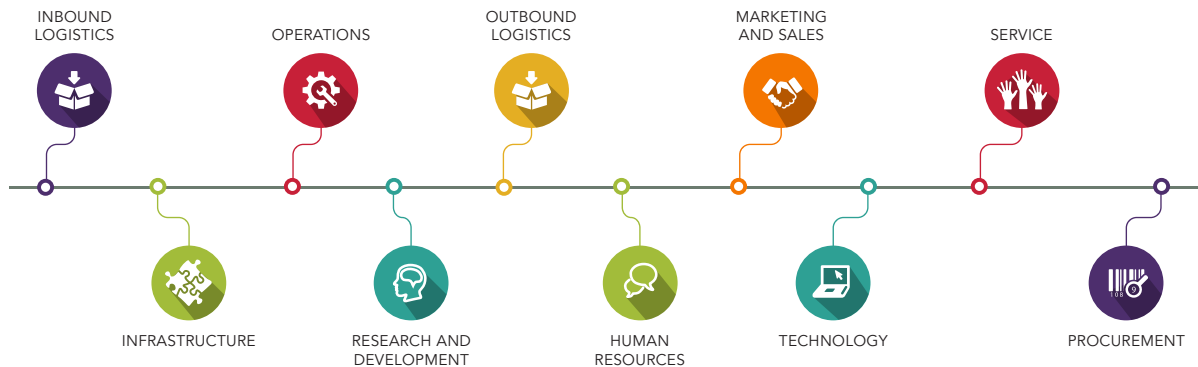


DESIGN BUSINESS SCHOOL FACTSHEET

Design Value Chain



A value chain is a set of activities that a COMPANY implements to create value for its customers.

The Design Value Chain identifies where design is used to add value to the 10 core activities in a company.

Primary activities relate directly to the physical creation, sale, maintenance and support of a product or service.

Inbound logistics: receiving, storing, and internally distributing inputs.

- » Design thinking guides inbound logistics, like analysing product movement and developing better recording systems.
- » Human centred design improves the design of graphic interfaces to track inbound logistics.
- » Graphic design improves supplier communications

Operations: transformation activities that change inputs into outputs. Operational systems create value. Design thinking / design improves:

- » Operational processes and is used to communicate their value to management and the workers.
- » The design of operational processes and machinery.
- » The design of products, services and packages.

Outbound logistics: delivery of a product or service to the customer. Includes internal/external collection, storage and distribution systems.

- » Design thinking and design can be used to plan and visually communicate processes to management and workers.
- » Design brands delivery vehicles, making them mobile billboards.

Marketing and sales: processes used to persuade customers to purchase. Benefits offered, and how they are communicated, are sources of value.

- » Design has a major part to play in this area from customer research with journey and empathy mapping and devising campaigns through to execution and effectiveness measurement.

Service: activities related to maintaining the value of a product or service to customers, after purchase.

- » Design thinking is used to prepare and analyse customer journey maps.
- » Graphic design develops campaigns to resolve service issues.

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SUPPORT ACTIVITIES support primary functions.

Infrastructure: support systems and functions a company needs to maintain daily operations. Includes finance, legal, administrative, and general management.

- » Design thinking helps managers deal with issues.
- » Graphic design of compliance reports (such as Annual Reports) can improve accessibility through improved readability and legibility.
- » Design helps management explain processes and issues to workers.
- » Design can be intergrated across the business through infrastructure.

Research and Development: a unique opportunity to create products and services that add value for a business.

- » All types of design are integral; from the initial thoughts about new products or services through prototyping, user testing and the final designed form.

Human resources: people are a source of value, the skill in recruiting, training, rewarding, and retaining workers creates a clear advantage.

- » Design is used in all aspects from the hiring of staff through the induction program and to ongoing communications. The effectiveness of training can be increased through the use of design.

Technology: includes the managing and processing of information. Minimising IT costs, staying current with technological advances, and maintaining technical excellence are sources of value creation.

- » Design examples include interface design, app development, web development and user experience evaluation.

Procurement: sourcing and purchasing of resources a company needs to operate.

- » Design is being used in the supplier communication channel to develop stronger relations with vendors to help negotiate best prices.
- » Companies work with suppliers to design better products and services to improve quality and reduce cost.