

**SoCal Ice Cream Shop**

Ethan Johnson, Yenvi Leduc, Zachary Keshawarz, Sam Samavati, Noel Ishmael Hosmillo

California State University of Fullerton

ISDS 351-08, 12626

Professor Hector Ramirez

May 01, 2022

### **Introduction**

SoCal Ice Cream Shop is a failing business that has not kept up with business technology's rapidly innovating changes. Created in the late 90s, owners and workers alike have not updated their hardware, software, processes, and overall analysis to adjust their business according to today's climate. Because of this, sales are slowly falling, and long-term growth is declining. We will implement plans to improve this business's life cycle, starting with various changes in scale to enhance efficiency. In addition, we will apply advantages that help competing businesses thrive by complementing SoCal and adjusting their weaknesses through innovational tactics. SoCal must take advantage of various opportunities such as a business strategy and eCommerce to become unique and effective in their competitive market.

### **Business Strategy**

To start analyzing their business, SoCal Ice Cream Shop should complete a Porter's Five Forces Analysis, SWOT Analysis, define their vision, mission and values, and objectives and goals.

Porter's Five Forces consists of the threat of new entrants, the threat of substitute products, the bargaining power of buyers, the bargaining power of suppliers, and the degree of rivalry. With the threat of new entrants, the shop must consider brand loyalty, capital requirements, and trained employees. This threat is at an average level for the shop, as getting into the ice cream or dessert business is not as easy as in other companies. Next, the threat of substitute products considers franchises such as Baskin Robbins, Haagen Dazs, and grocery ice creams such as Dreyers. Furthermore, with so many dessert places in the market, the shop has a high threat of substitute products. The bargaining power of buyers is an average threat to the shop in comparison, as it considers the buyers' ability to substitute, the consumers' demand, and

the price they are willing to pay. The bargaining power of suppliers includes a high number of suppliers; therefore, there is low bargaining power. Finally, the degree of rivalry is the last force. In SoCal's case, there are many competitors, a lack of innovation, and industry profits are affected by weather and economic conditions.

Next, the shop's SWOT analysis analyzes its strengths, weaknesses, opportunities, and threats. Beginning with its strengths, the shop's first is having complete creative control over its designs and having a family team of graphic designers. They also emphasize customer service more than dominating companies, as they have a smaller customer pool at the moment. Being a small shop, SoCal also has a committed and loyal staff that the owner trains well. The shop's last major strength would be its homemade, exclusive, and creative flavors that originate in the shop as their workers are a diverse, small team. In terms of weaknesses, they have less capital than franchises and corporations such as Cold Stone and Afters Ice Cream because they are small.

Like any other cold food/ snack, sales will decrease in the wintertime as ice cream is out of season. Creating healthier substitutes is difficult for an ice cream company; placing flavor over health is an issue for many customers. In addition, SoCal Ice Cream Shop has a smaller product portfolio than more prominent companies, currently only offering Ice Cream. Finally, the last weakness would be that the databases and technology they use are outdated, and they need new systems to maintain organization and appeal. The shop has young, well-trained employees in terms of opportunities, allowing us to promote its brand and grow through social media. Another opportunity would be to expand the product portfolio and offer products that other major ice cream chains do not, such as crepes or different Dippin' Dots flavors. We can also change the old reward system and create a new one for returning customers that they can use with their phones and QR codes. Additional strategies include selling extra ice cream as pints,

selling merch for customers to support and promote the business, and hosting charities and events that help support the community. Lastly, evaluating a business requires threat analysis. Some significant threats include dominant competitors in the ice cream market, the large number of substitutes, the long-term effects of negative customer reviews compared to bigger businesses, and the lack of eCommerce opportunities.

The vision, mission, objectives, and goals are defined to finalize the business strategy. SoCal Ice Cream Shop's primary mission is to show people that creativity exists in simplicity; we can revolutionize traditional strategies. Brands tend to start their business by copying others, sticking to the main roots of a business, and not inputting creativity and originality. Next, for their vision, SoCal Ice Cream shop hopes to deliver a premium ice cream experience through taste, quality, and customer service. Customers deserve more options than those from existing brands. We also wish to meet the needs of those with a sweet tooth who crave desserts by offering customers popular options and exclusive homemade creations.

