Ya’an Grit Utensils Welfare Brand Business model Innovation and Sustainable Design Practice

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Abstract: Taking “MG V Tao” post-disaster reconstruction social innovation as an example, this paper explores the “MG V Tao” black grit brand industry situation, its existing problems, development trend and then proposes solutions through design thinking, with identifying local problems as the primary task and cultural heritage as the core, carry out innovative design and brand design strategy of commercial operations based on Online to Offline local distinctive resources. And combined with project practice, it discusses the business model innovation of non-profit brands based on emotional design. Then business model is built based on target users and market research, and product iteration is achieved through the cooperation between design workshops of several schools and local enterprises, thereby establishing a new business model to promote the sustainable local economic development.

Keywords: social innovation; nonprofit brand; emotional design; business model innovation

1. Introduction

Ever since 2012, global warning has triggered several geologic disasters, which has brought more crisis and problems. Therefore, sustainability-oriented social welfare innovation has got developed, extending from the field of theoretical study to practice field and has got certain achievements.

EMUDE, the sixth framework of EU, puts forward the proposal of exploring the development potential of social welfare innovation from the perspective of sustainability to constantly renew social structure (Cipolla et al., 2010). China’s CCSL comes up with the brand new way of thinking to transfer the focus of the problem from the center of environment to the center of sustainable living style and business model (Gong et al., 2011) such as Carpooling, Purchasing Group, Co-housing, Mutual Neighborhoods, Time Banks and Rediscovery of Bicycle. There are such cases emerging in endlessly, promoting the expansion and development of local cultures

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and industries by collaborating with local government, public service organizations, internal and external enterprises, local residents, interdisciplinary innovation teams as well as community network platform.

2 Current status of business mode of social public innovation brand

In recent years, along with the rapid development of social economy, public welfare establishments have received widespread social concerns and also been facing many opportunities as well as challenges. For instance, the majority of public service organizations have a defective development pattern. There exist numerous problems in the aspects such as design, operation, management, capital and activity norms etc. (Fang et al., 2012). Therefore, how to seek sustainable development mode of public welfare establishments is a problem worthy of studying. The paper has studied worldwide social welfare innovation projects and practice cases of business model innovation of public welfare brand in recent years such as design and social innovation workshop of “New Passage · Huayao Flowers”, Yangtze River public welfare project of “Good Fruit + Medlar”, Deng Fei’s eagriculture plan, design harvests of Tongji University, Zhao’s Kiln in Taiwan, public welfare brand BR Link in Taiwan, US Airbnb, public welfare activities held by Japan’s Osaka Gas and Panasonic as well as social innovation plan of Suwon, South Korea etc. As for the above public welfare innovation projects combined with modern business model, they can basically be summarized as the six procedures: social observation and case study; field visit and problem definition; design strategy and concept development; system construction and solutions; business model innovation; spread, release and promotion of the projects. In this paper, more prominent public brand business mode innovation practice cases are selected and summarized and concluded from operational independence, key business, development mode, value expression and integration five aspects as shown Table 1. It can be seen that non-government organizations after startup period should reduce direct assistance from the government and achieve independent operation; under the premise of public service, combined with practical situation, the internal organization can use innovation business mode to achieve a sustainable development; non-government organizations should carry out key business on the basis of helping social vulnerable groups and based on the local area, continuously seek for the opportunity to expand the field and space; non-government organizations should always take up the mission of public service and reasonably gain the profit; throughout the operation course, non-government organizations should take into account the participation of recipients and the market reaction of provided products and services so as to promote the development of regional industry and improve people’s living standards. This shows that social wel-
fare innovation has gradually transferred from simple material assistance to business level. The combination of public welfare + business can not only improve the market competition environment, but also further propel the development of local industries, ameliorate people’s livelihood and elevate the quality of infrastructure as well as production efficiency of natural resources.

“MG V Tao” is a social innovation teaching and practice project aimed at solving the various problems caused by Ya’an earthquake. Hunan University takes the lead in the design and production by allying with the design strengths of Faculty of Fine Arts of Tsinghua University and Sichuan Fine Arts Institute and cooperating with Ya’an Grit Utensil Workshop, which is aimed at carrying out an innovative study on design method, service system and business model of the local industries on the sustainability-oriented basis, and on how to realize brand spread by virtue of internet platform so as to gradually construct a grit utensil innovative design service platform of “design, collection, cooperative production and brand promotion”.

