# DEPAUL UNIVERSITY

# **COLLEGE OF COMPUTING AND** DIGITAL MEDIA

ECT 455 - 901: E-Commerce Web Site Engineering



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#### **INTRODUCTION**

The purpose of this analysis is to apply the knowledge of e-commerce value chain along with website design principals on one of the online business competitor. As the silver team website project is handling the transformation of Solé Resale Boutique to an online business <sup>2</sup>, *WornButNotForgotten.com* is considered a direct competitor in the online resale clothing business. It specializes in reselling new and used clothes for infant and children from very well known clothing brand names <sup>3</sup>. The analysis covers various aspects of the value chain model as it examines the components and contents of the competitor's website. The structure of this analysis is mainly based on the established business case statement for Solé Resale Boutique by the silver team <sup>2</sup>. Moreover, it extends that structure by adding a usability observation along with some recommendations for improving customers' loyalty.

At first, the competitor's value proposition is explained through customers and firms. Next section is the actual business model for *WornButNotForgotten.com* which is segregated to merchant and advertising models. The market analysis of the resale business through defining the competitions is highlighted. After that is the channel strategy for the competitor. Intended and types of customers, attraction factors, and shopping experience are covered within the consumers and purchases analysis. The e-commerce value chain will be followed and finally, usability and recommendations for improving customers' loyalty will be provided.

#### I. VALUE PROPOSITION

As defined previously in the business case statement, value proposition is the defining statement of the business through which customers would have the capability of determining how the offered products or services are going to benefit them <sup>2</sup>. *WornButNotForgotten.com* is defining its value proposition through customers and firms as follows:

# A) <u>Customers Value Proposition:</u>

WornButNotForgotten.com maintains product value through "quality gently used 3" clothes with lower prices. It also gives customers the option of joining a mailing list for additional special discounts. As stated in its home page: "Children grow fast but keeping them well dressed shouldn't have to be expensive"3, it provides customers with great saving (up to 80% off retail 3) on used but very good condition clothes. Finally, the website is easy to use since it frees visitors from mandatory registration before shopping. However, customers must sign in or create a new account in order to proceed to checkout.

# B) Firms Value Proposition:

The new owner of the website has a similar business through another website: BabyOutfitters.com <sup>4</sup> and hence, she merged the two websites to "Provide the best and largest selection of any online children's resale shop" through one main inventory <sup>3</sup>. The merge resulted in bringing the expertise of another successful website to grow the resale business.

#### II. BUSINESS MODEL

# A) Merchant Model:

WornButNotForgotten.com is an online retail clothing store that aims at secondary market; it collects and resale used clothes. The driving idea of the business is to save customers' time who usually purchase from garage sales and thrift stores. Moreover, the site specializes at clothing of infant and children segments from various brands. The site is totally linked to the main business website (i.e. BabyOutfitter.com 4) through which a shopping cart feature is equipped for customers to use for gathering items during their surfing. Payment processing along with shipping options that is provided during the checkout phase is also done on the linked website through a third party (PayPal).

# B) Advertising Model:

There is no clear advertising model for *WornButNotForgotten.com* resale business. However, it appears that the owner is relying on the word of mouth being spread through relatives and friends. On the other hand, searching for "infant resale clothing" through Google would result in having this website among the first five entries after the sponsored links. Moreover, the site provide a "link to us" tap which indicate the permission for any visitor to make a link to the website on any other server using banners. Similarly a "tell a friend" tap is placed within the gift certificate section of the website.

#### III. RESALE MARKET ANALYSIS

Similar to the Solé Resale Boutique, *WornButNotForgotten.com* has direct competitors in the clothing resale business. Furthermore, those businesses that focus on the infant and children market segment are taking from the online resale market share. Thus, any online used clothing resale for infant and children is considered a competitor to this website. The following list is an example of the competitors to name few:

a. Stylish Stork - www.stylishstork.com /

- b. Once Worn... not for Long www.oncewornnotforlong.com/
- c. Cheap Kids Clothes www.cheapkidsclothes.com/
- d. The Kids Rack <u>www.thekidsrack.com/</u>

#### IV. MULTI CHANNEL STRATEGIES

WornButNotForgotten.com is a completely online business with a website acting as its front line with customers. The site doesn't indicate on the way the business collect items before offering them for resale. However, it indicates the process involved in preparing the clothes for resale which include cleaning and quality checking. On the other hand, the site has a direct mailing list through which subscribed customers can receive special discounts and newsletter for new arrivals.

