



# E Commerce for B2B Wholesale shirts

by

Ms. Kanokkan Chaisupar

A Final Report of the Three-Credit Course  
IC 6997 E-Commerce Practicum

Submitted in Partial Fulfillment  
of the Requirements for the Degree of  
Master of Science  
in Internet and E-Commerce Technology  
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Project Title                    E-Commerce for B2B Wholesale Shirts

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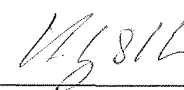
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The Graduate School of Assumption University has approved this final report of the six-credit course, IC 6997 and IC 6999 E-Commerce Practicum, submitted in partial fulfillment of the requirements for the degree of Master of Science in Internet and E-Commerce Technology..

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## ABSTRACT

Man Shirt shop is a wholesale shirt traditional storefront located in Bangkok. Our main products are wholesale shirts which produce in Thailand. According to the need of expanding our market worldwide, we see the opportunity to do business by both exporting to other country and selling in Thailand. By this way, we have designed to sell the products online in addition to our physical shop. According to the need of expanding our market worldwide, we see the opportunity to do business by exporting. By the way, we have designed to sell the products online in addition to our physical shop.

One of the most common tools used in evaluating the economic feasibility of a new enterprise or product is the break-even analysis. Based on the analysis, ManShirts.com has to sell about 5,043 dozens of product for 5,800,000 Baht to meet break-even point. According to the financial analysis part, our company will reach the break-even point in the second year operation with the continuous growing income from sales volume.

ManShirts.com web site is designing by using Macromedia Dreamweaver MX. The web site consists of 7 main pages which are Homepage, Catalog, Customer service, About Us, Contact Us, Site Map and Order.

## ACKNOWLEDGEMENTS

Several people have made contributions to this project. We would like to acknowledge their efforts and thank them for their contributions.

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## **I. INTRODUCTION**

### **1.1 Background of the Project**

Do you have a business and are interested in selling your product via the web? Or would you like to start up a business, selling things via the internet? Many people are interested in such enterprises, and some have done it and made it big. The owner of Amazon.com is a great example. Generally, E-Commerce is a subset of business, where products and services are advertised, bought and sold over the Internet. B2B is a business to business e-commerce and it means exactly what it says it means: businesses selling to other businesses: factories selling to wholesalers; wholesalers selling to retailers; office suppliers selling to offices; farmers selling to markets; etc. Any deal between two businesses is B2B E-Commerce.

In my opinion, E-Commerce is any kind of transaction commerce done partly or completely over a network. It is similar to the mail order business, except that it has potential for worldwide market. You must not only promote your web site, but you must also make it easy to find, select and purchase the items. Delivery and support issues are similar to that in mail order. Many businesses have become extremely profitable through online sales. Small companies and even individuals can also market their products or services on a worldwide basis through E-Commerce. Large companies can reduce sales and stocking costs by selling online.

Nowadays, there are many wholesale shirts shops open up which can caused high competition. From the studies and interview with the owner of the wholesale shirts shop around Pratunum, we found that the way we can increased more sale and reduced cost is to have our own website.

## 1.2 Objectives of the Project

The purposes of the study are:

- (1) To create a web site for selling a wholesale shirts.
- (2) To create another ways for selling a wholesale shirts.
- (3) To enable foreign customers shop with us online.
- (4) To enable consumers to visit the web site 24 hours a day.
- (5) To reduce sales and stocking costs by selling online.
- (6) To provide easy way for customers to shop with us.

## 1.3 Scope of the Project

This report is intended to show about the made of ManShirts.com and its outcome after running for 3 years. This report also showing Financial analysis for 3 years running and SWOT analysis which allows us to translate the key strengths into unique capabilities that can provide better value to customers than the competitors do. It also allows the company to turn weaknesses into strengths and opportunities.

ManShirts.com web site is designing by using Macromedia Dreamweaver MX and Apache Version 1.3 (PHP script).

## 1.4 Deliverables

- (1) A project report in.
- (2) A web site prototype.



## **II. LITERATURE REVIEW**

### **2.1 What Is Internet?**

The Internet is an integrated global network of computers that gives users access to information and documents. Anyone with a personal computer, a modem, and proper software can access the Internet free and can obtain and share information with others via e-mail, electronic messages transmitted to and from Internet host computers. More than 250 million people are projected to have access to the Internet in 2005, with 29 percent residing in the United States. The Internet is a network upon which the system known as the World Wide Web runs. The Internet is perhaps the most well-known, and the largest, implementation of internetworking, linking hundreds of thousands of individual networks all over the world. The Internet has a range of capabilities that organizations are using to exchange information internally or to communicate externally with other organizations. Internet technology provides the primary infrastructure for electronic commerce, electronic business, and the emerging digital firm. The Internet is the most-used network in the world, but is also one of the least understood. It is a network of a network--a set of separate and distinct networks operated by various national and state government agencies, nonprofit organizations, and for-profit corporations. The Internet exists only to the extent that these thousands of separate networks agree to use Internet protocols (TCP/IP) and to exchange data packets among one another. The Internet is simultaneously a strict, rigidly controlled club in which deviance from the rules is not tolerated, and a free-wheeling open marketplace of ideas. All networks that connect to the Internet must rigidly conform to a set of standards for the transport and network layers that are unyielding; without these standards, data communication would not be possible. At the same time, content and new application

protocols are developed freely and without restriction, and quite literally anyone in the world is able to comment on proposed changes to the Internet protocols.

### 2.1.1 How the Internet works

The thing that characterizes the Internet is how data is transferred from one computer to another. Did you ever wonder what magical things go on behind the scenes that results in a Web page being displayed on your screen seconds after you request it. How does the data get from one side of the world to the other? Figure 2.1 shows what happens to a piece of data (e.g. A Web page) when it is transferred over the Internet;

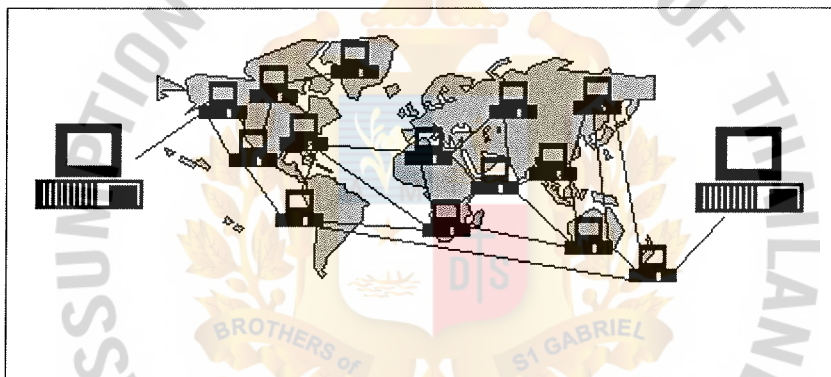


Figure 2.1. Transfer of data over Internet.

Here's what happens to a piece of data (e.g. A Web page) when it is transferred over the Internet:

- (a) It is broken up into a whole lot of same-sized pieces (called packets).
- (b) A header is added to each packet that explains where it came from, where it should end up and how its fits in which the rest of the packets.....

As the growth continued, new understandings about the purposes of the net work and its potential were being forged, particularly as NSF ended its involvement. Broader access was created through regional networks that linked to the Internet. Policy changes by the government, NSFnet, and privatization later allowed commercial Internet service

providers (ISPs) to offer Internet access to those who were not part of an institution or educational organization. These changes opened the floodgates to the current very rapid commercialization of much of the Internet.

One of the greatest things about the Internet is that nobody really owns it. It is a global collection of networks, both big and small. These networks connect together in many different ways to form the single entity that we know as the Internet. In fact, the very name comes from this idea of interconnected networks.

Since its beginning in 1969, the internet has grown from four host computer system to tens of millions. However, just because nobody owns the internet, it doesn't mean it is not monitored and maintained in different ways. The Internet Society, a non-profit group established in 1992 oversees the formation of the policies and protocols that define how we use and interact with the internet.

#### 2.1.2 A Hierarchy of Networks

Every computer that is connected to the internet is part of a network, even the one in your home. For example, you may use a modem and dial a local number to connect to an Internet Service Provider (ISP). At work, you may be a part of a Local Area Network (LAN), but you most likely still connect to the Internet using an ISP that your computer has contracted with. When you connect to your ISP, you become part of their network. The ISP may then connect to a larger network and become part of their network. The Internet is simply a network of networks.

Most large communications companies have their own dedicated backbones connecting various regions. In each region, the company has a point of presence (POP). The POP is a place for local users to access the company's network, often through a local phone number or dedicated line. The amazing thing here is that there is no overall controlling network. Instead, there are several high-level networks connecting to each



other through Network Access Points or NAPs. Figure 2.2 shows a Hierarchy of Networks;

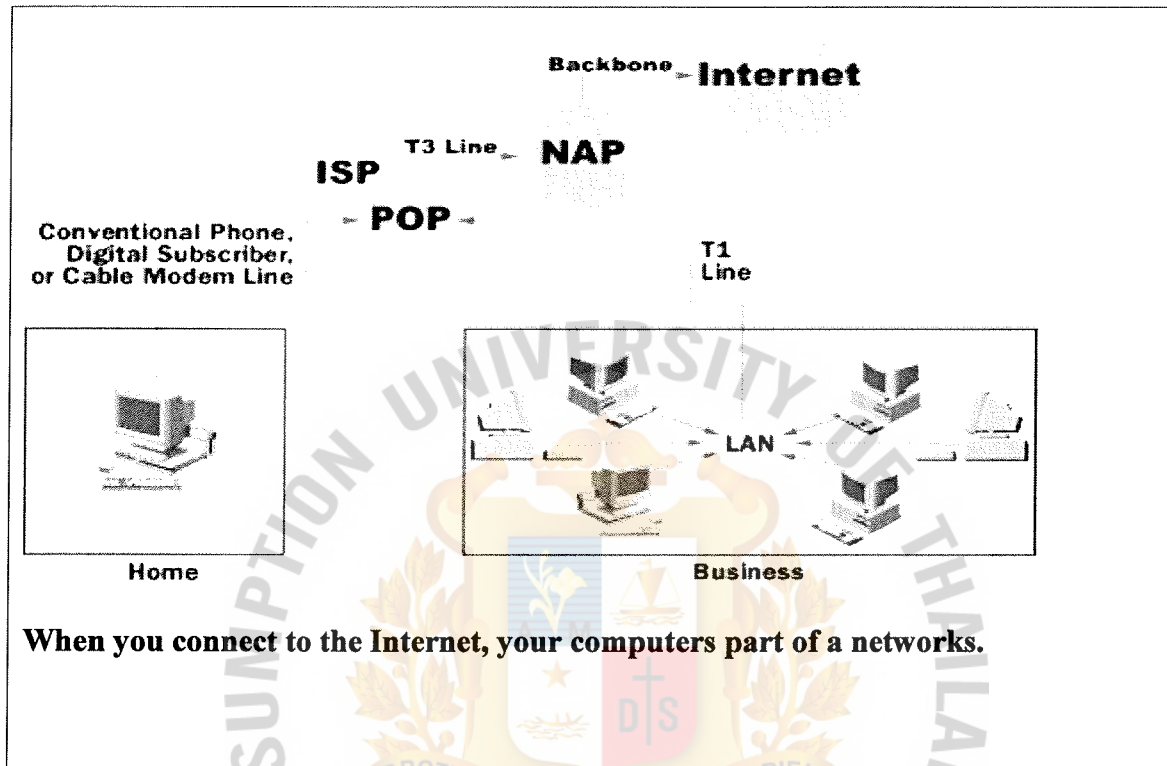


Figure2.2. A Hierarchy of Networks.

Here's an example. Imagine that Company A is a large ISP. In each major city, Company A has a POP. The POP in each city is a rack full of modems that the ISP's customers dial into. Company A leases fiber optic lines from the phone company to connect the POPs together.

Imagine that Company B is a corporate ISP. Company B builds large buildings in major cities and corporations locate their Internet server machines in these buildings. Company is such a large company that it runs its own fiber optic lines between its buildings so that they are all interconnected.

In this agreement, all of Company A's customers can talk to each other, and all of Company B's customers can talk to each other, but there is no way for Company A's customers and Company B's customer to intercommunicate. Therefore, Company A and Company B both agreed to connect to NAPs in various cities, and traffic between the two companies flow the networks and the NAPs.

