



ABOUT THE VOLKSWAGEN GROUP

The Volkswagen Group with its headquarters in Wolfsburg, Germany is one of the world's leading automobile manufacturers and the largest in Europe. In 2014, the Group delivered more than 10 million vehicles to customers all over the world. 592,000 employees in 118 production plants in 20 European countries and a further 11 countries in the Americas, Asia and Africa produce nearly 41,000 vehicles per working day.

The Group's share of the world passenger car market amounts to 12.9%. In Western Europe, the 12 brands that the Volkswagen Group produces – Volkswagen Passenger Cars, Audi, SEAT, ŠKODA, Bentley, Bugatti, Lamborghini, Porsche, Ducati, Volkswagen Commercial Vehicles, Scania and MAN – make up one quarter of all new cars. Each brand has its own character and operates as an independent entity on the market. The product spectrum ranges from motorcycles to low-consumption small cars to luxury vehicles. In the commercial vehicle sector, the products include pick-up trucks, buses and heavy trucks.

The Group's goal is to offer attractive, safe and environmentally sound vehicles that can compete in an increasingly tough market and set worldwide standards in their respective classes.



ABOUT WALTER DE SILVA

The Italian-born Walter Maria de Silva began his professional career at the Fiat Design Center in Turin in 1972 and switched to the Bonetto Design Center in 1975. After a short period of employment at Trussardi Design Milano, he moved on to Alfa Romeo in 1986, where he was Head of Design until 1998. There he created a new direction in design for the brand with the Alfa Romeo 156. Starting in 1999 as the head of the SEAT Design Center, he developed the brand's design line. In 2002, de Silva took over responsibility for design at the Audi Group. His vision for the new Audi design language is embodied especially in the sixth generation of the Audi A6 and the first generation of the Audi A5 Coupe, which de Silva has called "the most beautiful car that I have ever drawn." In 2007 he assumed leadership of Group design at Volkswagen AG and thus for the design of all its brands. De Silva sees the core of his task as establishing and fostering a brand-spanning design culture that ensures each brand's independence on a high level of design.

De Silva has received numerous design awards – among them the Red Dot Award and the renowned Italian Compasso d'Oro (Golden Circle) design prize. The Audi A5 received the Design Prize of the Federal Republic of Germany in 2010.

THE INTERVIEWER

The interview was conducted by Jan Landwehr in January 2015 in Munich.

Design and Iconic Brands

*MIR Interview with Dr. Walter de Silva, Head of Design
at the Volkswagen Group*

The VW Beetle, Apple, Porsche ... many iconic brands have reached their status with groundbreaking designs. But what makes these designs so special?

And is it really the design factor that accounts for the overall success of a brand? Dr. Walter de Silva shares with us his thoughts on iconic designs, the design process and the role of design in branding. Open your heart and mind to his extensive experience in developing designs for Volkswagen, Audi and other brands of the Volkswagen Group.

MIR: Dr. de Silva, you are not only a distinguished designer but you are also responsible for coordinating and integrating the design work for one of the largest and most successful car manufacturers in the world. Can you give any concrete advice on what makes great product design?

WALTER DE SILVA: It is almost impossible to talk about design using words. Design is a very emotional aspect of products. It cannot be understood with the rational mind but rather builds on our gut feelings. If I see great design, I can feel it. If I draw a sketch, I can feel whether it can become a great design idea or will land in the trash basket. Even if all design elements, such as proportions and shapes, follow established design laws, the design can feel wrong. It is hard to say why, but it simply feels wrong – and this feeling is quite clear.

MIR: Do you think consumers perceive design in a similar way as you do? Can they also trust their feelings towards a product's design, or do they need an explanation by educated designers to appreciate it?

WALTER DE SILVA: Good design does not need any explanation! It speaks for itself. Consumers can trust their feelings, at least in everyday situations. Amazingly, this is not the case when it comes to car clinics for future cars.

MIR: Did you learn that design evaluations from car clinics are not accurate? Why is that?

