Seasonal Sales Strategy: Boosting Momos Revenue Year-Round

A Proposal report for the BDM capstone project

Submitted by

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Declaration Statement

I am working on a Project titled Seasonal Sales Strategy. I extend my appreciation to **Krishna Momos**, for providing the necessary resources that enabled me to conduct my project.

I hereby assert that the data presented and assessed in this project report is genuine and precise to the utmost extent of my knowledge and capabilities. The data has been gathered from primary sources and carefully analyzed to assure its reliability.

Additionally, I affirm that all procedures employed for the purpose of data collection and analysis have been duly explained in this report. The outcomes and inferences derived from the data are an accurate depiction of the findings acquired through analytical procedures.

I am dedicated to adhering to the principles of academic honesty and integrity, and I am receptive to any additional examination or validation of the data contained in this project report.

I understand that the execution of this project is intended for individual completion and is not to be undertaken collectively. I thus affirm that I am not engaged in any form of collaboration with other individuals, and that all the work undertaken has been solely conducted by me. In the event that plagiarism is detected in the report at any stage of the project's completion, I am fully aware and prepared to accept disciplinary measures imposed by the relevant authority.

I understand that all recommendations made in this project report are within the context of the academic project taken up towards course fulfillment in the BS Degree Program offered by IIT Madras. The institution does not endorse any of the claims or comments.

Signature of Candidate: (**Digital Signature**)

Executive Summary

Seasonal Sales Strategy: Boosting Momos Revenue Year-Round

1. Introduction

The project centers around a small momos stall strategically positioned at Main Gate IIT Dhanbad. The business operates in the B2C segment, catering to students, faculty, and local people.

2. Problem Statement

The major business issues that the business is facing are Seasonal Slumps and Stagnant Growth.

Seasonal Slumps: During summer, sales plummet due to the scorching heat, leading to decreased revenue.

Stagnant Growth: Despite its longevity, the business has experienced minimal expansion and remains confined to its current scale.

3. Solution Approaches

To address these challenges, we propose a holistic approach:

1. Data Analysis and Segmentation
2. Location Scouting:
3. Menu Diversification
4. Marketing and Promotion:
5. Feedback Loop:

4. Expected Outcomes

The business will keep growing and will be able tackle this seasonal problem. The stall will also add some other items into their menu card as per the review and recommendation collected from customers.

Organization Background

In 2018, Krishna Momos set up his first stall near Hanuman Mandir in Hirapur, Dhanbad. The initial two months of setup were really challenging for him as there were no sales at all. By chance, on the occasion of Durga Puja, he somehow managed to set up his stall inside IIT Dhanbad Campus. IIT Dhanbad offers many courses, including science, technology, and management. The campus has a huge population of students, faculty, and staff. During these two days, sales experienced exponential growth, and he made excellent profit.

Now he has the idea that he needs to set up his stall somewhere nearby IIT Dhanbad. His father contacted someone and somehow managed to find a place to set up his stall just at the main gate of the campus. This place has many cafes and stalls, the reason being a regular source of customers from the campus.

Since 2019, this stall has been operating at the same location, and sales are good. The stall operates daily from **4 pm to 11 pm** and offers a diverse menu catering to various taste preferences. Here's a glimpse of the menu:

- **Veg steamed momos**: ₹60
- **Veg Fried Momos**: ₹70
- **Veg Chilli momos**: ₹80
- **Veg gravy momos**: ₹100
- **Paneer momos**: ₹120
- **Soya bol**: ₹30
- **Non-veg steamed momos**: ₹70
- **Non-veg fried momos**: ₹80
- **Non-veg chilli momos**: ₹90
- **Non-veg gravy momos**: ₹110

The stall owner, Dharmendra Singh, is planning to grow his business and set up more stalls. His future plans are to provide good quality items and fast food. The data from the momos stall, including sales, customer preferences, and peak hours, will be crucial in our project. This data will not only help improve the stall's operations but also provide valuable insights into our organization's culture and employee preferences.

