

Verganti 2009). We will return to this case study later; new approaches become possible once one realizes that *this problem requires a complete redefinition of “quality,” away from conventional notions of (product) aesthetics.*

The passing of the structures and systems of the industrial age and the rise of a networked society have resulted in open, complex, dynamic, and networked challenges that can only be successfully met by organizations that are ready to become open, complex, and networked themselves. The advent of a postindustrial age has a profound effect on the way our economies and societies work—nothing really stays the same. For a manufacturing company like Bang and Olufsen, this shift has led their products to disappear into service networks. Further down the chain, the retail outlets that were the podium on which companies in the industrial economy could express the special qualities of their products are also under pressure, as the Internet is a serious competitor as a point of sale. It is as if history is repeating itself: where the increasing availability of private cars diminished the proximity value of the old neighborhood shop in favor of shopping malls and city centers, the Internet now creates a new situation in which the product monopoly of the shopping mall in turn is challenged. People still visit shops to see the products that they are interested in, but they might decide to buy later and order the items online. As we will see in case study 12 (chapter 4), the rise of the Internet requires a radical rethinking both of the value of products and of the shop as a physical outlet where they can be bought.

CASE 3

Carrying the weight of the world:

On the many challenges of social housing

Early social housing projects in the West were part of a movement to clear the nineteenth-century slums that housed the workers of the industrial revolution. These efforts were redoubled in face of the rapidly rising population after the Second World War, peaking in the 1960s and 1970s. This was not a morally neutral endeavor: councils and social housing associations were as patronizing as they were well-meaning, setting out to change the way “those people” lived by providing a very specific infrastructure. These “estates” were utopian in a