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Experiential Value Design —Considering 21st-Century Design—

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Asahiyama Zoo as a Best Practice Model

In Japan, many zoos are striving to recover their popularity. In this context, Asahiyama Zoo in Asahikawa, Hokkaido, presents a best practice model for zoo organizers who are striving to attract more visitors, as well as for other parties who are working to revitalize regional economies. Moreover, the success story of the Asahiyama Zoo provides many important hints concerning design management and business administration. It is often said that learning best practices in other business areas or in other industries is extremely helpful. The Asahiyama Zoo case is indeed a typical example of a best practice model in one area being applicable to various other areas. In this presentation, I would like to discuss the new concept, known as "experiential value design," by referring to efforts to revive Asahiyama Zoo.

There are four zoos in Hokkaido; the Asahikawa Municipal Asahiyama Zoo is northernmost of the four. At the time of its opening in 1967, it had nearly 450,000 visitors to the Zoo annually. And although the number of visitors increased steadily thereafter until 1983, it peaked in that year at 590,000 and began declining, primarily impacted by the diversification of recreational activities. Since operation of the Zoo incurred annual expenses of 400 million yen, the municipal assembly began discussing its closure, or, if possible its sale to a private company. In 1994, after a few animals died of epidemic disease, the Zoo was temporarily closed to prevent the disease from spreading. This caused further decline in the number of visitors. In 1996, the number had dropped to 260,000, the lowest level in the Zoo's history. In that severe environment, staff members of the Zoo continued their quest to realize the ideal state of a zoo. During fiscal 1997, on the basis of their reform plan, the Zoo initiated its revitalization program, highlighted by the introduction of completely new display schemes. Each year, the Zoo began to employ the new display method for one more animal species. As a result, the number of visitors took an upward turn, reaching the highest level in Japan—in terms of monthly numbers—in July and August 2004. This record, which even surpassed that of Ueno Zoo in Tokyo, was achieved as a result of untiring efforts on the part of the director and all staff members, who continued their extraordinary efforts to realize their visions despite the severe environment.

I believe that the Zoo revitalization process provides important lessons for design management and business administration. To illustrate this view more clearly, I would like to compare Asahiyama Zoo and Ueno Zoo in Tokyo, from the standpoints of design management and marketing. Concerning the markets of the two facilities, whereas the population of Tokyo is 12 million, that of Asahikawa City is only 360,000. (Visitors to zoos primarily comprise residents within a 100-km radius of the zoo, a fact commonly known as the '100-km rule.') In terms of managerial resources, while Ueno Zoo keeps over 2,200 creatures of 420 species, Asahiyama Zoo has only 730 creatures of 140 species. Moreover, while Ueno Zoo owns rare species, most notably pandas, Asahiyama Zoo keeps less distinctive species. As well, due to the cold climate of Asahikawa, the Zoo in Hokkaido is open for only three hours a day during winter, while its counterpart in Tokyo is open for 7.5 hours. Finally, Asahiyama Zoo's breeding staff has far fewer members. Despite all these disadvantages, however, in September 2004 the annual number of visitors to Asahiyama Zoo surpassed one million, a new record. This achievement can be likened to a local small enterprise overwhelming a leading enterprise in terms of brand value. Next, I would like to discuss several factors that contributed to this great success of Asahiyama Zoo, from various standpoints.

From the Standpoint of Design Management

In 1996, visitors to Asahiyama Zoo reached their lowest number in the Zoo's history, a fact that triggered serious discussions about closing the facility, as well as measures to revive it. In peril of closure, the Zoo decided to employ a completely new display method, to exhibit behaviors unique to each animal species. This was truly innovative, since all zoos in Japan at that time employed

the conventional taxonomic display method; many other zoos even went so far as to criticize the Asahiyama Zoo's decision. The story of Asahiyama Zoo therefore comprises a good example of an innovative idea that led to a great success.

The success of Asahiyama Zoo is due to many factors, including the expertise and enthusiasm of the staff (elements essential to any organization), good communication among staff members and frequent in-house seminars (knowledge-based operation, enabled by good intra-organizational communication and sharing of tacit knowledge among staff members), clear and easy-to-understand themes and slogans (such as "A zoo's quality is determined by animals' charming character" and "Children should be taught to be kind to animals, and so learn to respect all life forms"), an innovative vision, for displaying animal behavior and inherent abilities (approaches to exhibit originality), effective use of drawings (visualization of ideas), constant dissemination of messages through various media, such as illustrations on signboards prepared by staff (constant dissemination is essential for branding), the first "behavioral display" in Japan (offering exceptional and thrilling experiences available only in that zoo), presence of enthusiastic local fans (obtaining support from local residents, who voluntarily established the Asahiyama Zoo Club), and ongoing implementation of reform plans (continued efforts toward further development). All these elements are applicable to successful design management. Because of annual budgetary limitations, in the process of embodying innovative ideas the Zoo was obliged to carry out only one project each year. In retrospect, however, this project-based approach was effective in realizing the vision.

