PURPLE
BEARD LTD

Business case –

B&B product launch of Purpleosy Ltd..

- Shweta Das

Executive Summary

Background
- ❑ Purpleosy Ltd is an online ecommerce company,
- ❑ Looking at adding to their catalogue a range of bed & bathroom goods

Objective
- ❑ Produce Business case to support Purpleosy to reach their decision about market entry

Approach
- ❑ Conduct multiple level of business analysis/assessments using BA framework

Outcome
- ❑ Comprehensive Business Case with the recommendation

Current scenario & Roadmap

Roadmap

Project start date:
20th March

Duration (weeks):
11 weeks

Core Team:
- Business Analyst

Project Inputs (Information available):
- Background
- Scenario
- Organisation Chart
- Mission Statement and Values
- Strategic direction

W1	W2	W3	W4	W5	W6	W7	W8	W9	W10	W11	W12
Plan for the Busness case											
	Scoping of the Business case										
		Analyse the Business Requirement, identifying strengths/weaknesses, Gap analysis									
				Feasibility assesment and Design the business case							
						Create the business case					
								Review the Business case based on stakeholder communication plan			
									Submit and demo the business case		
										Update & improve the business case based on the review	
											Submit the final Business Case

Activity Assessment

Enterprise	Organizational	Operational	Project
Define Strategic Direction	Understanding high-level SIPOC	Process modelling (As is and To be)	Plan the Business case
Define Strategic (high-level) goals, vision & objectives	Create roadmap	Feasibility studies	Analyse the Business requirements
Define scope of project	Conduct post implementation review	Business case elements	Design the business case
Defining budgetary scope		Detailed list of tasks	Develop Business case using Porters 5 forces, VMOST, SWOT, impact and risk assessment
Statement of purpose		Review the business case	

In terms of timeline we should aim to move left to right, confirming the high-level aspects first before moving down the levels. Note activities such as post-implementation (coloured Orange) are back-end activities so close off the project.

Strength and weakness – Porter's 5 forces

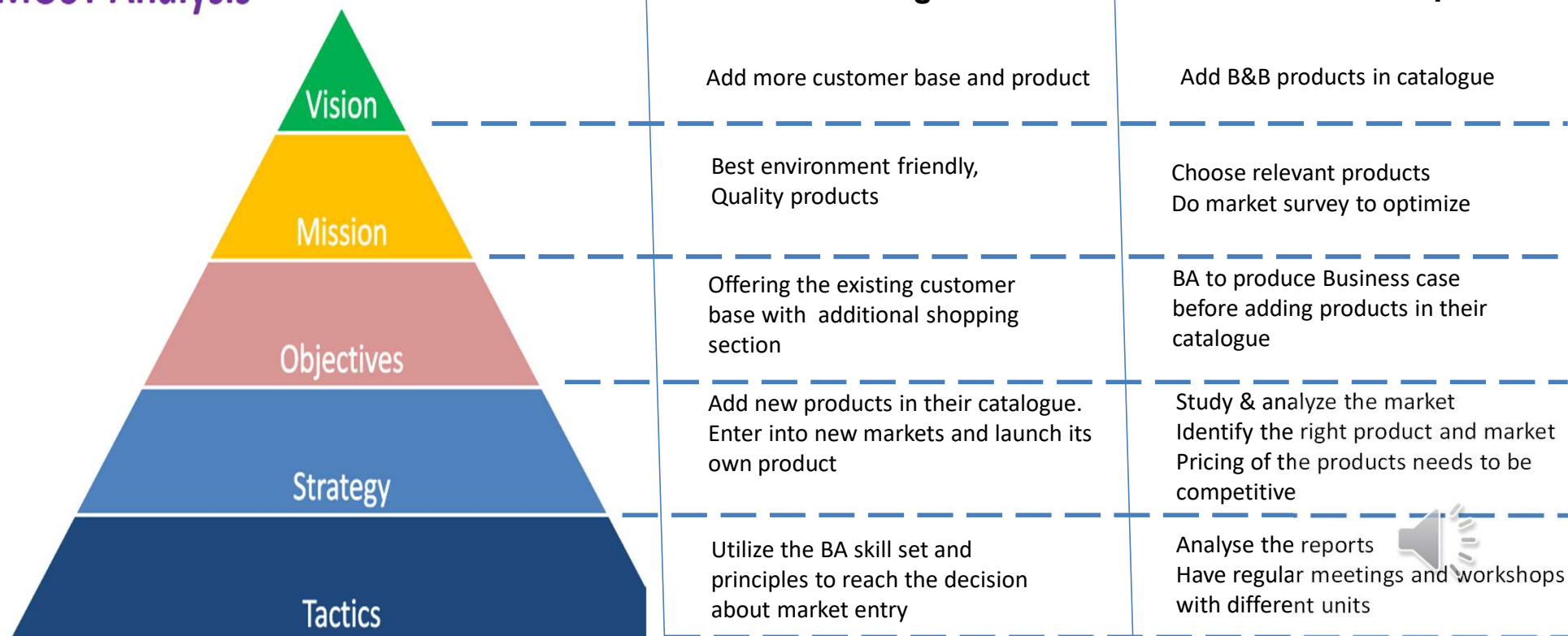| Rivalry amongst existing competitors	Bargaining powers of Suppliers:	Threat of substitute products:	Power of Customers	Threat of new entrants
Strength: • Existing satisfied customer base **Weakness:** • High competition • High initial cost • No exiting brand loyalty of B&B products	**Strength:** • 4 large existing suppliers **Weakness:** • New contract for the existing B&B products	**Strength:** • New entrant in the market **Weakness:** • NA	**Strength:** • Known customer purchase power information • Prices of B&B products are limited **Weakness:** • Price difference with other competitors are available with customers	**Strength:** • Access to distribution channels • Economies of scale is good **Weakness:** • Cost has increased and stict government regulation.

