

**National Cheng Kung University**  
**Institute of International Management**  
**Service Operations Management**

**Final Assignment**

**Online Shopping – Unimall**



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## EXCUTIVE SUMMARY

During the past years, 7-ELEVEN Taiwan has created many new innovative services to create the revenue such as the iCash Card, ibon Kiosk, t-cat express service, books.com and the Japan Ichiba online shopping web site. In order to expend the coverage and increase its revenue, 7-ELEVEN Taiwan is not only focusing sales from the chain stores but focus on the online website by creating 7 sales channels on the web with 10 different services for online customers. After setting up the powerful POS system, 7-ELEVEN Taiwan has created a powerful online order platform. On April, 2010, Mr. Hsu, the President of 7-ELEVEN Taiwan has announced in the public that “The strategy for 7-ELEVEN this year will more focus on the real and online stores integration”. (盧諭緯, 2010) The model of “Net Store” will be highly focused and the “net function” then adds on the top of the 7-ELEVEN chain stores to combine as a platform. This platform will create an over thousand of the product lines in their online stores to overcome the limitation of the store space.

The purpose of this report is to conduct a research to analyze the e-commerce website of 7-ELEVEN Taiwan through the concepts of “Lovelock’s Flower of Service” and the six criteria for evaluating Web pages developed from “Teaching undergrads WEB evaluating: A guide for library instruction.”

(Kapoun, 1998) to find out if the current 7-ELEVEn e-commerce website can meet the expectation.

Need to tell the reader what you have done as well as what you found.

The LoverLock's Flower of Service, the information, order-taking, billing and payment were used to evaluate how the unimall website operates.

The important of the quality dimensions in "E-S-Qual" by Prof. Parasuraman were also used as the criterion to evaluate the Unimall website in the assignment.



## **SECTION 1: INTRODUCTION**

Uni-President Enterprises Corporation, an international food conglomerate based in Tainan Taiwan, is the largest food production company not only in Taiwan but also in Asia. Uni-President Enterprises Corporation covers the supply and production on the dairy product, beverages, snack foods, instant noodles. According to the corporate web site, the whole corporation reached the revenue of NT\$46.025 billion back in year 2007 with 4,994 employees worldwide. Furthermore, Uni-President Enterprises Corp. also owns the Uni-President Lions, the professional baseball team in Taiwan, the Dream Mall, the largest shopping mall in southern Taiwan and the largest shopping mall in East Asia with 2,300 stores and parking capability for 3,561 cars. Uni-President Enterprises also owns the 290 of the “COSMED” pharmacy stores, the book.com.tw online book/music online store in Taiwan. Moreover, the Carrefour Hypermarket Chains in Taiwan is also operated by the Uni-President Enterprises Corp. in Taiwan.

Not only that, Uni-President Enterprises Corp. raised a total of NT\$190 million to established President Chain Store Corp in Taiwan in year 1979. The first 7-ELEVEN store was established in the following year of 1980 in Taipei city. 7-ELEVEN, today, becomes the most popular convenience chain store in

Taiwan with more than 4,900 stores operating in the island and becomes a part of life for most people living in Taiwan. According to the ACNielsen report, there are about 80 percent of Taiwanese go to convenience store a minimum of four times per month, and the overall average is 14 times per month per person. (Hsu, 2009) 7-ELEVEN stores become more close to the daily life for consumers and people become more rely on the services provided by the 7-ELEVEN stores.

Since year 2000, 7-ELEVEN in Taiwan started its e-commerce service by creating an e-commerce platform called 7-ELEVEN e-stores. There are 185 of the electronic stores can be found on 7-ELEVEN's website in 7 different categories which including Travel, 3C products, Book/Music, Emporium, Cosmetics, Clothes and Online Services. The online shoppers can order online then pay and pick up the goods at a pointed 7-ELEVEN convenient store in Taiwan. The major reason for the Uni-President Enterprises Corporation to create this platform is to create more the "store within store" selling strategy to create more selling volume. In September, 1992, the group set up its first category department and then the Uni-Category Corporation in year 2005. Until year of 2003, the Uni-Category Corporation finally merged with the Shopping 7 in Taipei city, Taiwan as a subsidiary of the President Chain Store Corp.

(PCSC) and become the Unimall online shopping store. The Unimall tries to be the leading-edged retailer by offering the most convenient service and expert the utmost corporate social responsibility (CSR) in Taiwan. Today, Unimall generated 40 percent of the market share from the retail channels with the profit margin of 20 percent back in 2009.

