

Opportunities for Applying Customer Order Decoupling Point Approach in Bulgarian SMEs from Furniture Sector

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Abstract

In recent years, many worldwide famous companies, mostly through their own customer Internet platforms, launch increasingly close relationship with the customers in the process of innovation, product development and value creation. In terms of the company operations system point of view, the focus is on the "intermediate" stage – the manufacturing process. One of the main tools for supporting and operationalizing customer's participation in the manufacturing process is the well-known Customer Order Decoupling Point – CODP. It is both a concept and an approach that offers a beneficial combination of Economies-of-Scale in the production process with a considerable diversity in product mix – as specified by the customer through his/her order.

The main question arising for the company here is how far it is worth to allow the customer penetrate into the process of shaping the end product (with regard to technological, economic, competitive etc. considerations). As for the customer, the question is how to encourage him/her to be more active and entrepreneurial during this process of mutually beneficial cooperation.

In the present paper, a survey about the opportunities for applying this approach in the conditions of Bulgarian furniture SMEs is presented, where such ideas have rich prospects.

Keywords: Customer Order Decoupling Point, Mass Customization, Co-Creation, Furniture Sector, SMEs.