Overall judgement:

By analyzing five key forces, we can say the Purpleosy have more relevant strengths than it's weaknesses, thus entering into bed and bath market could be a profitable business and company should make an entry.

Strategic Planning using VMOST

VMOST framework to ensures stakeholders in an organisation gain reliable insight into the desired changes in their organisation.

VMOST Analysis

	Findings	Actions/Gaps
Vision	Add more customer base and product	Add B&B products in catalogue
Mission	Best environment friendly, Quality products	Choose relevant products Do market survey to optimize
Objectives	Offering the existing customer base with additional shopping section	BA to produce Business case before adding products in their catalogue
Strategy	Add new products in their catalogue. Enter into new markets and launch its own product	Study & analyze the market Identify the right product and market Pricing of the products needs to be competitive
Tactics	Utilize the BA skill set and principles to reach the decision about market entry	Analyse the reports Have regular meetings and workshops with different units

Assessing Business using SWOT

Strength

- 90% satisfied customer Base
- Competitive pricing
- Quality and environment friendly products
- Large contract with suppliers
- Top class customer service and aftercare support

Weakness

- Rented warehouse in Birmingham UK.
- No control over product(Design and customization)
- Low employee strength
- Remote workers

SWOT

Opportunities

- Ecommerce platform, hence can add more products in their catalogue
- Can expand to more geographies
- Have strong customer base to launch its own brand
- Increased technology and digital awareness is likely to continue to grow

