The Next Revolution in Mass Customization: An insight into the sneaker market.

La Próxima Revolución en la Personalización Masiva: Una visión en el mercado de las zapatillas de deporte.

Verónica Baena Gracia *

Katharina Winkelhues **

ABSTRACT

In today’s society, the expectations, needs and wishes of customers are among the most important factors in the market. Nowadays, customers know exactly what they want and expect to have the possibility to find a product that completely satisfies their wishes. In order to meet these requirements, many different companies are using the marketing tool of mass customization, which offers the buyer the opportunity to customize a product according to their priorities, at a price orientated by a mass-produced item. Footwear has a huge influence in sport goods companies. The combination of mass customization and sneakers is definitely a trend that offers significant potential for the future and has become an integral part of the consumer market. This article provides an overview of the marketing tool of mass customization. The main characteristics of the sports market are also addressed. The connection and the compatibility between mass customization and footwear is illustrated as well. This paper closes with a discussion about the future prospects and further research avenues.

KEYWORDS: Mass Customization; Footwear Industry; Sneaker Market; Customers’ Expectations.

* Universidad Europea de Madrid, Madrid, Spain. E-Mail: veronica.baena@universidadeuropea.es

** Universidad Europea de Madrid, Madrid, Spain. E-Mail: katharina.winkelhues@bits-iserlohn.de
RESUMEN

En la sociedad actual, las expectativas, necesidades y deseos de los clientes se encuentran entre los factores más importantes del mercado. Hoy en día, los consumidores saben exactamente lo que quieren y esperan tener la posibilidad de encontrar un producto que satisfaga por completo sus deseos. Con el fin de cumplir con estos requisitos, muchas empresas están utilizando la personalización masiva como herramienta de marketing; lo que ofrece al comprador la oportunidad de personalizar un producto de acuerdo a sus prioridades, a un precio determinado. La industria del calzado tiene una gran influencia en las empresas de artículos deportivos, de manera que la implantación de la personalización masiva en las zapatillas de deporte se trata de una tendencia que ofrece un potencial importante para el futuro, convirtiéndose en una parte fundamental del mercado de gran consumo. En este artículo proporciona una visión general de la herramienta de marketing de la personalización en masa. Además, analiza las principales características del mercado deportivo, prestando especial atención a la conexión y compatibilidad entre la personalización masiva y la industria del calzado. El artículo concluye con una reflexión sobre las perspectivas futuras y nuevas vías de investigación.

PALABRAS CLAVE: Personalización masiva; Industria del calzado; Mercado Zapatillas de Deporte; Expectativas de los Clientes.

Received on: 2016.04.29
Approved on: 2016.06.25
Evaluated by a double blind review system

1. INTRODUCTION

Nowadays, mass customization is well known, although some markets remain that do not use this marketing tool. By now consumers are mixing their individual cereal in front of their computers or assemble their apparel online. The slogan ‘Do it yourself’ is not a lifestyle phenomenon, rather it is a movement which affects the society (Wagner, 2014).

Due to mass customization, customers have the option to create their own cereal mix, an
individual flacon for their perfume and individually designed sneakers. The two European top brands – Adidas and Nike – have discovered the demand for individualized products, having developed “mi Adidas” and “Nike ID”, respectively, offering focus groups the possibility to personalize their jerseys and sneakers (Pauli, 2012). Adidas as well as Nike are the two top brands in the world of sports that sell sport equipment. They are the two most popular and most successful sellers of sports and athletic footwear (Aaker & Joachimsthaler, 2000).

Both manufacturers were pioneers regarding mass customization in the sports fashion sector (Pauli, 2012). Adidas-Salomon AG started to individualize sneakers for clients in the early-1990s. At the time, only successful athletes had the opportunity to receive a customized shoe, such as David Beckham, who was prominent sportsperson in the 1990s. The main idea of Adidas was to diversify this business by giving the entire society the possibility to create their own shoe (Reichwald & Piller, 2009). Furthermore, the intention was that people would be able determine the fit, function and style of their shoes. Through the help of a computer system, the shoe was ordered and later manufactured (Berger & Piller, 2003).

