

Muhammad Anas

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Roll : 55344

Day 1: Laying the Foundation for Your Marketplace Journey

Welcome to the Hekto Marketplace Builder Hackathon 2025!

Embark on an exciting journey where creativity meets technology, enabling you to build and launch your very own marketplace. This experience is designed to help you master critical concepts and tools, preparing you to thrive in real-world challenges and opportunities.

By the end of this hackathon, you will have gained hands-on experience in designing a fully functional platform, ready to handle real-world marketplace operations. Today marks the beginning of your journey toward creating **Hekto, an online marketplace for sofas, chairs, and other furniture items.**

This session is designed to lay a robust foundation by diving deep into different marketplace models, familiarizing yourself with essential business terminology, and drafting the structural blueprint for your project.

Objective

By the end of today, you will:

1. Learn the essential business jargon used in these domains.
2. Define your marketplace type and write down your **business goals and initial ideas.**
3. Start brainstorming your **data schema** and identify core business entities.

1. What is E-Commerce?

E-commerce (Electronic Commerce) refers to the buying and selling of goods or services through online platforms. It has revolutionized how businesses operate by offering a virtual storefront accessible to global audiences.

Over the last decade, global e-commerce sales have grown exponentially, with total sales reaching over \$5 trillion in 2021 and projected to exceed \$7 trillion by 2025. This growth is driven by advancements in technology, increasing internet penetration, and changing consumer preferences for online shopping.

The rise of **mobile commerce (m-commerce)** has further accelerated this trend, making e-commerce accessible anytime, anywhere.

Key Features of E-Commerce:

- **Product Catalog:** Displays products with descriptions, images, pricing, and stock availability.
- **Order Fulfillment:** Handles the journey of an order from placement to delivery.
- **Payment Systems:** Facilitates secure transactions via payment gateways (e.g., PayPal, Stripe).
- **Customer Management:** Tracks user data, order history, and preferences.
- **Shipment and Tracking:** Ensures timely delivery with real-time logistics updates.

Examples of E-Commerce Businesses:

- **General E-Commerce:** Amazon, Daraz.
- **Niche E-Commerce:** Stores specializing in specific categories, like furniture, tech gadgets, or handmade crafts.

Why Build an E-Commerce Marketplace?

- **Scalability:** Expand your business to reach a global audience without geographical constraints.
- **Convenience:** Provides customers with a seamless shopping experience.
- **Profitability:** Leverage online visibility to increase revenue streams through direct sales and services.

2. Key Business Jargon to Know

Understanding these terms will enhance your ability to design and manage a marketplace effectively. These concepts form the backbone of efficient marketplace operations and decision-making, helping you align technical implementation with business objectives:

- **SKU (Stock Keeping Unit):** Unique identifiers for inventory tracking.
- **Sub-SKU:** The variety of a product with different options (e.g., colors, sizes).
- **Stock Level:** The available quantity of an item in the warehouse.
- **Warehousing:** The process of safely storing goods before distribution.
- **Warehouse:** A facility for receiving, storing, and tracking goods, including their locations and storage duration.
- **3PL (Third-Party Logistics):** Outsourced services managing storage, shipping, and fulfillment activities.
- **Order Fulfillment:** Managing the end-to-end process of delivering orders.
- **Delivery SLA (Service Level Agreement):** Commitment to a specific delivery timeframe.
- **Churn Rate:** The percentage of customers who discontinue using a service.
- **Inventory Turnover:** The speed at which products are sold and restocked.
- **Dynamic Pricing:** Adapting prices based on demand, competition, or availability.

3. Your Task for Day 1

Step 1: Choose Your Marketplace Type

Hekto is an **E-Commerce Marketplace** focused on furniture sales, specializing in sofas, chairs, and other home essentials.

Step 2: Define Your Business Goals

- **Short-Term Goals:**
 - Launch an MVP (Minimum Viable Product) with essential features.
 - Ensure a smooth and responsive user experience.
 - Implement secure payment gateways.
 - Offer a wide variety of sofas and chairs with clear product descriptions.
- **Long-Term Goals:**
 - Expand product categories to include additional home decor.
 - Optimize logistics with a robust fulfillment system.
 - Partner with multiple vendors for a diverse product range.
 - Integrate AI-powered recommendations and dynamic pricing.

Step 3: Create a Data Schema

To build an efficient database, consider the following core entities:

- **Users Table:** Stores customer details, addresses, and order history.
- **Products Table:** Contains product name, SKU, price, stock level, and images.
- **Orders Table:** Tracks order status, payment info, and shipment details.
- **Vendors Table:** Manages seller information and product listings.
- **Reviews Table:** Stores user feedback and ratings.

Step 4: Submit Your Work

At the end of Day 1, prepare a summary document covering:

1. **Your marketplace type and business goals.**
2. **Key data schema details.**
3. **A short explanation of your marketplace's uniqueness.**

FAQs

Q: Can I expand my marketplace beyond furniture in the future?

A: Yes! Hekto can scale to include other home essentials and decor items. The flexibility of your platform design will determine its expansion potential.

Q: What payment methods should I integrate?

A: Initially, focus on popular options like **Stripe, PayPal, and Cash on Delivery** (for local buyers). Future integrations can include installment payments and crypto options.

Q: How do I ensure fast deliveries?

A: Partnering with **reliable logistics providers** and implementing **real-time order tracking** can enhance delivery speed and customer satisfaction.