



Case Scenario # 1

ABC organization is an internet sales business utilizing multiple resale marketplaces. Currently, they are only selling through these public marketplaces, and are paying a 12-15 percent commission to the marketplace on every sale.

The company has determined that to increase sales and get customers to purchase directly from the company, they must create a webstore with all of the items they have listed in the various marketplaces.

They will insert a “thank you” card into every shipment that was sold through any of the paid marketplaces. The “thank you” card will invite the purchaser to go directly to the company website for future purchases, and they will receive a discount of 12-15 percent directly, as the company will not be paying the marketplace commissions.

When subscribing to the website, the customer will be able to choose categories in which they are interested, and then the company will send out monthly emails with a listing of all of the newly listed items in their categories of interest.

The website will also be where the company has all sales of items that have been slow sellers on the marketplace. These items will be on sale only for subscribed members. Sale prices will be either 25 percent, 50 percent, or 75 percent off the listed marketplace price.

The company feels that this is a good plan to increase sales and wean themselves off dependency on the marketplaces, but the cost for this project is projected at \$45,000.00 and the timeframe for implementation is 6 months.

The business case states that the company can expect an increase in overall sales by 50 percent from current levels due to reengagement of customers on an ongoing basis.

Risks:

- 1) Will customers be willing to sign up on the website?
- 2) Will the project increase sales as projected?



What other risks do you see?

Will the project plan meet the time frame?

Other competitors may have better offers than what we marketed for.

If there is there a subscription fee and will customers be willing to pay that fee?

If the website will be easy for customers to use, and will it work well on different devices like smartphones and tablets?

What other questions would you want to ask to evaluate whether to approve this project with a budget of \$45,000.00?

Is development going internal or external development?

Who are all the stakeholders?

Is development internal or external?

What's included in the budget?

Knowing the cost of internal vs external development?

Are there data analytics of the past that support this trend or previous projects?

Is there a time frame with steps and a schedule?

Is there a backup plan?

Have the tasks been broken down?

Is there a plan to break it down, how long each task takes?

How will competitors react to ABC organization's move to establish their webstore?

Are there other companies in the same niche already offering similar services?

What strategies do they employ, and how successful have they been?

Have all the tasks been broken down to ensure meeting the project schedule?

What kind of help and skills do we need to make sure this project is a success?

What are the high-level milestones?

If created internal, how many employees will be assigned to the project?



What strategies will be implemented to retain customers and encourage repeat purchases?

How will the company measure customer satisfaction and loyalty over time?

Is the project still feasible if it goes over the budget?
