

# CHANGING ROLES OF DESIGN PROMOTION ORGANIZATIONS IN THE GLOBAL CONTEXT AND A NEW THEORETICAL MODEL FOR A DESIGN PROMOTION SYSTEM

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## ABSTRACT:

As the impact of strategic use of design to enhance national competitiveness is well recognized worldwide, design promotion has become one of the most urgent cabinet-level agendas in many countries. The sphere of influence of design promotion is also expanding to include all design activities together with industrial design. There are growing concerns about how to establish the most appropriate design promotion organizations, but it is difficult to obtain useful information and references. This study identifies the nature of design promotion and develops a theoretical model of design promotion organizations through a comparative study of four leading design countries – the United Kingdom, Germany, Japan, and Korea. The main issues in design promotion such as history, changes in the pattern of government support, interactions between central and local design centers, and other relevant issues are discussed. A theoretical model of design promotion which comprises interrelationships, and networks between national and regional organizations is suggested.

# 1. INTRODUCTION: BACKGROUND AND METHODOLOGY

The importance of strategic use of design for competitive growth in nations has been emphasized throughout the world. Many governments are developing and implementing design policies and promotion programs not only to boost their industry and business competitiveness, but also to increase awareness of design in public sectors, even to solve complex social issues such as public health, crime, energy saving, aging society, and so on.

There have been various attempts to unveil the interrelationship between national competitiveness and design. The New Zealand Institute of Economic Research (NZIER) published a report which compared the national competitiveness index ranking and the use of design index ranking based on the *Global Competitiveness Report 2001/2002* (Walton, 2003). According to the report, there were strong correlations between the use of design and national competitiveness (Fig. 1). The report also indicated that countries with a high ranking in national competitiveness paid more attention to design.

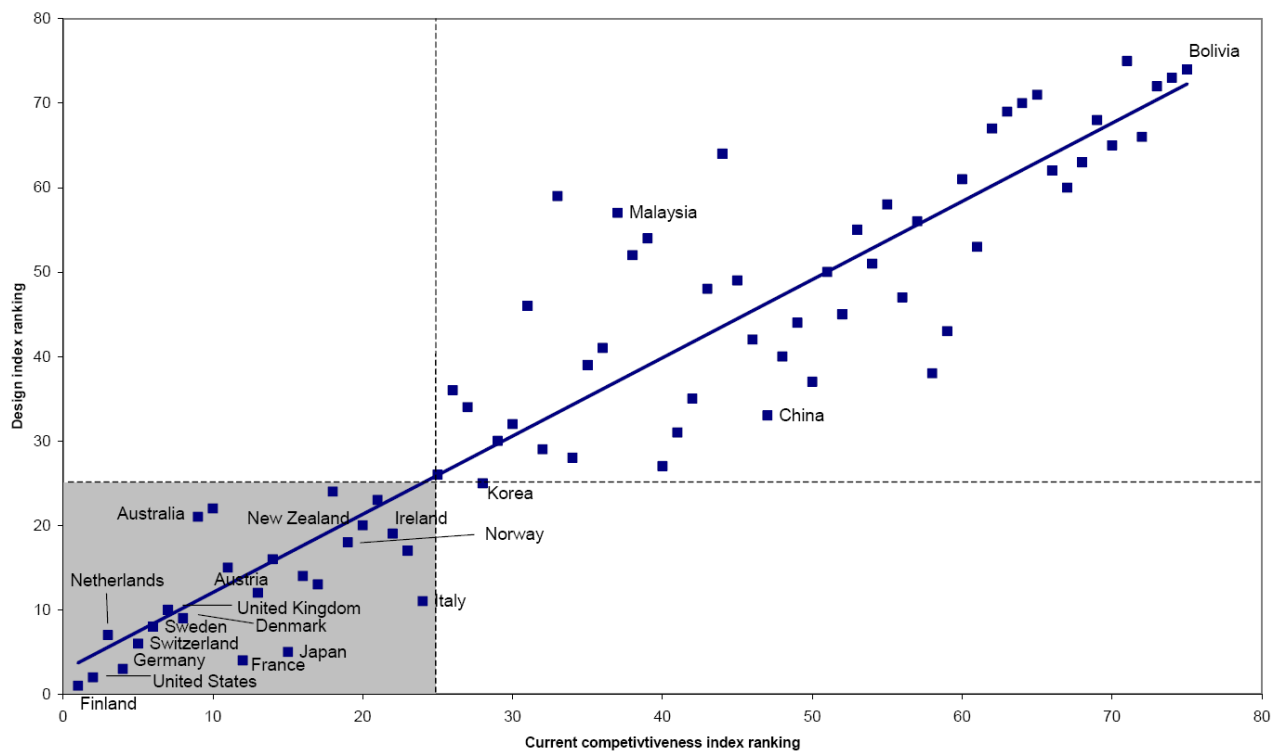


Figure 1: National competitiveness ranking and design ranking correlations from NZIER report (2002).

In the same vein in 2003, the Designium, an organization to promote the development of national design policy and the internationalization of Finnish design, investigated 17 countries among the top 25 from the NZIER report in order to identify global context in the design policy and promotion programs (Hytönen, 2003). Their main finding was that design policies and programs are quite similar in many countries and tend to emphasize design as a strategic tool for enhancing economic progress and improving competitiveness, while also stressing the national role of design in creating jobs and generating business

opportunities. Furthermore, they claim that design can be utilized in completely new areas, where its benefits have not yet been imagined or considered. This report demonstrates that countries leading in design are actively dealing with design promotion issues to enhance their design competitiveness.

Along with growing interest in design promotion, there has been a tendency to establish local design centers (or institutions) that are supported directly by regional governments to utilize design as a core power for enhancing economic, cultural, and social benefits for the region. As the number of design centers increases, coordinating them becomes a critical issue: giving more independence to the local branch or pursuing greater efficiency through the central branch becomes a matter for consideration.