Up to the present time the topic of mass customization has generally already been considered from different perspectives. Here, it must be kept in mind that in the past different main topics were at the fore.

In combination with mass customization, the subjects - for example - information technology, organisation design, issues of mass customization, customer integration or customer relationship management have often been addressed. Regarding the research gap, the topic of mass customization in combination with the sneaker market from the customer’s view - which holds huge potential - has not attracted strong focus to date.

With this in mind the following article attempts to show that mass customization is currently established, demonstrating the development from a research perspective. Moreover, the footwear industry – with its characteristics, specialties as well as its potential – will be analysed and discussed. The reason why the sector footwear respectively the sneaker market was chosen is the significance of these items in the world of fashion. Sneakers are not only used as sport shoes. Instead they are worn in leisure time, by pop stars, politicians, business people, teenager, kids, athletes and
counting. Another key point is that sneakers are socially acceptable and are not just training footwear for athletes. This aspect is crucial as the sneaker market is a trend market with big potential and an upward tendency (Emig, 2003).

In year 2014 the Germans spend more than eleven billion euro for shoes, for which the Federal Republic of Germany counts among one of the most important shoe markets worldwide. Additionally, Nike and Adidas are the most widespread sport brands in Germany (Statista GmbH, 2015). It is clearly for all these reasons that the following article is restricted on the German shoe market.

The motivation of this paper is to provide an overview of the current literature concerning the subject of mass customization in general, as well as offering an impression about the current situation of mass customization in the sneaker market. Furthermore, the importance and influence of sneakers in contemporary society will be demonstrated. The objective is to present the relevance of this issue and sensitize the reader for this trend, which is yet to reach its limit. These will be our contributions.

To achieve this goal, the next section of this paper will deal with the specialties of the sport market and the background of the topic of mass customization. Hereby the characteristics and the status quo of mass customization will be shown. On top of that the combination of the marketing tool with sneakers will be demonstrated. The goal is to analyse the significance of footwear in companies, which manufacture sports equipment. In addition to this we will give examples for companies that are already using mass customization in the sneaker sector. The present work closes with a discussion and conclusion. The last section also highlights the paper’s theoretical and practical contributions, limitation and future research avenues.

2 SPECIALTIES OF THE SPORTS MARKET

The topic of this research paper requires the meaning and understanding of sports market to be properly determined. In conjunction with the subject of mass customization, the area of the sports market includes the most prominent sports brands in this sector. The definition of a sports brand – according to Meffert and Buhrmann – is a unique imagination of a product or service in the sports sector, which is anchored in the psyche of the consumers (Meffert & Buhrmann, 2000).
This definition is wide-ranging and thus it has to be made more specific. To determine the most relevant hypotheses relating to this topic, the term ‘sports brand’ is specifically used to refer to companies that produce sporting goods. Sporting goods are divided into different segments. First, gym equipment and sport clothes form part of this definition. Furthermore, sport nourishment and sport medical compounds also come under this definition (Heinemann, 1995). In the context of this article, sporting goods are defined as sports shoes, which belong to the hyponym of sports clothes. Sports shoes can be used in different ways. In modern times, sports shoes are not only worn for practising sports actively; moreover, they are also worn during leisure time. The pure sporting and functional benefit is no longer central (Heinemann, 1995). With this in mind, the item of sports shoes is defined in this article as shoes with a sportive function, while the term sneaker is used to refer to the shoes worn by people in their leisure time.

This distinction of sports shoes is a good indicator of an additional ‘after market’. The sports market can be divided into two parts, or rather two markets. On the one side, there is a spectator market, which comprises spectators of sporting events or consumers of sports products. On the other hand, the second market is the market of participants, which focuses on the athletes who are actively playing sports. To combine this differentiation with the topic of this paper, the shoes that have a sportive function belong to the market of the participants. By contrast, the sneakers that people wear in their leisure time belong to the market of the spectators. Both target groups can be involved in the mass customization process.

