**COVER PAGE**

**Title:** Feasibility Report on Implementing an eBusiness Online Retail Store for BlaqMerchandise

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**1. Introduction**

**1.1 Background & Context**

The fashion industry is experiencing a digital transformation, with online retail accounting for over 30% of global fashion sales (Statista, 2023). BlaqMerchandise aims to capitalize on this growth by launching an eCommerce platform specializing in urban and streetwear fashion.

**1.2 Purpose of the Report**

This feasibility report evaluates the management, technological, and operational aspects of establishing an online fashion retail store. It highlights strategic, supply chain, marketing, and change management factors influencing implementation.

**1.3 Scope & Objectives**

* Analyze the eBusiness model for BlaqMerchandise.
* Develop an eBusiness strategy for sustainable online growth.
* Examine supply chain efficiencies in inventory, logistics, and order fulfillment.
* Evaluate eMarketing techniques for customer acquisition and retention.
* Identify change management challenges and risk mitigation strategies.

**2. eBusiness Model**

**2.1 Business-to-Consumer (B2C) Model**

BlaqMerchandise follows a B2C model, selling fashion products directly to consumers through an online platform. This model provides:

* **Global market reach with minimal physical infrastructure.**

By **leveraging digital tools, third-party logistics(3PL) , and AI-driven customer engagement**, **BlaqMerchandise** can **expand to international level without the need of physical stores or warehouses in multiple countries**. This method **reduces costs, increases scalability, and enhances customer experience** making it one of the key strategies for modern eCommerce businesses.(W.X,2017) Using self logistics capital occupancy bigger; the logistics alliance, with the risk of internal information disclosure; and on the third party logistics, not only capital and manpower can be effectively used, helps enterprises to strengthen the core business.

* **Personalized shopping experiences through AI-driven recommendations.**

AI-driven recommendations transform eCommerce into a **personalized, data-driven shopping experience**. This is a widely used method by major e-commerce companies such as Netflix, ASOS, Amazon and the likes. By leveraging AI, BlaqMerchandise can **increase sales, enhance customer loyalty, and streamline product discovery** as the AI accounts for suggestions and trending products and recommends them to customers relating them to similar products they have searched and bought.(N.S,2023) For example, intelligent systems powered by AI can process large datasets to provide accurate and personalized recommendations based on user behavior, preferences, and decision-making processes.

* **Competitive pricing due to lower operational costs.**

Lower operational costs enable **BlaqMerchandise** to maintain **competitive pricing**, attract price-sensitive customers, and still gain profit. By **cutting unnecessary costs such as not having physical stores which also reduces the amount off staff required hence reduced wages, optimizing logistics, and leveraging AI-driven pricing**, the brand can **offer high-quality fashion at affordable prices to its customers**, gaining a strong edge in the online retail industry.

**2.2 Revenue Model**

* **Pay-per-product: Customers purchase individual clothing items.**

The **Pay-Per-Product** model is ideal for **BlaqMerchandise**, as it offers **flexibility, profitability, and scalability**. This method is clearly seen with companies such as Nike, ASOS, ZARA and the likes as one can bundle the products and buy at checkout. By **leveraging AI-driven recommendations, cross-selling, and digital marketing**, the business can maximize revenue **without requiring long-term customer commitments** as sales are made per product.

* **Subscription Model**: **VIP membership for exclusive discounts.**

A **VIP Membership Subscription Model** can help **BlaqMerchandise increase customer retention, generate recurring revenue, and build a loyal brand forming a growing niche based community**. By offering **exclusive discounts, early access, and personalized fashion experiences**, this strategy will **make BlaqMerchandise more competitive to its competitors** and **boost long-term profitability.**

* **Freemium**: **Free access to style consultations with premium services.**

A **Freemium model** allows BlaqMerchandise to **attract more customers, provide value through free services, and upsell premium styling features**. This is viewed in most online companies in whichever field such as BoohooMan, Spotify, Capcut and the likes. By leveraging **AI-driven recommendations and exclusive fashion insights**, BlaqMerchandise can build **a very successful and competitive edge** in the online fashion industry

**2.3 Technology Infrastructure**

* **eCommerce Platform**: **Shopify/WooCommerce for storefront management**.

