**The Broadway Cafe**

# **Customer Relationship Management (CRM)**

## **Business Dilemma:**

Since executing a business is impossible without customers, customers are the most influential stockholders in cafe or any business. Customers can have the important role in all processes of any business directly or indirectly. Definitely in our cafe customers are a key to run our business successfully. We can gain our customers loyalty by making them satisfy according to our business. Moreover, of knowing customers it is also necessary to keep a record of customers for better and easy analyzing. As customers are really influential for a business, we should treat a customer as the only customer in our cafe. At the time of serving a customer we should concern needs of that customer and the service should be served beyond their expectation. Having priority on customers would increase customer loyalty and keep the customer satisfaction in a particular business.

Customers provide the ways that a business can improve, as we can learn and make positive changes to our business by customer feedback. Customer complains can be used as a tool for improving a service. As an example, if a customer complains about serving of coffee, then we can use this complain as a tool to train our employee for the better service serving at the next time. Therefore, it seems that customer complain is a challenge to make him/her satisfied and attracted to the cafe. The way you treat your customers is really important for business as if you well treat your customers, anyway they never forget you and will return to you. Thus, customer feedback is a key for improving a service. However, the cafe may not be able to respond for all of the customer feedbacks and suggestions.

The cafe can be hurt or helped by customers through viral marketing. Mouth marketing is an important factor for making an image of the service business. If the cafe can serve beyond the customer expectation that customer would tell the others for the good servicing and thus more customer would be attracted to the cafe. But if the cafe is poor in its serving of services therefore, we lost the customer satisfaction and so no more customers will be in interest to use the cafe services. In fact, the customers want to fulfill their needs and to be serviced as their expectation. As mentioned before, customer complain is an opportunity for the cafe to improve its service.

My employees will believe the importance of customers for cafe and know that it is the reason they are in cafe. Need for employee is depend on existing of customer. Thus, by increasing number of customers the need for employee will be increased, similarly employees may be laid off due to fewer customer. However, some employees think themselves as the most important asset of a business. If cafe does not value its staffs, then they won’t performance as well and it may have a bad impact on the cafe.

## **Making Business Decision I:**

Virtual world is a 3D electrical environment. Nowadays, people interact and communicate with each other through the virtual environments as well as real environments. The virtual world let people to be more experienced and while they attached to virtual experiences, they are really interest to use these experiences in real life. It can be possible for a real cafe to that would be helpful for its transactional processing as customers can customize and suggest their exact needs. Virtual world makes interaction, communication and collaboration simple, efficient and fast. It can be reachable from anywhere around the world; thus, customers and cafe may be connected with each other at all times. Customers will be informed about new products or any updates on previous products through the virtual environment and may go to cafe for using that product. It is also used in marketing aspect of cafe to promote its menus through virtual environments by attractive ads.

Putting customer relation in a virtual world is not an easy task since a customer does not meet physically and create an idea. Virtual environment should be attractive as well as customers can be attached to it easily. The cafe can achieve its customer satisfaction with minimum or no cost in virtual environment only by amplifying virtual customer relationship. By accessing to the cafe website customers can interact the cafe and have all information about its services. Through the virtual environment cafe is always available for customers. So, customers are comfortable to getting their feedbacks in any times. this provides better customer relationship and enhances customer satisfaction.

In the traditional strategies of customer relationship management, there was lack of customer interaction with the business. Therefore, in the virtual world our strategi is to give our customers value and let them to have an important role in our business and this affect customer satisfaction. Value is not just asking customers to answer the questions and leave comments. Virtual world provides customers more experience and lets them to feel free about any feedback.

Moreover, the collaboration of company with its customers would be easy through the electronic CRM, since using of the internet has made everything interconnected. Electronic CRM provides different ways for managing customer relationship beyond the collaboration.

Supporting second life customers is different from supporting traditional customers as well as website customers.

