

MUSIC ZONE ONLINE PURCHASING AND MERCHANDISE INVENTORY SYSTEM

DOCUMENTATION

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BACKGROUND OF THE STUDY

Survey Report

Music Zone is the flagship store of the Davao Legacy Corporation (DLC), a Davao-based retailing company. Currently, it has 3 branches in Davao City; each of these is situated in the city malls namely: SM, Gaisano Mall, and Gaisano South Mall. A music store that sells a wide variety of music albums both foreign and local, video cds, dvds, vhs tapes, and music accessories, it caters to the taste and needs of the younger and more upbeat crowd.

Since its Davao City grand debut on December of 1995, Music Zone's popularity to the city's music and movie lovers has been growing because of its wide selection of albums and movies. It is possibly the most popular music store in the city today.

The Internet Technology

The World Wide Web is now considered one of the necessities of people – especially those who are engaged in business and computers. People now have the choice of doing their time-consuming errands such as paying bills, buying books or cds, or booking a plane ticket in the comforts of their own homes. Bank transactions, billings, communications, advertising, and bookings are now made through the Internet not only in the major cities of the world but also in many of the major cities in our country. In fact, the number of Internet users in Davao City alone has been fast growing over the past few years.

The fact that most of the company's customers that purchase the latest releases in the music and movie industries live in the city and those others who live elsewhere would still have to travel here in order to make a purchase makes it imperative to build a very effective and very efficient merchandise inventory and online ordering system that would possibly increase its scope of sales, give its customers the option of purchasing or reserving merchandise online and save valuable time, and at the same time secure the company's earnings and improve its sales. Despite the growing number of customers and everyday transactions, Music Zone does not have an existing online sales and product reservation system that would allow its customers from the city outskirts and from other minor cities surrounding or near Davao City to have a hassle-free and time-saving way of purchasing their desired music merchandise or reserve a merchandise for pick-up in any of the three branches through the Internet.

The idea of this study is to develop a merchandise inventory and online ordering system that allows customers to purchase music merchandise online or make reservations for merchandise that will be made available for pick-up at any Music Zone branch chosen by the customer. Also, this proposed website will also allow personnel from each of the Music Zone branches to access the remote database situated in the main office and directly encode to the system and record to the remote database the daily sales walk-in transactions. A stand-alone component will also be developed to support the updating and maintenance of the merchandise inventory and information database and the customer accounts database, to perform viewing and printing functions, and to generate weekly, monthly and yearly reports.

This stand-alone component will be situated and used in the DLC main office. There will be only one database for merchandise inventory and information and only one for customer accounts; both will be accessible to the stand-alone component, to the web component, and to all three Music Zone branches. The three branches will be able to access the two databases through the website with the use of a password, of course.

The development and use of this proposed online system is expected to increase the sales and expand the scope of sales of Music Zone.

BUSINESS ENVIRONMENT

Survey Report

Music Zone is a subsidiary of the Davao Legacy Corporation (DLC), a Davao-based retailing company. Currently, it has 3 branches in Davao City; every single one of these is situated inside the city's larger malls: SM, Gaisano Mall, and Gaisano South. Mainly, the company sells music albums and video cds of both foreign and local music artists and movies, as well as music-related materials like headphones, microphones, and blank tapes and cds.

It made its grand debut on December 1995 at the Gaisano South Mall (then JS Gaisano Citimall). Since then, Music Zone has become a popular name among music enthusiasts. The tremendous success of its initial venture gave way to the opening of its 2nd outlet at the Gaisano Mall of Davao on December 17, 1997. Moreover, it has opened its newest nest at SM City Davao last December 8, 2001.

Situated in a 50-square-meter-floor area at the first outlet and in a 100-sqm area at the second, it is frequented by music enthusiasts who are in search of the right selection they can find in definitely the best music store in the city.

With a state of the art design in a 100-sqm-store area at the Gaisano Mall of Davao, listening stations in every corner and a vhs viewing station on its movie section, people love the freedom of going around and getting to choose the perfect selection that are all provided by Music Zone. From cassette tapes to cds, from vhs tapes to dvds to music accessories, a day in Music Zone is a one-of-a-kind experience. People don't just frequent the place to make purchases, they also visit it to unwind, to connect with the music world, and to reconnect with themselves.

Music Zone's 79-sqm floor area outlet at the 2nd level of SM City Davao offers a whole lot more to all music enthusiasts. It is built in a contemporary store design equipped with the convenience of state-of-the-art listening stations, Pick-Of-The-Week charts featuring the newest releases and interesting graphic wall posters that capture the attention of the customers.