### 2.1.3 Reasons why people use the Internet

There are several reasons why people use the Internet, which are:

- (a) To find general information about a subject

The web is like a huge encyclopedia of information – in some ways it's even better. The volume of information you'll find on the web is amazing. For every topic that you've ever wondered about, there's bound to be someone who's written a Web page about it. The Web offers many different perspectives on a single topic.

- (b) To access information not easily available elsewhere

One of the great things about the Web is that it puts information into your hands that you might otherwise have to pay for or find out by less convenient means.

- (c) To correspond with faraway friends

Email offers a cheap and easy alternative to traditional methods of correspondence. It's faster and easier than writing snail mail and cheaper than using the telephone. Of course, there are disadvantages too. It's not as personal as a hand written letter – and not as reliable either.

- (d) To meet people

The web is generally a very friendly place. People love getting emails from strangers, and friendships are quick to form from casual correspondence.

The “impersonal” aspect of email tends to encourage people to reveal surprisingly personal things about themselves. When you know you will never have to meet someone face-to-face, you may find it easier to tell them your darkest secrets. Cyber-friendship have often developed into real life ones too. Many people have even found love on the Net, and have gone on to marry their cyber-partner.

(e) To have fun

There’s no doubt that the Internet is a fun place to be. There’s plenty to keep you occupied on a rainy day.

(f) To learn

On-line distance education courses can give you an opportunity to gain a qualification over the Internet.

(g) To find software

The Internet contains a wealth of useful downloadable shareware. Some pieces of shareware are limited versions of a full piece of software, other are time limited trials (you should pay once the time limit is up). Other shareware is free for educational institutes, or for non-commercial purposes. \*

(h) To buy things

The security of on-line shopping is still questionable, but as long as you are dealing with a reputable company or Web Site, the risks are minimal.

The following Internet statistics and forecasts were collected during the month of December 2001:

Table 2.1. Indicate amount of Online Population in Each Country.

(Source: Nielsen NetRatings)

(Statistics source: <http://www.tamingthebeast.net> )



Country	Population	Online Pop.
Argentina	37.4 million	1.9 million
Australia	19.4 million	5.6 million
Austria	8.2 million	1.3 million
Belgium	10.3 million	1.6 million
Brazil	174.5 million	6.0 million
Canada	31.6 million	8.8 million
Denmark	5.4 million	1.6 million
Finland	5.2 million	1.0 million
France	60 million	5.5 million
Germany	83 million	15.1 million
Ireland	4.0 million	560,000
Israel	6.0 million	976,000
Italy	57.7 million	8.3 million
Japan	126.8 million	20 million
Mexico	101.8 million	1.7 million
New Zealand	3.8 million	1 million
Norway	4.5 million	1.4 million
The Netherlands	16 million	4.5 million
Singapore	4.3 million	956,000
South Africa	43.6 million	611,000
South Korea	47.9 million	13.1 million
Spain	40.0 million	4 million
Sweden	8.9 million	3.0 million
Switzerland	7.3 million	1.8 million
Taiwan	22.3 million	5.0 million
United Kingdom	59.6 million	13.0 million
United States	278.0 million	102.0 million

#### 2.1.4 Why people put things on the Web?

- (a) To advertise a product

Most company Web sites start up as a big advertisement for their products and services. It may be hard to see why anyone would willingly visit a 10 page ad – but these advertisements are very useful to anyone genuinely interested in finding out about their products. Companies may also give away some information for free as an incentive for people to visit their pages.

Table 2.2. State the percentage of revenue for advertising firms.

(Source: IAB/PricewaterhouseCoopers/CyberAtlas)

(Statistics source: <http://www.tamingthebeast.net> )

<b>Format</b>	<b>Q3 2001</b>	<b>Q2 2001</b>	<b>Q4 2000</b>
Banners	35%	36%	40%
Sponsorships	25%	28%	31%
Classifieds	17%	16%	10%
Slotting Fees	7%	8%	NA
Interstitials	3%	3%	5%
Keyword Search	5%	3%	2%
Rich Media	3%	2%	2%
E-Mail	3%	3%	4%
Referrals	2%	2%	5%

(b) To sell product

Internet shopping (e-commerce) is still in its infancy – it takes a very good marketing strategy to actually make money out of selling items over the Web, but that doesn't stop lots of people from trying.

(c) To make money

A popular way to make money over the Web is from advertising revenue. Popular sites have banners at the top of the page enticing people to click them and be taken to the advertiser's Web site. These banners are generally animated and very appealing, with mysterious messages to make users wonder where they will be taken. For each person that clicks the ad, the host site gets commission. Making money this way is only successful if the site gets lots of visitors (thousand a day); so the site must be very useful and offer something of real value to their visitors.

(d) To share their knowledge with the world

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Many individuals write Web pages to share information about their interests and hobbies. They don't expect to make any money out of it – they just feel that the Web has given them so much information that the least they can do is put something into it that may be useful for others. Other rewards come from the prestige of having their site recognized as something good and the contact inspired by their pages with others sharing the same interest.

## **2.2 What is Electronic Commerce**

Although most commercial transactions still take place through conventional channels, rising numbers of consumers and businesses are using the Internet for electronic commerce.

### **2.2.1 Difference between Electronic Commerce and Traditional Commerce**

Electronic Commerce (E-commerce) is sharing business information, maintaining business relationships, and conducting business transactions by means of telecommunications networks. Traditional E-commerce, conducted with the uses of information technologies centering on electronic data interchange (EDI) over proprietary value-added networks, is rapidly moving to the internet. The Internet's World Wide Web has become the prime driver of contemporary E-commerce.

As Electronic Commerce approaches the end of its beginning, and as it is redefined by the dynamics of the Internet, it is time to take stock and to look forward. In today's business environment, where the operational boundaries between firms have become fluid, it is often both pragmatically and analytically unfruitful to separate inter-organizational and intra-organizational business processes. Therefore, E-Commerce includes the sell-buy relationships and transactions between companies, as well as the corporate processes that support the commerce within individual firms.



Electronic Commerce is a new and certainly a trendy name, but the practice it denotes originated about a half-century ago in the Berlin airlift. This practice became electronic data interchange (EDI), the computer-to-computer exchange of standardized electronic transaction documents. Although what can now be called traditional E-Commerce has not been limited to EDI and has included business practices built around computer-to-computer transmissions of a variety of message forms, bar codes, and files, the use of EDI has arguable led to the most significant organizational transformations and market initiatives. Some well-known cases, in point are Wal-Mart, Levi Strauss, General Motors, and other companies that have built new kinds of relationships with their suppliers and customers through electronic linkages. Electronic integration, supported by EDI and other information technologies, drastically reduces the time and space buffers that shelter a firm, but that also limit its competitive opportunities.

Electronic integration has led to dramatic shifts in a definition of the firm, with the emergence of virtual companies whose capabilities to deliver their products to the market are defined largely by their ability to organize and maintain a network of business relationships, rather than by their ability to manufacture a product or deliver a service. New business networks have been formed by this form of integration and entire industries are being radically changed. To understand an individual firm, it is necessary to study the business networks in which it is embedded.

The arrival of the commercial use of the Internet, driven by its World Wide Web subsets, has been defining the new E-Commerce since 1993. E-Commerce is now emerging from the convergence of several major information technologies and business practices. Among the principal technologies directly enabling modern E-Commerce are: Computer networking and telecommunications; client/ server computing; multimedia; information retrieval systems; electronic data interchange (EDI); message handling and

work flow management system; groupware and electronic meeting system; and public-key cryptography. The set of technologies driving E-Commerce is embodied today in the Internet. This conglomerate is a transformational technology that has challenged old assumptions and helped shape new work places, organizations, and markets.

## 2.2.2 The framework of Electronic Commerce

The established way both to analyze and to develop very complex systems, such as that of E-Commerce, is to visualize them as a hierarchical structure comprised of several levels, with each of the lower levels delivering a well defined functional support to a higher level. Such a hierarchy is shown in Table 2.3.

Table 2.3. The hierarchical framework of electronic commerce.

Level	Function	Examples
<b>Products and Structures</b>		
7	Electronic marketplaces and electronic hierarchies	Electronic auctions, brokerages, dealerships, and direct-search markets Interorganizational supply-chain management
6	Products and systems	Remote consumer services (shopping, banking, stock brokerage) Infotainment-on-demand (fee-based content sites, educational offerings) Supplier-consumer linkages On-line marketing Electronic benefit systems Intranet-based collaboration systems
<b>Services</b>		
5	Enabling services	Electronic catalogs/directories, smart agents E-money, digital authentication services Digital libraries, copyright- protection services Traffic auditing Smart-card systems
4	Secure messaging	EDI, E-mail, EFT
<b>Infrastructure</b>		
3	Hypermedia/multimedia object management	World Wide Web with Java
2	Public and private communication utilities	Internet and value-added networks (VANs)
1	Wide-area telecommunications infrastructure	Guided- and wireless-media networks
<b>Table 2.3. The hierarchical framework of electronic commerce</b>		

The framework recognizes that E-Commerce consists of three meta-levels:

(a) Infrastructure

The hardware, software, database, and telecommunications that together deliver such functionality as the World Wide Web over the Internet, or support EDI and other forms of messaging over the Internet or value-added networks.

(b) Services

Messaging and a variety of services enabling the finding and delivery of information, as well as negotiation, transacting business, and settlement.

(c) Products and Structure

Direct provision of commercial services to consumers and business partners, intra-organizational information sharing and collaborations.

### 2.2.3 Integrating Electronic Payment into the Buying process

The consumer should be able to pay for the purchase on the web easily and with a lot of security. Although the overall shopping experience, product perceptions, and customer service on the web today lead to significant dissatisfaction among potential customers and require the attention of marketers and researchers, the problem settlement is one problem that is capable of a systemic solution.

The most excitement is occasioned by the development of electronic cash, the information equivalent of physical banknotes and coins. Electronic cash can offer such benefits as buyer anonymity, global acceptance, and divisibility that can cost-effectively go beyond real cash in the case of so-called micro-payments (such as paying \$0.025 for the one-timed use of a software object). Widespread use of electronic cash would have serious implications for the national banking systems and the banks issue.

At this time, an electronic cash system (E-cash) is being implemented by Digicash (of Amsterdam) together with the Mark Twain Bank of Missouri

(<http://www.digicash.com> ); other banks have adopted a posture of watchful waiting, accompanied by internal research. A cash-like system relying on a smart card, Mondex, has been tested with mixed acceptance results in Swindon (United Kingdom) and will be introduced in the United States by AT&T and Wells Fargo & Company (<http://www.mondex.com> ). The NetCheque system developed at the information sciences Institute of the University of Southern California allows its registered users to write electronic checks. On the other side of the issue are the financial intermediaries, such as First Virtual Holdings, which facilitate settlements for E-Commerce transactions by external means, without the financial tokens (such as credit-card numbers or bank account information) ever appearing on the Internet. The proponents of this mode of operation consider the Internet fundamentally insecure for financial transactions. At this time, the apparently prevalent option is that financial transactions on the Internet are now less secure from the consumer's point of view than today's "physical-world" transactions, with the admixture of fear that "a big hit from cyberspace" is possible because of the complexity and the distributed nature of the system.

Clearly, options and points of view are not enough. The issue of electronic banking calls for a great deal of research on the acceptability of various solutions to consumers, the apportioning of the risk, the institutional framework, the electronic effects of electronic cash, and, certainly not least, making electronic settlement transactions secure.

#### 2.2.4 Building a Consumer Marketplace

Some would argue that the main question of E-Commerce today is how to convert Web-surfers from browsers into consumers by creating an encompassing market space for information, services, and goods.



Shopping remains relatively uncommon as a principal motivator for Web use, and it is believed that ease of access should ultimately determine the success of Web shopping. Poor consumer interface can be a potent disincentive. However, new ways to market have to take advantage of the new, interactive, marketing medium. Multinational corporations may find themselves effectively challenged on the Web by small upstarts and need to review their business models. A variety of the possible commercial sites for Web presence are analyzed by Hoffman et al.; Web-enabled selling techniques are discussed by Gogan and Applegate. Selling on the Web can tap into the well-formed and committed communities of interest and provide on-line demonstration, consultation, and assistance. Yet, the nature of many electronic communities is antithetical to commerce and a pull-model of doing business has to be built. A number of firms are being formed to market information-based products, such as software, over the Internet (for example, Cybermedia, TestDrive, and Tuneup.com); the software-over-the-Web market alone is projected by Forrester Research to reach a volume of \$750 million in 1999.

