

# MASS CUSTOMIZATION NEWS

A Newsletter on Mass Customization, Personalization, and Customer Integration, edited by Frank T. Piller, MIT and TUM

[www.mass-customization.de](http://www.mass-customization.de) • Vol. 8 (2005), No. 1 • January 2005

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**The 2005 World Congress on Mass Customization and Personalization will take place in Hong Kong from 18-20 Sept 2005, followed by a mass customization study tour to Hangzhou, China, on "MCP in China" (22-23 Sept 2005)**

**More information: [www.mcpc2005.com](http://www.mcpc2005.com)**

## The 2005 Mass Customization Year: MCPC 2005 and more

I hope you had a good start into the new year. For me, it will become an exciting year at an exciting new place: I will be based this year at the **MIT Sloan School of Management** in Cambridge (Boston), MA, USA, working in the area of open innovation and innovation management, but also following the mass customization debate here in the USA and in other parts of the world.

I will, however, stay closely connected with TUM Business School, my European home base in Munich, and the large "Customer Driven Value Creation" research group there. My e-mail will be the same as before, so contact me at [piller@mass-customization.de](mailto:piller@mass-customization.de).

My new phone number for any enquiries: +1 617 230 3748.

But also some very exciting events are coming up in 2005: First of all, the **3rd World Congress on Mass Customization and Personalization (MCPC 2005)** will take place from 18-20 Sept. 2005 in Hong Kong,

followed by a mass customization study tour to Hangzhou, China, on "MCP in China" (22-23 Sept 2005). Make sure that you reserve these dates in your calendar. The two previous events have been large successes, with several hundreds of participants and speeches and presentations about all aspects of mass customization.

There will be also great **pre- and post-conference workshops** in Hong Kong to extend your MC knowledge (Sept 18 and 21, 2005).

The conference is organized by the **International Institute of Mass Customization and Personalization (IIMCP)**, and will be co-chaired by Prof. Mitchell Tseng, HKUST, and me. In this year, its focus is on **bridging mass customization and mass production**. Successful companies are combining both strategies in a unique manner. However, all other aspects along the mass customization value chain will be on the agenda of the conference as well.

More information on the MCPC 2005 can be found on <http://www.mcpc2005.com> (the web site will be updated in the next weeks, so check back regularly). And: Hong Kong and the great campus of HKUST, where the conference will take place, are worth a trip alone (also bring your kids: Disneyland Hong Kong will open early September 2005).

To increase the experience, we offer an optional **trip to China** (Hangzhou), where a number of Chinese manufacturers will demonstrate their mass customization capabilities. In this town, about two hours south of Shanghai, Prof. Tseng's Mainland China branch of his HK Advanced Manufacturing Institute (AMI) is based, making it to one of the premier research hubs of China.

**But most importantly: The MCPC 2005 is a conference to share your thoughts and discuss your ideas. So consider not only to participate, but also to suggest a topic for a presentation and submit a paper and speaking proposal until March 2005.**

**More information at the end of this newsletter.** I hope to meet many of you again in Hong Kong!

However, also a number of **other mass customization meetings** on specialized topics will take place in 2005, organized by other scholars from the international mass customization community (see below for a call for papers). They might offer an focused addition or alternative for everyone who does not want to travel to Hong Kong.

A final note on an event that might interest all **management scholars** in my readership: TUM Business School is hosting this year's **EURAM conference** (May 4-7, 2005) in Munich. The **European Academy of Management** is a professional society for scholars in the field of management. EURAM aims to be an open, international and multicultural European forum for networking and research in general management, strategy, corporate governance, organizational theory, organizational behavior and decision-making. EURAM emphasizes multidisciplinary theoretical perspectives and methodological pluralism as well as critical examinations of the historical and philosophical roots of management theory and practice.

I liked their meetings very much, and EURAM has become one of my favorite conferences. So if you are from this field, consider to participate. This year's topic is "Responsible Management in a Uncertain World".

All information at [www.euram2005.de](http://www.euram2005.de).

I wish you all a very good, customized and successful new year!



**Some rights reserved: A new publishing license for this newsletter**

Starting from this issue, this newsletter will be published under a new kind of **publishing license** ("Creative Commons License") that shall encourage the sharing of knowledge and diffusion of information. **Creative Commons** (<http://creativecommons.org>) is a new system, built within current copyright law, that allows authors to share creations with others and use music, images, and text that's been marked with a Creative Commons license.

It fits in the **discussion of open innovation** addressed in earlier issues of this newsletter: "Too often the debate over creative control tends to the extremes. At one pole is a vision of total control — a world in which every last use of a work is regulated and in which "all rights reserved" is the norm. At the other end is a vision of anarchy — a world in which creators enjoy a wide range of freedom but are left vulnerable to exploitation. Balance, compromise, and moderation — once the driving forces of a copyright system that valued innovation and protection equally — have become endangered species", as it Creative Commons puts (in: <http://creativecommons.org/about/history>).



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It is also worthwhile to browse through Creative Commons' web site and read the

materials listed there. To foster creativity and knowledge creation, "some rights reserved" may contribute much more than "all rights reserved".

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### **CEC made shoe: A new project on mass customization (and more) in the footwear industry**

I have reported in this newsletter several times about the **EuroShoe** project, a large European initiative to enable mass customization in the European Footwear sector (see Newsletter [http://www.mass-customization.de/news/news04\\_03.htm#o](http://www.mass-customization.de/news/news04_03.htm#o)). Now, a new project was launched, building partly on the EuroShoe results and extending the vision of a knowledge-intensive shoe industry able to compete imports: "**CEC-made shoe**" (<http://www.cec-made-shoe.com>).

