TO SUCCEED IN DPC, DITCH THE BUSINESS CASE AND MAKE THE PERSONAL CASE

DIGITAL PRODUCT CREATION MEANS NEW OPPORTUNITIES, NEW EFFICIENCIES, AND HEIGHTENED PROFITABILITY AND CREATIVITY. BUT COULD THE MAJOR BENEFITS BE TO THE EVERYDAY LIVES OF THE PEOPLE USING IT?

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Imagine our surprise.

Sitting on Zoom with product creation leaders of a leading brand. Asking them what is the most pressing issue they face right now as they look to change the way they create product and go to market.

Perhaps they will say supply chain issues or inflation. Maybe they have too many SKUs or can't keep pace with changes in customer behavior.

It was none of the above.

"The mental health of our teams."

We didn't anticipate that answer and it led to our own epiphany - brands changing the way they create product is not propelled with just a business case. It's propelled by people and what they personally stand to gain from that change.

In other words, there is a personal case for change to be made, not just a business one.

With digital product creation (DPC), success should, therefore, not be judged solely on how effectively the initiative was able to reduce samples or automation. It's about helping teams evolve and enabling people to do their best work.

Yet, current mindsets and behaviours of people are significant barriers to this degree of digital change. And companies acknowledge that scaling DPC is limited more by existing process, culture, and beliefs than by the limitations of technology. Moreover, as new technologies are introduced, research has shown that people have a natural tendency to resist.

As a result, digital transformation requires an understanding of current mindsets and behaviours, as well as a forward-looking view of more effective ones, and an understanding how they will benefit the people creating product.

Here are three common mantras that govern analogue product creation today:

1. Unacceptable Equality - Picture a basic, black t-shirt, and next to it, a complex technical jacket. Immediately, you notice these are not the same. The fit, feel and function are different. Also, their supply chains, testing requirements, and design process. Different. In contrast, these products are identical in the product creation calendar. Start/stop dates, the extent of physical sampling, and who is involved at key development moments. These are very much the same.

2. No Sample. No Sale - Some retail buyers have a baffling habit. They often refuse to attend vendor appointments if the collection is not physically sampled. Unless they touch and feel product, merchants do not trust their decision making. Buyers ascend in their careers, clinging to the need for physical samples. This explains why this mentality exists in major brands, at the highest levels.

3. Providers, Not Partners - In current organisational structures, functions like materials are in complete service to design. Moreover, design operates without limitations on development requests. Material teams are reactive to design requests and this has a domino effect across product creation. Further, material teams are not always part of key milestone moments.

These mantras have measurable negative impacts on the people at the heart of product creation:

- Teams work in a reactive manner, forcing deadlines to be pushed out.

- Unnecessary physical development wastes effort and resources.

- Priority areas that need attention do not receive it.

- Hindered speed to market.

- People burn out.

In this context, should we be surprised at the difficulties brands are encountering in scaling DPC? People have enough on their plates to begin with! And these are exactly the reasons why people will get on board with change. If DPC can address these personal and systemic issues, then there is an opportunity for success.

Once the old mantras and their impacts are identified, strategic and tactical changes are needed to bring in the new.

Based on our work, here is what we find effective.

To start, create deliberate inequality in the product assortment. Define the product mix under categories such as Seasonless/Core, Refreshed, and Newness. Then, build the calendar upon the theme of flexibility. Teams need the flexibility to adjust their approach depending on the product category. Then, determine the start/stop moments in the

calendar for each category. Finally, determine the extent of physical sampling needed; assign the rest of the sampling to digital methods.

For example, innovative products are found in the Newness category. As such, there will be fit and testing requirements. Physical samples are critical throughout the process. Thus, teams will need to start creating very early in the calendar. The Seasonless/Core category is the opposite; creation starts later in the calendar leveraging digital sampling.

Teams can then learn how to make approvals without physical samples, and do so with confidence. The decision-making process involves studying proven attributes of similar styles, prototypes, and swatches. Then, layer in sales data and customer insights to make an informed approval.

Next, for each category, determine the cadence and attendance of key alignment meetings. We call this "Product/Strategy Alignment." The key is to ensure that only the necessary teams are present for a meeting. For example, a meeting for a Seasonless/Core item doesn't need input from costing or sourcing.

The intention is to prevent the build-up of unnecessary "busy work." Also, this is where limitations on design are activated. Enforcing limitations is accomplished by establishing a pre-approved, digital library of materials. Then, design is only allowed to design into the library. This increases deadline adherence and cuts excess developments. With design limitations, material teams see their role evolves from provider to partner. They are now involved in key alignment meetings to offer input and drive creation.

The benefits of these changes for the business are simple and impactful. Accelerating speed to market and reducing development costs, for example. The more profound benefit, however, is found at the personal level with members of the team.

People work proactively instead of reactively, dramatically reducing stress. They carry out fewer tasks but get more things done. Teams work on cutting-edge innovative products and feel a stronger connection to the brand. These are the forces that will drive digital change as brands adopt and scale DPC. After all, people don't create product intending to deliver marginal results or be unhappy. They want to feel as if their work serves a higher purpose.

Even Ralph Lauren once said "I don't design clothes. I design dreams."

Today, perhaps, he'd do it digitally.