

## Mass Customization Short Class 29.-30.11.2007

"Principles of Mass Customization & Customer-Driven Value Creation"

Place: University of Tampere, New Library Building Linna (lecture room: LS K113)

Time: Thu 29.11.2007 2:00pm - 7:00pm

Fri 30.11.2007 8:00am - 4:30pm.

### Course description and goals

#### Customer Co-Design and Mass Customization

The manufacturer's nirvana is to develop and produce exactly what its customers want and when they want it and to do this with no risk of overstocks or inventory. An increasing heterogeneity of demand and a rapid change of trends and preferences however prevent many companies to reach this state easily. The presentation will discuss recent strategies how firms can cope with this challenge. Mass customization refers to a customer co-design process of products and services which meet the needs of each individual customer with regard to certain product features – and the manufacturing of these custom goods with mass production efficiency.

The opportunities that mass customization opens up to companies have been theoretically explored and empirically demonstrated by research. Several companies, such as Dell, Adidas, Capital One, etc. are already successfully operating after this new business model. However, as we witness a number of well-financed mass customization operations being phased out, we are also reminded of the challenges of implementing mass customization. Using several case studies, this class will discuss the theory behind mass customization, success factors of its implementation, but also how this approach supplements other strategies of customer integration in innovation and corporate value creation.

### Instructor and contact information

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<http://design.mit.edu/smartcustomization/>  
<http://www.mass-customization.de>  
<http://mass-customization.blogs.com>

**Reading material: (required/additional reading)**

**Required:**

Gilmore, James H. / Pine, B. Joseph II (1997). The four faces of mass customization. Harvard Business Review, 75 (1997) 1: 91-101

**Optional:**

Kotha, Suresh (1995). Mass customization: implementing the emerging paradigm for competitive advantage. Strategic Management Journal, 16 (1995), Special Issue 'Technological transformation and the new competitive landscape': 21-42

Franke, Nikolaus / Piller, Frank (2004). Toolkits for user innovation and design: An exploration of user interaction and value creation. Journal of Product Innovation Management, 21 (2004) 6 (November): 401-415

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**THURSDAY 29.11.2007**

Time	Contents
14:00 to 14:30	<b>What are we talking about?</b> § Introduction to course module § What is mass customization – and what not
14:30 to 15:00	<b>Mini Case: Adidas' way into mass customization</b>
15:00 to 16:30	<b>The consumer perspective: Why do customers want custom goods – and what are they willing to pay for it</b> § The mass customization value chain § The differentiation option § Dimensions of customization; Fit, Form, Function § Customization in business-to-business industries
16:30 to 18:00	<b>Webinar Participation: The Next Gen of Mass Customization</b> User Manufacturing, Instant Companies, and Customer Co-Creation: How a new infrastructure is enabling consumers to become instant manufacturers – and your future competitor
18:00 to 19:00	<b>Discussion of User Manufacturing and Next Generation Mass Customization Strategies</b> <b>Class Assignment (Preparation of short assignment until next morning)</b>

*Note: Times include breaks according to preferences of class.*

**FRIDAY 30.11.2007**

Time	Contents
08:00 to 09:30	<b>Discussion of Case Assignment / Presentations</b> § Short presentations by participants § Discussion of results
09:30 to 11:00	<b>Manufacturing &amp; supply chain systems for mass customization</b> § Product design for modular architectures § Flexible manufacturing systems § The promise of rapid manufacturing § Mass customization supply chain management & logistics
11:00 to 14:00 (including lunch time)	<b>The customer frontend: Toolkits &amp; Interaction systems</b> § Elements of good toolkits for customer co-design § A customer perspective how toolkits provide value – and how not § Integrating MC toolkits in the firm's relationship marketing strategy (CRM)
14:00 to 15:30	<b>Strategic alignment of mass customization with corporate strategy</b> § Mass Customization Strategies § Mass customization alternatives
15:30 to 16:30	<b>Resistance to Change &amp; Managing Change for Mass Customization</b> § Why is it often difficult to innovate – and to introduce mass customization § Micro-motives versus the common good § Strategies to unstuck your mass customization implementation

*Note: Times include breaks according to preferences of class.*