WALTER DE SILVA: If you are not a design expert, it is difficult to evaluate designs for five years from now. All perceivers –

no matter whether consumer or designer – evaluate design against a given standard. For consumers the current market and the usual cars on the streets establish the standard for judgment. So, if consumers react reluctantly in a car clinic to a particular element that is innovatively designed, I consider this a positive signal for its potential future success. If consumers react very positively, chances are that this design is good for the moment but will be perceived as outdated or boring in five years' time.

MIR: So, for future-oriented, less-common designs, you need to be a designer to see their potential?

WALTER DE SILVA: Yes, designers are used to thinking in a visionary and out-of-the-box manner. That's their daily business when they exchange ideas about new designs. They need to be able to think ahead and to anticipate future emotional responses to designs. In contrast, consumers are usually unable to predict their future reactions to designs because they will be embedded in a very different context.

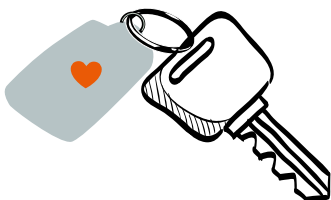
MIR: Do you have an example of a design feature that was negatively evaluated in a clinic but became successful?

WALTER DE SILVA: Audi's singleframe grille! When I introduced the singleframe grille, the clinic's results showed that consumers liked everything about the car but the grille. Nevertheless, the singleframe grille has become one of the most important design features of the Audi brand, and our customers love it now. Audi has received a distinctive face that everybody recognizes and remembers – something very important for a premium brand.

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Design is the key to reaching
the heart of your customer.

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MIR: You just mentioned the important connection between design and branding. Besides giving the brand a face, how else does good design contribute to the brand?

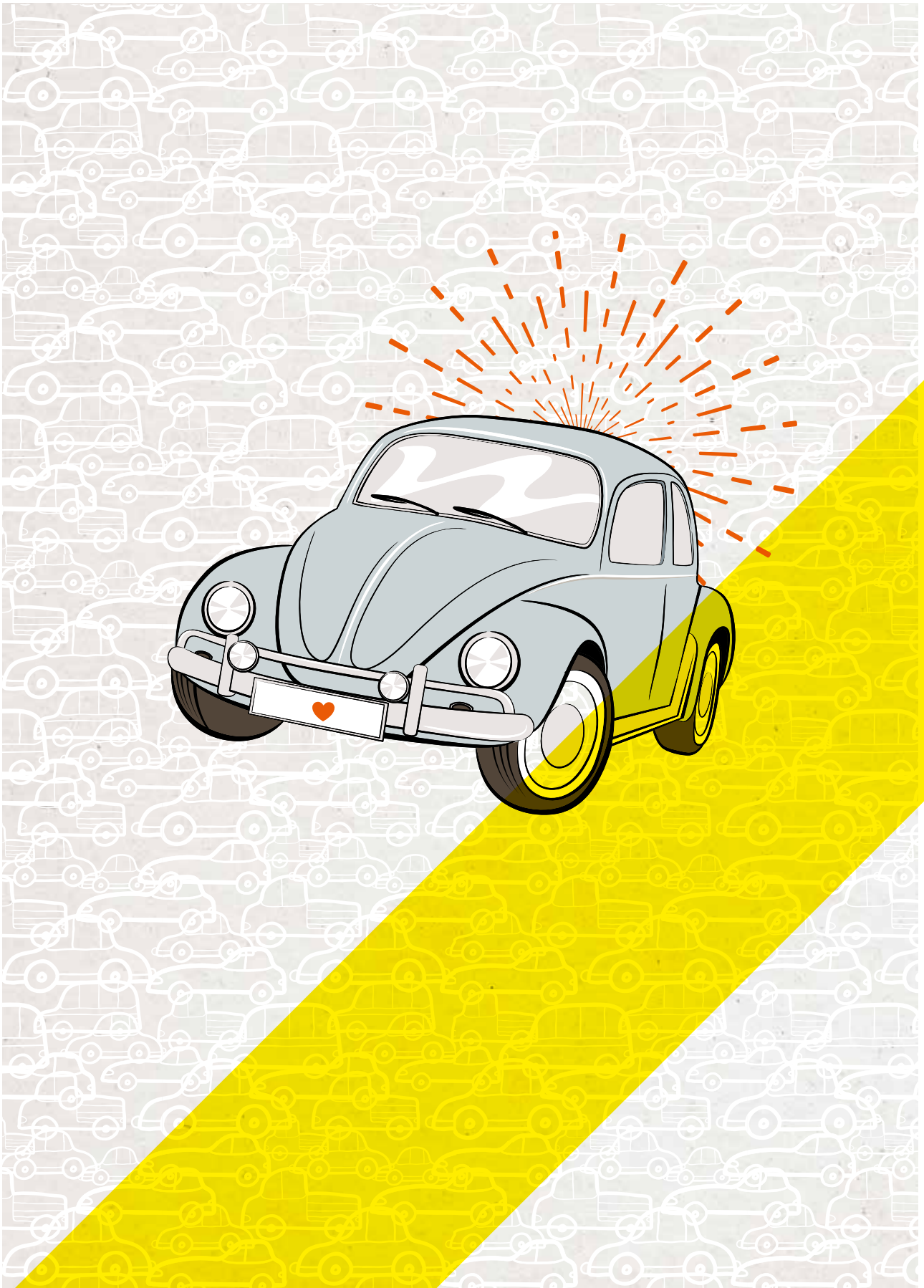
WALTER DE SILVA: Design is the key to reaching the heart of your customer. As an example, think of Audi 30 years ago. Audi has always produced very good cars, which was reflected in the claim "Vorsprung durch Technik." The cars were based on great engineering skills, but they were too rational: made only for the head but not for the heart. It was Audi's new focus on design that added an emotional component to the brand. The combination of strong rational aspects, such as technology, mechanics, ergonomics and functionality, with the emotional power of design makes the brand so successful now.

