THE ON-GOING EVOLUTION IN THE TERMS OF COMPETITION

1. **Mass Markets: Low Cost**
   - “mass production”/economies of scale
   - automate or seek out low cost labor (or both)

2. **More Demanding Customers: High Precision**
   - low defect rates & servicing costs
   - high reliability

3. **Fragmenting Markets: High Flexibility**
   - responsiveness to shifts in customer needs
   - specialized/customized products & services
   - rapid supply chain coordination

4. **Narrowing “Windows of Opportunity”: Speed**
   - developing new products and services
   - adopting new process technologies