The Zoo also had an ideal organization. Power and authority were given to frontline workers. The top management had the power to negotiate with City authorities and other organizations concerned, to secure sizeable budget allocations. Through close communication among themselves, staff members were able to accumulate and share their wealth of expertise and experience. They were also untiring in their efforts to develop and realize excellent ideas, even during difficult times. Though these elements are often emphasized in management strategy lectures, Asahiyama Zoo was outstanding in that it actually carried out what, in theory, should be done. Moreover, the revitalization projects were implemented by only a small number of staff members. Their enthusiasm and innovative ideas gained the empathy and support of local people, which in turn fostered a favorable cycle.

When I visited Asahiyama Zoo, I had the strong impression that the animals in the Zoo were happy, and so were the visitors. The Zoo is operated in line with the philosophy of displaying animals' inherent abilities and behaviors. As a result, visitors have thrilling and delightful experiences that they can never have in other Japanese zoos, which simply exhibit animals. Staff members not only love the animals, they are working to understand them with sincerity and integrity. This approach enables the staff to develop innovative visions and ideas regarding original display methods. As a result of all those elements combined, Asahiyama Zoo now enjoys exceptional brand value and is known throughout the nation.

From the Standpoint of Experiential Value Design

Nowadays we often hear such new terms as "experimental economy," "experiential value marketing" and "experiential value management." In the area of design, new research fields such as "experience design," "experiential value design" and "emotional value design" are burgeoning. "Emotional design," suggested by D. A. Norman, should be understood in line with these new concepts. In this presentation, I would like to discuss the new concept of experiential value design by referring to the best practice of Asahiyama Zoo.

Firstly, I will discuss my own view of "experiential value design." During the 20th century, which was characterized by mass production & mass consumption, it was believed in the design sphere—particularly the industrial (product) design sphere—that product and design competitiveness was determined by product appearance, style, color, function, price, differences from other companies' similar products (different impressions that customers receive when first seeing, rather than after using, products) and purchase methods. During the 21st century, however, in addition to the elements listed above, design competitiveness is determined by the impressions and experiences that users gain by using the products or services. This change, I believe, is desirable, since it represents a shift in the power that determines design competitiveness from

manufacturer (supplier) side to user side. In other words, in the ongoing paradigm shift from an industry-based society, characterized by mass production & mass consumption, to a knowledge-based society, consumer interest is changing from simply possessing a product to having a good experience in using the product. That is, today's users seek not simply to possess a product, but also to have a thrilling, impressive and delightful experience in using the product. The term "experiential value design" refers to the act of designing with the utmost priority on providing users with opportunities to have such experiences, thereby meeting the emerging demands of users and markets.

Philip Kotler, a leading figure in marketing strategies, observes today's consumers and describes their changing attitude toward purchasing, using the phrase "from product performance to customer experience." This means that in selecting products, consumers place priority on the experience that the respective product can offer them, rather than on its features. In the area of branding, we often hear the comment that brand power resides not only in the properties, functions and advantages of a merchandise or service, but also in the emotional experiences, deep impressions, joys and positive memories that a certain brand can offer. Asahiyama Zoo, for instance, has become famous across the country and has established a new brand, because it offers new and thrilling experiences to visitors.

In his book *Emotional Design*, D. A. Norman suggests that human decision-making depends upon both conscious cognition and conscious or subconscious emotion. According to Norman, positive emotions are related to delightful experiences. He breaks down emotional reactions to design into three levels: visceral, behavioral and reflective, asserting that "a successful design has to excel at all levels." The visceral level concerns physical elements, such as product appearance, texture and the sounds the product makes. These physical elements determine the first impression of a product. The simple statement that "colors and forms are all that matter in design" indicates this level of user response. The behavioral level is related to product performance, ease of handling and user experiences in using the product (efficiency, delightfulness etc.). To enhance user satisfaction at this level, designers must pay greater attention to product functions and user interaction. Finally, the reflective level is what the product evokes in the user in terms of self-image, individual

satisfaction, nostalgia and other highest-level emotions and perceptions.