The Davao Legacy Corporation

The Davao Legacy Corporation (DLC) is a Davao-based family corporation engaged in the retail business. Owned by the Tupas family, it started as a single proprietorship in 1972 and was engaged in the wholesale business of ready to wear clothing but was solely owned then by the Tupas couple. After 9 years in the wholesale business, they ventured into the retail industry and put up Tupas Shoppe-In. Specializing in local and imported footwear as well as men and women's clothing, they were known to be pioneer in this line of business in Davao. The success of the boutique called for more outlets in the city and they then decided to put up several outlets within the metropolis.

After years in the fashion boutique business and with the raw market of Davao City, the family decided to diversify into other fields. People's preferences were now evolving and the shift from smaller shops around the city to the mall-hopping era called for wider business opportunities.

Along with their equally business-minded children and with the potential market of Davao, Music Zone was created. The famous Tupas Shoppe-In was also reinvented into a more contemporary, upbeat fashion boutique and was renamed

Stance. Apparently, the major leap from the Tupas Shoppe-In chain of boutiques to a diversified family-owned business made them pioneers in the retail industry and eventually gave birth to DAVAO LEGACY CORPORATION.

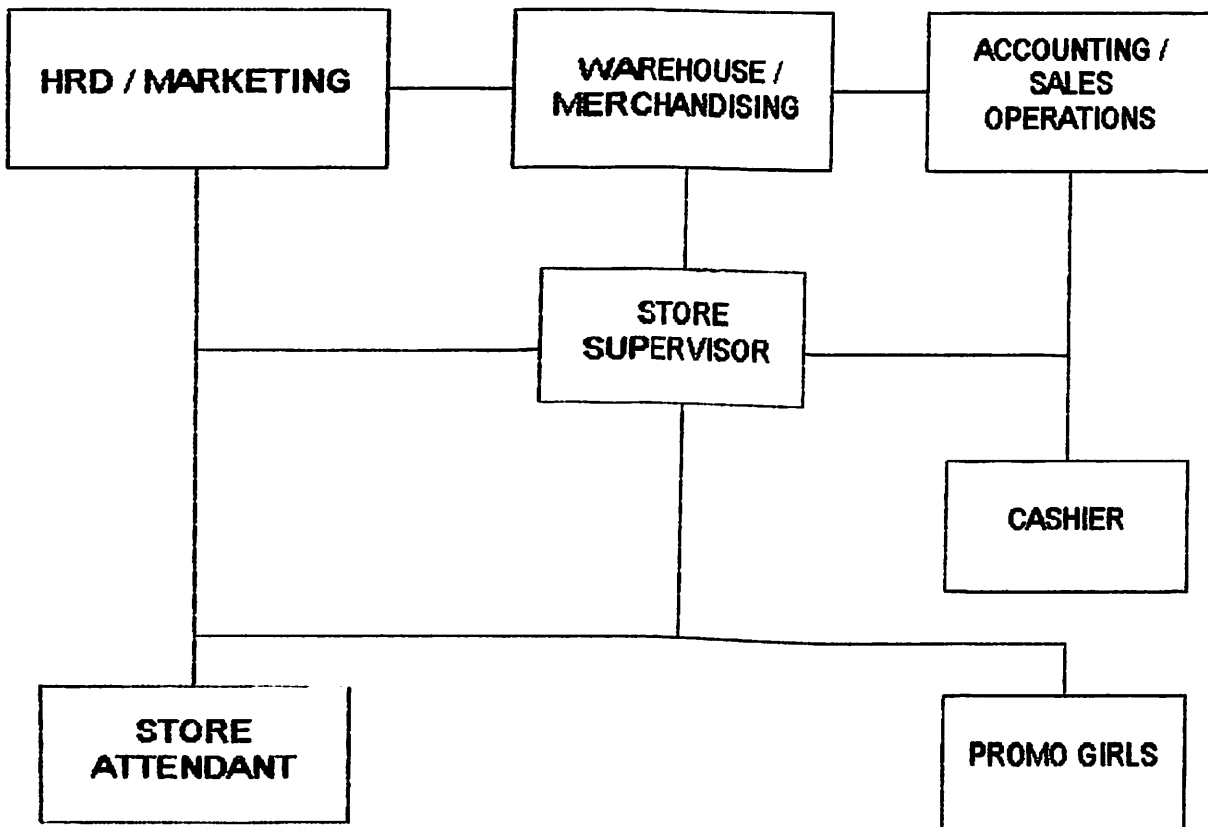
To date, DLC owns and manages several retail outlets namely Music Zone, its flagship store, Stance, a fashion specialty shop, and Dimsum and Dumplings, a food franchise specializing in Chinese cuisine.

DLC is envisioned as a full-scale retail corporation that continued to spread market within Davao City. Setting a goal to meet its prime objective, which is to provide only the quality and extraordinary service to the people of Davao.

