Mass Customization: Business Models for Personalization, Customization and Long Tail Markets

Composed and recorded by Frank T. Piller

@masscustom | www.mass-customization.de

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Camera and editing: Wolfram Barodte, RWTH Aachen University
(1) Introduction: Why should we care about managing long tail markets?

Frank T. Piller

www.mass-customization.de
How Endless Choice Is Creating Unlimited Demand

The Long Tail

Why the Future of Business Is Selling Less of More

CHRIS ANDERSON

"Anderson's insights influence Google's strategic thinking in a profound way. READ THIS BRILLIANT AND TIMELY BOOK."
—ERIC SCHMIDT, CEO, GOOGLE
HOW ARE MARKETS CHANGING?

- Car Models: +86%
- Cable TV Channels: +5700%
- Sport Shoe Styles: +3000%
- Items in McDonald's Menu: +300%
- TV Screen Sizes: +200%

% increase of product varieties offered on US market.

LATE 90s vs EARLY 70s
Heterogeneity of needs is not a threat but an extraordinary profit opportunity.
Mass Customization

Profiting from exploiting heterogeneities across customers' needs.

Producing goods and/or providing services to meet individual customer's needs with near mass production efficiency. (Tseng/Jiao 2001)
(2) Case Study: Mass Customization at Reflect.com (P&G)

Frank T. Piller
www.mass-customization.de
What is mass customization? *

**Mass production:** Generating profits by serving large pools of customers via standard products

**Mass Customization:** Generating profits by exploiting heterogeneities across customers’ needs

*The following slides are based on Salvador (2009) and Salvador & Piller (2009)*
Motivation for mass customization for P&G / reflect.com

- Seeking opportunity to enter upper market segment
- Utilize capabilities of the internet, get experience in e-commerce
- Several concept test / customer focus groups
- Idea to mass customize cosmetics was "best performing focus group idea ever"
True Custom Beauty created just for you

HOT SUMMER necessities
Custom Beauty Solutions – to "summer-proof" your skin & tresses

awaken your hair
Get the look you love every day with Custom Nutrifusion Haircare.

summer color
Three sizzling must-have color collections for summer.

nutrifusion moisturizer
Update your moisturizer with SPF 15.
$35

our promise
We unconditionally guarantee your delight.

Our Promise: FREE re-customization • money-back guarantee • no product returns necessary
Concierge Service: (800) 243-2288 (11 a.m. to 7 p.m. EST Monday through Saturday) or service@reflect.com
Your solution includes:
* Consultation beginning with your desired look
* Nutrient infused custom formulas
* Custom styling tips and tricks

nutrifusion
haircare: build volume
consultation

How would you describe the texture of your hair?

help
Medium

How thick or full is your hair?

help
An average fullness

How long is your hair?

Chin length

How does your hair look when you let it air dry?

Wavy

How would you describe your hair?
Your customized Volumizing Solution includes your Daily Essential Shampoo, Light Conditioner, and Amplifying Mist Hair Spray, formulated with the nutrient infusions your hair needs for beautiful body and lift everyday. Plus, we give you the custom styling tips to show you how to do it. Awaken your hair’s ultimate potential with Custom Nutrifusion Haircare.
Benefits of mass customization for reflect.com

- new differentiation possibilities
- value competition instead of price
- reduced planning risk, increased flexibility
- new cost structures
- reduction of inventory, fashion risk
Benefits of mass customization for reflect.com (II)

- new dimensions of shopping experience
- real customer relationship management
improvement and fine tuning of configuration

second (third …) order

and fine tuning of configuration

customer feedback, reaction

continuous optimization

fulfillment of individual order

(storage of customer data and configuration)

(configuration of product or service)

(first) configuration of product or service
(first) configuration of product or service

improvement and fine tuning of configuration

customer feedback, reaction

continuous optimization

storage of customer data and configuration

fulfillment of individual order
Benefits of mass customization for reflect.com (III)

- customer knowledge
- life panel without panel effects
- “lead customer” information
- higher market research efficiency
Advantages of Mass Customization

- Customized products and services will differentiate against traditional products
- Customers are willing to pay large premiums for a product that fits better
- Satisfied customers will provide a lot of referrals
- Additional sales by opening up new consumer groups, obtaining higher profits
- No inventory, no risk of unwanted products; but also no products out of stock
- Companies will build a closer relationship with their clients and distributors
Mass Customization Basics: Definition and Market Trends

Frank T. Piller
RWTH Aachen, Technology & Innovation Mgmt Group
M.I.T. Smart Customization Group
Mass Customization

Profiting from exploiting heterogeneities across customers' needs.