Manufacturing in developed countries has declined in many sectors including footwear, mainly because of labor intensive processes accompanied by high labor costs. However, it is largely acknowledged that manufacturing cannot be lost. This is particularly true for the footwear sector, since preserving a shoe making capability in Europe is considered vital for the future of the sector, in terms of employment, quality of products, service contents and kind of entrepreneurship of European companies. Keeping the European leadership in fashion and style demands not only to focus company activities on the design stage, but also to be able to master the whole product and process life cycle.

The **CEC project** focuses on R&D regarding products, processes, materials, organization and new IT. The project is coordinated by



the **European Confederation of the Footwear Industry** (CEC, based in Brussels and headed by

Mr. R. Smets) and **ITIA-CNR** (Milan, Prof. C. Boar and S. Dulio) and has in total more than 40 partners from all stages of the industry, supported by a number of research institutions, including our **TUM research group**.

The project aims at moving the footwear sector (retail, industry, university, research and technological centers) from a “product-centered” (shoe) approach to a “**human-centered**” approach that is represented by three “dimensions” of the human being:

- *Comfort* (all the aspects of walking, running, standing);
- *Environmental* (product and process sustainability);
- *Custom-made* (customization and customer-centricity of footwear in regard to style, fashion, and fit).

“Human-centered” also means that the whole life-cycle of citizens (i.e. the final customers) will be taken into consideration from childhood, to adolescence, to adulthood, to old age. Sex and races should be part of the CEC-made-shoe approach as well as regional requirements around the world. The project should not be restricted to a “European market” but targets a “regional world market” – to be served by innovative European footwear producers.

To reach these objectives, the project aims at developing radical new manufacturing processes, new materials with a focus on environmental friendliness, an actualized relationship between the supply and demand side and the whole electronic integration of the value chain permitting the optimal use of nanotechnologies and intelligent materials. This includes revolutionary **concepts** like an “**one step production process**” (production of a shoe in only one assembling / injection operation), the “**seamless shoe**” (elimination of stitching operations which represent about 60% of whole labor content) or the “**no last shoe**” (manufacturing with no lasts), the “reusable last concept” (one last for several sizes).

The **impact of the project** should be:

- Offer customers a fully **customized shoe** for total comfort (intelligent functionalities, reactive and proactive response, adapting to changing environment, etc.);
- **match market demands** better and quicker by reducing lead times to increase today’s average of 1.4 collections

per year to the level of 6 per year with increased flexibility;

- assure **sustainable production** (100% environmental friendly materials and processes);
- reduce the **cost of manufacturing** by at least 20 % (efficiency by new manufacturing concepts).

For more information on the project and a full list of all partners refer to the project’s web site: <http://www.cec-made-shoe.com>.



### **Mass customization, faster product lifecycles, shrinking labor force are key U.S. manufacturing issues for 2005**

According to data gathered by Rules-driven Product Management (RPM) solution provider RuleStream, three issues will continue to be priorities for U.S. manufacturers in 2005 -- the nation's shrinking engineering labor force, faster product lifecycles and more "to-order" manufacturing. RuleStream's research also showed that fewer engineers will be responsible for an increasing number of products.

**Shrinking engineering labor force:** "The data RuleStream has gathered shows that the opportunities for mentorship, apprenticeship and other traditional learning and knowledge transfer tools are dwindling as manufacturers put more responsibility on their engineers," said David Vredenburgh, RuleStream's chief executive officer. "Engineering teams are adapting the way engineers do--they're bringing in new technologies that can translate these traditional tactics to today's demanding manufacturing environment.

"More companies are using software that can capture and reuse intellectual property such as product design rules, and can automate routine and repetitive engineering work," said Vredenburgh. "This gives them the opportunity to shorten design time and more flexibility to fully validate the design, evaluate design alternatives, and innovate."

Earlier in 2004, the president's National Science Board found that the number of U.S.

citizens qualified for science and engineering jobs is not likely to rise in the near future. At the same time, the board reported that the supply of qualified foreign nationals is down, either because of immigration limits or overseas demand. As senior engineers with years of practical experience look to retirement, manufacturers are looking for ways to transfer their knowledge to the smaller number of new engineers. As engineers become responsible for an increasing variety of designs and products, this transfer becomes more and more difficult.

**Mass Customization:** While the supply of engineers dwindles, the number of products each engineer is responsible for will continue to grow, RuleStream's research shows.

"U.S.-based manufacturers are responding to the low cost of mass-produced goods overseas with a combination of greater variety and a lot of engineering ingenuity," Vredenburg said. "For example, in the automotive industry, the number of nameplates has doubled over the last 30 years, despite the dramatically increased competition from foreign automakers. Americans are discovering that they have the engineering skills to grow profits even as market shares decrease or remain flat."

"We are seeing that more and more companies seeking a competitive advantage and higher margins are looking towards the custom products business and simply giving up the standard products business to foreign competition."

One of the tactics employed most successfully is mass customization--the ability to easily produce many different products with the speed and efficiency of mass production," said Vredenburg. "Companies were traditionally reluctant to expand beyond their product catalog, but to remain competitive, it's a necessity, and technology has made it significantly easier to do so. We've seen companies get to the point where they can design and build unique products in quantities of one with nearly the same lead time as an overseas supplier of standardized products."

