A PROJECT REPORT ON:

CUSTOMIZATION: THE NEXT REVOLUTION IN THE MARKETING OF QUIRKY ACCESSORIES

SUBMITTED BY

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Mr. CONRAD COELHO

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SVKM's NARSEE MONJEE COLLEGE OF COMMERCE AND ECONOMICS
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SUBMITTED TO

UNIVERSITY OF MUMBAI

DECLARATION

I, **Yashita Shah**, of SVKM's Narsee Monjee College of Commerce and Economics of TYBMS [Semester V] hereby declare that I have completed my project, titled **'CUSTOMIZATION: THE NEXT REVOLUTION IN THE MARKETING OF QUIRKY ACCESSORIES'** in the Academic Year 2016 – 2017. The information submitted herein is true and original to the best of my knowledge.

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YASHITA SHAH

CERTIFICATE

I, MR. CONRAD COELHO, hereby certify that **YASHITA SHAH** of SVKM's Narsee Monjee College of Commerce and Economics of TYBMS [Semester V] has completed the project on **'CUSTOMIZATION : THE NEXT REVOLTUION IN THE MARKETING OF QUIRKY ACCESSORIES** in the academic year 2016 – 2017 under my guidance. The information submitted herein is true and original to the best of my knowledge.

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Mr. Conrad Coelho **Dr. Parag Ajagaonkar**

Project Guide I/C Principal

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External Examiner

ACKNOWLEDGEMENT

It has always been my sincere desire as a management student to get an opportunity to express my views, skills, attitude and talent in which I am proficient. A project is one such avenue through which a student who aspires to be a future manager does something creative. This project has given me the chance to get in touch with the practical aspects of management.

I am extremely grateful to the University of Mumbai for having prescribed this project work as part of the academic requirement in the Bachelor of Management (BMS) course.

I wish to appreciate the SVKM management and Narsee Monjee College for providing all the required facilities. I would like to thank the I/C Principal and Vice Principal, for their dynamic leadership. I would also like to thank the BMS Coordinator, Mr. Conrad Coelho for all his support and help.

I also wish to thank my Project Guide Prof. Conrad Coelho for guiding me throughout the project and without whose support; the project may not have taken shape.

I also appreciate all the support provided by the library staff and the teaching and supporting staff of N.M. College for providing all the necessary academic content and resources to enable the completion of my project.

Finally, I thank all my friends and family members who have directly or indirectly helped me towards the completion of this project.

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TRANSITION FROM PRODUCT CENTRIC TO CUSTOMER CENTRIC

A product centric organization is one that is focused on the products it brings to market rather than the customers that buy those products. It looks to develop new products by leveraging technology or specialized skills that exist in the company. It starts by looking internally at its capabilities rather than externally at what needs are not being met It tries to find as many uses and customers as possible for its product. Product-centric companies are structured around product profit centers. Information is collected around products. Business reviews focus discussions around product lines

In contrast, a customer-centric company tries to find as many products as possible for its customer. The customer-centric company is structured around customer segments. Information is collected and profits are measured around customer categories. Management discussions are focused on customers.

More and more companies are realizing that their most precious asset is their customer base. An even more important realization is the need to satisfy the customers in order to survive in these increasingly competitive markets. Organizations that do not act on this problem have suffered the loss of market share. Such consequences have awakened many organizations to rethink the way they see marketing.

Thus, there is urgency for an organization (be it products or service providers) as a whole to develop appropriate holistic customer-focused strategies to ensure that the customer remains at the core of their organizational thinking.

With the rapid advancement of technology, there is a shift from a traditional marketing approach to customer targeted marketing. Many organizations and marketing consultants are emphasizing the need to allocate more funds to apply new-found knowledge of consumer behavior in new products development, build better customer relationships through customer loyalty and retention programs.

CONCEPT OF CUSTOMIZATION

Customization refers in the context of international marketing to a country-tailored product strategy which focuses on cross-border differences in the needs and wants of target customers, appropriately changing products in order for them to match local market conditions.

The process of delivering wide-market goods and services that are modified to satisfy a specific customer need.

For instance Mc Donalds has tailor made different range of food and beverage items according to different countires. In India there was a high demand for vegetarian burgers, so according to that it came up with whole new range of vegetarian bites like burgers, chips, wraps, etc.

It has been observed that customization does not only apply to product companies, it has done very well in services too. All the services ranging from hospitality, media and entertainment, travel and tourism, etc have satisfied the customers quite well with their customized services.

For example, these days Travel and Tourism companies allow the customers to make a tour package according to their preferences, budget and time.
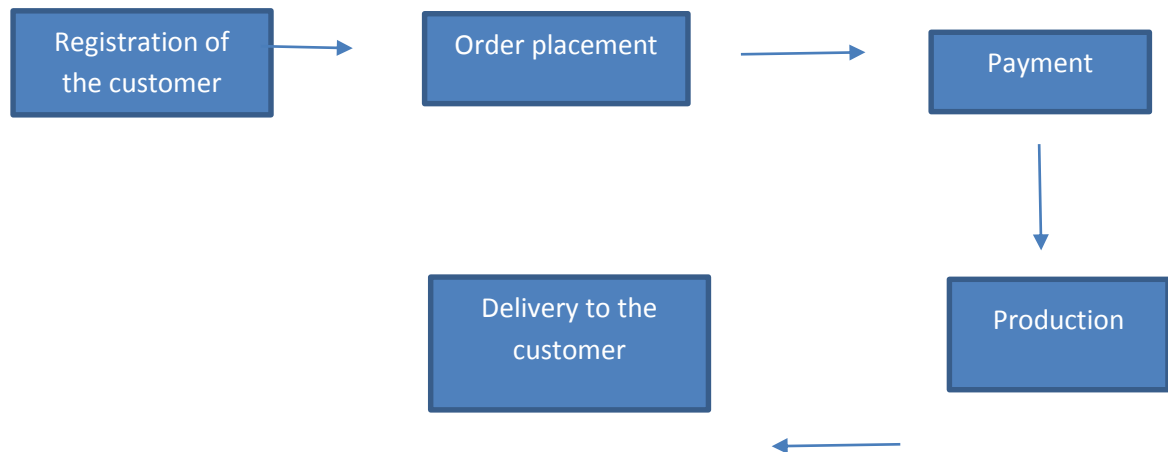
CUSTOMISED STRATEGY

Customised strategy is based on the ideology that due to cultural and other differences amongst countries, marketing strategies should be tailor made for each country. This is influenced by three distinct differences amongst countries:

1. Buyer behaviour characteristics
2. Socioeconomic conditions
3. Competitive environment

PROCESS OF CUSTOMIZATION

Customization allows each customer to purchase the product matching individual preferences. The execution of an order requires the transformation of the classic value chain. The most important change is that, the customer designs and purchases a product, which is not manufactured or assembled while placing order. Customization strategy requires the use of new methods for interactive communication (e.g. Internet), in order to place an order at minimal service costs.

