

## System Request—Digital Music Download Project

**Project Sponsor:** Carly Edwards, Assistant Vice President, Marketing

**Business Need:** This project has been initiated to increase sales by creating the capability of selling digital music downloads to customers through kiosks in our stores, and over the Internet using our website.

**Business Requirements:** Using the Web or in-store kiosks, customers will be able to search for and purchase digital music downloads. The specific functionality that the system should have includes the following:

- Search for music in our digital music archive.
- Listen to music samples.
- Purchase individual downloads at a fixed fee per download.
- Establish a customer subscription account permitting unlimited downloads for a monthly fee.
- Purchase music download gift cards.

**Business Value:** We expect that Tune Source will increase sales by enabling existing customers to purchase specific digital music tracks and by reaching new customers who are interested in our unique archive of rare and hard-to-find music. We expect to gain a new revenue stream from customer subscriptions to our download services. We expect some increase in cross-selling, as customers who have downloaded a track or two of a CD decide to purchase the entire CD in a store or through our website. We also expect a new revenue stream from the sale of music download gift cards.

Conservative estimates of tangible value to the company include the following:

- \$757,500 in sales from individual music downloads
- \$950,000 in sales from customer subscriptions
- \$205,000 in additional in-store or website CD sales
- \$153,000 in sales from music download gift cards

### Special Issues or Constraints:

- The marketing department views this as a strategic system. The ability to offer digital music downloads is critical in order to remain competitive in our market niche. Our music archive of rare and hard-to-find music is an asset that is currently underutilized.
- Many of our current loyal customers have been requesting this capability, and we need to provide this service or face the loss of these customers' business.
- Because customers have a number of music download options available to them elsewhere, we need to bring this system to market as soon as possible.