This research identifies the nature of design promotion and undertakes a comparative study of design promotion in four leading design countries in order to develop a theoretical model for an effective design promotion system. The research objectives are as follows: (1) identify the nature of design promotion and major promotional activities; (2) undertake a comparative study on design promotion to reveal useful implications for establishing a new design promotion system; and (3) develop a theoretical model of a design promotion system.

To identify the current states of design promotion through a comparative study in a global context, four leading design countries (the United Kingdom, Germany, Japan, and Korea) were selected. The selection criteria were international recognition, degree of support from central and/or regional governments, number of design centers in the country, NZIER ranking, 2005 National Competitiveness and Design Competitiveness Ranking from designium report (Sorvali, 2006; Fig. 1) and so on.



Figure 2: National Competitiveness and Design Competitiveness Ranking 2005

From Fig. 2, these four countries are the top four countries which are recognized as design competitiveness ranking is higher than national competitiveness ranking. To compare with Fig. 1, the United Kingdom ranked down from 10<sup>th</sup> to 11<sup>th</sup>, Germany maintained 3<sup>rd</sup> ranking, Japan ranked up from 5<sup>th</sup> to 1<sup>st</sup>, and Korea ranked up from 25<sup>th</sup> to 14<sup>th</sup> which showed the most improved ranking among the most top 25 countries from NZIER report.

The United Kingdom is well recognized as having a strong central government initiative for design through a single design promotion organization (the Design Council), while Germany is an example of a decentralized design promotion system: there are at least 12 regional design centers in Germany. Japan is also one of the most successful cases of government initiative in design promotion, even though support from the central government has decreased in recent years. Korea has had a strong central government initiative, but is currently being rapidly decentralized as regional governments are paying more attention to design promotion.

Field research, in-depth personal interviews, literature reviews, and web site research were used as research methods for the case studies of the United Kingdom, Japan, and Korea. Literature reviews, and web site research were used as research methods for the German case studies (Table 1).

| Country | Institute                               | Research Methods             |  |
|---------|---|------------------------------|--|
|         |   | In-depth personal interviews | Literature reviews & web site research |
| UK      | Design Council                          |                              | •                                      |
|         | The Lighthouse                          | •                            | •                                      |
|         | Design Wales                            | •                            | •                                      |
|         | Digital Yorkshire                       | •                            | •                                      |
|         | Arts Council Yorkshire                  | •                            | •                                      |
| Japan   | JIDPO                                   | •                            | •                                      |
|         | JDF                                     | •                            | •                                      |
|         | AXIS                                    | •                            | •                                      |
|         | Osaka Design Center                     | •                            | •                                      |
|         | International Design Center Nagoya      |                              | •                                      |
|         | The Design Center of Toyama             |                              | •                                      |
| Germany | German Design Council                   |                              | •                                      |
|         | Design Center Stuttgart                 |                              | •                                      |
|         | iF Industrie Forum Design Hannover e.V. |                              | •                                      |
|         | Design Zentrum Nordrhein Westfalen e.V. |                              | •                                      |
| Korea   | KIDP                                    | •                            | •                                      |
|         | Gwangju Design Center                   | •                            | •                                      |
|         | 8 Design Innovation Centers             | •                            | •                                      |

Table 1: Research methods and the design promotion organizations researched

## 2. THE NATURE OF DESIGN PROMOTION AND MAIN ACTIVITIES

Although the term “design promotion” has become a buzzword, it is difficult to find a single definition that explains the nature and main activities of promoting design. In other words, people are apt to have different viewpoints of design promotion because it includes various activities that have slightly different aims. Promotion is well known in the marketing field because it is one of the four marketing mix elements, i.e. the 4P model (product, price, people, and promotion). In marketing, promotion refers to all means of communication (advertising, public relations, word of mouth, point of sale, etc.) that a marketer can use to boost sales in the marketplace. However, the lexical meaning of promotion is ‘contribute to the progress or growth of something’. In this paper, thus, design promotion means ‘all activities that to contribute to the progress or growth of design for a nation’s sustainable growth’.

Design promotion is divided into two main functions: design enlightenment and design support. Design enlightenment refers to the activities intended to enhance the awareness of design and its value, such as design exhibitions, good design awards, international exchanges, national design festivals, and publishing design-related materials. Design support refers to the activities that help design businesses and industries to nurture their capabilities and competitiveness, such as building infrastructure to support design businesses and industries, providing financial support for SMEs, and developing programs to help industries use design more effectively. Design enlightenment primarily targets the general public sector, while design support targets the business sector. Therefore, design enlightenment is achieving its aim using indirect methods to support design, but design support is achieving its aim using direct methods. The impact of design support can be seen within the short-term; however, the impact of design enlightenment generally appears in the long-term.

Design promotion activities are divided into eight categories: policy research and proposals, awards and certifications, exhibitions and events, publications and publicity, international exchanges, education and training, research and surveys, and development and aid. A detailed description of each activity is well defined in Table 2.

| Activity                  | Description   |
|---------------------------|---|
| Policy research/proposals | To research and propose policies for design businesses & industries and its execution<br>To propose enactment or amendment of laws relevant to design promotion   |
| Awards/certifications     | To bestow good design awards on designers or companies<br>To certify good design, good designers, and good design companies<br>To hold design competitions  |
| Exhibitions/events        | To hold or sponsor domestic or international exhibitions<br>To hold or sponsor domestic or international seminars, forums, and design festivals   |
| Publications/publicity    | To publish design books and magazines<br>To publish design research reports<br>To publicize design promotion activities through the web sites and newspapers  |
| International exchanges   | To exchange information and knowledge between other design promotion organizations internationally<br>To announce domestic design internationally<br>To develop and support international design cooperation programs                             |
| Education/training        | To educate or train designers and persons who are related to the design industry.<br>To educate or train the public and pre-designers<br>To found and fund scholarship programs   |
| Research/surveys          | To research design-based technology and design industries quantitatively or qualitatively<br>To collect various design information<br>To build a database of research and survey results<br>To manage the design libraries or information centers |
| Development/aid           | To develop technologies for design companies or industries relevant to effective use of design<br>To provide financial support directly to companies (specially <u>SMEs</u> )<br>To initiate academic-industrial cooperation programs             |

Table 2: Design promotion activities

These activities can be classified according to the aims of design promotion as in Fig. 3.