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┌──────────────────┐      ┌──────────────────┐      ┌──────────────────┐
│  Registration of │ ───► │  Order placement │ ───► │     Payment      │
│   the customer   │      │                  │      │                  │
└──────────────────┘      └──────────────────┘      └──────────────────┘
                                                              │
                                                              ▼
                          ┌──────────────────┐      ┌──────────────────┐
                          │  Delivery to the │ ◄─── │    Production    │
                          │     customer     │      │                  │
                          └──────────────────┘      └──────────────────┘
```

1. Customer provides basic information required to further order processing (e.g. address, contact details). This data is stored in a database and might be used to repeatedly to simplify further purchases (helps in building customers' loyalty).

2. Customer either in a store or via Internet defines individual product characteristics – configures product (specifies e.g. type, size, outer fabric, the cut way, colors, for e.g. type of sole in case of purchasing shoes). Thanks to the computer visualization techniques customer might be able to see the ready product.

3. Customer makes payment (payment options differ from company to company, but mostly payment has to be done prior its production process takes place). The price might differ according to the product configuration.

4. After the payment is confirmed, the order is sent to a factory. Manufacturer due to flexible manufacturing technologies and machines is able to create a unique product.

5. Finished product is automatically sent to the address provided by the customer.

OUTER AND INNER PREREQUISITES FOR CUSTOMIZATION

The shift from production to customization might seem for many companies questionable. The decision for such a change should be preceded by the analysis of potential advantages/disadvantages, but also by the analysis of the prerequisites necessary for successful implementation. The prerequisites can be divided into the following groups:

- Independent from the manufacturer in the short run (outer factors). In the long run manufacturer could influence these factors through e.g. marketing activities – these factors, if fulfilled might justify the shift from mass production to mass customization. Some of them include:

  1. Market factors – market homo/heterogeneous, market size, turbulence factor, product lifecycle, competition

  2. Human factors – the readiness of customers to buy customized products (acceptance of longer delivery period, sometimes higher price, etc.)

  3. logistics – the availability of fast and cost-effective ways of delivering products from factories to customers,

- dependent from the company (inner factors):

  1. IT systems – in order to design, produce and deliver highly customized products with production efficiency all processes along the value chain must be supported by efficient IT architecture. Some of the processes which should be supported by IT solutions are: acquiring customers' requests, web-based product configuration (so called product configurator), information flow management, production scheduling and planning, purchasing and procurement, delivery logistics of both components (modules) and finished products, Customer Relationship Management.

2. Infrastructure – this category encompasses both location of the factories should be located relatively close to markets in order to reduce delivery time some experts even propose the concept of mini factories as the most promising one.

INSIGHTS INTO MODERN CONCEPTS RELATED TO CUSTOMIZATION

Currently, the concept of customization is being used in businesses like high-end boutiques where exclusive outfits are created for women according to their taste. However, different sectors are also benefiting from it through the usage of technology that is making it easier to create customized products for masses.

An effective distribution and sales system is required to enable customization, as it needs a system through which the product could be channeled to the end customer. In fact, some companies use the distribution method as the customization process whereas other companies alter and make modifications to their delivery systems to ensure customization.

Customization requires trained sales representatives at outlets so that the concept can be implemented.

CURRENT TRENDS AND TECHNOLOGY

Automated-manufacturing-machinery incorporated with an order-taking structure is important for customized production lines. Internet has created a lot of opportunities for customization and has made companies responsible to maintain a continuous interaction with the clients in real-time. This has renewed the delivery systems with customers always staying on top of the updates through various mobile apps, emails, regular updates from the company or the online progress tracking system (if the company has any)

Numerous companies such as Yahoo are utilizing the Internet to create customized news items for the visitors whereas a rising number of businesses are using the ease of the online platform to enable the clients to design their products. Music based companies such as Volatile Media and Music maker have become successful in this arena through delivering customized CDs.

IMPORTANCE OF CUSTOMIZATION

An ever increasing number of companies are offering consumers the possibility to customize their products, exactly as the customer wants. This trend has impacted every type of consumer good product you can think of – from clothing to vehicles, to home accessories and even mobile phones. Enabling customers to personalize their goods at the moment of purchase builds feelings of ownership and product loyalty – and gives you a competitive advantage over those selling similar products.

By offering different colours, styles, designs and engravings, for example, companies can really empower customers to make their products feel like their own.

Since the late '80s many consumers have desired products that meet their exact needs. No longer does "one size fit all." Customers expect it their way and are willing to pay for it.

The heterogeneity of consumer needs provides a great opportunity for all companies. Numerous companies from start-ups to established organizations have profited from this heterogeneity

Customization helps brands boost sales on their own websites or gain share on a retailer's site. Equally, customization helps companies differentiate their products from those of their competitors at a time when the Internet is rapidly making it easier for customers to compare the prices of products with standard features.

With the proliferation of social media and online publishing, styles and trends now change faster than ever. Customization helps companies gain insights from customized designs and fine-tune products to stay one step ahead of the competition.

By providing customization options, brands raise loyalty at a time when it's more important than ever. Customers are willing to pay 20% more than standard equivalents for customized products—and many companies are successfully charging higher premiums.

Customization also helps companies reach specific consumers—such as the unpredictable millennial generation shoppers, a group known for their fast- moving preferences.

As a growing consumer force, young shoppers demand more individualized products than their older counterparts—they're not a one-size- fits-all generation. And, due to the proliferation of social media and online publishing, styles and trends change more rapidly than ever before, forcing sellers to keep up with shifting preferences.

 Companies that offer customization are able to use consumers as merchants—continuously gaining insights from customized designs and finetuning products in a feedback loop that helps companies stay one step ahead of the competition. With each design choice, customers share real-time shopper preferences that go well beyond what they would say in a focus group.

What companies deliver depends on what their consumers want. In addition to tailoring the offering to the customer, success requires stepping back and deciding upfront what a company hopes to get out of entering the customization game. Some companies use it to improve customer acquisition and engagement while others make it a stand-alone business.

