

4-Case.

Boston-based CustomMade has embraced the popular customization trend in the handmade products business.

The CustomMade website features more than 6,000 manufacturers (individual entrepreneurs or teams of two or three people). Potential buyers can buy the finished products presented (65,000 products are presented in the catalogue); order goods with changes in certain characteristics; and also order the manufacture of a product according to your own design. In the latter case, the customer describes the idea of the product, if possible, attaches drawings or photographs “for inspiration” and determines the budget for the project. The average order value is about \$1,500; transactions worth \$1 million are processed through the site per month. Most often, interior items and furniture are sold on CustomMade, but there are also original orders - a vintage motorcycle, a wedding ring in the form of the robot R 2 D 2 from the movie saga "Star Wars". The user interacts with the manufacturer at all stages of the order: receives sketches from him and agrees on the final result. Based on the results of the most interesting projects, reports with step-by-step instructions are posted on the website.

Questions:

1. Describe the business model of the site?
2. What modern trends does the company implement in its activities?
3. What are the benefits for manufacturers from participating in such a project? What risks do they pose?