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## PRESS RELEASE

### 3 Factors for Greater Efficiency in Variant Manufacturing

**Munich, May 16, 2019.** More and more products that used to be bought “off the shelf” now need to be customizable. This poses new challenges for manufacturing companies in many industries, since producing customer-specific variants is not just standard practice in traditional consumer business anymore. Today, tools used in mechanical engineering or even medical devices and electronic systems tend to be customized for a single customer as well.

Standardized components and modules are frequently combined in order to realize the offered product versions in a way that also meets a customer's requirements. However, that in and of itself is not enough, since there is generally a considerable amount of planning, configuration and construction that has to be done as well. This makes producing customizable products a slow and expensive process. msg examined what variant manufacturers need to be aware of in order to efficiently and cost-effectively produce lot sizes of 1.

#### **1. Keep an Eye on the Entire Value Chain**

When planning strategies for variant manufacturing, manufacturing companies should not only focus on production processes, but on potential sales channels as well. Existing data should be used, the current situation analyzed and enhancements defined that will have the biggest impact on the overall system.

#### **2. Consider the Customer Perspective**

It is also important to consider things from the customer's perspective. While this may seem obvious at first, it is a rule that still tends to be broken far too often. Companies are frequently so convinced of their own standards that production moves forward without actually incorporating customers' needs. To prevent this from happening, variant manufacturers need to take an interdisciplinary approach to their work and use methods like design thinking to integrate customers and sales into product development early on.

### **3. Automate as Much as Possible**

Manufacturing companies should automate as much as possible in order to reduce error rates, which can be extremely high when dealing with complex and multi-variant production. Doing so simplifies workflows and processes considerably and reduces error rates.

### **Conclusion**

The latest challenges are far removed from series production and cannot be mastered simply by changing production processes alone. Variant manufacturers have to embrace fields like big data, artificial intelligence (AI), the cloud and IoT. Only those who are open to new technologies and business models will be able to ensure the variability, economic feasibility and fast delivery of their products.

### **Event Notice**

On June 26 and 27, 2019, msg treorbis, SAP and Sybit host the 12th annual [Conference for Variant Manufacturers](#) at SAP in St. Leon-Rot. With more than 20 presentations, it is the largest German-language SAP event on variant configuration.

### **msg**

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