APPROACHES TO CUSTOMIZATION

1. Collaborative Customization

Collaborative customizers talk to the clients to help them recognize what they need, to recognize factors that will fulfill those needs and to create customized products following those guidelines.

This approach seeks to help clients who struggle to spot exactly what they want and find themselves confused between huge varieties of options. Through decreasing options for an individual client, a collaborative customizer helps to understand the needs of the customers and strives to make it clear to them.

2. Adaptive Customization

Businesses that follow the approach of adaptive customization offer one standard product to the customers along with a few customization options. This approach makes sure that the product is designed in a manner that it can be customized by the end client with absolute ease.

This approach is ideal for a client-base that has different expectations from the product in different situations and occasions. With the availability of technology, clients can easily customize the products on their own.

3. Cosmetic Customization

Cosmetic customizers advertise a standard product differently to different groups of clients. This approach works well when clients use the same product but want them to be presented differently. Such products are not customized but instead they are packaged differently to suit different kinds of customers.

For instance, the benefits and attributes of a product are advertized in a different manner, it is displayed in a different way, promotional programs are communicated and designed differently, and the product mostly carries the client's name. Although this type of customization is, as its name suggests; cosmetic, it offers great value to a lot of

4. Transparent Customization

Transparent Customization deals with providing customized products to individual clients without telling them that the products are exclusively produced for them.

This approach work in cases where the customer does not want to repeat what she/he needs incessantly or when client needs are predictable or obvious.

Businesses that deal in a transparent customization examine client's behavior without direct communication with them and then discreetly customize their products for them.

APPLICATION OF CUSTOMIZATION IN EVERY INDUSTRY

Sellers of everything from dress shirts to handbags and even consumer packaged goods are discovering the value of letting customers create their own unique products.

Here are a few instances from the major industries which have done excellent after the application of customization:

- o Food and beverage industry
- o Education industry
- o Health care industry
- o Travel and tourism industry
- o Media and entertainment industry

Food and beverage industry:

- Various food companies like MC Donald's, Subway, Domino's Pizza, etc. have provided customer satisfaction by providing customized food products.

- A larger customer-centric trend happening in the restaurant industry. Customization is nothing new. In today's individualist culture, customization options are found everywhere – from our homes to our workplaces and everywhere in between. It's no surprise that the demand for personalization has spread to the restaurant industry, and moved far beyond just simply choosing your pizza toppings or what goes on your sandwich.

- Today's consumers are more educated than ever about their food, how it's made, and what goes in it (or doesn't). Diet is one thing that plays into the need for customization, whether a diner is requesting substitutions to cater to a food allergy, meet lifestyle choices (e.g. veganism) or they're following newly popular diet plans (e.g. Paleo diet). Consumers want choices that fit their lifestyles and add value to their dining experiences. Chains like Chipotle, Subway, and Five Guys Burgers and Fries have customization built directly into their business models.

- More traditional chains are rolling out similar programs to keep pace with foodservice trends. For example, McDonald's rolled out a "Create Your Taste" test program for custom burger options and Denny's launched a Monthly Features menu that included Build Your Own French Toast. Freedom of choice ensures that customers are getting exactly what they want, which can translate into return visits.

- Packaged goods manufacturers and specialty food companies are also cashing in on the trend. Consumers can print custom messages or even photos on M&M's, and subscribers of monthly food subscription box services (such as NatureBox and Nibblr) can pick and choose the type of food items that are delivered to their doors.

- Customization also gives foodservice operators the opportunity to listen to and incorporate consumer feedback. Trends can be implemented in a variety of ways to inspire innovation within a brand. Consumer insights and accurate foodservice data can paint a new picture and help manufacturers and operators pinpoint new possibilities for growth or expansion.

Education industry:

- Gone are the days when students have to rely only on text-based--or even video-based--tutorials. While those are still effective, new types of learning styles will continue to emerge in 2015, offering online learners more interactive experiences like writing code directly in the browser, or completing online challenges as part of the learning process.

- The education sector, capitalizing on innovative platforms and solutions that keep streaming into the market, is at the forefront of this disruption.

- Personalized Learning and Learner Analytics are two key domains within the education sector that are superbly taking advantage of new innovative technologies by providing services enabling learners with multiple options and bringing in a superior user experience.

- Personalized learning implies tailoring the curriculum to suit the needs of individual learners and providing one-on-one attention, which can at times turn out to be cost-heavy. Hence digital learning enters the frame, doling out customized learning opportunities for each and every student and at the same time freeing up teacher time. Multiple players in the education sector are leveraging the value of digital learning, which also provides well-crafted solutions to address special learning requirements, methodologies to narrow down learning gaps and platforms that enhance and improve student progress and scores.

- Digital learning has expanded the horizon of learning opportunities. Now tutors and students can interact with peers across the globe, across cultures, multiple times and in multiple locations, and access the best learning opportunities that exist. The digital wave has unleashed its potential to boost student motivation as well. Trends such as game-based learning (GBL) that provide a novel approach to teaching and learning are being perceived as effective, as they make use of competitive exercises to get students to challenge themselves in order to enhance their motivation to learn better. This not only engages the student but also provides practical implementation of the theory being explained as part of the learning.

- This industry has gained the best out of its customized options. Various websites like courseera.org, Shaw Academy provide courses like Photoshop, social media marketing, etc., through their online presence, so people can have an access to them from their homes, without going to an institution. Also it has been observed that according to the need and demand of people exams, assignments have been channeled online for its easy usage.

Healthcare industry:

- The latest trend followed these days by major hospitals is to provide customized health check-up packages to patients. For instance Kokilaben, Lilavati hospital, etc. provide different packages according to the need and budget of the patients.

- Organizations that provide health services are increasingly in need of systems and approaches that will enable them to be more responsive to the needs and wishes of their clients. Two recent trends, namely, patient-centered care (PCC) and personalized medicine, are first steps in the customization of care. PCC shifts the focus away from the disease to the patient. Personalized medicine, which relies heavily on genetics, promises significant improvements in the quality of healthcare through the development of tailored and targeted drugs.