### **2.3 Electronic Commerce for B2B**

To improve efficiency, some large retailers, suppliers, and distributors have begun to conduct business-to-business commerce electronically. This practice could grow rapidly if the Internet becomes the primary low-cost network for such transactions. Before the Internet can fully support business-to-business commerce, however, companies must overcome several technological and security obstacles.

There is a revolution transforming the global economy. Competition is one of the most fascinating topics in today's business environment. The attractiveness of the strategic issue is becoming higher and higher for managers, as well as authors, due to the newest progresses of technology –such as the Internet– which are creating the

conditions for gaining a competitive advantage in new ways. Competitive advantage is at the heart of a firm's performance in competitive markets.

How can they differentiate themselves from their competitors? Once a competitive advantage is gained, how can a firm defend its competitive position? How does a firm choose a segment so that their competitive advantage can continue to expand? When and how can a firm gain a competitive advantage from competing with a coordinated strategy in related industries? How is uncertainty introduced in the pursuit of competitive advantage? These are the main questions a company must answer in order to succeed.

Nowadays, we are witnessing radical changes in the business environment. Today's technologies are providing new ways for businesses to communicate, and globalization gaining momentum and increasing competition at every level. In this environment, developing competitive strategies and gaining a competitive advantage are the most important issues for a company to survive.

### 2.3.1 Foundation of Business-to-Business (B2B)

Many e-businesses can be distinguished from others simply by their customer focus. For instance, some firms use the Internet mainly to conduct business with other businesses. These firms are generally referred to as having a business-to-business, or B2B, model. Currently, the vast majority of e-business is B2B in nature.

When examining B2B practice, two clear types emerge. In the first type, the focus is simply on facilitating sales transactions between businesses. For example, Dell manufactures computers to specifications that customers enter on the Dell web site. The vast majority of Dell's online orders are from corporate clients who are well informed about the products they need and are looking for fairly priced, high-quality computer products that will be delivered quickly. Basically, by building only what is ordered, Dell

reduces storage and carrying costs and rarely is stuck with unsold older technology. By dealing directly with Dell, customers eliminate costs associated with the wholesalers and retailers they would otherwise have to pay, thereby helping reduce the price they pay for equipment.

A second, more complex type of B2B model involves the relationships and procedures used by companies and their suppliers, which often are numerous, geographically dispersed, and difficult to manage. Suppliers today commonly make bids on products and services they wish to offer, learn about conditions under which business will be conducted, which rules and procedures to follow, and so forth. Likewise, firms seeking specific items can now ask for bids on their web sites and choose suppliers that make their offers through the online system.

Given the substantial savings from such networks, it is no wonder that many other manufacturers and their suppliers are beginning to use the same kind of system. Using the system reduces costs and creates a simpler structure for suppliers to use when dealing with each of the manufacturers. The suppliers are able to use the system to bid on work and to monitor their dealings with the manufacturers. Their activities are streamlined with those of their customers. There is less separation between the buyer and the seller, as suppliers become part of the production strategy designed by the companies they serve.

Although managing activities between a firm and its suppliers is an established business strategy that existed before the Internet came along, it is a focal point of e-business activity for many firms. This is due mostly to the savings and improvements that can be realized by changing current business processes and practices to better ones that are structured around a web site. The result is not only cost savings but also the

establishment and control of standard procedures of operation clearly visible through the firm's web site.

### 2.3.2 How Business-to-Business works

Unlike retailing, which is mostly a Business-to-Consumer (B2C) industry, B2B deals with working with vendors, distributors, and other businesses. How does Business-to-Business (B2B) work, and especially how does it work for retailers?

There are different types of B2B ecommerce sites that work in various ways and are broken into two major groups: the verticals and horizontals. Verticals are B2B sites designed specifically to meet the needs of a particular industry, such as retail. Vertical sites are the most likely to contain community features like industry news, articles, and discussion groups. Horizontals provide products, goods, materials, or services that are not specific to a particular industry or company. Horizontals that retailers could use might provide travel, transportation services, office equipment, or maintenance and operating supplies. Horizontals and verticals can connect buyers and sellers together directly or act as intermediaries who facilitate transactions. There isn't one ubiquitous model for B2B electronic commerce. B2B sites vary from those providing simple lead generation, to complex marketplaces serving a variety of buyers and sellers, to private extranets.

B2B sites also include catalog aggregators who act as intermediaries between many vendors and retailers. They standardize content by combining catalogs from multiple vendors. Catalog sites generally have fixed pricing, although pricing may be tiered based on the buyer's profile or quantity ordered. B2B sites can also provide project tracking or collaboration services to their members. Collaboration allows retailers and vendors to work on new products, provide better forecasts, and improve response.



### 2.3.3 B2B E-Commerce Solutions

B2B E-Commerce solutions are a mean that facilitates the reconfiguration of the Value Chain, but not the only necessary condition. Business is done by human beings and the most important factor in this transition is and will always be their will. The B2B market is changing in real time. Staying watchful weapons is the arsenal required to do B2B in the new order of business.

Companies must build up strong networks of relationships with their suppliers in order to improve the quality of their product/service. Such a strong relationship, sometimes defined as a partnership, should lead to a common process for developing new products, which can improve the satisfaction of the final customer.

The acceptance of the Internet as a business platform have created a foundation for business-to-business (B2B) electronic commerce that offers the potential for organization to streamline complex processes, lower costs and improve productivity. For many companies, "business-to-business e-commerce seems like a confusing nightmare". Most companies get lost in a myriad of different B2B solutions knowing to the exact extent of which it can be used. Moreover, it is not always clear where the profits are being made. The scope of this thesis is clarifying these aspects.

The research questions have being formulated as the following: "How can a strategy based on the implementation of a B2B E-Commerce solution lead a firm to gain a competitive advantage?" Theses research questions implies two main objectives. The aim is to find out:

- (a) In what way can the implementation of a B2B E-Commerce solution lead a company to gain a competitive advantage.
- (b) Under what conditions can a competitive advantage gained through such an implementation.

#### 2.3.4 The Main B2B E-Commerce Model

The main B2B E-Commerce models are presented and shown how this field is various. An evolution trend is also shown, where the most advanced solutions are such that it is very difficult to implement them without a close co-operation with suppliers and customers. The main steps of this theoretical thesis are:

- (a) Description of Porter's model for analyzing Competitive Advantage.
- (b) Description of the business models for B2B E-Commerce solutions.
- (c) Linkage of the two previous sections, ending up with a theoretical model for analyzing Competitive advantage relative to the implementation of a B2B solution.

The first part of the research question (in what way) is answered showing the impact on the strategic level of the implementation of a networking solution.

The second part of the research question (under what conditions) shows that the most important is the existence of an ERP system. The infrastructure condition is instead totally dependent on the company's will. The condition related to the partnership with suppliers and customers is dependent on the others parties' will. A B2B E-Commerce solution takes time and the more advanced the solution is the longer it takes.

## 2.4 Wholesale Shirts Business

### 2.4.1 What are Wholesalers?

Wholesalers are the vital link between the originating manufacturers and businesses at the point of sale. They offer goods in large quantities at a trade price to those who are seeking to resell the products for retail purposes rather than personal use. Despite this, wholesalers have many similarities to the average high street shop and entrepreneurs starting a firm from scratch shouldn't be disconcerted when approaching

them to purchase in bulk. Many budding entrepreneurs are under the impression that wholesalers are huge operations, selling goods in bulk to only large retailers. Also, despite being an important cog in the machinery of thousands of small firms, they are often frustratingly difficult to locate and can seem unapproachable to those who are new to the practice.

However, wholesalers can prove to be essential if you're starting up your business. They can cut your costs by providing quality items at prices that won't decimate your wafer thin budget. Most wholesalers are keen to build up a good rapport with their clients and can often extend generous amounts of credit to trusted entrepreneurs. Owner who put in the effort to search for a good wholesaler, drive hard for a bargain and maintain a mutually amicable working relationship can reap substantial rewards for their business.

#### 2.4.2 Numbers and Types of Wholesaler

Wholesalers sometimes shift around the country and the less established outlets can fall in and out of business fairly regularly. Therefore, pinning down the exact number of wholesalers in the UK can be tricky at best, guesswork at worst. If you are looking for a particular type of wholesaler to supply your firm, you are unlikely to be disappointed. Wholesalers, like most businesses, reflect the demand for particular goods but you can find just about any item if you are prepared to look for it.

Apart from commonplace wholesale goods such as clothing, electronic products and books, you can buy anything from pet food to ornaments. Profit margins, and value for money, vary hugely from one product, and wholesaler, to the next. For example, firms dealing in computer equipment and DVDs may struggle to make a large profit, while those selling on giftware could double or triple the wholesale price.

#### 2.4.3 Building a Brand and Losing your Shirts

Brand building has long been the rage in industrialized countries and now the buzz has reached Asia. Gurus are preaching to Asian entrepreneurs that they should build their own brand names rather than copy someone else's ideas. Innovate rather than imitate seems to be the thing to do. Great examples are offered: Sony, Nike, Orange. All prime examples of profitable products made successful through brand building. Through years of advertising these brands have become recognizable symbols to nearly everyone on the planet. Although the investment put into consulting and mass communication media is high, the long term benefits are worth it, right? Sure - if you have an enormous budget it's fine, but when branding is pouring money into a big black hole and waiting for the long term effects, many Asian business people will prefer to keep copying already established products and hope for brand diffusion rather than differentiation. If the concept of creating brand equity equals a money spending exercise, who will do it? The basic purpose of marketing is still to bring profit to the organization and maybe a basic viewpoint and the use of available resources is what is needed in South East Asia right now. In countries where competition, individual achievement and standing out from the rest are not among the most important values, there are typically few well known brands. Still, Asian marketers have always understood the need to persuade and compete in their advertising messages. So in the past decades, where strong brands have proven to be money makers, the Asian business scene has naturally started taking notice. At the same time advertising agencies and consultants in the region have been keen on stressing on advertising as the only way to truly create a brand. Clients are told that in order to create awareness they need to make some noise and therefore spend money.



In some product categories in South East Asia, spending on brand building is already established. One example is the lucrative energy drink market in Thailand. In a bid for market share several advertisers are spending heavily on traditional media such as TV and billboards. This particular market has switched from being use oriented to being user-oriented, and linking a well known spokesperson to the brand has been the preferred method. Presenters, mostly rock stars, are promoting new brands or old brands that have been revamped. One new entrant to the market claims spending the equivalent of 11 million US dollars for advertising in 2003. The question now is whether producers with smaller budgets can try to promote innovative products to consumers through brand building and not loose their shirts. There is hope for Asian entrepreneurs who want to want to build a unique brand without taking huge financial risks.

The Shirt is a fashion staple today along with t-shirt, athletic shoes, jeans, and baseball caps. Companies cashing in on this billion-dollar industry include one-person screen-printing companies to large-scale franchises, distributors, and sportswear licensors. For a modest investment, you can start this business in a home-based workroom and use your creative skills to design a profitable business in your community.

### **III. THE EXISTING SYSTEM**

#### **3.1 Define ManShirts Shop**

ManShirt Shop is a traditional wholesale shirt storefront located in Bangkok. We have several designs of wholesale shirts which are produced in Thailand. Our main products are wholesale shirts. All products are made from high quality raw materials, providing the best design and quality in order to fulfill the customers' need.

ManShirts.com is a fashion distributor/importer specializing in men's shirts. We are a young company with the first years in business. Our company was born to combine our passion and experience in the man shirts fashion with our fascination for the Internet and new technologies. We are committed to bringing the hottest trends, designs and best value to our customers in the most convenient and efficient way without losing the human touch and care. Top customer service and satisfaction rank among our highest priorities.

#### **3.2 Reason to Open ManShirts.com**

According to the need of expanding our market worldwide, we see the opportunity to do business by exporting. By the way, we have designed to sell the products online in addition to our physical shop. We are confident with our services of packing and shipping that customer will be satisfied with our products and delivery on time. An online shop can create the opportunity for our company to take advantage of the capability of electronic commerce.

### **3.3 How can a web site Increase its sales from corporate customers?**

Managing a significant portion of the Company's product sourcing, quality, fit specifications and costs to ensure that we deliver a consistently high standard of service to our customers is a main responsibility of our company.