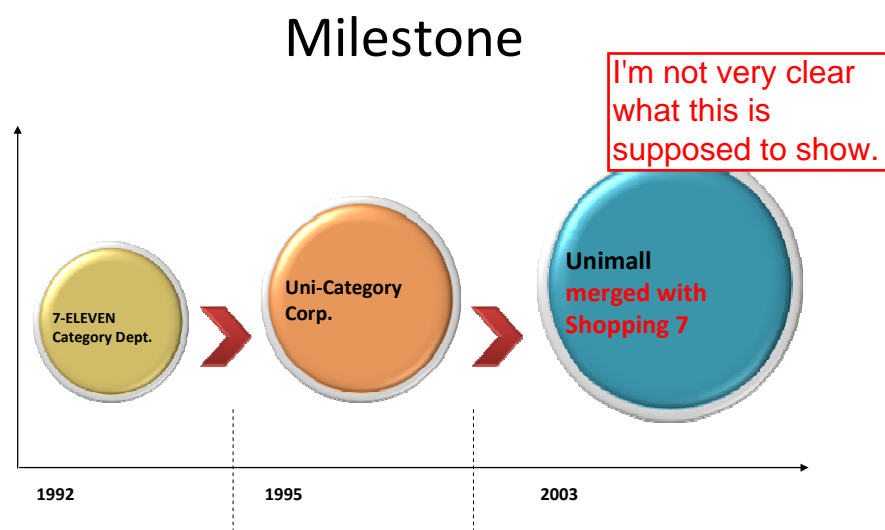


Figure 1: Milestone of Unimall

Unimall online store has its focus as an independent operator of President Chain Store shopping site. This Unimall provides target different consumers group and promote the various product lines for different target groups and this security of online shopping website contains with more than hundreds of thousands of high-quality products, including clothing lines for Women, Children's clothing. This Unimall online store links with the online ordering

thought multiple 7-ELEVEn convenience store channels to be a platform for the “Store within the Store” concept.

## 1.2 SWOT Analysis of Unimall

The following are the SWOT analysis of the Unimall online store.

### Strength:

1. Abundant sales item.
2. Sales promotion combined with experienced marketing
3. The first mover of the online retailer in the market
4. Strategic alliance to benefit cash and logistic flow

### Weakness:

1. Need to increase the male customers
2. Lack of English webpage interface
3. Lack of website map

More detail would be helpful to understand some of the points e.g., about male customers

### Opportunities

1. Expansion for Chinese market
2. One-stop shopping and total solutions for customer needs
3. Growing business opportunities for e-service

**Threats:**

1. Existing competitors, such as Family Mart and Hi-life chain stores.
2. Internet security issue

**SECTION 2: Methodology**

- To analyse Unimall Uniform online store using the concept of Lovelock's Flower of Service concept.
- To evaluate Unimall online website by using the quality dimensions from "E-S-Qual" by Professor Parasuraman.

These seem to be objectives? State the objectives then describe the method.

Incomplete reference.

**2.1: Unimall E-Commerce Service Flower**

**E-Service Flower**



Figure 2: E-Service Flower for Unimall

## 2.1a) Information

- The Unimall online website provides a convenience product search by searching the listed major product categories which including the following.
  - 7 Shop: Including 7-ELEVEN sales items
  - Attirement: including garments of all kinds for female, male and kids
  - Boutique
  - Cosmetics: Including Perfume, Beauty SPA, Skin care products
- The Unimall website provides an easy and simple guideline for registering as a member for free and specific shopping procedures for new customers.
- Most importantly, Unimall set up a strategic alliance with various vendors and suppliers to supply the products and services.

Not important to customers. This is not part of information

## 2.1 b) Consulting through the Unimall interface

- Contact information – Online customers are able to ask questions in the customer service page (FAQ). Customers can check all the order status which includes the current and previous order status.

- **2.1 C) Ordering procedure:** Unimall follows the ordering procedure listed as the figure 3.

a) Available unit price, colors, sizes, **qty** shipping method can be selected and save in the shopping chart for each individual order.

b) Available payment method: Shopper can select to pay from the WebBank, pay on arrival, or at the i-bon at 7-ELEVEN convenience stores.

c) Available shipping method: by delivery directly from the vendor, pick up at the 7-ELEVEN convenience stores, or by t-cat express service.