- Given the evolution of technology, today's patients are used to having mobile tools at their fingertips to access and manage information anywhere, anytime. There is a greater expectation for personalized experience in healthcare. Healthcare technologes that seek to know each patient remember preferences and engage with them effectively, and via the communication channels they are used to in daily life will be at the forefront of taking patient care to its next inevitable level. Such technologies will help organizations to build loyalty and customer satisfaction, which then leads to higher patient volumes, revenue, profitability and an overall standard of care.

Travel and Tourism industry:

- Various tourism companies like SOTC, Heena travels, etc offer customized tour packages to the people. Also they focus on the need of the customer, whether it a holiday trip, health care trip or a business trip, and provide the service accordingly.

- There has been a dramatic shift in the travel industry with 31% of the business coming alone from travellers looking for custom bookings. The percentage is expected to go higher since modern-day travellers are increasingly looking for experiential travelling that is going to enrich them with a lifetime of experiences.

There are also a number of reasons why planning one's own unique trip with the assistance of an experienced travel agent is beneficial and offers total value for money.

- Tour packages are designed keeping in mind the travel needs of the masses at large. The itinerary often consists of all the popular tourist attractions and activities and it is quite possible that the least known tourist spots or activities are given a miss. For intrepid travellers who like to experience a destination as a whole and not just based on the most-visited places, customizing the package is perfect.

- With personalized tour packages, one can explore a place in a leisurely and relaxed manner or indulge in exhaustive travels, according to one's requirements.

- With custom-made packages, one can choose the way one wishes to travel, the kind of hotel that one would like to stay in and the facilities that are expected. With the expert guidance of travel agents in India, one can get all the luxury and privacy at affordable prices since tours and travel operators have excellent networks and connections.

Media and Entertainment industry:

- These companies tap the demand of customers, for instance they see that the preference of people differs on the basis of their languages and religion. Accordingly there are television channels offering programs in different languages to satisfy all the customers.

CUSTOMIZATION AS AN EFFECTIVE MARKEITNG STRATEGY

In the past one decade, with the availability of resources, new innovations and ease of starting up a new company, there are various companies offering a wide range of products and services.

Due to this there is a high level of competition amongst the companies delivering similar range of products. They have to adopt various strategies for their survival in this intense competition,.

Customization solves this problem, it can be used as an effective marketing tool. Companies can provide customized products and services, leading to product differentiation. It helps to create a different brand positioning of their product s and services in the minds of the target consumers.

Also it solves the problem of saturation. Many companies have reached the saturation level, offering the same range of products and services. Through customization they can diversify their range of products.

It helps the companies to gain a competitive edge over others, through product differentiation.

Many loss making companies have tapped the opportunity of customizing their range of products and services and have done very well. Customization provides satisfaction to the customers, creating a long lasting relationship with the company. This helps to build new customers, through word of mouth. As the customers increase, sales increase hence leading to long term profits.

IMPACT OF GLOBALISATION ON CUSTOMIZATION

Globalization is the process of international integration arising from the interchange of world views, products, ideas and other aspects of culture. It allows more and more industries to explore new markets.

This has led to competition amongst producers, both domestic as well as international. This provides advantage to the consumers, as they have a wide variety of options to choose from.

It is advantageous as well as disadvantageous for the companies. Globalization has changed the the scenario for all the industries. Survival in this intense competitive world has forced companies to take up new strategies. Customization as a strategy has been adopted by many industries to gain a competitive edge over others, provide product differentiation. Service sector has gained the most of out of customized services.

For instance Subway has tailor made its food options in India according to Indian tastes and preferences. It has well understood the cultural differences in different countries, and provided the options accordingly.

PROS AND CONS OF CUSTOMIZATION

PROS

• Customers are often more pleased with the finished product they receive, as it's to their specification.

• Your workforce is more fulfilled as they now partake in numerous tasks as opposed to one production line responsibility.

• Customized products are more attractive to consumers than uniform products.

• Companies can forge strong relationships with their customers. That loyalty leads to return business time and again.

• As nothing is produced until an order is received, there are huge savings to be made by eradicating inventories of unsold goods and raw materials.
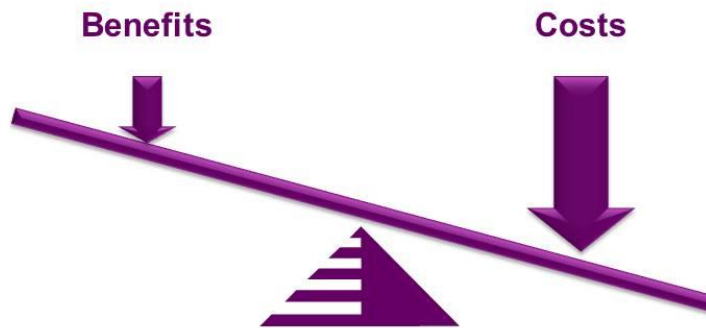
CONS

• Maintaining a high level and variety of stock can incur high warehousing costs. Large amounts of capital are also tied up in stock.

• Typically, as the products are custom made they have a higher cost.

• Offering customization with production efficiency is very difficult to achieve.

• If you are coming from a production background it is extremely tough to change your organizational structure and culture.

• Substantial investment is needed in information technology to create close integration between all links of your organization's value chain and external suppliers and intermediaries.

EFFECTS OF CUSTOMIZATION ON MANUFACTURING

Over the past few decades there has been an emerging trend in manufacturing known as customization. Customization is a concept whereby the customer has a much higher involvement in the manufacturing process, being able to specify the features of the product that they want, for example, selecting the functional and aesthetic features of cars.

Essentially, this trend reflects a change in manufacturers' attitudes. They are now listening to what the market and consumers are demanding and addressing these requirements.

For centuries, manufacturing has been predominately about producing as much of a certain product at the lowest unit cost in order to create value for the manufacturer, better known as mass production. As a result, this production-centric approach has told the customer what they need, leaving very little scope for input from the consumer. In essence, customization is a response to consumers demand for far greater control over the features of products that they wish to buy.

Embracing customization does not happen without stringent planning and a vast understanding of its principles. The most important that a business can have are agility and a better understanding of supply chains in order to meet the customer's specific needs and still manufacture efficiently. In addition to this, incorporating effective customer-centric design and being more flexible are key to economically customizing a company's product offerings and producing them efficiently.

CUSTOMIZATION CHALLENGES

Challenges with higher costs: Probably the biggest challenge of mass customization is the fact that it is not an appropriate option for all markets, clients and products. Most customers are not interested in having a customized light bulb or washing detergent.

Successful for luxury and not successful for basic products: If we take into consideration the prospect of making profits and doing good business, then for most business types the profits earned by the customization does not outweigh the complexity and cost of producing customized products.