**Faster Product Lifecycles:** A third trend affecting U.S. manufacturers is the faster product lifecycle. "Faster product lifecycle

doesn't necessarily mean faster time-to-market," explained Vredenburg. "But it does mean there will be more flexible engineering and manufacturing environments that allow the manufacturer to quickly respond to changing customer and market demands and competitive pressures--whether that's by getting the product on the market sooner or keeping the product schedule on-track as you introduce significant design changes."

Manufacturing software and services providers have responded to these demands with a variety of solutions, but RPM has emerged as one area that addresses all three issues. RPM - enterprise software that allows discrete manufacturers to respond to customer-specific orders more rapidly, accurately and cost-effectively -- is an integral part of a Product Lifecycle Management (PLM) environment that supports product development activities.

(Source: BUSINESS WIRE - RuleStream Press Release)

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**«stylingcard»: Individuality becomes standard with a new “platform for good looking and well being”**

*The following guest article is written by Hans Flury, who has a far reaching, very comprehensive and also challenging vision in regard to mass customization. Based on the idea of sharing personal data in a network of partners, a new kind of truly customized and customer centric value creation shall become possible.*

**Stylingcard** offers a universal storage medium allowing to match personal desire and industrial offerings. A large amount of personal data, including 3-D body shape, body sizes and personal wishes are stored and available to participating retailers.

Based on the stylingcard principle, the customer can match his personal requirements with most of the products on the market. The new principle allows, as a logical consequence of the new economy, the following change in attitude: The product chooses the customer! Thus implying that successful manufacturers and retailers are enforced to have always actual and updated customer's

data. Stylingcard make this available without high investments.

**Focus on individuality.** Most companies focus today on customer's behavior and data, implementing customer cards, performing market analysis or surveying customer's satisfaction.

Stylingcard removes the uncertainty of guessing customer's wishing and tailoring of innumerable products to best fit the demand. All services can be sold with high competitive prices and high customer satisfaction, the market's data is managed efficiently.

**The virtual twin: Key for your success.** The principle stylingcard is based on collection and presentation of a detailed personal profile. The personal profile is a combination of a high quality 3-D scanning data and a structured analysis of personal requirements and wishes. The entire data constitutes the "virtual twin". The principle guarantees complete protection of privacy and personal data. Each customer is owner of his own data, and can periodically update its profile. The virtual twin can be used easily in different applications.

**An intelligent solution: The regional consulting center Styling Point.** The Styling Point is the communication platform in the concept. In a Styling Point, the customer obtains all the required personal data (3-D scanning and personal profile) and is offered style consulting from specialists of different branches. Personal one-to-one consulting, as well as online access to the entire stylingcard network are provided at the styling point. At a Styling Point, mass customization becomes reality.

The «GENCODE» makes it work: 30 to 100 MByte data need to be stored for each customer. The new technology of semantic system is a core element of the stylingcard principle. It makes new compression dimensions available to everybody on an individual stylingcard. The large amount of data are stored and encoded in a neuronal network. From this, a «Gencode» is extracted. The original data can be reconstructed, e.g. through a handshake, on a standard viewer. Alternatively the «Gencode» can reproduce all the time the initial data.

**The value net connects customers, retailers and manufacturers.** Stylingcard is a platform offering great benefits for everybody. Customers have a never-seen-before variety of products available. They can choose, based on their own profiles, clothes, shoes, jewelery, eye-glasses and much more in a transparent way. Retailers have the possibility to offer a much larger range of products and services, without high investments. Manufacturers receive electronic readable orders, based on 100% transparent data and ready for direct manufacture.

Stylingcard is flexible and can be used from home through Internet, in the styling point or in a retail shop. Stylingcard will improve the customer advisory service and the value chain of the stylingcard partner. Stylingcard partner take profit from the closer match of demand and supply with e.g. lower logistic cost, lower capital requirements and write off rates. These are the elements to have a fast return of investment (ROI) for the stylingcard partner and provide the basis for a successful business.

**Stylingcard is based on serious research:** The joint venture of science and representatives of different markets is developing the presented solution for good looking and well being since more than two years. The company founded 2003 in Zurich will provide the possibility to buy individual and cost-efficient products, based on professional style consulting.

The market is ready for new solutions: It is an accepted opinion that the consumer market is shrinking or saturate. Customers have money, but they hesitate to buy new products. Low cost products of global players are sold everywhere at very low prices. This battle ruins more and more European companies. An opposite trend shows economic growth on the home market. The demands for personalized products with prices comparable to mass production merchandise is steadily growing. Consumer want to become co-designers and identify with their product. They don't want to buy clothes or shoes, they want to buy best-fitting clothes and most comfortable shoes.

Big industry and trading companies as well as many start-ups are following this trend. They want to find solutions for the individual

requirements of their customers. The strategy of mass customization needs new methods in communication, marketing and manufacturing processes. Complete solutions, which can be easily integrated into existing environments, are required. Stylingcard is such a solution!

**The Stylingcard project starts NOW:** The Stylingcard AG in Switzerland is actually collecting with mobile and stationary styling points individual customer data of more than 100'000 people (average 5% of the market potential in Switzerland). A 3-D body scanner is the base for the virtual twin. The first collection of data is offered at no cost to the customer. A fee will be eventually introduced in the second year of use. Partial sponsoring by partners is anticipated.

