Business Specification Document
Amtrends Retail

1. Executive Summary

This document outlines the business specifications for Amtrends Retail, focusing on streamlining operations, enhancing customer experience, and leveraging data for informed decision-making. The objective is to define key business processes, data requirements, and performance indicators to drive growth and efficiency.

2. Business Objectives

- Increase sales revenue by 15% in the next fiscal year.
- Optimize inventory levels to reduce stockouts by 10% and overstock by 8%.
- Enhance customer loyalty, targeting a 20% increase in repeat purchases.
- Improve operational efficiency by reducing operational costs by 5%.

3. Key Stakeholders

- **Management Team**: Oversees business performance, strategic decisions, and budget allocation.
- **Sales & Marketing Team**: Analyzes customer behavior, executes promotional campaigns, and optimizes sales.
- **Operations Team**: Manages inventory, supply chain, and logistics.
- **IT Team**: Implements and maintains technology systems supporting data analysis and reporting.

4. Business Requirements

4.1 Data Collection Requirements

- Collect data on product sales, inventory levels, customer transactions, returns, and promotions.
- Capture customer feedback, website and mobile app behavior, and engagement in loyalty programs.

4.2 Data Integration Requirements

- Integrate data from POS systems, e-commerce platforms, CRM systems, and inventory management tools.
- Implement automated data pipelines for real-time reporting.

4.3 Reporting Requirements

- Provide real-time dashboards for sales and inventory tracking.
- Generate weekly and monthly reports on performance against KPIs.

4.4 Security and Compliance

- Ensure encryption of customer and transactional data in compliance with data protection regulations (e.g., GDPR).
- Implement role-based access control for sensitive business data.

5. System Requirements

- **Data Warehouse**: Centralized repository for all business data.
- **Analytics Platform**: Advanced data analysis and reporting using tools like Power BI or Tableau.
- **ETL Processes**: Integration of data from multiple sources for analysis.
- **Mobile & Web Dashboards**: Real-time monitoring for sales and operations teams.

6. Key Performance Indicators (KPIs)

6.1 Sales KPIs

- **Total Sales Revenue**: Measure of total sales over a given period.
- **Sales Growth Rate**: Percentage increase in sales compared to the previous period.
- **Average Order Value (AOV)**: Average amount spent per transaction.
- **Sales Conversion Rate**: Percentage of website visitors making a purchase.

6.2 Inventory KPIs

- **Stock Turnover Rate**: Frequency of inventory sales and replenishment.
- **Days of Inventory (DOI)**: Average days items remain in stock before being sold.
- **Inventory Shrinkage**: Percentage loss of inventory due to theft, damage, or misplacement.

6.3 Customer KPIs

- **Customer Retention Rate**: Percentage of repeat customers within a given timeframe.
- **Customer Satisfaction Score (CSAT)**: Customer rating of their shopping experience.
- **Net Promoter Score (NPS)**: Customer loyalty measure based on recommendations.

6.4 Marketing KPIs

- **Return on Investment (ROI) for Marketing Campaigns**: Profitability of marketing initiatives.
- **Customer Acquisition Cost (CAC)**: Cost to acquire each new customer.
- **Website Traffic Growth**: Percentage increase in website visits over time.

6.5 Operational KPIs

- **Order Fulfillment Rate**: Percentage of orders processed and shipped on time.
- **Operational Efficiency Ratio**: Ratio of sales output to operational costs.
- **Supply Chain Cycle Time**: Duration from order receipt to product delivery.

7. Data Flow Diagram

A visual representation illustrating the data flow from sales systems, CRM, inventory systems, and marketing platforms into the data warehouse for analysis and reporting.

8. Conclusion

This business specification document outlines the core objectives and requirements for enhancing Amtrends Retail operations through data-driven strategies. The defined KPIs will be instrumental in tracking progress, optimizing decision-making, and fostering business growth.