Challenges with return of customized product: Customization also creates a lot of problems for the manufacturers when the products get returned. Mainly, this does not happen as the product is created according to the likes of the customer but some returns will take place. In such cases, businesses that do not have mechanisms to reverse the customization tend to face many issues. Moreover, the chances of another client wanting the same product as someone else are too narrow, which can put the business in a tricky situation.

Challenges with supply chains: The biggest obstacle to customization is the fact that most businesses' supply chains cannot efficiently handle it. The systems of suppliers are mostly optimized and designed for producing prearranged amount of products rather than catering to any unforeseen demand. Many do not even integrate latest supply-chain management applications like just-in-time inventory and automated planning.
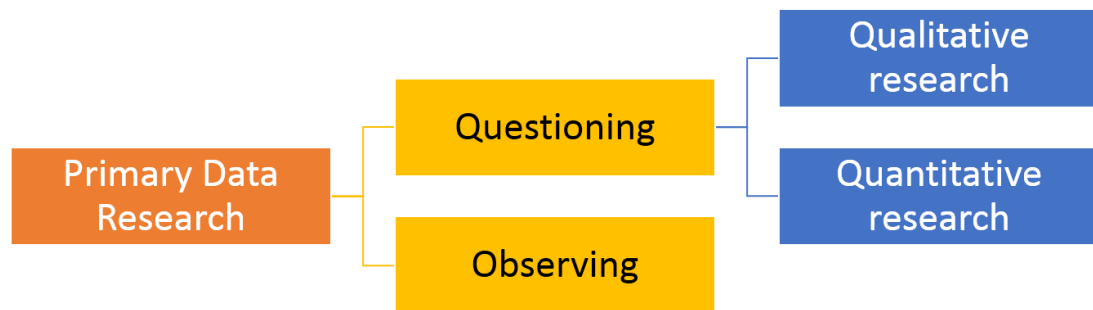
PRIMARY DATA ANALYSIS

Questionnaire: Studying the revolution in marketing of quirky customized accessories

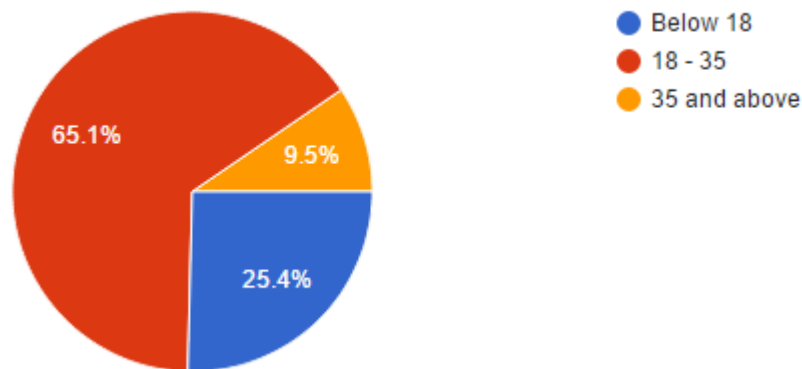Target Market: Preferably Youth

Target Market Strength: 60

Mode of filling questionnaire: Google Forms

Question 1.

What age group do you belong to?

According to the survey conducted, it is observed that the main target group of consumption of quirky customized accessories is the youth, between the age group of 18 to 35. The reason of the major target group is that this group is most exposed to the latest trends, offline as well as online. Also this age group is the more enthusiastic about trying new products, giving them more satisfaction and a feeling of pride in society.

Also we can see, following the youth the teenagers and children are developing a taste towards these quirky customized accessories. They get inspired from their immediate elder siblings or youth friends in touch. So the marketers are even targeting this age group by making products like laptop skins, customized printed mugs, posters, etc. which attract them. They are the easiest group to market products, since they get influenced easily.

Mentioning about the last group that consists of rational buyers, including our parents and elders. They prefer these quirky customized accessories to a certain extent, but only where required. Although they are least targeted, but they still contribute a good percentage. They demand products like customized pillow covers, wall taperies, etc.

Question 2.

In products and services what do you prefer?
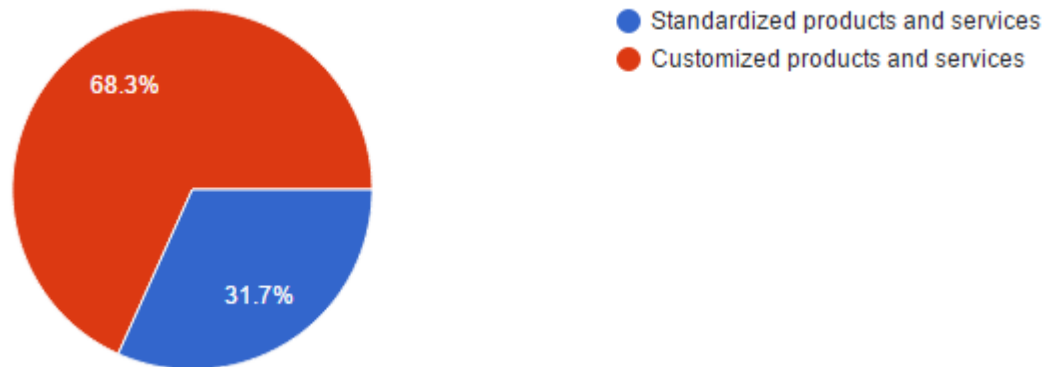
The analysis shows here that majority of the people these days prefer customized products and services. This is because of several reasons like increased purchasing power, availability of options, awareness of new products coming into the market (through media), etc. Also technology has made it possible to make new and innovative products which the manufacturers could not even think of a decade back.

People want customized t-shirts, phone covers, mugs, etc. according to their tastes and preferences.

But still more than one-fourth population of the total sample survey prefer standardized products. This could be for various reasons like price, risk of trying a new product. Usually it is observed that the rational buyers like the elders of the family go for standardized products as they look at the utility rather than other features. Also many people have the perception of sticking to normal standardized products available because of various cultural reasons.

But majority of the people prefer customized products and services.

Question 3.

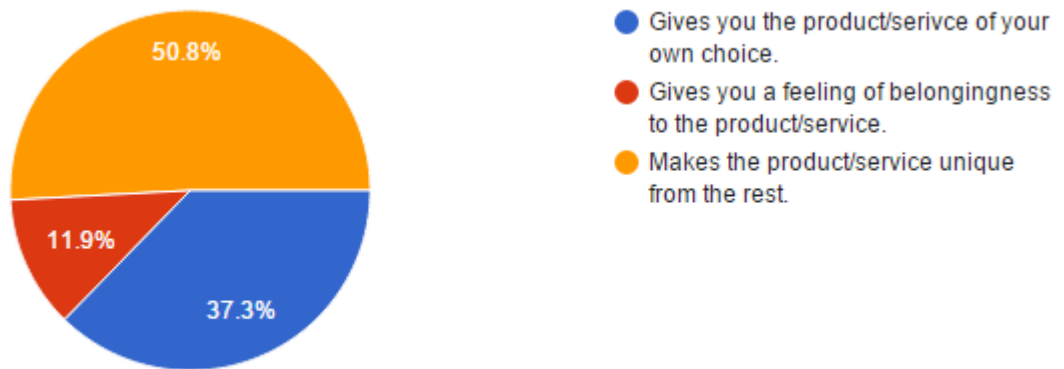What are the reasons for not opting customization?
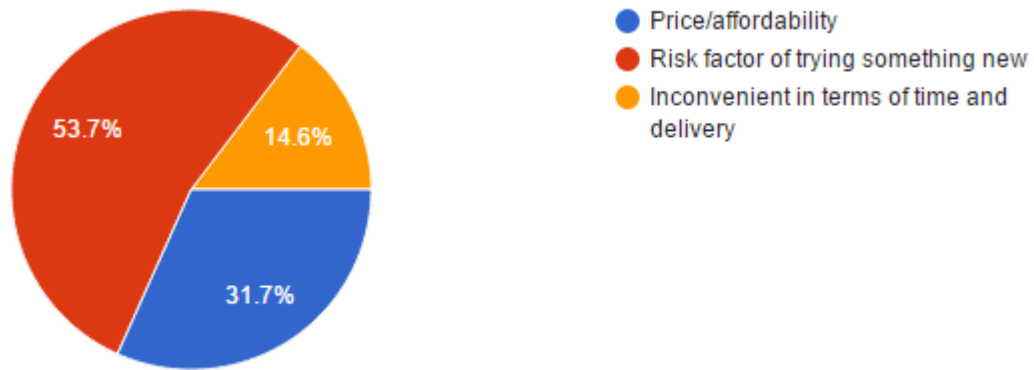
The above representation shows the various reasons for which people do not prefer customization. More than 50% of the people do not want to take the risk of trying something new. They do not trust the new innovative products or services upcoming in the market.

Some people (approximately 31%) do not prefer customization of products or services due to the price factor. They consider this category as sophisticated and feel that the prices of such customized products or services would be too high, unaffordable by them.

Also a small proportion of the population feel that it is inconvenient in terms of time and delivery. They do not have the time to wait for the delivery of such products or services, and do not want to spend time in getting it customized. They prefer what is readily available, visible to them and make their purchase decision.

Question 4.

What are your reasons for selecting customized products and services?

Legend:
- Gives you the product/serivce of your own choice.
- Gives you a feeling of belongingness to the product/service.
- Makes the product/service unique from the rest.

The above pie diagram shows that approximately 50% of the people prefer customized products and services as it makes the product/service unique from the rest. People want to have differentiated products and services, so that they have pride in the society of having something different from the others. Due to increased exposure, increased purchasing power people want products which give them uniqueness.

Some people want to go for customized products and services as they can get something of their own choice, according to their tastes and preferences. The best example can be different designs for phone covers selected by boys and girls according to their choice.

Also few people want customized products and services as it gives them a feeling of belongingness to the product/service. They opt for such products which they can connect with. Like girls prefer simple designs on phone covers, mugs, etc. which connect their personality with the product.

Question 5.

What is your preferred method for opting customization?

Online mode
Offline mode, by visiting shops in person

67.7%

32.3%
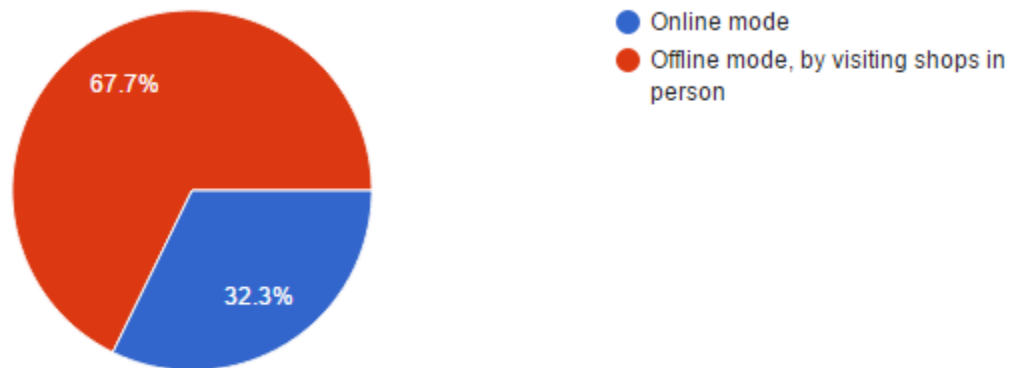
The analysis clearly shows that majority of the people prefer offline mode for getting their products or services customized. It is because of the perception of Indian people of still wanting to see the product physically rather than online/pictures. Also people prefer to see similar samples of the customized products so that they get an idea of its look or features.

But some people even prefer online mode for customized products and services. This can be for those people who are well versed with online portals and have enough experience of trying them online. Also many online portals give a preview of how their product would look like. So people comfortable with that go ahead with online mode. Also they find it convenient online as they do not have to go a store.

Question 6.

How often do you prefer customization?
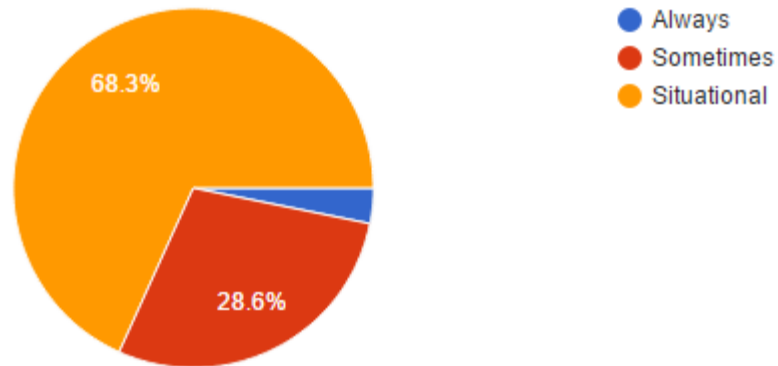
As clearly visible the preference of customization is situational. It depends on the product/service. People usually prefer customization in the fancy products like dream catchers, mugs, jewelry organicers, etc. They do not prefer customization in normal day-to-day products like toothbrush.

Also there are few people who prefer customization sometimes. This highly depends on their past experience, word of mouth, etc. These factors highly influence the decision for opting customization.

Also a very small proportion of the population always prefer customization. These people are very conscious, they want product differentitaion even in a normal product. Also people from upper higher class with more disposable income prefer customization in each product or service.

Question 7.

If opting for customization, what are the parameters on which you would judge that particular product/service?
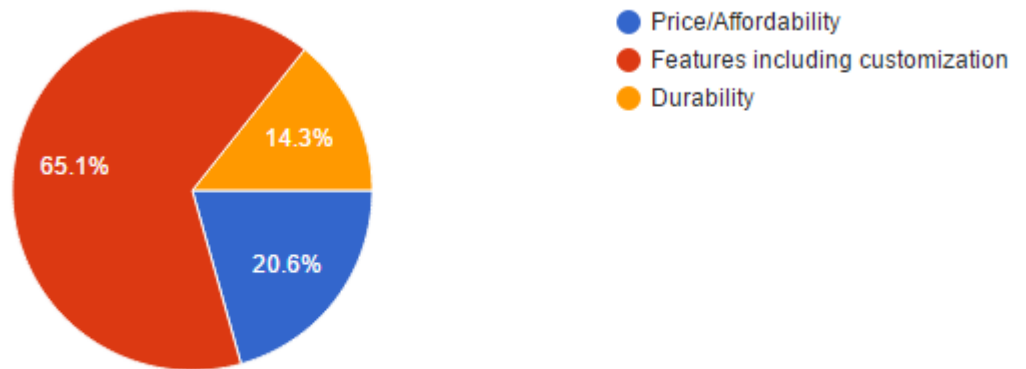
The observation shows that majority of the people opt for customization for the various features available. These features include the look, feel, color, texture, sixe, etc. of the product/service. (Service will only include only intangible features) If they are satisfied with the features, if it is according to their expectations they prefer customization.

But some people also judge customization according to the price. If they find that the price of the customized product/service is affordable they will go ahead. Features of such product are not that important if the product seems affordable. They are ready to compromise in the features available. Usually the rational buyers of the family look for price/affordability.