### 3. Business model analysis lead by emotional design

Mr. John D. Rockefeller believes that the ultimate purpose of public welfare is to...
make recipients independent from any help; on the contrary, public welfare is also harmful. Therefore, public welfare brand needs its own unique business model to achieve sustainable benefits so as to realize a win-win between public welfare and business goals (Ge, 2009). Emotion is the basis of maintaining every relationship between man and man, the bridge built up between human need and action, and also the command of consumer purchase behavior. The essence of the business model of public welfare brand lead by emotion is the innovation process of taking human emotional experience and emotional needs as precondition and primary condition. The paper has worked out a linear structure taking target customer (Customers include recipients and consumers) as starting point by semantically replacing the customer-related factor in business model with customer-centered design method as well as considering formation sequence and importance degree of every factor on the basis of canvas concept of business model by Ostwald & Pinhel (2009), as shown insert Figure 1.

Then, it has confirmed the contents of the business model according to the innovative business model structure. Wherein, the red module is the core factor of the entire business model innovation; the orange one is the O2O business system established around the target users; the green part is the core resource and prime cost of the business model; and the purple one is the value embodiment of the entire system, as shown insert Figure 2.

3.1 Target customers
In the numerous customer groups, “MG V Tao” project team through desk research, field trip and market research and analysis (network, local black sand plant, sand utensil shop, tea utensil shop in multi places, tea shop and tea production place), di-

![Fig. 1 “MG V Tao” business model innovation structure](image-url)
vides the target customer into user and recipient two groups, in which the user is the person who has a certain economic base and a certain understanding of tea culture. This group has a deeper emotional understanding on brands related to tea culture; recipients are local craftsmen and workers.

3.2 Establish business system around target customer
Campbell & Simpson-Bin have defined the brand story as all the ideas, experience and value embodiment of one brand (Campbell and SimpsonBint, 2010). In the era of commercialized flooding, customers expect to obtain more satisfaction in addition to product function out of the consumption. Therefore, if public welfare brands want to enjoy popularity among customers, they can excavate brand stories with cultural connotation on the basis of having perfected product function. By deeply understanding the customer, the team designers ultimately dig out the motivation and deep desire driving people’s behavior and decision-making through a series of brain storm, filtering and sorting, and that is the customer’s requirement. Thereby key business is identified. First, in the era of product homogeneity, the user more expects to enhance the emotional experience. Second, for the recipients, they are chronically lack of communication, exchange and learning with the outside world,
Therefore, “MG V Tao” has presented the development mode based on O2O, excavates brand stories with cultural connotation on the basis of improving product functions and spreads and promotes through Internet platform, as shown insert Figure 3. Design thinking is used to integrate and design local resources so as to provide personalized customization and field experiencing services.

O2O is Online To Offline and refers to combining the offline business opportunity with Internet to make Internet as the offline transaction platform. It requires designers to fully understand the concept, meaning and necessity in organizational ecosystem of the platform and how to run the emotion throughout the internal organization based on the platform to bring value to customers and brands (Volkova and Jakobsone, 2013). “MG V Tao” uses digital approaches to form finished produc-
tion community and sales promotion platform of products and brands design with innovation black sand artifacts as carriers and combined with tea, refreshment, special food, wood, bamboo and other local dominant resources, as shown insert Figure 4. Local various craftsmen and workers are introduced into the industry so as to build the platform of communication, interaction and business between people and people, people and village, village and village. While promoting the industry to upgrade, it can provide more jobs.

In addition, in business model, customer relationship directly determines the win-win form between enterprises and customers. Therefore, the designers should analyze how public welfare brands maintain and add their connection with customers, that is to say, emotional experience brought by the design of creation due to people in the exchange process between humans and things (Liu, 2003). “MG V Tao” business model has introduced the concept of emotional design in the process of design, that is to build up the bridge of emotional exchange and spread among local people in need, enterprises, consumers, designers and business people in the implementation process of the entire business through the design. As shown insert Figure 5, outside people, enterprises and organizations etc. can understand via app the status quo and information of local handicraftsmen, residents as well as enterprises so as to conduct direct communication and offer aid. As shown insert Figure 6, after purchasing the products, consumers can also understand the manufacturing process of the products via product picture album, postcards and instructions, in
which the local people have devoted full emotional sustenance to each and every step. Meanwhile, local big black sand enterprises will regularly provide customers with the opportunities of on-site experience, manufacturing and exchange, launch the service of personalized customization, and share application methods of tea wares, knowledge of tea cultures and customers’ experience feedbacks via internet platform, which is not only beneficial for improvement of products and service, but also makes enterprises and customers form a good and sustainable cooperative relationship.

