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Designed for Functionality: **ISD Concepts**



Interior design services company ISD Concepts provides the full value chain of services from consultancy to feasibility studies, concept and design development, and after-sales service. Established in 2009, the company has built up a customer base in the commercial office and retail sectors, working primarily with engineering firms. Its projects are underlined by the guiding principles to optimise available spaces in order to facilitate workflow, and

encourage interaction and team work among staff – with the ultimate aim to enhance productivity.

At the onset, ISD Concepts will work closely with the customer to understand the project requirements. Leveraging on design technology to produce 2D and 3D drawings, and with the help of materials samples boards, the customer can, early on, get a good idea of what the completed project will look like without having to resort to imagination or guesswork. The construction drawings are then drawn up to facilitate the construction process so that the project can progress smoothly to the following phases.

The whole project is handled by the company's inhouse specialists from start to finish, which not only minimises lapses or misunderstanding of the requirements as the project transits from phase to phase, it ensures proper controls, efficiency, and on-time delivery. The turnkey business model works for ISD Concepts, and it will continue striving to deliver excellent customer service for every project.

Aesthetics, functionality or ...?

Mention the term "interior design" and most people will think of stylish, beautiful homes or offices decked out in designer fittings and furniture. In reality, a large number of commercial spaces value functionality over aesthetics, and have a limited budget, so Philippe Starck furniture probably will not make the list, and neither will pieces designed by Marcel Wanders, Zaha Hadid, David Lindley, Darryl Carter or the like. Perhaps the budget might be stretched to include Herman Miller shelves and tables, and ergonomic executive chairs, but many offices function just as smoothly without the designer frills.

For interior design SMEs in the B2B arena, challenges abound from all around. For example, the small size and lack of inhouse resources will set a limit of how many projects it can undertake at any one time. Its strength as a turnkey service provider is also its weakness – the specialist in charge of one project can be tied up for months, which limits the number of projects he can handle; it may also curtail his efforts in marketing and business development. There is also competition at every phase of a turnkey project. At the concept and design phase, the threats will come from other interior design firms and also the customer's inhouse talents. Then there is competition from other subcontractors, as well as players in the industry who may have set up their own businesses.

Most interior design firms and subcontractors do not have much bargaining power as there is little to differentiate the services of one company from another's. Plus, each supplier can be easily substituted.

The tender process where multiple quotes are called for would have pushed down any possible big profit margin, and the company awarded the tender is expected to work within a fixed budget. Therefore, when specifications change during the developmental stage – which is a common occurrence – the appointed subcontractor is sometimes expected to absorb the extra costs. In an industry where customers have all the bargaining power and subcontractors almost none, small firms often struggle for survival.

Realising dreams

Successful SMEs distinguish themselves through certain winning attributes, such as becoming a niche player in their category or possessing specialist skills. Others attract or retain their customer base through "emotional" binds, such as exuding feelings of trustworthiness, honesty and security. Whichever the brand positioning, SMEs would need to have a clear identity so that prospective partners and customers know what they stand for.

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IKEA, for example, has a very strong brand identity throughout its outlets around the world. Its tagline – affordable solutions for better living – captures the essence of its offerings. Whether it is in its visual communications, media presence or marketing campaigns, the company maintains the same key messages – the products are functional and cost-effective, and these cost savings are passed back to its customers. Clearly, the “emotional” message is that the company is caring and possesses integrity.

When it comes to a solid branding with clear messages, there are useful lessons that SMEs such as ISD Concepts can learn from IKEA.

Building on firm foundations

Mr Patrick Teo, Director of ISD Concepts, had expected a “summary of textbook points and guidelines” when he first approached UOB-SMU AEI for a brand audit. What he got was “above what we expected – especially the survey, findings, analysis and recommendations!” He especially appreciated the scientific approaches to addressing business issues – the value proposition of the Institute’s signature consulting programme – as the structured research methods are used to corroborate or dispute decisions which might have arisen “mostly from emotions and may not be objective”.

For the student-consultants, it was an opportunity to “make a real difference to a real company while applying the knowledge that we learnt in university”. While working on the brand audit, they “achieved far more than what we had started out to do”. Understandably, they had to customise the textbook tools to suit the project needs. They also picked up interior design industry knowledge, had first-hand insights into the challenges SMEs face and the multiple details involved in running a business. While trying to collect data, they had to think of creative ways to incentivise respondents to provide them with the information they need.

As one of the student-consultants mentioned, academic projects place emphasis on “looking good on paper”, but real life has many unexpected variants. Therefore, they were constantly challenged to carefully think through every recommendation, because each recommendation will have a “potential impact”. The team was happy for the invaluable experience, and credited Project Advisor Mr Desmond Loh for helping them to translate brand positioning concepts to practical application for the ISD Concepts brand audit.

For Mr Loh, a first-time advisor in the consulting programme, initial scepticism about having “a team of students championing the entire project and presenting the results to the SME” soon turned to confidence. “These students have the passion and determination to get things done professionally and on time.” That the project schedule was very close to their final examinations was another feather in their cap. His conclusion? – “The team has done tremendously well.”

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