

## ACTIVITY 7 SOM -Group 2

**Problem:** Gilly's Restaurant chain wants to set up a central warehouse for stock keeping and distribution of raw materials, food items and cutlery in orderly manner with optimized transportation costs. There are 10 Gilly's restaurant outlets and assumed 3 major food suppliers in Bengaluru. Use Centre of Gravity method to find the best possible location to place its warehouse.

First: I web scraped google locations using free online tool "GMaps Extractor" to find X,Y coordinates of 10 Gilly's outlets.

Second: I web scraped 3 major food suppliers near Gilly's outlets namely Pellagic foods ingredients pvt. Ltd., Gopika Impex, Kubera Inc. and similar to first step found X,Y coordinates (Row 16, column E,F).

Third: Distance of outlets from supplier 1 in degrees=  $\sqrt{((\text{supplier1\_x coordinate}-\text{Outlet}(i)\_x \text{ coordinate})^2+(\text{supplier 1\_y coordinate}-\text{Outlet}(i)\_y \text{ coordinate})^2)}$

Similarly, distance of outlets from supplier 2 and 3 were calculated in degrees.

Fourth: Calculate coordinate to km as 1 degree= 110.574 km. Accordingly outlets to supplier 1,2,3 locations were calculated in km.

Fifth: In a new table, see column I, row 20- qty required by each outlet, no. of trucks required (truckload=25 ton, per km transport charge= Rs 28, cost per truckload=Rs 26), yearly cost on truck calculated.

Sixth: This yearly cost on truck is multiplied with distance between each supplier and outlet to get transport cost of outlets from each supplier (column L, N, P).

Seventh: Total transportation cost per year calculated by adding column L, N, P.

Eighth: Weightage of each outlet in terms of total transportation cost calculated in terms of total transportation cost calculated. Transportation cost Outlet 1/Total transportation cost.

Similarly, for other locations weightage were calculated.

Ninth: Outlet X coordinate multiplied by weightage (column S)

Outlet Y coordinate multiplied by weightage (column T)

Tenth: Central Warehouse location= (sum of column S, sum of column T) = (12.96,77.64). Since Solver method did not help as it gave whole no. x,y coordinates (13,78) as we know every 0.01 degree change in latitude is 11 km change in map.

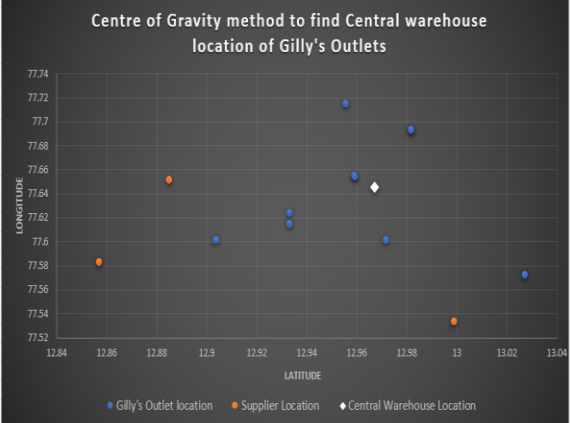
Eleventh: Make a scatterplot with all coordinates of X, Y of outlets, suppliers, and central warehouse.

