

CASE STUDY ON IMPLEMENTATION OF AN E-COMMERCE SOLUTION FOR A RETAIL SHOP (SMALL-MEDIUM ENTERPRISE)

Project description

The client is an automotive spare parts retailer from Japan. They boast of over 500 products in different categories. They have a physical store and cater to the customers in the city. With a population of about 50,000, the client not only has to stay top of mind but also battle various competitors.

To ensure that edge over other competitors, Neologix suggested an E-Commerce site that would enhance the sale and productivity of the client.

About our client

Client: Automotive spare parts retailer Location: Japan Industry: Retail

Services Provided: Solution, Design and Architecture

Business challenges

With the increase in competitive stores in the locality, the client was looking at expansion and an edge over his competitors. They requested an E-Commerce website where he could sell his products directly and open his business to the entire world. This would eventually ensure higher sales, more customers and cater to customers from all countries.

Since the client was not very familiar with e-commerce applications, Neologix provided them with consultants who had discussions and came up with valuable suggestions based on in-depth industry research. It was also important to provide them with a platform that was easy to use and understand.

Keeping this in mind, the client approached Neologix Software Solutions to design and create an E-commerce platform that would attract and tap the global markets.

Solutions

- Neologix provided experienced consultants who studied the supply chain and work flow of the client's business and created a back-end application that would cater to the physical store as well as online business.
- The back-end app managed online orders, local sales/ bills, inventory, customer information, real-time customer interaction. This was also integrated with a barcode reader.
- Neologix also connected the E-commerce web application to the back-end app.
- Features such as enhanced customer interaction via customer forums and reviews were also suggested.
- The E-commerce site was designed in a way that the customer received a clear understanding of the product. A product comparison chart was also created, which helped customers get a glance at features and pricing of competitive products in 1 page.
- A one-page checkout facility was added in order to ensure smooth and easy transactions.
- The design was created in a way to attract the auto enthusiasts, who were the main customers for our client.



Return on investment

After 1 year and 8 months of implementation our client gave us the following statistics:

- ROI - After one year of investment, the shareholders received an ROI of 120%.
- Sales - The total sales increased by 168% with no additional overhead costs.
- The brand received a global visibility and the number of customers increased by 480%. In fact, the online sales generated more revenue than the physical store.
- The basket value increased by 80%.
- The client also got an advantage that he did not have to stock high quantities, rather, was able to run the business with lesser investment.
- The E-Commerce platform helped the client identify sets of products that were more in demand in different countries and churn out good margins on those.

When compared to his physical store, the E-Commerce site had a few more advantages:

- The e-commerce application ensured he could sell his products 24/7, online.
- It reduced the hassle of parking and travel for his customers and most importantly he was able to open his store to global customers.
- It became easier for customers to compare and research products.
- The client was able to offer a wider variety of products than in the store. He now has over 2000 products in his online store compared to the 500 products he had in the physical store.
- Customer reviews helped push sales.
- The client was able to send promotions and offers via email without much investment.
- Social Media Integration also became easier and helped enhance brand recall and sales.

Technologies Used

PHP/MySQL/AJAX