Threats

- Brexit has increased shipping and ecommerce regulations
- The cost of raw materials has risen
- Market saturated with cheaper and proven products in retail markets
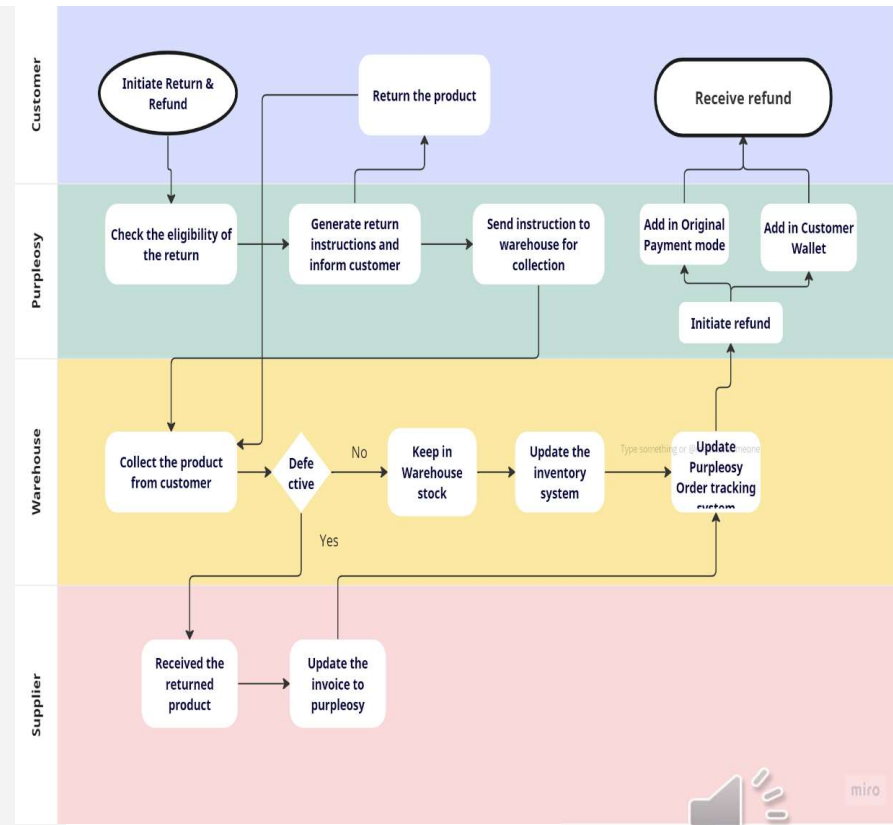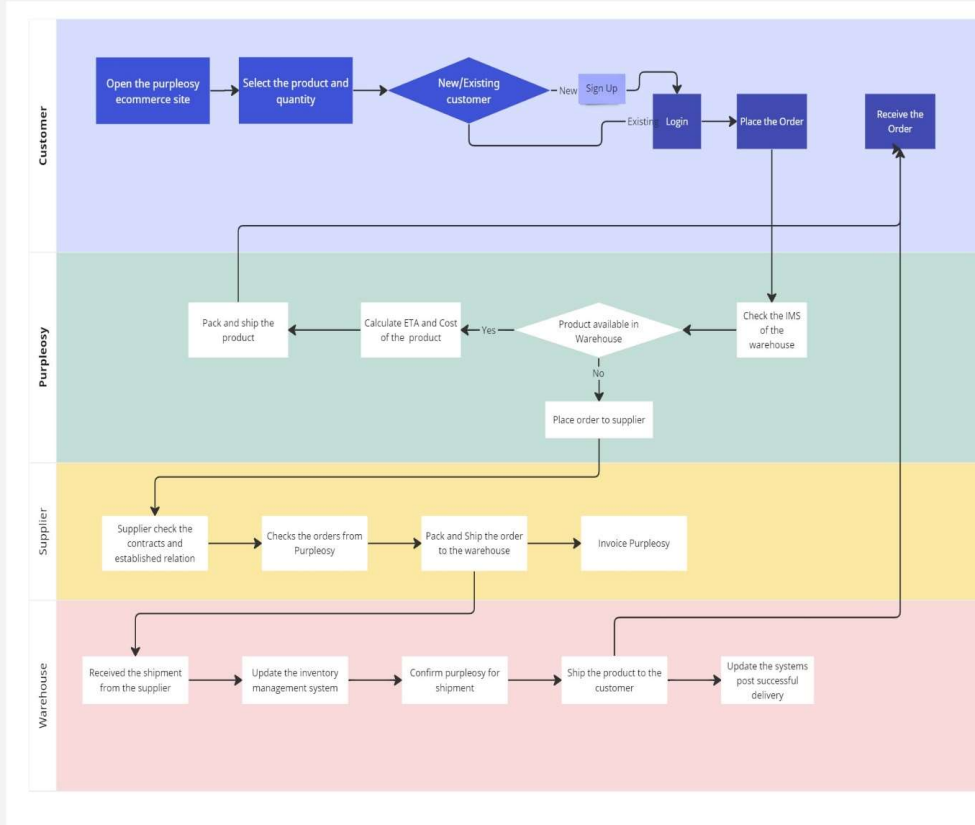- High competition in eCommerce sector.