Producing goods and/or providing services to meet individual customer's needs with near mass production efficiency. (*Tseng/Jiao 2001*)
Customers are not buying products, but a bundle of preferences combined in one market offer. **MC offers them to get exactly their "ideal point".** **MC value for customers = not having to compromise.**

*Chamberlin 1962:* Theory of monopolistic competition based on diverse customers’ needs;

*Lancaster 1966:* Customers are looking for ideal solution (i.e. a bundle of product characteristics and services),

*Buying decision dependent from meeting / distance to "ideal point"*

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<table>
<thead>
<tr>
<th>Item</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
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<tbody>
<tr>
<td>form</td>
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<td>price</td>
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<td>body</td>
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</tbody>
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A path of industrial development

And where is this being applied?
Repositories of MC Offerings

EXPLORE THE WORLD OF CONFIGURATORS!

The Configurator Database Project was started in 2007 with the aim to give an overview about the world of web-based customization tools. Updating the content and adding new configuration solutions continuously this platform grew to the biggest online collection of configurators with more than 900 entries listed and categorized in 16 different industries. Video interviews and definitions extend the understanding of configurators and mass customization.

Feel free to contact us via Facebook, Twitter, email or letter if you found missing web-based configurators and help us to keep the spirit of configuration alive.

<table>
<thead>
<tr>
<th>NEVEST</th>
<th>MOST POPULAR</th>
<th>MOST EXOTIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Zoara</td>
<td>Ring</td>
<td>Accessories</td>
</tr>
<tr>
<td>2 aletoware.de</td>
<td>PC</td>
<td>Electronics &amp; Media</td>
</tr>
<tr>
<td>3 JasonL</td>
<td>Furniture</td>
<td>House &amp; Garden</td>
</tr>
</tbody>
</table>
Eine der häufigsten Fragen in Gesprächen und Interviews zum Bereich der personalisierbaren Produkte ist, ob auch schon größere Unternehmen auf diesen Trend aufmerksam geworden sind und ein eigenes Angebot bereit stellen. Gemeint sind damit große Konzerne die bereits ohne personalisierte Produkte ein erfolgreiches Geschäft aufgebaut, ihre Marken weltweit etabliert haben und diese jetzt den Kunden auch […]
Apparel and home products lead the categories included in the configurator-database.com

Industries of the configurator database (n=900)
Pneumatic automation & Electric drives
Mass customization is (finally) there
Making it personal: Rules for success in product customization

By providing customization, brands raise loyalty at a time when it's more important than ever.

By Elizabeth Spaulding and Christopher Perry
The idea of mass customization is much larger than products.
Still searching for the right credit card?

Check out our personalized CC contracts.
Personalized Mobility

Egal wann und wohin unterwegs: mit moovel optimal von A nach B kommen.
Personalized Health
Personalized Education
3D Printing is a MC market
Mass Customization Thinking
But just doing it is not enough …
You Can Customize Coffee, Granola, Suits, And Shoes--But Does It Mean You Should?

BY VEERAL RATHOD | FEBRUARY 5, 2013

Custom product options have grown far beyond leather interiors and soy macchiatos. The cofounder of luxury menswear company J. Hilburn weighs the pros and cons of jumping into on-demand service.

Technology has changed the face of retail to such an extent that it is becoming possible for consumers to get just about whatever they want, however they want it. Sometimes this means creating an experience that can be shared with others. This is especially true of the on-demand market.
(4) Strategic Capabilities for Mass Customization

Frank T. Piller
RWTH Aachen, Technology & Innovation Mgmt Group
M.I.T. Smart Customization Group
Analysis of resources and capabilities to establish core competences $\implies$ Perspective of the Resource Based View of the firm (Wernerfeld, Barney, Teece)
Three capabilities of mass customization

- Portfolio of customers
- Portfolio of capabilities/resources
- Individual customer

Choice Navigation

Customer-specific solution

Solution Space Dvlpm.