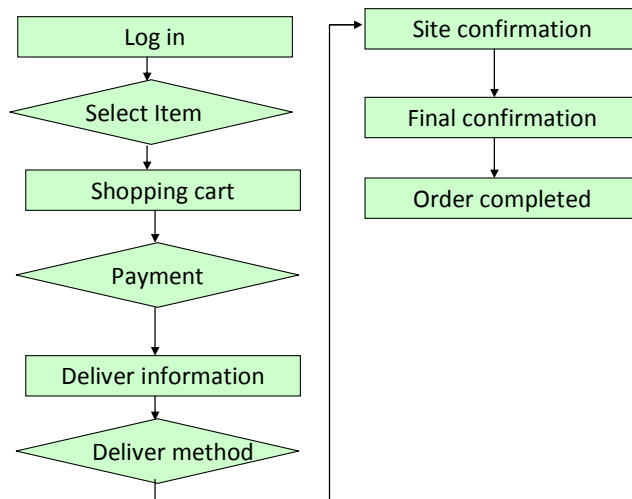


Figure 3: E-Service Flower Ordering Procedure

## 2.1 d) Flexible payment methods

The online Shoppers can select to pay by cash in different method, to pay at the web bank, at ibon inside the 7-ELEVEN convenience stores or pay when pick up from the 7-ELEVEN stores or pay when delivered by t-Cat express. The convenience credit care payment method also is available. Shoppers can chose to pay the total amount at once or pay off by installations payment schedule with Zero interest or certain percentage of the interest charge.



Figure 4: E-Service Flower- Payment selection

### 2.1 e) Safe keeping:

In order to provide more secure protection, Unimall website includes the electronic encryption, SET&SSL, to provide secured protection for the online payment.

Face to face  
payment with cash,  
too

### 2.1 f) Exception

Unimall provides more services in order to satisfied the their online customers such as the

- Post-sales RMA mechanism (Return Material Authorization)
- Tie in sale & hit recommendations
- Warranty terms & conditions
- E-coupon available online

Ok, but brief

## 2.2: Criterion for Measuring Unimall web page quality

The criteria for evaluating websites are based on the 7 dimensions to evaluate E-S-Quality of the Unimall Website. The 7 dimensions include the efficiency, fulfillment, system availability, privacy, responsiveness, compensation and contact.

- **E-S-QUAL** (web site's entire customer base)
- 22-item scale of four dimensions

- **E-RecS-QUAL** (recovery service experience)
- 11-item in three dimensions

**2.2 a) Efficiency** – The Unimall provides an overall friendly interface by embeddedding a powerful search engine, has full speed download, a simple designed and well organized web page.

**2.2 b) Fulfillment** – The Unimall webpage provides a prompt lead-time and sequential feeding logistic for each of the order processing. Moreover, the E-Tracking logistic management system is set up for easy tracking the order status. Unimall keeps their promise to provide the sufficient inventory level for all the promotional products.

Critical issue here -  
does it deliver  
goods as  
promised?

**2.2 c) Holistic function system** – Other than the call center service, the powerful search engine, the sufficient inventory level. Unimall provides confirm the order by e-mail for each order has been process online.

**2.2 d) Privacy** – Unimall always keeps the personal data confidential. Although Unimall corrects and analysis the consumer's online purchasing behavior by the data the Unimall collected from their website. Unimall always keeps the personal detail information, the transactions records and the credit card information confidentially. This privacy protection may increase the confident level for customers to shop online.

**2.2 e) Responsiveness** – Unimall offer the 7 days return policy and the product warranty coverage. Also, Unimall offers compensation if the orders did not delivered or if the online billing system breaks down for the internal issues. ?

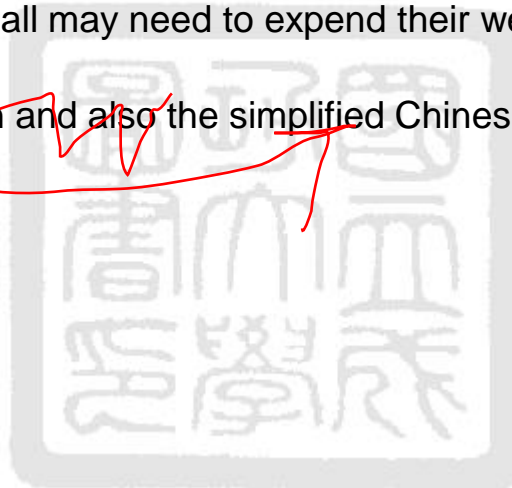
Due to all those causes, Unimall is responsible for all the delay caused by Unimall.

