CHANGES IN DESIGN IN CHINA

John Heskett
Chair Professor
Hong Kong Polytechnic University
## Taiwan – Educational Development

Number of institutes offering ID degrees in Taiwan since 1964:

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When negotiations are held with institutional investors regarding large-scale financial projects, design teams are always an integral and high profile element of the Samsung presentations.
BC0400, Warring States period, crossbow mechanism.
Han Dynasty

BC0400, Warring States period, crossbow mechanism.

Han dynasty, c.BC0160, cross-bow stock, wood and lacquer.
New vs. Old

Professional basketball star
Yao Ming is becoming a
dream marketing machine
for U.S. brands in China

CHINA SUDDENLY, IT
FACES A SHORTAGE
OF WORKERS

SAMSUNG VS. INTEL
CAN IT OVERTAKE
THE U.S. GIANT?
Canine cool
Accomplished designer caters to demands of her furry followers of fashion
Page 22
Furry followers of fashion step out in season’s latest designs

Hu Xi is an accomplished designer. But her customers are rather more hairy and cute than most human clothes shoppers. Lin Qi finds out how Hu caters to these special little customers’ demands.

“Fur is in a fashion nut’s wardrobe. I am a firm believer in the idea of dressing a pet in style. I believe that clothing should reflect the owner’s taste and personality.”

Hu Xi, a respected designer in the fashion world, believes that pets should be dressed in clothing that is stylish and reflects the owner’s personality. She has been designing unique outfits for dogs and cats for several years, and her work has been featured in many magazines and fashion shows.

“I am especially fond of creating outfits for small breeds of dogs and cats. They are the most challenging to dress, but also the most rewarding. The littlest ones require the most attention to detail and a lot of patience.”

Hu Xi’s designs are often inspired by nature, and she uses a variety of fabrics and colors to create her outfits. She also uses eco-friendly materials, such as organic cotton and wool, to ensure that her designs are sustainable.

“I am always looking for new ways to incorporate sustainability into my designs. I believe that fashion should be more than just a pretty face. It should be about making a positive impact on the world around us.”

Hu Xi’s work has been featured in many fashion magazines and she has been invited to participate in several international fashion shows. She has also been approached by several pet owners who want to commission custom outfits for their furry friends.

“I am constantly searching for new ways to dress pets in style. I want to create outfits that are not only fashionable but also functional and comfortable for our furry friends.”

Hu Xi’s designs have been well-received by pet owners, who appreciate the attention to detail and the unique style of her outfits. She has even received a few requests from celebrities who want to dress their pets in her designs.

“I would love to work with celebrities in the future. I believe that pets are just as important as their owners and deserve to be dressed in style.”

Hu Xi’s designs are proving to be very popular among pet owners, and she continues to experiment with new styles and techniques to create unique outfits for our furry friends.
Pet owners are not merely content with warming their dogs up in chilly weather. They want their pets to get dressed up and to show off their unique appearance in front of other dogs. That is why they value our designs and craftsmanship, Jackie pointed out.
Shanghai Museum of Technology
Excellent design is the crystallization of human intelligence and creativity. Welcome to the "cradle of design". Here you will learn how to be a designer.

There are many interesting activities:
● sample products of excellent design
● devise your own MTV
● make a greeting card or business card
● let the assembly line build "products" from your designs

... Remember to do it yourself!
“奥运星”足球鞋护罩

发明人：麦国伟（10岁）
指导老师：段玉
学校：…

构：在运动鞋前部两边缝上可粘贴的场合，缝上可粘贴材料，踢足球时，套上，它使它们紧紧粘连；同时护罩两侧缝上脖系紧，能更加牢固，不至于踢飞。

能：运用“如加如”的原理在鞋面上，增加了鞋的稳定性并能防止踢飞。
As yet, China has no published design policy outlining the how design can be promoted nationally.

However, in response to the current economic crisis the central government is at the highest levels heavily promoting creativity and innovation as desirable ends.
Design organizations have been established by regional governments.

- Shanghai Industrial Design Promotion Organization. Shanghai is vigorously promoting creative city concept.
- Guangzhou Industrial Design Promotion Organization
- Shenzen Design Forum – Shenzen has been designated China’s City of Design

The influence, however, of “power aesthetics” at local levels is strong.
Practice

The highest standard of design practice are found in fashion, graphic design and architecture. Interiors and industrial design are not of comparable standard.

Why?

The areas of high standard all have a greater degree of freedom to experiment, with a greater degree of control over projects by designers.