Robust Process Design

Customer-specific value chain
ROBUST PROCESS DESIGN

Portfolio of customers

Portfolio of capabilities/resources

Individual customer

Customer-specific value chain

Customer-specific solution
CAPABILITY #1:
ROBUST PROCESS DESIGN

Capacity of the organization to reuse and/or recombine its resources to address variability in customers’ requirements,

→ ensuring resource efficiency
→ ensuring delivery reliability
as in a mass production system

Flexible automation
Process + Product Modularity
Adaptive human resources
A major challenge of mass customization is to balance between productivity effects of pre-fabrication and flexibility gains of postponement.
### Possible degrees of customer integration

**Order de-coupling point**

#### Hard Customization

<table>
<thead>
<tr>
<th>Engineering</th>
<th>Manufacturing</th>
<th>Final assembly</th>
<th>Sales/order</th>
<th>After sales</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>engineer-to-order (co-development)</strong></td>
<td><strong>made-to-order</strong></td>
<td><strong>assemble-to-order</strong></td>
<td><strong>match-to-order / locate to order</strong></td>
<td><strong>bundle-to-order adaptable products</strong></td>
</tr>
<tr>
<td>Customer co-design of product/service, followed by customized made-to-order.</td>
<td>Manufacturing of customized products including component manufacturing.</td>
<td>Assembling of products/services from standardizes components/process blocks.</td>
<td>Selection of existing (standard) products or services according to customer requirements.</td>
<td>Bundling of existing products/services to customer-specific product. -- Postponing into the user: Adaptable products</td>
</tr>
</tbody>
</table>
Flexible (digital) manufacturing

Flexible automation
Process + Products Modularity
Adaptive human resources
ROBUST PROCESS DESIGN

Flexible automation

Process Modularity

Adaptive human resources
CHOICE NAVIGATION

Portfolio of customers

Portfolio of capabilities/resources

Individual customer

Customer-specific solution

Customer-specific value chain
CAPABILITY #2: CHOICE NAVIGATION

Capacity of the organization to create models of how customers construct their preferences and/or evaluate the offerings of the supplier against their preferences

→ choice complexity minimized
→ enjoyment of the search process is maximized
CHOICE NAVIGATION

Elicitation  Behavioral choice models  Embedded configuration
A fundamental problem of product development is to identify what customers (really) want (as need information is "sticky")

Engineer to order

- consultation
- custom design
- drawings
- feedback

manufacturer domain (locus of solution information)

customer domain (locus of need information)

iterations

Based on Thomke / von Hippel 2002
A fundamental problem of product development is to identify what customers (really) want (as need information is "sticky")

Consultation

Custom design

Drawings

Feedback

Advanced development

Design

Build (prototypes)

Test (feedback)

Mass Production

Engineer to order

Customer domain (locus of need information)

Manufacturer domain (locus of solution information)

(iterations)

Based on Thomke / von Hippel 2002
The idea of a mass customization toolkit is to get access to an artifact representing the customers’ needs.

Engineer to order
- consultation
- custom design
- drawings
- feedback
- iterations

Mass Production
- advanced development
- design
- build (prototypes)
- test (feedback)
- iterations

Mass Customization
- advanced development
- design
- build (prototypes)
- test (feedback)
- iterations

Based on Thomke / von Hippel 2002
ZOOM TOTAL 90 SUPREME TK TF/IC iD
$100.00
THE PRODUCT VARIETY PARADOX

Customers are confused by the increase in product variety

Firms increase product variety to increase sales (or profit)

Firms lose potential sales (and/or profit)
PRINCIPLES FOR DESIGNING AN EFFECTIVE PROCESS OF INTERACTION WITH THE CUSTOMER

[1] STRUCTURE the process
[2] REPRESENT the product
[3] DELIMIT the options
[4] COMMUNICATE value
[5] INTERACT with customer

HELP THE CUSTOMER TO FIND HIS/HER “SOULTION”

LEARNING
<table>
<thead>
<tr>
<th>Design parameters suggested for successful toolkits</th>
<th>% of toolkits showing feature in MC500</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide &quot;help buttons&quot; leading to meaningful information</td>
<td>59</td>
</tr>
<tr>
<td>Provide rich Illustrations of the product</td>
<td>55</td>
</tr>
<tr>
<td>Provide short-cuts through attribute space</td>
<td>39</td>
</tr>
<tr>
<td>Provide multiple access points for customization</td>
<td>30</td>
</tr>
<tr>
<td>Allow consumers to save their designs</td>
<td>27</td>
</tr>
<tr>
<td>Explain the product attributes and how they map to design parameters of the product</td>
<td>20</td>
</tr>
<tr>
<td>Show the distribution of design parameters and product attributes across the consumer population</td>
<td>11</td>
</tr>
<tr>
<td>Provide novice consumers with needs-based interface, and expert users with parameter-based interface</td>
<td>3</td>
</tr>
<tr>
<td>Allow for side-by-side comparison</td>
<td>2</td>
</tr>
</tbody>
</table>

