3. **SYNTHESIS &** CONCLUSION PHASE



3.1 Synthesis & Conclusion

3.1.1 SWOT Analysis

To visualize Gaggenau's current situation and to discover important points for the future, the results from the internal and external analysis have been placed in a SWOT matrix, see Figure 14. The internal analysis resulted in strengths and weaknesses of Gaggenau and the external analysis resulted in opportunities and threats. From this SWOT analysis, the following four strategic implications for Gaggenau were inferred.

Expand Gaggenau to an experience

Gaggenau is advised to extend the brand's association beyond home appliances. It could adapt to the growing trend of experience over possession by shaping a seamless Gaggenau experience across appliances, devices, services and more.

Improve relationships with users

People value individualism and customisation - this applies to customer relationships as well. Currently, Gaggenau is not following an active approach to connecting with its customers and user. By optimizing and adding customized interaction points with the brand, Gaggenau could improve its brand reputation, customer loyalty, and feedback opportunities.

Become more adaptable

To be able to respond more quickly to competitor actions and trends, Gaggenau's mentality needs to become more adaptable. This must be balanced with the need to maintain its stable brand image, since pursuing trends and technologies that turn out to be short-lived can harm the brand reputation. With its current mentality, Gaggenau runs the risk of missing out on developments due to the fear of proposing value that current customers might not like at first.

Offer costly solutions

Since Gaggenau's customers are not particularly price-sensitive, Gaggenau can offer components and technologies that are cost-prohibitive for lower-priced competitors. This opens opportunities for extraordinary solutions. Gaggenau can harness its pioneer reputation to offer lasting value in the currently hectic IoT kitchen market, for example through partnerships.

| Stron | g brand image | |
|------------|---------------|--|
| Desira | ability | |
| Valua | ble history | |
| High | brand loyalty | |
| . . | | |

Pioneer in cooking innovations

German engineering reputation

Customers with low cost sensitivity

Strengths

Opportunities

User experience is a deciding factor

Expectation of service to complement ownership

Customers want to belong to brands

Customers value ethical consumption

Customers want customisation / modularity

The meaning of a kitchen is evolving

Figure 14: SWOT Analysis

Threats

Weaknesses

Competitors already offer connectivity Risk of missing out

Does not yet offer connected technologies

Little feedback from customer maintenance

Low influence at dealer stage in customer

Little relationship with customer after

Uncertainty about future customer

Over confident brand

Long product life cycle

issues

journey

installation

Competitors have shorter life cycles

Vulnerable brand loyalty

Urbanisation (smaller kitchens)

Pioneer complacency

Technology obsolescence

related to their products and a great, personalized customer relationship. Doing so, it will always be important to stick to their founding values: Best quality, longevity and usefulness. Especially the latter is relevant when integrating connectivity to their devices & services to prepare for the growing smart home market. These steps combined will secure Gaggenau as a firmly established luxury brand.

3.1.2 Vision

Our vision for Gaggenau is to expand the customer perception of the brand and it becoming more present in his mind - a Gaggenau culture. To deepen the relationship between customer and brand next to attracting new customers.

This could be achieved by expanding their product-based identity to other cultural domains, new values such as social corporate responsibility, luxurious services

2017

Figure 15

2028

Vision

2022

Transition

2018

Nov

| More nresent | oge Der | next to ownership Brand & products convey a personal butler experience | Personal, connected and intelligent kitchen | "because connectivity will be the norm" |
|--|--|--|---|---|
| Expand the Gaggenau experience into new domains | Luxurious services related to products | Active approach to personalized customer relationship | | Thought out solutions concerning connectivity |
| Oictant | ~ | Product focused | Products: | mainly analog and mechanical |
| Brand berception 2: Three hori: | (customer's view) | Brand Portfolio | | Connectivity |
| | | | | |

3.1.3 Conclusion

This phase has detailed The Collaborative's investigation into internal and external factors relevant to Gaggenau.

As mentioned in the design brief, quoted below, the understanding of luxury will continue to change. Currently, the epitome of luxury is experienced on a non-materialistic level, by fulfilling egocentric needs. On other levels, luxury is about personalization and about being perceived as an individual with unique needs worthy of tailored solutions.

A few pillars of luxury are expected to remain. Luxury will continue to be about conveying status and power. People will also continue to view luxury as the ability to spend time as desired, while living in a spacious, nonrestrictive environment.

IoT solutions can help create and enrich experiences in the luxury domain, implying Gaggenau should not wait to include connectivity elements. This is particularly relevant because the proliferation of smart homes is imminent, creating opportunity for Gaggenau to create new customer expectations concerning home appliances.

Findings from macro trends and interviews reveal that consumers are judging solutions from an increasingly moral perspective, valuing the environment and well-being of others. Furthermore, consumers increasingly want to optimize their physical and mental health, which acts as a new status symbol.

The Collaborative's findings show that Gaggenau excels at maintaining its strong brand reputation, exemplified through a loyal customer base. However, customer interaction dwindles after purchase of products, resulting in less valuable customer relationships, e.g. for product feedback purposes or customer satisfaction.

The challenge of the next phase of the project is to respond to these findings with valuable, futuristic concepts that enable Gaggenau to steadily expand its product-focused portfolio into a holistic luxury culture.

By anticipating a world with changed social, technological, and circumstantial factors, The Collaborative will develop a realistic future scenario in which luxury takes on a new meaning. The main challenge is to propose embodied solutions that enable Gaggenau to promote a new luxury mindset through pioneering technologies.

The Collaborative Design Brief

3.1.4 Next Steps

In the upcoming second phase of the project, The Collaborative will focus on generating concepts to meet the Design Brief. To guide concept generation, a future scenario will be designed, which will embrace futuristic elements of dining and culinary culture in a luxurious context. In this phase, The Collaborative will be guided by insights from the SWOT analysis and by the following three principles.

3.1.5 Guiding Principles

Improve the ability of users to spend their time as desired To cater to the main finding from the interviews that luxury is to be able to spend time as one desires, The Collaborative will steer toward creating solutions that save time when needed, but that also enhance the dining and culinary experience when users desire to invest themselves into it.

Foster motivation for conscious consumption and facilitate transparency into ingredients To encourage the increasingly healthy and ethically-aware lifestyles target consumers are embracing, The Collaborative will be guided to generate concepts that facilitate optimization of nutrition.

Anticipate future macro trends

To design solutions with lasting value, The Collaborative will look beyond the imminent future, informing its design process by identifying and assessing long-term developments.





Future scenario

Guiding principles

3.1.6 New Meaning

As The Collaborative generates concepts, it is likely that new meanings for dining and culinary experiences will be created. These new meanings will be welcomed, as they will provide Gaggenau with opportunities to create a unique, luxurious culture that extends beyond today's understanding of the culinary context, ultimately making the brand more present in people's minds.





Concept generation