MIR: Combining different elements of a product for overall success reminds me of the basic Gestalt principle, which states that a whole thing is more than just the sum of its parts. Would you agree that this idea holds true in the context of cars?

WALTER DE SILVA: Yes, definitely. All elements need to work hand in hand to create the best products. And from my experience, the final product is always better than the preliminary sketches along the road. Consumers buy the complete product with all its elements: functionality, quality, design, brand identity, etc. If one part is dissatisfying, a product's success is at risk.

MIR: If the success of a product depends to a large extent on the right combination of brand identity and design, these two elements need to be coordinated very well. How can marketing and design work together successfully?

WALTER DE SILVA: I often experience some tension between marketing and design. I think in order to resolve this tension, interconnected processes should be well defined. You need clear-cut job descriptions, and each side should know its own territory exactly and refrain from entering the other side's territory. Also, appreciation for each other's work is necessary. I have a lot of respect for the work done by our marketing people. In return, I expect the same amount of respect for my design work.



MIR: You mean marketing should not interfere with the designs?

WALTER DE SILVA: When it comes to design, compromise is a bad thing. Compromise leads to weak and unpersuasive designs. We need input from marketing, but the actual design should be done by designers only. Design should perform with confidence, have the necessary creative freedom and not be placed in a defensive position. I collaborate a lot with our marketing people, and in my experience communication is key. If marketing and design stay close and respect the jobs done by the other side, they can grow together and achieve the best possible results.

MIR: What kind of input do you need from marketing to create great design? Could you please elaborate a bit on the market insights you use for your work?

WALTER DE SILVA: We usually sit down with the marketing people to discuss the key elements of the brand identity and its further development. Brand identity and design need to be closely aligned to form an overall convincing product. General trends in consumer preferences are of course an issue as well. We need to know how consumers' lives will change. On a more abstract level, we are very interested in cultural developments. We have observed a trend towards multicultural societies, and that has exciting implications for design.

MIR: Although we just discussed how many different aspects need to be aligned to form a successful product, it would be interesting to hear your rough guess on the role of design. What percentage of a product's success can be traced back to its appearance or design alone?

WALTER DE SILVA: I would guess that it is about 50 %: at least 50 %, probably more. But again, it is hard to tell because design only works when the other aspects of the product are also performing well.

MIR: Does design get enough attention and resources within most companies?

WALTER DE SILVA: Well, more would always be better 😊 ... Seriously, it strongly depends on a company's culture and of course on its Board. I am very happy and grateful to work for a company that is led by Martin Winterkorn. He is the main reason why Volkswagen and Audi have become design-driven companies. He gives us a lot of freedom and the trust necessary to create great designs.