Sources: Randall et al. 2005; Piller & Salvador 2013; Walcher & Piller 2012
Bivolino.com: Landing Page

DESIGN YOUR CUSTOM TAILORED SHIRT ONLINE WITHOUT TAPE MEASURE

Main claim of differentiation: “Custom shirts without measurement tape”

(in general we learned from many MC retailers to stress the option to customize a product very clearly and boldly... Otherwise consumers seem not to get the message)
Different pricing options for repeat purchases:

- Order samples
- Shirt subscription / Club membership (auto replenishment)
- Affiliation marketing
Gallery / catalog of pre-configured items

Once you “mouse over” a picture, the illustration changes from full shirt mode to this including more info and price! Encourages discovery.

Created by “other user”

Can be ordered as is, or placed into configurator as starting configuration
Choose a fabric
Choose your shirt's fabric using the drop-down menu. Then click on a fabric swatch to see it on the shirt designer.

Collection & Price:
- All

Colour:
- All

**Business Shirt**

Tradition Roc 2

Roc 2 is a Easy-iron Easy-Care 100% Cotton fabric from the Traditon collection. This Check Poplin fabric has a Lilac mix colour.

Density: 80 g/m²
Weight: 105 g/m²

Go to DESIGN
Process bar, also allowing different sequence by user (“Short cuts”) – all options are always filled by a default

Consistent listing of customization options per configuration step

Deeper product information / Nice visualization of technical details per option

Social media integration, including Pinterest!

2D visualization realtime, configured item; picture is rendered, not photorealistic, but sufficient quality for user to make purchasing decision

Redundant buttons, but helpful, too (as users also can click process bar on top)

Special help for first time buyers

Business Shirt
Tradition Roc 2
Roc 2 is an Easy-iron Easy-Care: 100% Cotton fabric from the Tradition collection. This Check Poplin fabric has a Lilac mix colour.
Marks and Spencer, Custom Shirts powered by Bivolino

http://www.marksandspencer.com/Made-to-Measure-Shirts-Mens/b/63593031

Overview of configurations steps, good approach to manage expectations
Variable pricing for options (here: special color of sleeve fabric)

Consistent listing of customization options per configuration step

Process bar, also allowing different sequence by user ("Short cuts") – all options are always filled by a default

2D visualization realtime, configured item; picture is rendered, not photorealistic, but sufficient quality for user to make purchasing decision

This sub-menu moved in the relaunched Bivolino configurator below the main process bar.

Variable pricing for options (here: special color of sleeve fabric)

Redundant navigation (as users also can click process bar on top), but clear signal of next step
Marks and Spencer

Deeper product information:
Nice visualization of technical details per option
Marks and Spencer

M&S Made to Measure
Design your own shirt

Fabric > Design > Monogram > Sizing > Extra

Collar
Choose a collar. Click on each style to see it on the shirt designer.

- Classic Point
- Italian Semi-Spread
- Half Cutaway
- London Forward Point
- Torino Large 2 Button
- Wing
- Round Lincoln
- American Button Down
- Classic Retro Soft

Now you can add some extra features to your collar.

- Epaulettes
- White collar (£3)
- Removable bones (£2)

Optional pricing
Simple but useful illustration of options
Fitting algorithm: Different to most competitors in the market of custom shirts, the supplier of M&S has a proprietary fitting algorithm: Instead of requiring 12 measurements which sometimes are difficult to acquire, here the user only needs to provide 5 data points. Out of these, the supplier can generate a custom fit with very accuracy.
Simple instructions / sketches to illustrate proper handling
Bivolino fitting algorithm

Fitting algorithm on relaunched Bivolion.com site-
Good mouse over to give additional info.

Nice switching between metric and imperial measurements.

Signaling to get buyer’s trust in most critical situation of custom shirt purchasing process: “Will the shirt fit??”
- 100% Guarantee
- Patent Pending Technology
- More Information option
The fabric is used as a proxy for the final product. I would have preferred, however, to see here the fully configured product.

