



Business Case

C&A Foods Online Store

Week 2: Assignment

Course Title: Introduction to Agile Project Management
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Comments:

GREAT job. This is a nice presentation on the business case for C&A foods. Good research/background information, measures and justification. Nice work.

Debra Hildebrand, Apr 22 at 11:13am

C&A Foods Online Store Case Study

Claire and Ashley started a retail business called C&A Foods that sells healthy food products. C&A Foods was started in Seattle, WA and has grown to over 50 stores throughout Washington, Oregon, and California. Lately they have been receiving numerous requests from tourists who don't live near a retail store to be able to order their products online and have them shipped. These travelers come from around the world as C&A Foods stores are in international cities like San Francisco and Seattle.

Therefore, Claire and Ashley have decided to initiate a project to build an online store for their products. Since Ashley is the marketing and sales expert and Claire is the finance and accounting expert, Claire has been chosen to sponsor the project while Ashley will take the role as the Product Owner.

Their biggest concern is quality. In the retail space they can control the quality and have earned their reputation by outstanding product quality and high-quality customer service in terms of flexibility, product knowledge, and quick issue resolution. Part of this customer service involves weekly education seminars or cooking classes for customers. These classes are held free of charge and their objective is to educate their current and potential customers in healthy food choices. Ashley and Claire would like their online customers to have the same experience if possible, but they are not sure what that would look like.

Additionally, Claire and Ashley are insistent that innovation is key – they would like to stay competitive by offering their products like no one else. When asked what that means they are not sure but are confident that the team will figure it out.

Claire and Ashley do not have any experience with technology; therefore they have hired you to manage the project. You have determined that an agile project management methodology would be best for this project.

You know from above what Claire and Ashley's priorities are. Your team has informed you that anything to do with videos or customer interaction is going to be difficult. The actual shopping experience is not as complicated.

C&A Foods Online Store

Project Objective:

Developing a reliable and extendable state-of-the art online shopping platform suitable for nationwide mobile and desktop/PC ordering in the US and Canada and possibly international.

The online platform applies best practice technology for an enjoyable shopping experience and it develops new and highly innovative interactive features that help C&A Foods Online to differentiate itself from established online retail chains and from other organic food online retailers.



C&A Foods Online Store

Revenue Benefits:

Online grocery sales in the U.S. are forecast to grow an average of 18.1% annually during the next five years, according to recent data from the media company IGD. This will take online's share of the total grocery market from an estimated 1% today to 2% by 2022. Strong demand for organic food and organic non-food products all over the US.

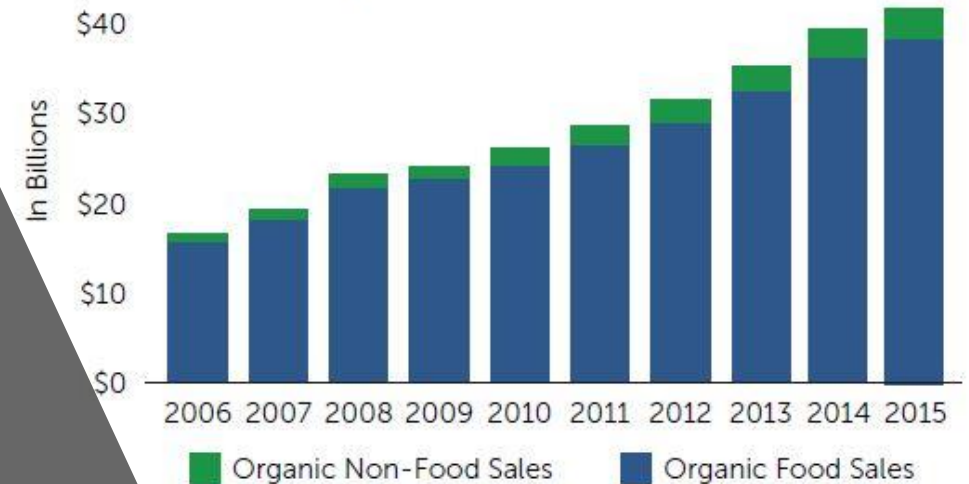
Productivity/Cost Savings

Economics of scale cost saving potential. Lower follow-up investments of online retail sales expansion compared to the expansion of brick-and-mortar shops.