Business process workflows using Process modelling(As-Is)
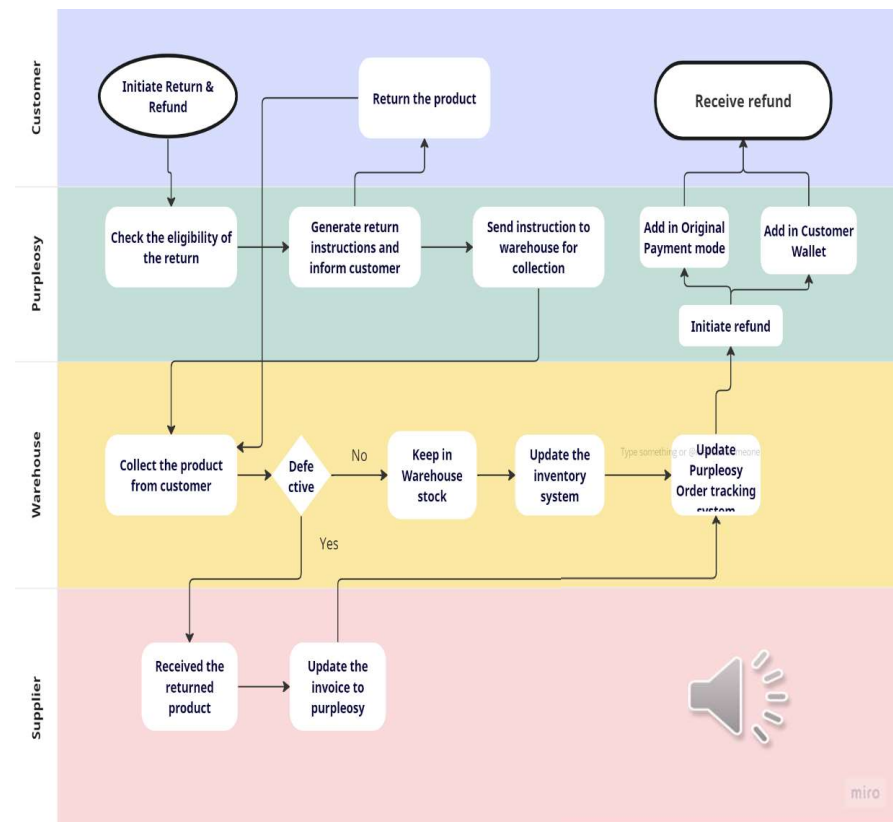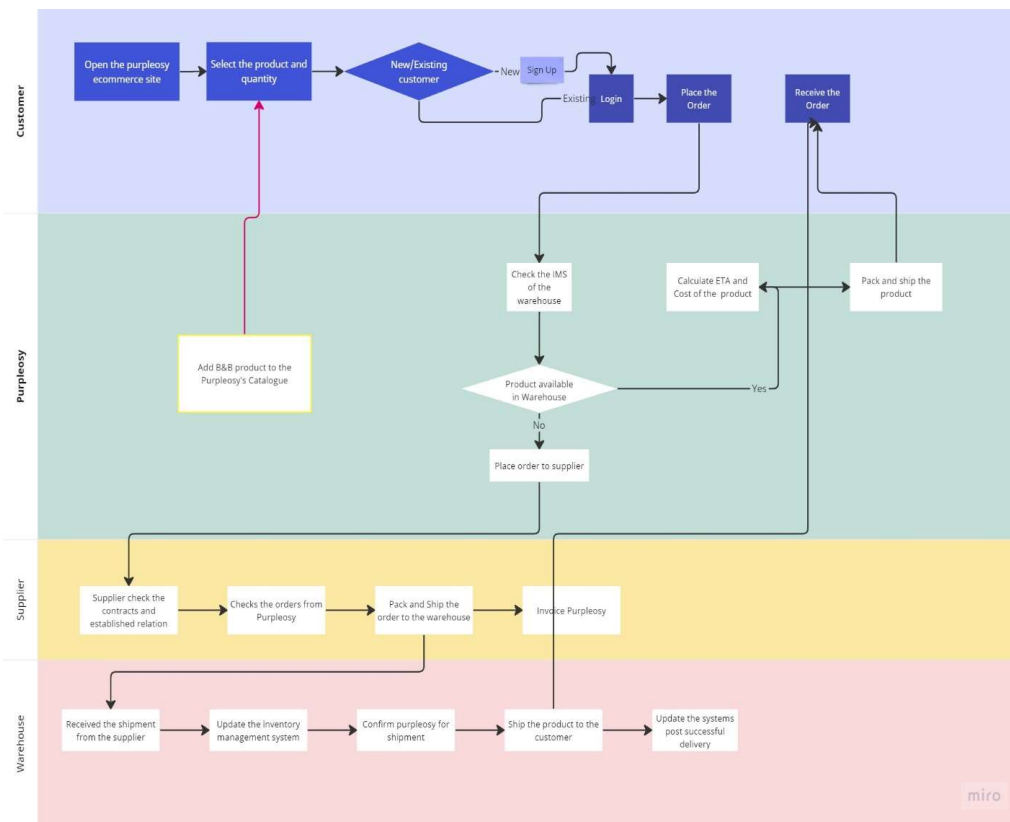
Process Modelling - Current