Continuing investments in our forecasting and inventory management systems have helped improve our timeliness and accuracy in projecting and ordering the right products for our customers. We are currently investigating the establishment of a supply chain management department which would oversee inventory management and liquidations, quality, packaging and traffic. The improved profitability of our liquidation channels and the savings generated by a host of initiatives to increase efficiencies and productivity will continue to allow ManShirts to competitively offer attractive and affordable wholesale shirts to value-conscious consumers while providing a good return to our business.

Our commitment to serving our customers has forged a strong connection with a large group of people who have well-defined needs and expectations. Our quest to provide quality and affordable choices that truly enhance the lives of those we serve has spurred the Company to explore new ways to reach out to them and to others who have similar needs.

Two particularly helpful elements of our research were in the areas of segmentation analysis – a deeper understanding of who she is, well beyond the demographics of age and income – and need states analysis – new insights into how the customer shops, fulfilling her needs not just for the clothing but for the emotional relationship with the shopping experience and with us as the provider. Perhaps a good way to summarize the outcomes of the study for now would be: 1) ManShirts has a very

strong core men's shirts business; and 2) there are some new opportunities to serve our customers better.





## IV. PROJECT IMPLEMENTATION

### 4.1 SWOT Analysis

The key success of ManShirts.com depends upon our ability to coordinate between strengths, weaknesses, opportunities, and threats to maximize the profits to our company. The SWOT analysis allows us to translate the key strengths into unique capabilities that can provide better value to customers than the competitors do. It also allows the company to turn weaknesses into strengths and opportunities.

#### Strengths

- (a) Our website will be a new advertising tools to promote our shop to be recognized by the customers. Customers can also find out more information about our shop on the web page.
- (b) It will also serve as a new channel for customers to shop at ManShirts online. This can save customers' time and expense from traveling to our physical shop.
- (c) ManShirts provides high quality products.
- (d) Trendy men's shirts which are in line with fashion trend are emphasized by creating our own design in order to fulfill the customers' need. This makes our products different from other providers.
- (e) As we use domestic raw materials and labor, the cost is low.
- (f) There is competitive advantage in terms of price which is lower than in other countries.
- (g) The interface of web is user friendly and designed to support customer's demand, it's simple to use and easy to find the required information.
- (h) We provide delivery service for our customers for every item they purchase.
- (i) The management cost is also low.

- (j) We offer reasonable price with high quality products.

#### Weaknesses

- (a) The company keeps a low profile in the market. As ManShirts.com is a new online store, our site name is unknown to some customers.
- (b) There is a lack of brand awareness for local products.
- (c) The customers are unable to try and feel products for quality of material used.
- (d) Cost control is difficult since the products' price depends on the price of raw materials at that time.
- (e) It takes too much time to produce a large volume of shirts.
- (f) There is a lack of international management skill.

#### Opportunities

- (a) There is a good potential to export Thai product to the global market.
- (b) The Internet tends to be the most important media for doing business in the future. This results in a way that electronic commerce will become widely used among business partners around the world.
- (c) Building International brand image and brand awareness is easier through e-marketplace.
- (d) Since computer becomes a necessary product for most people, Internet becomes a part of everyday life.
- (e) Customers can access online shop from anywhere at anytime.
- (f) There is a growing trend of the electronic commerce business in Thailand.
- (g) Thai government encourages SMEs to gain advantages from the Internet to reach global market.

- (h) Shirts manufactured in local area are competitively lower in price than that produced in foreign countries.
- (i) Consumers are changing their buying behavior by shopping more on the e-marketplace.

#### Threats

- (a) There are many competitors both direct and indirect, cyber competitors as well as in the form of physical shop.
- (b) Competitors can easily duplicate our shirts and establish new website.
- (c) Some customers are not familiar with an online shopping because of the lack of touch and seeing the shirts sold online.
- (d) Current number of Internet users in Thailand is still low compared with other developing countries.
- (e) Technology and business environment is ever changing.

#### **4.2 Market Segmentation and Market Targeting**

Since consumer market is consisted of various types of customers who have different needs, market segmentation is carried out to divide a consumer market into logical group for conducting marketing and sales. It is performed in order to formulate effective marketing strategies that appeal to specific consumer groups.

ManShirts.com defines market segment according to geographic segmentation and demographic segmentation.

##### Geographic Segmentation

Currently, we segment the market into inbound and outbound markets. On one hand, we focus on Thai market. On the other hand, we concentrate on outbound market or foreign market. Outbound market includes Hong Kong, Singapore, China, Nigeria, America and European Countries because these countries are our current customers and

have high purchasing power. In doing so, we would like to keep a strong relationship with our regular customers and offer them with our best support with the alternative way of using Internet as a new medium for buying and exchanging some information between buyers and seller.

### Demographic Segmentation

ManShirts.com considers various sub-segmentations for demographic factor. We are sure that consumers at different places have different needs in buying products. Demographic segmentation will be beneficial for our web site, services selection, and web contents of our target group. Income segmentation will be considered in order to know the purchasing power of the customers. It will be beneficial for selecting the services and products for e-commerce and pricing strategy. The functions are as follows:

- (a) Large Population Area: At this stage, we may first focus more on outbound market. The countries such as America, European Countries, China are populous country so our target market is larger and more desirable. Our target markets are companies that have their own market in those countries because they can rapidly generate and expand the market and increase demand.
- (b) Financial Status: We have to make sure that our customers should be trust-worthy in terms of their financial status that we can do the business with.
- (c) High GDP Growth: GDP especially in America and Europe are high, so it has purchasing power and sales potential.

### Target Market

From the market segmentation mentioned above, we decide to target company (B2B) in Hong Kong, Singapore, China, America, and European Countries. The reason that we concentrate on B2B market is these company are merchants who know the



market areas and have their own customers. They may have more opportunities in dealing the business. In the long run, we would like to promote our products to other countries other than that already mentioned.

### **4.3 Marketing Mix**

Every business organization, whether manufacturing products, retailing or providing a service, has a marketing mix. Many production-orientated organizations do not realize that they have a marketing mix and therefore do not plan or devise strategies to gain maximum return for the business. Marketing mix is one of the essential concepts in modern marketing and is very simple to understand.

Marketing mix can be defined as a set of controllable marketing variables that a firm can plan and use to influence the buyers' responses towards the company's products or services. In a free market economy, we cannot force people to buy our products. All we can do is to understand their needs and wants and plan our offerings in such a way that it will attract buyer towards purchasing our products or services rather than choosing what competitors have to offer.

The marketing mix consists of the marketing strategies that ManShirts.com can do, and the decision that are in our control. There are four approaches of marketing mix for delivering strategy including product, price, place and promotion. The marketing strategies of ManShirts.com include the following marketing mix:

#### **Product**

The products of ManShirts.com are men's shirts that are made of high quality raw material. We offer our customers with variety style of men's shirts which include modern style, casual style, dress style and etc. As we are the designer of shirts, the customers will face a new design in trend of fashion in every style of men's shirts. ManShirts.com has varieties in different shapes and unique in styles.

Before the product is delivered to the customer, it will be wrapped with high quality package. This packaging service will make customers feel assured in the delivery system.

#### Price

Pricing policy is one of the key marketing tools and must be established in the context of a company's overall marketing strategy. ManShirts.com uses market-oriented pricing strategy to setup the products' price. In doing so, costs and profitability are considered but the primary basis for setting price is the elasticity of demand; how reactive customers are to change in prices. In addition, we also use one specific form of marketing-oriented price that is called Penetration Pricing. This involves setting our price below competition in order to stimulate an increase in demand and to achieve high market share in a short term. We have considered that this pricing policy is suitable for our company since we have price advantage and we ensure high quality products at medium price ranges.

#### Place

ManShirts.com is a cyberspace business. In order to gain the market share, we get our products to the target group of customers by receiving the order through a fax or mail and then distribute the products to customers by charging the delivery fee depending on distance. If the customers are outside Bangkok or in foreign countries, the delivery service of UPS or FedEx will be used but it's depend on our customer to choose their own delivery service. We manage distribution channels as we had the responsibility to ensure that the product is efficiently distributed to reach the consumer at the right place and at the right time.

#### Promotion

#### Advertisement:

Advertising can be defined as a one-way, non-personal presentation and promotion of ideas, goods and services. Advertising is an indirect form of communication in that it takes place outside the immediate environment of the product or service. That is, the message is communicated to its target audience through the use of mass media, and the receiver is not in contact with the physical product and service.

However, Advertising has an advantage to ManShirts.com in the sense that we have to communicate with very large number of potential customers who may be geographically dispersed locally, regionally, nationally or internationally. In order to communicate with these people, we cannot use personal and direct contact, but have to rely on advertising. To promote ManShirts.com, we will use the following advertising strategies:

(a) Online Advertising

Online Advertising has both advantages and disadvantages when compared to advertising in traditional media, such as television, radio, and magazines. The biggest advantages are ability to target narrow segments and to track performance of advertisement in most real-time. The primary disadvantages of online advertising are concerns about its cost versus its benefits as well as how to adequately measure its results.

ManShirts.com sees both advantages and disadvantages so we select the most suitable methods of online advertising as described below:

(1) Banner

ManShirts.com will select the banner swapping and banner exchange method to use in advertising strategy. Banner swapping can be arranged among firms allowing each firm to have its banner displayed on other

affiliate sites without any payment. In addition, we also try to exchange the banner among the firms without any additional cost.

(2) Search Engine

ManShirts.com will register in search engine such as Google.com, Yahoo.com, Sanook.com, etc. Search engine will be useful to our cyber shop because when most shoppers are looking for a specific product or service, they will probably use search engines. These shoppers are looking for information and often intending to buy.

(b) Direct e-mail marketing

E-mail marketing is one way of sending message directly to interested users online. Direct e-mail marketing has proven to be one of the most effective forms of marketing communications. And the key to effective direct e-mail marketing is “interested users”. ManShirts.com would pay for the list of names who are interested in men’s shirts business and send e-mail to all the name’s list. In doing so, we have to pay for buying the list of names, however, there are a lot benefit in turn such as saving cost from sending too many e-mail to non target group, the short time to reach the target market, and high response rates. We expect to increase our sales by using e-mail to communicate directly with both existing and new customers.

(c) Uniform Resource Locator (URL)

To do business online, URL name recognition is an important factor for surfers and e-shoppers. We will print our URL in every type of documents and products. In addition, we will provide our URL in the leaflet and distribute at exporting events.



#### **4.4 Competitor Analysis**

Every business has competitors and prospective business owners ignore the competition at their risk. The competition faced by the firm and the extent to which an entrepreneur can combat competitive forces are important determinants of commercial success.

A competitor analysis is an important requirement in our business plan because it reveals the firm's competitive position in the cyberspace, assists us to develop strategies to be competitive and satisfies the needs of funding agencies to determine commercial feasibility based on current and prospective competition, and how the firm intends to face that competition.

Direct competitors are e-commerce businesses which are already on the web offering wholesale shirts that are largely the same as ManShirts.com. These companies are the most worrisome since they have first mover advantage and, presumably, a reputation in the cyberspace that we have to confront.