Choosing **Shopify or WooCommerce** for BlaqMerchandise ensures **efficient storefront management, seamless customer experiences, and scalability**. This method is used by companies such as Fashion Nova and Gym Shark. Shopify offers an **easy-to-use hosted solution**, while WooCommerce provides **greater customization**. By leveraging the **right eCommerce platform, integrated marketing tools, and AI-driven recommendations**, BlaqMerchandise can bring good competition if not **dominate the online fashion retail industry**.(M.H,2021) E-Commerce or Online Retail has become the emerging answer for many businesses who have struggled with the brick and mortar infrastructure as people become more in tune with the concept of online shopping

* **Payment Gateways**: **PayPal, Stripe, Apple Pay, Google Pay.**

These gateways enhance security, convenience, and worldwide reach, increasing customer trust and improving the online shopping experience. Choosing the right payment gateway is essential for success in the B2C e-commerce world.(P.L,2006) The growth in spending on the Internet, together with the underlying need for secure transactions, increases the importance of online payment systems.

* **Security Measures**: **SSL encryption, PCI compliance, fraud prevention tools.**

In the B2C eBusiness Model, security measures are crucial for protecting customer data and ensuring safe transactions. SSL encryption secures communication by encrypting sensitive data, while PCI compliance ensures businesses follow industry standards for handling payment information. Fraud prevention tools, such as AI-based detection, two-factor authentication (2FA), address verification, and tokenization, help prevent fraudulent activities. These security measures will help Blaqmerchandise build consumer trust, prevent data breaches, reduce financial risks, and ensure compliance with regulations, making online shopping secure and reliable.

**3. eBusiness Strategy**

**3.1 Market Positioning**

* **Affordable luxury streetwear targeting Gen Z & Millennials.**

By Blaqmerchandise positioning itself as an affordable fashionable streetwear brand, a company can attract Gen Z and Millennials through exclusivity, digital engagement, influencer marketing, and sustainability. This strategy blends aspirational fashion with accessibility, driving strong brand loyalty and growth in the competitive streetwear market.

* **Competing with brands like** **Nike, ASOS, and H&M.**

To successfully compete with **Nike, ASOS, and H&M**, a brand must position itself uniquely by focusing on **niche branding, exclusivity, sustainability, and a strong digital-first approach**. By leveraging influencer marketing, eCommerce innovations, and ethical production, Blaqmerchandise can carve out its own **competitive advantage** in the **fashion and streetwear industry.**

**3.2 Competitive Advantage**

* **Sustainability**: **Eco-friendly materials and ethical sourcing.**

By integrating **eco-friendly materials and ethical sourcing** as a business strategy, Blaqmerchandise gain a **strong competitive advantage**. This approach **enhances brand credibility, attracts eco-conscious consumers, and ensures long-term sustainability**, positioning the business for growth in a responsible and ethical market.

* **Limited Edition Collections**: **Exclusive drops create demand.**

Limited edition collections and exclusive drops provide a **strong competitive advantage for Blaqmerchandise** in eBusiness by fostering hype, urgency, and brand exclusivity. This strategy not only **boosts sales and engagement** but also enhances **brand loyalty and long-term desirability**, making it an effective approach for fashion, tech, and lifestyle brands. (W.B,2020)The reselling open market of limited products, which used to reflect the culture of minority enthusiast groups, is growing rapidly, mainly among young consumers in their 20s to 30s

* **Fast Shipping**: **Same-day delivery options**.

Same-day delivery provides a **major competitive advantage** for Blaqmercandise in eBusiness by **meeting customer expectations, reducing cart abandonment, and enhancing brand loyalty.** Companies that invest in **logistics, technology, and local partnerships** to offer **faster shipping options** position themselves as **leaders in customer convenience** and push forward for long-term business growth.

**3.3 Legal & Ethical Considerations**

* **GDPR Compliance: Customer data protection**.

