

STUDENT NAME: Muhammad Ali

STUDENT ID: 2415145

LECTURER NAME: Amer Kareem

MODULE/TASK: Individual Report – Kalori Ltd. Business Case

1. Introduction

For modern retail businesses to stay competitive, they need information systems that actually support their day-to-day work. When a company operates both physical shops and an online store, relying on outdated technology can quickly lead to frustrated customers and lost sales. Good information systems do more than just process transactions; they help managers make smart decisions, keep different departments on the same page, and make sure customers have a smooth shopping experience (Pearlson, Saunders & Galletta, 2019).

Kalori Ltd. is a great example of a business that has outgrown its technology. As a fast-growing consumer electronics retailer with 30 physical stores and an active e-commerce site, the company has seen a massive jump in sales recently. The leadership team wants to keep expanding, but their behind-the-scenes operations are struggling to keep up. Right now, Kalori Ltd. is dealing with several major headaches: their inventory system is manual, their customer data is scattered, their sales reports are slow and inaccurate, and their security measures are putting them at risk of breaking GDPR laws.

As an IT consultant, I have been asked to look at these operational problems and suggest a better way forward. This report will evaluate the flaws in Kalori Ltd.'s current setup, recommend a modern, integrated information system to fix these issues, and provide a step-by-step plan for how the company can actually implement it without disrupting their current business.

2. Evaluation of Existing Systems

When we look closely at how Kalori Ltd. operates right now, the main issue is that their software systems don't talk to each other. They are using older, standalone systems for different parts of the business, which creates a lot of extra work and leaves room for mistakes (Turban, Pollard & Wood, 2018).

Manual Inventory and Stock Issues

The biggest problem right now is how the company tracks its products. Because store managers are updating inventory manually, the physical stock in the shops doesn't always match what the website says is available. In practice, this means an online customer might buy a laptop that was actually just sold to someone in the physical store. Kalori Ltd. then has to cancel the online order and refund the customer, which leads to complaints and damages the brand's reputation. On top of that, without accurate stock numbers, store managers end up ordering too much of certain products and not enough of others, which ties up money and causes delays (O'Brien & Maracas, 2011).

Disconnected Customer Data

Another major gap is in Customer Relationship Management (CRM). Right now, the marketing, sales, and customer support teams all use different systems to track customer information. Because this data is scattered, the marketing team can't easily look at a customer's purchase history to send them personalized offers. Customers today expect personalized marketing, and businesses that fail to provide it often lose out to competitors (Buttle & Malkan, 2019). Even worse, when a customer calls in with a complaint, the support team struggles to find their order details, making the process frustrating and slow for everyone involved.

Poor Reporting and Slow Decision-Making

Kalori Ltd.'s management team is also at a disadvantage because they rely on manual spreadsheets to track sales. While spreadsheets are fine for very small businesses, they are slow, prone to typos, and hard to manage when you have 30 stores (Sharda, Delen & Turban, 2018). By the time the sales data is compiled and handed to the management team, it is already out of date. This makes it incredibly difficult for the leadership to spot new sales trends, forecast what they need to buy for the next quarter, or react to changes in the market.

Security Risks and GDPR Non-Compliance

From a legal perspective, the current system is a massive liability. The company lacks proper access controls, meaning it is too easy for unauthorized people to get their hands on sensitive customer information. Under the General Data Protection Regulation (GDPR), companies are legally required to keep customer data secure (Voigt & Von dem Bussche, 2017). If Kalori Ltd. suffers a data breach, they could face massive fines and lose the trust of their customer base entirely.

Lack of Integration Across Departments

Finally, because the sales, finance, and inventory systems don't connect, employees are forced to act as the bridge between them. Staff members have to manually copy data from one program and type it into another. This is a huge waste of time and drastically increases the chance of human error. When departments can't easily share information, the whole business slows down (Laudon & Laudon, 2022).

3. Recommended Solution

To fix these problems and get Kalori Ltd. ready for future expansion, the company needs to move away from its disconnected, manual processes. I recommend implementing a **Cloud-Based Enterprise Resource Planning (ERP) system**, paired with an integrated **Customer Relationship Management (CRM)** tool and **Business Intelligence (BI)** software.

What is the proposed system?