3.3 Resources and cost
Feasibility is the foundation of designing business model of public welfare brands, so the designers of business model should integrate and take full advantage of obtainable resources via design to reduce the cost as low as possible and perfect business system (Zhang, 2013). “MG V Tao” attaches great importance to environmental protection and resource sustainability. “MG V Tao” applies the local resources fully to products, package and promotion by integrating several local wellknown enterprises lead by Zhu’s Grit Utensils such as Black Sand Manufacturer, Tashan Tea Plant, Ruinan Tibetan Tea, Kongping Bamboo Weaving Processing Plant, Stone Processing Plant, Jinbu Leather Products and Root Carving etc. For example,
we put bamboo shavings and wood flour in the packing boxes to absorb shock. And we carry out the joint-and-relying marketing by working with several local big specialty tea enterprises. Due to the characteristics of the textures, craft masters, workers and designers need to conduct joint discussion in the design process so as to improve the products constantly. Besides, “MG V Tao” has cohosted many black sand experiencing meetings with black sand enterprises so as to discover the problems, promote the product innovation as well as attract the latest outside resources. It is thus clear that the cost structure of Settling Down business model comprises fixed cost, labor cost as well as certain promotion and transportation costs.

3.4 Value embodiment
The most direct value embodiment of business model lies in how much revenue it has brought to the enterprises and their related beneficiaries. Stable revenue is the economic foundation for business model to have a sound progress and also the fundamental of innovation system of business model. The revenue of Settling Down includes: (1) marketing black sand products, accessories, tea leaves and dried fruit; (2) providing customers with personalized design and high-end customization; (3) collecting professional training and onsite experience fees; (4) charging distributors and retailers of certain service fees; and (5) charging advertising companies of certain fees when online platform has been developed to some extent.

4. Study on innovation system of black sand business model in Ya’an
A large number of surveys have shown that reasonable business model design in terms of public welfare brand is beneficial for developing cross-regional and cross-cultural exchange, shaping identifiable regional characteristics, creating employment opportunities and providing more investment climates (Safiullin et al., 2015). Future business model will transform from the profit perspective of marketing and value network of management to people-oriented experience and design, and from attaching importance to product design to service design (Chen et al., 2014).

4.1 Content innovation of business model driven by emotions
Business model of “MG V Tao” brand driven by emotion is established on the basis of satisfying products with high utility function and innovation level, taking customers’ different spiritual needs and expression of emotion as the core of brand
marketing. By virtue of strategies such as brand packaging, sales promotion, advertising campaigns, credit and public praise as well as emotional design etc., we infuse our emotion in all factors of products and service as well as marketing process, endow the original things without life with sensibility via personification and trigger the resonance between customers and brands so as to achieve a spiritual communication. ‘MG V Tao’ business model is customer-centered, which confirms how emotional design runs through and functions in the entire process of business model by analyzing the influence degree of customer factors of customer needs, customer relationship, marketing channels and key businesses in business model. For example, the project team regularly invites experts in related fields to provide aesthetic courses for local craftsmen and workers and teach relevant skills and innovative design thinking. Limited product packaging will be painted by local children left behind. Through the information on the package, users can get contact information for direct financing.

4.2 Business ecosystem based on community platform
The community platform of Settling Down brand refers to target customer groups conducting information and technology communication via internet. By virtue of this platform: (1) product supply and demand parties as well as enterprises with varied fields, industries and cultural background can realize exchange, interaction and cross-boundary cooperation; (2) we have reduced the cost of information search; and (3) we have eliminated business barriers caused by information asymmetry. Moreover, manufacturers can also obtain consumers’ deep needs more directly.

In addition, the platform is beneficial for setting up corresponding management system, protecting the benefits of the participators, and preserving the stability as well as value creation of the entire business ecosystem. Therefore, the designers of Settling Down business model have launched several community platforms for customers and enterprises after fully understanding the concept and meaning of the platform, its necessity in organization ecosystem and how to make emotions run through the entire internal organization on the basis of the platform: (1) Information exchange platform, including communicating with local people to obtain their deepest spiritual needs and provide aid more directly; (2) display platform, including demonstrating Ya’an unique regional cultural resources, handicraft, nature, historical and cultural heritage as well as survey process, after-quake business rebuilding proposals and activities conducted specific to left-behind people; (3) sales platform, including consumers can obtain the latest product updates and directly purchase corresponding products via the website; and (4) service platform, including
the platform provides corresponding information about the products, after-sale repair to some extent and related knowledge training. Moreover, it can offer personalized customization and on-site experience service according to customers’ needs. The establishment of the platforms urges the team to form a business ecosystem lead by emotional exchange internally, constantly innovate, perfect design and improve the products in the process of marketing so as to build up a sustainable and strategic business model structure.

5. Conclusions

The paper has briefly analyzed the innovation design of ‘MG V Tao’ public welfare brand business model of story marketing, swift update, experience promotion, excavation of customers’ deep needs etc. driven by emotional experience and design. It has also constructed the business ecosystem based on network platform as per target customers and market, which has further realized the sustainable development of business model by integrating local resources, enterprises, left-behind people in the way of low cost, high efficiency, cooperation and learning. To some extent, it has provided certain reference and basis for innovation design of business model of future public welfare brand.

Works Cited