

# DESIGN THINKING FOR BUSINESS GROWTH



HOW TO DESIGN AND  
SCALE BUSINESS MODELS  
AND BUSINESS ECOSYSTEMS

MICHAEL LEWRICK

ILLUSTRATIONS  
DONIKA PALAJ



WILEY



	Quickfinder tools strategy & design lenses	Page	Strategy	Design thinking	Lean start-up	Ecosystem design	Scale	Reflect
Ecosystem strategy canvas (page 106)	Design principles	108						
	Initiatives/industry matrix	113						
	Cooperation/industry matrix	114						
	Ecosystem topic areas map	116						
	Customer-centered ecosystem solutions – topic area analysis	118						
	PESTLE ecosystems	120						
	Ecosystem play & win configuration framework	131						
	Ecosystem configuration grid	133						
Design thinking canvas (page 188)	Research/trends/foresight	190						
	Problem statement/HMW question	192						
	Interview for empathy	193						
	Extreme users/lead users	194						
	Persona	195						
	Critical items diagram	196						
	Brainstorming	197						
	Prototype to test	198						
	Exploration map	199						
	Vision prototype	200						
	Final prototype	201						
	Lean canvas	202						
	Requirements for MVP	203						
Lean start-up MVP canvas (page 210)	Minimum viable product (MVP)	212						
	Build – measure – learn	213						
	Innovation accounting	214						
	User stories/user story map/acceptance test	216						
	The pivot	218						
	Usability test	219						
	Willingness-to-pay analysis	220						
	MVP portfolio & MVP portfolio planning	221						
	Transfer of MVPs to MMFs for MVE	223						
Ecosystem design canvas (page 246)	Value proposition statement for MVE	248						
	Identification & description of actors	250						
	Role playing: actors in the system	252						
	Variations in ecosystem maps	253						
	Definition of the value streams	255						
	Exploration of revenue models	258						
	Multidimensional view of business models	260						
	Co-creation as part of the (re)design system	261						
	Prototyping, testing, and improvement of MVE	262						
	Final MVE & avoidance of frequent errors	263						
	Embedding MVE in the ecosystem strategy	265						
Exponential Growth & scale canvas (page 272)	Problem solving by many	274						
	Expanded value proposition	275						
	Building customers and community	276						
	Scalable process, IT, data analytics	277						
	Leverage touch points	278						
	Network effects and ecosystem culture	280						
	Leverage of different actors in the system	281						
	Optimized cost structure & expanded value streams	282						
	Ecosystem reflection canvas (including selected tools)	290						

***“Michael Lewrick is a thought leader who has concerned himself full-scale with the development of the design paradigm. His book hits the zeitgeist and is the best definition of business ecosystem design I have read so far.”***

Larry Leifer, professor of Mechanical Engineering Design (ME310), Stanford University

***“Many people have talked about the design of business ecosystems. This book depicts impressively how to approach it.”***

Ash Maurya, best-selling author and inventor of lean canvas

***“The classic definition of a clearly demarcated company has outlived its purpose. Design thinking for business growth and especially business ecosystem design are the winning formula of our age.”***

getabstract book review, 2021

More books by Michael Lewrick on the subject of design in the business context as well as for personal life and career planning.



Lewrick, Link, Leifer

## **The Design Thinking Playbook**

Mindful Digital Transformation of Teams, Products, Services, Businesses and Ecosystems

ISBN: 978-1119467472

Lewrick, Link, Leifer

## **The Design Thinking Toolbox**

A Guide to Mastering the Most Popular and Valuable Innovation Methods

ISBN: 978-1119629191

Lewrick, Thommen, Leifer

## **The Design Thinking Life Playbook**

Empower Yourself, Embrace Change, and Visualize a Joyful Life

ISBN: 978-1119682240



# DESIGN THINKING FOR BUSINESS GROWTH

Copyright © 2022 by Verlag Vahlen GmbH, München. All rights reserved.  
Published by John Wiley & Sons, Inc., Hoboken, New Jersey.  
Published simultaneously in Canada.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Section 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, (978) 750-8400, fax (978) 646-8600, or on the Web at [www.copyright.com](http://www.copyright.com). Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at <http://www.wiley.com/go/permissions>.

Limit of Liability/Disclaimer of Warranty: While the publisher and authors have used their best efforts in preparing this work, they make no representations or warranties with respect to the accuracy or completeness of the contents of this work and specifically disclaim all warranties, including without limitation any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives, written sales materials or promotional statements for this work. The fact that an organization, website, or product is referred to in this work as a citation and/or potential source of further information does not mean that the publisher and authors endorse the information or services the organization, website, or product may provide or recommendations it may make. This work is sold with the understanding that the publisher is not engaged in rendering professional services. The advice and strategies contained herein may not be suitable for your situation. You should consult with a specialist where appropriate. Further, readers should be aware that websites listed in this work may have changed or disappeared between when this work was written and when it is read. Neither the publisher nor authors shall be liable for any loss of profit or any other commercial damages, including but not limited to special, incidental, consequential, or other damages.

For general information on our other products and services or for technical support, please contact our Customer Care Department within the United States at (800) 762-2974, outside the United States at (317) 572-3993 or fax (317) 572-4002.

Wiley publishes in a variety of print and electronic formats and by print-on-demand. Some material included with standard print versions of this book may not be included in e-books or in print-on-demand. If this book refers to media such as a CD or DVD that is not included in the version you purchased, you may download this material at <http://booksupport.wiley.com>. For more information about Wiley products, visit [www.wiley.com](http://www.wiley.com).

*Library of Congress Cataloging-in-Publication Data is available*

Names: Lewrick, Michael, author.

Title: Design thinking for business growth : how to design and scale  
business models and business ecosystems / Michael Lewrick.

Description: Hoboken, New Jersey : Wiley, [2022] | Includes bibliographical  
references and index.

Identifiers: LCCN 2021062101 (print) | LCCN 2021062102 (ebook) | ISBN  
9781119815150 (paperback) | ISBN 9781119815181 (adobe pdf) | ISBN  
9781119886365 (epub) | ISBN 9781119886372 (print replica)

Subjects: LCSH: Business planning. | Corporations--Growth.

Classification: LCC HD30.28 .L4944 2022 (print) | LCC HD30.28 (ebook) |  
DDC 658.4/012--dc23/eng/20220113

