

FIT3134

ASSIGNMENT 2

SERVICE BLUEPRINT

Group members and Email

Chan Wai Han (31555373) wcha0070@student.monash.edu

Goh Kai Yuan (30881919) kgoh0018@student.monash.edu

Jyven Yu Jun Kai (28903447) jyuu0018@student.monash.edu

Leong Pui Lum (30719917) pleo0008@student.monash.edu

Ooi Yi Sen (30720699) yooi0007@student.monash.edu

Introduction: an overview of your start-up, market problem, your solution and team members, including their expertise.

Our group, Team 5 Stars, consists of 5 members and there are Chan Wai Han, Goh Kai Yuan, Jyven Yu Jun Kai, Leong Pui Lum, and Ooi Yi sen. Our group comprises competent individuals with a computer science background. Therefore, the ability to find a problem and then solve it in the most efficient way is definitely our expertise. Our group has decided to plan a service blueprint based on the rentee's perspective for our fashion renting services. Many people nowadays have the thought of wearing different branded clothes to different events. However, the current financial status of some of them does not allow that huge spending to happen. Therefore, this startup is built to rent clothes so that customers do not spend extra bucks for clothes that they only wear once. This startup consists of a market problem where it is unavailable to try on clothes physically as this service is only available online. However, the implementation of AI can be a solution to this problem as AI can filter the clothing selection to suit the customers' tastes. A feedback form will be sent to the customers to ask for their satisfiability so that more suitable options can be recommended through AI.

A digital representation of a service blueprint depicting one successful customer journey. Analyse and explain the service blueprint, its relationship with other parts/elements and its importance of that relationship.

Gibbons's article (2017) states that the service blueprint is a diagram that visualizes the relationships between multiple service components that are imperative in a particular customer journey.

The service blueprint consists of mainly the front stage and the back stage. The front stage is the phase where the customer experience and journey are mapped out, while the back stage is about the backend processes that occur when the customers are interacting with the system. Essentially, it is our business design, which explains the entire encompassing system's interaction to service the customers that demand our product. It explains what happens at the backend when the renter rents the clothing pieces, varying from system to human-to-human interaction. The front stage and the backstage create the service design, which maps out what needs to be provided at the back stage to fulfill the front stage. In other words, we have to identify the corresponding reaction towards the front stage as the customer reacts with our system. To create the service blueprint, we designed the customer experience in Assignment 1a, where we sequenced out the customer journey through a storyboard, a good visual representation for people interested in our system's interactions with its customers. It helped us identify interactions that will occur from a business perspective to enable our customers to have a good experience.

In our service blueprint, the line of interaction represents the direct interaction between the company and its customers. Next, the line of visibility isolates what is visible to the customer and what is not. Everything that appears above this line is visible to the customer, while everything below this line is not visible to the customer. The line of internal interaction depicts the separation of contact employees and those that do not directly support the customers.

The customer actions include searching for clothing on the internet then visiting our website on PLUM.com and this process would normally take up to 2-3 minutes. If our customers have any inquiries, we have a support chatbot and a live chat option available. If the customer's question is frequently asked, then the support chatbot would be there to answer the customer but if the customer still has more inquiries, then the live chat support would respond to the chat questions. Having a visitor logbook is also essential because it allows us to record important details of the customer.

Upon visiting our website, we have a welcome page to welcome our customers. It is mandatory for our customer to input their preference for clothing to ensure a smoother browsing experience, and our artificial intelligence algorithm will then suggest clothing pieces as part of the filtering process, which is based on its automatic size identification of the renter's clothing pieces so that our customers can have a better browsing experience. In addition, all the sellers must add a product description and a price tag before they list the item. Once our customer selects a clothing piece they prefer, our system will show whether the items have been purchased by scanning through our inventory management system. We also implemented an e-commerce payment system for our customers to buy or rent clothes, which accepts credit or debit cards to prevent the risk of getting bad checks. The estimated delivery time and a digital delivery receipt will be given to the customer. They will then receive the items and confirm the delivery on the website. This whole process would take up to 1 to 3 days.

Once the seller makes sure that the clothes have in stock, they can place the order in the fulfilment queue. The buyer will be notified with an estimated time of arrival of the delivery. When the

fulfilment centre is ready to ship the product, third-party delivery services will be arranged to deliver the items. Upon delivery, our company will prepare a digital delivery receipt for our customers, who will then confirm that the item has been delivered on the website. Moreover, all our transactions are automated because our company uses an accounting system to record and process all our transactions. Finally, once the rentee is done using the clothing they will return the clothing during the specified date and our system will release the deposit back to the customer.