The different industries can be part of the stylingcard principle. Their participation is based on a developed questionnaire. The expectations of customers, retailers and manufacturers are high. There is a high potential of cost savings and a reduction of the risk associated with the introduction of a new product.

#### **More Information about « stylingcard »:**

If you would like to have more information about the business model, the next steps and the market penetration with Styling Points, don't hesitate to contact us or have a look at [www.stylingcard-ag.com](http://www.stylingcard-ag.com).

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[www.stylingcard-ag.com](http://www.stylingcard-ag.com).

Visit Stylingcard at the **Trade Fair EuroShop** (19 - 23 Feb 2005 in Duesseldorf, Germany, booth 15 / G 39 of Siegel GmbH)

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## **Change management for mass customization**

Have you ever wondered why so many mass customization projects fail? One cause beyond the typical reasons discussed (like incomplete IT systems, lack of branding, wrong scope of variety, etc.) may be the **strong demand for internal change management** -- an issue not discussed in the mass customization literature before. However, in the meetings of an **industry board of mass customization experts**, hosted monthly by our research group at TUM Business School, change management for mass customization was mentioned as a predominant need and major factor of success.

**Why change management?** Mass customization empowers customers to become co-creators and design their own, individual products or services. Empowered customers, however, have to meet motivated and competent employees. The company's employees have to understand mass customization and their roles in this co-creation process. Managing mass customization thus includes to manage the internal change in an existing organization that is moving from a closed production system towards a system of mass customization. Shifting the locus of value creation towards customers requires no less than a radical change in the management mind-set.

Mass customization demands that customers are regarded not as "enemies" or disruptive factors of steady business processes. As a basic condition to enable mass customization, firms have to cope on the level of the normative management with the challenge to change old, often negative perceptions of the customers in an organization appropriately. The basic idea of mass customization has to be implemented deeply into the cultural mindset of the organization.

Consider the example of **Levi Strauss' final failure** to implement mass customization (see [www.mass-customization.de/news/news04\\_01.htm#levi](http://www.mass-customization.de/news/news04_01.htm#levi)). The main reason why this venture failed was, in my opinion, Levi's lack of change in management thinking. MC was seen as a marketing gimmick and nice PR-tool, but without seeing the needs and

possibilities of dealing with single customer orders.

Like all humans, business managers and their employees at Levi and other companies moving from mass production to mass customization are socialized into a dominant logic, shaped by the attitudes, behaviors, and assumptions that they learn in their business environments (**Prahalad and Ramaswamy** describe this good in their book "The future of competition: co-creating unique value with customers", Boston, MA: Harvard Business School Press 2004).

What are the **areas where change management** initiatives inside the manufacturer's organization have to take place to foster mass customization and other strategies of customer integration like open innovation:

Members of the manufacturer organization have to be **motivated to acquire feedback** from the customers that can be used in the production process, and transfer this information to the right internal organizational units. Here, often training sessions and workshops building "mass customization mentality" have to be undertaken with the firms' employees. This process has to be accompanied by implementing corresponding information systems like toolkits.

Change management has to support the **assimilation and transformation capabilities** of a firm. Assimilation describes a firm's routines and processes allowing the firm to process, analyze, interpret and understand information from external sources, in our case demand information from an individual customer. Transformation is the capability to design and re-design the routines that facilitate combining existing knowledge and the newly acquired and assimilated knowledge. The objective is to prevent a new "not-invented-here" syndrome. The firm has to be able to assimilate and transform the customer input in form of need and / or solution information for the mass customization process efficiently and effectively.

**Exploitation capability** is based on the routines that allow firms to refine, extend, and leverage existing competencies or to create new ones by incorporating acquired and transformed knowledge into its operations. This is the largest and most thorough task. In

many firms, mass customization initiatives are tried as a pilot initiative, but not implemented as part of the organizational routines of the production process. Here, change management has to increase heavily the exploitation capability of a firm that wants to benefit from open innovation over a longer period of time.

Firms may, however, get support in the change management process from the customers themselves. **Customers are becoming change agents** for the company. The motivation of employees to be customer orientated is not only influenced by employee training and internal motivation, but also by the interaction and social exchange with the customers. Employees are controlling their behavior by the perceived feedback and discernments of the customers as much as by the perceived discernments of their hierarchical leaders. Customers are becoming "**organizational consultants**", as Schneider and Bowen, two service management researchers have written in 1995.

However, in most cases it is not sufficient to believe that customers will do the co-change job alone. Internal change management for mass customization demands that the firm's (top) management actively installs programs to comply the organization's norms and routines with open innovation. The most generic starting point in this regard is to adjust the firm's **cultural guidelines**. Today, most firms have written cultural guideline, which are taught to all members of the organization. Within these guide lines, often regularly a code of conduct in regard to the firm's stake holders is included, mentioning also the customer. On this level, open innovation and the role of customers as a value co-creator have to be deeply integrated and communicated. But just writing about the need for open innovation is not enough.

Companies have to develop change management programs addressing this need. Do you have own experiences or ideas in this regard? Write me -- I am very interested in your insights! This will be also a great topic for discussion during the **MCPC 2005 conference** in September 2005.