LC record available at <https://lcn.loc.gov/2021062101>

LC ebook record available at <https://lcn.loc.gov/2021062102>

Illustrations: Donika Palaj  
Cover design: Donika Palaj



# DESIGN THINKING FOR BUSINESS GROWTH

HOW TO DESIGN AND  
SCALE BUSINESS MODELS  
AND BUSINESS ECOSYSTEMS

MICHAEL LEWRICK

GRAPHIC DESIGN  
DONIKA PALAJ

WILEY

# PROBLEM TO GROWTH AND SCALE FRAMEWORK

## 1 Design thinking

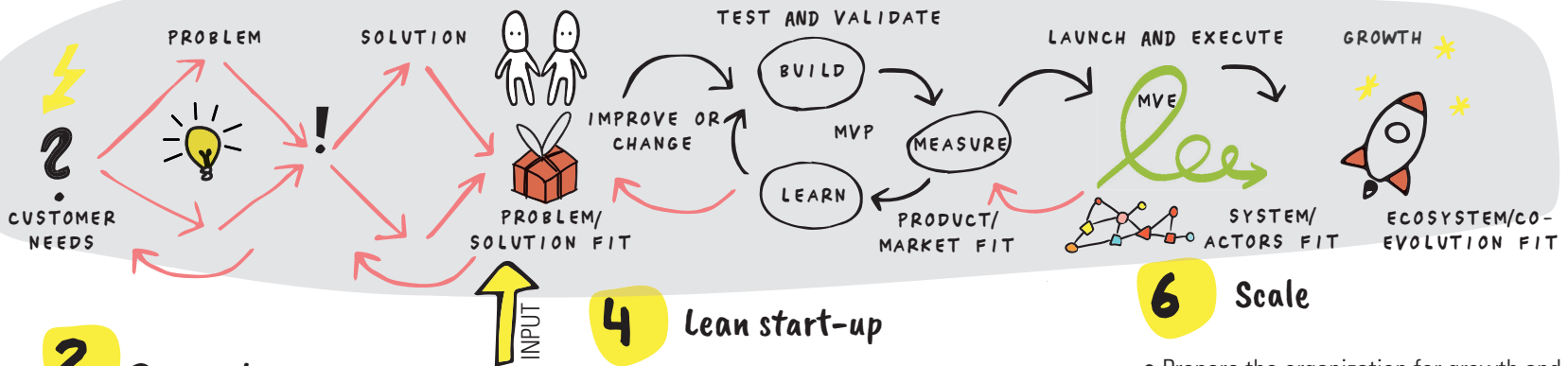
- Determine your potential users, customers, and stakeholders
- Identify the real customer needs with design thinking
- Find solutions that are as elegant as they are simple
- Use systems thinking and data analytics

## 3 Co-creation

- Retain more customers, users, and lead users
- Get the necessary help from the outside
- Work on teams across departmental and organizational boundaries
- Develop MVPs and build trust in partners and customers

## 5 Business ecosystem design and agile product and customer development

- Shift your activities from problem solving and finding solutions to finding the right business model with business ecosystem design
- Develop the product and the business model further with agility, e.g. with methods like scrum
- Think in variants when developing business models
- Look at the business models of all actors in the ecosystem in a multidimensional way and create an MVE



## 2 Research

- Understand the problem and the situation holistically
- Take advantage of market research instruments
- Validate and supplement your findings

## 4 Lean start-up

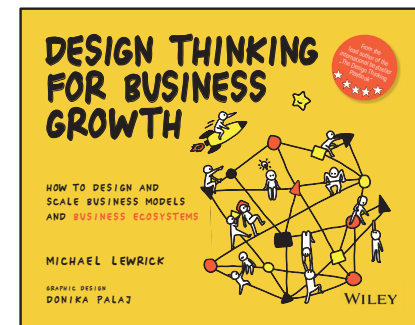
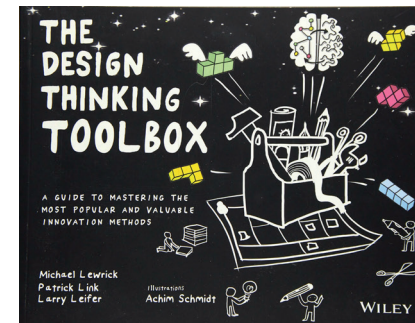
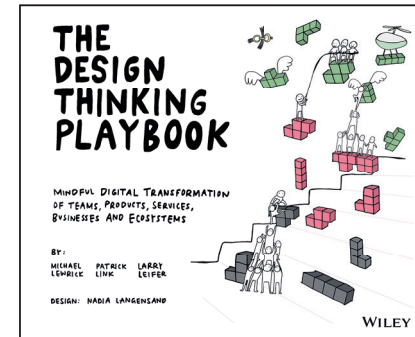
- Use the lean start-up approach to develop your offer further with little capital
- Structure the solution incrementally
- Improve and validate your business model with fast iterations
- Clarify the biggest uncertainties with experiments

## 6 Scale

- Prepare the organization for growth and scaling
- Establish scalable processes, structures, and platforms
- Check the mindset and skills in your organization and don't just follow a blueprint
- Bring the entire organization one step forward and break new ground

Design thinking for business growth offers a mindset that provides the right tools, methods, and procedural models from identifying customer needs to initial prototypes all the way to the scaling of solutions.

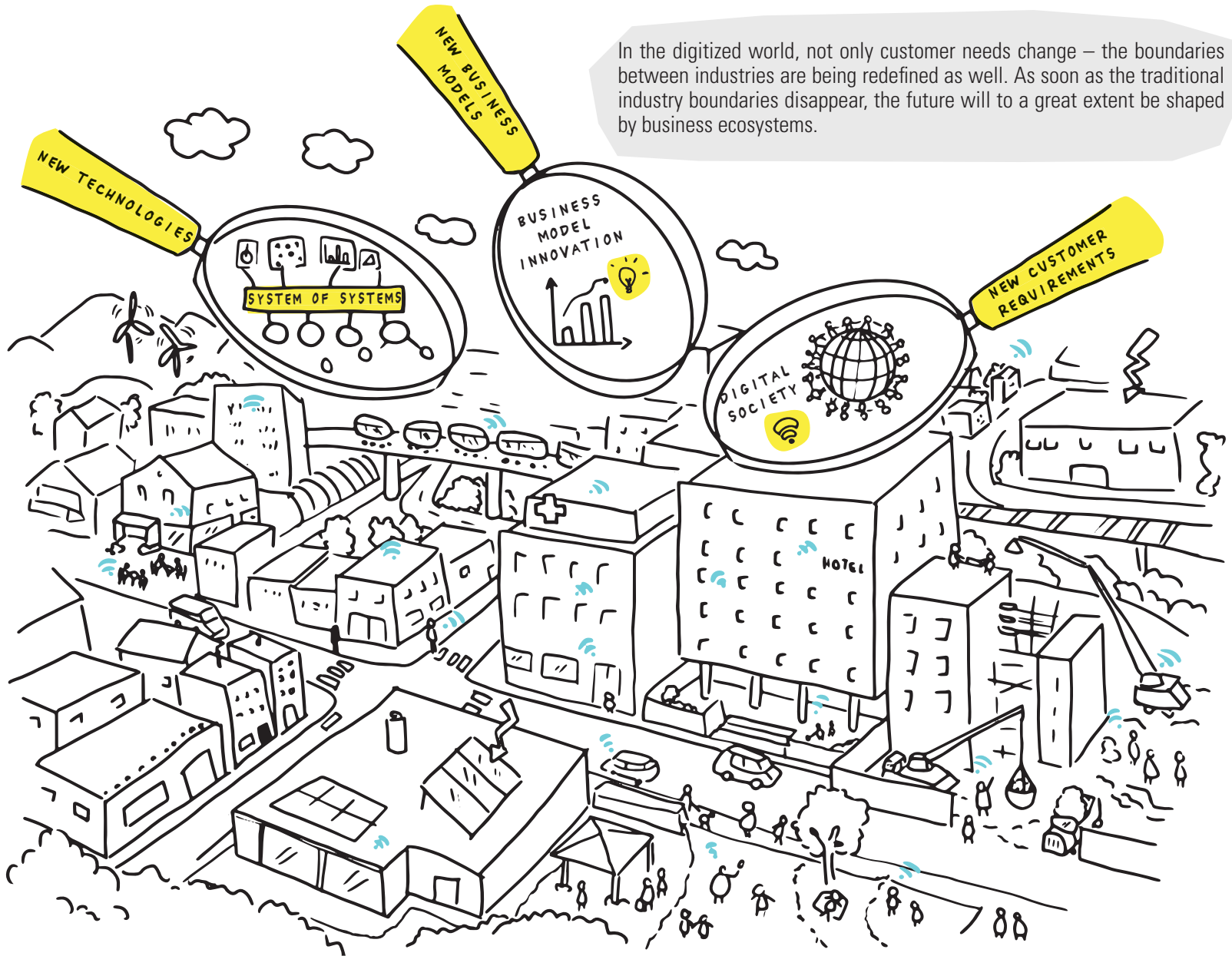
This book on applied business design for growth mirrors the current state of definitions, procedural models, and methods related to the design of business models and ecosystems. One major focus is on the design of business ecosystems as a separate discipline that expands the well-known design thinking approaches. While *The Design Thinking Playbook* familiarized readers with the overall context, from the problem statement up to scalable solutions, and was supplemented with the methods described in *The Design Thinking Toolbox*, *Design Thinking for Business Growth* focuses on a paradigm shift that many companies will face over the next few years in terms of business models, value streams, and growth.