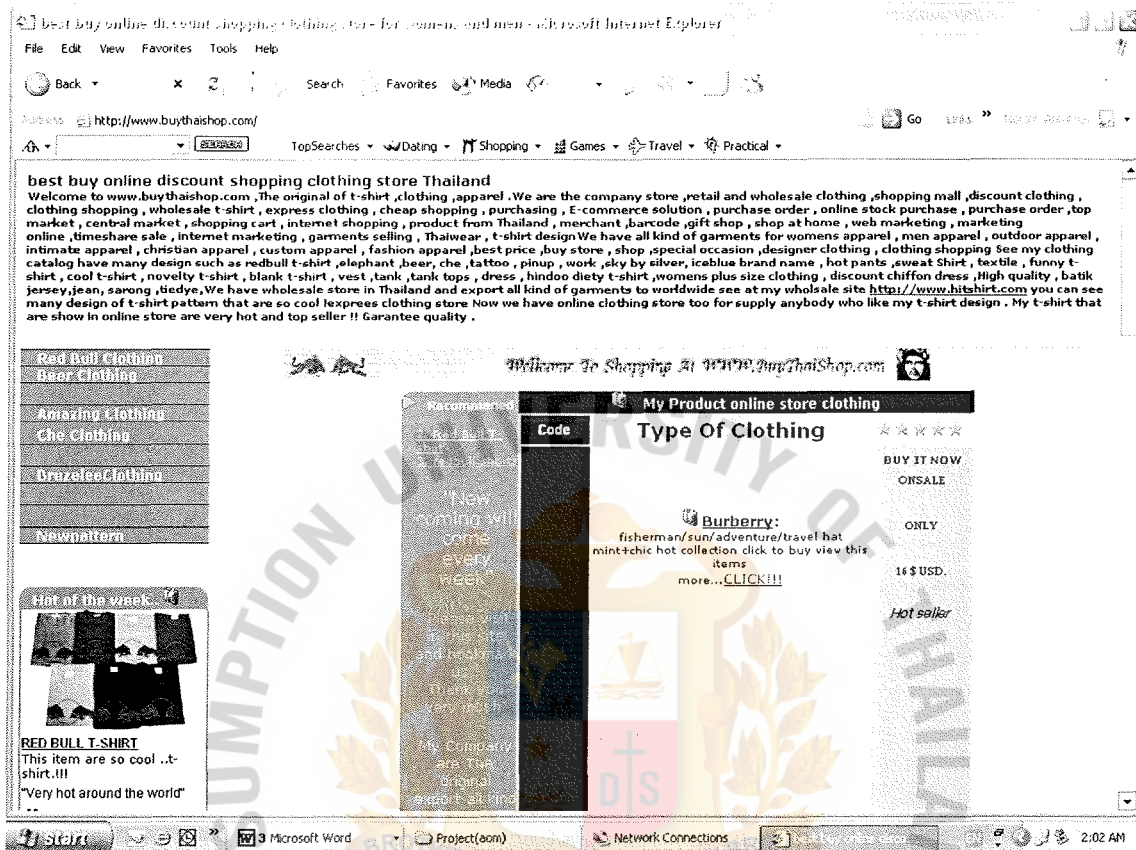
Indirect competitors are also on the web offering only retail shirts. These can be a threat especially if their offerings are significantly cheaper, better or more convenient to access than our web site.

In wholesale shirts business, there are a lot of competitors come into play. The reason is that this business has high value added to the products or high profit margin.

We try to implement the strategy involves ManShirt aiming to be the lowest cost producer within the wholesale shirts industry. ManShirt aims to drive cost down through all the elements of the production of the product from sourcing, to labor costs. The cost leader usually aims at a broad market, so sufficient sales can cover costs.

The analysis of the Thai competitors' website:

<http://www.buythaishop.com>



\* Figure 4.1. Competitor's Website (1). \*

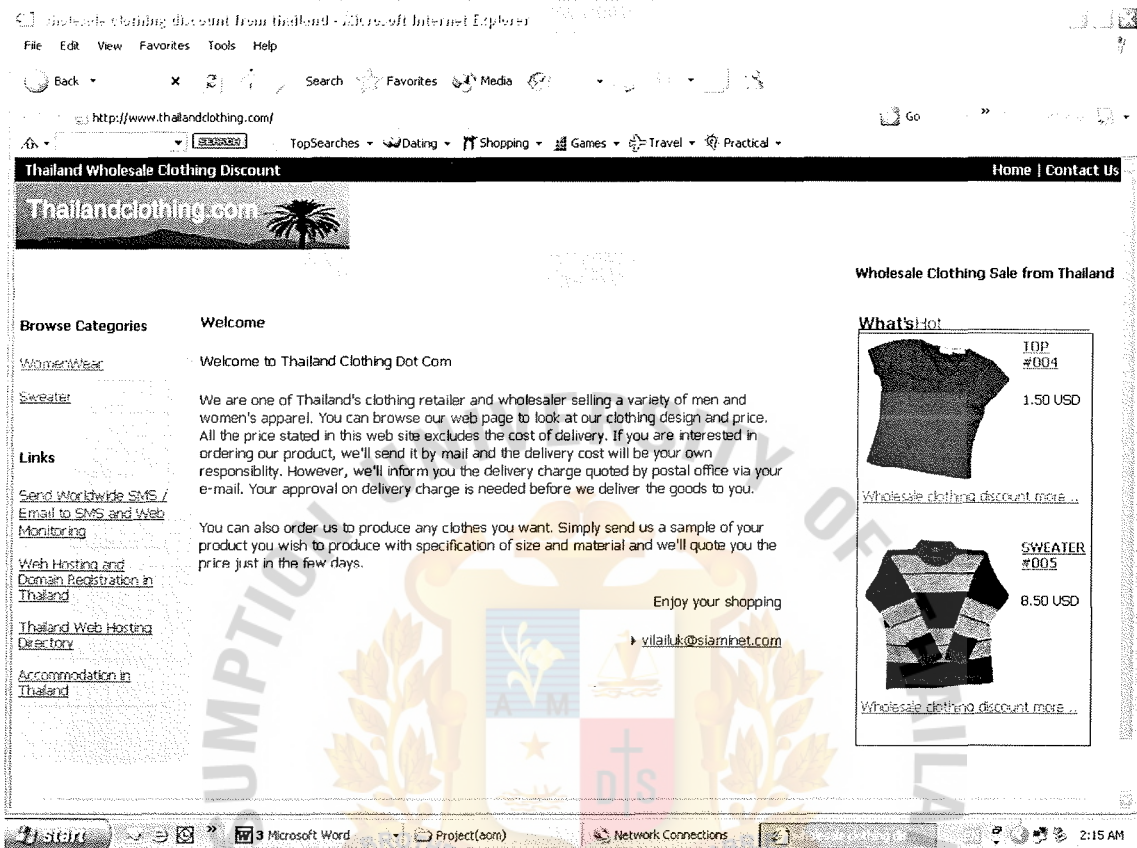
#### Advantages:

- (1) Provide a variety of products such as shirt, t-shirt, hat, and etc.
- (2) Easy and clear to view photos.

#### Disadvantages:

- (1) The design of the web is simple.
- (2) Since there are many categories of products, it is quite complicated to go into each category.

<http://www.thailandclothing.com>



\* Figure 4.2. Competitor's Website (2). \*

#### Advantages:

- (1) The web page is simple and easy to view.
- (2) There are varieties of product lines on the web.

#### Disadvantages:

- (1) The website is too simple which is less attractive to viewer.
- (2) Less pictures on one page.

#### 4.5 Payment Method

Even though payment is also easy, paypals, or online credit cards use allows for easy payments. However the downside to this is internet fraud, which is growing rapidly around the world. So ManShirts.com decided to provide 2 traditional method of payment, which are C.O.D. (Cash or Money Order on delivery via FedEx Ground) and Money transfer.

In the first year, ManShirts.com uses the traditional way of payment. The customer can transfer money through our bank account and send transfer evidence to ManShirts.com. In the future, we're expected to contact with a bank and implement our payment method by offering online payment via Visa and Master Card.

These are the payment options you will find at check out:

- (a) C.O.D. (Cash or Money Order on delivery via FedEx Ground)

This is one of the most convenient, secure and expeditious payment options. If this is the first time that you place an order with us, we will need to charge your credit card for the shipping costs, before sending the C.O.D.

- (b) Money transfer.

Get an additional 2% discount on your order total by selecting this option!!

Make your Money transfer and send transfer evidence to us at:

ManShirts Shop

56/243 Rachdamri ,BKK 10785 Thailand

Pending receipt of money orders we will set aside inventory for four (4) business days.



#### 4.6 Associated Risk

(a) Risk from Order being Refused

The risk of refused order by the buyers is possible, in case that they order the product but not make any confirmation for the order. The way of protection is to verify the order before making the ordering by getting confirmed purchased order document before proceeding via phone call or e-mail.

(b) Hardware Breakdown Risk

Hardware breakdown is notorious and creates uncertainty in customer's minds. ManShirts.com needs to prevent this by using reliable hardware with back up solution such as redundant servers including web servers and database servers. The location of these servers should be placed in remote places from each other to ensure loss free from natural destruction.

Network protection such as firewall, intruder detection and virus protection are important to prevent systems from computer attacks even unintentionally or intentionally from unauthorized party.

#### 4.7 Financial Analysis

(a) Estimate major income

ManShirts.com expects to sell our products by setting sale target on the second and third year with the business growth of 25% and 50% respectively (from historical data).

(1) First Year

(a) Sales (per year) 3,600 dozens x 1,150฿ (average price of product)

(b) Total Income = 4,140,000฿

(2) Second Year

(a) Sales (per year) 5,400 dozens x 1,150฿ (average price of product)

(b) Total Income = 6,210,000฿

(3) Third Year

(a) Sales (per year) 7,200 dozens x 1,150฿ (average price of product)

(b) Total Income = 8,280,000฿

(b) Initial Investment

(1) Investment Cost (Initial Investment)

Table4.1. Investment Cost (Initial Investment).

Initial Investment Cost	Baht
Hardware	70,000
Software	90,000
Leased line & hosting installation	15,000
Miscellaneous	20,000
Total investment	195,000

(2) Operating Cost

Table4.2. Investment Cost (Operating Expense).

Operating Expense (per year)	Year 1	Year 2	Year 3
<b>Fixed Cost</b>			
Hosting & Domain Name	12,000+1,100	12,000+1,100	12,000+1,100
Fee Expense	= 13,100	= 13,100	= 13,100
Rent Expense	120,000	120,000	120,000
Administrative Expense	192,000	192,000	192,000
Utility Expense	36,000	36,000	36,000
Advertising Expense	15,000	15,000	15,000
<b>Variable Cost</b>			
Transportation	24,000	26,600	28,400
Labor	288,000	288,000	336,000
Total Expense	688,100	690,700	740,500

(3) Production Cost

ManShirts.com has mark up on the product price by 20% of product cost.

So, the product cost is 920Baht per dozen (average cost of products)

(c) Estimate income statement (3 years)

ManShirts.com plans to sell products by setting sale target and we estimate our business growth to be 30% in the second year and 50% in the third year respectively.

Table4.3. Income Statement for 3 years Planning.

<b>Income Statement</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Sale Target (Dozen)	3,600	5,400	7,200
Income	4,140,000	6,210,000	8,280,000
Cost of Goods Sold	(3,312,000)	(4,968,000)	(6,624,000)
Total Income	828,000	1,242,000	1,656,000
<b>Expenses</b>			
<b>Initial Investment</b>	195,000	-	-
<b>Fixed Cost</b>			
Hosting & Domain Name Fee	12,000+1,100	12,000+1,100	12,000+1,100
Expense	= 13,100	= 13,100	= 13,100
Rent Expense	120,000	120,000	120,000
Administrative Expense	192,000	192,000	192,000
Utility Expense	36,000	36,000	36,000
Advertising Expense	15,000	15,000	15,000
<b>Variable Cost</b>			
Transportation	24,000	26,600	28,400
Labor	288,000	288,000	336,000
<b>Total Return</b>	(55,100)	551,300	915,500

According to the income statement above, ManShirts.com can gain profits from this new marketing channel in the first year plan. We use this website as a communication media to create awareness, company image, and trust to our customers.



(d) Break-Even Point

One of the most common tools used in evaluating the economic feasibility of a new enterprise or product is the break-even analysis. The break-even analysis is the point at which revenue is exactly equal to costs. At this point, no profit nor loss is incurred. The break-even point can be expressed in terms of quantity or sales. That is, the break-even units indicate the level of sales that are required to cover costs. Sales above the number result in profit and sales below that number result in loss. The break-even sales indicate the gross sales required to break-even. Based on the analysis, ManShirts.com has to sell about 5,043 dozens of product for 5,800,000 Baht to meet break-even point. At this point, there is neither profit nor loss. Figure4.3 illustrates the break-even point of ManShirts.com.