Nike and Adidas are the two largest global suppliers of sporting goods and represent the most successful companies in the sneaker market (Der Tagesspiegel, 2013). Nike is the biggest sport goods manufacturer followed by Adidas. This is explained by the fact that Nike uses more various celebrity sponsorships with the focus on basketball, while their main market is in the US. On the contrary Adidas have their biggest markets in Europe and are focussed on football and tennis (Aaker & Joachimsthaler, 2000). In 2006, Adidas acquired Reebok, which is also a manufacturer of sporting goods among the top five (Piller, Lindgens, Steiner, 2012). According to the above discussion, Figure 1 shows the five most successful sports brands in terms of purchases of sport apparel by people living in Germany.
The Next Revolution in Mass Customization: An insight into the sneaker market.

**Figure 1 - Overview of the five top sports brands in Germany**

![Bar Chart](image)

**Source:** Own elaboration based on Statista GmbH (2014)

The figure shows that with a market share of 16.9%, Nike is the most popular sports brand in Germany. In second place is Adidas with 10.8%, followed by Puma with 7.4%. As previously mentioned, Reebok – which is in fourth place – belongs to Adidas. It is an affiliated company, which is to be considered separately. In fifth place is the brand Esprit, which - despite selling sport clothes - does not count as a sport brand according to the definition previously mentioned. Esprit is more focused on fashion than the effectiveness of the garments on a sporting basis.

3. CHARACTERISTICS AND STATUS QUO OF MASS CUSTOMIZATION

Mass customization identifies the capability to accomplish the needs and desires of customers (Pine, 1993). In modern times, customers have their own ideas about their products. The idea of buying a “one size fits all” item is not an option. In addition, economic competition is ever-increasing. Therefore, mass customization is widely distributed, whereby companies have the chance to discover a new era in operations management in which mass customization is an essential qualification (Squire et al. 2006).
As one of the most important authors regarding mass customization, Pine (1993) believes that the origin of this concept can be found in the transition of society. The companies that were focused on mass production realized that they had to change their system to satisfy their customers. Similarly, Hart (1996) defines mass customizations as “using flexible processes and organizational structures to produce varied and often individually customized products and services at the price of standardized mass-produced alternatives.” (13). To summarize both academics it can be said that mass customization specializes on the desires of the customer in the production and delivery process. After a successful collaboration between the company and client, the product will be produced with pre-engineered machines, which can produce the product in a short time and innumerable versions at the price of standardized mass-produced items.

Companies that want to employ this system have to use new technology to achieve two important aspects, namely they have to offer individualized products and services and equally the one-to-one market also has to be expanded. The person who remains in direct contact with the customer has to filter out all important and necessary information about their needs and wishes. The contact between customer and producer improves the relationship between them and a smart connection will develop over time (Pine et al., 1995).

On top of this the new frontier is marked by variety and flexibility, whereby the selection of products skyrockets. The companies use every single piece of information that they receive regarding buying behaviour to orientate the production of products towards the desires of customers.

In the past twenty years, the number of different items on supermarket and pharmacy shelves has exploded, allowing manufactures and retailers to reach ever-finer granularities of consumer desires. You used to go to a fast-food restaurant for a mass-produced cheeseburger, French fries, and a shake; now the same restaurant provides a half dozen varieties of burgers along with chicken sandwiches, salads, pizza, fajitas, burritos [...]. (Pine, 1993: 6)

On the whole it can be noted that even companies that cover a mass production market have had to assume the new system of management and restructure their offer. The idea of individualized products grew very quickly and thus only companies that were
conscious of this concept were on top of the market. The companies that recognized the power of the idea of mass customization were those that had success in their market segment. The goal was to shorten cycle times, lower costs, enhance flexibility and responsiveness and increase variety and customization to satisfy the individual wants and needs of the target group. Nevertheless, each company has to think about whether their own market and range of products is adapted for this idea. That is, only companies that have the option should follow the concept of mass customization and act in the new frontier of business (Pine, 1993).

