How to Implement Design Thinking in your Startup

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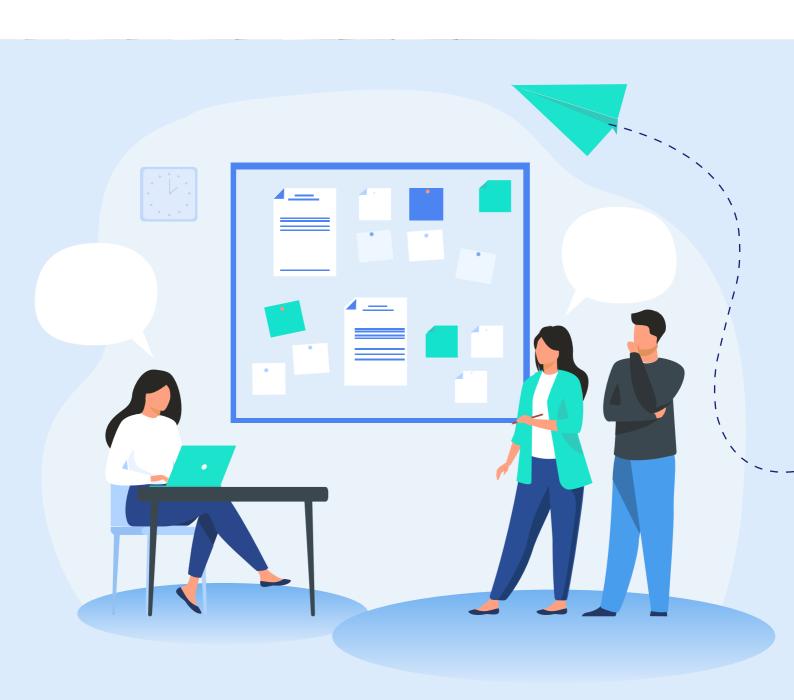


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How to Implement Design Thinking in your Startup

Design Thinking is a term which is often associated with designers. However, it is something that more professionals can and should apply, especially if you have a startup company or are establishing one.

Yet, what is Design Thinking exactly? It is a technique to better understand the people you are creating a product or service for— to develop empathy towards them.

Very often we are influenced by fixed patterns, shaped by our background and what we have been taught in the past. In the Design Thinking technique, it is encouraged to question your knowledge and think outside the box.

If you are founding a startup, it means that you are introducing an innovative product/service—something that the public has never seen before. Therefore, analysing whether your offer fits your target audience is fundamental.

In other words, a human-centred approach is key in Design Thinking. It helps with **tackling creative challenges** by allowing you to look at problems from a different perspective.



1. The 5 stages of Design Thinking

There are five main steps to follow in the Design Thinking process. However, keep in mind that **these phases are non-linear**. They do not have to follow a specific order, they can occur in parallel or be repeated.



Empathise

The main objective of this phase to better **understand your current and/ or future clients**. To get more insight into their needs, thoughts, emotions and motivations. But **how can you do this**? You could use a passive approach of observation or an active approach of directly contacting (potential) clients.

Remember to always ask yourself these three questions: **what, how and why**. They are fundamental to analyse the clients' behaviour and to come up with the right solutions in specific situations.

Use an objective perspective

Forget about your experience for a moment when diving into this phase. Our knowledge is often an obstacle to take a fresh look at a product/service. Therefore, rather than giving automatic answers, **question everything**. It might even help to detect painpoints or possible doubts from your target audience.

Try to get rid of assumptions and conclusions based on prior experiences —this is essential to empathise with your target.



Bodystorm

This technique is **similar to brainstorming** but done with the body. By re-creating a specific situation you can force people to react naturally—and analyse their response. You can see it as a roleplay where team members get to empathise with their target audience.

Bodystorming can therefore be helpful to **train yourself in asking questions** like "What does my (future) client need? or "What can I do to make his/her experience better?"

Conduct audiovisual-based studies

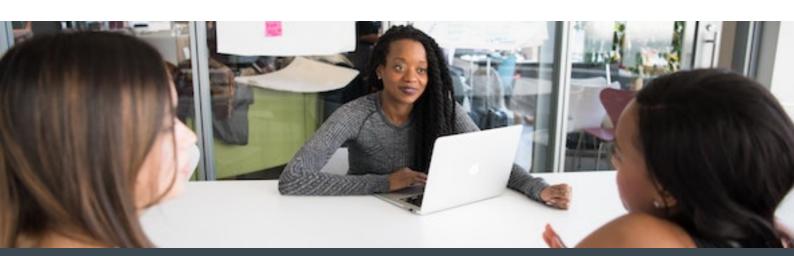
Another approach to better understand your target audience is by conducting studies based on audiovisual materials. The ideal situation would be to **capture persons who are facing problems that you want to solve**. Pay attention to their opinion and observe how they react to certain situations.