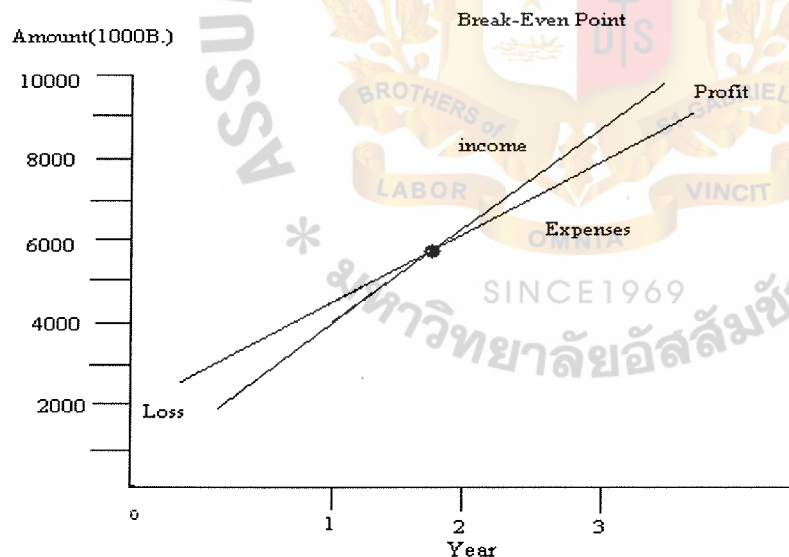


Figure4.3. Break-Even Point.

## V. WEB DEVELOPMENT AND DESIGN

### 5.1 Hardware and Software Requirements

#### (a) Hardware Requirement

The list of all hardware below is used to create prototype of ManShirts.com:

Table5.1. Hardware Specification.

Hardware	Specification
CPU	Intel Pentium IV Mobile CPU 1.40 GHz
RAM	112 MB
Hard Disk	18.6 GB
CD ROM	Samsung CD-ROM SN -124
Floppy Disk	1.44 MB
Modem	Lucent Technologies Soft Modem AMR
Printer	Canon Image Class MPC 190
Scanner	Canon Image Class MPC 190
Network Adaptor	1394 Net Adapter, Realtek RTL 8139 Family PCI Fast Ethernet NIC

(b) Software Requirements

Table5.2. Software Specification.

Software	Specification
Web Server	Microsoft XP Pro Server
Server-side Scripting Tool	Apache Version 1.3 (PHP)
Web Development Tool	Dreamweaver MX
Graphic Tool	Adobe Photoshop Version 7.0



## 5.2 Building a Product Catalog

E-Commerce systems involve three basic functions: Displaying a product catalog, allowing customers to browse through the product catalog and allowing customers to view and choose items from the product catalog

Due to the importance of product catalog, it is considered as a channel that can generate revenue to online merchants. Therefore, product catalog design should be planned and implemented carefully in order to attract all potential customers and generate sales volume.

Most of the customers who visit an online shop usually look through the product catalog and look for any products that they like to buy. Figure 6.9 displays the site map of ManShirts.com





## VI. MANSHIRTS.COM WEB SITE

### 6.1 Site Structure

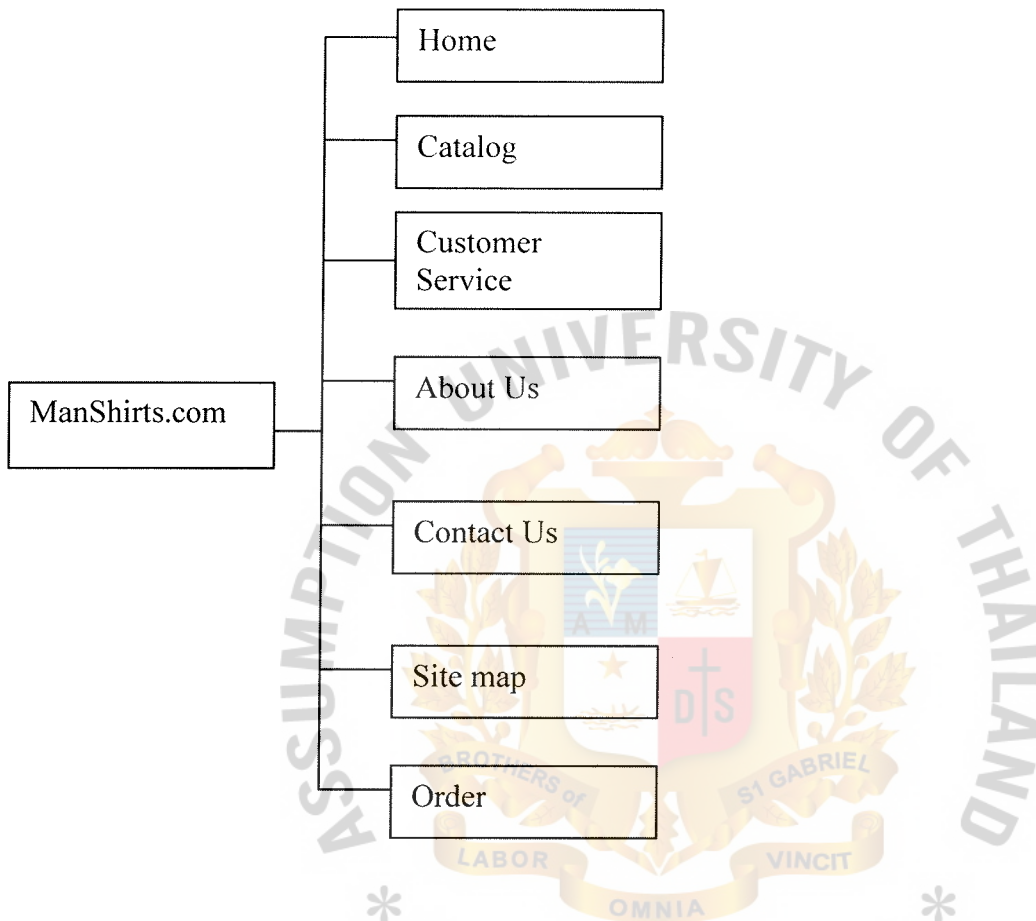


Figure 6.1. Site Structure.

## 6.2 Web Content

After creating web structure, we have to design and create web content which will appear in each page. The following are web contents of each page.

### (a) Homepage

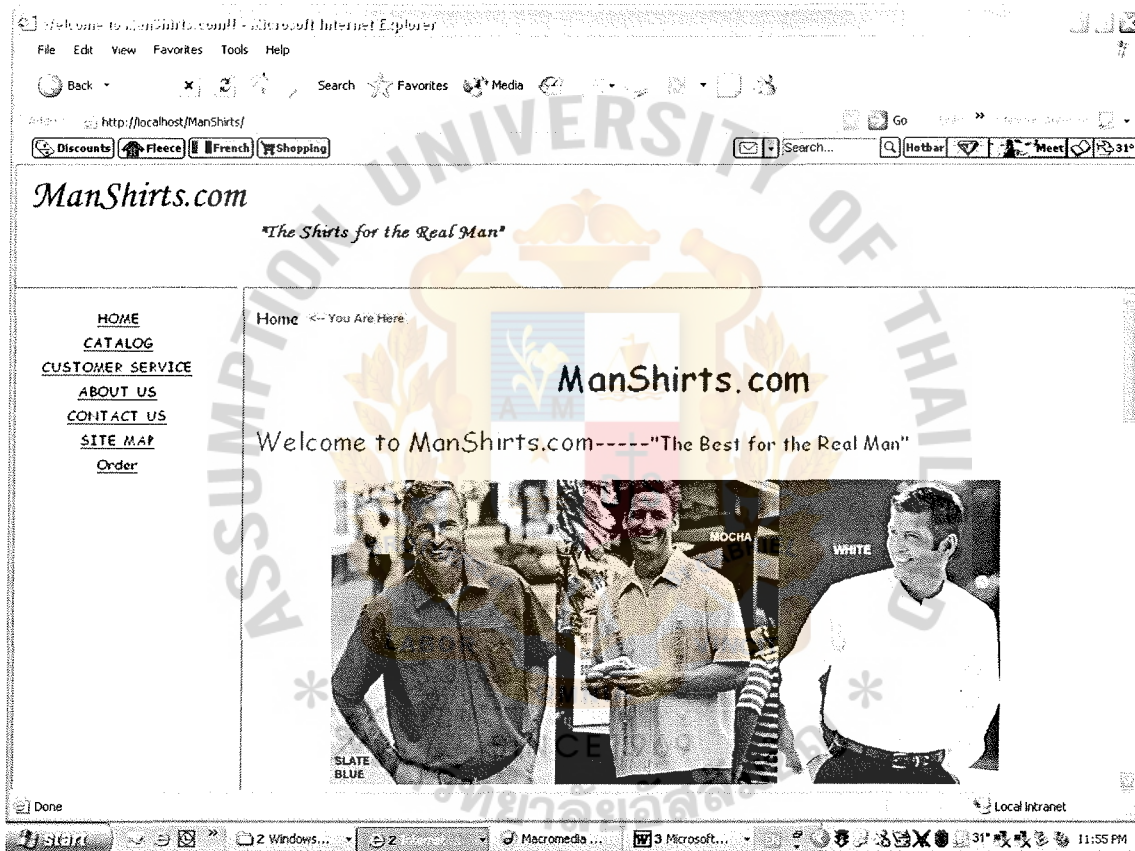


Figure 6.2. Homepage.

(c) Catalog

ManShirts.com provides 3 pages of catalog.

Catalog 1

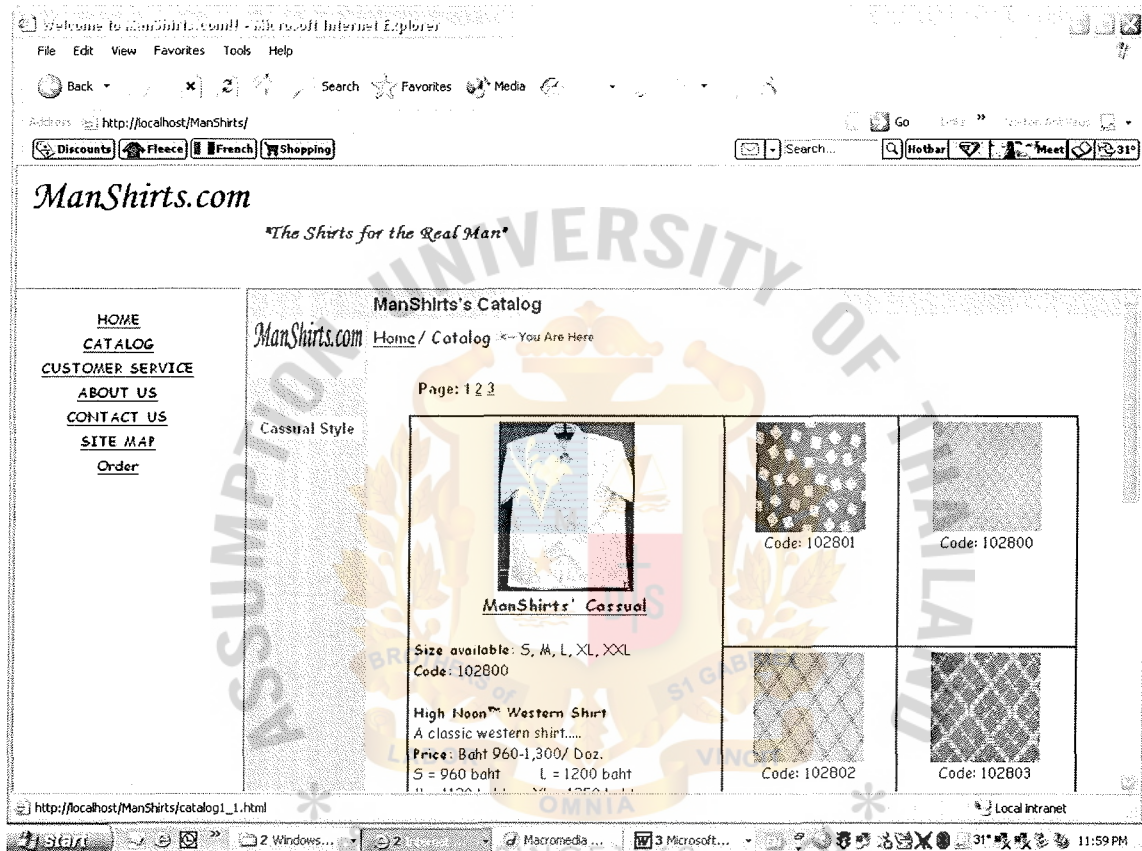


Figure6.3. Catalog 1.