### SECTION 3: Suggestions

1. Safekeeping – The hackers i  
database in Unimall order sy  
for Unimall to increase the le  
not only the personal information but other logistic information.

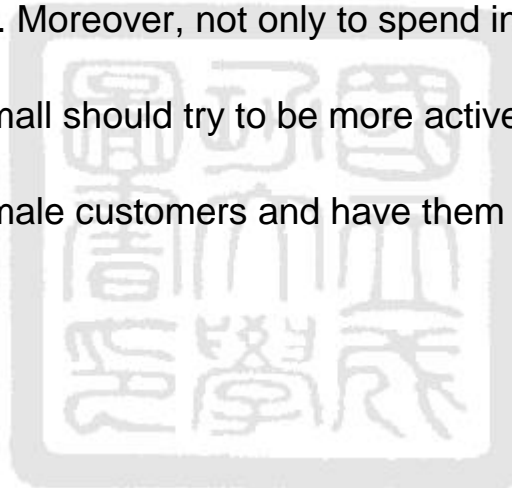
Don't follow how  
this directly relates  
to the issues you  
raise above.  
Suggestions/  
Recommendations  
for improvement  
should build off the  
failures identified.

2. We also suggest Unimall to expand their reach to the market in  
China and Asian pacific for increasing the revenue online. By  
doing so, Unimall may need to expend their webpage with  
English version and also the simplified Chinese version.



## **SECTION 4: CONCLUSION**

Due to the increasing competitors in the market, Unimall may provide a competitive pricing strategy, an aggressive promotional strategy and the alliances with more suppliers or brand name retailers. The call center can provide more services and suggestions for the first time shoppers. For the return/RMA process, Unimall can provide more flexible service by providing more than 7 days return policy. Moreover, not only to spend in the market other than Taiwan, Unimall should try to be more active to reach the coverage for the male customers and have them to shop in the Unimall.



## REFERENCES

Hsu Allen, 4/28/2006 “ Taiwan convenience store chains still growing despite high density. Taiwan Journal

<http://taiwanjournal.nat.gov.tw/site/tj/ct.asp?xItem=21813&CtNode=122>

Kapoun, Jim (1998) Teaching undergrads WEB evaluation: A guide for library instruction.” C&RL News, 522-523

盧諭緯·羅之盈 (2010) “7-Eleven 再進化 雲端超商” *Business Next* 2010-05-03

Available at <http://www.bnext.com.tw/article/view/cid/103/id/14694>



<b>THE GROUP YOU ARE ASSESSING:</b>		<b>Save your file. Use this format: group being assessed your group.doc</b> <b>So an example would be TIV Voltes5.doc – where TIV is the group being assessed and Voltes5 is your group.</b>	
<b>TIGER HOODS</b>			
<b>YOUR GROUP NAME:</b>			
<b>TAIWAN TIGER</b>			
A	B	C	D
Are ideas presented connected with the aim of the project?	Are the ideas presented clearly supported with evidence and logical argument?	Is it easy to follow & to understand? (Are the slides clear and easy to follow e.g. use of new pictures, words, graphs)	Overall impression (is it a group presentation etc.?)
40%	30%	20%	10%

25%	20%	10%	10%
Comments (space will expand as you type) Not quite understand through out the presentation The presntation is very colorful, but with white background, the words are not easy to see.			
Grade (%) 70%			

## Rules and process

### Rules.

- The spirit of feedback should be positive and constructive.
- Personal attacks are not acceptable.
- This is not an opportunity to deal with past grievances.
- Avoid personalizing your comments e.g., “Bob comments in section one are rubbish”.
- Keep comments as objective as possible.

### Process

The following are some notes to help you with this process.

- Focus on constructive comments that include the positive and negative e.g.:  
*The section on company background is simple, clear and easy to follow.*  
*The format on p.6 changes. See the font size there as compared to p.5.*
- Keep comments as objective as possible by highlighting sections/position  
*We found your research question 2 (section 3.1.2) hard to understand.*
- In terms of the sections above (ABCD):
  - A: Does the group cover key aspects of the material? *E.g., if it is a proposal are the nine sections included?*
  - B: Is relevant detail included in each of the sections? *E.g., Is the part of the proposal on time frames cover the period of the course? Are the questions/objectives clear, precise?*
  - C: Is the layout easy to follow and attractive? *E.g., are sections numbered? Page numbers? Bullets used?*
  - D: Is this a group effort? *E.g., Does the report flow as a 'whole' or does it look like several parts with little connection? Do the ideas compliment each other all the way through?*