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## Mass Customization Internet Links

### ***Build your own Neighborhood***

<http://www.kaisersrot.com> (go to Projects -> Project Kaiserrot -> Veld12: Implementation of Kaisersrot in Schuytgraaf )

The architecture software Kaisersrot simulates dynamic models. Within a frame of different plots, each plot has specific characteristics such as size, proportion, programme and building position. Furthermore, plots contain information about certain external attractors, like water, nature, shops or public transport links. When the simulation is started, all plots strive for an optimisation of built-in demands. After a certain amount of time, an equilibrium is achieved and the process stops. Now, infrastructure can be generated automatically. The initial results show that this method creates variable patterns that comply to all the given parameters. But, more importantly, this method introduces an interactive component enabling a profound participation of home builders.

The software can be used in order to optimize land use and to develop sustainable patterns of plotlayout. The solutions that Kaisersrot offers are programmed designs. Plans are not drawn any longer, but are virtually designed from a collection of intelligent objects with changeable parameters. The visualized result is thus one representation of a possible solution. The parameters and their effects thus become more transparent for planners, owners and municipalities. In the future, the automated urban generation will be available on **this website**, and can be tailor-made to meet specific demands.



### **Information and Management Systems for Product Customization: A new mass customization book**

Blecker, Th./Friedrich, G./Kaluza, B./Abdelkafi, N./Kreutler, G.: ***Information and Management Systems for Product Customization***, Springer's Integrated Series in Information Systems Vol. 7, Springer: New York et al. 2005

*The Mass Customization Group at the University of Klagenfurt has recently published a new book on the topics that seems to be highly interesting for our topic. However, the book has not been delivered before this newsletter went to press, so I quote from the official announcement of the publisher in the following:*

"In today's competitive environment, manufacturing and service companies are intensifying their customization processes. Customization means companies must meet the challenge of providing individualized products and services, without introducing high costs. Therefore, companies must address both customization and cost factors to gain a competitive advantage. While product customization is the manufacturing of products according to individual customer needs, it does not involve any focus on the cost perspective. The book "Information and Management Systems for Product Customization" will concentrate on both product customization and costs' efficiency, which is termed as mass customization. Moreover, mass customization with its multi-dimensions is the new business paradigm challenging today's manufacturing companies.

Understanding the needs and desires of the customer are central to the strategy of mass customization. However, introducing customer needs into the realm of product development dramatically increases the level of complexity of creating and delivering the product both internally and externally. This book introduces an innovative model that assesses and distinguishes subjective and objective customer needs. This model along with other software tools and AI agents address the complexity issues that are both external and internal in a mass customization strategy. Fundamentally, the book—with its technical analysis, models, conceptual frameworks, and managerial tools—closes the gap between the complexity and the difficulty of mass customization with its potential payoffs and implementation.

This volume consists of three parts. In the first part, within the theoretical basics of mass customization are discussed, and within the theoretical context, the main problems that are encountered with the implementation of mass customization are outlined. Part two deals with the development of

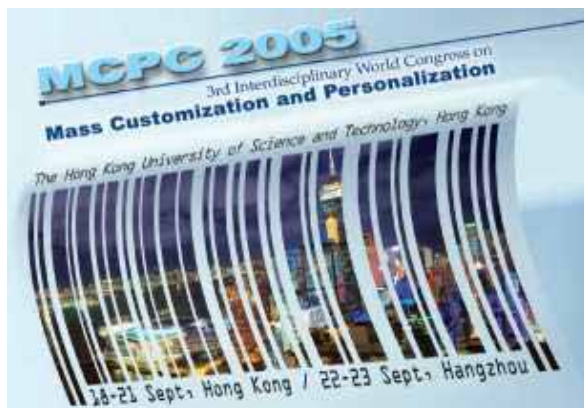
appropriate information systems for mass customization. Part three discusses the topic of product modularity. More specifically, this part develops a managerial approach or tool to assess and solve complexity issues induced by the variety of needs expressed by customers. Using the tools and conceptual frameworks developed in the book, the main problems of mass customization can be resolved.”

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**Share your thoughts: The 3rd Interdisciplinary World Congress on Mass Customization and Personalization (MCPC 2005): Converging Mass Customization and Mass Production**

**Hong Kong University of Science and Technology, 18 - 21 Sept 2005**

**Special ‘MCP meets China’ event in Hangzhou, China, 22 - 23 Sept 2005**



The MCPC 2005 Congress is the **largest international event** to address the multidisciplinary aspects of Mass Customization and Personalization (MCP). Following the example of the first two congresses which were held with large success in Hong Kong (2001) and Munich (2003), the 2005 event promises to contribute again largely to the development of technologies and management principles for MCP.

With a **high attendance of managers of mass customization companies**, the last two congresses provided also an excellent opportunity to bridge between research and practice.

For those who are interested to explore the development of Mass Customization and Personalization in China, a special seminar on “MCP in China” will be arranged and take place in Hangzhou right after the MCPC2005. More details on the conference web site: <http://www.mcpc2005.com>.

**2005 Conference Theme: Converging Mass Customization & Mass Production**

When Mass Customization and Personalization (MCP) emerged in the literature and notion of managers, these concepts were placed as an explicit antagonism to mass production. However, learning from experiences of successful MCP companies, it seems that MCP and mass production don't have to be a contradiction per se. In fact, these two styles of manufacturing can be synergistic:

- Can mass production benefit from MCP technologies and principles?
- How can both fields converge, and should they?
- Under which boundary conditions shall enterprises try pure MCP, when should they stick with the mass production paradigm?
- What are successful examples of conversion between MCP and mass production principles?

