

## PROJECT INITIATION

Car dealers have realized how profitable it can be to sell automobiles using the Web. Pretend you work for a local car dealership that is part of a large chain such as CarMax. Create a system request you might use to develop a Web-based sales system. Remember to list special issues that are relevant to the project.

### System Request—Web-based sales system

**Project Sponsor:** Matthew Moore, Sales Manager

**Business Need:** This project has been initiated to reach new Internet customers and to better serve existing customers using Internet sales support.

#### Business Requirements:

Using the Web, customers should be able to search for vehicles, and identify the brick-and-mortar stores that have them in stock. They should be able to request vehicles not carried or not in stock and receive notification if their requested vehicle becomes available. The functionality of the system is listed below:

- Search through CarGo's inventory of vehicles.
- Identify the retail dealers that have them in stock.
- Schedule an appointment to view the vehicle.
- Place a request for a vehicle not currently in stock.
- Receive notification that a requested vehicle is in stock.

#### Business Value:

We expect CarGo's sales will increase as a result of a wider scope of potential customers who can view our inventory, and request out of stock vehicles through CarGo's Internet presence. We expect the improved services to increase the number of customers who view vehicles at CarGo, and attract additional customers through the request/notification process because 60% of customers seek a specific vehicle model. CarGo should benefit from increased customer satisfaction and brand recognition due to its Internet presence.

Conservative estimates of tangible value to the company includes:

- \$750,000 in sales generated through a web-based sales system.
- \$1,875,000 in sales from walk-in customers who are later notified via a Web-based system.
- \$50,000 yearly reduction of telephone expenses associated with customer queries.

#### Special Issues or Constraints

- The Marketing Department views this as a strategic system. The Internet system will add value to our current business model, and it also will serve as proof of concept for future Internet endeavors. For example, in the future, if CarGo may want to sell vehicle service, or offer lease programs directly over the Internet.
- The system should be in place for the summer season next year.