Risk Management

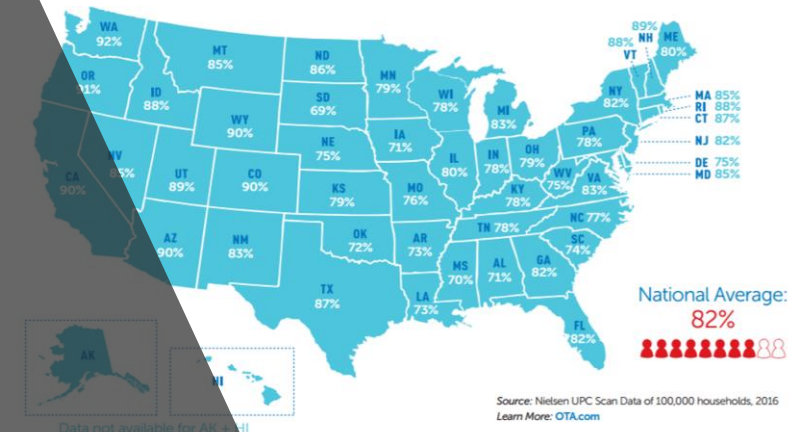
Rising interest rates could threaten the business model of our retail shops as rising leasing rates could squeeze our profit margins (we do not own the most of our retail shops but some of our competitors do).

Total U.S. Organic Sales and Growth, 2006–2015



Source: The Organic Trade Association (OTA)

Percentage of U.S. Households Purchasing Organic Products



C&A Foods Online Store

Opportunity:

C&A Foods has grown to over 50 stores throughout Washington, Oregon, and California including benchmark shops in tourist centres like San Francisco and Seattle. Lately we are receiving numerous requests from tourists who do not live near a retail store to be able to order their products online and have them shipped.

Problem:

Customers of our retail stores value the outstanding product quality and the high-quality customer service in terms of flexibility, product knowledge, and quick issue resolution. For example, our unique customer service involves weekly education seminars and free of charge cooking classes which are difficult to integrate in commercial off-the-shelf software solutions.

Investment Description



C&A Foods Online

Business goals

1. Value goal:

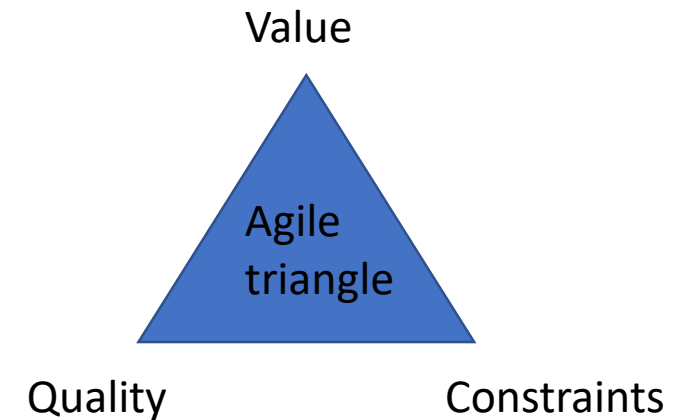
Build a releasable C&A Foods Online platform where our *online customers to have the same shopping experience as our retail store customers. Incorporate videos and interactive features.*

2. Quality goal

Build a reliable, adaptable online platform

3. Constraint goal:

Achieve value und quality goals within acceptable constraints (cost, schedule, scope)



Agile Business Objectives

1. **Continuous innovation**
to deliver on current C&A Foods Online requirements
2. **Product adaptability**
to deliver on future C&A Foods Online requirements
3. **Improved time-to-market**
to meet market windows and improve return on investment (ROI)
4. **People and process adaptability**
to respond rapidly to product and business change
5. **Reliable results**
to support business growth and profitability