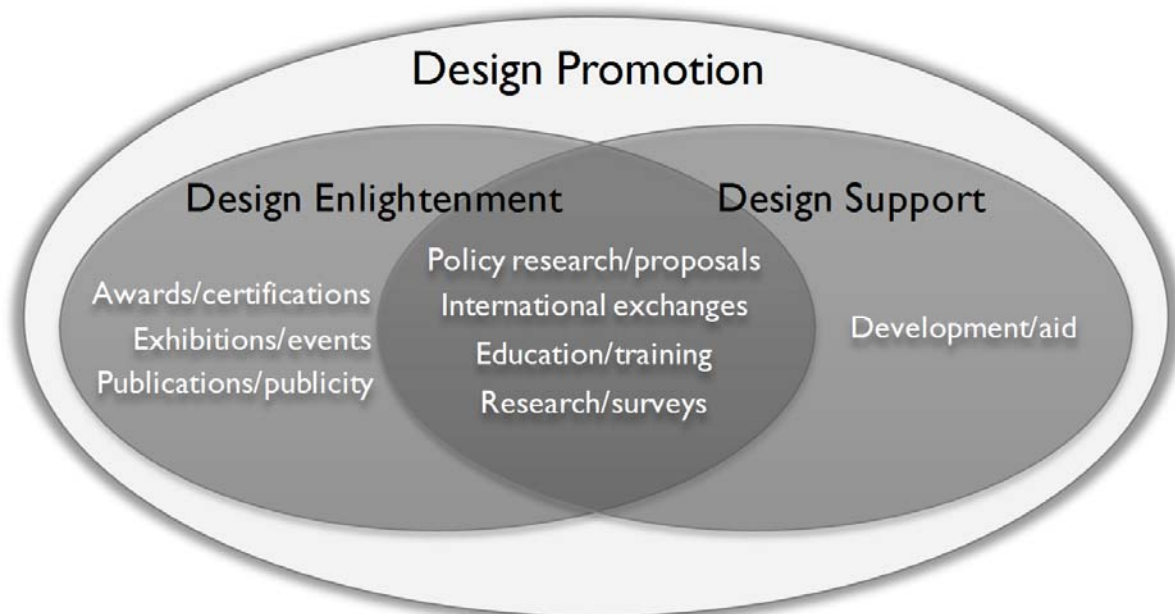


Figure 3: The nature of design promotion and its activities.

## 3. SURVEY OF DESIGN PROMOTION ORGANIZATIONS IN LEADING COUNTRIES

### 3.1. UNITED KINGDOM

Since the establishment of the Council of Industrial Design (CoID) in 1944 to overcome the post-World War II recovery period by promoting design, the United Kingdom is well recognized as a typical government initiative design promotion model and many countries have benchmarked the role model of the United Kingdom.

The structure of design promotion in the United Kingdom is divided into four categories: support from the central government, regional government, regional development agencies (RDAs), and charitable trusts. The design promotion organization supported by the central government is the Design Council under the Department of Trade and Industry (DTI). The design promotion organization supported by the regional government is the Design Wales in Cardiff, Wales. There are nine RDAs and some have design promotion organizations according to the regional need. One design promotion organization that has support from the RDAs is Digital Yorkshire under the Yorkshire Forward. The design promotion organization operated by charitable trusts is The Lighthouse in Glasgow, Scotland. However, it also receives a small amount of support from the Glasgow City Council.

The Design Council controls the development of design policy proposals and research. However, since the council abandoned its branch structure resulting from Sorrell's report *The Future Design Council* in 1994, policy has been implemented in cooperation with other organizations such as the RDAs.

Design Wales provides design support for individual Welsh businesses and undertakes a wide range of activities to encourage and develop the use of design in Welsh industry and education. The services they provide, including supporting companies' design developments and providing design education programs for the public, are free and funded entirely by the Welsh government.

The Lighthouse in Scotland, which is a private design promotion organization, controls promotion for Scotland's architecture and design through creative exhibitions, education, and business programs. The Lighthouse also manages a range of projects with students, companies, and regional governments in Scotland. Moreover, The Lighthouse holds conferences and events including a Creative Entrepreneurs Club for practitioners in cultural industries and a Forum for Innovation in Public Art.

### 3.2. JAPAN

Due to the great need of design to encourage export and the need to prevent design imitation in the 1950s, the Japanese government established the Design Department in the Ministry of Economy, Trade, and Industry (METI) to encourage the design industry on a national scale.

Japanese design promotion organizations can be classified into three categories. The first category is design promotion organizations supported by the central government, such as Japan Industrial Design Promotion Organization (JIDPO) and Japan Design Foundation (JDF). The second category is regional design centers (58 regional design centers in 32 regional governments in Japan) supported by regional governments. The final category is also regional design centers that have support from both the city

council and private economic organizations, such as the Osaka Design Center (ODC) or International Design Center Nagoya (ICDN).

It is clear that each design promotion organization and center has a specific role in design promotion. JIDPO, established in 1969, manages overall domestic design promotion such as the Good Design Award and the Design & Business Forum. Currently, they have planned to promote 'Design Hub' Business with Kyusyu University, private corporations in Tokyo, and JAGDA (Japan Graphic Designers Association Inc.). For international activities, JDF, located in Osaka, deals primarily with international design collaborations and supports the Osaka Design Competition which began in 1983. Nowadays, due to decreasing funding, JDF plans to connect good design work from the competition with companies to commercialize the designs and also to connect good design products of the local SMEs with international markets.