GDPR compliance is not just a legal requirement but a strategic advantage in eBusiness. By Blaqmerchandise prioritizing customer data protection, this enhances brand credibility, minimizes risks, and fosters trust, ultimately leading to greater customer loyalty and business success.(S.G,2019) The European Union (EU) is a global leader in privacy regulation whose constitution enshrines the right to privacy. In May 2018, the EU began enforcing its General Data Protection Regulation (GDPR), a landmark privacy law that defines individual privacy rights and restricts how firms can use personal data

* **Consumer Rights Protection**: **Transparent return policies.**

A **transparent return policy** is not just a legal requirement but a **key strategy in eBusiness**. For Blaqmerchandise It will enhance customer satisfaction, builds trust, and ensure compliance with consumer protection laws, ultimately leading to higher retention rates and business success.(K.M,2024) Issues such as misleading product information, unfair pricing strategies, substandard goods, counterfeit products, data privacy concerns, and inadequate customer grievance redressal have become common problems. Consumers often find themselves at the receiving end of delayed deliveries, broken return policies, or unscrupulous sellers.

* **Ethical Sourcing**: **Fair labor practices in manufacturing.**

Ethical sourcing is not just a legal obligation but a strategic business decision that will foster brand credibility, customer loyalty, and sustainable growth for Blaqmerhandise. Prioritizing fair labor practices in manufacturing ensures long-term success in the growing ethical eCommerce space.

**4. Supply Chain Management Issues**

**4.1 Inventory & Logistics**

* **Drop Shipping vs. Warehouse Storage**: **Evaluating cost efficiency**.

For **Blaqmerchandise, drop shipping** offers low costs and flexibility but fails to give full access over shipping and quality, while **warehouse storage** ensures better inventory management and higher profit margins but requires more investment. A **hybrid approach**—drop shipping for slow-moving items and warehousing for bestsellers—balances cost efficiency and customer satisfaction.(I.T,2024) Hybrid fulfillment models represent an approach that combines the advantages of various strategies, such as centralized and decentralized fulfillment and dropshipping. These models allow for more effective inventory management and reduced delivery times, which have become particularly relevant in the highly competitive e-commerce landscape.

* **Third-Party Logistics (3PL)**: **DHL, FedEx, Amazon Fulfillment.**

For **Blaqmerchandise**, using **3PL services like DHL, FedEx, or Amazon Fulfillment** can improve **shipping efficiency, reduce costs, and scale operations**. This ensures **fast delivery, reliable logistics, and better customer satisfaction** without the burden of in-house fulfillment.

* **Real-Time Inventory Tracking** **using AI and IoT.**

For **Blaqmerchandise**, implementing **AI and IoT for real-time inventory tracking** ensures **accurate stock management, faster order processing, and cost savings**. This enhances **efficiency, prevents stockouts, and improves customer satisfaction.**

**4.2 Risks & Mitigation**

* **Delivery Delays**: **Partnering with multiple shipping providers.**

For **Blaqmerchandise, partnering with multiple shipping providers** ensures **faster deliveries, reduces disruptions, and improves reliability**. This strategy minimizes the impact of carrier delays**, enhancing customer satisfaction and operations would be more efficient..**

* **Stockouts & Overproduction: AI-driven demand forecasting**.

For Blaqmerchandise, AI-driven demand forecasting helps prevent stockouts and overproduction, ensuring optimal inventory levels, reduced costs, and improved sales efficiency. This enhances profitability and customer satisfaction by keeping stock aligned with demand.

* **Cybersecurity Threats: Multi-layer security protocols**.

For Blaqmerchandise, implementing multi-layer security protocols protects against cybersecurity threats, data breaches, and system disruptions. This ensures secure transactions, operational continuity, and customer trust, safeguarding the business in the digital supply chain.() Discusses the need for security due to risks such as data breaches, identity theft, and financial fraud, which can severely impact brand trust and customer loyalty.

**5. eMarketing & Customer Relationship**

**5.1 Digital Marketing Strategies**

* **SEO Optimization**: **High-ranking product pages.**

For Blaqmerchandise, the use of SEO optimization on product pages ensures higher search rankings, increased organic traffic, and improved sales. By focusing on keyword-rich content, page speed, and mobile-friendly design, the brand can attract more customers and enhance online visibility.

