

Barcelona | Culture | Innovation

by Gregor Gimmy
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This article presents a write-up of a speech given by Gregor Gimmy at the First Pan-European Automotive Design Summit in Barcelona, on March 26, 2003.

Introduction

I have been asked to share with you why we decided to move from Silicon Valley to Barcelona to start the company Eggo – a management consultancy specialized in product innovation.

Besides Barcelona's outstanding geographical treasures, we picked this city because we firmly believe that the innovation challenges have substantially changed: today, Culture has taken the steering wheel from Technology to become the driving force behind innovation. To achieve world-class innovation, your cultural know how will be more important than your Technology expertise. As we see Barcelona as a top global cultural center, we decided to locate Eggo in this wonderful city.

Let me explain this in more detail why Culture is taking the lead from Technology.

From technology to culture led innovation

We all know that customer satisfaction is the basis for any successful product – this was true 100 years ago and it will be true in 100 years from today. However, in the past the customer's needs were fairly simple to identify. It was much easier to see what a user wanted than to provide a viable technology solution. For example: in 1880 it was a technology challenge to keep our food fresh – the need was easy to recognize. Back then, technology lagged behind the needs of society ... it took the automotive industry 20 years to put a radio into a car.

Today, technology is advancing faster than the needs of society. Or, put in other terms, technology is surpassing market demands. People are confused about why they need what technology. For example, we don't know if our cell phone needs to be able to take pictures – though the technology is easily available. Or, let's look at the PDA – a very cool technology! – but there are still an awful lot of people who would not swap their good old paper agenda for a PDA. I am sure many of you are facing such cultural innovation issues all the time when you have to make product decisions.

It has become very hard to please society with a new technology. Silicon Valley invents cool technology all the time, and their challenge today is to know what product to make of it. And unfortunately, many times they are very wrong about their "usage guesses".

In fact, today's crisis in Silicon Valley is in no small part due to the loss of importance of technology in the innovation process. Consider WebVan – a Silicon Valley online grocery who burned 1 billion dollars in technology before going bankrupt. WebVan failed in large part because it did not consider the cultural values of shopping: the desire of leaving your home, of watching people, of catching fresh air ... I venture to say that the Internet bubble bursted partly due to a culture shock.

Action plan

So, if Technology is advancing faster than the needs society, then what does this mean for us – the companies in charge of innovation? I propose 3 action items:

1. Adapt corporate strategies to focus on product innovation, not technology innovation. Strategies are not prepared to leverage culture as the main innovation resource. For example, executives still use R&D budgets as proof for their innovation capacity. A key insight to re-define strategies is that important innovation issues can no longer be re-solved by single engineering groups, or design groups or marketing teams but anticipated by innovation teams consisting of business, design, engineering and sociologists. Only multidisciplinary groups can provide insights into highly complex cultural systems.

2. Restructure towards innovation departments. We need to restructure our organizations so they facilitate the formation of such multidisciplinary product innovation teams, where the different disciplines can work with equal organizational powers. Our organizational structures are still highly technology focussed: most designers are located in the R&D facility, marketing normally sits in a different building ... there are countless examples. We need to re-think the role of all these different functional departments, and seriously consider integrating them into product innovation departments!

3. Set up innovation centers in cultural hot-spots. By cultural hot spots I refer to geographical locations that shape cultural evolution. The automotive industry was a pioneer in opening design centers around the world. I encourage you to show the way again - open innovation centers.



Barcelona - the new San Francisco

Let's look a little closer at this last action item. If technology is no longer the big thing, where should we locate? If San Francisco is out, what city is in? I say: Barcelona! What San Francisco is for technology innovation, Barcelona is for product innovation, because it is a cultural powerhouse.

Just look at some key drivers of culture:

Architecture, defining the way we live: For example, Barcelona has the highest concentration of top architects of any city in the world.

Gastronomie, for example, Ferran Adrià - considered by some experts to be the world's best-cook comes from Barcelona.

Fashion, defining the way we dress: for example, companies like Camper or Custo have a deep impact on fashion design world-wide.

Young People, defining who we wish to be: for example, Barcelona is a top destination for international students

from all over the globe! (See box below.)

And on top of all these cultural landmarks, Barcelona has an extremely solid infrastructure. Here a few examples:

- the highest concentration of design schools in any European city.
- Three top international business schools.
- Some of the best engineering schools and resources.

Here a final point, just to make sure we are on the same page. Technology is still key! It is like oxygen for the body, without it we just die - fast! But, oxygen doesn't make us happy, nor does it give us any personality. It is our brain who makes decisions, defines behaviors and so forth. Culture needs to be the brains of innovation.

I'd like to conclude by wishing you to enjoy Barcelona during the next few days - I am sure that strolling through the streets and immersing yourself into Barcelona's culture will spark one or two cool innovations. ■

About the cultural driver "Young People", let me quote students from Georgia Tech, a leading US engineering school. Here are their top reasons to study in Barcelona:

- 10 Tapas & the mediterranean cuisine
- 9 The beach
- 8 Gaudí
- 7 La marcha (la movida)
- 6 Sleeplessness
- 5 Siesta (and other myths)
- 4 Ramblear y pasear
- 3 Planes, trains, and automobiles
- 2 Art, culture, and diversity
- 1 The experience

About 2: Art, culture and diversity

Barcelona has produced what may be a disproportionately high number of deeply influential artists. This region seems to breath art, or, as some have said, perhaps it's in the water.

In any case, it is truly amazing to consider the artists who are Catalan or who have lived and studied in Barcelona: Joan Miró, Salvador Dalí, Pablo Picasso and Antoni Gaudí are but a few - and those are just from this century! Accordingly, the number, quality and diversity of museums and centers of fine arts are impressive. The opportunities for enjoying the performing arts are equally impressive: festivals, concerts, fairs, theatre performances are unbelievable. One important aspect of all this is how much effort, pride, and money are spent in supporting local art and experimental cultural efforts, and in creating public spaces and activities for general enjoyment.

Source: <http://www.cc.gatech.edu/program/SA-Barcelona/reasons.html>. Original document cites 15 reasons.