Business requirements document template

Project name: Coffee Boost

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1. Executive summary

Starbucks aim to leverage their customer data to enhance growth strategies by optimizing personalized offers and discount. While detailed information in consumer invoices is available, the lack of a robust Business Intelligence system hinders by the ability to provide personalized offers and discounts, impacting new customer attraction and ensuring the loyalty of existing ones.

2. Project objectives

1. Customer Acquisition and Retention:
   - Increase Customer Acquisition Rate (CAR) by 15% within the next fiscal year.
   - Achieve a Customer Retention Rate (CRR) of 80% or higher over the same period.
2. Conversion Optimization:
   - Improve Conversion Rate (CR) by 10% through targeted promotions and discounts.
3. Enhanced Transactional Value:
   - Raise Average Transaction Value (ATV) by 12% through personalized offers.
4. Customer Satisfaction:
   - Maintain or improve Customer Satisfaction (CSAT) scores through BI-driven strategies

3. Project scope

1.Data Integration
Integrate detailed consumer invoice data into a centralized BI system for analysis.
2. Segmentation and Targeting:
 Implement BI algorithms to segment customers based on preferences, purchasing history, and demographics.
3. Promotion Customization:
Develop a user-friendly interface for creating personalized offers and discounts.
4. Real-time Analytics:
Enable real-time analytics for prompt adjustment of strategies based on changing market dynamics.
5. Feedback Mechanism:
 Integrate a customer feedback mechanism within the BI system for continuous improvement.

4. Business reqirements

Priority level	Critical level	Requirement description
High	3	It forms the foundation for understanding customer behavior and making informed business decisions.
High	2	It is crucial for personalized marketing strategies. This enhances customer engagement and loyalty
High	2	Developing a system for creating personalized offers and discounts tailored to specific customer segments contributes significantly to customer satisfaction and retention.
High	3	This capability enables Starbucks to stay agile and competitive in the dynamic market.
Medium	2	Integrating a customer feedback mechanism within the BI system is important for continuous improvement of strategies. While not as urgent as data integration, segmentation, and real-time analytics, it is still crucial for long-term success.

5. Key stakeholders

Name	Job role	Duties
Executive Sponsor	Executive Lead	Provide leadership and oversight to ensure the BI project aligns with the company's strategic objectives. Communicate project progress and benefits to the executive team, fostering support and understanding.
Business Intellegence Department	BI Lead	Develop and implement technical solutions for data integration, segmentation, and real-time analytics. Collaborate with other departments to ensure smooth integration and functionality of the BI system.
Marketing Department	Marketing Lead	Collaborate with the BI team to define customer segments based on preferences, purchasing history, and demographics. Provide insights and collaborate on the creation of personalized offers and discounts to enhance customer engagement.
IT Department	IT Team	Ensure the secure integration of consumer invoice data into the BI system, adhering to data protection regulations. Implement and maintain the necessary IT infrastructure to support real-time analytics and feedback mechanisms.
Finance Department	Finance Lead	Oversee the allocated budget for the BI project and ensure financial constraints are adhered to. Conduct cost-benefit analysis and financial forecasting to assess the project's economic viability.
Customer Support	Customer Experienxe Team	Provide insights into customer feedback mechanisms and contribute to the continuous improvement of strategies. Collaborate with the BI team.

6. Project constraints

Constraint	Description
Budget	The budget is limited and must be carefully managed to address tailings
Time	The project has a fixed timeline to implement measures to
Technology	The Technology must be updated and user friendly
Regulatory Compliance	The project must compliy to data protection regulations and industry standards

7. Cost-benefit analysis (1)

Cost	Benefit
BI System Implementation: $500,000	A BI system can provide timely and accurate information, leading to better decision-making. This could result in cost savings or revenue increases.
Training and Education: $100,000	Automation and streamlined processes facilitated by the BI system can lead to operational efficiency, reducing labor costs and improving overall productivity.
Security Measures: $50,000	Having a robust BI system in place can give the organization a competitive edge by allowing for quicker responses to market changes and trends.
Continuous Improvement Mechanisms: $30,000	The security measures implemented can protect sensitive business data, preventing potential financial losses due to data breaches.
Total cost: $680,000	**Expected ROI: 194.12%**

7. Cost-benefit analysis (2)

Cost	Benefit
BI System Implementation: $500,000 - Funding for the development and deployment of the Business Intelligence (BI) system, including software, hardware, and initial setup costs.	**Expected Increase in Revenue: $1,300,00 annually**
Training and Education : - **Training Programs: $80,000** Allocation for training programs to ensure that employees are well-equipped to utilize the new BI system efficiently. - **Educational Resources: $20,000** Budget for educational materials, documentation, and resources to support ongoing learning and skill development.	**Enhance Customer Loyalty : estimated customer retention value of $500,000**
Security Measures: - **Cybersecurity Infrastructure: $40,000** Investment in cybersecurity measures to protect sensitive data within the BI system and ensure the integrity and confidentiality of information. - **Employee Training on Security: $10,000** Funds for training employees on cybersecurity best practices to enhance the overall security posture of the BI system.	**Operational Efficiency Cost Saving $200,000 annualy**
Continuous Improvement Mechanisms: - **Feedback Mechanisms: $15,000** Budget for implementing mechanisms to gather feedback from users to identify areas for improvement in the BI system. - **Software Updates and Enhancements: $15,000** Funding for regular updates and enhancements to the BI system based on feedback and emerging industry trends.	- **Total Profit : $2,000,000 annualy** - **Cost of BI implementation and Maintenance : $680,000** - **Net Profit = $1,300,000 (Year 1)**
Total Project Coffee Boost cost: $680,000	**Expected ROI:** $$ROI = \frac{\text{Net Profit} - \text{Total cost}}{\text{Total cost}} \times 100\%$$ $$ROI = \frac{\$1,320,000 - \$680,000}{\$680,000} \times 100\% = 194.12\% \ \textbf{(positive)}$$