**Objectives of the MCPC2005 Congress**

- to accelerate the development of the core technologies and business models.
- to promote information sharing on MCP based on various approaches; e.g. engineering, computer science, operations research, organizational theory, consumer psychology.
- to gather information on the most recent and relevant progress of core technologies and business models in the area of MCP and accelerate their development.
- to give an international overview of MCP and to share best practices.
- to provide a fruitful environment for discussion as well as for breaking new grounds.
- to contribute to the continuity of relations within the MCP research community and to foster future collaborations between participants.

### **Call for Papers (Abstracts)**

We call for abstracts from the following topics of Interest (including but not limited to):

- A) Competitive Advantage Through Customization and Business Strategy
- B) Customer Centric Enterprises
- C) MCP Design & Innovation
- D) MCP Manufacturing Planning and Technologies
- E) MCP Information Systems, Configuration and Customer Interaction Technology for MCP
- F) MCP and Supply Chain Management
- G) MCP Best Practices and Case Studies
- H) Beyond MCP: Open Innovation and Customer Integration

**A max. 1000 word extended abstract in English will be due on March 15, 2005.** Authors will be notified of acceptance of their abstracts by April 15, 2005. Final manuscripts must be received by July 1, 2005. Submitted abstracts will be subject to a double review by an international review committee, and adjudication by the program chair. For more information, please visit the conference web site.

*Please submit your abstract via e-mail to [mcpc2005@ust.hk](mailto:mcpc2005@ust.hk) -- a special online submission system will be installed soon.*

### **Conference Co-Chairs**

Prof. **Mitchell M. Tseng**  
Director, Advanced Manufacturing Institute,  
The Hong Kong University of Science &  
Technology (HKUST)  
[mcpc2005@ust.hk](mailto:mcpc2005@ust.hk)

Dr. **Frank T. Piller**  
MIT Sloan School of Management and TUM  
Business School  
[piller@mass-customization.de](mailto:piller@mass-customization.de)



The conference is organized by **The International Institute of Mass Customization and Personalization (IIMCP)**, an academic society to foster research and exchange on mass customization and personalization ([www.mcp-institute.org](http://www.mcp-institute.org)).

Selected papers of the conference will be included in a special issue of '**The International Journal on Mass Customization**'

([www.digiprise.org/jmc/](http://www.digiprise.org/jmc/)) and an edited book in the series "Advances in Mass Customization" (Springer).

There will be also great **pre- and post-conference workshops** in Hong Kong to extend your MC knowledge (Sept 18 and 21, 2005).

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### **Further Call for Papers: Share your thoughts and findings**

**(1) The 2005 Conference of the European Academy of Management (EURAM 2005) "Responsible Management in an Uncertain World"**

*The following event is of **general nature** and not directly related to the topics of the newsletter. However, given the large share of readers from academia of the news letters, I feel free to publish the following event and call for papers -- and recommend it strongly to anyone of you as the EURAM conference has become one of my favorite meetings. It will take place in May 2005 in Munich within the same premises where we had the MCPC 2003 conference.*

### **4 - 7 May 2005, Munich, Germany**

Technische Universität München, TUM  
Business School - <http://www.euram2005.de>

**Paper submission deadline: February 15th, 2005**

The EURAM tradition is to host stimulating conversations on contemporary issues, proposed and organized by the EURAM community. Following this year's conference theme "Responsible Management in an Uncertain World", the 2005 conference provides an opportunity for management researchers and reflective practitioners to discuss a wide range of issues from sustainability and other values to the challenges and solutions offered by innovation and technology.

For the 2005 conference, 36 tracks were selected from a large number of track proposals from the international management research community. We are waiting for your

paper submission for one of our tracks and would be delighted to have you as a presenter and/or participant at the EURAM 2005.

### The EURAM 2005 tracks include:

- 1 Just Identity: Reflecting and Responding to Difference
- 2 Responsible Management as Identity in Practice
- 3 (IR-) Responsible Leadership
- 4 Responsibility in Public Management
- 5 Careers, Stress and Mental Health
- 6 Ethics and Organizational Processes/Practices
- 7 Design in the 21st Century: The Business of Responsibility
- 8 Non-Profit Management
- 9 Accumulation and Depletion Systems to Capture Firms' Heterogeneity
- 10 Strategy Development and Dynamics
- 11 A Stakeholder Perspective on Financial Markets
- 12 E-Business: Adding Value
- 13 Sourcing and Providing Information Systems for Strategic Agility
- 14 Performance Management
- 15 Management of Projects: Reconciling Uncertainty and Responsibility
- 16 Gender, Diversity and Management
- 17 Management and the Arts
- 18 Innovation, Creativity & Design
- 19 Corporate Governance
- 20 Open Source and Open Innovation
- 21 Entrepreneurship and International Business
- 22 Management and Growth of Closely Held Firms and Family Businesses
- 23 Knowledge Management
- 24 Strategic Heterogeneity, Knowledge Dynamics and Performance
- 25 Managing Work-Family Relations
- 26 Managing the Production of Academic Knowledge
- 27 Networks and Alliances Supporting Early Ventures
- 28 Design, Collaboration and Relevance in Management Research
- 29 Rhetorical Methods in Management Studies
- 30 Emotions: Perspectives and Practicalities
- 31 Leadership Challenges in the World of Multiple Realities
- 32 Relational Perspectives in Organization Studies
- 33 Corporate Social Responsibility
- 34 Not-Yet Published Books Track
- 35 Second Order Strategic Renewal: Co-evolution of Firm, Industry and its Environment
- 36 General Track: "European Management Perspectives" in ...
  - 36a Human Resource Management
  - 36b International Management
  - 36c Marketing
  - 36d Service Innovation and Management
  - 36e Media Management

Read the full call for papers  
<http://www.euram2005.de>

As pre-conference activity on May 4th 2005, the EURAM-EDAMBA-EIASM **doctoral con-**

**sortium** provides a unique opportunity for Ph.D. and DBA students to present their ideas and to discuss their research projects with an international scientific community. Check the web site for more information.