## Catalog 2

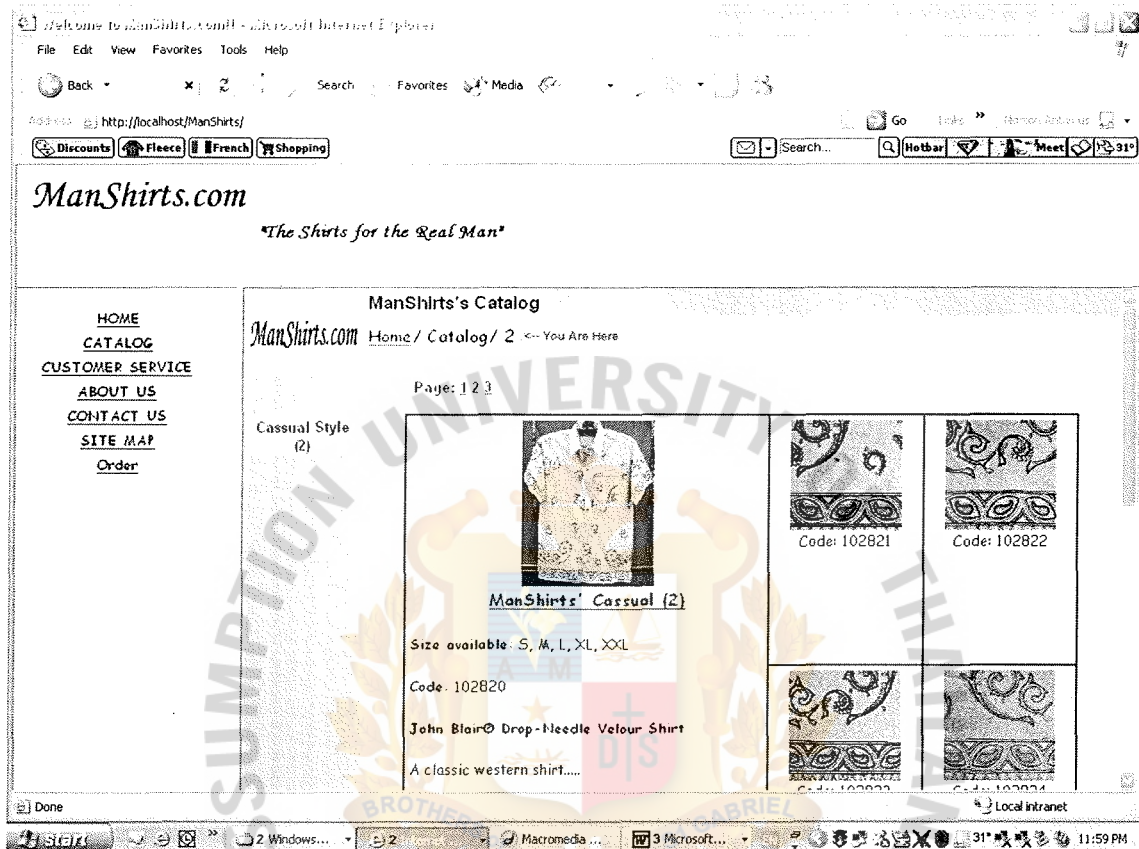


Figure6.4. Catalog 2.



## Catalog 3

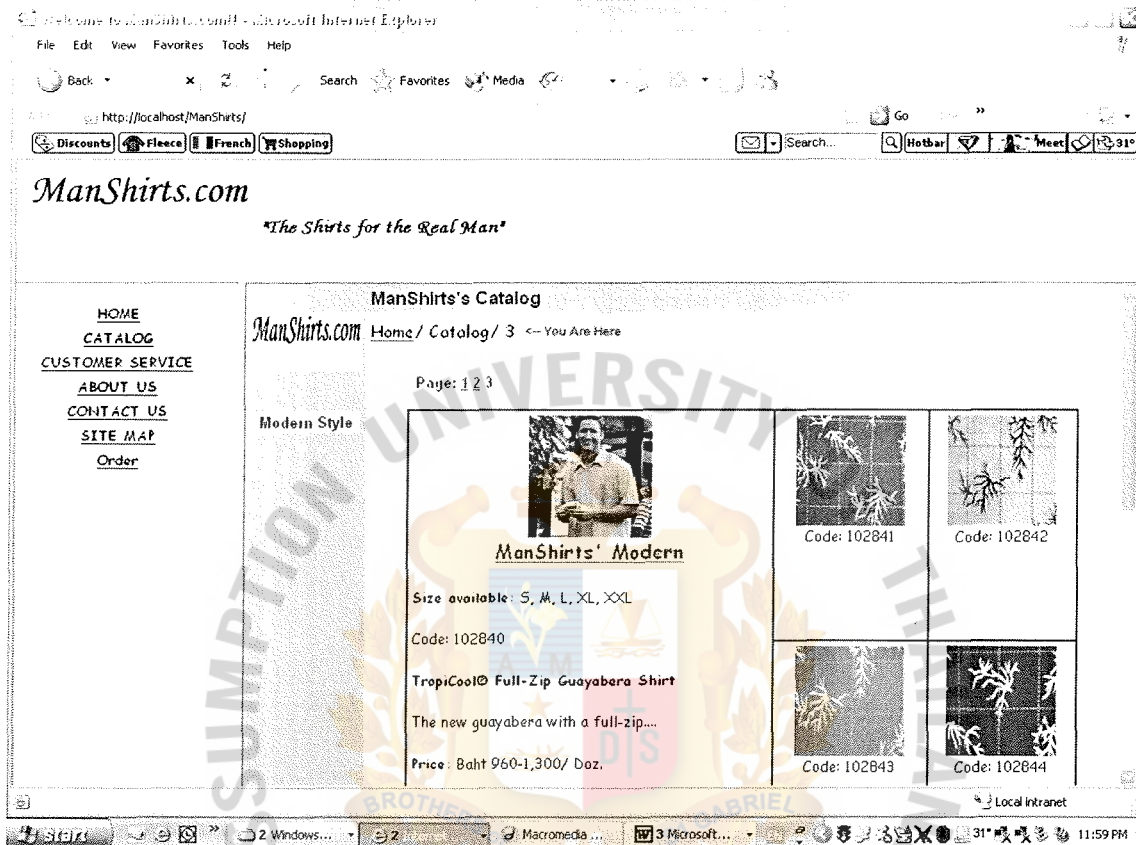


Figure6.5. Catalog 3.

(d) Customer Service

ManShirts.com provides customer service page for our customer to view if they have any problem of our site.

Customer Service

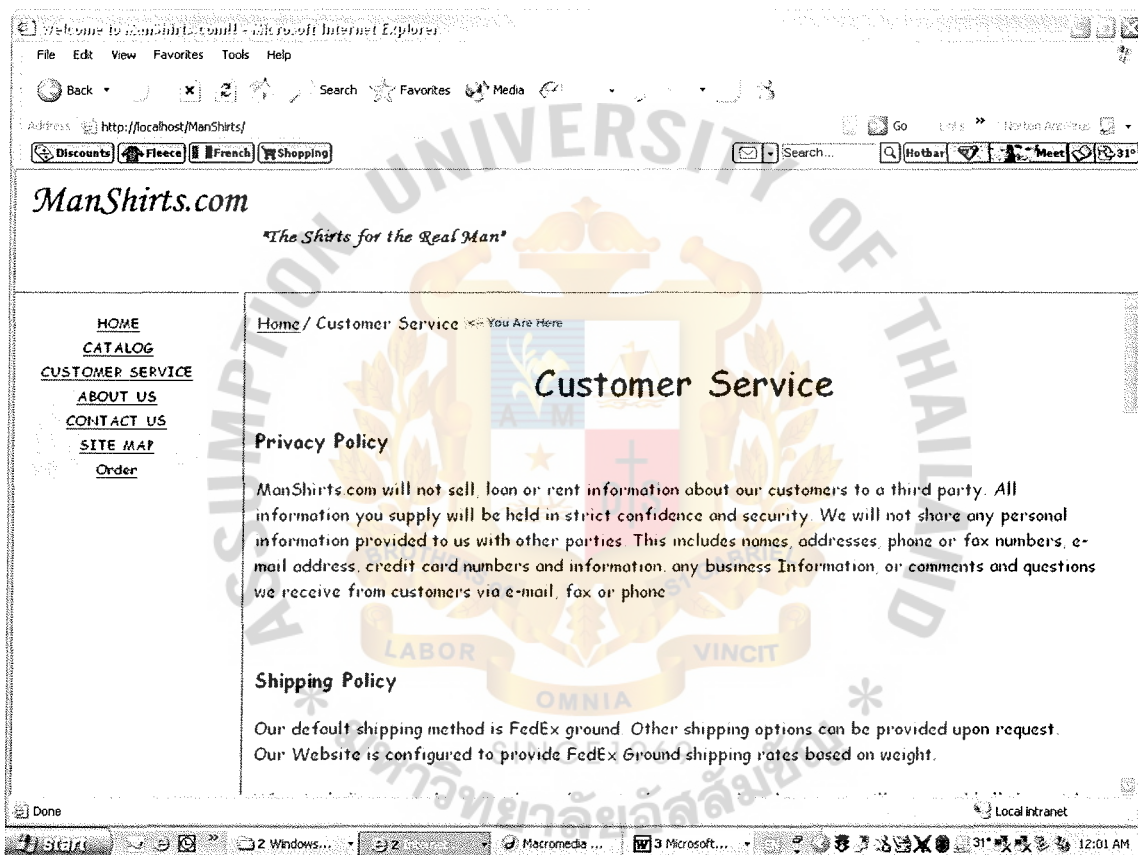


Figure6.6. Customer Service.

(b) About Us

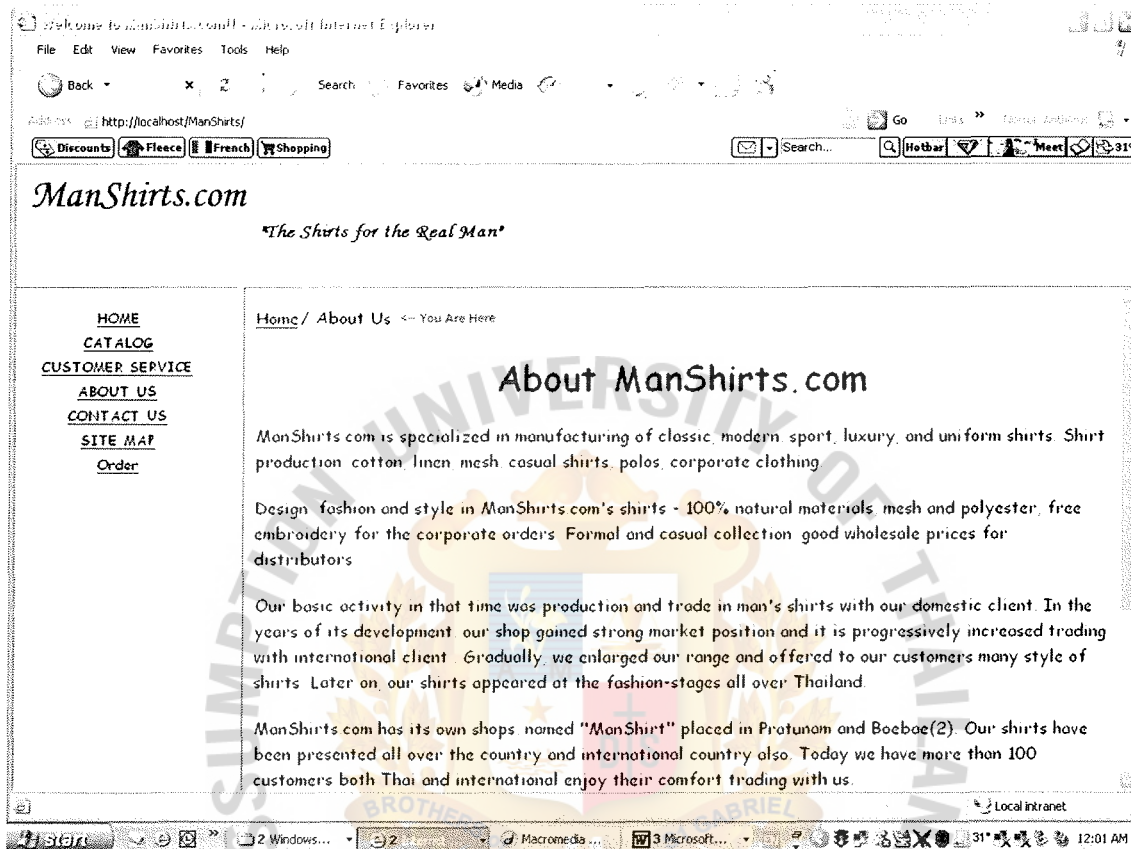


Figure 6.7. About Us.

