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**CSIT214/CSCI814/HSC814 IT Project Management**

Group Project - Project Group 12

Business Case

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## Executive Summary

*Provide a membership management system for FlyDreamAir to quantify customer groups. The company can accurately collect the relevant information of each member to achieve the purpose of hierarchical management. Provide suitable services to customers at different levels and increase customer loyalty. Increase the chance of acquiring new users and reduce the cost of maintaining old users. Maximize benefits.*

## Issue

* *Loose user group*

*Users in the market have a high degree of freedom of choice, and users have a lot of room for growth.*

* *Single service*

*The company only provides basic flight services and has insufficient advantages when facing competitors with the same service quality.*

* *High maintenance cost*

*Providing undifferentiated additional services to all old users consumes a lot of resources, and the rate of return needs to be improved.*

* *Insufficient utilization of user data*

*The user information obtained through ordinary orders has not been quantitatively analysed, and the user potential needs to be improved.*

## Anticipated Outcomes

*Member management system can increase user stickiness. By registering members, users can be quantitatively counted. Through the collection of user information, the company can manage users hierarchically and provide users at each consumption level with corresponding levels of additional services. Customized services can help increase users' recognition and dependence on company services. And reduce high maintenance costs due to insufficient information. Membership is different from the rights of ordinary users, which can bring potential users to join the company. After the membership management system is formed, the company can also push sponsor advertisements according to the consumption habits of each level or individual users to achieve the effect of precise placement and increase revenue.*

## Recommendation

*The company can give registered users a certain degree of rewards to guide new and old users to join the membership management system. Membership can bring users more rights than ordinary users, make users' payment experience better, and increase user stickiness. After collecting and processing user data, according to the classification to provide users of different levels with corresponding levels of additional services, which can maximize the use of resources and reduce the cost of maintaining old users. After the formation of a stable membership management system, sponsors can plan and place appropriate advertisements according to each user's consumption model to increase the profitability of advertisements. Allow users to enjoy customized services while increasing the company's revenue. Increase the sunk cost of users, distinguish other competitors, and increase their own advantages.*

## Justification

*The company at this stage has a large number of user orders but has not fully utilized its data. The other two projects have their own shortcomings. After comprehensive consideration, we believe that the membership system can bring the company the most profits in the current environment. Among them, the commercial value of accurate advertising after the establishment of the membership system is particularly important. If there is no consumer model, the advertising will generate a lot of invalid traffic, which will increase the company’s operating costs and bring a certain degree to the user experience. Negative impact. Homogenization with other companies will also result in lower transfer costs for users, which may lead to loss of users*

# Business Case Analysis Team

*Briefly introduce the members and roles of the business case analysis*

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| --- | --- | --- |
| Name | Role | Responsible |
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# Problem Definition

## Problem statement

*FlyDreamAir has no current loyalty programs in place, this may result in loss of returning customers as there are no incentives to continue using FlyDreamAir services, and a decrease in loyal customers as there are no rewards for continued use of FlyDreamAir services for these customers, these customers may go to other airlines that do provide these incentives and rewards for their customers. This could lead to a loss in profits.*

## Organization impact

*The proposed loyalty program will provide incentives and rewards to returning and loyal customers to continue to use FlyDreamAir services, these incentives will be handled by the marketing team to organize and approve while the IT team will be responsible for maintaining the web site and database for this loyalty program. The website for FlyDreamAir will be modified with a new portal to the loyalty section for new customers to join and members to view rewards and spend earned points*.

# Project Overview

*The Customer Loyalty Management System Project overview provides detail for how this project will address FlyDreamAir business problem. The overview consists of a project description, goals and objectives for the Customer Loyalty Management System Project, project performance criteria, project assumptions, constraints, and major milestones. As the project is approved and moves forward, each of these components will be expanded to include a greater level of detail in working toward the project plan.*

## Project description

*The Customer Loyalty Management System Project will review and analyse the existing customer resources and the trend of changes in the customer base in the past two years, classify customers according to their consumption behaviour and consumption level, and will adopt a point system for each customer’s Pen consumption behaviour is rewarded to stimulate customer consumption.*

*In addition, the project will also analyse the consumer behaviour of customers. The results of the analysis will support the marketing department to push product/service information for different customers to stimulate the consumption of existing customer groups and attract more new customers.*

## Goals and objectives

*The Customer Loyalty Management System Project directly supports several of the corporate goals and objectives established by FlyDreamAir. The following table lists the business goals and objectives that the Customer Loyalty Management System Project supports and how it supports them:*

*1. Customer group status management: real-time and accurate reporting of the current customer group's main level distribution*

*2. Customer loyalty management: display customer loyalty to the company through system analysis and scoring*

*3. Customer points management: manage customer points and customer points consumption, analyse customer points consumption tendency*

*4. Customer consumption analysis: Manage customers' consumption propensity for the company's products/services, and can provide product/service push recommendations based on the analysis*