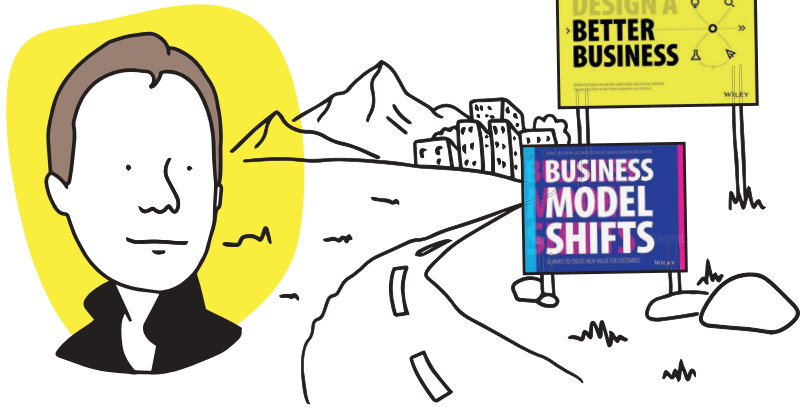
[WWW.BUSINESS-ECOSYSTEM-DESIGN.COM](http://WWW.BUSINESS-ECOSYSTEM-DESIGN.COM)



In the digitized world, not only customer needs change – the boundaries between industries are being redefined as well. As soon as the traditional industry boundaries disappear, the future will to a great extent be shaped by business ecosystems.



# Foreword



## PATRICK VAN DER PIJL

CEO, Business Model Inc., and best-selling author of *Design a Better Business* and *Business Model Shifts*

We, the business users, have long agreed upon the fact that successful companies operate on two levels: EXPLORE and EXPLOIT.

While it's easy for most companies to advance existing capabilities and business models, the tapping of new market areas with new offers and new target customers poses a great challenge.

One possibility for EXPLORE is the initialization of business ecosystems. In such systems, different companies collaborate across the previously known industry boundaries. The common goal of the actors in a business ecosystem is to deliver a unique value proposition to customers.

The structures in such ecosystems are dynamic, and all actors are encouraged to advance themselves and the system constantly. The customer needs, a compelling value proposition and well-thought-out business

models that enable the system to grow exponentially constitute the basis for a business ecosystem. New enabler technologies facilitate the implementation of such systems.

**Elements for the preparation of a value proposition are very well known from value proposition design. The validation of prototypes, minimum viable products and ecosystems is vital for later success. In addition, a shift toward new business models is needed that are aligned with the idea of "create, deliver, and capture value."**

With *Design Thinking for Business Growth*, Michael Lewrick bridges the gap between the product/market fit and the system/actors fit in the initialization and orchestration of ecosystems.

In my opinion, four decisive features make this book an indispensable companion, especially for users:

- Introducing the principles of business ecosystem design
- Description of a procedural model for the design, development and implementation of ecosystems
- Presentation of the most important design methods and tools
- Description of initiatives and examples of companies that consciously think in business ecosystems

The capability of designing business ecosystems will become one of the key skills for companies in the next decade. This groundbreaking book heralds a paradigm shift in the design of growth, innovation, and new business models.

Good luck and much success with the application of business ecosystem design!

**Patrick**

## Using varying “design lenses”

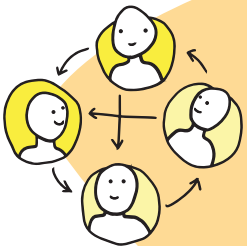
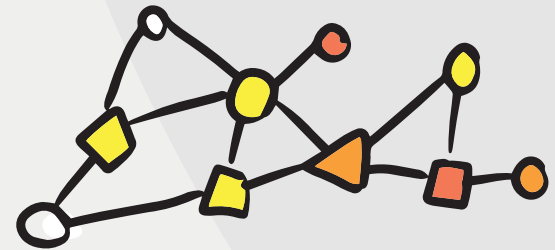
- Use the appropriate design lens depending on the starting point of considerations about the business ecosystem.
- Concentrate on customer needs and relevant experiences and functions in the early stages.
- Validate the solution with an MVP and use the value proposition to begin with your ecosystem considerations.
- Design the business ecosystem across multiple loops and prepare the organization for exponential growth.



# DESIGN THINKING FOR BUSINESS GROWTH MINDSET

## Use momentum in the market and speed

- New ways of working: Use agile working methods.
- Work with short design cycles, prototypes, and iterations.
- Make fail fast a principle in the design of MVPs and MVEs.



## Collaboration on interdisciplinary teams

- Transform the organization toward a collaborative culture.
- Be open to co-creation approaches and leverage of existing assets and skills.
- Make use of the design thinking and systems thinking skills of the teams, depending on the situation.

## The art of letting existing structures go

- Include other actors in the ecosystem as partners on equal footing. They are a part of the delivery of a unique value proposition to the customers whom you share.
- Think in value streams instead of risks.
- Change the perspective from “Yes, but” to “Yes! ... and.”



NEW MINDSET.  
NEW PARADIGM.  
BETTER SOLUTION.

[WWW.BUSINESS-ECOSYSTEM-DESIGN.COM](http://WWW.BUSINESS-ECOSYSTEM-DESIGN.COM)

## Doubling the heartbeat

- Make it a principle that doing it is more important than talking about it.
- Share initial results, even if they are not final, with potential actors in the ecosystem.
- Always focus on the minimum viability of the product and the ecosystem.



## Selection of forward-looking team players, organizations, and companies

- Work together across company boundaries with people who are willing to learn and are optimistic.
- Learn via the people with T-shaped profiles in your own and in other organizations.
- Be willing to accept mistakes and see every instance of failure as an opportunity for reflection and learning.



# How to get the most out of the book

The following elements make it easier to find your way in the book:

**Exercise**



The book contains simple exercises for better understanding the procedure toward and the principles of business ecosystem design.

**Example**



Examples of companies and ecosystem and business growth initiatives will be described and presented.

**Tool**



Various known and new methods, tools, and procedural models will be presented. You'll find an overview of all the tools, methods, and frameworks on the first page.

**To the Point !**

At the end of each logical section, the content is reflected upon and summarized.