“Of course, not all companies in all industries need to achieve both low costs and high levels of variety and customization, for not all industries are undergoing the same changes at the same rates.” (Pine, 1993:8)

Piller (2006) understands the expression “mass customization” as an oxymoron, which means that in this context the two opposite items of “mass production” and “customization” are connected. According to Piller (2006), the meaning of mass customization is characterized by Davis, who was one of the first authors to discuss this topic in 1987, stating:

“Mass customization of markets means that the same large number of customers can be reached as in mass markets of industrial economy, and simultaneously they can be treated individually as in the customized markets of pre-industrial economies.” (Davis, 1987: 169)

In that quote, Davis (1987) refers to the general individualization of modern society, the reduction of mass markets and the orientation of producers towards focusing on the vision of different individuals. From Pillers (2006) perspective, the understanding and meaning of mass customization is diverse. For him, it is the production of goods and services for a huge sales market, which is focused on the individual needs of single customers. The products and services will not change their price owing to the new concept. Customers do not have to pay more due to the individualization of their products. According to this view, the mass customization concept will not change the positioning of the product in the market compared with the classic piece production (Davis, 1987). Conversely Daniel Stieger deals with the topic of mass customization in combination with mass confusion. In his opinion, this concept gains increasing attention.
because both customers and companies benefit from it. Stiegler (2012) relates to the
definition of mass customization by Kaplan & Haenlein (2006).

“Mass Customization is a strategy that creates value by some form of company-
customer interaction at the fabrication/assembly stage of the operations level to create
customized products with production cost and monetary price similar to those of mass-

The above definition suggests that to gain value, an interaction between manufacturer
and client has to arise. In addition to this idea, the definition reveals that mass
customization is focused on products, whereas services are not included.

Susann Hanisch (2006) is defending another point of view. From her perspective, mass
customization allows customers to live their own individuality and it also allows the
company to expand their competitiveness by using modern technology like the world
wide web. By using this concept, the company focuses more on the production of the
piece. Customers do not have to decide which product they prefer; rather, they gain the
possibility to create a product that satisfies their own ideas (Hanisch, 2006).

The reasons for this evolution are reduced to the individualization of the demand of
society. The meaning of human necessity has changed, whereby basic human needs are
wanted but they have a different significance in contrast to the past, such as during the
post-war era. Nowadays, clothes not only serve the purpose of warming people; rather,
they facilitate people to reflect their style and set themselves apart from other people.
These days, the need for self-realization has priority, as a part of individualization
(Hanisch, 2006). The new focus on individualization is responsible for the change of
people’s behaviour. Customers try to individualise through the consumption of products,
whereby the intrinsic necessity is satisfied by buying material goods that conform to the
individual imagination (Hanisch, 2006).

Based on these aspects Stieger (2012) adds that the target of companies is to create a
connection with the customers and link people to the individual brand and company.
Faithful customers are of central importance and are precious for the companies (Stieger,
2012). One starting point for linking customers is the integration of the customers in the
design process. The client can choose the model, different colour combinations, extra
features like photoprint for example and configuration of their personal, individual product. Based upon this interaction, the customer acts as a sort of co-designer and is involved in the supply chain process (Piller et al., 2005). Hereby the fun factor during the design process increases the value of mass customization (Berger & Piller, 2003). Furthermore the companies get the chance to learn about their clients. By divulging personal information, preferences or wishes, they are concerned with getting to know their customers. The newly acquired knowledge about the target group can be used to please them in the future. In addition to this, the information provides the company an overview of the sales market, which is helpful for the development of other basic products (Piller & Möslein, 2002). What is important in this context is that the value of the creation of an individual customized product is higher than the costs of this product. The interests of clients increase when added value is growing (Kroeber-Riel & Weinberg, 2003).

On top of that there are different reasons that underline the importance of the interaction during the process for customers:

- The feeling of expertise and autonomy are important for people in our society. The process of interaction promotes these feelings (Stieger, 2012).
- People enjoy creative activities (Henkel & Thies, 2003).
- Sometimes people do not have a distinct preference. During the creation process, they can discover their own preferences, which promotes the fun factor (Huffmann & Kahn, 1998)
- People enter into a flow, whereby they forget the time around them and are only focused on the creation and the interaction (Novak et al., 2000). This feeling is at its highest point when the capability of the person and the challenge due to the activity is balanced on the same level (Schreier et al., 2006)

The total costs are divided into a monetary part and a non-monetary part. The monetary part refers to the price of the product, which should be near to the price of a commoditised product, while the non-monetary part has two more aspects.