In comparison, in interiors and industrial design, the control of clients and companies and the emphasis on cost is much stronger.
Different levels of design practice 1

- Differentiating existing products
- Interpreting product specifications
- Creating systemic connections
- New concepts and systems

Organisational emphasis:
- Corporate-wide strategies

Strategic emphasis:
- Innovative products

Product Line Strategies
Different levels of design practice 2

Designer as Star
Differentiating existing products

Designer as Interpreter
Interpreting product specifications

Designer as Planner
New concepts and systems

Designer as System Creator
Creating systemic connections

Product Line Strategies

Existing products

STRATEGIC EMPHASIS
Innovative Products

ORGANISATIONAL EMPHASIS
Corporate-wide Strategies
Different levels of design practice 3

- Designer as Interpreter
- Designer as Star
- Designer as Planner
- Designer as System Creator

- ODM
- Product Line Strategies
- Differentiating existing products
- Interpreting product specifications
- Existing products

- OEM
- Innovative Products
- New concepts and systems
- Creating systemic connections

- OBM

- OSM
- Corporate-wide Strategies
- ORGANISATIONAL EMPHASIS
- Innovative Products
- Strategic EMPHASIS

- Corporate-wide Strategies
- Innovative Products

- Innovative Products
- New concepts and systems

- STRATEGIC EMPHASIS
- Innovative Products

- Innovative Products
- New concepts and systems
Design Education in China

Estimates are as high as 550 institutions providing design courses, but there is a shortage of good teachers.

There are courses in industrial design in major universities with good standards of professional training in basic skills, but standards vary.
An infant classroom in a London elementary school. Against a background of identical chalk-drawn swans is the day’s lesson – on the duck! Notice the monogram of the London School Board cast in the desk supports.
Positives

- Design is becoming a recognized discipline in Chinese manufacturing.
- There are designers capable of more complex work although needing more effective management.
- Many designers, particularly consultants, are pushing to educate themselves.
- Fast learning curve – copying seen as quick way to learn.
- Consumers are becoming much more sophisticated.
- Younger, more sophisticated managers and entrepreneurs show greater innovative spirit.
Number of articles in BusinessWeek with both “China” and “Design” as keywords.
Design for Economic Growth
Design Council, London
24th June, 2009

Design in SMEs in the Pearl River Delta and Yangtze River Delta

John Heskett
Chair Professor, School of Design, Hong Kong Polytechnic University
This is a preliminary report on research carried out on how SMEs in the Pearl River Delta and Yangtze River Delta are using design.

The PRD part was in cooperation with the School of Industrial Design, Guangzhou Academy of Fine Arts, and the YRD part was in cooperation with the Nanjing University of Science and Technology.
1. General Characteristics of the Companies Surveyed
## Number of employees in companies surveyed:

300 to 2000 employees (medium size), fewer than 300 employees (small size)*

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*source: 19-02-2003 National Bureau of Statistics of China*
Number of employees in companies surveyed:

300 to 2000 employees (medium size), fewer than 300 employees (small size)*

* source: 19-02-2003 National Bureau of Statistics of China
Number of employees in companies surveyed:

A—below 100; B—100-300; C—300-1000; D—1000-2000; E—2000 above

With 300 to 2000 employees (medium size), fewer than 300 employees (small size);
source: 19-02-2003 National Bureau of Statistics of China
Net annual sales revenue:
A—up to 10 millions; B—10 -30 millions; C—30-60 millions; D—60-100 millions; E—100 millions +
All figures in RMB

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<td>37</td>
<td>13.3</td>
<td>50</td>
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<tr>
<td>D</td>
<td>35</td>
<td>12.6</td>
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<tr>
<td>E</td>
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<td>37.4</td>
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Annual sale of 30 millions to 0.3 billion (medium size), below 30 millions (small size)
Net annual sales revenue in RMB:

A—below 10 millions; B—10-30 millions; C—30-60 millions; D—60-100 millions; E—100 millions +. All figures in RMB

Annual sale of 30 millions to 0.3 billion (medium size), below 30 millions (small size); source: 19-02-2003 National Bureau of Statistics of China
Ownership and legal structure:

A—State-owned                    B—Partnership/ join venture
C—Limited Company            D—Listed Corporation
Q8. Type of business:

A) OEM         B) ODM         C) OBM
Q9. Ownership of Brand if any:

A: No – B: Yes
Q11. Core technological competence/capability:

A) Materials  B) Mechanical engineering  C) Electronic engineering  D) System production  E) Others
Design in SMEs in the Pearl River Delta and Yangtze River Delta

2. Design Management (Operations)
Q13. Design Department established within the company

A: Yes  -  B: No

![Bar chart showing frequency](chart-image)
Q20. Hiring of external design consultancy/ freelance designer?

A: No – B: Yes
Q22. Kinds of design service/s required from Design Consultancies.

A) Conceptual design           B) Product styling                 C) Engineering design
D) Product graphic and packaging design                          E) Others

<table>
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Design Dept. vs No Design Dept.
Q24. Do external design consultant services meet the needs of the company?

A: Yes - B: No

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Q24. Do external design consultant services meet the needs of the company?

NR: No Response - A: Yes - B: No

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<td>186</td>
<td>66.9%</td>
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<td>Total</td>
<td>278</td>
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![Graph showing the distribution of responses to Q24.](image-url)
Q28. Who within the company has the final say in the choice of new designs?

A) Top managers  B) Function Managers  C) Clients  D) Design  E) Others

![Bar chart showing frequency and percentage of responses for each option]
Q32. Does top management believe design can leverage the profitability of the company and hence future growth?

