

How graphic design can help the bottom line.

By Steven Sessions

Increased competition, stagnant markets and tighter money make good design more essential to business success. And it extends beyond product design to the design of printed materials used to inform, motivate, explain and sell.

Business executives are discovering the effect of integrated graphic design on profitability. *Fortune* magazine publisher, James B. Hayes, said at the Beacon Awards presentation this June in Chicago, "In an era in which good design is increasingly seen as essential to business success, I am delighted to congratulate four companies which have proved that good design can help the bottom line." The award is to recognize outstanding integrated corporate communications and design programs and their contribution to profitability, and to honor the companies and executives responsible for them. The companies awarded were both large and small, and were from very different industries: Nike, Herman Miller, Starbucks Coffee, and Crown Equipment. This effectively demonstrates that regardless of the company's size or industry, integrated design can distinguish it from competitors, and help the bottom line.

The January 1993 issue of *Inc. Magazine* featured the first annual *Inc.* Design Awards for small companies, "Growing by Design." The goal was to encourage the increasing awareness of **design** as an effective business tool.

Thomas Watson Jr. former president and chief executive officer of IBM said, "Good design is good business." To reinforce that philosophy in practical terms, IBM has used the world's finest designers to make coordinated statements about itself from its national advertising all the way down to each employee's business card. The message is, "We are the most thoughtful, thorough company in our field. We are the leader. We are the best." Their position is currently being challenged competitively, but nevertheless, design continues to have a significant impact on their ability to attract not only customers, but the best suppliers and the best employees and the biggest lenders. Consequently, this effects their revenue stream in a positive way. People *tend* to feel good about IBM. They *tend* to feel confident in the quality of IBM products. They are proud of their IBM products. In fact, IBM stock sold at a price much higher than the numbers would support for a very long time because of the image they had established.

Not only is *how* you say something as important as *what* you say, often, it proves to be *more important* than what you say. Every tangible, visible, element of your operation gives viewers important clues about how you do business and about your organization's philosophy. We all use these clues to help evaluate people and companies that we don't yet know.

What kind of company do you have?

Everyone wants to see what you look like. A picture is worth a thousand words. This is true of your company. The *appearance* of materials used to communicate with people gives them important clues about how you do business and about your organization's character and its philosophy. Just like meeting a person for the first time, when introduced to a company, we pay attention to not only *what* it says, but also *how* it says it.

A recent study conducted by Yankelovich Clancey Schulman supports that, indicating that business executives continue to judge the quality of an organization by the printed materials it produces. "In a business environment crowded with faxes, computer-to-computer communications and voice mail, we were surprised that the majority of those studied still look to printed materials for their perception of a company's professionalism and attitude toward their clients," commented Harold E. Quinley, senior vice president of the Yankelovich firm, which is among the leading opinion and market research pollsters in the country.

The role of graphic design in business success.

In this arena, visual design has a significant role. **Image is intangible but the materials that contribute to its creation are tangible.** Materials used to communicate with customers, banks, investors, suppliers, the media and employees include business cards, stationery, product packaging, brochures, annual reports, quarterly reports, employee forms, displays, booths, signage, advertising, lobbies, vehicle graphics, newsletters, news releases, memos, mailing labels, etc. This myriad of items all deliver messages—and subliminal clues—about the organization. **These items are all tangible, the clues are all visual, and they are all designed, whether consciously or by default.** Perhaps a brochure was designed by the sales manager, presentation graphics by an accountant, and business cards by the corner print shop. And they bear no family resemblance. Maybe they don't even look like they came from the same company. This combines to create a schizophrenic identity, created haphazardly, which provides no positive reinforcement for the company's desired reputation. Rather, the confusion and appearance of disorganization hinders it. The challenge is to be certain the visual design of each item is relevant, persuasive, and mutually reinforcing, *strengthening* rather than *weakening* the organization's message. The intelligent application of good design principles is a complex and intangible skill. But this skill intelligently applied, provides the organization with a very powerful asset. Ignoring it, burdens the organization with a debilitating liability. Visual design should be developed and managed like any other asset.

Visual identity can be a valuable asset. Lawyers will quickly explain that the look of the Coke can, the red color with a white wave up the side and the familiar script typeface, is a real asset protected by law, and worth a lot of money.

Creating and managing this visual identity asset can help:

- Expand markets
- Position products
- Add value for customers
- Differentiate products, companies, divisions
- Focus corporate strategies

In addition, intelligent graphic design can also help:

- Streamline administration and overhead
- Cut production costs
- Encourage teamwork among management, product development, marketing, manufacturing, engineering, and accounting

Why good design is good influence.

The audience can be inclined to be receptive or unreceptive before the curtain even goes up. This is why design is such a critical component in the development of image and identity.

This is a long-term thinking, not short-term whimsy. It's about building something worthwhile. It's about character. The character of the organization.

The graphic design firm of the 90's understands this. They begin the effort to help a client organization at the roots, not the branches. Creating a letterhead, a logo, a TV commercial, a magazine ad or brochure — these things are branches and leaves. Creating a distinctive, appropriate visual identity is the root. It's the context in which a company presents its message and as such, can significantly enhance it or obscure it.

Steven Sessions is president and CEO of the SessionsGroup which specializes in results-driven corporate design, branding and print advertising including the creation of identities, annual reports, marketing materials, advertising campaigns and websites. Founded in 1982 by Steven Sessions and headquartered in Houston, Texas, the firm's work has received over 400 top awards nationally and internationally and has been published in all of the most respected of the profession's juried awards books and publications.