We hope to bring different cultures into the mix with how diverse Southern California is by adding cultural flavors. The shop's values include exceptional quality and taste, the best customer service, efficient and thorough service, leadership and respect, ethical/environmentally conscious, and being as inclusive as possible by accepting all cultures and backgrounds. The objectives include becoming Southern California's preferred ice cream store, eventually creating a branch with many stores attracting new and loyal customers, and successfully implementing a solid, innovative business strategy to compete in the market efficiently.

### **eBusiness Opportunity**

SoCal Ice Cream Shop will deploy a Business to Consumer (B2C) e-business. Our business focuses on finding prospects, turning them into customers, and retaining said customers

for future sales. Additionally, we will ensure that mobile commerce supports our e-business to provide customers with more efficient and enjoyable options. Thus, consumers can order ice cream ahead of time while using our website. They can also use our rewards system to maintain relations. Furthermore, we can also offer shippable products such as merchandise shirts, pins, stickers, and more. Shipping ice cream is difficult; therefore, shipping merchandise is an excellent alternative to generate income and promote our brand.

An e-business project can support our business strategy and increase sales by displaying all of our products, providing customers with excellent service and an easy-to-use website, offering online orders, taking questions, etc. An e-business tends to put customers first and gives them features different from in-store abilities. With these new features being electronically available, we can create new revenue streams. Our business can reach a wider audience outside of our area to pursue a diverse audience. Also, we can employ a creative website, show our personality digitally, and demonstrate our vision; creativity in the simplest things.

We can provide our reviews or allow customers to weigh in on their concerns and boost customer engagement, one of SoCal Ice Cream shop's goals. People are often timid to offer feedback in the store, so an e-business and website are suitable. Overall, the e-business can easily display our products and creativity, and help gather customers. Especially regarding customers, an e-business helps to create and enhance customer relationships. Furthermore, the company can promote and host charities or events that help support the community and the business through an e-Business.

For making the website, we will use the website hosting service Wix, a free website builder, saving money for our first website design. Because we are using a web-hosting service, Wix provides shared dedicated hardware and internet connection with an individual, isolated,

and virtualized software. We are a small business and do not have the money to make such a significant investment for our high-speed connections, web servers, and trained experts to manage all aspects. Thus, we will begin using Wix, then switch in the future when our company grows. We can reallocate the assets saved from managing our website into search engine optimization (SEO) to direct more customers to our site. Therefore, our website will appear in the search results more often when people search up items relating to ice cream, SoCal, desserts, etc. Though we will spend most assets on SEO, an incredibly high return on investment is almost guaranteed. In addition, SoCal Ice Cream Shop can use paid listings and banner ads for advertising our page further. We will also utilize our website for our mobile commerce, but in addition, we can use social media apps such as Instagram, Twitter, and Facebook.

The scope of the e-business project is extensive, covering its schedule, deliverables, overall cost, hardware, and software. To begin, we will discuss the deliverables and tasks. Starter tasks and planning, including the project charter, kickoff meeting, and research, will take about 22 days. For graphics, this will be done by our family team, requiring much less money and allowing complete creative control. Creating new logos and graphics for social media will need about a week. Next, the family team will do the website creation as well, only taking about a week. Setting up social media accounts will appear next, taking about three days to make Instagram, Twitter, and Facebook accounts. For the next step, we will create a delivery system which will take about two days. We will purchase advertising and SEO for the last deliverable, which will take about three days. We will also hold weekly meetings, have two progress reports, and have one final report to track progress. The project should take around 69-90 days, including slack time.

The shop also needs to account for the hardware and software required for the project. The computer basis will require a case, motherboard, CPU, memory, storage, and a power supply for hardware. As for peripherals, this would include a keyboard, mouse, monitor, ink printer, thermal printer for shipping labels, and a speaker. Overall, the cost of the hardware will be around \$3,000. The first one we would utilize for software is Wix, which is the website hosting website and program used to make our website. The Business Basic plan on Wix is needed To activate the website and starts at only \$23 per month paid annually.

