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THE EFFECT OF MASS CUSTOMIZATION TO PRODUCTIVITY IN GOLDILOCKS, CORP.

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ABSTRACT

Mass customization strategy adds value for products and services, but it implies some trade-offs between manufacturing competitive priorities and, hence, implications for production. The same strategy that increases the production may reduce it due to incompatibilities in manufacturing. Although there are a large number of studies about mass customization, there is little empirical evidence about the effect of this strategy on customer satisfaction. This research analyses the relationship between the productions related to competitive priorities and the overall customer satisfaction with customized services and evaluate whether the degree of mass customization affects the production.

The researchers conducted a survey with 50 employee from Goldilocks Company. The results from data analysis shows that the mass customization affect the production of Goldilocks because they need to make the exact number of the customer's order. Even though the researchers run more statistical tools for further analysis related to some set of hypotheses, this study has implications for mass customization strategy and manufacturing trade-offs. This research was intended to know the effect of mass customization to productivity of Goldilocks Corp., to gather the information needed in order to achieve the researcher's objectives and to be able to find answers based on the questionnaires given to the employees and customers to determine the factors that affect the mass customization to productivity. This study was conducted to different stores of

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Goldilocks in Mandaluyong City to determine the effects of mass customization to the productivity of Goldilocks Corp., as well as the result of the survey conducted by the researchers and the recommendations made how the company will improve more inside the production floor. The researcher used the descriptive method of research wherein it is fact-finding study with adequate and accurate interpretation of the findings.

It is highly recommended that Goldilocks should maintain its consistency in terms of providing an excellent quality goods for customer satisfaction. It is recommended that Goldilocks maintain its flexibility when it comes to product innovation time of their technological advancement among their competitor and Goldilocks must focus in maintaining and product enhancement and features on their goods. The firm should be keen in creating an attractive and eye-catchy packaging of the product. And maintain its goal in the market and aim for a healthy competition to deliver excellence in product quality to gain trust and increase its production.

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CHAPTER I

THE PROBLEM AND ITS BACKROUND

Introduction

Increased competition and more demanding customers have forced companies to offer wide variety of products and services. A growing number of firms in various industrial sectors have been applying advanced manufacturing and information technologies to mass produce low-cost personalized products (Duray, 2002). Well-known examples of mass customized products include diesel engines, bicycles, computers, insurance, fast-food, footwear, apparel, and pagers (da Silveira et al., 2001). These products have been designed and produced in a way to meet the unique needs of customers at a reasonable price (Pine, 1993).

The mass customization (MC) production approach has found increasing interest in the operations management (OM) literature. As a production paradigm, MC has grown in use due to the emergence of customers who are no longer satisfied with the standard products provided by manufacturing firms through mass production. MC allows firms to satisfy these customers by manufacturing a relatively high volume of different product options for a market

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that demands customization without substantial trade-offs in cost, quality, or delivery.(Lau, 1995; Salvador et al., 2002b; McCarthy, 2004).

The purpose of this study is to identify the implication of modern technologies on manufacturing firm that produces volume of goods to satisfy a given consumer group. The content of this research is to educate the reader the changes could be as a small as a variety of different flavours or colour or as complex as developing a completely new product for a particular client-base by utilizing any piece of software or equipment that is responsible for this kind of activity.

Background of the study

Mass customization is the ability to produce customized products on a large scale at low cost. (Boynton et al., 1993; Pine, 1993).

Mass customization is largely adopted by manufacturing industries, although increasingly, service industries such as insurance, financial, and health organizations are mass customizing their services to meet customers need. These services are typically knowledge incentive and will require knowledge-based system to enable mass customization.

There are many reasons why organizations mass-customize their products and services. Organizations sometimes experience improve margins; a

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