In second life, cafe can serve its services and design the products as needs of customers. It provides customizations by letting the customers to share their feedback, ideas and prototyping in any part. Customer support in second life would be designed as real world. Usually everything in second life is electronic while in traditional is physically. In addition, customer collaboration is a big support in second life in unlike traditional customers. Website has supportive aspect for customers with the visitor information but does not get the customers feeling of being in cafe. However, second life provides the customers a virtual feeling of being in cafe, it offers thee customers free coffee, tables, chairs and music to feel themselves great in the virtual world. The customers in the traditional cafe must leave there in a particular time however they would be in a deep discussion due to cafe close off time. But, second life allows customers to whatever they wat to do with no time limit. Moreover, availability of artwork, music and upcoming events for customers makes the second life interesting and customer excited to explore the site. The way of advertising is another different between second life and traditional customer support. In past, advertising agencies were used to promote product of a business but now the cafe by virtual world can advertise its products in different ways and attract more customers from all around the world.

Second life allows customers to easily access the cafe without any authentication and access level. If there is any secret information for customers only, it can be easily access and use for disadvantage of business (cafe). Furthermore, phishing can be simply occurred and provides someone who is against the cafe more abilities to create a similar website of the cafe and send fake request to the customers to input their confidential data. Missing the customer data make a bad image of the cafe and this has a negative impact to the cafe business. In the same way, misrepresentation can also be an issue just like phishing, that anyone make a fake avatar of customer service representative.

Another issue would be the eliminating of real-life location. Since customers are attracted to the second life, they are not interest to visit real-life cafe, second life cafe can be visited by anyone at every time but real-life cafe could not be. The real-life café will be visited by a limited people, otherwise the real-life café will lose its importance. Therefore, the issue is that the second life should be designed and valued in such a way that real-life cafe can keep its position an maintain the flow of real currency in the business. Privacy concerns are made due to lack of authentication. For all businesses keeping privacy of customers secure becomes a challenge and an ethical issue.

## **Making Business Decision II:**

YouTube is a vehicle that acts as a communication bridge between cafe and its customers. It is a famous free sharing website that allows people to share their idea about any particular video. We would use YouTube to share our services and products using cartoon and characters to make amazing, interesting and informative clips. By these clips we are able to show our customers how we can minimize the problem of long wait lines. We will show that in our cafe there are many counters through the clips we may make for this reason. Few or only one counter cause long wait lines, so showing of these clips might be seen as a logical solution for this problem. It is also helpful for travelers who are in hurry and want to be served inside their vehicle. The customer ordering and fast serving will be shown the clip. Moreover, online ordering and tele-ordering may help to eliminate the long wait lines. Customers can order online through cafe’s website or virtual world or phone calls and their order would be ready before they actually come in the cafe. This can be shown through a clip with cartoons in YouTube.

YouTube is a free communication vehicle and easy to use. Instead of television advertising that make costs. In YouTube anyone can watch the video and leave a comment on a particular video. Marketing through YouTube to promote the cafe can save money. Since YouTube is wider place which always is reachable and available, customers can simply access it from all around the world and learn more about cafe. Furthermore, the cafe can get people large amount of information with a few times only through a clip. These benefits reflect YouTube as an efficient communication vehicle for any businesses whether it be cafe or another business.

Since YouTube is available for anyone in the world, it has also different disadvantages. For example, we show a clip on YouTube about coffee and there would be some one that do not like coffee and will leave negative comments that this really impact other customers. In some cases YouTube compress the content of clips and makes the clips uninteresting for customers. At the time of compressing some part of the clips will be missed then the clips may not be shown completely and in the right way. Also, a product cannot be introduced clearly to the customers. Privacy concerning and copyright violation can be cons of YouTube. Unintentionally sharing of someone secret information at the time of promoting the product or service make the privacy to be vulnerable. Thus, it is necessary to have a clear knowledge about the pros and cons of YouTube before using it as a medium of communication vehicle.