A: Yes – B: No
Q33. How is the contribution of design to the company assessed?

A) Growth of sales  
B) Market acceptance / recognition  
C) Others

Q29. Investment of design (in terms of % cost) in a typical product development process?

A) Below 5%   B) 5-10%   C) 10-20%   D) 20-40%   E) 40-60%   F) above 60%

Annual sale of 30 millions to 0.3 billion (medium size), below 30 millions (small size),
source: 19-02-2003 National Bureau of Statistics of China
Q27. Generally, in product development processes, when is design brought in?

A) Up-stream—market identification /design orientation
B) Mid-stream—product development
C) Down-stream—preproduction services

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source: 19-02-2003 National Bureau of Statistics of China
Q30. Annual expenditure in design (RMB)

A) below 0.5 million       B) 0.5 million to 2 millions       C) 2 millions to 5 millions
D) 5 millions to 10 millions   E) above 10 millions

Q13. Design Department established within the company?   A) Yes       B) No

Annual sale of 30 millions to 0.3 billion (medium size), below 30 millions (small size);  
source: 19-02-2003 National Bureau of Statistics of China
Echom specializes in research, development and manufacturing in plastic products and moulds.

The company is mainly involved in the production of home appliances casings and automobile parts and is the nation’s largest in these fields.

In production of television cabinets it has dominated the domestic market, with production volume for television cabinets the domestic leader for successive five years, surpassing 7 million sets, securing 33% of the market.
Industrial design

One of the most important R&D departments at Echom, the Industrial Design Centre is engaged in market intelligence, industrial design of home appliances, the inner and outer design of automobile parts, car-styling design, mock-up manufacturing, and clay model building, among other functions.

Three stages:

In the first stage, the core competitiveness was industrial design with an emphasis on product differentiation.

In the second stage, when the company was growing gradually, marketability became equally as important as industrial design.

In third stage, when the company size became larger, in addition to industrial design and marketability, an effective supply chain mattered the most. The capability to serve big clients and to build inventory played a very critical role.
Case Study 2: Canbo Electronics Company

Canbo Electronics Company is located in Foshan City Shunde Zone.

The company was established in 1976 as the Zingtan Iron Factory and Agricultural Machinery Plant, producing mainly automotive and agricultural spare parts. In 1988, the company developed ten sterilizers for sale and went on to successfully developed the world’s first electric disinfection kitchen cabinet, opening up a new industry and making a significant contribution to public health.

Today, Canbo has over 3000 employees including more than 400 technicians. Since 1998, it has been the market leader for sterilizers.

The business also been expanded to include kitchen appliances, electromagnetic ovens, electric cookers, among others.
Industrial Design is seen as providing a high input-output ratio. It can create profits quickly. Under conditions of keen competition and homogenization, only industrial design can achieve high production with minimal input.

However, it is not considered cost-effective to have a team of in-house designers, the company has only two on staff, accounting for only a small proportion of design development. Design is therefore usually outsourced and the company signs one-year contracts with firms.

“The problem with outsourcing is that many design firms abandon the design proposal once they receive the 40% prepayment.”
Case Study 3: Guangdone Tonze Electric Co. Ltd.

Guangdone Tonze Electric Co. Ltd., founded in 1966, is located in Shantou City and specialises in household electronic and electrical products.

Tonze’s initial success in 1996-97, was in making electric kettles for the domestic market. Since then the product range has been continually expanded. The company produces 95% of its own products, feeling that the quality of outside suppliers is inadequate to meet its own standards.

The Chinese market accounts for 80% of sales, based on a well-established sales network. Differentiation of products is a major competitive factor.
Competition is very keen, mainly on the basis of lowering production costs. For Tonze, quality comes first and the company would like to create characteristic products to meet its own standards.

Design is considered a core competency, bringing increased market acceptance of products and increasing sales.

Tonxe’s R&D Department does not have industrial design staff, it is felt this is not needed because professional consultants are available. Design is considered to be about exterior appearance rather than core technology, which is developed in-house and therefore the company sees no urgent need to have its own Product Design Team.
Hinglee Group was founded in 1985 and has headquarters in Shenzen. It was one of the earliest enterprises to cover furniture design, production and sales in China. Its products sell in some 850 outlets and stores in domestic and overseas markets.

The company has numerous brands to satisfy demands for different life styles, tastes, purchasing power and age-groups. Brand values, states the company, can be achieved by design together with service. Values added by design through consumers’ recognition, which can be turned into profits.

In recent years the company has formed a market concept – “Quality comes First”. There is no brand if there is no quality and without brand, there is no competitiveness.
Design is seen as a sales driver and an outside consultancy is used as well as designers from Milan Polytechnic University to supplement the work of an internal design group numbering 50 to 60 designers. These specialise in furniture, graphics, store design and exhibition design.

The company’s design process is driven by market research, which sets out a framework of product concept, standardized craftsmanship, raw materials and cost before proceeding to the design stage. The process flow is considered important and is being improved.
Design in SMEs in the Pearl River Delta and Yangtze River Delta

The End