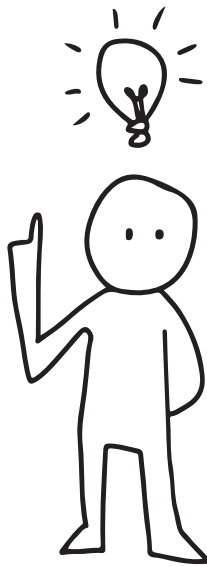
**Template Download**



Selected tools for the design and documentation of design thinking for business growth initiatives are available for download as a PDF template. Premium templates can be found in the online shop:

**[www.dt-toolbook.com/shop](http://www.dt-toolbook.com/shop)**





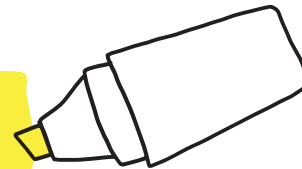
The rigid management framework has been obsolete at least since the turn of the millennium. So please adapt the procedural models in this book to the specific situation.

For complex projects in particular, such as the design of business ecosystems as part of design thinking for business growth projects, there are countless parameters that allow for leaps, shortcuts, or other pathways.

For all those who work with the new agile tools and who have internalized design thinking deeply, nothing told here is new. But in actual practice, I experience time and again how recommendations for action are painstakingly applied like the instructions from a cookbook to achieve the goal.

It is much more important to have a keen sense of customer needs and to identify the actors in a business ecosystem who fit the desired value proposition and determine the path on which co-creation leads to success. All methods, tools, and procedural models are means to an end. They provide the framework for the business ecosystem design team and indicate the point in the process the teams have reached so that they can quickly find a solid basis for focused collaboration with different actors.

*It cannot be pointed out often enough that the tools, methods, and procedural models presented must always be adapted to the respective situation.*



# Contents

The focus of this *Design Thinking for Business Growth* book is on the design of business ecosystems and business models. The design of such systems takes center stage and is accompanied by a multidimensional analysis of business models. On the assumption that design thinking for business growth should also be seen as a strategic option, this book shows how, on the basis of customer problems and needs, the foundations for initial solutions can be developed in the form of prototypes, which are then validated as part of the lean start-up approach. The design of the business ecosystem as a basis for growth is developed from the validated value proposition before elaborating on the tools and methods for scaling such systems. This book aims to demonstrate the possibilities of design thinking for business growth and how to become aware of them through well-designed business ecosystems and business models, while supporting the collaboration of different actors on a system with understandable frameworks, tools, and principles.

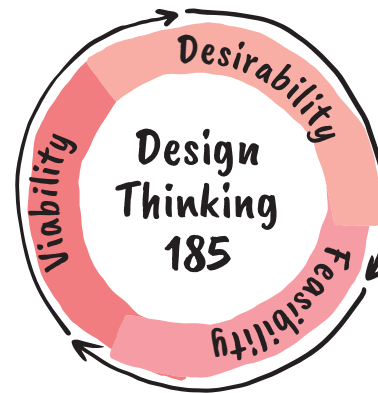
Foreword	11
Motivation for This Book	18
Mindshifts	23
Design Thinking for Business Growth	32
Definition of Ecosystems as Growth Lever	57
Exercise: Start Thinking in Ecosystems. Now!	82

## Ecosystem Strategy 99

Strategic Options	100
Strategy Documentation	104
Ecosystem Strategy Canvas	106
Where to Play?	110
How to Win and Configure?	124
Ecosystem Leadership	149
New Ways of Working	163

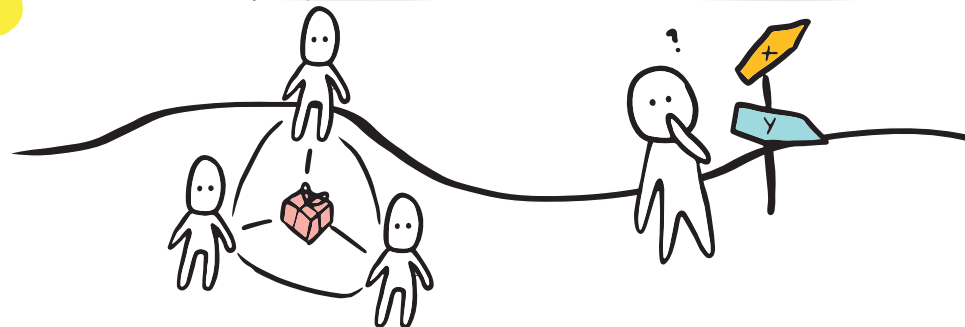
## Design Lenses Toolbox 171

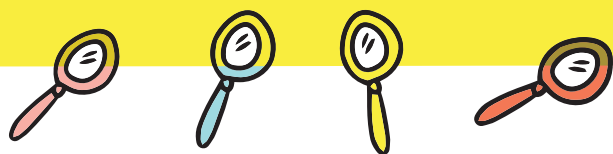
Project Phases and Planning Horizons	172
Typical Trajectories of Ecosystem Initiatives	174
Simplified "Problem 2 Growth and Scale" Framework	176



Intro to Design Thinking	186
Key Questions	187
Design Thinking Canvas	188
Tools and Methods	189
Interview for Empathy	193

Intro to Lean Start-Up	208
Key Questions	209
Lean Start-Up MVP Canvas	210
Tools and Methods	211





Reflection on Design Thinking for Business Growth 287

Examples of Design Thinking for Business Growth 297

Ecosystems and Growth Initiatives Worldwide 298

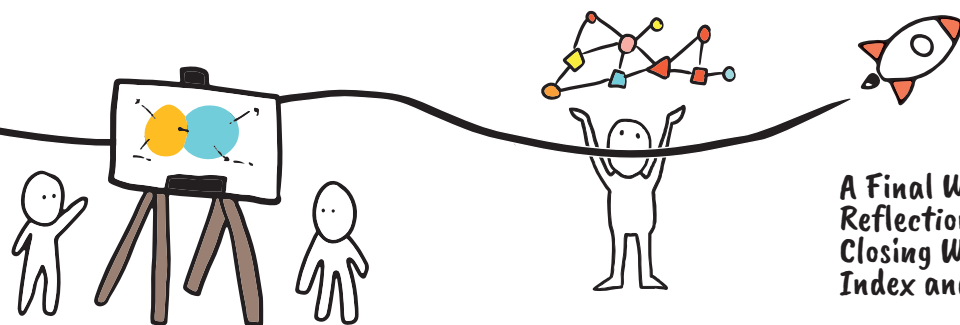


Procedural Model Intro	228
Ecosystem Design	244
Key Questions	245
Ecosystem Design Canvas	246
Tools and Methods	247

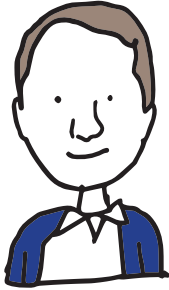
Intro to Scale	270
Key Questions	271
Exponential Growth and Scale Canvas	272
Tools and Methods	273

Tencent	300	WeWork	313
WeChat	301	YOUR NOW	314
Alibaba	303	Huject	315
Ant Financial	304	Green Class	316
Ping An	307	Klara	317
DBS Bank	308	Cardossier	318
Amazon	310		

A Final Word	321
Reflection and Outlook	322
Closing Words	326
Index and Bibliography	328



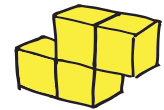
# Motivation for This Book



**Michael Lewrick, PhD**, has spent the last years exploring very deeply the mindset that enables us to solve different kinds of problems. He is, among other things, the author of the international best-sellers *The Design Thinking Playbook* and *The Design Thinking Toolbox*, in which he describes the mindful transformation of people, teams, and organizations. He works extensively with universities and companies, and people's self-efficacy in personal and organizational change projects

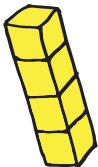
is always at the forefront of his thinking. In recent years, he has expanded his toolbox for designing business ecosystems with an expanded view of design thinking for business growth, described in this book. He is an internationally recognized expert in the fields of digital transformation and the management of innovations, and numerous companies have developed, refined, or scaled innovation, growth, and ecosystem strategies with his help.

