



INF 151: Project Management

Week 2: Tuesday

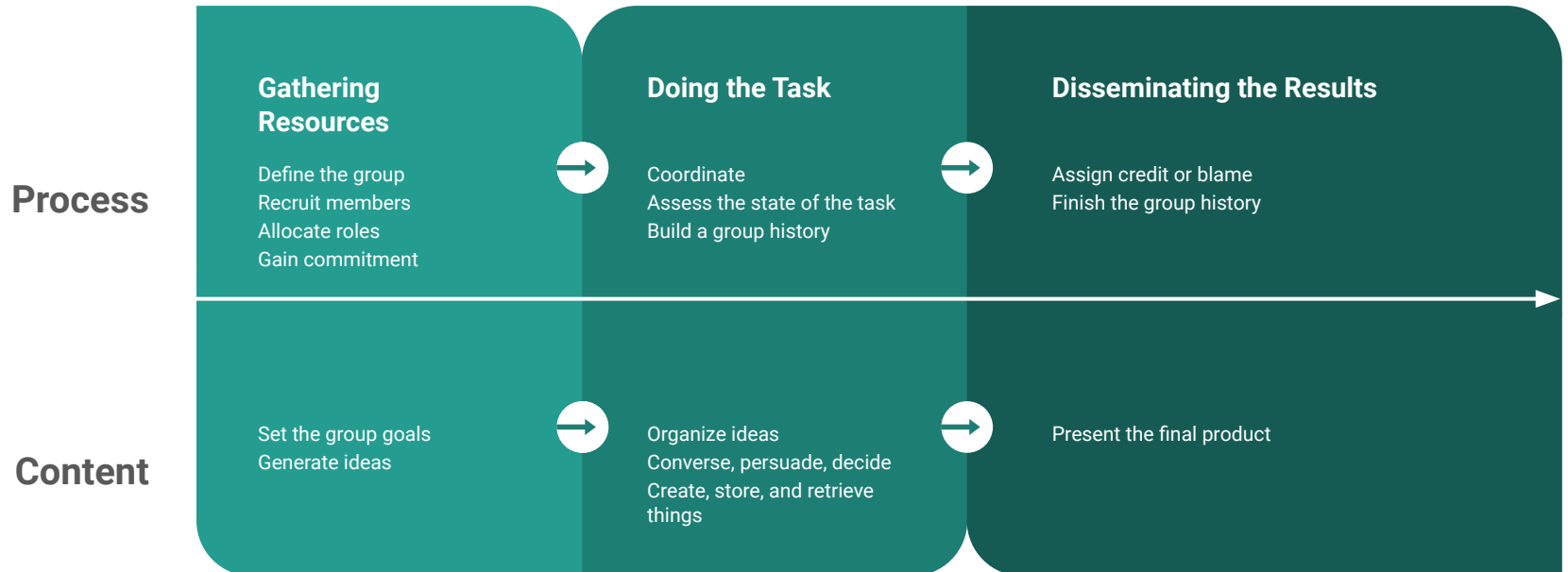
Today's Agenda

Group realignment

Writing a business case (Assignment 3)



The Group Over Time



Writing a Business Case



Business Case

Building a Business Case

1. Feasibility
2. Marketability
3. Profitability

For each project idea, ask:

- Why are we doing this? What problem are we trying to solve?
- Why is this a good idea?
 - ◆ External - Market
 - ◆ Internal - ROI
- What else is out there?
 - ◆ How/why is our solution better?
- Why we are the people to do it?
 - ◆ Skills, interest, passion, knowledge, experience, etc.

Business Case

Why are we doing this?

1. Find recipes, do more with your groceries
2. Eliminate food waste

Example Case: Grocery Time Mobile App





Business Case

What problem are we trying to solve? Why your product in particular?

Example Case: Grocery Time Mobile App

Why Grocery Time?

