

# INTRODUCTION

Lean Production is undeniably a widely accepted and applied concept/methodology. The increasing awareness of nowadays' business actors with issues such as sustainability, corporate social responsibility (CSR), customer/stakeholder value creation, etc., implies that the objective and potential of Lean Thinking need to be redirected (returned) into its primary intention: creating value (Womack and Jones, 2005a) as value is generally ill-defined in the Lean Thinking (Piercy and Rich, 2004). Consequently, time (efficiency) should not be the foremost focus although it remains important. As Womack (2005) points out, the biggest future challenges for Lean Thinking would not be in the factory, but in the world beyond.

Realizing the need to re-conceptualize Lean Production from the perspective of customers, Womack and Jones (2005b) introduce *Lean Consumption*, although this accompanying concept still needs to "catch up" with Lean Production in terms of recognition and application. Unlike Lean Production, the concept of Lean Consumption

(Womack and Jones, 2005a), is still in its infancy despite the importance of the concept as declared by its originators. Apart from the study by Truch (2006) which operates the construct of Lean Consumption (LC) and examines its impact on the warmth of consumers' feelings towards the brand, further discussion and development of Lean Consumption can be regarded as non existence. Therefore, chapter 1 describes the richness of LC and uncovering its components by qualitatively content-analysing the original article of LC. Thereafter, chapter 2 identifies the components of Lean Consumption by applying factor analysis on customer survey of Indonesian retailers operating in the city of Surabaya. Chapter 3 describes the contribution of service innovation in reengineering the business process of Indonesian state-owned electric energy provider towards leaner public service provision and consumption.

Taking a closer look at the content of marketing communication programs of property products in the city of Jakarta (i.e. apartment, house, and *ruko/rukan* – a SOHO-like property for mix purposes of both living and business) by two Indonesian groups of companies indicates the applicability of the main/underlying idea behind Lean Consumption when marketing property products emphasizing on value and integrated solution rather than on just the product (physical building) itself. This issue is further described in chapter 4.

Consumption is not an isolated moment of decision about purchasing a specific product, but a continuing process linking many goods and services to solve consumers'

problem. The individual has embarked on the arduous process of researching, obtaining, integrating, maintaining, upgrading, and finally, disposing of this purchase (Womack and Jones, 2005a,b).

Lean Consumption isn't about reducing the amount customers buy or the business they bring. Rather, it is about providing the full value that consumers' desire from their goods and services, with the greatest efficiency and least pain (Womack and Jones, 2005b).

Lean Consumption consists of six principles: 1) solve the customer's problem completely by insuring that all the goods and services work, work together, 2) don't waste the customer's time, 3) provide exactly what the customer wants, 4) provide what's wanted exactly where it is wanted, 5) provide what's wanted where it's wanted exactly when it is wanted, 6) continually aggregate solutions to reduce the customer's time and hassle.

Similar to Lean Production, the importance of *flow* is also recognised by Lean Consumption, which then refers to the *logistical* dimension of Lean Consumption. Since the concept is dealing with consumers (customers), their *cognitions* and *emotions* cannot be neglected. Consumers' cognitions and emotions matter significantly for satisfactory consumption *experience*, which is another element of Lean Consumption.