Next, Google Analytics is also required to track data and website traffic. We can analyze and constantly improve our website, seeing what works and what does not. Although there is a paid option for this service, the shop will start off using its basic features with the free option. Photopea is the following software needed. We will use a free photoshop alternative to create graphics without paying the premium price of Adobe services. Shopify will also be another software implemented onto Wix to transfer customers to the Shopify extension page whenever they choose to finalize their purchases. Shopify is used to track online orders, make labels, and simplify shipping processes. In terms of costs, Shopify will cost \$79 per month for its second-tier option. SKU IQ is another software that we will use to keep track of inventory, both in-store and online; this service will cost \$35 per month. For social media, Instagram, Facebook, and Twitter will be the main applications used for advertisements and social media presence. We will allocate most assets towards advertising and SEO. SEO will cost about \$1,500 per month, Google-paid search campaigns \$1,500 per month, and banner ads and Social Media Media Ads \$1,000 per month, resulting in \$4,000 total.

To calculate total costs, we also need to consider the creation of the social media pages. We can build our mobile/social media pages with our young and well-trained staff, offering them

\$15 an hour. In total, it will be around \$120 for all pages. After that, our team will be willing to create unique posts consistently. We will offer \$120 per week since they will not make most of the graphics but just post them. Overall, the first month's cost of the e-business will be around \$7,377, and the following months will cost approximately \$4,257.

We established the collect requirements and requirement analysis to discuss our e-Business. The shop's collect requirements include Home, Inventory Catalog, Book Online, About Page, Event Page, Contact/ Review Page, Store Locations/Directions, Checkout Page, Instagram Link, Twitter Link, and Facebook Link. The home page is an interactable, scrollable page with link buttons to Home, Shop, Order Online, More, Social media, and Checkout buttons. The inventory catalog on the home page contains a preview of the catalog and a button underneath the home page, directing you to a separate page of the full catalog. This page includes different flavors and merchandise; after the user clicks on the product, it redirects you to the specific order online page. The online order page includes the price, product description, and order/add to cart button. The about page contains an "About/Learn More" button on the main page, a mission statement tab, and a values tab containing the company's ethics and values.

The events page follows, which has an event page link on the main page and various events tabs; when hovered over, it gives details on said events. The "Contact/Reviews" page will contain a clickable link in the top right corner, name input field, email input field, phone input field, address input field, subject input field, message/review input field, and submit button. The store locations/ directions are on the main page, which displays the shop address and has a "get directions" button, redirecting the user to google maps directions to the shop. The Instagram, Twitter, and Facebook links will all be highly similar, as they are on the top right of the main home page and are clickable links that redirect users to the respective page.

Lastly, the checkout page is on the right of the home page and, when clicked, redirects you to the Shopify page to receive your address, payment method, phone number, and full name. The website offers different functionalities for the site user and webmaster. The site user can register, allowing them to log in and log out. Once registered, the site user can access the inventory catalog that provides all information regarding our business, such as flavors, locations, and customer services. The webmaster has access to the templates and tools that allow stylistic and content changes to the site. They can change the articles and adjust information when necessary. The webmaster can also add to the search feature, which brings desired content to the site user. Additionally, the webmaster can accurately access and edit the inventory catalog to portray our business's capabilities. The website, virtual user interface, and relationship diagrams can be found in the *Appendix* below.

### **Conclusion**

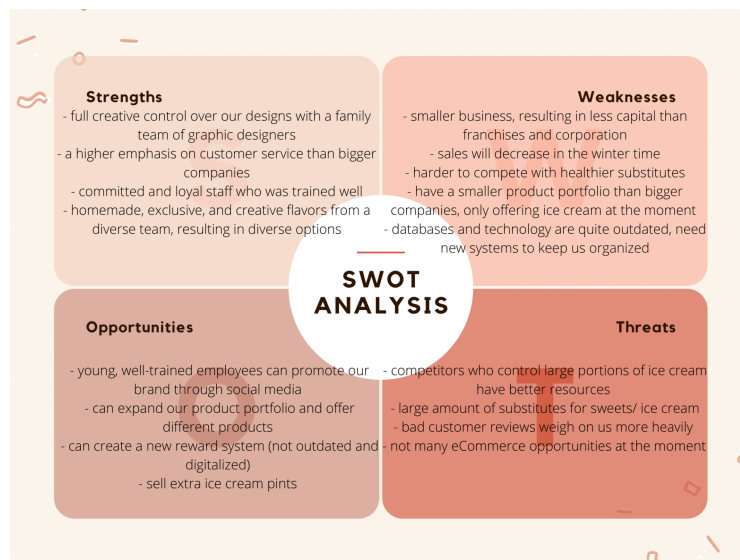
Turning around a business is a challenging undertaking but not impossible. We will implement the steps to increase efficiency in all aspects. Overcoming obstacles will be worth the time and effort due to increased profits, such as investing money into SEO to spread awareness about our service to potential customers. Businesses in today's technological world must implement some version of information technology systems to accelerate their advances in the industry. In conclusion, the core foundations of companies still stand only with the assistance of IT, e-commerce strategies, or just a simple POS system. Businesses can now improve upon setbacks that hindered efficiency and held back profit maximization.