View of shopping cart, specifying exact configuration. Challenge here is that this view should be integrated into general shopping cart of M&S, regularly only displaying standard catalog items.
CHOICE NAVIGATION

Elicitation

Behavioral choice models

Embedded configuration

>500.000.000 “semillas”
>4.000.000.000 interacciones
>1.000.000.000 thumb feedback
The elements of the booster system can communicate to each other so as to avoid "illegal" configurations during installation, while simplifying the task of configuring the system.

Ease of re-configuration when life-cycle requirements change.
The other dimension of choice navigation: Turn "burden of choice" into customer experience
An experiment on the benefit of customization for consumers (expressed in their willingness to pay (WTP)) (Franke / Piller 2004)

The basic toolkit allows 648,000,000 design variants …

- 30 hour / minutes hands
- 150 faces
- 60 cases
- 30 straps
- 30 seconds-hands

... and our calculations show that customers use this huge solution space extensively.
Mass Customization yields an impressing value increment to users

Mean willingness to pay

- Bestselling standards: €21.5 (126% increase)
- Self-designed watch (toolkit): €48.5
- “Ideal” watch (perfect toolkit): €92.0 (90% increase)

n = 165
Mass Customization yields an impressive value increment to users

Recent research explains 50% of additional willingness-to-pay in BtoC mass customization by process satisfaction and hedonistic benefits

Why this increase in WTP?
- Product satisfaction - “fit”
- Uniqueness
- Process satisfaction
  - “flow”
  - pride of authorship
  - peer recognition
  - emotional factors

Mass Customization yields an impressing value increment to users
Mass customization meets user innovation …
Mass Customization (high variety) yields an impressing value increment to users – and also to buyers of standard products: non user-designers liked the user-designs a lot …
One more thing:

Configurators for “match to order” rather than customization
from our users...
Wow, what a great site. One of the best fits they picked for me is a pair I already own and love. They are the most expensive pair of jeans I own but I feel so great when I put them on! I also got a few other good suggestions that aren't as high priced.
— Ann, NC

more testimonials

Want great jeans?
A few simple questions and we'll find the ones that fit you best.
> Get my jeans

Deep in denim
See fit tips, our top picks and the latest trends.
> Read all about it

Honest and accurate:
We don't work for brands, and we don't sell jeans.
Increasing assortment productivity (Piller & Salvador 2007) by establishing “match to order” instead of investing in costly on-demand or quick response systems.
WE DEDICATE A LOT OF TIME TO YOU.
PLEASE MAKE AN APPOINTMENT.
SOLUTIONS SPACE DEFINITION

Portfolio of customers

Individual customer

Customer-specific solution

Customer-specific value chain

Portfolio of capabilities/resources
CAPABILITY #3:  
SOLUTION SPACE DEFINITION

Ability of the organization to identify the idiosyncratic and unexploited needs and preferences of each individual customer, … so as to satisfy each single customer’s needs

→ outcome is the range of options and customization features

Market research
Analysis of user-generated data
Analysis of past configurations
Mi adidas CREATE YOUR OWN

1. ESCOGE UN MODELO
2. PERSONALÍZALO
3. CRÉALO

mi adidas | GOLF | mi adidas | TENIS | mi adidas | FUTBOL | mi adidas | RUNNING | mi adidas | BALONCESTO | mi adidas | ORIGINALS

mi Powerband 3.0 | mi Barricade 6 | mi F50 adiZero | mi Supernova Sequence 3 | mi EQTN | mi Samba
SOLUTIONS SPACE DEFINITION

HOW DOES SPORT FOOTWEAR CREATE VALUE TO THE USER?

SOLE
(width, load distribution, ...)

COLOR COMBINATIONS

STYLE

SIZE

Innovation toolkits (market research)

Analysis of user-generated data

Analysis of past configurations
What is the value proposition of mass customization?

What the “job for the customer”? 
Job-based thinking for innovation

“People don't want to buy a quarter-inch drill...”

...they want a quarter-inch hole!”
- Theodore Levitt

Solution
What?

Job
Why?

And they want this hole without
► getting hurt
► falling from a ladder
► having to clean up
► drill a crooked hole
► ...

J
Job-to-be-Done
Context-specific problem facing a customer

O
Objectives or Outcomes
Functional, emotional, social metrics

B
Barriers
Factors inhibiting getting job done (pains / gains)

S
Solutions
Products, services, compensating behaviors

Read on: M.W. Johnson: Seizing the white space, 2010
My advice:

Start with Solution Space Definition — what is the “job” customization is doing for your customers — and so for your business!
Ability of the organization to identify the idiosyncratic and unexploited needs and preferences of each individual customer,

... so as to satisfy each single customer’s needs

→ outcome is the range of options and customization features
Market research: Using “clever” methods of asking with (potential) customers to understand what they want from an offering (“Job based thinking”)

Challenge: All conventional market research methodology is created to find similarities among customers (to segment them, define varieties, etc.)
SOLUTION SPACE DEFINITION

- Some customer that do not find what they want start to develop their own solutions -> so called “lead users”
- Today, the internet provides opportunities to learn from these customers -> Netnography is a method to learn from user-generated data online, co-creating with customers another.

- *Link to user innovation research and practice*

### SOLUTION SPACE DEFINITION

- Market research
- Analysis of user-generated data
- Analysis of past configurations
SOLUTION SPACE DEFINITION

- Mass customizers have a unique source of data to create better solution spaces: Analyzing past configurations
- **Order analysis**: Distribution of selected options per parameter
- **Log-file analysis**: Which options have been considered, but not chosen? Which have been never considered?
- Interestingly, only very few companies utilize this data.
How does mass customization create value?

OR

Why these 3 capabilities and not 4 of 5?
How does mass customization create value?

For any strategy (not only MC):

- Gross Utility to the customer
- Net value generated
  - Acquisition cost
  - Search and evaluation cost
How does mass customization create value?

Gross Utility to the customer

$\delta_{GU}$

$\delta_{AC}$

$\delta_{SEC}$

Net value generated

Acquisition cost

Search and evaluation cost
How does mass customization create value?

Mass Production strategy

- Gross Utility to the customer
- Acquisition cost
- Search and evaluation cost
- Net value generated

Mass Customization strategy

- Gross Utility to the customer
- Acquisition cost
- Search and evaluation cost
- Net value generated
How does mass customization create value?

Solution space definition

ΔGU

Gross Utility to the customer

ΔAC

Acquisition cost

ΔSEC

Search and evaluation cost

Net value generated

Robust process design

Choice navigation
CREATING VALUE WITH MASS CUSTOMIZATION – THREE CAPABILITIES

SOLUTION SPACE DEFINITION
[Understand customers’ idiosyncratic needs]

ROBUST PROCESS DESIGN
[Reuse and/or recombine organizational resources to fulfill different customers’ needs]

CHOICE NAVIGATION
[Customizing without confusing the customer]
(5) Implementation of a Mass Customization Business Model

Frank T. Piller

RWTH Aachen, Technology & Innovation Mgmt Group
M.I.T. Smart Customization Group
One last word of warning
Levi's Original Spin
create your own jeans
1. Take your measurements.
The Wall Street Journal, June 2000

“In fact, the one bright spot in its entire financial picture is its custom-clothing operation, which is growing meteorically. Levi's recently predicted that customized clothing will account for 25 percent of its sales by 2004, and plans are in the works to aggressively expand the company's customization programs.”
* 1994
† 2003
Reasons for un-success of Levis’ Personal Spin

Remained "pilot" for PR purposes for ten years, missed critical point to scale-up system

Lack of real business model

no stable interaction system

no help or consultancy -> to high complexity

no feedback gathering, no knowledge transfer from customization to mass production

Lack of top management support
* 2001
† 2005
Reasons for closing Reflect as a separate business

Complexity of sales systems, pure online model did not work

Too high price point for “no-brand”

Trust building, no utilization of billions of $ investments in established brands

Little feedback to established brands, organizational borders

→ Customization provides no benefit per se, integration is crucial for success!
Don't forget the *mass* in mass customization.

Get top management support.

(it may start bottom-up, but has to be executed top-down.)

Or be the top management by launching your own MC startup.
Mass customization is not a technology or strategy, but a mindset.
Heterogeneity of needs is not a threat but an extraordinary profit opportunity
Contact

Frank T. Piller, Prof. Dr.

Head of the RWTH Technology & Innovation Management (TIM) Group

School of Business & Economics. RWTH Aachen University
Research Area Technology, Innovation, Marketing & Entrepreneurship
Kackertstrasse 7 | 52072 Aachen | Germany

Tel. +49 (0)241 809-3577
piller@time.rwth-aachen.de
@masscustom (Skype, Twitter, Facebook)

time.rwth-aachen.de/tim
frankpiller.com

Expertly assisted by Monika Heer, heer@time.rwth-aachen.de