* **Social Media Marketing: Instagram, TikTok, Facebook ads.**

For **Blaqmerchandise, Instagram, TikTok, and Facebook ads** provide a powerful way **to increase brand visibility, drive engagement, and boost sales**. By using **trending content, influencer collaborations, and targeted ads**, the brand can effectively connect with its audience and grow its online presence.

* **Influencer Collaborations**: **Brand ambassadors for promotions**.

For Blaqmerchandise, influencer collaborations and brand ambassadors help drive brand awareness, credibility, and sales. By leveraging trusted influencers on Instagram, TikTok, and YouTube, the brand can expand its reach, attract new customers, and create a name around its products.

**5.2 Customer Engagement**

* **AI-Driven Chatbots: Automated customer service 24/7.**

For **Blaqmerchandise, AI-driven chatbots** provide **24/7 automated customer support**, ensuring **fast responses, personalized shopping assistance, and improved customer satisfaction**. This technology enhances engagement while reducing operational costs, making customer interactions more efficient and seamless.() In fact, a Chatbot responds to simple chat by handling user requests based on a collection of questions specified in the knowledge base.

* **Loyalty Rewards Program: Discounts for repeat customers.**

For **Blaqmerchandise, a Loyalty Rewards Program** offering **discounts, points, and exclusive perks** will **increase repeat purchases, strengthen customer bonds, and boost brand loyalty**. This strategy ensures a **higher customer lifetime value and long-term engagement**.

* **Email Marketing: Personalized product recommendations**.

For **Blaqmerchandise, personalized email marketing** featuring **AI-driven product recommendations, targeted promotions, and exclusive offers** will **enhance customer engagement, drive sales, and increase brand loyalty**, leading to long-term business growth.

**6. Change Management Issues**

**6.1 Organizational Challenges**

* **Staff Training: Upskilling employees in eCommerce tools.**

For Blaqmerchandise, equipping employees with efficient eCommerce tools will enhance efficiency, improve customer interactions, and drive online sales growth. Investing in staff training ensures adaptability, innovation, and a stronger digital presence.

* **Internal Resistance: Managing fear of automation replacing jobs.**

For **Blaqmerchandise**, managing **internal resistance to automation** through **clear communication, training, employee involvement, and job redesign** will **increase employee confidence, improve productivity, and support seamless digital transformation.**

**6.2 Implementation Strategy**

* **Phased Rollout: Launch in stages to manage risks.**

For Blaqmerchandise, a phased rollout strategy will minimize risks, allow for adjustments, and ensure a smooth transition when implementing new eCommerce tools, automation, or digital marketing strategies.

* **Employee Incentives**: **Motivating staff to adopt new processes.**

For **Blaqmerchandise**, implementing **employee incentives** wil**l encourage staff to adopt new digital tools and eCommerce processes while being more motivated to do so**, leading to **higher efficiency, better engagement, and smoother business transformation.**

**Summary**

BlaqMerchandise is a proposed **fashion and clothing eCommerce business** focused on high-quality urban wear. This feasibility report evaluates the **management challenges and strategic opportunities** of implementing an **online retail store.**

The report examines the **eBusiness model**, focusing on a **B2C (Business-to-Consumer) framework** with an omnichannel approach. The **eBusiness strategy** aligns with digital marketing and operational scalability, leveraging eCommerce platforms like Shopify and WooCommerce. Supply chain management involves **inventory optimization, third-party logistics (3PL), and sustainable sourcing.**

Key **eMarketing strategies** include **SEO, social media marketing, influencer collaborations, and personalized recommendations** via AI-driven CRM. Customer experience is enhanced through **chatbots, loyalty programs, and fast shipping options.**

Change management is a crucial factor, **involving employee training, technology adoption, and risk mitigation strategies.** The report identifies **legal, ethical, and cybersecurity risks** while recommending a **phased implementation approach** to minimize disruptions.

The conclusion highlights that launching BlaqMerchandise is **feasible and profitable** with the right **technology, marketing, and operational investments**.

**7. Conclusion & Recommendations**

BlaqMerchandise’s online retail store is strategically and operationally feasible. Key success factors include supply chain efficiency, digital marketing, and adaptive change management. Investment in AI, automation, and customer engagement is recommended for long-term sustainability.

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