Moreover, the waiting period of delivery describes the time between the time of ordering and the time of delivering. It is not possible for an individually created product to be delivered at the moment it is purchased. First of all, the product has to be
manufactured and only once this process has finished will it be delivered directly to the buyer. The problem is that individualization loses attraction if the customer has to wait for a long time (Kroeber-Riel & Weinberg 2003). The waiting period is very uncomfortable for the buyer and is considered as a cost for the customer. The manufacturer has to produce the product on demand and has to send it to the client as quickly as possible (Salvador & Forza, 2004).

The fact that the customer plays an active role in the configuration of the product is another added value up to a certain extent. If this point is achieved, the customer no longer feels uncomfortable with the situation. Some clients conceive the interaction as too costly. They have to deal with different tools, which take up time and effort. The more time the client spends with the creation, the more product features can be discovered. Nevertheless, an induction has to take place. These efforts can lead to both costs and uncertainty (Stieger, 2012). The uncertainty comprises the lack of knowledge regarding what the product will look like in reality, given that the client has to order a product that he/she has never seen or tried (Piller, 2006). This fact is considered as an extra cost (Stieger, 2012).

Summing up, it can be said that, a lot of academics, for example Pine, Piller, Stieger and Hanisch have dealt with the subject mass customization. Even if they are representing different concepts respectively focus various subjects, it is clear that mass customization is not a trend that will disappear soon.

4. MASS CUSTOMIZATION IN COMBINATION WITH THE FOOTWEAR INDUSTRY

4.1 The Significance of Footwear in Sports Companies

Sneaker plays an important role in the sport good industry. The reason for choosing this market as research topic is due to the relevance of these items in the world of fashion on the one side and in the company itself on the other side. The following figures will provide an overview of the importance and role of the shoe market within the two leading sports companies Nike and Adidas. Table 1 illustrates the important numbers from Nike for 2015.
Table 1: Excerpt of the annual report of Nike 2015

<table>
<thead>
<tr>
<th>Sales</th>
<th>$28,701 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>62,600</td>
</tr>
<tr>
<td>Sales revenues by product segments</td>
<td></td>
</tr>
<tr>
<td>Shoes</td>
<td>$18,318 billion</td>
</tr>
<tr>
<td>Apparel</td>
<td>$8,636 billion</td>
</tr>
<tr>
<td>Equipment</td>
<td>$1,632 billion</td>
</tr>
<tr>
<td>Global Brand Divisions</td>
<td>$115 billion</td>
</tr>
</tbody>
</table>

Source: Own elaboration based on Nike (2016a)

Based upon the information from the annual report of Nike, 2015 was a successful year for the company, earning a total of $28,701 billion. The sales comprise four product segments. The shoe market was leading with sales revenue of $18,318 billion, followed by the apparel market with $8,636 billion. The rest was divided between equipment (with $1,632 billion) and the global brand division (with $115 billion). In the past year, Nike had 62,600 employees all over the world. Below are some important numbers of the annual report from Adidas from 2015.

Table 2: Excerpt of the annual report of Adidas 2015

<table>
<thead>
<tr>
<th>Sales</th>
<th>€16,915 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>55,555</td>
</tr>
<tr>
<td>Sales revenues by product segments</td>
<td></td>
</tr>
<tr>
<td>Shoes</td>
<td>€8,360 billion</td>
</tr>
<tr>
<td>Apparel</td>
<td>€6,970 billion</td>
</tr>
<tr>
<td>Accessories</td>
<td>€1.585 billion</td>
</tr>
</tbody>
</table>

Source: Own elaboration based on Adidas (2016b)

In reference to the business report of 2015, Adidas generated sales of €16,915 billion. Overall, more than 50,555 people are working for the Adidas group. In 2015, the shoe market reflected the central market of Adidas. The sports brand generated €8,360 billion from its shoe market, followed by their apparel market with €6,970 billion and accessories with €1,585 billion.

Summarizing the numbers shows that the shoe industry plays a central role in the
leading different sport companies. Therefore, it is indispensable to pay attention to this industry. Based on the demand of the society for sneakers and the growing interest this market is growing constant. The development of this sector shows that, this market has a big future and will accompany the fashion world within the next years.