Also few people judge customized products on the basis of durability of the product.

They look at the utility function of the product, that how long the product will be of use.

They give less importance on the features and are even ready to pay the price quoted, but prefer a good quality durable product so that they do not have to invest their time and money again in buying such product/service.

Question 8.

Do you prefer to buy latest quirky customized accessories?
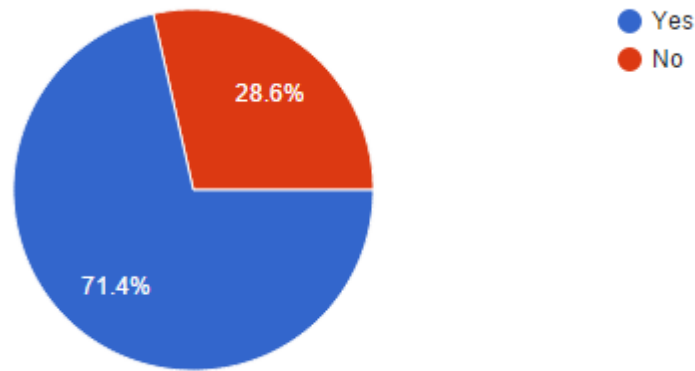
The above pie diagram shows that nearly three-fourth of the population prefer to buy the latest quirky customized accessories. These accessories include phone covers, laptop skins, jewelry organicers, customized hangers, customized mugs, pillow covers, dream catchers, etc.

Usually the youth prefer these accessories as they are more exposed to the latest market trends. They prefer fancy products as inspired by the western countries. They want to have unique products and services.

And approximately one-fourth of the population do not prefer to buy these accessories. Usually the rational buyers do not buy such accessories as they do not feel the need of consuming the same. Also they feel that it adds to the expenses. They want to consume normal standardized products available in the market since years, rather than trying something new.

Question 9.

What kind of quirky customized accessories do you prefer to buy?
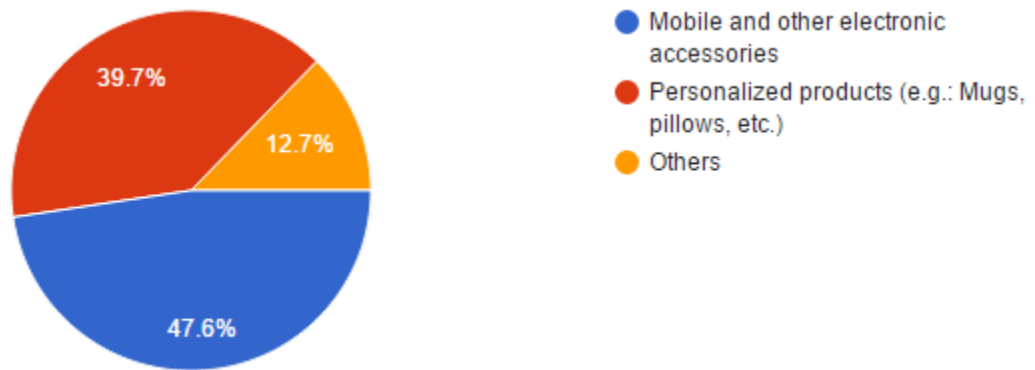

The analysis shows that the preference of these accessories is highly personal. Some people prefer mobile and other electronic accessories like customized phone covers, laptop skins, pen drives, etc. these accessories are preferred by people who are more inclined to electronic goods, who keep themselves updated with the latest technology.

Some people prefer customization in accessories like pillows, hangers, home décor items, mugs, etc. These accessories are usually preferred by people who like attractive things, like to decorate their home and who are not very technology oriented.

Also few people prefer other customized products like shoes, t-shirts, etc. who are interested in getting accessories which they can use directly. Rather than on electronics or personalized products these people prefer those accessories which they can use on themselves directly.

Question 10.

How much do you usually prefer to pay for these quirky accessories?
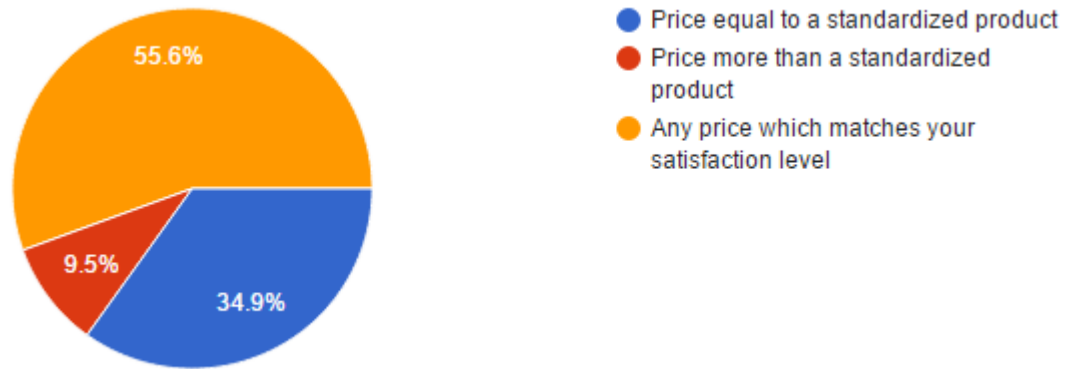

As observed people usually prefer to pay a price which matches the satisfaction level of using those accessories. If the accessories match their expectations they are even ready to pay a premium price for the same since they are quite satisfied with it. Also it will lead to repeat purchase from the same customer.

Some people are willing to pay a price which is equal to that of a standardized product. They usually compare accessories of several companies and opt for the best deal. They want good quality customized product but at the rate of standardized products.

Also a smaller proportion of the population is ready to pay a price which is more than a standardized product. Usually people from the upper class are ready to pay such a price as they are highly conscious of the accessory they will use. They want the best features including the best quality. They like to try and keep themselves updated with the latest accessories like jewelry organicers, customized hangers, etc.

Question 11.

What do you dislike about these quirky customized accessories?
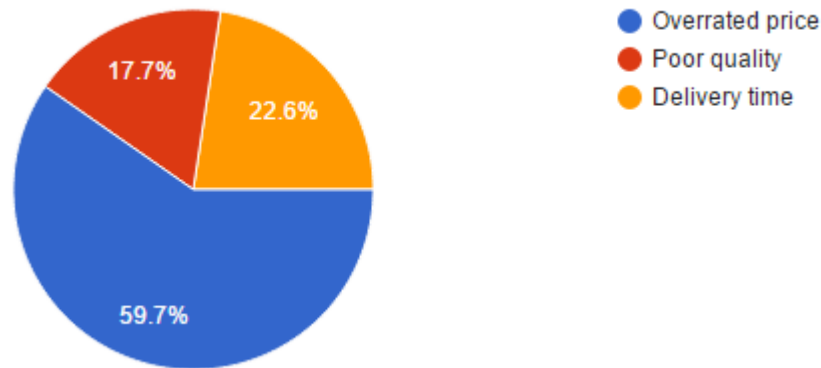
The above pie chart shows that many people do not like the overrated price of these accessories. People prefer to buy these accessories but sometimes the price factor stops them from buying the same.

Also few people do not like the time taken to deliver such products. Usually standardized products are readily available and seem convenient. The delivery systems of India have improved to a large extent but yet not up to the mark.

Some people do not trust the quality of such accessories. They feel that not just the look and feel are important, but also the sturdiness of the product. People prefer good quality when they are paying a premium price for these customized accessories.

Question 12.

Do you think these quirky accessories will have an increasing demand in the future?
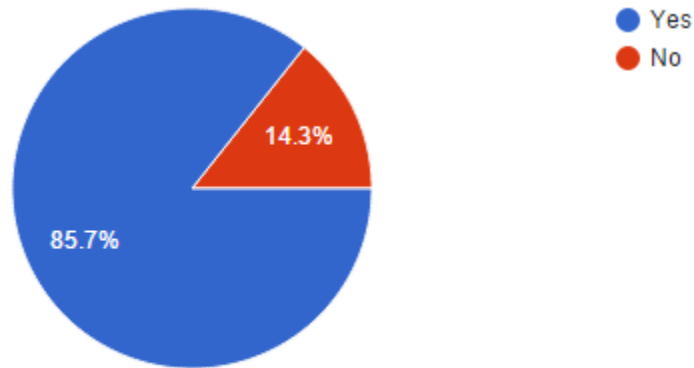
The observation clearly shows that majority of the people feel that these quirky accessories will have an increasing demand in the future. It is because people these days are aware of the latest trends due to constant touch with the media. Also with rising disposable incomes people want to try something new, be it home décor, electronic and related accessories or personalized accessories.

Also a part of the population does not feel that these accessories will have a good demand in the future. While observing it was seen that the elder population feels that these accessories will not have a good demand in the future.

But the youth population who have enough access to online portals, media, etc. who buy and use these products feel that these accessories will have a major share in the indian economy.

Question 13.

Rate on a scale of 1-5 (5 being the highest, 1 being the lowest) the level of satisfaction after using a quirky customized product.
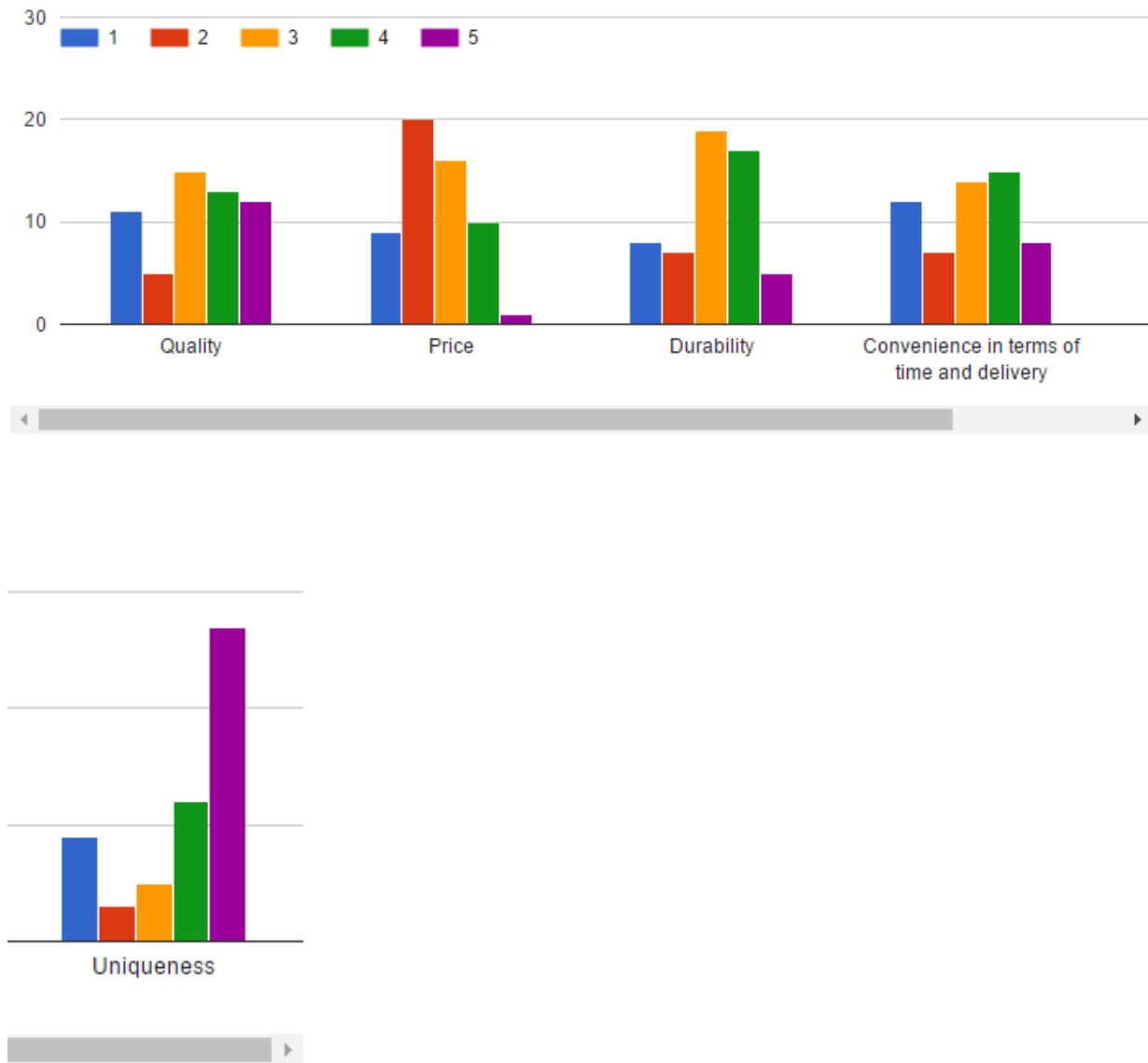
The above diagram shows the different levels of satisfaction on various attributes of customization. The various attributes are price, quality, durability, convenience in terms of time & delivery and uniqueness. Maximum people feel that uniqueness of customized products make it a reason for them to consume the same. It gives them satisfaction of using a product which is unique and different from others.

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GROWTH OF QUIRKY ACCESSORIES

With the rising income levels, global exposure and brand awareness there has been high demand of quirky customized accessories like mobile accessories, fancy pen drives, photo frames, printed mugs, etc. There are many big companies like Chumbak (functioning both online and offline), Bewakoof.com (online), etc providing so many quirky products according to the needs of customers.

These companies have tapped the importance of online marketing on various web portals, offering their attractive quirky accessories. Also there are various international companies like Society6 (functioning online), providing customization in normal day-to-day products. People these days want fancy and attractive things, as it gives them happiness. Also it provides them a state of pride in the society by using these accessories. This has also given opportunity for various startup companies to provide colorful, attractive products to the customers.

There a few quirky accessories which have been studied in detail and will be discussed further:

- Phone covers
- Printed mugs
- Travel mugs
- Customized posters
- Photo frames
- Quirky pen drives
- Dream Catchers
- Laptop Skins
- Jewellery Organicers
- Wall Tapestries
- Printed t-shirts
- Customized hangers
- Customized business cards
- Customized jewellery accessories
- Customized home accessories

The company in association to study of these accessories is a startup company, known as "NimbuMirchi Designs". The internship with this company helped in the study and research of the latest trendy accessories.

CUSTOMISED PHONE COVERS

Phone covers, which are designed to attach to, support, or otherwise hold a mobile phone, are popular accessories for many phones, particularly mainstream smartphones.

Markets had mobile covers earlier, but only a limited range. What people desired and wanted was very different, they preferred these mobile covers in a different material, different designs and customized prints. Observing this demand, companies came up with the idea of creating customized mobile covers, printing different designs and patterns on it.

These days' phone coves are available in different materials like hard plastic, silicon, etc. The latest of all, being hard plastic with a mat finish. On this material any design, pattern and photo can be printed. Companies are reaping great profits from these phone covers. The leading companies offering these smart phone covers are Bewafoof.com, Chumbak, NimbuMirchi, Macmerise, etc. Also these covers are available on websites like amazon and flipkart.

