

# **CUSTOMER RETENTION, INVENTORY MANAGEMENT AND MARKET ANALYSIS FOR BIGBASKET AND WAY FORWARD a case study.**



# BigBasket

BigBasket is an online super-grocery platform where users can order any items ranging from kitchen households to exotic fruits.etc. It is owned by Tata Digital which was part of the Tata Group to foster the digital needs of Indian consumers and business owners.

## **Problem and Solution.**

**In order to improve efficiency, satisfaction, retention of BigBasket customer while maintaining the proper inventory and operational cost, we can implement some of the strategies in order to increase the profit ratio:**

### **Dynamic Pricing and Expiry Management**

When products are going to expire soon, they should be put on the front page of the app with a significantly reduced price. This helps clear the inventory which can not be sold anyway, and at the same time helps acquire some price-sensitive deal hunters as customers. Since we sell them stuff at low cost anyway. In addition, it also helps reduce food wastage while improving inventory turnover.

### **Product Bundling**

Creating product bundles can help you manage your inventory and boost your sales. You can bundle high-margin products with items that are close to their sell-by dates or with items that just don't seem to be as popular among your customers as you had hoped. This will help you move some of those slower-selling products while still making a good profit. For instance, you could consider bundling a high-margin product with a product that is approaching its expiry date. Not only does this entice customers to buy one of your lower-selling products, it also gives them great value for their money.

### **Just-In-Time (JIT) Model & Inventory Model**

The Just-In-Time (JIT) inventory model works well in low demand areas as it is a system that orders stock as and when it is needed using the most up to date information of what customers are actually buying. This allows you to keep holding costs on inventory to a minimum and frees up cash. In high demand, high density areas implement inventory model as you need a large amount of inventory in order to meet the needs of customers on an immediate basis so that you can increase sales ,customer satisfaction and profit margin..

### **Voice-Assisted Shopping**

Implementing voice-assisted shopping feature with ChatGPT API will make the app more user-friendly. Customers can interact with app based on their preferred language which will eventually help to target maximum audience since there could be few users who are not much aware of technology, they can add items in cart by just speaking their shopping list and that's where you can get maximum target audience because elderly customers or physically challenged customers can be the potential users for this kind of app.

**Push Notifications for Frequent Users**

To increase logistics efficiency and decrease inventory costs, we can use push notifications for frequent customers. If a regular customer from an area has not made any purchase on some day then we can send them a push notification to make a purchase. By this strategy we will be able to consolidate orders in an area leading to decrease in delivery costs and increased efficiency. This also leads to higher reorderings loyalty.