



Member of VTC Group
VTC 機構成員

Business
INSPIRING INNOVATION

**DESIGN THINKING
BUSINESS CASEBOOK
2020**

Design Thinking Business Casebook 2020

design thinking

CONTENTS

FOREWORD 1

01
DESIGN THINKING
METHODOLOGY 3

What is Design Thinking?
Traditional Thinking vs Design Thinking
Benefits
Essential Elements for Success
Design Thinking Process

02
BUSINESS CASES 15

Case 1 Construction Industry
The Hygiene-Boogie
Case 2 Banking Industry
*Creating a memorable experience to
retain valued banking customers*

03
STUDENT PROJECTS 25

Project 1
Positively Impact Customer Experience in Retail Apparel
Project 2
Unmanned Airport Souvenir Store
Project 3
Creating a Comfortable Journey on Public Transport
Project 4
Improving Customer Experience in Real Estate
Project 5
Maximizing Employee Retention in an Aviation Company
Project 6
Redefining Customer Experience in a Ride-sharing Services

04
ACKNOWLEDGEMENTS 51

FOREWORD

The interconnected world is redefining the skills that students need to acquire. To empower students with new skills and competencies required for a smart workforce, Business Discipline has launched many new initiatives to strengthen the work-readiness of students, including the promotion of Design Thinking skills, Project-based Learning (PBL), Workplace Learning and Assessment, and Technology-enhanced Learning.

According to the Future of Jobs Report 2020, complex problem solving, analytical thinking, and innovation are the top three required skills, growing in demand, by 2025.

To nurture creative talent with 21st century skills, the Discipline has stepped up its efforts to embed Design Thinking - a “Think and Do” approach - in a PBL pedagogy. Integrating the Design Thinking framework in PBL provides authentic learning scaffolding and guidance to students. More importantly, it encourages students to go deeper with their learning in a true environment, where empathy with real-world audiences helps them identify driving questions that inspire creative solutions.

This casebook presents basic concepts and step-by-step instructions on how Design Thinking is put into practice. It is an effective guide to promote learning concepts, inspire innovation and achievable solutions that can ease business challenges.

Dr Wallace Lam
Academic Director
Business Discipline
Vocational Training Council

CREATING A MEMORABLE EXPERIENCE TO RETAIN VALUED BANKING CUSTOMERS

David Chung

The majority of traditional bankers believe that offering high interest rates is one of the most effective strategies for acquiring customers from their competitors. However, new customers with a “reward-seeking” mindset lack loyalty or long-term commitment to the bank. Up to 95% of reward-seekers withdraw their savings once the term deposit reaches maturity.

The bank’s regional CEO argued that an increasing number of reward-seekers would create irreversible problems for the bank. The customer acquisition approach that attracts reward-seekers is costly, involving low customer engagement and creating high fluctuations in the bank’s total deposit amount.

Challenge Statement

How to create a memorable experience to retain valued customers.

Key Performance Indicators

- Customer retention rate
- Volume of bank deposits

Stage 1: Discover

The innovation team conducted different types of research with potential, current and lost valued customers. They explored unmet, hidden and potential demands for retaining customers after their preferential interest rate returned to the normal rate.

Empathy Interviews

Discover customer pain points, expectations and aspirations for banking services in daily life, according to their lifestyle.

Empathy Mapping

Determine the emotional state of customers by analyzing behavior, feelings and attitudes during their interaction with banking services.

Customer Immersions

Stimulate the logical and emotional reasons behind customer decisions at different stages of interaction with banking services.

Customer Message Analysis

Analyze customer compliments and complaints.

On-site Observations

Observe critical scenarios between customers and the bank, such as opening/closing an account, interaction with customer services representative and branch relationship managers.

Industry Benchmarking

Benchmarking customer acquisition and retention practices with those of other financial institutions and hospitality industries.

Stage 2: Define

First, the innovation team collected hundreds of queries or needs from high-end customers that were either met, under-met or unmet. They also collected needs that customers did not express or could foresee.

Then, the innovation team identified three major sub-segments of high-end customers and developed a detailed Persona Map for each sub-segment. Based on the three different results at the end of the privilege period, the innovation team developed three sets of customer journey maps for each sub-segment.

The innovation team identified approximately ten disengagement scenarios and two critical disengagement scenarios (described below). They were further recognized as the most influential factors to stay or to leave a bank.

1. Insufficient or slow responses from banking services, for unexpected but urgent situations, regarding wealth management issues.
2. Uncongenial communication by bank representatives, either through face-to-face interaction, customer service hotlines or electronic messages.

Stage 3: Develop

The innovation team, led key staff from different departments, conducted a series of ideation and iteration sessions. They generated hundreds of solutions. They prioritized the best possible solutions to eliminate pain points, and enhance the customer's experience, based on the following criteria.