## Core Statements



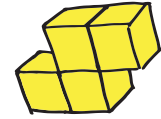
Design thinking for business growth and participation in business ecosystems opens up **new growth opportunities** that enable companies to become **much more meaningful to customers**.

Solving real **customer problems** across the entire value chain requires **collaboration between different actors** in a system.



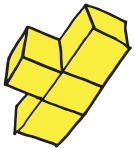
Ecosystems with a **high capital market return** rely largely on the **expansion of growth initiatives as well as on intellectual and ecosystem capital**, which is primarily monetized **from the structures and connections** to the respective actors.

The word *ecosystem* was **originally** limited to the **natural sciences** and referred to a **biological community** of interacting organisms and their physical environment. **Since the 1990s**, it has been used more generally to mean **a complex network or interconnected system**.



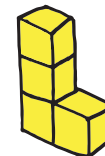
**Interactions** in an ecosystem are **numerous, diverse, and multidimensional**, involving established companies, start-ups, investors, service providers, technology providers, data brokers, payment systems, universities, all the way to government agencies and many others.

To succeed in ecosystems, companies must rethink their **traditional roles and business models** and examine **market opportunities** in collaboration **with actors in other industries**.



**Decision makers in particular** need to understand **what capabilities** it takes **to design ecosystems**, realize new **value streams**, and assess the risks.

**Business ecosystems do not create themselves**. The actors in such a system do **not automatically** connect and simply start **radical collaboration**. The reality is **that it is necessary to identify exactly your potential ecosystem partners, what their roles are, what skills they bring to the table, and how any potential co-competition will be handled**.



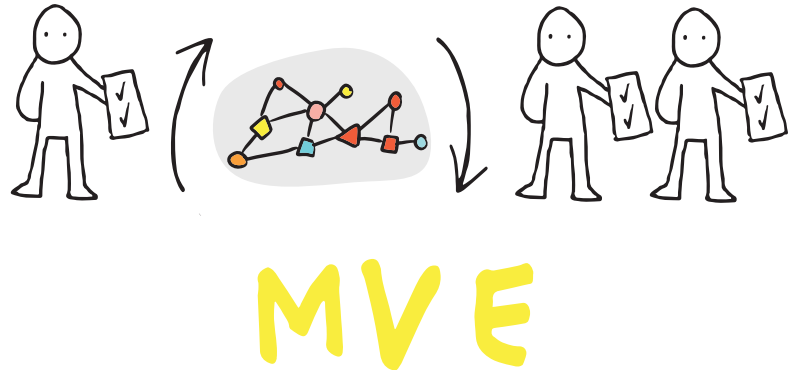
# Why Design Thinking for Business Growth and the Ability to Think in Business Ecosystems Have Become Increasingly Important

The age of business ecosystems is expanding the traditional view of business models and growth. By 2030, more than 30% of global revenue will be generated in business ecosystems. Asia, in particular, has the potential to play a pioneering role here with its high affinity for digital business models. Various studies show that, in addition to the super-platforms already known, new ecosystems making a significant contribution to this development are forming. Worldwide, 15 to 20 dominant business ecosystems will probably set the pace. In addition, it can already be observed today that business ecosystem design plays a particularly important role among the fastest-growing companies in the S&P 500. They include Alphabet, Amazon, Apple, Facebook, Microsoft, Alibaba, and Tencent. Numerous national and local ecosystems will take shape to provide a unique value proposition to customers in niches or in specific regions.

The models, procedures, and mindsets presented in this book have emerged from my work and research in design thinking over the last two decades. I have had the privilege of working in great depth on the management of innovations and technology, the dynamics of high-tech clusters, and the design of business ecosystems.

In particular, I was able to gain deep insights into sourcing initiatives, observe the evolution of data ecosystems, and guide initiatives that reached new dimensions of end-to-end automation through new key technologies and decentralized ecosystems.

In my daily work as an expert in solving complex problems, I consciously live the design thinking for business growth mindset. Being a business and ecosystem designer provides me with an established mindset that helps me solve complex problems based on the needs of customers. Since business ecosystems are usually very complex, I also use systems thinking to shape sub-areas and keep risks under control by applying the minimum viable ecosystem (MVE) approach. This mindset and form of validation is well known to many from the lean start-up world and the associated realization of minimum viable products (MVPs).





Thus design thinking, systems thinking, lean start-up, business ecosystem design, and scale methodology constitute the foundation for design thinking for business growth in this book. I have been able to apply and iteratively improve the procedural model for all of them in numerous initiatives.

Especially in my activities as chief innovation officer, later as head of innovation labs at one of the BIG-4 as well as in my current advisory work, the application of business ecosystem design is one of the key approaches toward cross-industry transformation for customers in the banking, insurance, pharmaceutical, technology, and industrial sectors. Many of these companies have the ambition to design, initialize, or orchestrate an ecosystem. Moreover, I am in contact with countless actors who have the ambition of assuming a new market role in existing systems or to advance their capabilities and become a relevant actor in a business ecosystem sooner or later.

The design thinking for business mindset presented in this book, with a strong focus on a procedural model for the design of business ecosystems, helps the participating team members of an ecosystem initiative and the respective actors in the system to get an orientation. It also provides guidance on which aspects should be highlighted in the processing and which factors lead to success. The book also aims at creating awareness that such systems are dynamic structures and are constantly evolving. This is why, in terms of capabilities, market roles, and value propositions, constant reflection and adjustment are needed to ensure value creation for one's own company and the other actors in the system.

The described approach to shaping business growth is not a rigid framework. The depth and breadth of the application is different for each initiative and must be adapted accordingly. Therefore, for complex projects, it is recommended to appoint a skilled facilitator who coordinates the project, has the necessary methodological expertise, and ensures moderation of the respective actors in the system.

I welcome feedback on the application of design thinking for business growth and wish you great success in exploring new forms of collaboration, value streams, business models, market roles, and in building appropriate skills and capabilities.

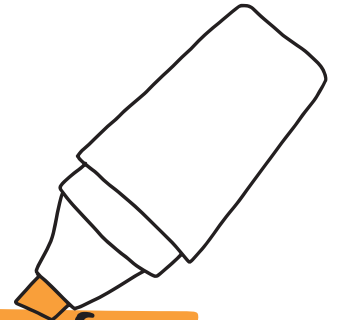
**Michael Lewrick**



***I welcome direct feedback on the book and a dialog on design thinking for business growth.***

***[www.linkedin.com/in/michael-lewrick](https://www.linkedin.com/in/michael-lewrick)***

To the  
Point!



Design thinking for business growth is the realization of new, unique offerings to customers provided by different actors in an ecosystem.

**USING VARIABLE MENTAL STATES...**

that allow you to combine design thinking and systems thinking to arrive at scalable offerings, from a problem statement through an MVP/MVE.

**APPLYING A DESIGN MINDSET...**

that expedites working in iterations and with experiments and puts the function and the customer experience on center stage.

**ADDRESS HITHERTO UNKNOWN MARKET OPPORTUNITIES...**

that are explored based on customer needs and developed with other actors through co-creation.