Osaka Design Center, which was established in 1960 by the Osaka government and private corporations such as Sharp and Matsushita, operates the Osaka Good Design Mark and the Design Business Promotion Center in order to connect design firms with SMEs. Whereas IDCN focuses on design enlightenment for the public and corporations in order to enhance the design mind through design education programs and design events. Also, ODC provides design services such as consulting, planning, and new product development.

AXIS, a private design promotion corporation, manages a range of design promotion businesses including publishing the magazine *AXIS*, supporting SMEs' design developments, and connecting SMEs with designers and markets. Moreover, *AXIS* holds various design events and exhibitions for the public.

The Design Center of Toyama is one of the best managed regional design centers in Japan. They provide design support businesses primarily for local companies. The aim of the business is to support SMEs' manufactured goods and designed goods. Therefore, the center supports the SMEs throughout the product process: from finding proper designers or design consultants through to sales distribution.

### 3.3. GERMANY

Along with historically background of decentralized government system in Germany, design promotion organizations had been established naturally throughout the regions by transforming designer's associations into design promotion institutes. Currently, about twelve organizations are playing important roles in design promotion and six of them have joined the ICSID as promotional members. The German design promotion structure is divided into three categories: central government supported institutions, state or regional government supported institutions, and private organization supported institutions. In this research, four institutes were selected regarding the categories of structure and recognition: the German Design Council representing central government supported institutions, Design Center Stuttgart representing regional government supported institutions, and iF Industrie Forum Design Hannover e.V. and Design Zentrum Nordrhein Westfalen e.V. representing private organization supported institutions.

As a central government supported institution, the German Design Council (GDC; Rat Für Formgebung) functions as a national representative institution. It was founded as an initiative of the German Federal Parliament in 1953. The GDC is a non-profit foundation with, at present, over 130 members from the fields of business, design, associations, and institutions. They give advice



on strategy and implementation of corporate design measures, help companies to communicate their design expertise, and provide a foundation for successful working relationships between companies and external designers. Their services for companies include research, strategy workshops, networking, developing communication concepts and publications, conducting audits, and organizing competitions, conferences, and exhibitions. The GDC also bestows a large range of good design awards such as BRD for industrial design, VDA for vehicle design, New Walls for wall paper design, and so on.

Design Center Stuttgart (DCS) is the only institute supported by a state government. As a recognized, independent center for design solutions in Baden-Württemberg, they offer a wide range of services encompassing the entire design branch. They manage a library and develop online databases to connect SMEs and designers. They bestow the International Design Award under the topic "Focus" which concentrates on social issues such as safety, energy, etc. However, in comparison with iF Industrie Forum Design Hannover e.V. and Design Zentrum Nordrhein Westfalen e.V., DCS's activities and authority are not widely recognized among the public.

As private organization supported institutions, iF Industrie Forum Design Hannover e.V. (iF) and Design Zentrum Nordrhein Westfalen e.V. promote designs with various beneficiary business models such as the iF design awards and the Reddot Design Awards.

iF is one of the oldest design centers in Europe, having been established as a registered association by Deutsche Messe AG, the Federation of German Industry (BDI), and several other design-oriented organizations in 1953. The association's location in the Hannover Exhibition Center and its proximity to commerce and industry is a key reason for the organization's unique status. iF is also well known internationally for its design awards, which have been held since 1954 and are divided into five categories.

Design Zentrum Nordrhein Westfalen e.V. began in 1954 with the foundation of "Haus Industrieform" in Essen and with the intention of "facilitating an appropriate design of the environment for the public at large". In the past 15 years, under the leadership of Peter Zec, the Design Zentrum Nordrhein Westfalen e.V. has developed into an international center for design-oriented industrial enterprises, design studios, and communication and multimedia agencies. They also hold the international Reddot Design Awards which began in 1955. The award is divided into the "Reddot award: product design", "Reddot award: communication design", and "Reddot award: design concept".

### 3.4. KOREA

Korea is recognized as one of the fastest growing countries in the design field due to strong central government initiatives. The Korea Industrial Design Promotion (KIDP) has been managing national design promotion since 1970; however, the Korean design promotion structure is being rapidly decentralized because regional governments have recently been paying more attention to design promotion.

The structure of design promotion in Korea is driven by the central government and regional governments with three categories of organizations: Korea Institute of Design Promotion (KIDP), 29 Design Innovation Centers (DICs), and three Regional Design Centers (RDCs). KIDP, supported by the Ministry of Commerce, Industry, and Energy (MOCIE), is a representative institute of Korean design promotion.

To contribute to the development of the national economy and the improvement of the quality of life for Korean citizens, KIDP intends to achieve this by promoting R&D activities pertaining to design and implementing projects to promote design in effective and systematic ways. KIDP is managing and organizing a large range of activities including the Korea Industrial Design Exhibition, the Good Design Mark (GD), the Young Designers Competition, design surveys, a forum for design management, supporting design venture firms and brand facilitation business for SMEs, and so on.

DICs, established since 2000, are supported by MOCIE and divided into local DICs, specialized DICs, and integrated DICs; they are established in universities and organizations with the highest quality and state-of-the-art instruments in order to extend the foundation of design techniques and reinforce the local design infrastructures to support regional development.

RDCs, which are also supported by MOCIE and city and regional councils, are being established until the end of 2007 (two RDCs are currently established and one RDC is in progress). The RDCs aim to serve as design hubs for regions to enhance the regional design industry competitiveness and to support sustainable regional growth. The main activities of RDCs are the same as KIDP, but are restricted to their own regions.