CUSTOMIZED MUGS

A mug is a type of cup typically used for drinking hot beverages, such as coffee, hot chocolate, tea or soup. Ancient mugs were usually carved in wood or bone, or shaped of clay, while most modern ones are made of ceramic materials. Out of all types of mugs, Coffee mugs and travel mugs are most in demand. Companies provide customized mugs, with anything written or printed on it.


TRAVEL MUGS

Travel mugs (introduced in the 1980s) generally employ thermal insulation properties for transporting hot or cold liquids. Similar to a vacuum flask, a travel mug is usually well-insulated and completely enclosed to prevent spillage or leaking, but will generally have an opening in the cover through which the contents can be consumed during transportation without spillage.

CUSTOMIZED POSTERS AND PHOTO FRAMES

A poster is any piece of printed paper designed to be attached to a wall or vertical surface. Posters are designed to be both eye-catching and informative. Customized posters are quite in demand, with some social message, cartoons, animals, etc.

A photo frame is a decorative edging for a picture, such as a painting or photograph, intended to enhance it, make it easier to display or protect it.
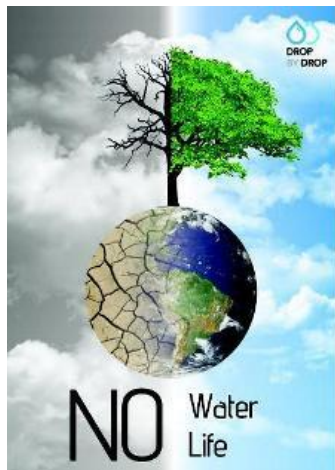
DREAMCATCHERS

In the Native American Culture, a dream catcher is a handmade object based on a willow hoop, on which is woven a loose net or web. The dream catcher is then decorated with sacred items such as feathers and beads. The dream catchers would filter out all bad dreams and only allow good thoughts to enter our mind. This concept has attracted many Indians, also the look and attractiveness of a dream catcher has led to its widespread demand in the last three years.

These dream catchers are made in various forms, as key chains, locktes, door hangings, ceiling hangings, tiaras, car hangings, etc.

LAPTOP SKINS

A laptop skin is an adhesive cover that can be attached to the cover of a laptop computer. Skins are available in hundreds of colors, designs, and motifs. Laptop skins allow customization of your computer, and can be uniquely personalized to fit your own design aesthetic.

Laptop skins are available in a wide variety of styles. Basic versions are available in solid colors, while more exotically patterned skins can be animal prints, stripes, polka dots and even argyle prints.

Textured skins are also becoming popular for laptops. You can easily find mock-fabric, suede or leather skins to apply to your computer. Some laptop skins are even available with fuzzy or raised prints, so your laptop skin may not just look like a tiger print, it may actually feel like one, too.

JEWELLERY ORGANICERS

Jewellery organicers are basically jewellery stands that help you to hang your jewellery. It is widely used these days, as it is easy to maintain your set of jewellery.

These are made up of various materials like plastic, wood, steel, etc.

The most trending stands are made up of steel which can be customized according to different needs of customers. They are small in size, easy to carry and manage the same.

WALL TAPESTRIES

Wall Tapestry is a piece of thick textile fabric with pictures or designs formed by weaving coloured weft threads or by embroidering on canvas, used as a wall hanging or soft furnishing.

Tapestry is one of the oldest forms of **woven textiles.** Tapestry looms are either vertical (high warp) or horizontal (low warp). The design is formed by the weft (horizontal) threads, which are tightly packed to cover the warp (vertical) threads. The warp threads are normally completely covered so play no part in the design.

PRINTED TSHIRTS

A printed T-shirt is a T-shirt bearing a design, image or lettering on it. Printing is done with textile printing. Various types of printed T-shirts exist like concert t-shirt, tourist t-shirt, merchandise t-shirt, etc.

These t-shirts are quite trending and in demand these days. They can be customized according to personal needs. Numbers, designs, photographs, etc can be printed in different colours.

CUSTOMIZED HANGERS

A clothes hanger, coat hanger, or coat hanger, is a device in the shape Of :

1. Human shoulders designed to facilitate the hanging of a coat, jacket, sweater, shirt, blouse or dress in a manner that prevents wrinkles, with a lower bar for the hanging of trousers or skirts.

2. Clamp for the hanging of trousers, skirts, or kilts. Both types can be combined in a single hanger.

These days it is surprising to know but even the hangers can be customized according to our preferences. Name written, design carved, etc. hangers can be made.

It is used as a wedding accessory, given to the brides on their weddings as a gift.

They can me in different colours and sizes, depending on the clothes to be hanged on it.

CUSTOMIZED BUSINESS CARDS

Business cards are cards bearing business information about a company or individual. They are shared during formal introductions as a convenience and a memory aid. A business card typically includes the giver's name, company or business affiliation (usually with a logo) and contact information such as street addresses, telephone number(s), fax number, e-mail addresses and website. Before the advent of electronic communication business cards might also include telex details.

CUSTOMIZED JEWELLERY ACCESSORIES

The Customized Jewelry includes rings, bracelets and necklaces that are custom-made to give consumers the option to participate in the creation of their own jewelry or gifts. Friendship jewelry is popular among tween and teen demograohics, providing custom shapes, names and designs to suit each pair.

CUSTOMIZED HOME ACCESSORIES

Home accessories are furniture items which are easy to replace and easy to move, and include almost any items that aren't strictly functionally necessary in the decorated space. These accessories include such items as curtains, sofa sets, cushions, tablecloths and decorative craft products, decorative wrought iron, and so on. These items are commonly used in indoor furnishings and layout and can include cloth items, paintings, and plants.

CASE STUDY 1:

Bewakoof.com: Trending Youth Life

It was April fool day of 2012 when the company was launched by the 2 IITians Prabhkiran Singh and Siddharth Munot. Bewakoof.com has grown up in a leading brand with their products shipping in over 90 countries. The company has its business running through catchy and funny messages printed on its products.

In initial period, they lack in the money for investing in the business and both started the company Bewakoof.com with their personal investment of Rs30000. They worked harder and harder. Researched over the current market trends among college students and finally established a cool business.

They developed and provided customized products according to the need of the youth, their main target group.

Currently Bewakoof is doing a business of INR1.5 Cr. through its own portal constituting 100% of the sales. The brand claims to have developed 3 times in the past 6 months and more than 50% of their business coming from mobile. The company is targeting to reach 100 million USD turn over in the next 5-7 years.

CASE STUDY 2:

How Happily Unmarried is making the youth of India happy with its quirky products?

A young professional post-graduated from the prestigious Mudra Institute of Communications, Ahmedabad, Rahul Anand was working as a marketing manager in an IT company. He had not been paid his salary for almost six months. His friend Rajat Tuli and he himself were working for a loss making company in Hyderabad for nearly two months, and then were shifted to its Mumbai branch, and then to Delhi. Working without salary in a loss making firm left both of them with no money in their pocket and for the next eight months, they were left with no money. What they had with them was just a company-owned laptop. After few months, the firm went belly-up and the duos were in great confusion of what to do next.

lthough they were to find their next job but they decided to start their career as an entrepreneur. It was really a very tough decision for both of them as their families were against this entrepreneurship start and thus they both had nothing to invest in their startup idea. The only thing they had was the company owned laptop which Rahul can sell and manage to arrange money. Rahul however managed to convince his ex-girlfriend's father to buy his laptop and then sold it for INR 50,000. This was like a life for their startup idea.