“The future of the footwear industry is extremely customised production, where the selling of shoes will become an "adventure," and companies will need to respond with increased automation and adaptability in order to meet the demands of the future [...]”

(McHenry, 2012: 1)

As mentioned before the topic of mass customization has significant potential within the shoe industry. The two top brands in the sport goods manufacturing have realised this opportunity quickly and have created Nike ID and mi Adidas. Both tools allow customers to create their personal products. In the following section, the possibilities of customization will be shown.

4.2 Nike ID and mi Adidas

Up to the present time Nike and Adidas are pioneers in the sport good manufacture sector. Both companies act as equipment supplier of different sports. To give an example for this support it can be mentioned that Nike is the official sponsor of the Olympic Games in Brazil in 2016. By contrast Adidas was the exclusive partner for the World Footbal Championship in 2014, which took place in Brazil as well. Regarding the sponsoring of athletes, Nike contracted Cristiano Ronaldo, who plays for the football club Real Madrid C.F., which is sponsored by Adidas. Conversely one of Adidas top sportsperson is Lionel Messi, who is fighting for FC Barcelona, which is another Spanish top club and is supported by Nike. As a result of these examples it can be said that both companies are playing a big role in the sports sector (Klooß, 2012). Besides the great commitment as supporter, Nike and Adidas are investing heavily in research, development, communication and innovation (Feitelberg and McDowell, 2016). Given these points it is essential to include these companies in the topic mass customization in combination with sneakers.

Since 1999, Nike has enabled their customers to create and design an individualized product. Nowadays, users can create personal shoes, clothing and equipment. For this
paper, the shoe aspect is the only important subject and thus will be the only one considered. Therefore, customers can choose different colours and logos or text (Grabenströer, 2009). With Nike ID, the client has the opportunity to decide the style and fit of their shoes. The basic form of the shoes and the quantity of colours are determined by the company Nike. Moreover, the individualization of shoes is divided into different target groups. The shoes are divided into three main groups: men, women and kids. A further division also takes place, whereby Nike has created different categories for their individualized products. For instance, the customer can design shoes as well as being able to customize sports equipment.

The individualization process of shoes starts with choosing the shoe category. Nike offers their clients shoes for skateboarding, basketball, football, running, tennis and training. In the next steps, the user can select special shoe collections or highlights like innovative enhancements. When the customization process starts, the client can decide what each part of the shoe will look like. If the process is completed, the personal customized shoes will be fabricated and sent to the purchaser as soon as possible. The client has a two-week window after delivery to return the shoes if they so wish (Nike, 2016b).

According to the above discussion, Adidas also implements mass customization. In fact, Adidas acted as a pioneer in this sector, developing the mass customization system “mi Adidas” in the 1990s. The successful system has been on the market since 2000. The main idea of Adidas was to offer customers the same individualized shoe as they offer athletes who have a sponsorship deal with the sports goods manufacturer. The individual necessities of each client are the main focal point of the process. In 2000, the concept of “mi Adidas” started, after a two-year preparation stage. First, shoe customization was focused on football shoes and training shoes, although plans to expand this have already been put in place. Even though Adidas started with the development in the 1990s, it was not the first sport brand that offered individual customized shoes: Nike – which was the market leader – initiated their mass customization concept one year earlier. Nike offered basic products that the customers were able to personalize, whereby clients were offered the opportunity to choose the colours of each part of the shoes and a logo (Reichwald & Piller, 2009).
Compared to these options, Adidas added an important feature, whereby the customer can choose not only the colours and logos of their shoes, but also the length and width of the shoe. With the help of static and dynamic measuring instruments, users can measure the length and width of their feet. Additionally, they can determine their running style. Customers are able to customize the fit (which includes the length and the width of each foot), the performance (which incorporates outer sole/mid sole options and seasonal upper materials) and shoe design in selected Adidas store locations. Before this initiative, these functions were only offered to top athletes like David Beckham or Zinedine Zidane, who were sponsored by Adidas (Boer & Dulio, 2007). Regarding the costs involved, the client has to pay around 30% higher than the standard price (Reichwald & Piller, 2009).