SWOT analysis of the business solution (1000 words), which will explain the Strength, Weakness, Opportunities and Threats your solution may face the solutions available in the market.

Before starting a business, it is always a good idea to conduct an analysis of the inner workings of the company before setting out on a new venture to get a clearer picture of how well our company will operate, and identify areas where we can improve on. Our team employed the SWOT method of analysis to identify our company's strengths, weaknesses, opportunities, and threats that we may face when running the company, and the results are detailed below.

Strengths

Strengths are often described as what separates it from their competitors and what makes an organization excels (Kenton, 2021).

Computer Science Background

Our team comprises competent individuals with a computer science background. Therefore, when venturing out on a business that is heavily based on an online platform, we can be confident that our team is well equipped to not only build the platform but tackle any problems that will inevitably arise from the platform, such as bugs, with great haste. We will also be knowledgeable enough and well equipped to implement any features and upgrades in the future that will benefit our customers as our platform grows.

Generation of Online Shoppers

As our team comprises a generation of young adults, online shopping has been an integral part of our lives, especially during the past few years during the COVID-19 pandemic lockdown phase. We have been and still are on the other side of the spectrum as well, as consumers. We know what makes a good online shopping experience. From searching for products to looking for deals and purchasing and payment, we have faced the same ups and downs as everyone else. We will therefore optimize our platform's user experience by implementing existing features as well as coming up with new ones to give our customers the best experience when shopping with us.

Good Leadership

A team without a leader is a disordered team. Therefore, our team has a very capable leader among us, who has had experience leading the team in other projects as well. Our leader has a clear vision of the direction of the company, is good at communicating with the team, and has the ability to keep everyone in the team organized and motivated. This will help lead the team, and therefore the company, in the right direction.

Good Internal Communications

Our team comprises a group of friends who have known each other since the beginning of our journey in university. Over the time spent together, we have been through every phase of a relationship, and have a bond developed through mutual understanding and communication. Therefore, working together, we will apply that understanding and inter-relationship communication skills as we run the team together in a work environment.

Good Connections in the Fashion Industry

As we are a fashion-based company, having connections within the industry will be a huge help in terms of industry knowledge as well as sourcing for products. A member of our team comes from a

family that owns a business in fashion. They can be a source of information for the latest trends in fashion, as well as a source of clothing to act as a base for our customers to rent/buy as we start the company.

Weakness

Weakness is described as what stops an organization from performing at its best level (Kenton, 2021).

Bad at Finance

As mentioned before, we all have backgrounds in computer science. Experience in finance, especially one of a company, is scarce within the team. Therefore, we would have problems with handling the finances of the company.

First Time Starting a Business Venture

This venture is a first for all of us in the team. None of us has had previous experience in starting a business. Therefore, we may face unforeseen circumstances that would pose an obstacle in our business venture.

Lack of Capital

As we are university students, we lack the substantial capital that is required to start a company. From the costs of running a website to the logistics of running a company, we would not be able to afford to start the company right away.

Lack of Reputation

Another thing to note is that we are just starting a company from the ground up. Therefore we lack the brand recognition our competitors have, which will pose a challenge as customers will be more comfortable using services from companies that are familiar to them.

No Expertise in Graphic Design

A big part of the user experience on a website is the visual aspect of the interface. As none of the members has much experience with graphic design, we will have to look for or hire external graphic designers to help with the visual designs of the website, which will increase the costs of starting the company.

Opportunities

Kenton (2021) mentioned that Opportunities in SWOT analysis refer to the external factors that give an organization a competitive advantage.

No Existing Companies using Artificial Intelligence

As mentioned previously, our organization specialises in renting services, thereby, users are allowed to become a rentee or a renter. Additionally, what truly differentiates us from other competitors is our integration with Artificial Intelligence in the system. This is an opportunity for us as there are no mainstream players in this space, such that there are no existing renting service companies that utilise AI to measure the sizes of clothing as well as to determine the type and occasion of clothing.

Tech-based Generation

It has been proven that Internet has been one of the most transformative and fast-growing technologies. As our generation is shaped by technology, many of us were born in the era of smartphones and the world of Internet. Demilt (n.d.) proves that with the evolution of Internet, more than 51% of her respondents prefer online shopping to in-store shopping as it is convenient and provides better product selection. Thus, this would be a great opportunity for our organization to make a great profit as it is at the right timing for our tech-based generation.

Post-Pandemic Economy

Due to the recent COVID-19 outbreak, many people have been suffering from unemployment as well as the rise in inflation rates. Hence, many people are on the lookout for options that allow them to save more. With the option to rent instead of purchasing, users are allowed to save more during this post-pandemic economic crisis. Furthermore, our renters are also able to make passive incomes from this, allowing them to beat the inflation rates. This would be a suitable circumstance for our organization as we mainly target people who are thrifty.

