

Possible Business Idea for Rakuten

Entering physical grocery store in the US

Project description

Through this report, I hope to demonstrate my ability to analyze the business situation, synthesize the data and come up with a logical and feasible business idea. The main objective of this project is to verify whether open up a new grocery store serving high-end seafood is a good idea. To verify this business idea, I will need to pull out multiple data to identify the market potential and competition landscape. Below, I have jotted down the structure of the analysis to test the feasibility of this business idea.

Project Outlines (draft)

Executive Summary:

Based on preliminary research, there's a potential business opportunity to build a high-end physical seafood market serving Asian immigrant and Asian culture enthusiasts in the North America region.

There's 4 reason supporting this idea:

1. Customer/market related reason
2. Competitor related reason
3. Company/synergy related reason
4. Financial/profit return related reason

However, to further verify if this is a good idea, it will be better to investigate the following areas

1. Possibility for cannibalization
2. Supply channels
3. Related regulation
4. Management and human resource
5. Refining product portfolio maximizing the sales and profit

Business idea:

A high class supermarket specialized in premium seafood, such as sashimi, fresh king crab, and fresh sea urchin, as well as proteins, such as prime level beef, pork and lamb. The main customers are people who have high quality demand on food, especially fresh seafood. Furthermore, the store will differentiate from existing competitors by focusing on high quality imported Asian groceries cross-selling with main merchant portfolio. This new business in the US is expected to raise the brand exposure to the US market and introduce new users into Rakuten Eco-System.

Analysis structure:

1. Product and Service
 - Basic description of product and service
 - Advantages of physical store
 - Synergy between physical store and online store
 - Synergy between new business and Rakuten Eco-System
2. Market analysis:
 - a. Market size
 - Fresh seafood market size
 - high-end market/grocery market size
 - online vs. brick & mortar market size
 - b. Customer segment
 - Identify size, growth and geographic location of each customer segment
 - Customer purchase habit analysis (online vs. physical store)
3. Competitor analysis:
 - a. Competitor market share in high-end grocery store
 - b. Competency analysis of main competitors
 - Competitors moving from physical store to online store
 - Competitors moving from online store to physical store
4. Company analysis:

- a. New business alignment to the current strategy, brand, and culture of Rakuten
- b. How company can utilize the new business to increase the Rakuten Eco-System
- c. Financial impact to support the new business

5. Profitability analysis:

- a. Revenue stream
- b. Cost
- c. Synergy to “Rakuten Eco-System”
 - New online user acquisition through new business
 - Exposure to the grocery market
 - Rakuten promotion exposure from physical store