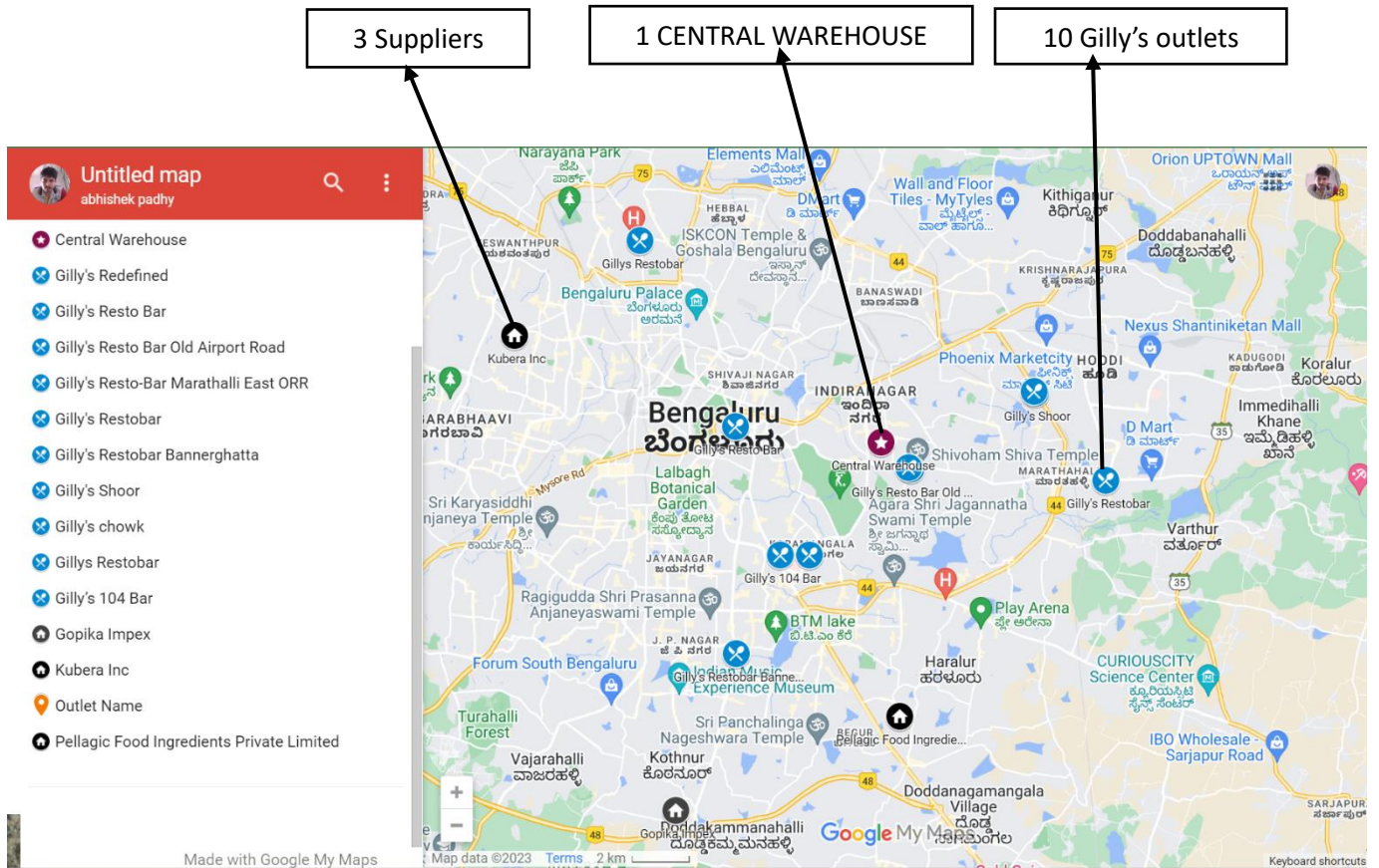
Twelfth: Make a new excel sheet with only X, Y coordinates of outlets, suppliers, and central warehouse and upload in 'Google My Maps'.

It was found that at X, Y coordinate (12.96,77.64) central warehouse can be made which will be nearer to both supplier and outlet's location making it cost effective.

## Centre of Gravity method or Centroid method to find Central Warehouse location for Gilly's Outlets

N6





To see the google map copy paste the link in web or ctrl+ click here:

[Gilly's Restaurant chain Central Warehouse Location in Google Maps](https://www.google.com/maps/d/viewer?mid=1pusa7eDvqVNXsZ5EdAT23bqPwsUOZyg&ll=12.866763041463964%2C77.61094623074172&z=11)

<https://www.google.com/maps/d/viewer?mid=1pusa7eDvqVNXsZ5EdAT23bqPwsUOZyg&ll=12.866763041463964%2C77.61094623074172&z=11>