No Local Renting Services

Although our local competitors are Carousell, Facebook, and Zalora, they have not established any renting services yet besides their service of selling pre-loved items on their platform. This gives us a stronger competitive advantage over them as we also offer users to have the option to rent and purchase these preloved items. Therefore, as we are starting our platform locally, this would give us a better chance of making revenue as there do not exist any competitors that provide the same services as we do locally.

Influencer Marketing

With social media being such a huge part of our everyday lives, many companies have been hiring “influencers” to help them market their products and services. Typically, an influencer is someone who has the power to influence ones purchasing decisions due to their authority, knowledge as well as their relationship with their audience (Geyser, 2022). Therefore, influencer marketing involves brand collaborations with influencers to market their products or services. Geyser (2022) also states that businesses have been making \$5.78 Rate of Investment (ROI) for every \$1 spent on influencer marketing. Therefore, this proves that influencer marketing guarantees a definite return on investment as well as a good business opportunity for our organization too.

Threats

Kenton (2021) also stated that Threats are the factors that have the potential to harm an organization. One possible threat that may occur to our organization may include another lockdown.

Unavoidable lockdowns

Due to the recent COVID-19 outbreak, many countries have decided to implement lockdowns as it appears to have succeeded in preventing uncontrolled epidemics. Chua (2020) mentioned that due to the coronavirus, many people have been buying fewer clothes as they are in lockdown. She also stated that the clothing rental market and secondhand clothing sales are expected to face a decline of 50% and 13.3% respectively. Some of the reasons behind the decline of renting clothes during the pandemic may be because of hygiene purposes as well as to protect one from the coronavirus. Therefore, if there is another wave of diseases were to appear in the future, it would be a great threat to our business.

The rise in Inflation rates

Moving on, it has been found that due to COVID-19, the inflation rates in Malaysia have risen for 4 months straight (Rahman, 2021). He also states that during the post-pandemic economic recovery, people have been asking for decent wages as many are suffering from inflation as well as unemployment. Hence, this could potentially be a threat to our business as people may not have sufficient money to rent our clothes.

Competitors are growing

As technology is getting more advanced day by day, it is no shocker that our competitors may also integrate Artificial Intelligence into their systems as well. Using Google Trends to identify the advancement of Artificial Intelligence, it has been shown a dramatic rise in the last 5 years (Appendix I). Hence, competitors who also use AI in their business and system would be a threat to us as that is our main stand-out point.

Phishing

Another unavoidable threat that may occur includes phishing. Phishing is a method whereby a hacker sends deceptive emails distinguishing itself as an authentic organization. Onibalusi (2020) states 76% of businesses have reported being a victim of phishing for the past year. Therefore, as our platform would also email our customers on their order confirmations as well as digital receipts upon confirmation, phishing could potentially be a threat to our business too.

SQL injections

As our platform would be recording our business transactions using SQL database, one of the possible threats that we may face is SQL injection. Onibalusi (2020) mentions that Structure Query Language injections are one of the most common cyber attacks on any e-commerce site that uses an SQL database. These attacks usually involve hackers injecting malicious SQL commands into the existing scripts of e-commerce websites to gain access to the site. Thus, this could be a threat to our platform as hackers would be able to have access to our data and possibly execute certain commands to our site.

References

Chua, J. M. (2020). *Why clothing resale is booming, but rental's barely hanging on.*

<https://www.instyle.com/fashion/clothing/clothing-rental-or-resale-post-coronavirus>

DeMilt, J. D. M., & DeMilt, J. (2018). *How has the internet changed shopping behaviors?*

<https://penningtoncreative.com/internet-shopping-behaviors/>

Geyser, W. (2022). *What is influencer marketing?*

<https://influencermarketinghub.com/influencer-marketing/>

Gibbons, S. (2017). *Service Blueprints: Definition.* Nielsen Norman Group.

<https://www.nngroup.com/articles/service-blueprints-definition/>

Kenton, W. (2021). *How swot (strength, weakness, opportunity, and threat) analysis works*

<https://www.investopedia.com/terms/s/swot.asp>

Muhammad Daaniyall Abd Rahman (2022). *A big concern if inflation outpaces wage growth | new*

<https://www.nst.com.my/opinion/columnists/2022/01/760621/big-concern-if-inflation-outpace-s-wage-growth>

Onibalusi, B. (2020). *6 security threats e-commerce businesses frequently face.*

<https://learn.g2.com/e-commerce-security-threats>

Appendix I

Interest over time 