Problems or Challenges

1.1 **Seasonal Slumps:** During the summer months, the business experiences a decline in customer footfall, resulting in reduced revenue.

1.2 **Stagnant growth:** The primary challenge faced by the business is its stagnant growth. Despite the owner's willingness to expand by setting up new stalls and offering different items, decision-making remains a hurdle. The owner seeks an optimal location with a consistent customer base. Additionally, considering that momos face reduced demand during the summer, the owner aims to introduce new items that will enjoy year-around popularity.

Background of the Problem

The business in question operates in a dynamic environment, where seasonal variations significantly impact its performance. Let's delve into the key aspects:

1. Seasonal Fluctuations:
    - **Summer Slump:** During the scorching summer months, customer footfall dwindles. The sweltering heat discourages people from venturing out, leading to reduced revenue.
    - **Momo Dilemma:** Momos, a popular item on the menu, face a peculiar challenge—they experience low demand during summer. This seasonal dip affects overall profitability.

2. Stagnant Growth:
    - Despite the owner's enthusiasm for expansion, the business remains stagnant. The desire to set up new stalls and diversify offerings is hindered by indecision.
    - **Location Quest:** The owner seeks an optimal location—one that guarantees a consistent customer base. This strategic move is crucial for sustained growth.

In summary, the business faces the dual challenge of seasonal fluctuations and decision paralysis. The quest for growth hinges on finding the right location and diversifying the menu intelligently.

Problem Solving Approach

Data Analysis and Segmentation:

- **Method**: Begin by thoroughly analyzing the existing data. Understand customer behavior, preferences, and seasonal trends. Segment customers based on demographics, buying patterns, and geographic location.
- **Data**: Use sales data, customer feedback, and demographic information.
- **Tools**: Use data analytics tools like pandas for data extraction, Notebook and google colab for all operations, and matplotlib for data visualization.

Location Scouting:

- **Method**: Leverage data analytics and market research to identify potential locations for new stalls. Consider factors such as foot traffic, proximity to residential areas, and competitor presence.
- **Data**: Use geographic data, competitor location data, and foot traffic data.
- **Tools**: Maps & survey.

Menu Diversification:

- **Method**: Evaluate the current menu items. Identify top-performing dishes and those affected by seasonality (e.g., momos in summer). Introduce new items that cater to year-round demand. Consider local preferences and emerging food trends.
- **Data**: Use sales data per menu item, customer feedback, and food trend reports.
- **Tools**: Use data analytics tools like pandas for data analysis and My custom web app to get survey data and identify food trends.

Marketing and Promotion:

- **Method**: Develop a targeted marketing plan. Utilize social media, local advertising, and loyalty programs. Highlight new menu items and emphasize their availability year-round.
- **Data**: Use customer demographic data, social media engagement data, and advertising performance data.
- **Tools**: Use social media platforms for promotion, like instagram and facebook including youtube channel.

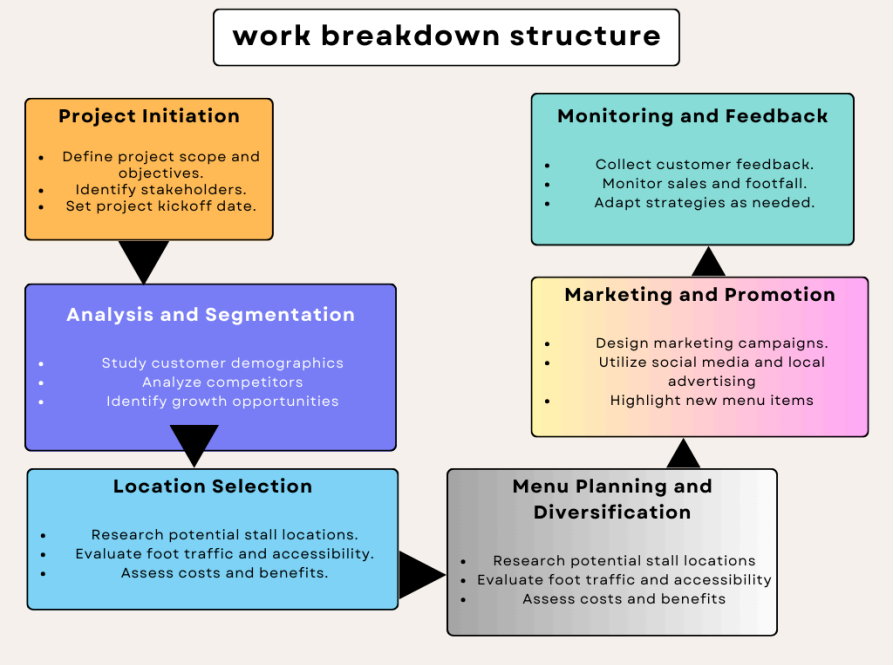
Feedback Loop:

- **Method**: Continuously collect feedback from customers. Use surveys, ratings, and reviews. Adapt strategies based on real-time insights. Monitor the success of new menu items and adjust as needed.
- **Data**: Use customer feedback data, online reviews, and sales data.

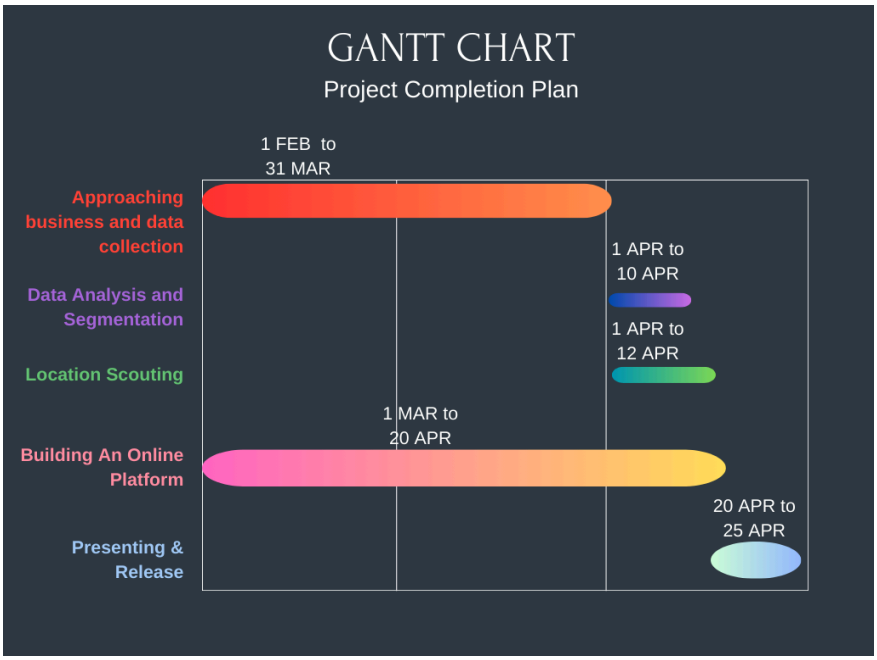
- **Tools**: Use survey tools for feedback collection, sentiment analysis tools for review analysis, and data analytics tools for sales tracking using my web app and phonepe business app. With the help of a notebook on google colab notebook.

Expected Timeline

Work Breakdown Structure:



Gantt Chart



Expected Outcome

The business aims to transform its current state by implementing strategic changes:

1. **Increased Revenue:** By addressing the seasonal slump during summer, the business expects higher footfall and increased revenue. Introducing new menu items that resonate year-round will contribute to this goal.
2. **Strategic Location:** The optimal location, backed by data-driven analysis, will ensure consistent customer flow. This strategic move is essential for sustained growth.
3. **Diversified Menu:** The revamped menu, featuring both existing favorites and innovative offerings, will cater to diverse customer preferences. This diversification aims to boost sales.
4. **Effective Marketing:** Targeted marketing campaigns, leveraging social media and local advertising, will create awareness about the new menu items. Highlighting their availability throughout the year will attract customers.
5. **Agile Adaptation:** Regular monitoring and feedback loops will allow the business to adapt swiftly. Adjustments based on real-time insights will ensure agility in decision-making.