MIR: Can you think of any other companies that have reached their next level through a focus on design?

WALTER DE SILVA: A fascinating example from the past is Braun and the work of Dieter Rams. Rams totally transformed Braun into a design company. Braun without Rams would be nothing. A more recent example is, of course, Apple. Jonathan Ive totally changed the business model of Apple with the creativity of its designs. Apple products create pure desire. This desire is responsible for the tremendous success of Apple. For those companies design is everything. If you stop pushing design, you kill the brand.

MIR: What gives designers the ability to transform brands and companies? What is so special about designs?

WALTER DE SILVA: Design is able to make the product experiential. Everybody can talk about design, but if you hand a pen to a designer, he or she can draw something that becomes real. And design is a very important part of everybody's life. The first thing you see in the morning is probably designed: your alarm clock, your bedside lamp, or more recently your smartphone. The world is full of design. Sometimes, however, even in a world full of design particular designs stand out. They are so special and so strong that their products become brands of their own. Think of the Beetle or the Golf. These products are so iconic that they have – thanks to their design – become their own brands within the brand Volkswagen. This kind of success has the capability to transform a company into a design-driven company.

MIR: You just mentioned examples that are regarded as timeless masterpieces of design. Why do some designs become such classics?

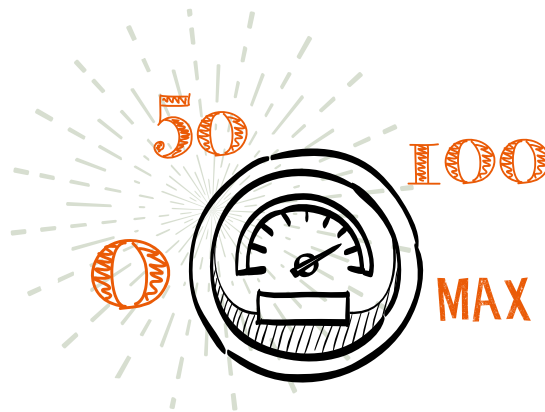
WALTER DE SILVA: What are known as "design evergreens" need a perfect mix of vision and brand culture and a design that possesses the capability to express this brand heritage exactly. If there is a fit, you will immediately recognize that the design feels right. Once established, you can build on it. As a principle, its evolution should be steady and continuous rather than disruptive. If you change too fast, the design heritage and its power get lost. The Porsche 911 is a prime example of a strong mixture of design and brand heritage that has been cultivated over all those years without losing its original appeal.

MIR: Especially strong, expressive designs are often consumed to display one's own personality. How difficult is it for a designer to design for a target segment that is totally different from his or her own personality?

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WALTER DE SILVA: In general, the difficulty of designing for consumers who are similar to versus different from the designer is the same. It is part of the job to extend one's own scope and to adopt different perspectives. This process feeds the designer's creativity.

MIR: You mean a talented designer can design just about anything?

WALTER DE SILVA: No, you need the right people on the right projects. This is why design coordination is so important. There are highly talented specialists for every design aspect. As Head of Design, it is very crucial to recognize these talents and to assign the jobs accordingly.

MIR: How long does it take to come up with good design sketches?

WALTER DE SILVA: You need to set time limits to canalize the creative energy. It is like in a soccer game: Although you could in principle play forever, the game would not become more interesting. You only have 90 minutes to win. This limit helps to focus the energy and to perform. The same holds true for design. Limits help to bring the best creative performance to

light. And like in a soccer game, we designers would also like to win: no second place – we want to create the very best design on the market.

MIR: In soccer games, goals are a clear-cut measure of success. Is it possible to measure good design in an objective way?

WALTER DE SILVA: I am not really into numbers. Numbers are for my colleagues in the sales department. The only measure I consider relevant is time. Time will tell whether a design has been successful or not. While retrospective understanding is possible, predictions based on numbers are very difficult and currently neither very trustworthy nor informative.

MIR: Dr. de Silva, time has certainly proven the power of your designs. We marketing people have high respect for your work and look forward to delivering valuable insights on what inspires your design work. And, believe me, we will also keep working on methods to make design success more predictable. Thanks for sharing your interesting thoughts and insights with us!

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