- **Cloud ERP (e.g., Microsoft Dynamics 365 or Oracle NetSuite):** This is a central system that manages the core business. When a sale happens, the ERP automatically updates the inventory, logs the revenue in the finance module, and updates the supply chain records all at once.
- **Integrated CRM (e.g., Salesforce):** This software will handle everything related to the customers. It will store contact details, past purchases, and support tickets in one place that everyone in the company can access.
- **Business Intelligence (BI):** BI tools plug into the ERP and CRM to turn raw data into easy-to-read charts and graphs for the management team.

Why this is the right choice:

- **Improving Operations and Efficiency:** By switching to an ERP, inventory tracking becomes automatic. When a TV is bought in-store, it is instantly removed from the online store's available stock. This directly solves the problem of online customers buying out-of-stock items, which will cut down on refunds and complaints. It also stops employees from having to copy-paste data between departments, freeing them up to do more important work.
- **Better Data Management and Customer Service:** A unified CRM gives the support team a complete picture of the customer. If someone calls to complain, the agent can pull up their exact purchase history in seconds and resolve the issue quickly (Buttle & Maklan, 2019). The marketing team can use the same data to see what people are buying and send them targeted email promotions, which is proven to increase sales.
- **Smarter Decision-Making:** Instead of waiting weeks for a spreadsheet, managers will be able to log into a BI dashboard and see live sales data. They will know exactly which products are flying off the shelves and which ones are sitting in the back room, allowing them to order new stock accurately and maximize their revenue (Sharda, Delen & Turban, 2018).
- **Cost and Scalability:** Choosing a cloud-based system means Kalori Ltd. doesn't have to spend a fortune buying physical servers for their offices. Instead, they pay a monthly or yearly subscription fee. More importantly, cloud systems are highly scalable. Whether Kalori Ltd. opens 5 new stores next year or 50, the cloud software can easily grow with them without needing a massive IT overhaul (Chaffey & White, 2011).
- **Security and GDPR Compliance:** Major cloud software providers have top-tier security built in. The new system will allow Kalori Ltd. to set up strict user permissions, so an employee only sees the data they actually need for their job. This, along with data encryption, ensures the company meets GDPR standards and protects them from cyber threats (Voigt & Von dem Bussche, 2017).

4. Implementation Plan

Buying new software is only half the battle; getting employees to actually use it correctly is usually the hardest part of any IT project. Kalori Ltd. should roll this new system out in a careful, step-by-step process over a few months to avoid disrupting the business.

Step 1: Planning and System Setup

First, the company needs to sit down with the IT consultants and department heads to outline exactly what they need the new software to do. Once a specific vendor (like Microsoft or Oracle) is chosen, the software will be customized to fit Kalori Ltd.'s specific retail processes.

Step 2: Cleaning and Moving the Data (Data Migration)

Before moving the old data into the new system, it has to be cleaned up. If they transfer old, messy data—like duplicate customer profiles or wrong inventory counts—the new system will be useless. The IT team will need to carefully audit the current records and transfer only accurate data over to the new ERP and CRM.

Step 3: Employee Training

People naturally resist change, especially when they are used to doing things a certain way. If the staff don't know how to use the software, the whole project will fail. Kalori Ltd. needs to run training sessions for everyone. Store managers need to learn the new inventory scanners, marketing needs to learn the CRM, and executives need to learn how to read the BI dashboards. Appointing a "super-user" in each department who knows the system really well can help assist other employees when they get stuck.

Step 4: Phased Testing and Rollout

It would be a disaster to switch the whole company to the new system on the same day. Instead, they should do a phased rollout (Laudon & Laudon, 2022). They should test the system thoroughly in a safe environment first. Then, they should try it out in just three or four physical stores and on the website's backend. They can run this pilot for a few weeks, fix any bugs that pop up, and then gradually introduce it to the rest of the 30 stores region by region.

5. Conclusion

Kalori Ltd. is doing incredibly well with its sales, but the company has reached a point where its outdated technology is holding it back. Relying on manual inventory checks, disconnected customer databases, and slow spreadsheets is causing real financial damage and hurting the brand's reputation with customers. Plus, the lack of security is putting the company at serious legal risk regarding data protection laws.

By upgrading to a modern, cloud-based ERP and CRM system, Kalori Ltd. can automate its inventory, connect its departments, and give its management team the real-time data they need to run the business properly. While implementing a system like this takes time, money, and a lot of training, it is

absolutely necessary. It will solve the current operational headaches, keep customer data safe, and give the business a strong foundation to support its future expansion.

6. References

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