Product Internship Assignment

Task 3 : Product Business Understanding

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Prepared For: Amazon

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Overview:

Volopay is pleased to present this techno-commercial offer for customizing our procurement product to better meet the specific business and operational requirements of Amazon. Our objective is to deliver a tailored solution that enhances your procurement process, integrates seamlessly with your existing systems, and aligns with your strategic goals.

Purpose:

This offer provides a comprehensive outline of the proposed customization, including the technical specifications, cost estimates, and project timeline. Our aim is to ensure that the customized procurement solution effectively addresses your unique business needs while delivering significant operational and financial value.

Customization Scope

- **Customization Overview**:

  o **Feature Integration**: Incorporate a B2B procurement system into Volopay's platform. This will allow users to create purchase requests, manage approval workflows and track purchase orders, all integrated with the accounts payable system.

  o **Technical Requirements**:

    ▪ Integration of the procurement workflow with existing accounts payable features, including data synchronization, automated invoice generation, and real-time order tracking.

- o **Timeline**:

    - **Phase 1**: Research and Planning (2 weeks)

    - **Phase 2**: Development and Integration (6 weeks)

    - **Phase 3**: Testing and Feedback (2 weeks)

    - **Phase 4**: Deployment and Training (1 week)

- o **Assumptions**:

    - The client's system will handle approximately 500 purchase orders per month.

    - The client will require ongoing support and maintenance after deployment.

Cost Estimation

- **Development Costs**:

    - o Customization and integration development: 50,000/-

    - o Testing and quality assurance: 10,000/-

- **Maintenance and Support**:

    - o Basic support (monthly): 2,000/-

    - o Premium support (monthly, including 24/7 support and additional feature requests): 5,000/-

- **Total One-Time Cost**: 60,000/-

- **Ongoing Monthly Costs**: 2,000 - 5,000/- depending on support level chosen.

Pricing Model

- **Subscription-Based Pricing**:

    - o **Base Subscription**: 10,000/month for core Volopay features.

    - o **Customization Add-On**: 3,000/month for the procurement integration.

- **Usage-Based Pricing**:

  - 0.50 per purchase order processed beyond 500 orders per month.

- **Customization Fee**:

  - One-time customization fee: 60,000 (as detailed above).

- **Assumptions**:

  - The client has approximately 1,000 employees, with 500 expected purchase orders per month.

  - Pricing includes initial deployment and training.

Conclusion

The proposed feature integration into Amazon's platform is designed to significantly enhance the user experience by streamlining the process of creating, managing, and tracking purchase requests and orders. By implementing this solution, Amazon will benefit from improved efficiency in order management and enhanced data visibility through the unified dashboard.

This customization aligns with Amazon's commitment to providing a seamless and efficient shopping experience. We believe it offers a substantial value addition to the platform, driving both user satisfaction and operational efficiency. We encourage Amazon to proceed with this proposal to capitalize on these benefits and continue to deliver exceptional service to its customers. Please let us know if there are any further details required or if you would like to discuss the next steps.

Ideal Pricing Model for Volopay

A Hybrid Approach could be the most effective:

- **Base Subscription Fee**: Charge a recurring fee based on the enterprise size and the core features they require.

- **Customization Fee**: Apply a one-time fee for any additional customization work.

- **Usage-Based Pricing**: Include additional charges based on transaction volume or feature usage to ensure pricing scales with the client's business.

Assumptions

- The pricing model should be flexible to accommodate different enterprise sizes and needs.

- Customization and additional services are billed separately from the base subscription to ensure clear value is delivered for any extra work.

- The model should incentivize larger clients to use more features by offering value at higher tiers.

This approach ensures that Volopay can cater to a wide range of clients while aligning the pricing with the value delivered.