### 3.5. COMPARISON

Design promotion organizations are classified by their aims and coverage with consideration of their promotion activities as in Table 3.

| Country | Institutes                              | Coverage              | Aims                           | Activities                    |                           |                        |                          |                            |                        |                      |                     |
|---------|---|-----------------------|--------------------------------|-------------------------------|---------------------------|------------------------|--------------------------|----------------------------|------------------------|----------------------|---------------------|
|         |   | National/<br>Regional | Enlighten-<br>ment/<br>Support | Policy research/<br>proposals | Awards/<br>certifications | Exhibitions/<br>events | Publishing/<br>publicity | International<br>exchanges | Education/<br>training | Research/<br>surveys | Development/<br>aid |
| UK      | Design Council                          | N                     | E/S                            | •                             |                           |                        | •                        |                            |                        | •                    |                     |
|         | The Lighthouse                          | R                     | E                              |                               |                           | •                      | •                        | •                          | •                      | •                    |                     |
|         | Design Wales                            | R                     | S                              |                               | •                         | •                      | •                        |                            | •                      | •                    | •                   |
|         | RDAs (Digital Yorkshire)                | R                     | S                              |                               |                           |                        |                          |                            |                        |                      | •                   |
| Japan   | JIDPO                                   | N                     | E                              |                               | •                         | •                      | •                        |                            | •                      |                      |                     |
|         | JDF                                     | N                     | E                              |                               | •                         | •                      | •                        | •                          | •                      | •                    | •                   |
|         | Osaka Industrial Design Center          | R                     | S                              |                               | •                         | •                      | •                        |                            | •                      |                      | •                   |
|         | International Design Center Nagoya      | R                     | S                              |                               | •                         | •                      | •                        | •                          | •                      | •                    | •                   |
|         | The Design Center of Toyama             | R                     | S                              |                               | •                         | •                      | •                        | •                          | •                      |                      | •                   |
|         | AXIS                                    | R                     | S                              |                               |                           | •                      | •                        | •                          |                        |                      | •                   |
| Germany | German Design Council                   | N                     | E                              |                               | •                         |                        | •                        | •                          |                        |                      |                     |
|         | Design Center Stuttgart                 | R                     | S                              |                               | •                         | •                      | •                        | •                          | •                      |                      | •                   |
|         | iF Industrie Forum Design Hannover e.V. | R                     | E                              |                               | •                         | •                      | •                        | •                          | •                      |                      |                     |
|         | Design Zentrum Nordrhein Westfalen e.V. | R                     | E                              |                               | •                         | •                      | •                        | •                          | •                      |                      |                     |
| Korea   | KIDP                                    | N                     | E/S                            | •                             | •                         | •                      | •                        | •                          | •                      | •                    | •                   |
|         | DIC                                     | R                     | S                              |                               |                           | •                      | •                        | •                          | •                      | •                    | •                   |
|         | RDC                                     | R                     | E/S                            |                               |                           | •                      | •                        |                            | •                      |                      | •                   |

Table 3: Comparison of design promotion organizations

## 4. MAJOR FINDINGS AND A THEORETICAL MODEL OF A DESIGN PROMOTION SYSTEM

### 4.1. THE IMPACT OF THE EXISTENCE OF REGIONAL OFFICES

Through the case studies, it was found that the existence of regional offices was one of the key factors affecting effectiveness in a country's implementation of design promotion. In 1994, the Design Council (UK), which had more than 200 staff and an annual DTI grant of £ 7.5 million, restructured to a small, lean, agile, collaborative think tank with around 40 staff. From the Sorrell report *The Future Design Council* (Benton, 1994), which triggered this transformation, the Council lost its client advisory service, its shop, bookshop, exhibitions, and regional bases, withdrew from the direct organization of conferences and seminars, and focused on advisory, promotional, research, and educational roles. After a decade, the aftereffects of the restructuring appeared on the surface. Even though the Council was able to create good design policies and programs, they had no implementing bodies (the lost regional bases). Therefore, the Council relied on Regional Development Agencies' (RDAs) decisions and spent much time and effort to convince the RDAs to implement the programs, such as *Designing Demand*. Another aftereffect was that UK design promotion suffered from a lack of communication. As a result of the in-depth interviews, it was discovered that the Design Council, The Lighthouse, and Design Wales do not have an official communication and collaboration channel. The Design Council focuses primarily on London and nearby rural areas, and their power does not reach the entire UK. Ironically, the reason for establishing Design Wales was the removal of the regional office of the Design Council.

The Arts Council (UK) case also shows many interesting debatable points about the existence of regional offices. In 1947, the Arts Council eliminated regional offices to reinforce the national office power. However, they realized it was too difficult to actively execute and manage art promotion programs in regions without regional offices. Thus, they rebuilt the regional offices. However, at this time, they gave too much independence to the regional offices: there was a lack of consistency and coordination between the regional offices. Therefore, the Arts Council is now reconstructing the organization to reinforce the national office power to coordinate art promotion for effective collaboration. To achieve effective collaboration, they built the 'national-regional committee', which consists of four national executives and nine regional executives (one executive from each of the nine regions). The thirteen executive members discuss and make decisions for policy planning and coordination.

There are several advantages of establishing regional offices. If a regional office is established, it is easy to directly implement policies and programs and it provides an effective communication channel to help understand local interests and to gather feedback instantly. However, before establishing a regional office, a thorough investigation about regional demand and its necessity should be undertaken.

## 4.2. SETTING A STRATEGIC BUSINESS MODEL FOR A SELF-SUSTAINING INSTITUTE

Many design promotion bodies are struggling with financial difficulties to become a self-sustaining institute. In Japan, financial support from the governments to JIDPO and JDF was gradually reduced or even cut due to the economic slump in the 1980s. Therefore, JIDPO, since its independence from METI in 1998, it has been focusing on the Good Design Awards as a key business that acquires the organization's operating funds. JDF, which still has a little financial support from the central government, is struggling to find a profitable model. For this reason, JDF is planning to commercialize the winning works of the 2006 Osaka International Design Competition. This situation also applies to regional design centers. Many RDCs have ceased operations due to financial situations. Financial difficulties are happening in all country cases: The Design Council (UK), several RDCs in Germany, KIDP, and many Korean DICs.