**NCKU, IMBA - FEEDBACK, PEER REVIEW**

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<b>TIGERHOODS</b>			
<b>YOUR GROUP NAME:</b>			
<b>JIT</b>			
A	B	C	D
Are ideas presented connected with the aim of the project?	Are the ideas presented clearly supported with evidence and logical argument?	Is it easy to follow & to understand? (Are the slides clear and easy to follow e.g. use of new pictures, words, graphs)	Overall impression (is it a group presentation etc.?)
40%	30%	20%	10%

40%	25%	15%	5%
Comments (space will expand as you type) 1.Using animation and more clear explanation on the company profile page would be more attractive and helpful for audience to understand. 2.Not well organized presentation structure 3.More animation may be used in many pages. 4.No page number 5.In many pages, all the points pop out all at once. It would be better if only the point which presenter presenting shows up and the rest are invisible or fade away. 6.One of the presenters should be more focus on the audiences instead of the computer monitor to have eye contact..			
Grade (%) 85%			

**Rules and process**

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  - C: Is the layout easy to follow and attractive? *E.g., are sections numbered? Page numbers? Bullets used?*
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**NCKU, IMBA - FEEDBACK, CLASS PRESENTATIONS**

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<b>TIGER HOODS</b>			
<b>YOUR GROUP NAME:</b>			
<b>CANADIAN CLUB</b>			
A	B	C	D
Are ideas presented connected with the aim of the presentation?	Are the ideas presented clearly supported with evidence and logical argument?	Is it easy to follow & to understand? (Are the slides clear and easy to follow e.g. use of new pictures, words, graphs)	Overall impression (is it a group presentation etc.?)
40%	30%	20%	10%

30%	25%	15%	5%
Comments (space will expand as you type) It's the end of they say, so we need some excitement! I think you could number your flower... or somehow let us know where you are in the presentation Light colors are hard to read against the white background Your animation is too fast, confusing Your recommendations are good, but nothing like this exists in China already? I wish you had found more things wrong with the actual website... more interesting! If you leave out the .tw, you go to a completely different site.. this could be a problem for some people who forget the address			
Grade (%) 75%			

**NCKU, IMBA - FEEDBACK, CLASS PRESENTATIONS**

<b>THE GROUP YOU ARE ASSESSING:</b>		<b>Save your file. Use this format: group being assessed your group.doc</b> <b>So an example would be TIV Voltes5.doc – where TIV is the group being assessed and Voltes5 is your group.</b>	
<b>TIGER HOODS</b>			
<b>YOUR GROUP NAME:</b>			
<b>INSTRUCTOR</b>			
A	B	C	D
Are ideas presented connected with the aim of the presentation?	Are the ideas presented clearly supported with evidence and logical argument?	Is it easy to follow & to understand? (Are the slides clear and easy to follow e.g. use of new pictures, words, graphs)	Overall impression (is it a group presentation etc.?)
40%	30%	20%	10%

5%	5%	5%	5%
<p>Comments (space will expand as you type)</p> <p>Presentation:            Start helpful to set up the presentation.            Go step by step, point by point e.g., consultation, safe keeping and exception            Please add numbers to slides for ease of reference.</p> <p>Qu.: What is Unimall - what does it offer to the customer?</p> <p>Qu. English - does this matter?</p> <p>Qu: Method - what did you do to collect information on this e-store (i.e., for e-s-qual)</p> <p>Qu: information - how does this work?</p> <p>Qu: order process - what si the site confirmation?</p> <p>Qu: Fulfillment 7-10 days?</p> <p>Qu: how does payment work?</p> <p>Qu: System availability 'concurrent' inventory'</p> <p>Qu: suggestions - why these? (more 7 days/ ... negatives)</p> <p>Important comment - promotion items are available.</p> <p>Report:            The final report introduces the online store. It would be helpful to understand more about their range of offerings (a screen shot etc. could help). The analysis systematically goes through the offer (service flower) and examines the quality of the offer by using e-s-qual. The analysis would have benefitted by introducing actual or</p>			

**NCKU, IMBA - FEEDBACK, CLASS PRESENTATIONS**

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reported experience. Issues uncovered through the analysis should form the basis for recommendations e.g., return policy is not competitive -> recommendation on changing this policy. Overall the project offers some analysis and insight but it is brief and lacks rigor.

Overall 77%

Grade (%) 20%