#### V. CONSUMERS AND PURCHASES ANALYSIS

### A) Intended Customers:

The site's intended customers are mothers who have or expecting children. Gender is boys or girls with age ranging from 0 or newborn to 5 years old. Also women with experience in garage sales and thrift shopping are considered among the intended customers. Additionally, brand name shoppers who are looking for lower prices (big deals) is addressed in this business as well.

# B) Types of Customers and Attraction Factors:

Buyers of *WornButNotForgotten.com* could be of analytical or patient types. The website provides each type with a unique attraction factor. For instance, patient buyers are provided with prices range for a particular product item depending on its condition and brand name. On the other hand, analytical buyers can review the customers' feedback posted on the website and have the option of comparing the price against the items' original price.

# C) Types of Shopping Experience:

The website provides utilitarian shoppers with clear categories of boys and girls at the left portion of the site. Within each category, age ranges are listed as links that will navigate a shopper to the available items. There is also a product search field that would help the more focused customers to find exactly what they are looking for. On the other hand, hedonic customers might not be attracted to the website as it doesn't display sample of its product on the homepage. Moreover, there are no

pictures or links to new or discounted items. Thus, the site is not attractive for hedonic shoppers since the home page is not utilized properly with attractive elements.

#### VI. THE E-COMMERCE VALUE CHAIN

The value chain of WornButNotForgotten.com website business will be defined through a cycle of attract, interact (i.e. marketing and sale), act, and interact (i.e. order and services). The following elements are the descriptions for each part of this cycle:

### A) Customers Attraction (Marketing):

Famous brand names, product's low pricing, and discount coupons for new mail subscribers are used as the main attractions on the site. Monthly Gift certificates of \$10.0 upon joining the mailing list is provided through "Enter to WIN" link on the homepage. In addition, the first line of the site's homepage display a message about special discounts offered from joining the mailing list.

### B) Customers Interaction (Sales):

Since products' prices are relatively low, customers is engaged in the sale process through browsing the well designed catalog. As indicated in the business model section, customers should create accounts in order to complete the sale process and receive special discounts. Also, customers are allowed to write reviews regarding their recent purchase from the website.

# C) Acting on Customers Instructions (Order Management):

The business is accepting payments through PayPal which requires a customer to register with them to utilize this method of payment. Discounts and coupons deductions are processed at the checkout stage. Shipping is done through USPS within a one business day of order placement, and an additional day for gift wrapping. Shipping rates are listed for domestic delivery based on the number of items purchased. Notifications are sent through emails upon USPS shipping confirmation.

# D) Reaction to Inquires (Service):

The main website through which *WornButNotForgotten.com* is linked has a policy section that lists FAQs. A dedicated email address (<a href="mailto:service@babyoutfitter.com">service@babyoutfitter.com</a> 4) is available for any customer inquiry. The business welcomes returns for any reason within certain time (7 days) for a full refund excluding the shipping fees, and credit toward another item in the same amount after that time.

#### VII. USABILITY

WornButNotForgotten.com website seems neat and well organized with no overloading of items or links in the homepage. Main tabs are presented horizontally across the page header, and products category are vertically displayed on the left side. However, some essential features such as the shopping cart are not functioning properly on this website due to the link with the main website (i.e. BabyOutfitter.com). All the product categories are directing to another site due to the link with the main website and hence, customers would get the feeling of forced to navigate to another destination. The purple theme of the website is not appealing as I personally got the feedback of my wife; no color distinction is used for boys and girls as a customer would expect shopping on offline stores. There are also an integration and consistence issues with the website as it lacks a clarification about being linked to a main website; some of the policies contradict with others in the main website.

#### VIII. CUSTOMER LOYALTY: IMPROVEMENTS RECOMMENDATION

Since *WornButNotForgotten.com* website business is actually acquired by a new owner who manages successfully another website, there should be a clear distinction for users of each website. Currently, this website is serving as an entry point to the main one and hence, loyalty is harmed. The website can be differentiated from the main one by promoting itself for infants and children clothes only since the main site has a larger scale of products (e.g. toys, accessories, etc.). As the common marketing practice of differentiating the same product with different names, *WornButNotForgotten.com* can implement the same concept through maintain its brand name separately from *BabyOutfitter.com*. Moreover, a creation of picture logo instead of the wordy one would help customers imaging the website. Creating mandatory account on the other hand should be optional as it gives customers flexibility and more freedom; eventually returning customers would signup to relief themselves from the hassle of filling out their address and payment information.

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