**AMBITION TO REALIZE A “BLACK OCEAN” STRATEGY...**

that gives actors in the system the best framework for realizing the value proposition and makes it difficult for rival offerings to stay in competition.



# TEN MINDSHIFTS FOR BUSINESS GROWTH



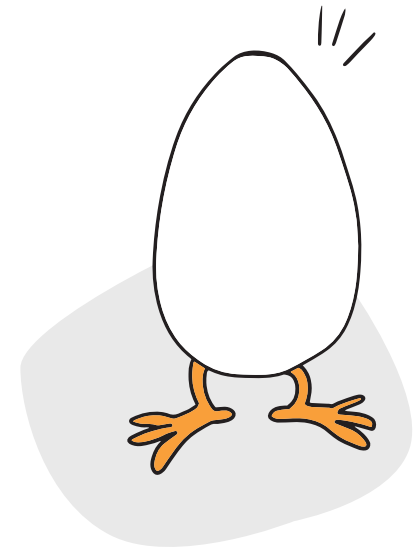
## Mindshifts:

# 10 Shifts Grasp the Topic Quickly

Design thinking for business growth and the associated design of business ecosystems are based on a paradigm shift in the shaping of business models and growth. Essential for this are ten mindshifts that simultaneously constitute the basis for this book and for the design of successful business ecosystems.

Companies that have already undergone major change processes because of the digital transformation are in a better position here since they have already undergone one or another mindshift. However, actual practice shows how dedicated teams for strategy or ecosystem design revert to old ways of thinking time and again. It frequently occurs when they begin to collect ideas about a business ecosystem. Unfortunately, the deliberations all too often pivot on the team's own company with its products and services and not on the customers with their current and future needs (**mindshift #1**). When it gets really bad, the customer is no more than one actor out of many in the system, instead of them taking center stage. The situation is similar when initial solutions and prototypes of ecosystems are being developed. The design of prototypes, MVPs, and MVEs is an iterative process that aims at receiving a validation of the MVP from potential customers. Secondly, the MVE and the associated value proposition should be validated with little effort expended by the potential actors in the system. Unlike in a linear procedure, the iterative procedure makes it possible to improve the prototypes incrementally, reject them, or develop them further (**mindshift #2**). In the design of business ecosystems, it is also vital not to lose sight of the other actors and their strengths. Traditional analyses help only to a limited extent here, since the aim is not to learn more about competitors but to create in the best case a symbiosis between the actors. The shared work of different actors in the system constitutes the foundation for the realization of unique value propositions and innovation (**mindshift #3**). Since business ecosystems are exposed to inevitable dynamics and because the actors in

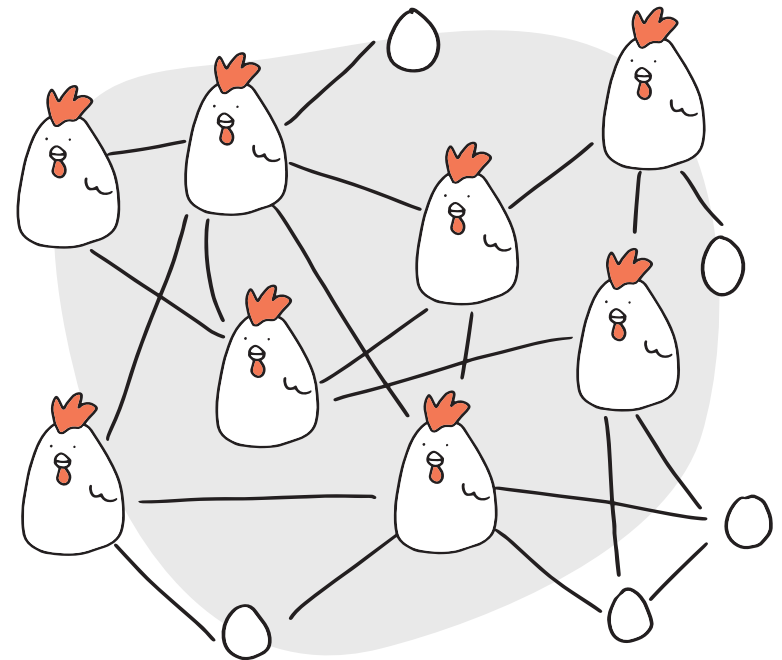
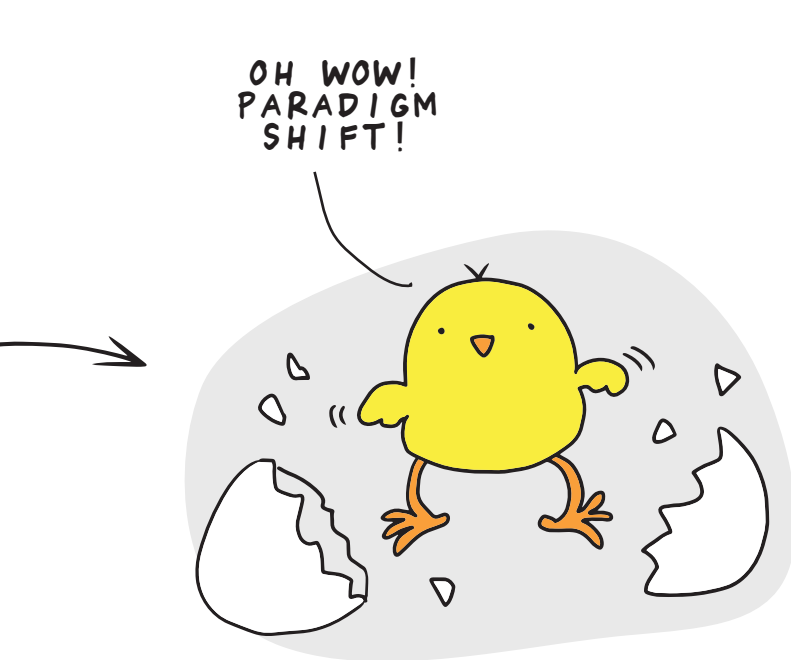
the system constantly advance together, coevolution together with other companies is a natural process. Anybody sticking to silo thinking and clinging to existing structures will not be successful in the short nor the long term (**mindshift #4**). While before this, companies concentrated on their own core competencies and capabilities to bring a value proposition to the market, it is necessary in the realization of business ecosystems to get away from the consideration of the individual elements, so as to be able to generate a unique value proposition with the consolidated capabilities and expertise in the system (**mindshift #5**).



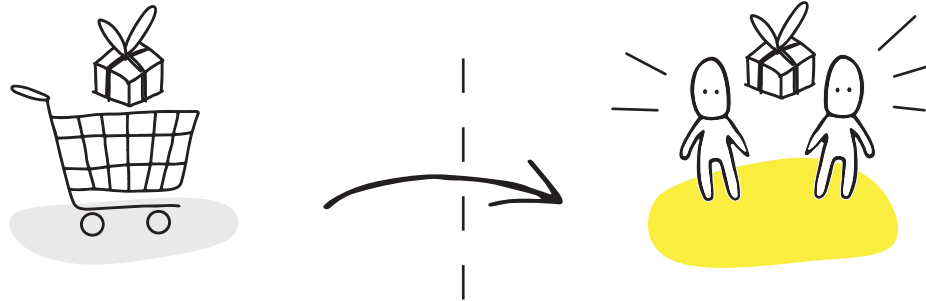
Furthermore, it must be accepted that network structures have a certain level of complexity. Understanding must be heightened for the customers who want to be served via channels that suit them. Instead of decoupling the interactions, business ecosystem design requires a mindset of networked thinking (**mindshift #6**). The initiators of business ecosystems must understand the value streams and relationships within the network structures. This means: It is no longer isolated financial flows that are looked at but relationships and value streams in systems (**mindshift #7**). The respective business models must be dealt with in a new way. Instead of looking at one's own business model, the multidimensional view of the business models comes to the fore. Together with the business model of the ecosystem, the initiator or orchestrator must also define potential business models of the other actors in the system and make them correspondingly attractive (**mindshift #8**). The goal of well-thought-out business ecosystems is to achieve dominant market power and market penetration. This view goes beyond a 100% differentiation strategy and is referred to as the black

ocean strategy (**mindshift #9**). After all, the business ecosystem with its actors is intended to be superior to other systems and companies because of its configuration. To have such systems grow exponentially in the long term, a sophisticated governance is needed as well as an adequate ecosystem and a leadership approach that is not geared to command and control but to initiate and orchestrate (**mindshift #10**).

The 10 mindshifts will be described in detail on the following pages. They provide a good foundation for potential design principles that decision makers and business ecosystem teams should put at the center of their work so that design thinking for business growth can be put on solid ground to be successful.

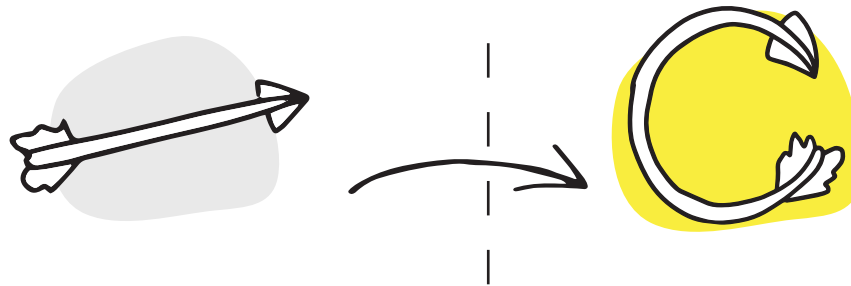


## 1 Shift: from product-centered/company-centered to customer-centered



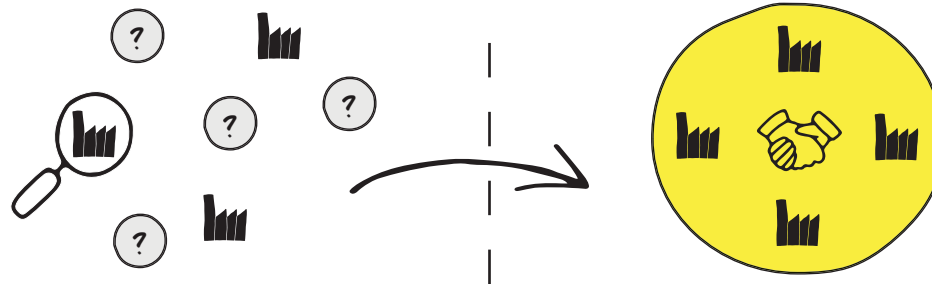
The main focus is not on one's own company or an existing product or service but on customers with their current and future needs and the tasks they want to perform.

## 2 Shift: from linear to iterative



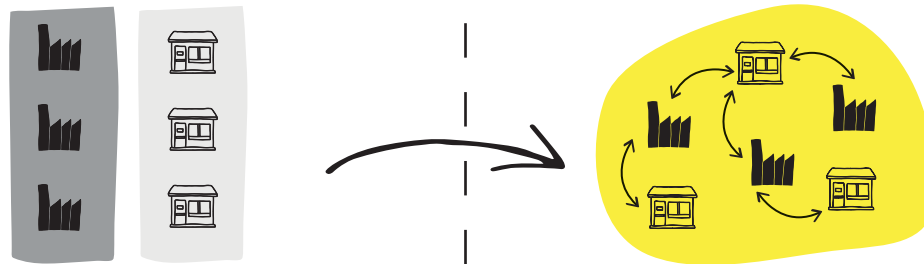
The entire procedure is iterative, i.e. from exploring the customer needs to initial prototypes, minimum viable products (MVP), all the way to an initial functioning system within the framework of a minimum viable ecosystem (MVE).

### 3 Shift: from analysis to symbiosis



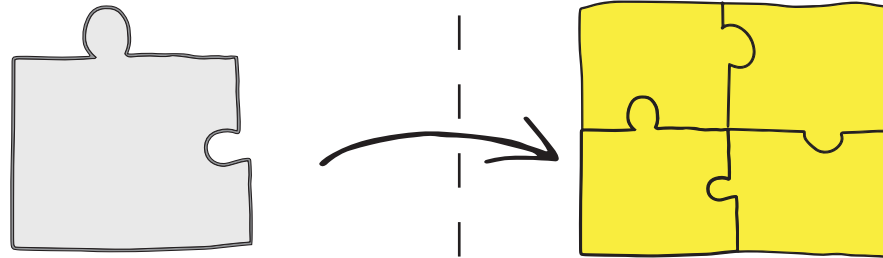
Traditional procedural models of strategy definition are usually limited to the possibilities offered by existing thought patterns about industries, sectors, and competitors. Well-designed business ecosystems perceive other actors from other sectors, including competitors, as partners who are indispensable in providing a unique value proposition to customers.

### 4 Shift: from silos to coevolution



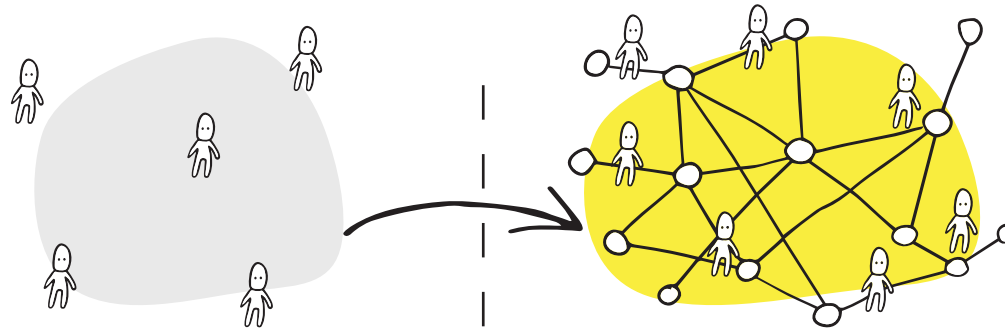
Thinking in product categories, traditional segmentation and core competencies are replaced by a consistent coevolution in the business ecosystem, which enables actors to share in new markets, regions, and customer segments.

## 5 Shift: from elements to unique value propositions



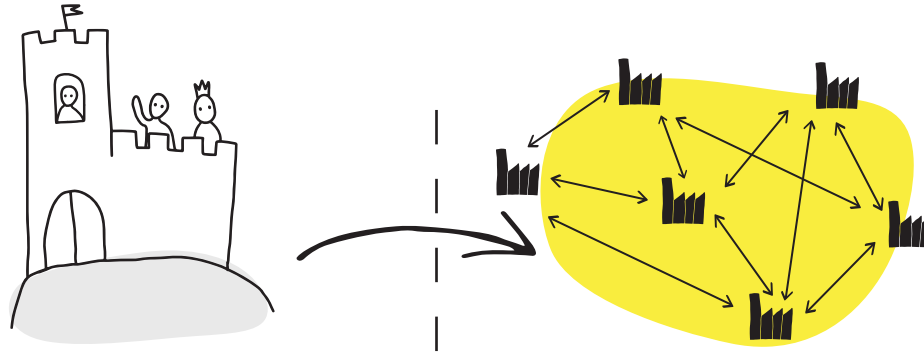
The uniqueness of a value proposition in a business ecosystem emerges through the meaningful linking of different skills, products, and platforms. An individual market participant alone is usually not able to realize and scale such value propositions.