Business process workflows using Process modelling(To-be)

Objective: Process modelling is to provide organizations a simple way to understand and optimize workflows by creating visual representations of key business processes.

Process Modelling – To-be with B&B products
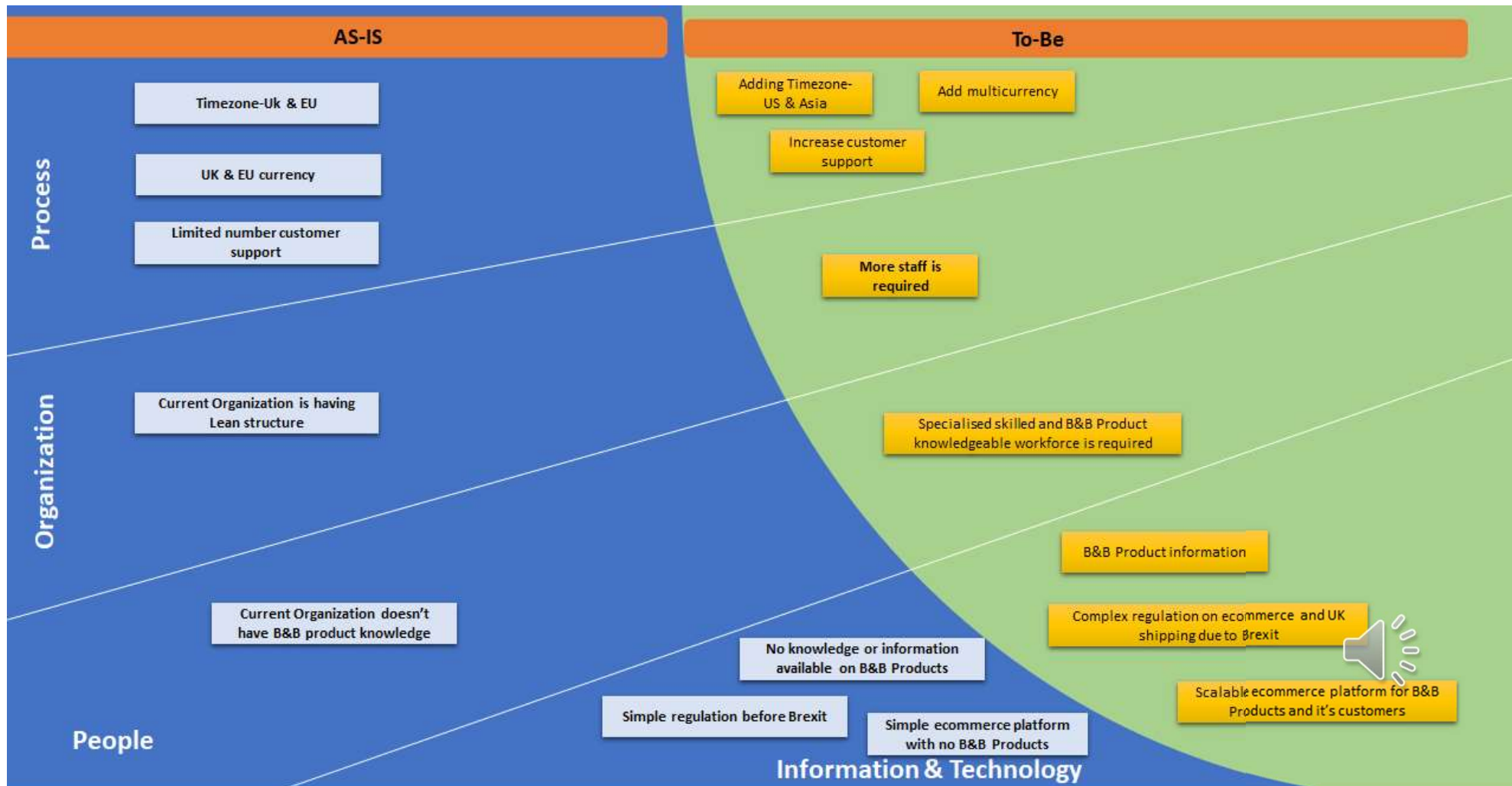
Business process mapping using SIPOC