Another way is to hand over the camera to your target audience. Give them instructions to **take pictures or record videos of their activities** during a certain period. This way, they will not be influenced by your presence and will act more naturally.

For a study of the University of Strathclyde, people were asked to take a picture every time they used their phone to text someone during the day. By analysing those photos, the researchers got more insight into the time, place and context in which people tend to use their mobile phones for texting.

Interview with empathy

Asking questions directly to your target audience can prove to be a simple and effective way of getting to know them. Remember, however, that the greatest amount of work lies in the preparation of the interview itself. Applying the **brainstorming technique** might help you to come up with topics and situations that you would like to ask the interviewee about.





Also, get feedback from customers that are using similar products to yours. Listen to them to discover if there is anything they are currently missing or could be improved. You might stumble on details you have not thought about before.

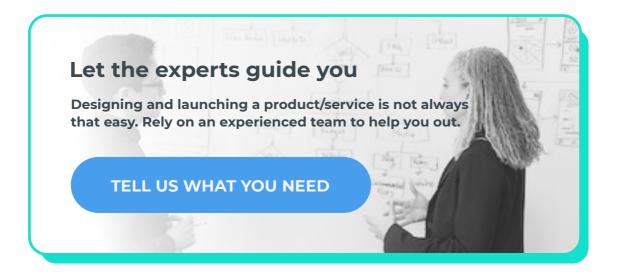
Identifying and understanding the problems of your core audience is the first step in converting them into loyal clients.

Define

Identifying the problem is perhaps the most difficult and important stage of the Design Thinking process. Summarise the findings of the first phase and elaborate a "problem statement" on which to **base your future strategy**.

For the problem statement to be effective, it must consist of three main characteristics.

- ▶ **Human-centred**. The problem statement must focus on people, especially those your team needs to help. Do not focus on other things such as technology, economic return or specifications.
- ▶ Wide enough to foster creativity. The problem statement should not indicate an overly categorical method of resolution but should be open to multiple solutions. Also, do not mention technical specifications, as they may affect the final result.
- ➤ Specific enough to handle. Problem statements that are too general are not useful. Instead, formulate one that is clear and to the point.



Formulate a problem statement

- ▶ The affinity diagram. This technique consists of saturating a wall/ space with post-its—where each team member writes down his findings, thoughts, stories and solutions to a problem. After that, connections can be drawn to develop deeper insights.
- ▶ Empathy mapping. The empathy map consists of four squares which represent the main actions of the user: say, do, think and try.

 By observing the user in the initial phase, you can map his behaviour. Understanding what the user thinks and feels is not easy and must be done through careful observations.
- ▶ Point of view (POV). This technique directly answers the question "How can I formulate a simple but specific problem statement?" Starting from your knowledge on the problem and the data acquired during research, you can start defining a problem statement using three main points: the user, his needs and motivation.

This is the structure for a powerful problem statement:

The user (description) needs (verb/action) because (motivation).

Example: The **owner of an online store** needs to **implement a more agile check-out process** because **his visitors often leave the site halfway through a purchase process**.

Formulate a problem statement

Once the problem statement has been identified, the second step is to formulate various questions that can help to solve it. The initial formula is always the same: "How could we...? or "What could be the way to...". For example:

- ▶ "How can we prevent the visitor from leaving the website?"
- ▶ "How can we make the purchase process faster?"
- ▶ "How can we inform the visitor about the purchasing process?"



Ideate

The third phase is dedicated to the creation of useful ideas for problemsolving and is based on various brainstorming activities. The main goal is to **come up with as many ideas as possible** and then select the best and most innovative ones.

The ideation phase is the most creative and motivating step of the Design Thinking process—for the whole team.

Brainstorm

Brainstorming sessions are the most commonly used activities in this phase of Design Thinking. Here are a few **basic rules** to ensure that the brainstorming session leads to concrete results.