The duo started their entrepreneur career in the year 2003 with Happily Unmarried which started its operation from the rented room of Rahul in Malviya Nagar, Delhi. The motto of their business was to offer all the services to the singles in the city. Offerings included accommodation, furnitures, curtains, rugs and everything that a single man needs in a new city.

The success came for the company when they received an order of corporate gifts for National Geographic Channel. This worked as a big break for the company and the money received from the order was used to upgrade the product range.

The brand has now an offering of various categories including apparel, bags, stationery, phone covers, home accessories and many others.

CONCLUSION:

After studying the latest trends in customization of quirky accessories and its increasing demand in the past decade, all the information obtained from surveys, case studies and other sources, it is clear that the Indian market has adopted this trend of using customized accessories.

One more observation that was made after this study was that this trend does not affect only one section of the society, it has been succesfully adopted by middle aged people in out country.

The rapid growth of these customized accessories also brings about large number of opportunities for the young entrepreneurs in our country since the consumer market is already open to such options when given to them.

These accessories will have an increasing and recurring demand, where customization will play a key role in promoting these accessories.

SUGGESTIONS

CURRENT STATISTICS:

73% of consumers prefer to do business with brands that use personal information to make their shopping experiences more relevant (Digital Trends)

86% of consumers say customization plays a role in their purchasing decisions (Infosys)

45% of online shoppers are more likely to shop on a site that offers customized recommendations (Invesp)

40% of consumers buy more from retailers who customize the shopping experience across channels (Monetate)

SCOPE FOR IMPROVEMENT

Customers love that personal touch, whether it's being addressed by name in an email, a shop owner remembering their birthday, or being able to customize a website to their needs. It can make them feel like they're your single most important customer.

With personalized product recommendations, you can suggest highly relevant products to your customers at multiple touch points of the shopping process. Intuitive recommendations will make every customer feel like your shop was created just for them — and you'll enjoy a natural boost in conversions and order values.

Customized Product Recommendations

A customized product recommendation isn't based on an assumption or guess. Customized recommendations are based on user behaviour. These are items that have been frequently viewed, considered, or purchased with the one the customer is currently considering.

Consider the example of Amazon.com

What Amazon does — and what your store can do, too — is utilize the behavior of customers to make predictions about what future customers will like. This involves the collection of user data on a wide scale, and the deployment of automatically generated recommendations in locations where customers are most likely to respond. This may be on product pages, but it may also be in the shopping cart, or on special sale and category pages.

These powerful, proven suggestions will essentially make your customers feel as if their minds are being read. This can have a huge impact on their shopping behavior.

Gain better insight on customer behavior and preferences

One final benefit of customized recommendations comes from the ability to learn what your customers think. As a store owner, you probably have assumptions about the products that should be purchased together, but this may not actually match up to what customers want to buy together.

Customized recommendations are typically made based on user behavior like purchases, page views, and items added to the cart together. They aren't made based on items that visually coordinate, come from the same collection, or are made by the same manufacturer. This can give future visitors (and you!) a much richer, deeper view of what real customers think match and go together.

OTHER RECOMMENDATIONS

The world is full of great ideas, and never before has it been easier to turn those ideas into real, physical products.

Create a clear design brief for your product

The best thing you can start with is a very clear design brief, or outline. The key questions here are "Why?", "Who?" and "What?"

Clarifying who you're making the product for will help you in a multitude of ways – from how you will make it in the beginning through to how you will promote it to others.

Choose how your product will be made

How products are made ranges from the hand made to robotic assembly lines that cost millions of dollars. Digitally created designs give you the power and quality of robots at a price closer to something hand made.

Make a physical prototype of your design

Prototyping is an vital part of the design process, and it's possible you'll need to make several versions of your product before you have it perfected.

Assess the outcome of your prototype and adjust your design

Presented with the real physical outcome of your design, you can now adjust it to better align with what you had intended. The result of this revised design will naturally be a new prototype, followed by another round of assessment.

ANNEXURE

1. What age group do you belong to?

    a. Below 18

    b. 18-35

    c. 35 and above

2. In products and services what do you prefer?

    a. Standardized products and services

    b. Customized products and services

3. What are the reasons for not opting customization?

    a. Price/affordability

    b. Risk factor of trying something new

    c. Inconvenient in terms of time and delivery

4. What are your reasons for selecting customized products and services?

    a. Gives you the product of your own choice.

    b. Gives you feeling of belongingness to the product/service.

    c. Makes the product/service unique from the rest.

5. What is your preferred method for opting customization?

    a. Online mode

    b. Offline mode, by visiting shops in person

6. How often do you prefer customization?

    a. Always

    b. Sometimes

    c. Situational

7. If opting for customization, what are the parameters on which you judge that particular product/ service?

   a. Price/Affordability

   b. Features including customization

   c. Durability

8. Do you prefer to buy latest quirky customized accessories?

   a. Yes

   b. No

9. What kind of quirky customized accessories do you prefer to buy?

   a. Mobile and other electronic accessories

   b. Personalized products (e.g.: Mugs, pillows, etc.)

   c. Others

10. How much do you usually prefer to pay for these quirky accessories?

    a. Price equal to a standardized product

    b. Price more than a standardized product

    c. Any price which matches your satisfaction level

11. What do you dislike about these quirky accessories?

    a. Overrated price

    b. Poor quality

    c. Delivery time

12. Do you think quirky accessories will have an increasing demand in the future?

    a. Yes

    b. No

13. Rate on a scale of 1-5 (5 being the highest, 1 being the lowest) the level of satisfaction after using a quirky customized product.

   a. Quality

   b. Price

   c. Durability

   d. Convenience in terms of time and delivery

   e. Uniqueness

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ABOUT NIMBU MIRCHI DESIGNS (INTERNSHIP)

Nimbu Mirchi Designs is a Mumbai based start-up in the field of quirky customized accessories like phone covers, mugs, quirky pen drives, printed t-shirts, dream catchers, scarves, etc. It is involved in manufacturing as well as retailing of these accessories. It reaches the customers (which are both B2B and B2C Clients) through its website and instagram page.

Its main functional areas involve:

- Handling the orders received through website
- Handling B2B Clients
- Handling Instagram Page
- Manufacturing phone cases, mugs and few more products
- Handling suppliers of few accessories for further retailing
- Come up with new and innovative products everytime.