Asahiyama Zoo became famous nationwide via the following processes: initially, local elementary schoolchildren began visiting the zoo repeatedly. Next, the mass media communicated this news, promoting the zoo nationwide. From the viewpoint of Norman's three levels, emotional reactions of elementary schoolchildren who visited the zoo reached the "reflective level." Moreover, visiting the zoo has become part of their lifestyle and culture.

To explain customer desire for experiential value, I would like to introduce Abraham Harold Maslow's hierarchy of needs. According to Maslow, there are five levels of human need: [1] physiological needs (basic needs for food and other items to sustain life), [2] safety and security needs (needs for protection and security), [3] love and belonging needs (needs for relationships and sense of belonging), [4] esteem needs (needs for reputation and respect), and [5] self-actualization needs (needs to fully develop one's potential, exert one's ability and fulfill one's goals; self-growth motivation and needs to develop oneself). Maslow suggests that beginning with the first level (physiological needs), human needs tend to proceed to higher levels, until reaching the final and highest level (self-actualization needs).

It is very interesting to review the processes by which human needs have progressed in Japan since the end of World War II. Immediately after the war, food and other basic needs (physiological needs) were the primary concern for the majority of people. When they felt that their life and security were at last protected, they began to desire to possess products and services owned by others. By possessing and using the same products and services as others did, Japanese consumers confirmed that they were members of the same social group and reinforced their sense of belonging. In this stage, design began playing important roles in product development. To meet the general public's desire for a strong sense of belonging, the industrial sector initiated mass production. Subsequently, the public began to demand reputation and respect, which they obtained by possessing brand items. In the next and final stage, Japanese people began to seek self-actualization. By obtaining new knowledge, having thrilling and impressive experiences, they have begun seeking to develop themselves and to achieve self-actualization. I believe that Asahiyama Zoo is indeed a place where visitors feel they can satisfy this final desire for self-actualization. The behavioral displays of animals satisfy visitors' intellectual curiosity regarding animal behavior. Moreover, the zoo provides visitors with opportunities to discover and obtain new knowledge firsthand, through impressive experiences that they can never have anywhere else.

Recently, I have been reviewing the definition of traditional industrial design, suggested by Tomas Maldonado in 1964. According to Maldonado, the ultimate goal of industrial design is not simply to determine forms—or external features—but to determine what he called "formal quality." According to his explanation, the term "formal quality" means forming a "reality" that grows with the product. In other words, designers can foster a "reality" that is born concurrently with the product concept, and which grows in tandem with the product, by harmonizing and organically integrating various elements, including function, technology, economy and culture.

In Japan's post-World-War-II period, however, design, particularly product design, was regarded simply as a tool for driving consumers to the mass consumption of industrial products. Designers focused on product external features—superficial beauty—rather than on product essence. Today, many Japanese believe that a designer's role is simply to determine product color and form. In retrospect, we designers are also responsible for this belief or misunderstanding, since this is attributable, at least partially, to our own attitude in taking external beauty as our primary objective.

To interpret Maldonado's definition in today's context, I believe that "formal quality" can be redefined as the experiential value, or experience value, of products and services. I also believe that an essential role of us designers is to create products and services that can provide users with experiential value. To that end, we must place the utmost priority on creating experiential value in developing products and services.

Experiential Value Design as a Source of Competitive Power in the 21st Century

In this presentation I have introduced the success story of Asahiyama Zoo as a

best practice model. I believe that experiential value and emotional value comprise essential elements of the competitive power we find in products or services offered by enterprises. In addition to Asahiyama Zoo, there are many other best practice models, including Starbucks, which offers customers a comfortable space to relax in; Disneyland, which provides visitors with thrilling experiences each time they visit; the iPod, which offers delightful experiences of enjoying music through an innovative and excellent interface, such as the internet; and Nintendo's game console, which gives players a sense of intellectual fulfillment. Embodying the new concept of experiential value design, all these items provide customers with experiential value. At the same time, these items contribute to successful business for the enterprises concerned; what is more, they create new culture for contemporary society.

I myself define the term "experiential value design" as the act of offering products, services and human environments consistently in line with the concept of experiential value—in other words, the systematic act of offering thrilling and delightful experiences through diverse products and systems.

The ultimate goal of experiential value design is to induce emotions-experiences that appeal to all five senses-through the power of design. If we succeed in deeply impressing people with our design, we will be able to succeed not only in business, but also in creating a new culture. In the advanced information-oriented and knowledge-based society, designers are expected to fulfill greater roles than ever before. In this context, the concept of experiential value design will be key to future design development.

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