Twitter and Facebook as social networking sites can be more efficient than YouTube to be used as customer communication vehicle. Those allow beyond posting videos while anyone can update information, create events or post comments and pictures. Twitter and Facebook collect people together. Cafe can use twitter to send alerts about new products and services. Furthermore, blogging can be also helpful in this aspect. A customer can advertise free for cafe by writing about the cafe services, products or foods in his/her blog. But it can harm the image of cafe if the customer adds negative comments in his/her blog.

## **Apply Your Knowledge:**

Since businesses are differs in quality information, we should integrate all systems in the cafe for obtaining high quality data. Quality information is very important because it provides enhanced, accurate and appropriate decision making. It also determines the quality of decision making in business decision. Real time information for decision makers will be provided by existing of real time system in cafe. Accurate and high-quality decisions can have important impact on cafe’s profits. As instance cafe can attract customer satisfaction with having integrated and real time system by providing customer wants and this improve profitability. Furthermore, any businesses by the help of high-quality information can track their valuable customers who produce the most revenue. We can increase customer loyalty by having complete information about a customer and reward him or her that frequently visit the cafe. Users can trust high quality information. For instance, when cafe website is updated the information through its systems generated data, it will become more trustable for customers.

On the other hand, different business effects may be resulted by low quality information. Low quality information is known as those that have missing information. For example, incomplete information such as incomplete name, last name and or incomplete address, duplicate information such as same name, address or phone number and possibility of wrong information. Low quality information makes the cafe unable to accurately track customers, identify the ways to sell the products, attract new customers, track revenue, identify valuable customers and make strong customer relationship. Low quality information prevents cafe to track its customers who frequently visit the cafe and are profitable for cafe’s business. by unintegrated systems it is difficult to provide the exact wants of customers and would result to provide wrong products. Also, cafe may promote itself to the fake customers by wrong information. Generally, low quality information makes the cafe unable to manage its customers or create accurate decisions.

Customer taste and preferences could be the examples of information to be used by Broadway Cafe to gain better understanding of its customers. If the cafe can know that its customers are interest in which products then it can provide these products as well as the customers demand when they actually came. Furthermore, having a little idea about the customer affordability may help the cafe to manipulate the products prices as customer willing to pay for a product. Customers and their wants may be known better by changes in environment and weather.

Following are some data quality issues. Data errors that can be generated by human errors make dirty data issues or legacy systems that make application errors. People will make errors when there is a large amount of data to be placed in the system. Missing data and duplicating data are another issue in data quality. The cafe won’t have a proper data management that cause the data to be simply lost and simply entered twice. This has really impact on output results thus affect decision making. Furthermore, lack of standards in data would make the data non-standardized and confused. Implementing Master Data Management system as the company strategy is to be used to prevent such data quality issues. It uses a set of processes and tools to manage the non-transactional data entity of an organization. Master Data Management to ensure consistency and control of this information has the plan to provide processes for collecting, aggregating, matching, consolidating, quality-assuring, persisting and distributing such data throughout an organization. Master Data Management by providing a unified view of enterprise data may decrease or eliminate the data quality issues. Master Data Management with its ability can detect and correct the errors by reviewing data.

|  |  |
| --- | --- |
| **CAFE’S BEST CUSTOMERS** | |
| **Customer ID** | **Total Sales Amount ($)** |
| 3548 | 18,261.86 |
| 4438 | 26,474.28 |
| 5657 | 11,342.98 |
| 6891 | 10,585.94 |
| 13801 | 33,555.50 |
| 13959 | 19,593.65 |
| 270177 | 14,355.99 |
| 294896 | 11,348.40 |
| 305668 | 49,647.45 |
| 540135 | 16,338.02 |
| 1309948 | 11,401.60 |

As an assumption the cafe’s best customers are who that make in sales amount dollars of more than $10000.