Nevertheless, some RDCs are successfully managing this problem by using strategic business models. iF Industrie Forum Design Hannover e.V. and Design Zentrum Nordrhein Westfalen e.V. are successfully generating income through the design award system; The Lighthouse generates self-sufficient incomes through specific project grants and various design enlightenment activities such as design exhibitions, seminars, workshops, and events, and also by converting Charles Rennie Mackintosh's 1895 Glasgow Herald newspaper office into a landmark of design center. The Design Center of Toyama has developed many successful design products, commercialized from the design award winning concepts, to manage prominent designers in Toyama and to support SMEs' design abilities by being involved in the full process of product design, marketing, and sales.

For regional design centers, the strategic business model should be generated considering the regional industries and cultural considerations. Even if a region has unique local products, they will be meaningless unless the proper target markets in which to sell these products are found. To overcome this situation, the role of an arbitrator who connects the right product to the right market considering cultural differences is very important. In this manner, AXIS has some success stories. AXIS connects small companies with prominent designers to design Japanese culture embedded products and supports these companies to find the right markets both inside and outside Japan. One of the main achievements of AXIS is the case of the Kanagawa Company with designer Ettore Sottsass and 'Shizuoka product promotion dynamics campaign'. Using this design promotion program, AXIS connected Japanese companies in Shizuoka with prominent Italian designers, and the resulting products had great success in European markets.

#### 4.3. THE RELATIONSHIP BETWEEN GOVERNMENT SUPPORT AND DESIGN PROMOTION ORGANIZATIONS

It was found that design promotion organizations that have government support have been actively driving design support activities more than other organizations. In Germany, Design Center Stuttgart, which is supported by the Baden-Württemberg state council, is undertaking a range of design support activities unlike other institutions in Germany. Japanese design promotion history is also showing this tendency. Until the economic slump in the 1980s, JIDPO and JDF were very actively supported by central and regional governments. The organizations performed a wide range of design support and promotional activities with a large budget. In the early 1990s, however, financial support from the governments was gradually reduced or even cut due to the economic slump in Japan. As a result, the design promotion organizations had difficulties maintaining their businesses. A range of design promotion businesses that did not make profits were discontinued and the organizations struggled to create a solid business model that generated consistent profits. Now, they are no longer undertaking design support activities. For an effective design support program implementation, government initiative is largely required.

#### 4.4. EXPANDING THE DESIGN DOMAIN: DESIGN PROMOTION PARADIGM SHIFT

Along with the growing recognition of design importance, the subject of design promotion is enlarging. Traditionally, design promotion was closely connected with industrial development. Recently, however, the design boundaries are expanding to include services, environment, public design, national images, and creative industries (advertising, architecture, arts and antique markets, crafts, design, fashion, film, software and computer games, music, performing arts, and so on), which are strongly supported by design expertise. In addition, the creative industries are being spotlighted as a driving force for new economic growth, especially in

the United Kingdom, Europe, and Korea (Macdonald, 2004; Cox, 2005). The Cox Review, which was led by Sir George Cox, Chairman of the Design Council, clearly emphasizes the role of creativity to enhance UK business productivity and specifies the steps that government and the business, broadcasting, and education sectors should take to ensure that UK businesses harness the world-class creative talents that the UK possesses.

In Japan, METI and several large companies (Matsushita, Toyota, etc.) announced the *Neo Japanesque (Japanesque Modern)* campaign (2005) which claims to enhance the value of Japan by creating an integrated image encompassing Japan's culture, technology, sensibilities, and their strengths and benefits through design. In 2006, the Japanesque Modern Committee held exhibitions and selected 53 products as the first winners of the Japanesque Modern 100 Awards.

The history of Korean design promotion describes the changing roles of design promotion in conjunction with the paradigm shift in design. The history of Korean design promotion can be traced to the Korea Handicraft Demonstration Center (KHDC) established in 1958 and sponsored by the International Cooperation Administration (ICA) of the American and Korean Governments (Chung, 1998). Since the Korean government established the Korea Design & Packaging Center (KDPC) in 1970, the history of Korean design promotion has been closely connected with Korean industrial development history (Fig. 4). During the 1970s, the Korean government focused on package design promotion in conjunction with the growth of consumer product industries such as textiles, clothing, and shoes. During the 1980s, together with the development of electronic products, automobiles, shipping, and steel industries (heavy industries), Korean design promotion began to focus on industrial design. A Presidential order to foster the design industry (1983) and the Good Design (GD) mark award system (1985) initiated this movement.

After KDPC was renamed the Korea Institute of Industrial Design and Packaging (KIIDP) in 1991, the design promotion focused on industrial design in earnest. At that time, the Korean government embarked on the first Comprehensive Plan for Industrial Design Promotion (1993-1997), the Industrial Design & Package Promotion Law was amended and KIIDP was renamed to Korea Institute of Industrial Design Promotion (1997). In the 2000s, the foundations of design promotion have been constructed internally and externally in order to reinforce design competitiveness. KIIDP changed the name to Korea Institute of Design Promotion (KIDP) in 2001 and the subject of design promotion widened from industrial design to services, digital content, environment, public design, and national image. To manage this paradigm shift adequately, MOCIE is trying to amend the Industrial Design Promotion Law again.