THE ORGANIZATION

Survey Report

ORGANIZATION TREE



Since the DLC has several subsidiary stores, a manager is assigned for each of these subsidiaries. For instance, a manager is in charge of Music Zone, another of Tupas Shoppe-In, and then another is in charge of Dimsum Diner. Under the control of a manager are the store supervisors who are responsible for each of the different branches of each subsidiary. There is one supervisor for each branch. This supervisor is the one responsible for the store crew in his / her branch and for the monitoring of the store activities and transactions.

COMPANY VISION AND MISSION

Survey Report

Vision

To make Music Zone the most profitable and highly preferred music store in the city: this is the company's vision. It aims to make Music Zone the most popular and most frequently visited music store in all of Davao. It also endeavors to make Music Zone a very successful store in Davao City and even extend and put up branches in the other cities in Mindanao.

Mission

The company's mission is to provide their customers the best and the widest selection of both the latest and the classic music and movie products that are easy on the pocket, an exceptional sales crew that give an excellent kind of service and assistance, and the best promotional offers in town.

LONG RANGE PLANS AND GOALS

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At the present, the long range goal of the company is their plan to expand and put up branches in the other cities in Mindanao and in the outskirts of Davao City and gather a population of paying customers from those areas. Another goal of the company is to extend their selection of merchandise into an even wider selection of music albums and movies and music accessories. Moreover, the company is aiming for the constant improvement of their store music equipments that provide entertainment to their visiting customers.

The company maintains, though, their vision of making Music Zone an even bigger success in the business of selling music and movie products.

CRITICAL SUCCESS FACTORS

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The success of Music Zone depends on many factors. Among them are their selection of merchandise, the courteousness and friendliness of their store crew, the affordability of the prices of the merchandise, the flexibility of the store in service, the accuracy of their transaction records, and of course the efficiency of the system they are using for their transactions.

Selection of Merchandise

It is imperative that Music Zone has a wider selection of music and movie merchandise compared to its rival stores to ensure that it gets the highest profit by the end of each business day. Music and movie lovers like to experiment. They like to listen and see different kinds of music and movies – not just the popular ones. If it offers the widest collection of merchandise, the paying customers would most likely go back and make another purchase from Music Zone.

Store Crew

One of the main reasons why people keep coming back to a store is the friendliness and the courtesy of the store crew. It is important in the business that its store assistants and salespeople are often willing to help and assist the customers and make them feel welcome.

Affordable Prices

Many people are experiencing hard times nowadays. Because of their money problems, customers will most likely be hesitant to buy music and movies merchandise even though they want to if the prices are high. The company must have affordable prices, prices that would not feel heavy on the pockets of the customers. Paying customers are more willing to buy merchandise if they feel like they've made a good deal or bargain.

Quality of Merchandise

The quality of merchandise goes together with its affordability. Excellent quality plus affordability make an even better deal. In addition, excellent quality builds trust from the paying customers and this trust will keep them coming back to make more purchases.

Flexibility of Service

Since we are in the Internet age, many companies and clients are now conducting their businesses through the Internet. In Davao City and in the lesser cities in this region, the number of Internet users is growing rapidly every day. Music Zone, in able to compete side-by-side the other major companies and also serve their customers in more ways than one, must improve along and get involved with the Internet technology.

Transaction Records

The accuracy and consistency of the company's transaction records is one of the most important factors in the success of the business since this involves the company's transaction data. Since the records have the biggest impact on the company's income, every single piece of information documented in them must be a hundred percent accurate.

Transaction System

It is also imperative that whatever system the company is using in all or one of its business transactions, that system must be very effective and very fast in capturing, storing and manipulating the data needed and very reliable. If the system is less than perfect, for instance in performing calculations, the records in the database would be imperfect and this will cause problems in the company's accounting. Therefore, the computer system of the company should be user-friendly, effective, reliable and time-conserving.

OVERVIEW OF THE CURRENT SYSTEM

Survey Report

The Music Zone's current system is part online and part manual. Presently, it is only the SM Music Zone branch that has an online transaction system that is connected to the DLC main office. The other two branches are still using cash registers and cash receipts; each cash receipt, which contains the album title and the manufacturing company of each album sale, is collected and used in the recording and summarizing of the sales during one business day.

The DLC main office is presently using a Window-based computerized transaction system that is written in a programming language called Clipper, a typical DOS-based, database development language. As mentioned, only the SM branch is connected to this system.

Moreover, the company does not have a running Web site on the Internet that offer online ordering and sales and endorse the store's promotions and current activities. Music Zone customers have only one option if they want to purchase a music album or the like: they would still have to go to the store, pick out what they want and pay for it over the counter themselves. They do not have the alternative of purchasing or making a reservation online that would save them time and effort.

