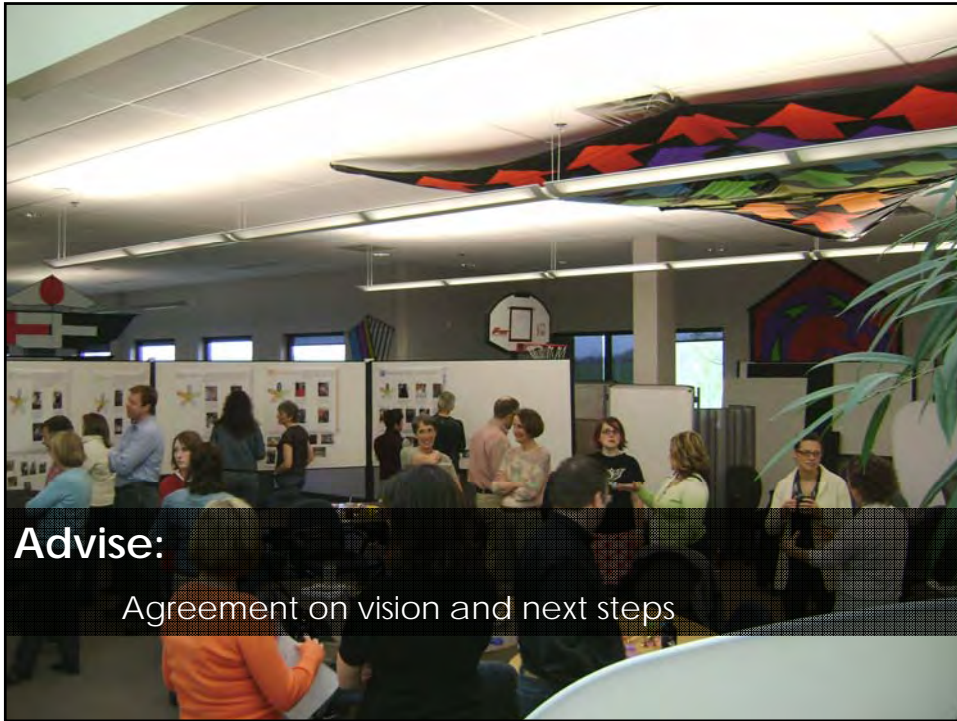
Map out areas of opportunity revealed by research



Envision:


Identify needs





Advise:

Agreement on vision and next steps



Innovation can be polarizing

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▪What did you think when this first came out?

- 1) Loved it
- 2) Hated it

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Loved it!



Hated it!



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Case Study - Why Choose a Credit Union

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People focus: What's possible?

"What's in your wallet?"

"What works now, what isn't working?"

"What does membership mean to you?"

"How do you keep track?"

"How does money move in and out of your life?"



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Partners



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Who we talked to

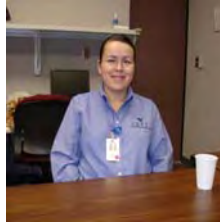
Retired
Divorced
New house
New baby
Engaged
Student
Recent grad
Disabled
Families
Business owners
Stable
Struggling
Bankruptcy
1st generation
immigrants



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Employee/Colleague Interviews

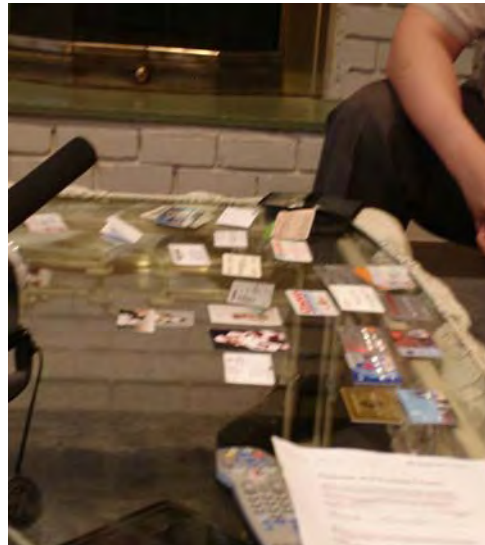
Branch managers
Tellers
CEO's
Presidents
Marketing
Security
COO's
Call Center
Mortgage Brokers
Branch observations



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Abandon "rationality"



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Knowledge vs. Desire

“I know I should.”

Many know their behaviors are not productive, but it takes too much effort or there is too much fear.

“I don’t even want to know.”

Ignorance is bliss. Tension exists between wanting to know and not wanting to know.



73% of the people here don't know all that is available to them.

Mr. Cabarales
(Security Guard, GECU, Rosas Branch)

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Communications

Intimidating language and terms

Financial planning and advisory services can be intimidating.

Meaningful Memberships

People did not readily recognize or remember a membership unless it had tangible benefits.



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Help needed

SOS

Certain life events cause financial strain: medical, marriage / divorce, lay-offs/demotions, damaged credit

Budgeting tricks

People “fool” themselves into saving money or to curb spending.

No big picture

People have a hard time getting the big picture of their financial situation.



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Results – Brad Hunter



Over three years ago, Design Concepts & Filene Research conducted in-depth interviews in STCU member homes to help us discover why people choose a credit union.

Five diverse households were chosen.

This qualitative approach allowed for more in-depth questioning to reveal hidden motives behind certain attitudes and behaviors.

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The experience was gratifying.

DCI's Stefanie Norvaisas and Filene's George Hofheimer were superb in their approach to the project; meticulous in communication; and comprehensive in follow-through to completion.

Importantly, the process went smoothly. Their ability to draw out useful information from each member proved insightful.

Most revealing? Good and/or bad, everyone has a story – and they're willing to share it, if they sense that someone cares – and are willing to listen.

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Results were enlightening – and motivating!

Most people don't understand – or appreciate – the cooperative nature of credit unions.

We have incorporated this into our Marketing and Employee Training to be more pro-active in explaining and modeling the credit union difference. It's having an impact, and helping us to clearly differentiate STCU from other financial institutions in the region.

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We learned...

People organize their money through “buckets” – envelopes, etc. When our core processing conversion is complete, members will be able to open as many different accounts as they need to help them set aside money for whatever purpose that’s consistent with their behavior. This is huge. Because we learned that people want to tell their money where to go – and when.

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We learned...

As a direct result of this research project, we learned that when people are in need, they turn to someone/something for help. But not STCU.

In fact, we aren’t even on their radar. STCU is now offering “Life Events” and “Financial Check-up” workshops in the communities we serve. Life happens – and STCU wants to be top-of-mind when members/prospective members anticipate or experience change.

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Explore... Balance... Connect



Your company



People
and
Places

World



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Design Concepts
Stefanie Norvaisas
Director, Strategy and Research

Design Concepts, Inc.
5301 Buttonwood Drive
Madison, WI 53718

608.316-8417 direct phone
608.316.8400 main phone
608.316.8401 fax
Stefanie.norvaisas@design-concepts.com

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