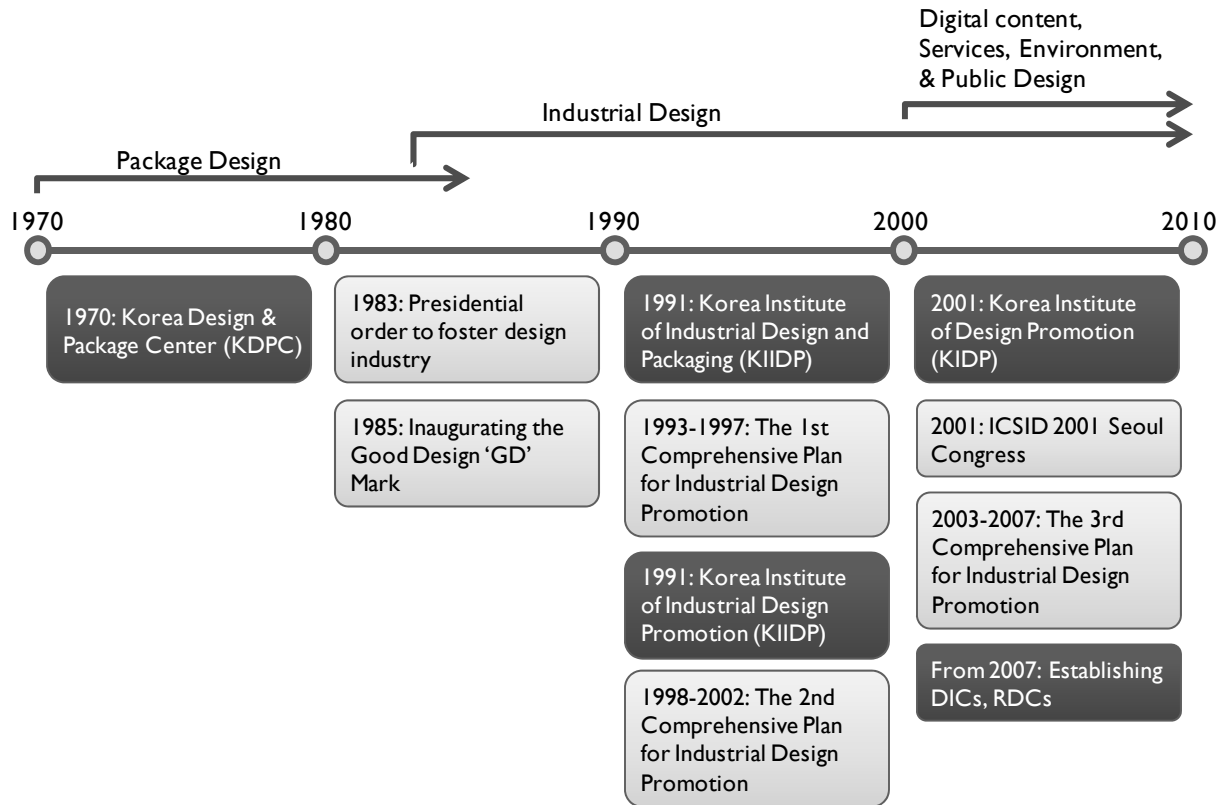


Figure 4. History of Korean design promotion.

#### 4.5. NECESSITY OF STRENGTHENING THE DESIGN PROMOTION SYSTEM

Government initiative design promotion countries (the United Kingdom and Japan) have experienced severe restructuring which caused the loss of their several-decade-long foundation and many essential resources and experience; it also caused inevitable changes in their roles. The UK lost its regional bases and many human resources, and cut many other promotional activities to focus on advisory and research roles. They changed into a small and agile organization that develops and disseminates new knowledge, sets agendas, starts debates, and inspires action (Sorrell, 1995). Consequently, the Design Council lost their power to execute the policies by themselves and rely on other departments such as RDAs. Japan also experienced severe financial support problems from national and regional governments, and now they are focusing on creating a business model rather than actively promoting design. JIDPO is trying to earn money from the Good Design Awards (G-Mark), and JDF is focusing on the International Design Competition and its connection business as a source of income. Korea, where the national government has strongly supported design for over 30 years, is undergoing gradual budget decreases for design promotion. KIDP, three RDCs, and 29 DICs are at a critical point in the self-sustenance issue.

To overcome these situations, strengthening the design promotion system on the national level is necessary. To survive in the internationally competitive situations, symbiotic collaborative networks should be constructed at a national level. Regarding this point and resulting from the Cox Review, the UK is realizing this issue and has recommended the creation of a network of 'Creativity and Innovation', which creates networks between regions and London, and builds the centers in strategic places such

as London and the Northern area (the planned Northern Design Centre). Korea has also noticed the possibility for excessive competition with duplicated promotional activities and has begun to find solutions to strengthening the design promotion system.

#### 4.6. A THEORETICAL MODEL FOR AN EFFECTIVE DESIGN PROMOTION SYSTEM

Resulting from a synthetic analysis of the comparative research findings from comparative research, a theoretical model of a design promotion system for effective design promotion is proposed (Fig. 5). Fundamentally, the effective design promotion system should be built based on the consideration of number of existing organizations, number of needed offices or organizations, national and regional industry strengths, and cultural and historical characteristics. There would be no one-universal answer to fit all country circumstances.

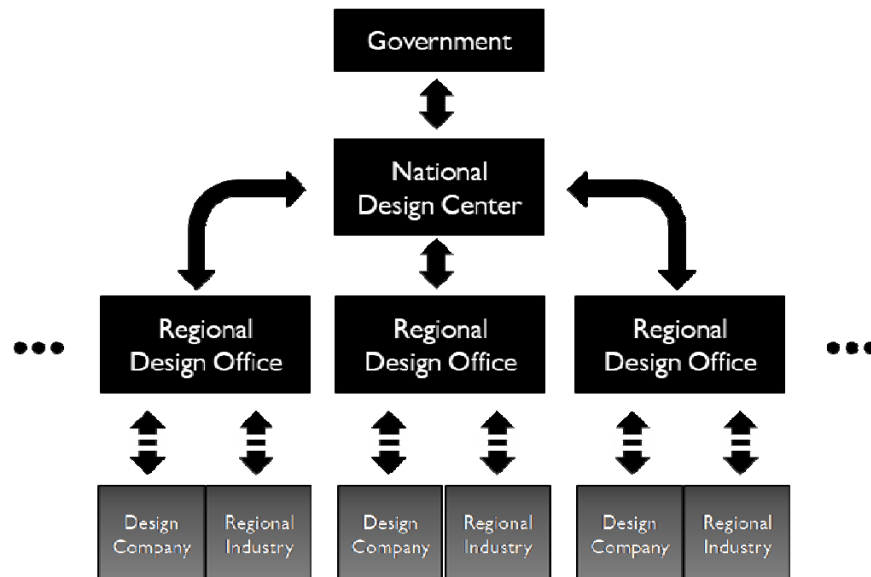


Figure 5. Theoretical model of an effective design promotion system: in case of establishment of regional design office.