IDENTIFIED PROBLEMS

Survey Report

First problem of the current system is connectivity. Actually, there is no means for the Gaisano Mall and the Gaisano South branches to connect to the main system that resides in the main office. Daily transactions cannot be transferred online and the main branch cannot be informed online of the current condition of sales in both branches. The merchandise inventory cannot be updated until the end of the day when all transactions of the day are encoded into the system using all the manually-written receipts of each branch. This problem causes inefficiency of the system and unproductivity.

Also, since there is no means for the two out of the three branches to connect to the main system in the main office, they cannot access the merchandise inventory database that is being kept in the main office. Both the Gaisano Mall and Gaisano South branches do not have access to this database, thus preventing them from knowing the available merchandise from the warehouse. It limits the knowledge of the available merchandise to its branch inventory alone.

Another problem that is apparent in the company is that it does not yet have enough branches that reach their target crowd that are living in the suburbs of Davao and in the other lesser cities in the region. Furthermore, the only three branches of Music are situated in the malls in Davao City, two of which are in the downtown area. This is a problem for the customers who would want to make a purchase but will still have to travel many miles to do it.

DESIRED OBJECTIVES

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The proponents have decided to develop a dynamic website for Music Zone that will offer an effective and very secure online ordering system for those customers who will find it easier to make an online merchandise purchase. In order to make a valid order, a customer must have an approved customer account in the site. A sales order can come in two forms; sales delivery in which the ordered merchandise is paid online using the customer's credit card and delivered directly to the mailing address in that customer's account or sales reservation in which the ordered merchandise is to be paid and picked-up in a Music Zone branch chosen by the customer. This online ordering system would have the additional feature of allowing the three branches to have access to the merchandise inventory database that is kept in the main office. This feature is available only to the branches, which have the correct username and password, and would allow the viewing, and updating of the inventory and the recording of each sales transaction directly into the system. Other features of this online system are the advertising of the Music Zone promos and activities, a lyrics database, and music samples.

The stand-alone component that would be residing in the main office would be used in order to keep, view and update the merchandise inventory and information database, customer accounts database, and the suppliers information database, to record the daily sales transactions, and produce weekly and monthly reports. Among these reports are receiving reports, inventory reports, and sales reports.

SCOPE OF THE STUDY

Survey Report

Scope

The proponents would chiefly be concentrating on the creation and development of an application website that concerns online ordering and advertising and that allows all the Music Zone branches to directly encode walk-in sales transactions and have access to the database situated in the main office. A stand-alone component will be built that will allow authorized personnel in the main office to view and make updates on the database, record the sales transactions of the day, and generate weekly and monthly reports. The databases that will be built are for the inventory, for the customer accounts and for the supplier information.

Limitations

The creation of a stand-alone system that will replace the cash registers and the manual issuing of receipts during transactions is not part of the system since the stand-alone in this project is situated and accessed only in the main office. Moreover, the printing of cash receipts during sales transactions in each branch using the online system is not part of this study.

TASK FORCE Survey Report

The team is composed of 2 members: Mr. Russell Aprecia, the system analyst, and Ms. Uy, the online system developer.

Mr. Russell Aprecia, also the team leader, will be responsible for the negotiations and consultations with the company and its management and for acquiring the necessary tools for the completion of this project. He will also be the main person working on the development of the stand-alone component and the databases.

Ms. Michelle Uy, on the other hand, will be responsible for creating and updating the necessary documentations for the project. She will be responsible for making the necessary revision and for making sure that the documents are correct and error-free. She will also be the main person working on the development of the online ordering component. She will be responsible for making sure that the databases are accessible from the online component.

The team, however, has decided that even though the different major aspects of the project has been divided among its members, each member has the responsibility to help with each other's responsibilities in order to compensate for each other's weaknesses.

LANGUAGE

Survey Report

For the development of the stand-alone component, the proponents will use Delphi 5, a visual Pascal programming language that provide the visual and intuitive tools more powerful than Visual Basic. This decision has been made to the following factors: Delphi is very powerful, it provides ease of use, and it has been the visual tools the proponents have been learning and using for quite a while.

For the databases that will be used for the system, the proponents will use Microsoft Access XP simply because the database file created in Access, which has a *.mdb file extension, is the database file that can be read by ASP, which is the server language that will be used for the online component.

Finally, the web application will be developed using Macromedia's Dreamweaver MX, a professional HTML editor for designing, coding, and developing websites, web pages, and web applications. Dreamweaver is chosen because it provides helpful tools that will enhance web creation experience without the burden of inconvenience. It also helps one to build dynamic database-backed web applications using server languages such as ASP, the scripting language that will be used in this project, ASP.NET, ColdFusion, JSP, and PHP without much hardcoding on the side of the designer. The proponents, therefore, will be using the following languages for the online component: XHTML and VBScript for the Active Server Pages, which will be used to insert records into and access from the database. For the graphics and possible animations that will be used in the website, the proponents will be using Macromedia Flash MX.