**Submissions** should open a dialogue across theoretical, methodological and disciplinary boundaries, including co-creation with practitioners. The typical EURAM paper is about 20 pages (max. 7000 words). To encourage new and creative ideas we also invite work-in-progress papers, which can be 8-15 pages in length (max. 5000 words).

Please refer to the EURAM 2005 web site for a style guide and submission checklist (<http://www.euram2005.de>).

Submissions of papers: 15 February 2005  
Notification of authors: 15 March 2005  
Conference Date: 4-7 May 2005

**About the European Academy of Management (EURAM):** The European Academy of Management is a professional society for scholars in the field of management. EURAM aims to be an open, international and multicultural European forum for networking and research in general management, strategy, corporate governance, organizational theory, organizational behavior and decision-making. EURAM emphasizes multidisciplinary theoretical perspectives and methodological pluralism as well as critical examinations of the historical and philosophical roots of management theory and practice.

EURAM is an association for everybody with a professional interest in the field of management. If you teach or do research in management, or if you practice management and are interested in reflecting on your profession, EURAM is the association for you. For more information, please refer to the EURAM web site (<http://www.euram-online.org>).

**More information:** [track@euram2005.de](mailto:track@euram2005.de)  
<http://www.euram2005.de>

### Conference Co-Chairs:

Anne Sigismund Huff, TUM Business School,  
Ralf Reichwald, TUM Business School

### Heads of Organizing Committee:

Kathrin Moeslein, Tobias Fredberg, Frank Piller, Sascha Seifert

<http://www.euram2005.de>  
[info@euram2005.de](mailto:info@euram2005.de)

**(2) The International Journal of Mass Customization -- send us your contributions NOW**

Finally: Mass Customization gets its own journal. The International Journal of Mass Customization provides an international forum for developing, promoting, disseminating and coordinating the progress in mass customization related methodologies, technologies, and practices among international professional communities. The focus deliberately embraces both industrial & business practices and academic research activities.

We have had planned such a journal as a future activity of the MCP Institute. However, briefly after the Munich conference, George Huang from the University of Hong Kong approached us with a final concept for a MC journal, with most of the planning work done. So we gratefully accepted George's offer for participation – and we are proud and glad to be able to offer you an unique outlet for your mass customization research from this year.

The International Journal of Mass Customization is a double-blind refereed quarterly journal that publishes original research and application papers, review papers, research and technical notes, case studies, empirical field studies, tutorials, conference reports, management reports, book reviews, commentaries, and news in all areas of mass customization.

***Send us your research now, and become part of the inaugurating issues which will get a large audience around the world !***

The Journal invites contributions addressing theories, methods, tools, models, practices, and enabling technologies related to all aspects of mass customization, including business strategies, organizational structures, management and product information management, market development, strategic product planning, product design, product development and realization, configuration toolkits, customer co-design and customer interaction, process planning, production planning and scheduling, manufacturing system design and analysis, assembly lines, quality control and planning, logistics and supply chain management, relationship marketing, technical support and customer ser-

vices, and sustainability, product recycling and disposal.

We are not only interested in manufactured products that are mass customizable, but also software, service products and experience offerings. The coverage of the Journal includes, but not limited to, the following subject areas and topics:

- Fundamental issues of mass customization (variety, modularity, commonality, adaptability, flexibility, reusability, customizability, value creation and business models, etc.);
- Customer / requirement engineering, Kansei engineering;
- Market segmentation, product proliferation, product definition, product line planning, product portfolios;
- Product architecture, product platform, product family architecture, modular and integral product architecture, platform development and customization, variant handling, design modeling and methodology;
- Configuration systems, configuration rules and algorithms, visualization
- Customer interaction, customer configuration behavior, customer choice, consumer risk and benefits, willingness to pay;
- Marketing for mass customization, communication policies, branding, and relationship marketing;
- Agile, flexible and reconfigurable processes, systems and supply chains, process and assembly planning, production management;
- Logistics engineering and supply chain management, early supplier and customer involvement;
- Re-usability, environmental sustainability and ecological impacts of mass customization;
- Economic measures and performance management in mass customization including the cost of variety, time to market, etc.;
- Computational intelligence in mass customization (Intelligent modeling of products, product platforms, product variants, product families, product portfolios, etc.);
- Enabling technologies, ecommerce/e-business technologies, web and Internet applications;
- Knowledge management, enterprise modeling for mass customization.

Authors are asked and encouraged to use the online submission facilities at <http://www.digiprise.org/jmc> as far as possible. Manuscripts should be prepared in MS Word or PDF format for online upload.