In reference to the existing customization system of Adidas, the marketing model is divided into different segments. The client can choose between goods for men, women and juniors. These three categories offer clothing, shoes and accessories for basketball, running, American football, golf, football, training and tennis. Therefore, the client does not have to visit a selected Adidas store location for the individual creation of a shoe, which only involves changing the colour and logo, as the shoe can be created online. The user can choose the model of the shoe, the colours and a personal logo. After finishing the process, Adidas takes approximately three to four weeks to dispatch the shoe to the customer (Adidas, 2016a).

5. DISCUSSION AND CONCLUSION

As stated, this work attempts to make clear the significance of mass customization in the sneaker market. The topic mass customization in general and along with subcategories like information technology, customer integration or customer relationship management have been covered by literature (Pine 1993; Piller 2006; Stieger 2012). Nevertheless, the connection between mass customization and the footwear industry has hardly been addressed. To shed light on this, the issue of mass customization is examined. Furthermore, the sneaker market is studied with all of its characteristics together with the importance of the footwear industry itself.

More specifically, in order to analyse the specialties and characteristics of the sports market and specifically of the footwear, the two top brands Nike and Adidas are
discussed. Both companies are playing an important and growing roll worldwide in the sport business. Based on the respective annual report of the year 2015, the status of the footwear was highlighted. Accordingly both sport good manufacturer generate the highest sales revenues with the footwear, which underlines the importance of this product segment. Added to this, the standing of sneakers in the society has changed. Nowadays, sneakers are not only sports equipment. They are worn from different age groups in their leisure time as well. The significance of sneakers in today’s society demonstrate the consideration of the topic as well as the up-to-dateness of the theme.

In addition, the present paper provides a substantiated overview of the topic of mass customization and the status quo of mass customization in combination with sneakers. The customization process gives the client the possibility to buy a product that meet his/her wishes and needs and thus satisfies the buyer. For the company, mass customization functions as a customer loyalty tool, whereby the relationship between the company and the clients will be improved. Moreover, the company gains detailed information about their customers, thus reflecting a win-win situation for both parties. However, clients have the opportunity to live out their very personal individuality because of mass customization. The main reason for this work is to clarify the possibilities of mass-customized sneakers, as well as revealing the current market situation. By doing so, this work highlights that mass customization is not just a trend; it is a well-esteemed marketing tool that has huge potential for the future. We then argue that the significance of sneakers in the individual sports companies shows that the combination of mass customization and footwear is a worthwhile composition.

As stated before, this papers attempts to contribute to Literature by discussing the potential of the footwear industry on the one side and the exposition of possible developments of mass customization in the sneaker market. Because of the weight of this topic we hope and expect that Academia should attach value to this issue. In particular, his work also provides readers with an overview of the current state of the sneaker market, which could help researchers interested in gaining further insight into this topic. Moreover, mass customization in general as well as in combination with sneakers has a great future and has not yet reached its limit. Regarding practitioners, the present study also attempt to provide various practical implications. Specifically, this
paper provides useful sport marketers information about the potential of the footwear industry as well as about the chances of mass customization in general. The main idea of this customer relationship management tool is flexible and adaptable to many different sectors. On this occasion the contribution was to discuss the chances and capabilities.

5.1. Limitations of the Study and Further Research Avenues

We conclude this paper by pointing out some limitations and offering suggestions for further research. A first limitation of the paper is that it is not an empirical research, rather it is a conceptual paper. We then encourage further research in this area to empirically analyse the relationships proposed in this study.

Another limitation is related to the fact that we focussed on mass customization in the sneaker market. Other product segments, that can be customised as well, were not under examination. We then think that the next research avenue is to intensify the issue of mass customization in the sneaker market from the customer’s perspective. In this context, topics such as the payment reserves of customers or possibilities of individualization during the customization process should have priority. Therefore, an online survey for customers of different age groups could be implemented. Additionally, it would be interesting to know why people are using mass customization and what the intrinsic intention is to complete a shoe customization. The online survey will be a quantitative analysis.

Overall, more work is necessary in this area, both conceptually and especially, empirically. Indeed, we hope our findings contribute to the development of a robust research agenda.
REFERENCES


The Next Revolution in Mass Customization: An insight into the sneaker market.


How to cite this article: