

# PHOENIX

## LOGIK

## MORAL

## MAGIE

### **“The Ecosystem” and the tip of the Iceberg**

Munich, 16 January 2020

**Ecosystem. Buzzword of the year 2019. With no doubt. And it is a word that won't go away easily. Because we will be living with it for years to come. And we have, for almost 4.5 billion years.**

Companies are pouring billions into “The Ecosystem”. Let alone look at China. Over 60 billion dollars of state money are flowing into what is meant to be the mightiest and largest EV market worldwide. Over 50 Asian companies are rushing to create “The Ecosystem” of Electric Vehicles until 2020. And it's not only about cars, but rollers, strollers, motorbikes, busses, trains, plains, tunnels and things we can't even imagine today.

#### **But what is this Ecosystem everyone is talking about?**

Let's go for a walk. To a place where physical products become something we will call parts of cyber-physical systems. To learn about what actually makes a company's ecosystem. To understand what product design has to do with psychology and why we don't have to look any further than our own bodies to understand “The Ecosystem”.

It is January 2019. Snow has fallen and you see public transport is having its trouble keeping up. Busses and trains. But also cars and bicycles. People are shouting, running late or just staying home to escape the big mess of our daily morning commute. Trucks are stuck in traffic, rental bikes are broken and most of all you are feeling super cold and still didn't arrive at the office!

Take a step back and look at these first hours while you were awake making your way to work. Zoom out and you see it is a community. Sometimes not at will. But a community of interacting entities and their physical environment. That is what it is, an ecosystem.

There is no website involved in navigating your way. In most cases there should not even be a mobile phone screen involved. Yes, because you should have your eyes on the road while driving or walking your way through the muddy and wet sidewalk towards your warm and cozy office chair.

But it's not that simple. It's a hugely complex and multi-layered ecosystem of millions of transactions, servers and people working behind the scenes that we will never see on our way to work. That is also what the ecosystem is. Not visible.

Alright, so we arrived at work and just sat down. Hands still cold while we are warming them on our hot bottle.

Ever wondered how to actually feel that the hands are cold? What a marvel of architecture, infrastructure and biological masterpiece our bodies are? Uncountable neuro cells transport information through hormones and transmitters to billions of nerves from head to toes.

The body is a wonderland full of innovation and interacting entities in a physical environment. Hands very likely wouldn't feel cold if the brain wouldn't work. If there's not enough energy for the whole system to run. It is one's very own ecosystem. An organism. Just take that word and pull it apart for a moment, organized. Pieces organized into an organism.

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The body is not talking ROI, MVP or POC. It's not looking for highest conversion rates in the market segment of body building or creating a new crypto currency to disrupt the world of fintechs.

It is much more than that and most of all human centered. In the most basic literal sense. The body is the current version of an ecosystem that has been tirelessly iterating for decades into what it is today. Nothing less than a marvel of nature.

That is also the way we should approach ecosystem projects. Not mainly looking for the highest return of investment or making the big impact at first sight. Just like one's body, company ecosystems will need long term care and time. And they will need to talk to other bodies and interact with them.

But back to business. Back to the company ecosystem. Now that our hands are warm we can start talking real business. And that is very much needed to avoid buzzword talks at agencies.

You will need an app, a website and the right products to create an ecosystem. If that is what you are showing on your slides or what you will talk about as a design consultant you are not far away from losing your seat at the table. Because that is the tip of the iceberg. Nonetheless, a very important piece because it's the part of the Ecosystem that people will see and experience.

Let's call these two parts of our Ecosystem iceberg "Frontstage" (above water) and "Backstage" (below water). Not to be confused with "Frontend" and "Backend".

Those two terms belong to the software developer world. Where the Frontend is what creates the user interface in terms of audio, visual or haptic to communicate what the Backend is doing behind the scenes. In current technology those two terms are becoming more and more intertwined. What happens if we buy our train ticket on the counter or on our phone in the morning. It triggers a huge line of dominos which will never be seen. This is not the world we will be in today. Also, not all the other worlds involved in building these ecosystems.

Important for designers: It is not the goal to get lost in wanting to also be a technological or technical professional. It is very importantly about the WHAT wants to be achieved and not HOW to do it. That's part of the software developer's glorious wizardry.

This means not to emphasize the Backstage and give less meaning to the Frontstage. That is not the case. This is about to take off the explosion and pressure a designer might feel in his head from time to time when he wants to understand the sheer complexity of an ecosystem project. When feeling the pressure and expectation to create and design all the pieces to make this organism work.

But a designer is not alone in this. At Phoenix Design, we are in this together with our whole team and partners like umwerk or manufacturers each one doing his part to make an idea work. Having an environment like this, one can relax and take that burden off his shoulder.

As a designer it is about WHAT he actually wants to achieve with these projects together with the client.

Frontstage is the tip of the iceberg. For us at Phoenix Design this tip is very important. As a design and innovation studio we create value through design. Design has a huge and important role within an ecosystem. Let's focus on this Frontstage for a little bit.

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Imagine the shape of an iceberg together with the line of water surrounding it. The whole iceberg that is what we will call the blueprint of our Ecosystem. The Frontstage in itself is what we call the Customer Journey of our products as the cyber-physical form it takes as the product.

That very much changes the understanding of a product designer. One can now also think about hardware as a service for instance. Products that also get updates just like software. Products can work within a circular economy where they can be taken back by the companies, made better through software updates or be embedded in a highly magic and brilliant brand experience.

At Phoenix Design we create this Customer Journey out of the actual physical product that will be part of one or multiple ecosystems. That is how our clients get in touch with us and what we are very well known for.

In the end, the physical product as well as the app and website will be one of many touchpoints within the ecosystem. Other touchpoints will be called PIM, DAM, BI, online and offline shopping systems, service counters, tracking systems, APIs and many more. Each ecosystem will also interact with other systems. Evolve and change over time.

It's important to keep this Backstage in mind. You have to collaborate together with your partners to build this very solid fundament. Because you will very much need it later on when your visions and ideas are becoming reality together with your clients and partners.

Alright, take a break.

We have come a long way from getting to the office in the morning to standing at the tip of this iceberg.

### **Standing there looking down this is what can be learned:**

- Ecosystems are not only products, websites and apps
- They are the Frontstage, so to say the hands and doors to the system
- Together with the Backstage a customer blueprint for an Ecosystem gets created
- A designer's job is to create value through design and not try to solve and do everything
- A culture where designers and partners will be able to talk to each other as one team rather than compete with each other in their own disciplines is essential
- It's a must to break down complexity into pieces

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