

Globalisation for growth



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UK designers need to understand the opportunities and threats presented by globalisation. Stephen Knowles of Industrial Design Consultancy (IDC) gives his perspective on the rising profile of design in India and China

It seems that hardly a week passes without a news story involving the dramatic economic rise of China and India and the effect that is having on UK businesses. In the design sector this too is increasingly the case with studies, surveys and initiatives from a range of high profile sources including the Design Council, BDI and UK Trade and Investment. On the face of it, and from the experience of many UK product design groups over the past ten years, this globalisation creates huge challenges with increased international competition and more design and manufacturing related activities moving to Asia.

However, globalisation need not be a one-way process. At IDC, with our strong links on the ground in China and India, we have been able to explore the real growth prospects that are open to designers from the UK and understand some of the cultural design issues that surround these markets. So for UK design consultancies looking at India and China, what are the threats, what are the opportunities and what can we do about them?

Firstly, it is important to recognise that India and China are very different places and while the design sector in both markets is developing rapidly and can no longer be dismissed as unsophisticated and low quality, the situation in each country has its own unique characteristics.

In India, where IDC has been working for over fifteen years, there is now a great focus on design. This is built on decades of investment in design colleges such as the Indian Institute of Design. Key areas of design include: digital and multimedia design, focused around the Bangalore based IT industry, automotive design and engineering, and design of medical and industrial products for the Indian and export markets. There is also a rapidly growing domestic market for fast moving consumer goods.

In most of these sectors, companies tend to have in house design teams, however a number of Indian design consultancies have been formed in order to service these industries. Several of these groups, notably those within the Tata group, are now targeting Western clients offering outsourced design and engineering.

At the same time, however, many Indian companies are now actively looking to engage Western design consultancies, in order to compete in world markets and differentiate themselves from competition. These companies are prepared to pay UK rates, but must be convinced that the consultancy can deliver a world class service whilst understanding the cultural and commercial subtleties of the Indian market. The strong historic and cultural links between India and the UK puts UK design groups, such as IDC, who have experience of the Indian market, in a good position to form successful long-term relationships with Indian clients.

The Chinese design market represents a very different set of challenges and opportunities. The Government's UK Trade and Investment (UKTI) China Design Taskforce has identified a wide range of opportunities emerging as Chinese companies begin to move beyond contract manufacturing and look toward building brands with global appeal. As one of twelve members of the China Design Taskforce, IDC recently took part in a trade mission to promote UK design to Chinese companies.

For IDC, the trade mission provided an opportunity to see first hand, the growth in design, and revealed a number of Chinese design groups, many of whom have been formed within the last two years. Also apparent, was the fact that the UK has been slow to recognise these opportunities, and other nationalities, most notably Australian, French, German and Korean, have gained a good presence locally with design offices in China. Many of these consultancies tailor their services to Western companies needing design support alongside their outsourced manufacturing. IDC has long experience of supporting Chinese production programmes but the new growth will come as Chinese companies look to develop and export world class products and build global brands – a process which is just now beginning.

So what does this mean for UK design firms considering dipping their toes into Asian waters? Firstly, neither China or India is for the faint hearted. In order to succeed it is necessary to have a clear idea of what you are looking to achieve, with a long term strategic commitment to building relationships and winning work (think years not months). Good representation on the ground is essential, as well as world class design and service. Such a commitment is not for everyone but for those groups that are able, a global marketplace for design represents a real opportunity for growth.

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