

MKT01

Exploring a Manufacturer's Product Variety and Capacity Decision: An Integrated Model

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Abstract

In this paper we study a setting where a manufacturer is producing multiple products within the same product family using a common production resource with limited capacity, like machinery or factory. A changeover occurs whenever the machinery or the factory is switched over to produce from one product to another and it results in cost and time. We investigate how a manufacturer's flexible capacity impact its product variety decisions and the advantages the manufacturer may have with its flexible capacity.

Conference Track

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