## Project performance

*The following table lists the key resources, processes, or services and their anticipated business outcomes in measuring the performance of the project. These performance measures will be quantified and further defined in the detailed project plan.*

*1. Meet all deliverables within scheduled time and budget tolerances*

*2. Reduce customer churn by at least 20%*

*3. Reduce budget overruns by at least 30%*

*4. Improve the accuracy of product/service push information by at least 20%*

*5. Accomplish an overall performance improvement in program metrics*

## Project assumptions

## Project constrains

*The scope of this project includes planning, design, construction and implementation of a system for the company's customer loyalty management. This includes the collection of requirements, the collection of all the opinions, concepts, technical design and coding work of the project team members on the system, system testing and troubleshooting, etc. It also includes the system user manual and training on operating the system.*

*The scope of this project does not include the implementation of the infrastructure required for system operation, and the implementation of privacy protection strategies based on the regulatory requirements of different countries.*

## Major project milestones

*The following are the major project milestones identified at this time. As the project planning moves forward and the schedule is developed, the milestones and their target completion dates will be modified, adjusted, and finalized as necessary to establish the baseline schedule.*

| ***Milestones/Deliverables*** | ***Target Date*** |
| --- | --- |
| *Project Charter* | *17/08/2020* |
| *Project Plan Review and Completion* | *08/09/2020* |
| *Project Kickoff* | *17/08/2020* |
| *Phase Planning Complete* | *08/09/2020* |
| *Phase Execution Complete* | *16/10/2020* |
| *Phase Control Complete* | *30/10/2020* |
| *Closeout/Project Completion* | *05/11/2020* |

# Strategic Alignment

*This project follows the strategic business model such as B2C (business-to-consumer) and B2B (business-to-business). Based on the frequent usage of the air flight ticket booking by the customer, this customer loyalty program provides service to the customer and also at the business level as tie-up partners. The strategic plans for customer loyalty programs*

*Firstly, considering the key factor customer consumption of the flight ticket booking the offers through the Flydreamair organization and the strategy for the loyalty to the customer is aligned by the business criteria and strategies.*

*The organization analyses the customer consumption data and links the offers and rewards to the customer as to showcase the attracting loyalty programs and dealership with other business partners. This helps in customer retention in the long-term in this organization.*

*Some offers and rewards, can be advertised through social media platform and notifying the frequent customers through mail or SMS services. This helps the organization to easily reach out to the customer.*

*Additionally, there will be customer feedback and review service to enhance the loyalty measures and organization to closely follow up with the customer requirements.*

*This loyalty program is a customer-centric visioned service as it is a key because it creates the future state that the organization will be attempting to realize. By clearly uttering the high-level goals that guide the business, a data-driven customer strategy will emerge, one that can be communicated and connected to action plans and measures throughout the organization.*

*This loyalty program reports the frequency of flight bookings as a key factor to provide the exclusive rewards and offers to the specific customers to encourage them on more flight ticket booking in the future. Also, this method is used to encourage clients to join the loyalty program membership. Using the tiered enticements kindle customer visit right from the initial stage and prompt them to flight ticket booking frequently. The initial stage will begin with basic membership rewards to encourage customers to sign up for the loyalty program and offer more valuable rewards to the recurrence of the customers as they increase their flight ticket booking volumes.*

*Sometimes this customer loyalty program has to focus on the business tie-ups called Co-marketing strategy, to induce the business profit and goal to the higher expectations. By establishing a strategic partnership with a company providing complementary products or services, can position the business as a one-stop place for the customers’ diverse needs on the flight ticket booking and stay in the destination. Thus, increase customer engagement opportunities. This program for the agents is another important strategy that helps to build a strong distribution network, increase brand awareness, and have more customers.*

*This customer loyalty program strategically focuses on building long-term and sustainable relationships with partners and customers. In this regard, in-person events give businesses a great opportunity to recognize the clients and strengthen their mutual partnership. This strategic plan of running co-marketing drives together with the business partners is apart from being an effective loyalty program and a tactic for great customer acquisition. Piercing the effort and cost between two or more businesses will make participation in more trade shows, have a broader email marketing reach, and drive more traffic to the website via content remarketing.*

*Additionally, this loyalty program will have to aim a strategic plan for the referral programs that are commonly created in a way that the customer has more bonuses when you invite more friends who use it for the first time. This plan helps to increase the participation of the customers in a very big volume.*

*Based on these strategic plans, establishing and fulfilling relationships with the customer base this customer loyalty program will have an immense economic value since retaining existing customers that offers higher ROI (Return on Investment) to the project.*

# Cost Benefit Analysis

*Illustrate the costs of the project and compare them with the benefits and savings to determine if the project is worth pursuing.*

*Include ROI & NPV & others.*

# Alternatives Analysis

*Included—one of which should be the status quo or doing nothing. The reasons for not selecting the alternatives should also be included.*

*Maybe include project 1 and 3, maybe more, and analysis its Strength and Weakness*

# Approval and Authority to Proceed

We approve the project as described above, and authorize the team to proceed.

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| Name | Title | Date |
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