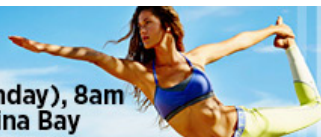


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## Mass-customised goods do have a future in Asia

But companies should be mindful of the region's unique cultural influences that need to be catered for in designing future-proofed personalised options.

By YE H MINGMIN  
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MASS customisation as an industry has burgeoned in Western markets since the 1950s and is now estimated to be worth over US\$150 billion per annum. Advancements in technology and the widespread use of the Internet are fuelling the growing consumer demand for personalised products, particularly across the West.

As consumers continue to expect high levels of personalisation and the ability to express individual preferences, many companies are incorporating elements of mass customisation into the design of their products and services. But is the demand for such flexible production as popular in the emerging markets across Asia?

According to previous research published in the International Journal of Mass Customisation in 2011, it was unclear whether mass customisation could be implemented as effectively in non-Western societies where different value systems exist. In collectivist cultures that stress conformity to group norms, the need for individual expression through personalisation of branded products may be less desirable.

But that has not deterred some Singapore brands from exploiting the benefits of mass customisation. Singapore's longest-established local bank, OCBC, attracts customers with its iconic Frank Account cards which allow individuals to personalise the image displayed on the card. On its website, the bank invites customers to "let your personality shine with 120 unique card designs".

A recent study by the Singapore-based Institute on Asian Consumer Insight (ACI) suggests that consumer acceptance of mass-customised products across different Asian markets can be more accurately predicted by their levels of uncertainty avoidance. (Uncertainty avoidance describes the degree to which an individual or population is intolerant of unpredictability in everyday life.)

Specifically, high uncertainty avoiding cultures take longer to configure personalised products, have lower conversion rates to purchase customised products and are more reluctant to share their creations with other consumers via social media.

Earlier this year, one of our ACI fellows, professor Ken Ito, and his colleagues examined 700,000 prospective car buyers in Singapore, China, Japan and Taiwan and employed cross-national differences in uncertainty avoidance to predict consumers' customisation behaviour. In the context of mass customisation, it is the discomfort of making product choices without knowing the final products. Thus, high uncertainty avoidance markets such as Japan and Taiwan were found to be less accepting of mass-customised options, preferring instead pre-packaged variants.

On the other hand, Singapore and China, which score low on the measure of uncertainty avoidance, were considerably more accepting (and in fact demonstrably demanding) of customisable mass products. More specifically, the results showed that consumers in Japan and Taiwan were not only less likely to buy customised goods, but those that did took twice as long to share their personalised option on relevant social media platforms.

Does this mean there is no future for mass customisation in Asia? Absolutely not. The data from this large-scale field study suggest that in high uncertainty avoidance markets, companies need to be more creative about the way in which they engage with their customers. In such markets, fewer options for personalisation may be more effective, whereas incentives may be required to boost product awareness through sharing on social media.

Across Asia, globalisation and economic growth have begun to chip away at the traditional values of collectivism. Individualism, as well as independence, is increasing in many Asian countries, representing a modern hybridisation of Eastern and Western attitudes. Even in high uncertainty avoidance countries, customers are still open to the concept of customised products, just perhaps to a lesser extent than is expected by those in countries that are more open to uncertainty.

In other words, despite a more group-oriented societal structure, modern Asians still crave some small degree of uniqueness. This mindset is well encapsulated in Japanese writer Haruki Murakami's concept of "small happiness" - embracing pleasures associated with the little positive gestures of life.

This idea has become very vogue in Taiwan, where buzz terms starting with "little" or "micro" feature in every conversation. Manufacturers of mass-customised products could do worse than piggyback onto this conceptual framework in which less is more.

In contrast, Asian markets that have lower uncertainty avoidance scores have rather different expectations. In economies such as Singapore, Malaysia, China, India, Indonesia, Philippines and Hong Kong, consumers are more likely to be risk takers who are comfortable with ambiguity and willing to try out new products, create their own variants and share these creations with families and friends on media platforms.

In these markets, manufacturers of mass-customised products need to adopt a rather different strategy - making sure they provide their customers with appropriate social media outlets in which they are able to express their opinions and satisfy their need to share. With so many different products in the marketplace, successful companies have to work hard to create relevant campaigns and interactive platforms to keep consumers engaged and involved in the personalisation process.

A great case in point is Pandora - a brand that truly represents mass customisation in the medium-end jewellery sector. Producing the famous Pandora charm bracelet, the company encourages its consumers to share their personal stories, creations and combinations on social media. What is insightful is the way in which this is tailored for different markets, even within Asia. In Taiwan, Pandora uses Facebook to announce new products, post images of events and answer customers' questions.

In Singapore, there are many more posts that involve sharing customers' experiences and connecting with them via engaging stories. The platform is considerably more interactive and customers share their posts three times more than countries that have high risk-aversion scores. Pandora, it seems, is aware of these cross-cultural differences within Asia, and tailors its communications appropriately.

Mass-customised products clearly have a future in Asia. However, companies aiming to maximise their return on investment will need to be mindful of the unique cultural influences within Asia that need to be catered for in designing future-proofed personalised options. As the research conducted by the ACI has shown, optimal levels of customisation can be anticipated by understanding a country's inherent level of uncertainty avoidance - a new measure in the predictability of consumer acceptance.

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