(f) Contact Us

ManShirts.com has provides information for our customer if they want to contact us.

Contact Us

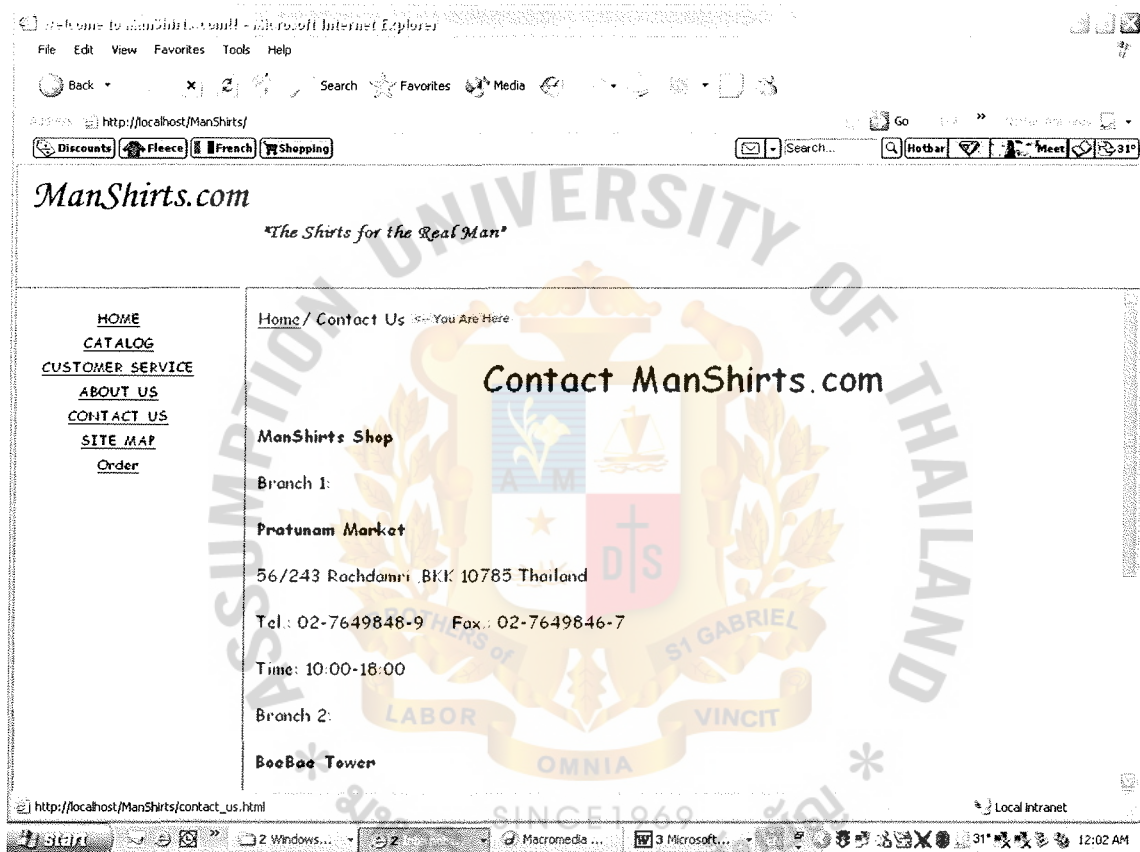


Figure 6.8. Contact Us.



(g) Site Map

ManShirts.com has provides Site map for our customer so they can go and find the page they want easily.

Site Map

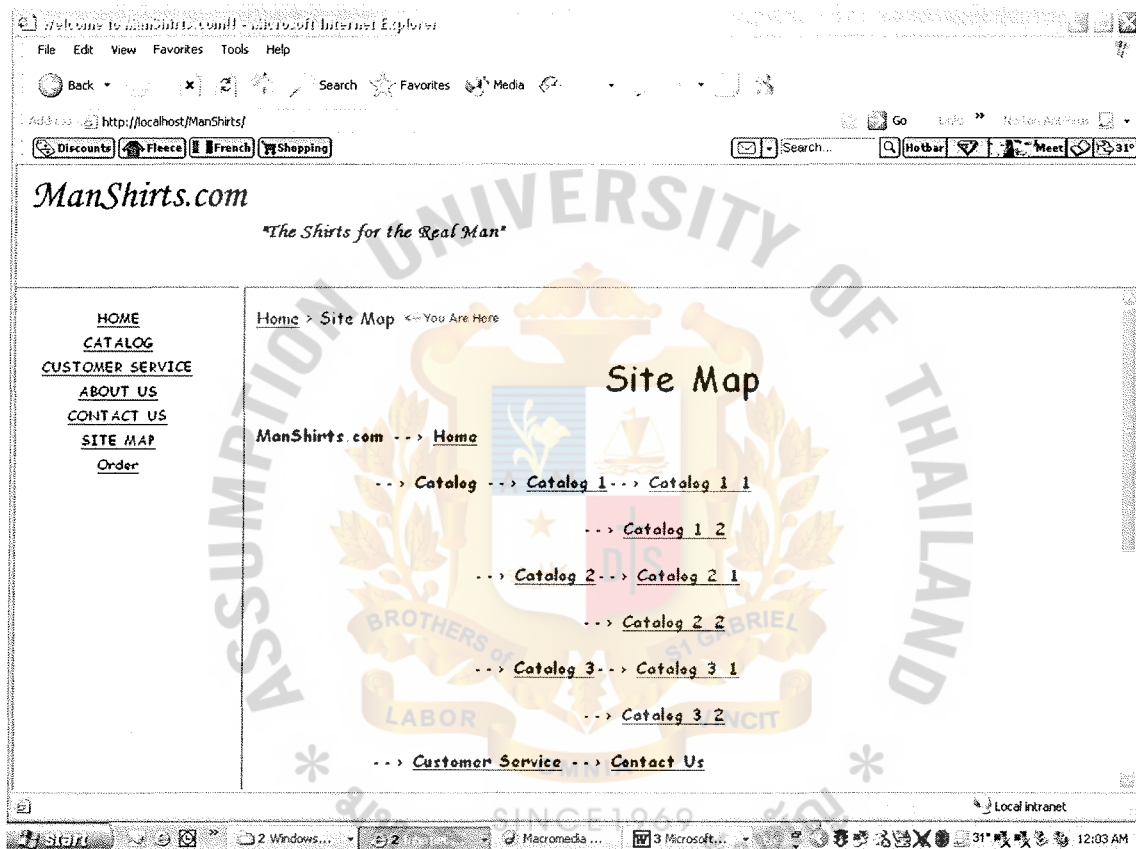


Figure 6.9. Site map.

(c) Order

Customer can choose the product from this page.

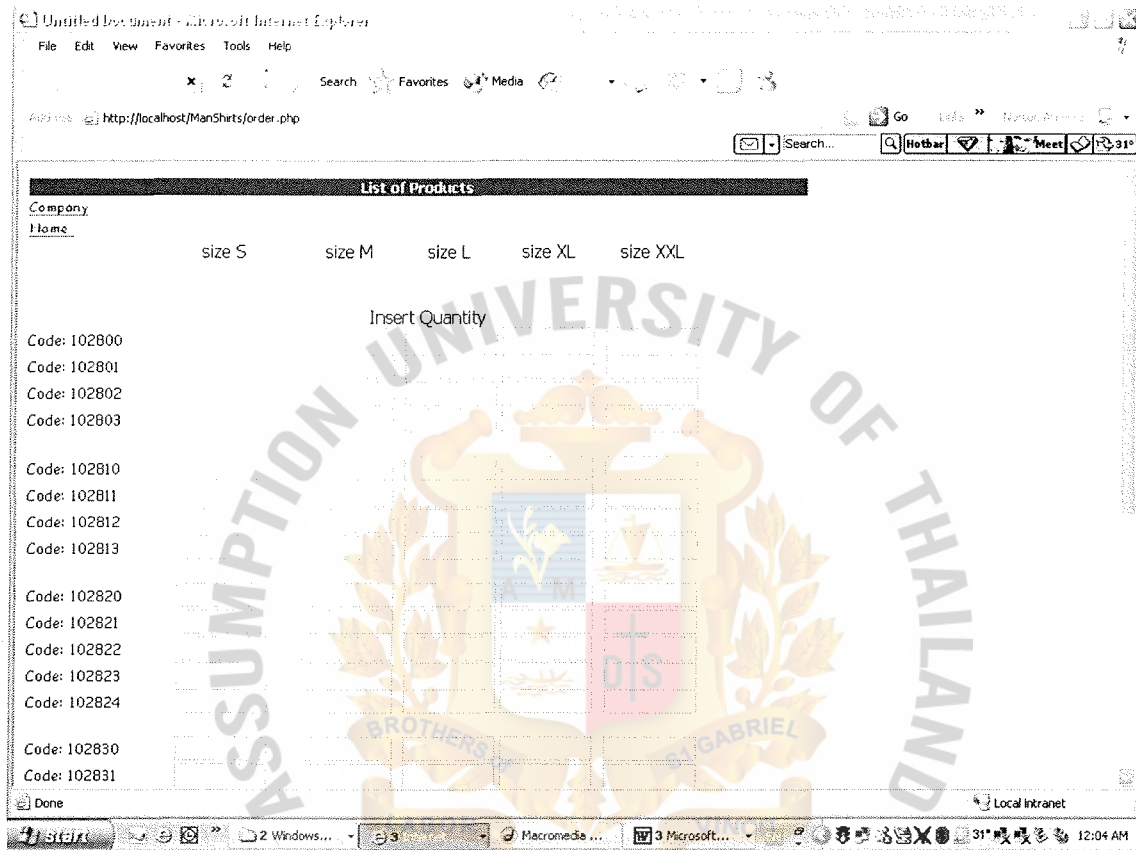


Figure6.10. Order.

## VII. CONCLUSIONS AND RECOMMENDATIONS

### 7.1 Conclusion

ManShirt has the ability to produce a bulk quantity of shirts in a short time because we own a factory. Our main product categories are men's shirts which can be produced for our customers to resell. We have several items and models to fulfill the market needs. Our target markets are B2B (Business to Business) including Thai and foreigners, especially foreigners who are in wholesale shirts business.

A web site of ManShirt Shop (ManShirts.com) has extended from the physical store can be a relatively inexpensive way to gain exposure to millions of people, keep customers informed of new product offerings. Our main purpose of having ManShirts.com is to promote our shop and enable our customer to select the product easily.

ManShirts.com web site is designed by using Macromedia Dreamweaver MX. The web site consists of 7 main pages which are Homepage, Catalog, Customer service, About Us, Contact Us, Site Map and Order.

In order to implement this project, we also have done the competitors analysis which we have both direct and indirect competitors. So we try to implement the strategy involves ManShirt aiming to be the lowest cost producer within the wholesale shirts industry. ManShirt aims to drive cost down through all the elements of the production of the product from sourcing, to labor costs. The cost leader usually aims at a broad market, so sufficient sales can cover costs.

ManShirts.com sets its price below competitors in order to stimulate an increase in demand and to achieve higher market share in a short term. In addition, we have considered the elasticity of demand; how reactive customers are to change in prices.

One of the most common tools used in evaluating the economic feasibility of a new enterprise or product is the break-even analysis. Based on the analysis, ManShirts.com has to sell about 5,043 dozens of product for 5,800,000 Baht to meet break-even point. According to the financial analysis part, our company will reach the break-even point in the second year operation with the continuous growing income from sales volume.

Our customers can pay for our products by transferring money through our bank account and sending transfer evidence to ManShirts.com.





## 7.2 Recommendation

ManShirts.com makes use of internet opportunity to develop and expand its business growth. This kind of marketing tool needs low investment cost if we compare with the traditional media. After we have created our website, we need to manage it to attract and keep the customers coming back. Also, we set up some plans in order to increase the efficiency and effectiveness of our web site by considering the following:

- (a) Develop Interactive catalog and payment online. So our customers can order and make payments via the web.
- (b) Increase new product categories and new product designs to our web site.
- (c) Exchange our banners with other sites to create more awareness.
- (d) Keep the customers' information and e-mail address, and send news or useful information or greeting card to our regular customers in order to create a good relationship with the customers.

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