- ▶ **Set a time limit.** You can use your phone as a timer, for example.
- ▶ Start with the problem statement and stay focused on the topic. Use the "How could I...?" method and try to think of all possible solutions. Let these questions lead to more questions but always stick to the main topic.
- ▶ Every idea is welcome. Encourage everyone to share their ideas without any judgements or criticism. Reflecting on each idea will come later.
- ▶ The more ideas, the better. Keep in mind that the purpose of brainstorming is to gather as many ideas as possible. It does not matter if they might sound too ambitious or unrealistic for some of the team.
- ▶ Visualise ideas. Use visual support to show the results of each team member to encourage creativity and to think outside the box.
- ▶ One conversation at the time. Let each other talk and make sure everyone has their say.



Choose the best ideas

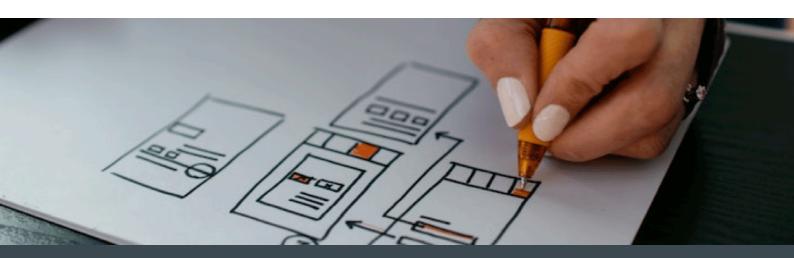
Once you have enough ideas, you can start a selection process which consists of **categorising**, **defining and eliminating** the superfluous ones. Subsequently, the remaining ideas will be paired with a solution. Below are some techniques to use for the selection process.

- ▶ **Voting**. For example, if 20 ideas come up, each one will be written down on a post-it and hung on a wall. Then, each team member will have the opportunity to give five votes away to the ideas (s)he likes the most.
- ▶ Four categories. This method consists of categorising the various ideas according to their level of feasibility, starting from the most rational and quick to implement to the so-called "long shot". After grouping them, choose the two best ideas for each category.
- ▶ Bingo selection. It consists of dividing ideas into categories based on how they are applied. As a physical or digital prototype, for example. This allows you to have a clear idea of the type of solutions you are considering and to discover which suits you best.

Prototype

Prototypes are built to think about solutions in a different way—a tangible product rather than abstract ideas. As well as to fail quickly and cheaply.

By taking the time to prototype your ideas, costly mistakes such as becoming too complex too early and holding on to a weak idea for too long, are avoided.



Prototyping methods are generally divided into two separate categories.

Low-fi

Low fidelity prototypes are only a partial image of the final product. For example, they can be characterised by fewer features of the final product; very cheap and simple models, or even made with materials completely different from the end product. Think of **storyboarding**, card sorting or "Wizard of Oz" prototyping.

PROS A

Quick and inexpensive.

Disposable/throw-away.

Enables the designer to gain an overview using minimal time and effort.

Available to all, regardless of experience or design skills.

Encourages Design Thinking.

CONS V

Lack of realism. They can not always lead to true results.

They may not be suitable for the type of product you are making.

Often the user's control is lost because of the simplicity of the prototype.

♦ High-fi

High fidelity prototypes are those that are **closer to the final product**, both in appearance as in functionality. For a physical object, it could be a 3D model that the user can try out. For a digital product, it could be an initial version created with Adobe Illustrator, able to give a realistic result of the product.

PROS A

Evaluators will be able to judge if it meets their expectations.

User testing will allow collecting more valid and reliable information.

CONS V

It takes more time to create them, compared to a low-fi version.

Designers often need to modify it several times.

Making changes to a high-fi prototype can take more time.



- General guidelines for prototyping
 - ▶ Create without overthinking. If you have doubts about the final version of your product, start designing a prototype anyway. A creative process always leads to new insights.
 - ▶ It is not about perfection. It is essential to invest the right amount of time in the creation of a prototype but do not forget there is still time to improve it later.
 - ▶ Remember why you are doing this. See your prototype as a possible solution to a problem that you want to solve.
 - ▶ **Do not forget the user.** Avoid creating something that is based on your personal preferences or assumptions. Put your target audience first.

However, it does not necessarily mean you have to pick one of the two prototyping methods. If you are a startup that wants to introduce an innovative product on the market, **creating a low-fi prototype might not be enough**. In this case, it is recommended to create a high-fi version to test your product as best as possible.