Above list is the cafe’s best customers. The cafe should provide its valuable customers target base programs. Thus, the customer tr to reach the target for each purchasing and is excited to get cafe’s special reward and this will improve customer loyalty. Furthermore, the cafe’s customers can be provided loyalty cards. Keeping in touch strategi can be a way of marketing for valuable customers. To keep profitable customers and build relationship in our business, we should have personal attention on them. This can be done by contacting them through email or phone calls and ask them to feedback on what they would need in the future and their expectation from cafe.

|  |  |  |
| --- | --- | --- |
| **Broadway Cafe** |  |  |
|  |  |
|  |  |
| **Question** | **Name** | **Total** |
| What is the best selling product? | Music CD | $ 776,813.17 |
| What is the worst selling product? | Promotional | $ 96.00 |
| What is the best sales month? | 3 | $ 569,339.10 |
| What is the worst sales month? | 5 | $ 58,501.06 |
| What is the best selling product during the best month? | Music CD | $ 235,054.45 |
| What is the worst selling product during the best month? | Promotional | $ 64.00 |
| What is the best selling product during the worst month? | Music CD | $ 33,684.43 |
| What is the worst selling product during the worst month? | Food | $ 63.20 |
| **All questions are answered base on sales amount values** | | |

# **Supply Chain Management (SCM)**

## **Business Dilemma:**

Using of demand planning software can help Broadway Cafe to reinvent the cafe. By this software the cafe would be able to prepare the customers’ order in busy hours of cafe by capturing the customers when entering the cafe or cafe car park. For example, as a function the software can capture the customers entering the car park by a camera attached on roof of cafe and then determine the customers’ orders they usually used in that particular time of the day. Also, the cafe would be allowed to track its customers and make the items available for on their demand without waiting in the lines. Also, the software would inform the cafe about its products to be enough for demand of customers such as a specific type if coffee. However, it is costly to implement such a software in initial stage, in the future it would make more benefits for cafe. As it is used to obtain the customer satisfaction. Therefore, demand planning software makes a great benefit for cafe.

Since our cafe is very small, we would not expect it to become supplier of another business supply. It needs to make more customers with the help of demand planning software and online ordering system. We can add a feature to cafe website to make customer able for online ordering and paying with credit cards or charge a subscription fee for using that account. Base on customers order, the cafe can deliver the items in urban or suburban areas. Furthermore, the cafe also would prepare the items for online orders available before the customers arrival in the cafe. Therefore, more customers would we be attracted by innovating ordering system in the cafe.

The cafe’s customer base can be expanded by using of this supply chain technology. And then can think better and bigger to become supplier of coffee or coffee bean for hotels or other businesses.

## **Making Business Decision I:**

The ability of short- and long-term planning make any business successful. As a business operator I will be always in concern to maintain some inventory which are the most in demand. The cafe will lose its customers if does not serve them as their demand. Our cafe would continue its operation without considering on disruption of supply chain because of dockworkers strike and would run base on warehouse inventory (Brazil Beans, China Tea and custom Coffee press machines).

Furthermore, we would specify the amount of supply time, according to the inventory analysis available in the warehouse. Is inventory in our warehouse has the possibilities to overcome the disruption period, since all suppliers are not available at once with same problem, we should meet them frequently. For operating efficiently, we need to consider our temporary local suppliers to provide us the similar products. However, it would be more expensive than usual prices paid to out fixed suppliers in emergency need.

Since the cafe is going to work base on demands, Radio Frequency Identification Technologies (RFIT) would be the most affectable solution for supply chain problems. RFIT is the best and most efficient technology for tracking inventory. It will inform our suppliers automatically if inventory getting low in any cases. This device would really be necessary for both sea and land global transportation. The replenishment of inventory level based on needs would be ensured by this device. However, using this strategy at present would be a little expensive for cafe in the initial stage, but the benefits will be provided in the future.

Making a position as transport specialist whose job would be to provide the transportation of products in any condition and any cost is another strategy that I would recommend. The on time and complete delivery of products would be guaranteed by transport specialist, otherwise they would be responsible for the loss.