<http://www.digiprise.org/jmc>  
<https://www.inderscience.com/browse/index.php?journalID=119>

For more information, contact me or the managing editor, Prof. **Georg Huang** ([gghuang@hkucc.hku.hk](mailto:gghuang@hkucc.hku.hk))

### **(3) Announcement: Joseph B. Pine II on the Experience Economy**

Joseph B. Pine wrote: "**The European Centre for the Experience Economy**, of which I am a Co-Founder and Senior Fellow, is conducting a 5-day Executive Course, "Creating Unique Value through Experience" outside of Barcelona, Spain, on **April 17-22, 2005**, and I will be there personally to share my latest thoughts on the Experience Economy.

In particular, I will be sharing new ideas on companies can use marketing experiences to generate demand for their offerings, in some cases yielding infinite ROI – yes, infinite ROI! – on such initiatives. I will also talk about our latest ideas on **authenticity**, as my partner, Jim Gilmore, and I are close to (finally) finishing our new book on the subject, which will be published (finally) in 2005. In a world of paid-for experiences, authenticity is becoming the new consumer sensibility, and you need to understand how to render your offerings to be perceived as authentic.

Please do look at the full agenda on <http://www.experience-economy.com>. The program promises to provide you, from multiple perspectives, a firm grounding in the Experience Economy and enable you to figure out exactly what you and your company need to do in the face of increasingly commoditized goods and services.

You'll hear both from academics pushing forward the ideas grounding the Experience Economy, as well as practitioners pioneering new innovations for success. More information via Albert Boswijk (albert@experience-economy.nl or +31 346 21 21 10)."

### **(4) Call For Papers: International Mass Customization Meeting (IMCM'05): Concepts – Tools – Realization**

**2-3 June 2005, Klagenfurt / Austria**

The IMCM'05 takes place at the University of Klagenfurt, Austria. The main objective of this international conference is to drive forward the research on mass customization and to close the gap between theory and practice.

Practitioners and researchers working in this field are invited to submit their papers in which they present original works and new advances in mass customization. This can refer to theoretical concepts, information and managerial tools as well as best practices for supporting a successful implementation of mass customization. Ongoing or completed research as well as papers with a main focus on practice and case studies are welcome.

Topics of interests include, but are not limited to:

**Track 1:** Manufacturing systems for mass customization

**Track 2:** Supply chain management in mass customization

**Track 3:** Information systems for mass customization

Furthermore, due to the complex and interdisciplinary disposition of the topics, we expect contributions from business administration, (engineering) management, industrial engineering, economics, and information technology. Please submit the papers as attached PDF and Word files to the following **email address:**

**IMCM05@manufacturing.de**

Important dates:

January 31, 2005 Abstract due (500 words)  
February 10, 2005 Notification of authors  
March 21, 2005 Final paper submission  
March 31, 2005 Final authors' notification

*Please refer to the conference web site for more information:*

**[www.manufacturing.de/calls/imcm05.htm](http://www.manufacturing.de/calls/imcm05.htm)**

**Conference chairs:**

Prof. Dr. **Thorsten Blecker**  
Hamburg University of Technology (TUHH),  
Germany

Prof. Dr. **Gerhard Friedrich**  
University of Klagenfurt, Austria

☺☺☺

## TUM Books on Mass Customization and Customer Integration

As already announced before, four new books from or under participation of the TUM Research Center on Mass Customization & Customer Integration were published within the last months (see the newsletter 2/2003 for full information):

**(1) The Customer Centric Enterprise: Advances in Mass Customization and Personalization, edited by Mitchell M. Tseng and Frank T. Piller, Springer 2003.**

More info: <http://www.mass-customization.de/ce>

Following an interdisciplinary approach, leading scientists and practitioners in the field share their concepts and strategies for building a customer centric enterprise from the perspective of design, production engineering, technology and innovation management, customer behavior, as well as marketing.



**(2) Mass Customization und Kundenintegration: Neue Wege zum innovativen Produkt, hrsg. von Frank Piller und Christof Stotko, Düsseldorf: Symposion 2003**

A managerial book on mass customization and open innovation which can be customized by every reader! Select from more than 30 extra case studies and expert chapters.



**Mehr Info zum Buch und Download:**  
[www.mass-customization.de/ibook.htm](http://www.mass-customization.de/ibook.htm)



**(3) Mass Customization: Ein wettbewerbsstrategisches Konzept im Informationszeitalter, 3. überarbeitete und erweiterte Auflage, von Frank Piller, Gabler 2003.**



[www.mass-customization.de/literature.htm](http://www.mass-customization.de/literature.htm)

Frank Piller's scientific book on mass customization is building the foundation of this concept from the perspective of production and strategic management. The capabilities of new information and communication technologies break with traditional borders and help to overcome, or at least reduce, many contradictions and limits in management.



**(4) Proceedings of the MCPC 2003, edited by F. Piller, R. Reichwald and M. Tseng, more than 1500+ pages on interactive CD-Rom (plus 300+ pages update on special web site).**

More info: [/www.mcpc2003.com/proc.htm](http://www.mcpc2003.com/proc.htm)

The latest state of the art of mass customization and personalization research. Read what more than 200 authors in over 100 contributions have to say about the design, development, production, marketing, sales, and service of MCP offerings.

## Impress and Contact

Mass Customization News -- A Newsletter on Mass Customization, Personalization and Customer Integration

**Vol. 8, No. 1 / 2005**

edited by Dr. Frank Piller

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You will find also an collection of old issues on this web site.



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