You might be interested in this eBook: <u>The Importance of Creating an App</u> <u>Prototype</u>

Test

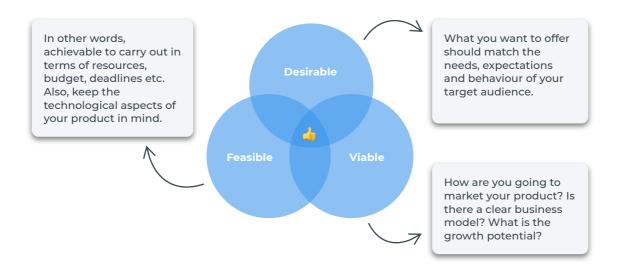
There are many testing methods but most of them are based on the methodologies used during **Human-computer interaction** (HCI) and **User-centered design** (UCD) tests. However, they all have the same goal—to test out the current design.

Therefore, **user feedback is priceless**. If they experience difficulties in understanding what they need to do or if they feel lost, the design must be adapted. This will also help you to define or redefine the various problems that the user might face.

Read the following article: What is unit testing and how does it work?

The ultimate goal

When your Design Thinking process is done right, you have found a solution that is **desirable**, **feasible and viable**. Find a solution that meets these three aspects and you will certainly have a **greater chance** of success.



General guidelines for user testing

- ▶ Focus on the solution. Make sure that it is clear what you want to test and determine what results you expect. Is your product offering a solution to your problem statement?
- ► Context and scenario. Try to recreate this as realistic as possible. This way, you will obtain more reliable results of your test rounds.
- ▶ Avoid explaining too much. Make sure that the user knows the purpose of the test but without going into too many details about how the prototype works. Try not to influence the instinct of the testers.
- ▶ Observe and analyse feedback. To make optimum use of the feedback, you can (video) record everything. This way you can always listen to it when necessary and no information will be lost.
- ▶ Offer alternatives. Create various versions of the prototype to figure out which one the user prefers. Identifying the strengths and weaknesses of a prototype is easier when having material for comparison.
- ► Trigger users to express their opinion. An effective way of doing this is to formulate statements and ask the users if they agree or disagree with it. And more importantly, why.
- ▶ **Do not be afraid to ask questions.** If the feedback is not clear, keep asking questions until the opinion is clearly understood.



2. Steps to implementing Design Thinking

According to <u>CB INSIGHTS</u>, **42**% **of startups die** because the market does not need what they are offering. For this reason, the number one task of any company is to solve a market problem. There are many startups with innovative ideas involving advanced technologies—but simply fail to offer something that people truly need and are willing to pay for.

Design Thinking is essential to ensure that your startup grows into a solid business.

Most of the challenges you will face when starting a business can be diminished. For example, by using a methodology based on the concept of customer centrality and economic prudence.

For that reason, we propose a **Design Thinking methodology**, specially adapted for startups in their first years of life.

Define your buyer personas

A buyer persona (BP) is a semi-fictional **representation of your ideal customer** based on market research and real data. Defining this will provide tremendous structure and insight for your company.

Initially, focus on defining your target audience's main data, such as their background (career, family, etc.) and demographic data (gender, age, salary, etc.). The second step is to identify their **painpoints, objectives and doubts**.





Based on this information, create one or more profiles and define your value proposition for each pain point. The solution needs to be very specific to elaborate it at a later stage.

Determine a solution

Based on your buyer persona analysis and its new insights, use the **brainstorming technique** to find solutions for the main problem. Then, translate the solutions you have found into features to implement in your product/service.

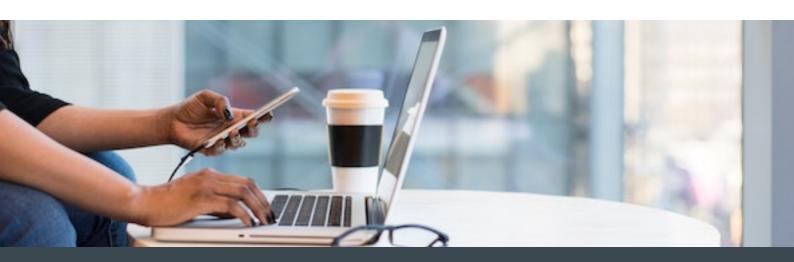
The features of your product should be relevant and unique, with the possibility of being adapted to the customer's needs.

The last step could be to think about different business models for your company. This might lead to offering your product in **different versions**, such as regular and premium. Here you can choose to add different features to each version.

Test your product/service

After designing your offer, show your customers a **prototype of your product** or provide them with a **limited version of your service**. Observe their response and ask direct questions regarding the experience. Discover if your product/service meets their needs and expectations.

When you have collected all the insights, you can decide if you want to change something. If necessary, update your offerings and repeat this step until you are satisfied with the result.



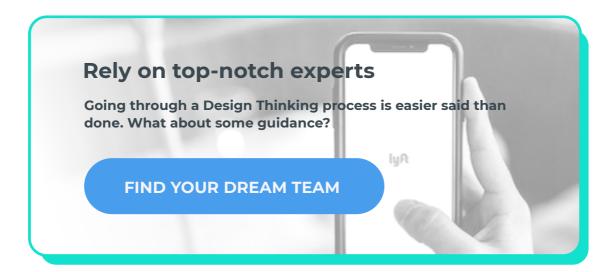


Launch and improve

Once your product/service is launched, it is key to monitor its impact on customers by **collecting feedback and reflecting on your predictions**. Based on this, you can keep improving your offerings.

Remember that for a startup it is essential that the entire organisation is on the same page. **Design Thinking** could work as a way to involve all team members and guide them towards the same goal.

In the next chapter, we will introduce a startup that has applied Design Thinking into a digital project.



3. Case study: Credexia's Fintech product

Design Thinking plays a major role in many of today's largest startups. A famous example is Airbnb which had a crisis in 2009 due to low revenues. One of the first moves was to **guide the app's users** in posting better pictures of the accommodations. The bad quality and poor lighting of the images seemed to be holding people back from booking a stay.

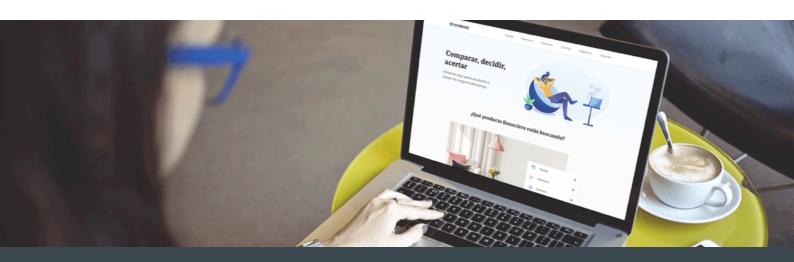
The solution was to not only focus on the product itself but the needs of the user.

This is a typical example of Design Thinking. First, by putting yourself in the customer's shoes to find a solution for a problem. Secondly, often the answer lies in the details—by simply educating your users, for example.

Applying Design Thinking to create a Fintech product

At Yeeply, we have years of experience in supporting startups in their first development phases. One project we would like to highlight is that of **Fintech startup Credexia**. The entire product design process has been carried out based on the Design Thinking criteria, with great success.

With a customer-centric approach, they developed a platform to access **information on banking services** such as opening an account, mortgages, loans, etc. Besides, Credexia wanted to offer the possibility to compare these services of different banks, objectively and in detail. Accompanied by a trustworthy rating system and a modern, user-friendly interface.





One of our Design Thinking teams has helped Credexia to determine the product's concept. They started with a **buyer persona analysis**, defining the pain points they wanted to act on. Then, they continued with the creation of the website with the help of one of our development teams.

They were able to work with professional teams in a flexible way and without hiring more resources. Credexia was satisfied with the collaboration and its results. Besides, they are still working with the same team for continuous growth and improvement.

Discover more details on this project!

<u>Download Credexia's success story</u>



4. Discover the benefits for your startup

Understanding the importance of Design Thinking is the first step to meet a market demand. At <u>Yeeply</u>, we work with the **best experts in the design field** —ready to boost your startup's growth. Here is why you should have a chat with us:

- ▶ We have worked with many companies like yours. We do not only join forces with large enterprises but also with startups in the early stages of growth. Our experts are capable of adapting to any project that needs to be shaped before moving on to the development phase.
- ▶ We make sure everything goes as planned. Once you start working with the team, we will remain available for anything you need. We make sure all the deadlines are met and you can count on our support during the entire project.
- ▶ We stick to your budget and are transparent on costs. We connect you with a team that does not only fit your needs but also your budget. We are transparent from the start, no last-minute surprises involving additional costs.
- ➤ Your idea is safe with us. From the first moment we get in touch, you can openly tell us about your project. We protect your idea and, if you wish, you can even request a non-disclosure agreement.

Via Yeeply, you can rely on the best <u>certified teams</u> across the globe. All the experts you will work with, have passed our demanding certification process. This to ensure you outsource your project to top-notch professionals.

So, ready to implement Design Thinking in your startup?

Discover the power of Design Thinking

There are no limits when it comes to the growth of your startup. Rely on the best professionals to make your product/service a success.

HIRE DESIGN THINKING EXPERTS



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