## **Making Business Decision II:**

## **Apply Your Knowledge:**

# **Enterprise Resource Planning (ERP)**

## **Business Dilemma:**

Since Enterprise Resource Planning provides integration between all departments and functions of a business and creates a single IT system such as planning, purchasing inventory, sales marketing, finance, and human resources, it disrupted the conventional business models and has brought new model. With ERP information is shared among all systems of an organization and systems can communicate their selves better. Thus, all process will be managed and tracked more accurately. Nowadays ERP is the most important part of a business due to tasks overloading, so it is impossible to operate a business with separated systems. Companies need many ERP applications to integrate all processes and run their business with a single system. Moreover, ERP speed up the business processes which this can satisfy the employees and customers. It also improves knowledge of employees by sharing information from different departments.

There are some issues which would be encountered If a business continues running separate systems for each different product as following:

* Data duplication is an issue which will be encountered when using separate systems. It will waste the time by duplicate entry of data.
* Missing of real time data leads the system to generate outdated data. This is occurred when data is not automatically updated and caused miscommunication.
* Slow down the process of searching. It is really hard to find a complete information quickly within various systems. It also slows the computer performance down when running multiple systems at one time. This decreases the productivity of a business.
* When one record is entered across fragmented systems by different departments, there would be variation of the same record in different systems, but how to know the correct one? It results lack of accuracy.
* Outdated systems will affect the performance of business processes due to their low functionality. Outdated systems won’t be able to function as their modern versions. So, it causes high maintenance cost.
* Upgrading or renewing a system waste a lot of time. And it is really hard to bring a new system and make it fit with current systems.
* The costs would be exceeded from limited budget when a company is running different software systems. And also, integration, implementation and maintaining of multiple application can affect the costs.
* Managing multiple system would be too complicated. When we want to add a new rule in our business it is difficult and time consuming to apply the new rule as a functionality on each separated system.
* Multiple systems need multiple staff and each employee need to be trained to do the tasks with the specific system. It wastes the time for training employees and also makes additional costs compare to using a single system.
* Separate systems prevent a business to switch itself in a modern technology such as AI. Artificial intelligence and machine learning are becoming a standard method. but it is largely impossible for a business to automate its processes along with separate systems.

If we cannot correlate the details of each system, our business (cafe) will face inconsistency and all business operations become irregular and unpredictable. Moreover, our business won’t be able to include new products, serve its services and track all its processes anymore. If we change an information in a system the other systems won’t be updated automatically. So, there would be miscommunication between the cafe and its customer and our cafe won’t be able to serve its customers as they want. There would be delay in inventory, sales and invoicing if systems are not correlated with each other. We cannot know our best customers to encourage them for using our new services. Thus, it results the customer unsatisfaction and the customer won’t be interest to use our services.

Marketing is one of the important parts of a business. A business needs marketing especially when innovating new products or services. There are several ways of marketing such as customers’ loyalty programs, making top sales ranges, prize consideration for best customers and more. Through marketing businesses compete with each other and bring new ideas to attract more customers. However, a business has its customers and benefits still it needs marketing to keep its customer or attract more customers. But there are also some factors that prevent a business to have an efficient marketing, miscommunication is the best example in this aspect.

In our cafe, when we are running separate systems, it is really difficult to manage our marketing section. So, separate systems can hurt our marketing in different ways. Since in an organization all departments are depend on each other to perform their tasks completely, the marketing department also need shared information from other departments to make better decisions. Unfortunately, with separate systems marketing department cannot communicate other departments as well as it can be efficient for our business. Marketing needs financial reports to estimate the costs for advertising new products. Thus, in our cafe if we do not have updated information on number of customers visiting the cafe daily, the most sold product, the least sold product, number of employees, range of salaries and profit and loss report of our cafe, how we can plan an efficient marketing that has exact effect on the cafe.

## **Making Business Decision I:**

## **Making Business Decision II:**

## **Apply Your Knowledge:**