- The average household of four throws out over \$1,350 a year in food waste
- As a country, we waste enough food a day to fill a football stadium
- Today, Americans only use 40% of the food produced which leads to more use of fossil fuels and increased greenhouse gases
- Food waste is the second leading cause of methane gas from landfills



Business Case

What is your solution?

The pitch.

Get the most out of your groceries!

Grocery Time is here to save you time and money!

- No more wondering what you need when you go to the grocery store.
- No more finding rotten produce that you forgot about
- No more wasting money on food that you did not eat in time.

Grocery Time will make you a smart shopper from the day you download



Business Case

What is your solution?

The example.

Solve dinnertime worries...

Find meal solutions with a simple click!

- Use the items already in your pantry, let Grocery Time conjure up tasty meal solutions for everyone
- Simply choose which items you would like to use and Grocery Time will combine with other items that you already have to find the perfect meal



Business Case

Why is this a good idea?

- External - Market
 - ◆ How big is the market?
 - ◆ How many people do the activity this project solves?

External

- There is a market for an intelligent meal planning application
- Nearly 150 million Americans report that they don't have enough time to shop, plan, and cook a nightly meal
- Another 50 million report that they *would* cook more if the process was made simpler



Business Case

Why is this a good idea?

- External - Market
- Internal - ROI
 - ◆ How much is this going to cost to do?
 - ◆ How much savings (tangible and intangible)
 - ◆ What is the return on investment (ROI)

Internal

- We estimate that a Minimum Viable Product can be launched for 3.5 million dollars
- Developing in house and leveraging our existing cloud infrastructure will save use 250 thousand over the first three years
- Emphasizing our green initiative and food waste elimination goals will generate goodwill
- Expected ROI of 5 years



Business Case

Why is this a good idea?

→ ROI: Return on Investment

$$\text{ROI} = \frac{\text{FVI} - \text{IVI}}{\text{Cost of Investment}} \times 100\%$$

Where:

FVI = Final value of investment

IVI = Initial value of investment

Internal - ROI

With projected costs at 3.5 million, and a net return over the first 5 years of operation at 4.2 million, we expect to be in the black by 2029

(it's *slightly* more complicated than this...)



Business Case

What else is out there? How/why is our solution better?

- Comparative analysis
 - ◆ What other products/services exist?
- Competitive analysis
 - ◆ How does our product compare to existing?

Comparative Analysis:

There are more than 50 grocery related apps in the marketplace that target pantry assessment and meal planning

None of them have a dominant market share or overwhelmingly positive customer reviews

Potential for rapid growth if we leverage our existing capabilities in AI and Cloud storage



Business Case

What else is out there? How/why is our solution better?

- Comparative analysis
 - ◆ What other products/services exist?
- Competitive analysis
 - ◆ How does our product compare to existing?
 - ◆ Compare features, functionality, usability, design aesthetics

Competitive Analysis:

Though most competitors provide the same basic services that we propose, none automate the process in a way that reduces friction for the end user

Most are distributed freely, with heavy ad-based revenue models. User disinterest in ad models, opens possibility for rapid growth



Business Case

Why we are the people to do it?

- Skills, interest, passion, knowledge, experience, etc.

Why Us?

- We are uniquely positioned to enter the grocery app space with very little initial investment
- We have a world class AI division, leading the market in innovative intelligent algorithms and in-home training models
- Our commitment to green future fits well with the underlying motivations of this project



Business Case

A Few Tips

- Should be a well written, professionally formatted document
 - ◆ Title, headings, tables, figures, images, etc.
- Everyone must contribute
- Expect your business case to be around 1000-1500 words
- See Schwalbe Table 3-2 for example



Next Class



Thursday 10/06

Project Team Structure and
Processes

- Assignment 2 DUE tonight by 11:59 PM
- Assignment 3 due Oct 6!
- Second Quiz



References



1. Slide 6: <https://dribbble.com/shots/14889878-Grocery-App-design>
- 2.