Case Scenario # 1

ABC organization is an internet sales business utilizing multiple resale marketplaces. Currently, they are only selling through these public marketplaces, and are paying a 12-15 percent commission to the marketplace on every sale.

The company has determined that to increase sales and get customers to purchase directly from the company, they must create a webstore with all of the items they have listed in the various marketplaces.

They will insert a "thank you" card into every shipment that was sold through any of the paid marketplaces. The "thank you" card will invite the purchaser to go directly to the company website for future purchases, and they will receive a discount of 12-15 percent directly, as the company will not be paying the marketplace commissions.

 When subscribing to the website, the customer will be able to choose categories in which they are interested, and then the company will send out monthly emails with a listing of all of the newly listed items in their categories of interest.

 The website will also be where the company has all sales of items that have been slow sellers on the marketplace. These items will be on sale only for subscribed members.   Sale prices will be either 25 percent, 50 percent, or 75 percent off the listed marketplace price.

The company feels that this is a good plan to increase sales and wean themselves off dependency on the marketplaces, but the cost for this project is projected at $45,000.00 and the timeframe for implementation is 6 months.

The business case states that the company can expect an increase in overall sales by 50 percent from current levels due to reengagement of customers on an ongoing basis.

Risks:

1) Will customers be willing to sign up on the website?
2) Will the project increase sales as projected?

What other risks do you see?

What other questions would you want to ask to evaluate whether to approve this project with a budget of $45,000.00?

- Who are stakeholders

- Is project done internally, or 3rd party vendors

- What is included in budget?

- Is there backup plan if deadline is missed?

- How are tasks broken down?

- Are there competitors who may affect this business outlook?

- What skills are required, including tools and technologies for this project?

- Will company measure customer satisfaction and loyalty over time?