1. Advanced real-time support for selected customers through mobile applications.
2. Relationship managers, service hotlines and electronic promotion systems to receive customized conversations, scripts and wordings, based on four types of communication styles.

Stage 4: Deliver

After three months of creating new mobile applications, and equipping staff with new skills and communication methods, the first prototypes were launched in Q1 of 2017.

When the final solution was launched, customer retention rates rose to double digits and helped retain billions of dollars in bank deposits and investments.

We would like to thank Mr David Chung, Founder, InnoEdge Consulting for sharing his expertise and experience. His contributions are invaluable and gratefully appreciated.

ACKNOWLEDGEMENTS

The Business Discipline would like to express our sincere gratitude to the following people for their contributions.

- Mr David Chung, Founder, InnoEdge Consulting for sharing a business case: Creating a memorable experience to retain valued banking customers.
- Hip Hing Construction Company Limited for sharing a business case: The Hygiene-Boogie.
- Staff of Business Discipline for their generous support. A special thanks to the Project Supervisors: Mr Alton Au, Mr Sunny Chan, Mr Dennis Chow, Mr Louis Kwok, Mr Samuel Ko, Ms Rean Lee and Mr Raymond Wong.

- All of the students who have contributed their work herein, from HD in Aviation Management and Global Logistics; HD in Customer Services and Aviation Passenger Transports; HD in Human Resource Management; HD in Law and Administration; HD in Marketing Management; and HD in Retail & e-Tail Management. Names are listed in alphabetical order for each project:

Positively Impact Customer Experience in Retail Apparel

Hung Tsz Kwan
Lam Chi Ho
Yip Hoi Chun

Kwong Ka Ying
Wong Tsz Ming

Improving Customer Experience in Real Estate

Chan Kwok Pong
Chan Wing Shing
Sin Pui Man

Chan Wing Ki
Cheung Ho Yi

Unmanned Airport Souvenir Store

Chan Yi Ling
Cheng Yu Ling
Tong Tin Laam

Chau Tsz Yan
Chen Yu Shan
Yau Mei Lam

Maximizing Employee Retention in an Aviation Company

Chan Shun Wang
Cheung Ka Chit
Lau Wan Fung

Cheng Chun Yeung
Huo Yi Zhang

Creating a Comfortable Journey on Public Transport

Chan Cheuk Ying
Tse Yun Hang

Cheuk So Tuen
Wong Tsz Shing

Redefining Customer Experience in a Ride-sharing Services

Chan Kwok Po
Lung Wing Hong
Wong Wai Lam

Ha Yuk Ting
Woo Chak Pui

Reference

- Lam, W., Wong, E., & K. Cheung. (2017). Design thinking [Teaching and Learning Package]. Retrieved from https://clt.vtc.edu.hk/wp-content/uploads/2017/05/DT_TLP2.0_20170612.pdf
- Amanda Athuraliya. (2020). The Easy Guide to Design Thinking. Retrieved from <https://creately.com/blog/diagrams/design-thinking-process/>
- Rikke Dam and Teo Siang. (2020). Test your Prototypes: How to Gather Feedback and Maximise Learning. Retrieved from <https://www.interaction-design.org/literature/article/test-your-prototypes-how-to-gather-feedback-and-maximise-learning>
- SCAMPER method. (2020). Set ideas free with SCAMPER. Retrieved from https://www.post-it.com/3M/en_US/post-it/ideas/articles/scamper-method/
- Shay Namdarian. (2019). Design Thinking Playbook. Retrieved from <https://medium.com/swlh/design-thinking-playbook-fab6dad7d2f7>
- Danielle Poreh. (2017). Why-How Laddering. Retrieved from https://www.thedesigntexchange.org/design_methods/337
- IDEO.org. (2015). The Field Guide to Human-Centered Design. Retrieved from https://d1r3w4d5z5a88i.cloudfront.net/assets/guide/Field%20Guide%20to%20Human-Centered%20Design_IDEOorg_English-0f60d33bce6b870e7d80f9cc1642c8e7.pdf
- Alexander Osterwalder & Yves Pigneur. (2009). Business Model Generation. Retrieved from <https://assets.strategyzer.com/assets/resources/business-model-generation-book-preview-2010.pdf>

Published by

Vocational Training Council
Business Discipline
www.ive.edu.hk/ba

Copyright ©Vocational Training Council, December 2020

All rights reserved. No part of this publication may be reproduced in any form without written consent from Vocational Training Council. The information included in this book is strictly for reference only. Vocational Training Council is exempt from any liability for damages arising from misinformation therein or loss caused by such inaccuracy.