## Appendix

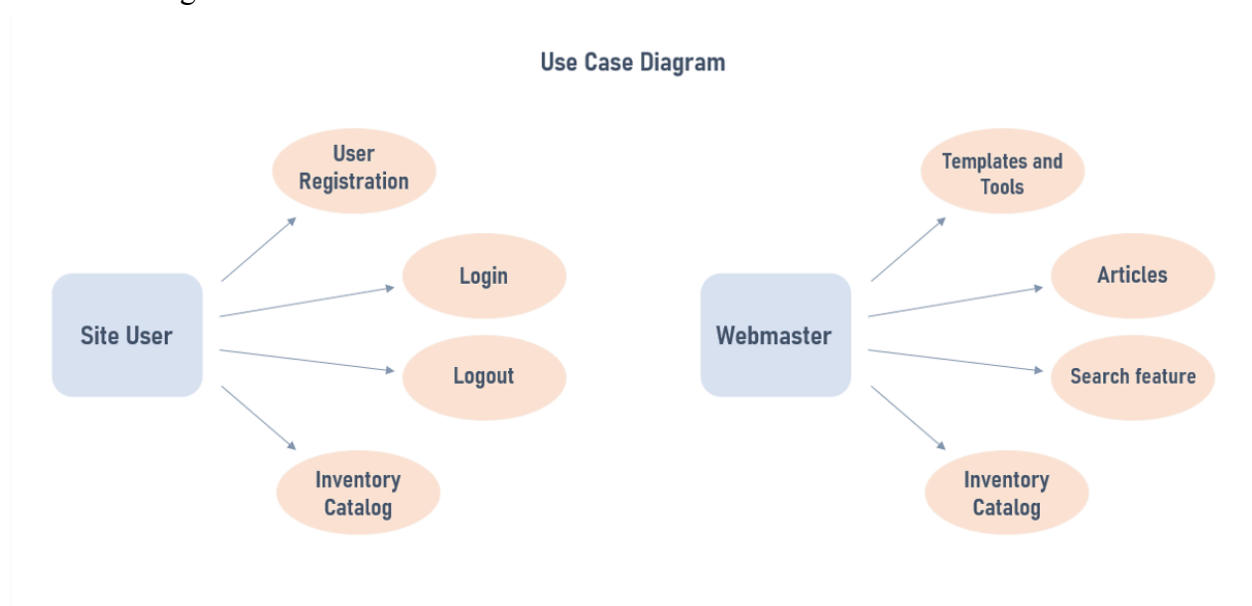
SoCal Ice Cream Shop Revamped Logo:



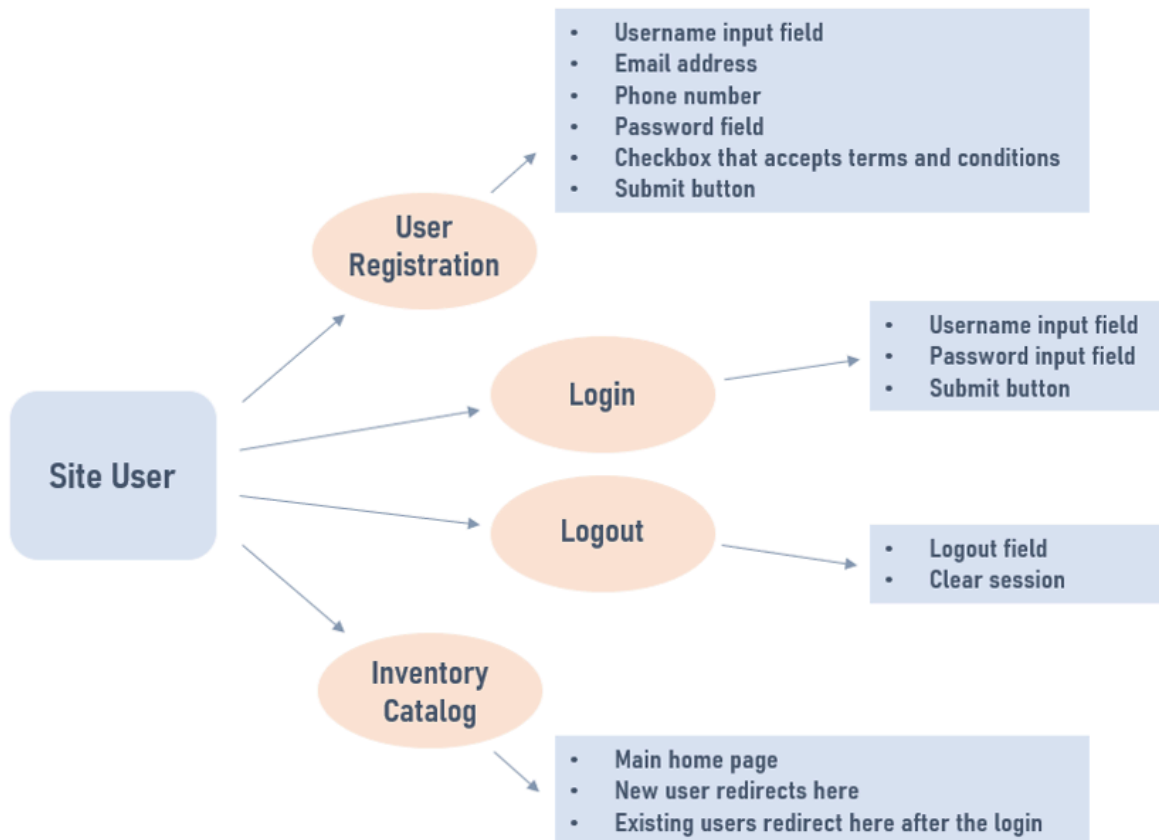
SWOT Analysis:



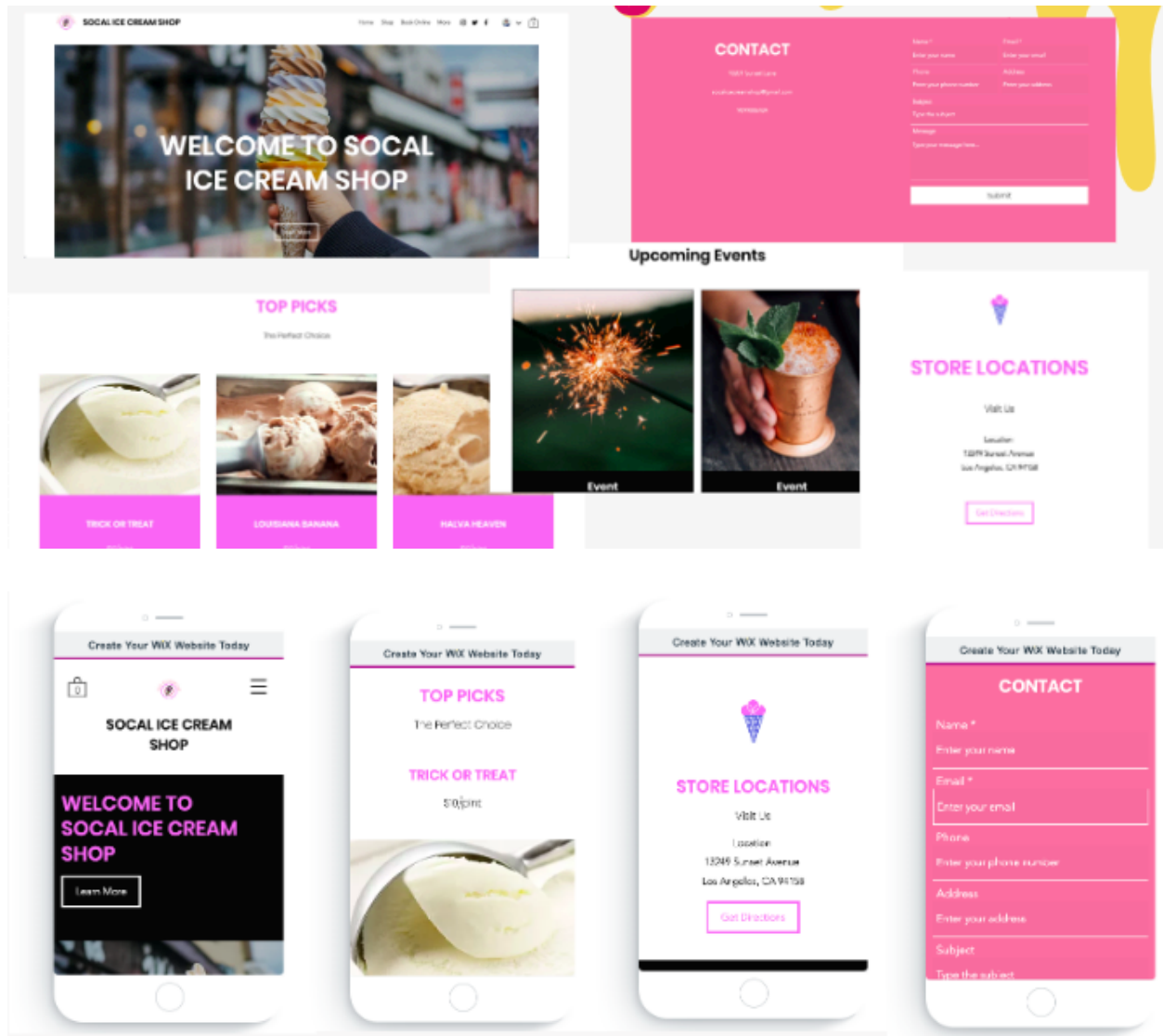
## Use Case Diagram:



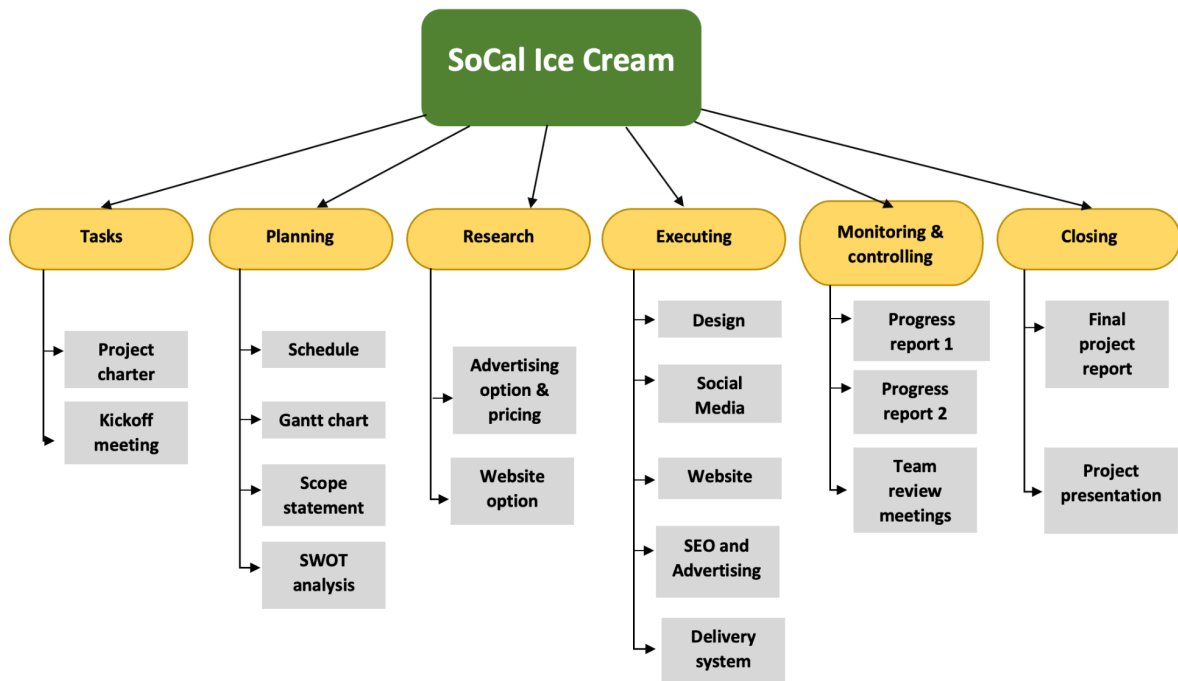
## Site User Details:



## Wix Website Creation Rough Drafts:



WBS:



## Schedule and Gant Chart:

