



UNIVERSITY OF COLOMBO, SRI LANKA



UNIVERSITY OF COLOMBO SCHOOL OF COMPUTING



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CASE STUDY

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‘SHOPSMART’ is an upcoming supermarket chain which started its first five (5) supermarkets in and around the Colombo city. Recently, the owner of ‘SHOPSMART’ Mrs Sneha Pitigala started the first 5 supermarkets in Bambalapitiya, Malambe, Dehiwala, Rajagiriya and Wattala. The success of the supermarket is giving Sneha ideas to expand the supermarket chain into other provinces in Sri Lanka.

Sneha has been in the business of selling fresh fruits and vegetables for the last 10 years. Her fresh fruit and vegetable business was thriving and she had many loyal customers in the ten (10) outlets she had in and around Colombo. Sneha has very good contacts with farmers and their agents dealing with good quality fruits and vegetables locally. She also has established solid communication links with importers of quality fruits and vegetables to the local market. She has utilized these contacts in order to establish the supply chain for fresh food items to the SHOPSMART supermarket chain. The supermarkets also have other house hold commodities, dairy products, plastic products, glassware, grocery items, bakery products, meat, poultry products, etc.

Sneha has a strong personality. Being a dynamic person, she has led the company to success, but the workforce finds it difficult to cope with the expansions planned for the company. She finds it difficult to find an efficient workforce like she had before as the knowledge level of the workforce is different in supermarkets and it is difficult to find dedicated staff to continue the work.

The Global recession has created a fear among most business organizations worldwide. Most companies in Sri Lanka are also concerned about how they will be affected, as well as, how their business partners or customer organizations will be affected. SHOPSMART had an issue with the products imported from other countries as they were affected by the recession. Sneha had to cut down on the products bought from other countries and had to concentrate more on local products. Since SHOPSMART just entered into this business, they have to compete with aggressive competitors such as Cargills, Keels, Laughs and Arpico supermarkets.

Sneha wants to do a change in the service they provide in the supermarkets. She feels that such a change will make more customers come to SHOPSMART even though there is high competition. One way to provide a better service is by improving the level of convenience to the customer's shopping experience. In order to do this, Sneha wants to start a new business model where she wants to deliver the grocery items to the doorstep of the customer through a web based order processing system. This will be initially implemented for customers living in the Colombo district.

The process involves the development of a web based order processing system, collaboratively linking with a delivery service, linking agents or warehouses where the stocks of products will be kept and a payment gateway or an offline payment mechanism. She also has to think of how she is going to market this new service to new customers. She wants to employ 2 young IT graduates and an experienced business development manager to handle this new venture.