This theoretical model aims to create the harmonized collaboration in design policy making and its implementation. The government supports national design promotion organization. The national design promotion organization develops design policies, programs and national strategies, plans national and international design events, and acts as a design think tank (e.g. the Design Council). In this process, regional design centers participate in decision making process. by doing so, regional design centers will pay more attention to the national design organization’s activities and implement the national policies. Regional offices act as a regional design hub by performing wide ranges of design enlightening and supporting activities, organizing regional design competitions, building regional design and industry directories, and providing design support for local SMEs and design firms. Design Wales from the UK, Osaka Design Center in Japan, and Design Center Stuttgart are good examples of regional design supporting activities. Each regional office should fit the regional characteristics to support regional development.

However, countries that already have several regional design centers can have a different situation. In this case, the probability of disagreement toward national design policies and programs will be bigger than national-regional office structure. To prevent this situation, a direct communication channel through all organizations would be recommended. It can be formed by a “design



promotion committee (tentative)", which is composed of executives from each organization. This committee aims to gather the strengths of the organizations for effective design promotion and to create a symbiotic collaborative environment. The main roles will include sharing information (expertise, yearly promotion plans, etc.), proposing design policies and programs, generating design promotion strategies, and discussing relevant design promotion issues. In this case, theoretical model can be drawn as Fig 6.

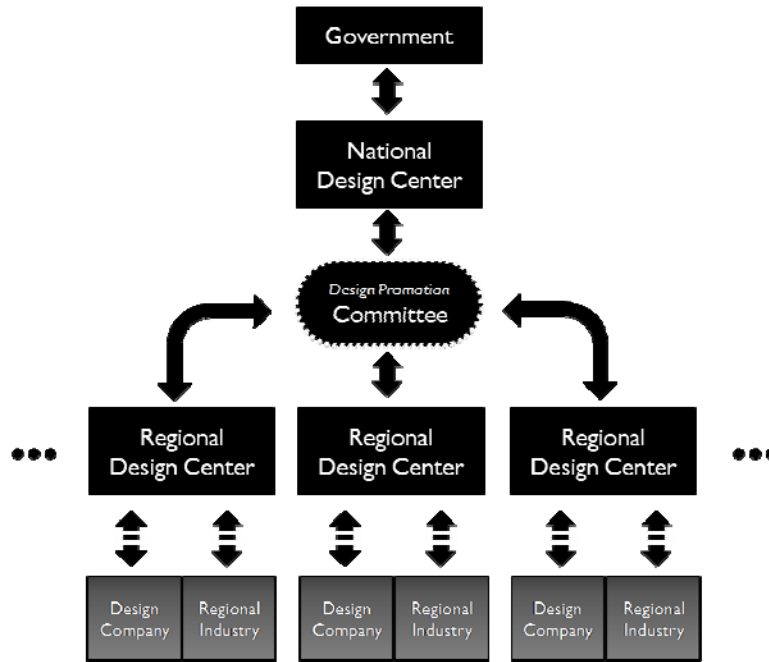


Figure 6. Theoretical model of an effective design promotion system: in case of establishment of design promotion committee

These models can be applied for both developing/developed countries but government-initiated model would be preferred than private organization-initiated model. National-regional office structure is preferred to maximize the effectiveness of design promotion implementations. By dividing their major roles between national design center and regional design center, they could concentrate on their major tasks.

## 5. CONCLUSION

In recent years, there has been a growing recognition of the value of design in conjunction with the notion that “good design is good business”. It is accepted that design performs vital roles not only for creating value for products and services, but also for activating creative industries which include the diverse fields of advertising, architecture, arts and antique markets, crafts, design, fashion, film, software and computer games, performing arts, music, and so on. To manage this situation adequately, design promotion is increasingly regarded as a cabinet-level agenda for establishing promotion organizations and developing design policies in many advanced countries, as well as developing nations. As the design promotion organizations are diversified, the national design promotion system becomes more complex.

In this research, four countries – the United Kingdom, Germany, Japan, and Korea – were thoroughly investigated in terms of design promotion systems and various implications were extracted. All design promotion systems are closely related to the

nation's economic and industrial development situations. The United Kingdom and Japan, which were good examples of strong government initiative success model, are suffering from the aftereffects of severe restructuring of design promotion organizations. Unlike with these two, Germany had been established design promotion organizations through out the nations along with the decentralized government system, by transforming designer's association into promotion bodies. Some of German design promotion organizations, such as iF Industrie Forum Design Hannover e.V. and Design Zentrum Nordrhein Westfalen e.V., are well-recognized worldwide and trying to expend their business recently. Korean design promotion organizations have grown swiftly under strong government initiatives since the 1970s and have founded sufficient infrastructures for design promotion. They, however, are now facing a self-sustenance issue by creating a specialized business model.

In conclusion, design promotion organizations must strive to provide a strategic business model for self-sustenance. Especially, government-supported design organizations should discern the most effective means from an activity analysis in order to efficiently support the design industry. Along with the expansion of the design domain, design promotion activities must be diversified as well. Finally, it is hoped that the theoretical model of a design promotion system developed in this study will be useful for integrating various design promotional activities initiated by design centers.

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