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The irony is that as companies learn more about each customer in order to make more relevant offers, customers see this as an invasion of privacy. The matter is made worse by intrusive junk mail, junk phone calls, and junk e-mail. As privacy concerns rise and lead to legislation curtailing what companies may know about individual customers and how the companies can reach customers, companies will be forced to return to less efficient mass marketing and transaction-oriented marketing.

One answer is for companies to practice *permission marketing*, as promoted by Seth Godin.²⁷ You should ask your customers what information they will volunteer, what messages they would accept, and what contact media they would prefer.



Design is a big idea, covering product design, service design, graphic design, and environmental design. Design provides a set of tools and concepts for preparing successful products and services. Yet too few managers know what design is or value it. At best, they equate design with style. Style is important, of course: We must accept that the Jaguar automobiles' success in the past was based on style. It certainly wasn't based on dependability,

since most Jaguars had to be repaired frequently. An acquaintance of mine always owned two Jaguars, because one was usually in the repair shop.

Style, or appearance, does play a major role in many products: Apple's new computers, Bang & Olufsen's stereo equipment, Montblanc's writing instruments, Coca-Cola's famous bottle, and so on. Style can play a major role in differentiating your product from other products.

But design is a larger idea than how a product looks. A well-designed product, in addition to being attractive, would meet the following criteria:

- Easy to open the packaging.
- Easy to assemble.
- Easy to learn how to use.
- Easy to use.
- Easy to repair.
- Easy to dispose of.

Just consider "Easy to learn how to use." I recently purchased HP/Compaq's iPAQ, the personal digital assistant handheld computer. I couldn't remove a cellophane covering (not mentioned in the booklet) nor open the device's protective plastic cover nor figure out how to switch the cover to the other side. I couldn't figure out how to switch the data from my Palm handheld to my new iPAQ, something that most new buyers would want to do. After finally switching the data with the help of a friend, I encountered numerous screens that were hard to understand or perform operations on. The booklet, whose print could be read only under a microscope, was of no help. The whole product was a design fiasco, committed by engineers who thought they were selling it to engineers. I returned quietly to my beloved Palm and let the iPAQ languish.

This boils down to the fact that great design requires thinking

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through all of the customer's activities in acquiring, using, and disposing of the product. The most basic thing is to know who the target customer is. I remember a company that designed a floor-cleaning machine to be used after hours to clean offices. The machine looked great and had nice features. But the machine didn't sell. The machine could easily be pushed by the average man but was too heavy to be pushed by most women. It turned out that many of the users would be women, and this had been overlooked by the designers.

Toyota is smarter about defining the customer and thinking like the customer. In designing new doors for a car targeted largely toward women, Toyota engineers put on long fingernails to see how this would affect opening and closing the doors.

Some companies—Gillette, Apple, Sony, Bang & Olufsen—have appointed a high-level vice president of design to add value to every product their companies create. By establishing this position, they are announcing to everyone the importance of design to the success of their products.

Design applies to service businesses as well as products. Walk into Starbucks for coffee and you will appreciate the role of environmental design. Dark wood counters, bright colors, fine textures. Walk into a Ritz-Carlton hotel and appreciate the lobby's regal quality.