## 6 Shift: from decoupling to networking



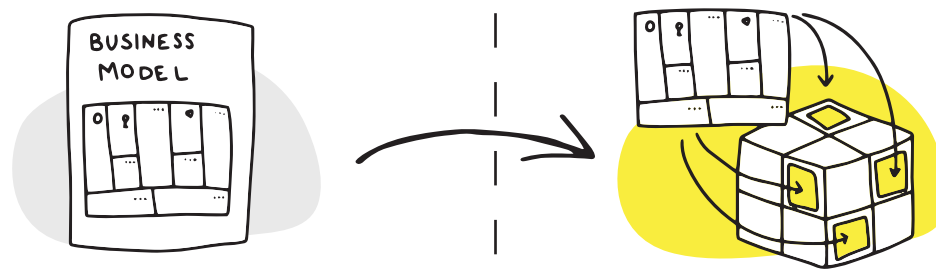
Ecosystems are agile network structures that act in a collaborative and networked way. The top goal of these systems is to serve customer needs in an efficient and effective way through various channels that fit the customer.

## 7 Shift: from isolation to relationships/value streams



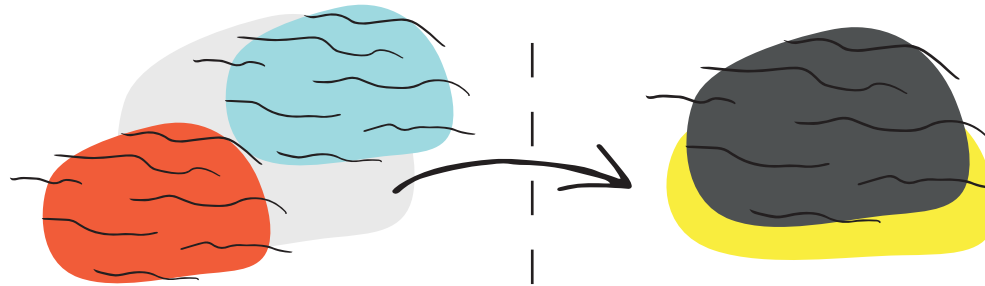
The way of thinking at companies shifts from an internal viewpoint to a holistic understanding of the system with its different value streams and relationships, which are constantly in motion and need to be adapted and realigned depending on customer and market needs.

## 8 Shift: from the consideration of an individual to the multidimensional view of the business models



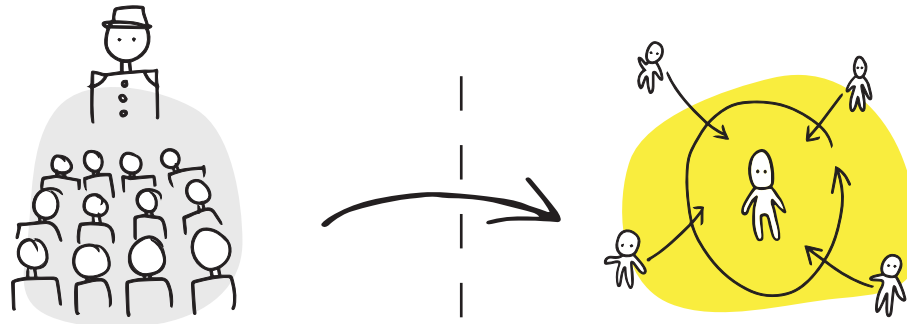
Along with one's own business model, it is important to explore the possibilities and advantages for the other actors in the system by developing a multidimensional view of the business models. Usually, the more attractive the opportunities are for the actors involved to earn money in the system, the greater the willingness to implement the proposed value proposition together and develop it further.

## 9 Shift: from red/blue ocean to black ocean



Well-designed business ecosystems are configured in such a way that other systems or individual companies cannot compete with the same or a similar value proposition. Such a strategy is also known as the “black ocean” strategy.

## 10 Shift: from command and control to initiate and orchestrate



Ecosystem leadership is based on the ideas of initiate and orchestrate. Conventional command and control mechanisms run aground when it comes to the dynamics and complexity of rapidly growing business ecosystems.

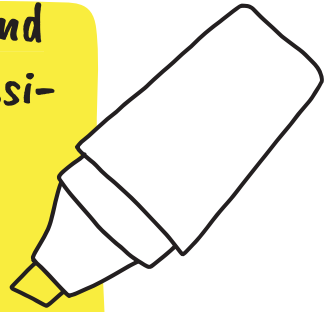


## To the Point!

Companies and actors that followed the paradigm shift beyond mere digital transformation focus more and more on the possibilities of digital disruption and innovation in business ecosystems.

Ecosystem players rely on coevolution, symbiosis, and networking and operate beyond traditional customer experience chains. They create systems with unique value propositions.

The successful initiators and orchestrators of ecosystems don't strive for stable, linear growth patterns but for the agile realization of exponential growth.



# INTRODUCTION DESIGN THINKING FOR BUSINESS GROWTH



# Why Design Thinking for Business Growth?

Like other fields of knowledge, the world of design thinking continues to develop and mature. Sub-specializations such as business ecosystem design emerge, and best practices, different approaches, and new tools are limned and come into being. Quite a few things have occurred in the application of design thinking for business growth over the last few years. Entailed in this development was a broadened view that gained great traction and is now used by growth designers and business ecosystem designers as well as in strategic design. Business ecosystem design, for instance, has not yet turned into a formalized field in many companies, so there is still a certain degree of mystery and misunderstanding in the development of such growth strategies. For exponential growth, it is crucial to increase the number of dedicated customers/users rapidly and to apply a mindset of fail fast – learn fast. But design thinking for business growth is about far more than the quick achievement of growth. The goal is to create a lasting experience for the customer/user, develop it further and optimize it, and create network effects, which enrich the ecosystem capital. Data and the application of a hybrid model of design thinking and big data analytics are quite useful in this context. Design thinking for business growth also requires new models for how teams are formed and how close to the customer/market they ought to operate. Successful growth strategies don't come into being by making rash decisions and putting something quickly on the market but by focusing on the problem space, which makes it possible to understand customer needs in the required depth and analyze all available data. A good design thinking for business growth team has all these skills at its disposal and practices a comprehensive way of thinking to give the customer/user the best experience and functions in the end. In brief, design thinking for business growth defines how a single company or all companies in a business ecosystem create, deliver, and capture market values in common.

The interaction of create, deliver, and capture and putting the focus on each of them at just the right time influence the speed of value growth and open up options for later scaling and the realization of exponential growth.

**In design thinking for business growth, the teams aim at bringing together the very best from design thinking and systems thinking for exponential business growth.**

Design thinking applied during the phase of value creation supports the processes and helps to establish the basis for creating value in the long term by designing products, services, and processes that customers really want. Design thinking for business growth goes beyond familiar, traditional ways of looking at product models, service models, and business models. Alongside the well-known consideration of partners and suppliers, a complete system of ecosystem actors is integrated in the definition of a growth strategy and addressed with special lenses and specific questions in the context of business ecosystem design.