Purpleösy
ONLINE STORE

SIPOC model

Supplier	Input	Process	Output	Customer
•Government •Product manufacturer/supplier	•E-commerce regulation •Cost of the products, •Quotation of the product	Identify the supplier and sign contract with supplier	Contract with the supplier	Purpleosy and supplier
•CEO •Marketing Manager •IT manager •Finance Manager	•Ecommerce site •Product information and price	Add Bed and Bath products in the catalogue.	Catalogue with B&B	End user
•Consumer	•Ecommerce site •Product catalogue •Mode of payment	Place order	Oder summary and Invoice	Purpleosy and supplier
•Warehouse	•Order details •Product •Packaging •Shipping	Deliver product to customer	Delivered product	Customer/consumer
•Purpleosy	•Delivered Product •Ecommerce site •Mode of payment	Process returns and issue refund	Order status update Return and money refund	Customer/consumer
•Customer	•Survey •Feedback option in the ecommerce site	Collect feedback from customer	Feedback report	Purpleosy and supplier

Gap Analysis using POPIT framework

AS-IS

To-Be

Process

Timezone-Uk & EU

UK & EU currency

Limited number customer support

Adding Timezone-US & Asia

Add multicurrency

Increase customer support

More staff is required

Organization

Current Organization is having Lean structure

Specialised skilled and B&B Product knowledgeable workforce is required

B&B Product information

Current Organization doesn't have B&B product knowledge

Complex regulation on ecommerce and UK shipping due to Brexit

No knowledge or information available on B&B Products

Scalable ecommerce platform for B&B Products and it's customers

People

Simple regulation before Brexit

Simple ecommerce platform with no B&B Products

Information & Technology

Impact Assessment

Organization	Interdepartmental Relations	Working Practices	Management Style	Supplier Relations
Findings				
• No Organization change is required for the enhancing the range of product • Need more skilled people with relevant knowledge	• Need a strong collaboration between Sales, Marketing and IT departments • New SLAs to be defined for the delivery of the B&B products with the relevant suppliers	• With new defined SLA, the process with respect to delivery and quality need to change. • The impact of this change could increase the cost.	• No change in Management style with the same org and values • Additional workforce with relevant skills are required for this change.	• The SLA with respect to delivery and communications with the supplier needs to defined for the new product range
Impact	LOW	High	Medium	Medium	High

Risk Assessment

Risk	Description	Impact Assessment	Probability	Counter measure	Owner
Organisation	Organization culture is not aligned with B&B product	🟡	Low 🟢	Choose B&B product carefully by adhering to Purpleosy's culture and values	CEO
Interdepartmental Relations	Lack of Interdepartmental communication	🔴	Medium 🟡	Conduct regular inter departmental connect.	CEO
Working Practices	Undefined SLA and returned process for the new product	🟡	Low 🟢	Define the return process of B&B Products and SLA wrt product quality	Sales Manager & HR
Management Style	Limited capacity in customer servicing	🟡	Medium 🟡	Hire skilled resources in customer servicing, arrange trainings and give more authority to existing staffs	Sales Manager
Supplier Relations	Undefined SLA for B&B products supply	🔴	Medium 🟡	Revise contract with supplier with defined SLA	HR

Final Recommendation

Conclusion

- **Positives:**
  - 85-90% satisfied customer
  - 4 fairly large supplier
  - Deliver with strong values with competitive pricing, quality and environment friendly products

- **Negatives:**
  - High initial set up cost
  - Tough competition
  - Increased raw material cost & strict shipping and ecommerce regulations

Key actions required by Purpleosy for entering bed and bathroom products:
1. Hire more staffs and train them
2. Define SLA with supplier
3. Update the ecommerce site

Recommendation

Highlights:

❑ Existing relationship with supplier

❑ Lesser unknown due to Brexit

❑ Existing satisfied customer base

❑ Good alignment with current product catalogue

Can safely recommend Purpleosy to enter into B&B business without any high unknown risk.

THANK YOU