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Chapter 42
Configurators/Choiceboards:
Uses, Benefits, and Analysis of Data

down. The price is continually updated as the choices are made. Several choices offer only a yes-or-no response, with "*no*" indicating a choice of the default option. Features also may include services options such as shipping and warranty. Clearly, the choiceboard system does not offer an infinite number of possibilities. For example, Dell.com offers from two to five levels of hard-drive capacity.

Other companies that have made good use of this choiceboard approach include Travelocity. com and VermontTeddyBears.com along with many others, including automakers. Indeed, although the vehicle is generally purchased from the dealer, automakers report that the vehicle configurators and model pages are the most used sections on their Web sites. Configurators are also in frequent use in Business to Business (B2B) contexts when one business is ordering from another. In B2B, far more numerous options are presented and the Website design is too complex to be cost-effective in a B2C context.

Choiceboards can differ greatly in terms of what they offer. Some allow consumers to actually experience different options; a well-known example (although not usually thought of as a choiceboard by the consumer) is choosing a cell-phone ringtone. The consumer can sample each tone option for ten seconds or more. Lands' End lets customers create custom clothing by providing pictures of clothing options and measurement information.

USES AND BENEFITS

A choiceboard system serves many purposes. First, it lets consumers customize their products or services. At one time, such customization was possible only for high ticket items like automobiles. Rather than buying a car off the dealer's floor, customers have long been able to select a color along with other options—air conditioning, automatic or manual transmission, sunroof, etc.

There is clear evidence that consumers enjoy the opportunity to customize their products as long as the process is painless—ideally offering perfect orders and super service (FastCompany, 2000). A perfect order "…gets shipped on time and complete, and arrives at a customer's desired location within a precise time window and in excellent, ready-to-use condition." Super service has the flexibility to handle last-minute customer changes and still provide the same level of service. Consumers can balance priorities, deciding whether they care most about price, delivery time, or various special options.

A second use for, and benefit from, a choiceboard system is relatively invisible to the consumer: inventory control. Dell, for example, uses a pull-based system, in which customers initiate orders and only then do order processing, inventory decisions, and production kick in. This compares favorably to a push-based system in which a company decides what consumers are likely to want and delivers that merchandise to distributors and retailers months in advance of actual sales. This can leave stores with large inventories that end up moving only after the distributor offers rebates, dealer incentives, and giveaways. Dell's pull-based approach has allowed it to integrate its production line with its suppliers, so that neither Dell nor its suppliers get overburdened—or underprovided—with inventory (Slywotsky and Morrison, 2000; Bharati and Chaudhury, 2004).

A third use and benefit of choiceboards is that they save money on labor costs. They also, by definition, eliminate most transcription (e.g., order taking) and other human errors. A seller's Web site can potentially generate thousands of customer quotes per day, which can be delivered instantly, 24 hours/ day, 365 days per year.

All these are significant pluses. However, developing a choiceboard system is expensive, so the benefits must justify the cost. People who can write for the Web cannot necessarily construct choiceboard systems. All but the largest companies have to outsource that task, and it may not

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