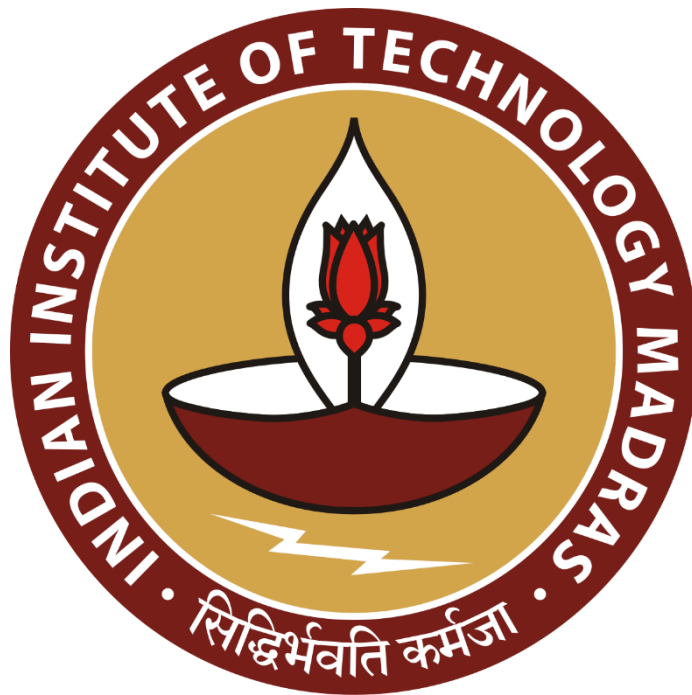


BUSINESS DATA MANAGEMENT

FINAL SUBMISSION

Case Study of Hindustan Enterprises



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BDM Capstone Project- Analysis of Hindustan Enterprises

1) Executive Summary :

This report examines the sales and inventory management of Hindustan Enterprises, a wholesale business specializing in molded plastic chairs and tables, with the goal of identifying strategies to boost sales and optimize inventory. Over 30 days, data was analyzed using Microsoft Excel to uncover trends, challenges, and opportunities for improvement.

Key findings revealed variability in daily sales, declining and inconsistent profits, and inefficiencies in inventory management, including stock shortages and overstocking. High-performing SKUs like Chair Fortuner and Chair Sigma were identified, alongside low-margin products needing reevaluation. Fixed costs were found to be well-managed, with opportunities to further reduce holding costs.

The report recommends focusing on high-profit SKUs through targeted marketing and strategic pricing, minimizing overstocking of low-performing products, and exploring new markets. Implementing effective inventory controls, including Economic Order Quantity (EOQ) and Reorder Point (ROP), and adopting ABC analysis for product prioritization, can significantly improve operational efficiency. Additional strategies such as bundle pricing, improved store displays, and retail expansion are also suggested.

In summary, Hindustan Enterprises can achieve sustainable growth by leveraging these insights to enhance sales performance, streamline inventory management, and maximize profitability.

2) Detailed Explanation of Analysis Process/Method :

2.1 : Data Analysis For Sales and Expenditure:

As mentioned above MS Excel is the main tool which will be used for the analysis. Firstly sales data is collected in an unstructured format along with prices of each product from Hindustan Enterprises over the period of 30 days.

This raw data is then entered into excel and basic data pre-processing tasks such as imputing, typing errors, sorting, cleaning etc.. are done.

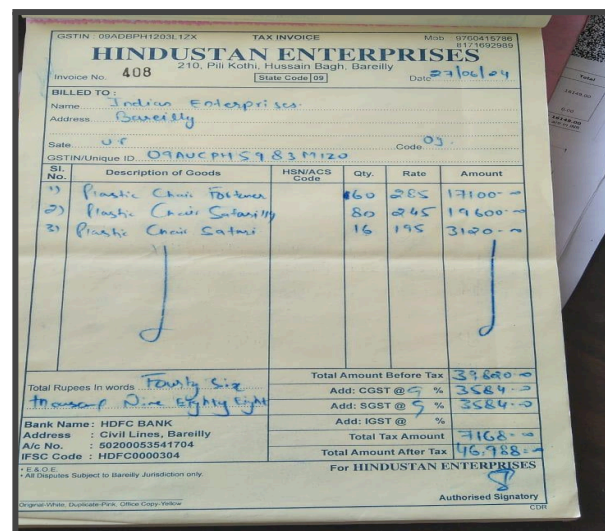
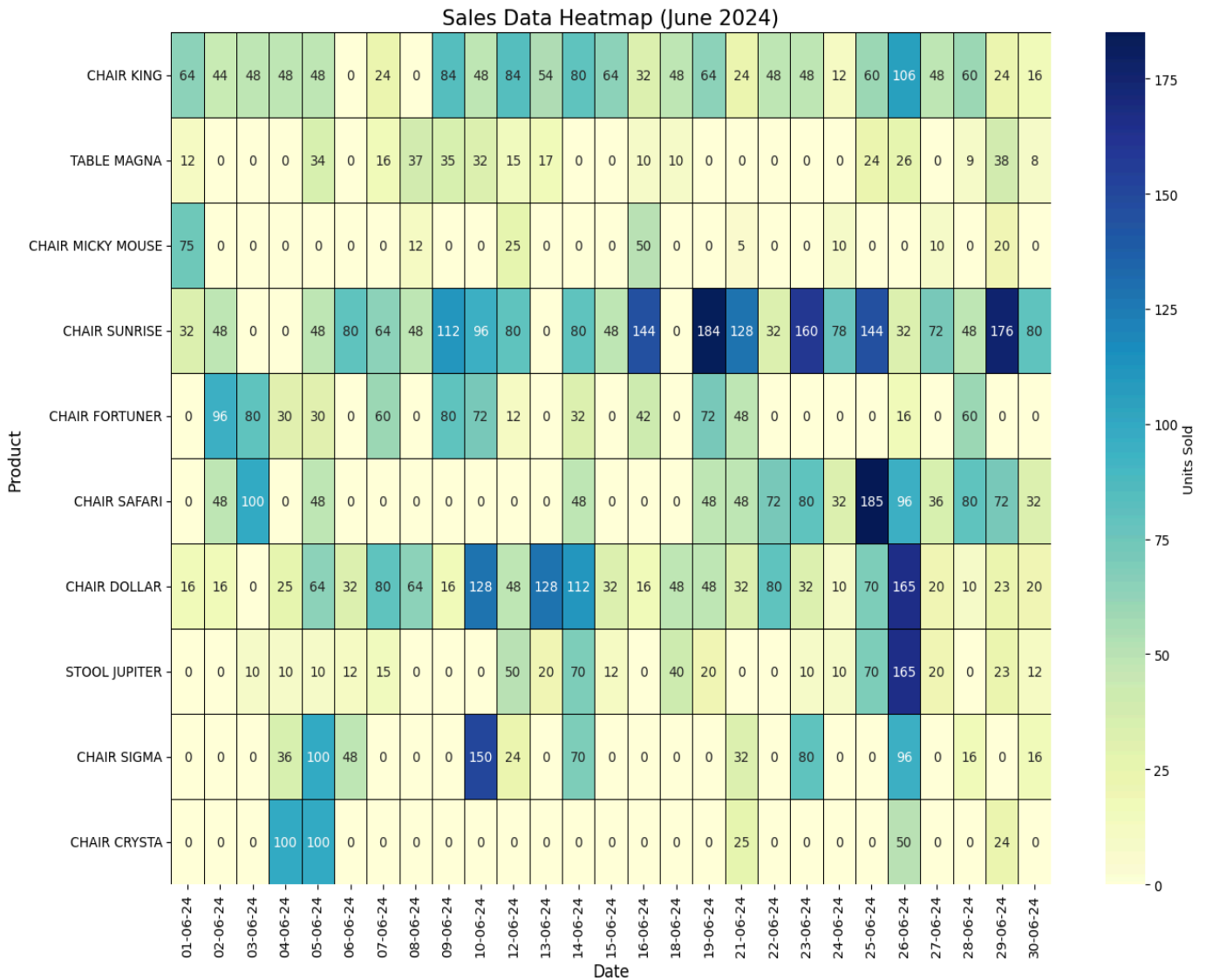


Image of Raw Data

TOTAL SALES	CHAIR KING	TABLE MAGNA	AIR MICKY	MOLCHAIR	SUNRISE	HAIR FORTUNE	CHAIR SAFARI	CHAIR DOLLAR	STOOL JUPITEF	CHAIR SIGMA	CHAIR CRYSTA	TOTAL REVENUE
199	₹12,864	₹2,328	₹6,600	₹5,312	₹0	₹0	₹2,944	₹0	₹0	₹0	₹0	₹30,048
252	₹8,844	₹0	₹0	₹7,968	₹27,360	₹11,760	₹2,944	₹0	₹0	₹0	₹0	₹58,876
238	₹9,648	₹0	₹0	₹0	₹22,800	₹24,500	₹0	₹900	₹0	₹0	₹0	₹57,848
249	₹9,648	₹0	₹0	₹0	₹8,550	₹0	₹4,600	₹900	₹7,380	₹21,500	₹0	₹52,578
382	₹9,648	₹6,596	₹0	₹7,968	₹8,550	₹11,760	₹11,776	₹900	₹0	₹21,500	₹0	₹78,698
172	₹0	₹0	₹0	₹13,280	₹0	₹0	₹5,888	₹1,080	₹9,840	₹0	₹0	₹30,088
259	₹4,824	₹3,104	₹0	₹10,624	₹17,100	₹0	₹14,720	₹1,350	₹0	₹0	₹0	₹51,722
161	₹0	₹7,178	₹1,056	₹7,968	₹0	₹0	₹11,776	₹0	₹0	₹0	₹0	₹27,978
327	₹16,884	₹6,790	₹0	₹18,592	₹22,800	₹0	₹2,944	₹0	₹0	₹0	₹0	₹68,010
526	₹9,648	₹6,208	₹0	₹15,936	₹20,520	₹0	₹23,552	₹0	₹0	₹32,250	₹0	₹108,114
338	₹16,884	₹2,910	₹2,200	₹13,280	₹3,420	₹0	₹8,832	₹4,500	₹4,920	₹0	₹0	₹56,946
219	₹10,854	₹3,298	₹0	₹0	₹0	₹0	₹23,552	₹1,800	₹0	₹0	₹0	₹39,504
458	₹16,080	₹0	₹0	₹13,280	₹9,120	₹11,760	₹20,608	₹6,300	₹7,380	₹0	₹0	₹84,528
156	₹12,864	₹0	₹0	₹7,968	₹0	₹0	₹5,888	₹1,080	₹0	₹0	₹0	₹27,800
394	₹6,432	₹1,940	₹4,400	₹23,904	₹11,970	₹24,500	₹2,944	₹0	₹0	₹0	₹0	₹76,090
146	₹9,648	₹1,940	₹0	₹0	₹0	₹0	₹8,832	₹3,600	₹0	₹0	₹0	₹24,020
441	₹12,864	₹0	₹440	₹30,544	₹20,520	₹11,760	₹8,832	₹1,800	₹0	₹0	₹0	₹86,760
289	₹4,824	₹0	₹0	₹21,248	₹0	₹11,760	₹5,888	₹0	₹6,560	₹5,375	₹0	₹55,655
210	₹9,648	₹0	₹0	₹5,312	₹0	₹0	₹13,248	₹900	₹9,840	₹0	₹0	₹38,948
434	₹9,648	₹1,164	₹0	₹26,560	₹17,100	₹11,760	₹14,720	₹0	₹6,560	₹0	₹0	₹87,512
142	₹2,412	₹0	₹880	₹12,948	₹0	₹0	₹5,888	₹900	₹0	₹0	₹0	₹23,028

Daily Revenue Of Each SKUs

- The sales data have a total of 24 columns where 10 columns represent each SKUs sales quantity along with the date (1 column) and 10 more represent each SKUs revenue on that day, the other 3 columns are total sales per day, total revenue per day and date and a heatmap was used to analyse the daily sales trends.



Heatmap Of Daily Sales

Using sales and selling price, revenue for the day , average sales can be calculated by formula :

$$\text{Revenue} = \text{Selling price} * \text{Sales}$$

$$\text{Total Revenue} = \sum_{i=0} R_i$$

where R_i = Revenue made on i^{th} day

- Similarly purchase data has been collected for every SKUs which consists of purchase quantity and purchase price , using which expenditure is calculated for the month on each SKU.

SKU	COST PRICE
CHAIR KING	₹191.00
TABLE MAGNA	₹185.00
CHAIR MICKY MOUSE	₹84.00
CHAIR SUNRISE	₹149.00
CHAIR FORTUNER	₹231.00
CHAIR SAFARI	₹221.00
CHAIR DOLLAR	₹165.00
STOOL JUPITER	₹86.00
CHAIR SIGMA	₹158.00
CHAIR CRYSTA	₹204.00

SKU	TOTAL COST
CHAIR FORTUNER	₹185,262
CHAIR SUNRISE	₹300,086
CHAIR DOLLAR	₹262,350
CHAIR SAFARI	₹196,248
CHAIR SIGMA	₹45,504
CHAIR KING	₹244,480
CHAIR CRYSTA	₹91,596
TABLE MAGNA	₹60,865
STOOL JUPITER	₹51,342
CHAIR MICKY MOUSE	₹17,388
TOTAL	₹1,455,121

Along with cost, total cost of SKUs for the day , average cost per SKU as well as Total cost is calculated for 30 days using formulas :

$$\text{Expenditure} = \text{Purchase Quantity} * \text{Purchase Price}$$

$$\text{Total Cost} = \sum_{i=0} C_i,$$

where C_i = Cost of SKUs sold on i^{th} day

2.2 : Profit Calculation :

Due to high competition and entry of local sellers who are selling cheap chairs at low prices profits were declining and were not steady.

Hence first step was to calculate profit / loss for each day , each SKU to determine the authenticity of the owner , for that I used sales and purchase data to calculate profit/loss , profit % for each SKU day using formula :

$$\text{Profit}_{SKU} = \text{Revenue}_{SKU} - \text{Purchase}_{SKU}$$

$$\text{Profit}_{SKU} \% = (\text{Profit}_{SKU} / \text{Total Profit}_{SKU}) \%$$

SKU	TOTAL COST	TOTAL REVENUE	PROFIT	PROFIT % OF TOTAL	CUMULATIVE PROFIT %
CHAIR FORTUNER	₹185,262	₹228,570	43,308.00	26.01%	26.01%
CHAIR SUNRISE	₹300,086	₹334,324	34,238.00	20.56%	46.57%
CHAIR DOLLAR	₹262,350	₹292,560	30,210.00	18.14%	64.71%
CHAIR SAFARI	₹196,248	₹217,560	21,312.00	12.80%	77.51%
CHAIR SIGMA	₹45,504	₹59,040	13,536.00	8.13%	85.64%
CHAIR KING	₹244,480	₹257,280	12,800.00	7.69%	93.32%
CHAIR CRYSTA	₹91,596	₹96,535	4,939.00	2.97%	96.29%
TABLE MAGNA	₹60,865	₹63,826	2,961.00	1.78%	98.07%
STOOL JUPITER	₹51,342	₹53,730	2,388.00	1.43%	99.50%
CHAIR MICKY MOUSE	₹17,388	₹18,216	828.00	0.50%	100.00%

- Lastly cumulative profit was calculated for inserting the pareto chart

2.3 : Inventory Analysis :

Upon discussion with the owner we got to know that inventory management was the main concern for the owner as according to owner stock was sometimes short or piled up at the end of the month and also profits were less hence affecting the net profits.

Inventory data is collected for every SKU at the first day of data collection (i.e. 1/4/23) which is our initial inventory. Further the stock is purchased on (03/06/2024) and (21/06/2024). The total purchase is the sum of purchases of that month, End Inventory data is calculated using total sales , total purchase and initial inventory using formula :

$$E.Inventory = I.Inventory + T.Purchase - T.Sales$$

where I.Inventory = Initial inventory ,

E.Inventory = End inventory ,

T.Purchase = Total purchase

T.Sales = Total Sales

SKU	Initial Inventory	Purchasing Dates		End Inventory
		03-6-24	21-6-24	
CHAIR KING	256	960	400	336
TABLE MAGNA	30	250	200	151
CHAIR MICKY MOUSE	100	150	150	193
CHAIR SUNRISE	160	1500	1200	846
CHAIR FORTUNER	240	660	400	498
CHAIR SAFARI	208	432	560	312
CHAIR DOLLAR	176	1040	1200	826
STOOL JUPITER	60	300	300	63
CHAIR SIGMA	60	84	208	124
CHAIR CRYSTA	0	350	500	401

SKUs Inventory Purchases

PRODUCT	% OF TOTAL REVENUE
CHAIR SUNRISE	20.62%
CHAIR DOLLAR	18.04%
CHAIR KING	15.87%
CHAIR FORTUNER	14.09%
CHAIR SAFARI	13.42%
CHAIR CRYSTA	5.95%
TABLE MAGNA	3.94%
CHAIR SIGMA	3.64%
STOOL JUPITER	3.31%
CHAIR MICKY MOUSE	1.12%

Class A	Class B	Class C
CHAIR SUNRISE	CHAIR CRYSTA	STOOL JUPITER
CHAIR DOLLAR	TABLE MAGNA	CHAIR MICKY MOUSE
CHAIR KING	CHAIR SIGMA	
CHAIR FORTUNER		
CHAIR SAFARI		

Classification of SKUs

The SKUs were categorized into three groups—A-Class, B-Class, and C-Class—using the ABC method, based on their contribution to the total revenue.

- **A-Class Products:**

SKUs contributing the top 70-80% of the total revenue were grouped into A-Class. These are the high-performing products that are critical to the business. Chair Sunrise (20.62%), Chair Dollar (18.04%), Chair King (15.87%), collectively accounting for 54.53% of the revenue. Chair Fortuner (14.09%), and Chair Safari (13.42%) were identified as A-Class,

- **B-Class Products:**

Products contributing the next 15-20% of the revenue were classified as B-Class. These SKUs show moderate performance. Chair Crysta (5.95%), Table Magna (3.94%), and Chair Sigma (3.64%) were in this group, contributing to a cumulative 13.58% of the revenue.

- **C-Class Products:**

The remaining SKUs, contributing the last 5-10% of the total revenue, were grouped into C-Class. These products exhibit low sales performance. Stool Jupiter (3.31%) and Chair Micky Mouse (1.12%) were categorized as C-Class, accounting for 4.43% of the revenue.

2.4 : Fixed Cost Analysis :

The cost of transportation is included in the purchasing price by the company, therefore it is not included in the fixed cost. However the labour charges for unloading the goods and storing it in the store is Rs. 1800 per truck. The goods have been bought 2 times in this month, therefore the unloading charges are Rs. 3600.

For fixed Cost analysis, cost of Electricity , staff salary were calculated for a period of 30 days (according to data).

According to data Total fixed cost was calculated.

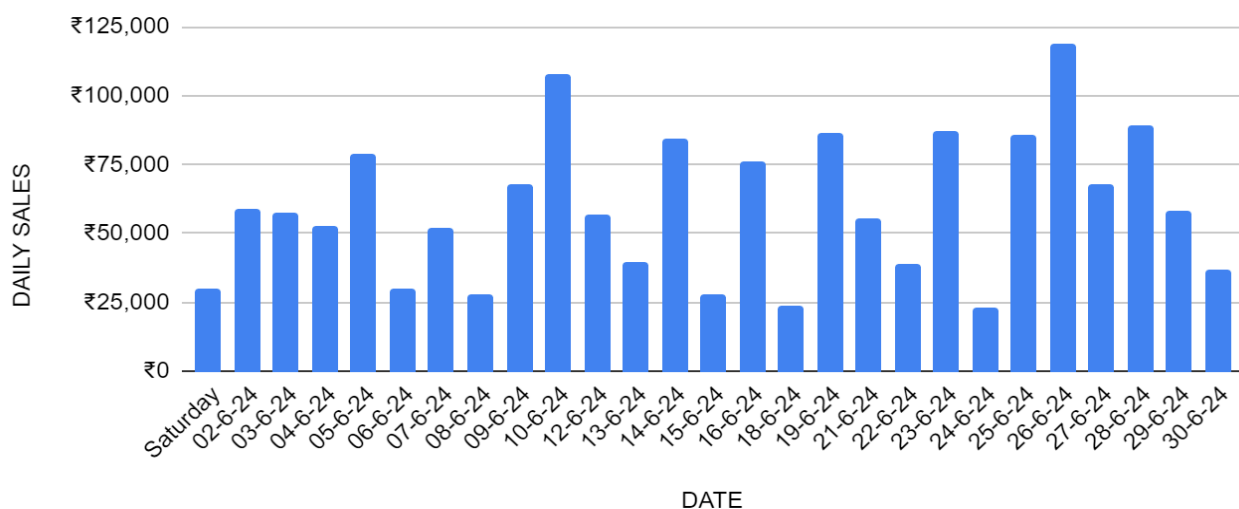
Fixed Cost Analysis			Salaries	
	COST			COST
ELECTRICITY	2300		Staff 1	6000
Salaries	64000		Staff 2	7000
Unloading	3600		Staff 3	6000
TOTAL FIXED COST	69900		Owner	45000
			TOTAL SALARIE	64000

3) Results and Findings :

3.1 : Volume Analysis (Sales , Purchase) :

The below graph is generated by analyzing the daily revenue over the period of a month.

DAILY REVENUE TREND



- The graph and heatmap reveal that the second half of the month generates the highest revenue. This trend may be attributed to retailers restocking their inventory at the end of the month to prepare for upcoming demand.
- It can also be seen that after a good day of sales, for the next 2-3 days the business struggles to generate revenue. This could be because the buyers from other cities do not want to purchase daily due to the transportation cost.

Standard Deviation	₹26,435
Average Daily Sales	₹60,061
Maximum Sale	₹118,686
Minimum Sale	₹23,028

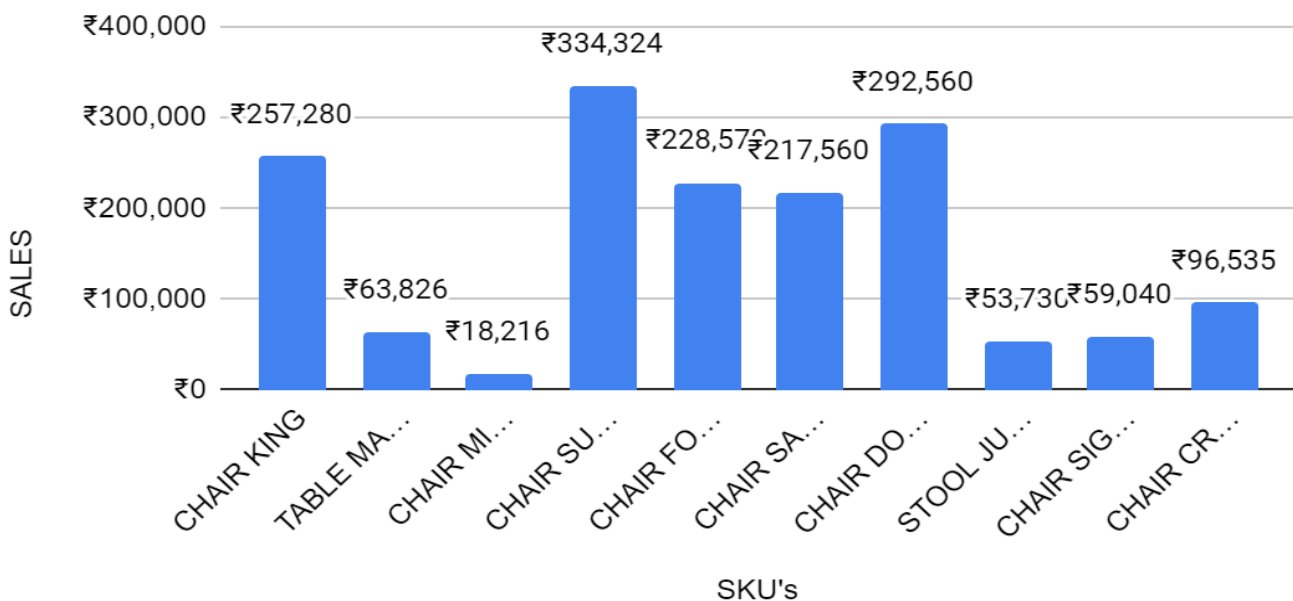
- The sales analysis revealed a standard deviation of ₹26,435 indicating significant variability in daily sales.
- Average daily sales stood at ₹60,061 serving as a benchmark for typical performance.
- The maximum daily sales reached ₹118,686 highlighting peak performance periods while the minimum of ₹23,028 suggested potential challenges in demand.

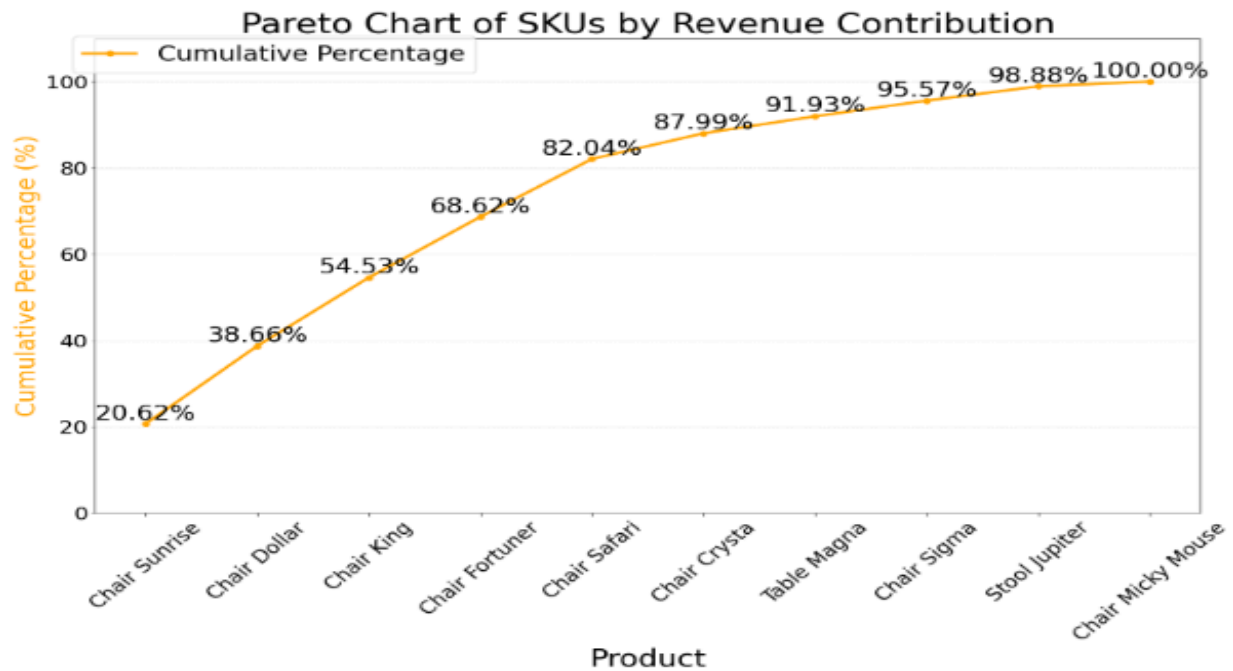
3.2 : Revenue and Pareto Analysis :

To analyze revenue generated by each SKU , the below graphs are generated :

1. For the revenue generated by each SKU over the period of a month and
2. Pareto chart in respect to the Total revenue generated over the period of a month.

MONTHLY REVENUE OF SKU's

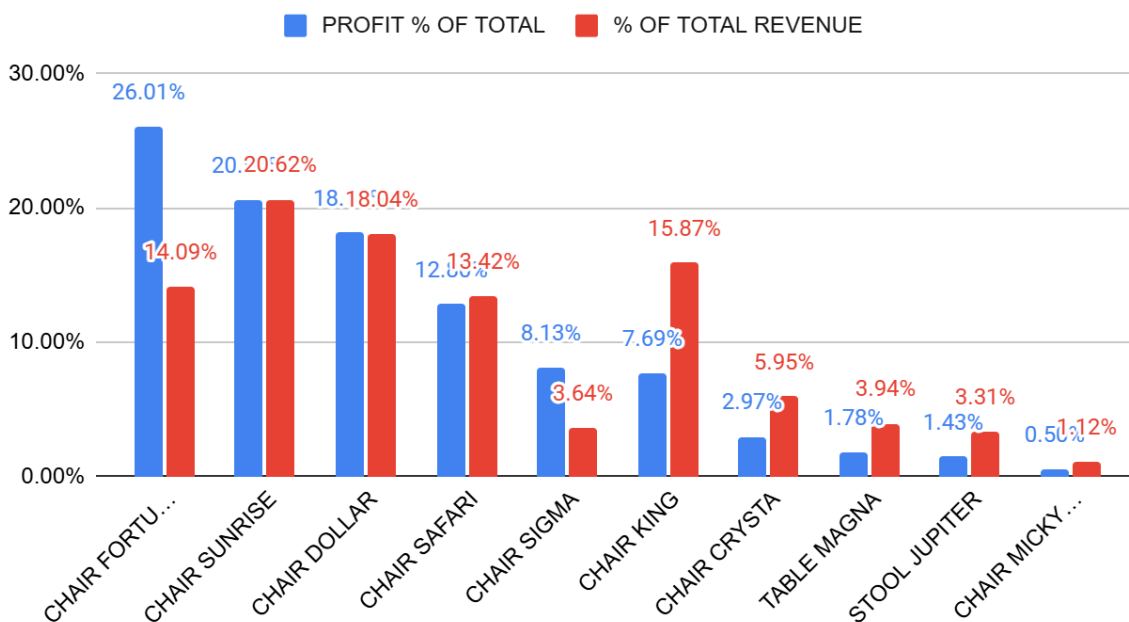




Above analysis depicts that Chair Sunrise, Chair Dollar, Chair King, Chair Fortuner and Chair Safari are the main revenue generating SKU for the store which can be seen on the pareto chart as well as these 5 contributes approx 80% to the total revenue generated of the business.

To analyze each SKU contribution along with pareto , the below graphs are generated to show the proportion of each SKU contribution to Total revenue generated as well as Total sales volume of the store for a period of month.

Profit % Vs Revenue % of SKUs

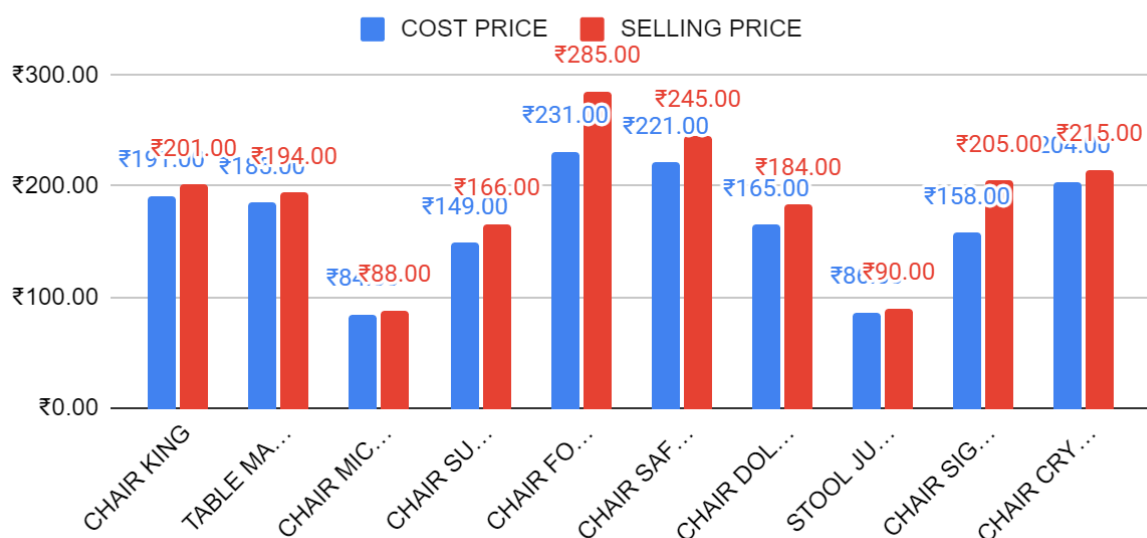


- From the above analysis it can be clearly deduced that sales and revenue proportion for each SKU are directly related to each other meaning there is no high revenue generating product at low sales volume for the shop except for the Chair Fortuner, which has a contribution of 9.5% contribution to the sales while having a 14.1% contribution to the total revenue indicating high revenue generation at low volume in comparison to other SKU's
- The Stool Jupiter and Chair Micky Mouse have low profits and low contribution to revenue, which indicates that their SKUs are low priced which can also be concluded from their cost and selling prices and profit per unit compared to others.
- It also concludes that although the shop is prosperous in Chair King, Chair Crysta sales but their contribution to the overall profit remains significantly lower to that of others hence lower net profit which can be due to the fact of wrong purchase decision.
- It can be seen that the major 5 SKUs from the pareto chart for revenue have a high sales volume proportion and revenue proportion making our pareto chart results valid.

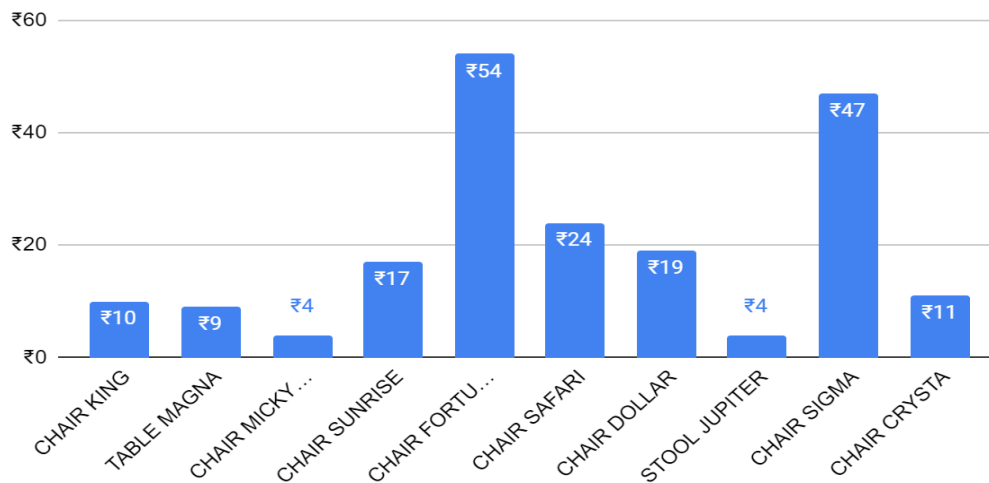
3.3 : Profit / loss Analysis :

The below graph shows the comparison of purchase price to the selling price for each item present in the store which can be further used to calculate profit per item to analyze the areas / SKU's which can be improved to increase net profit.

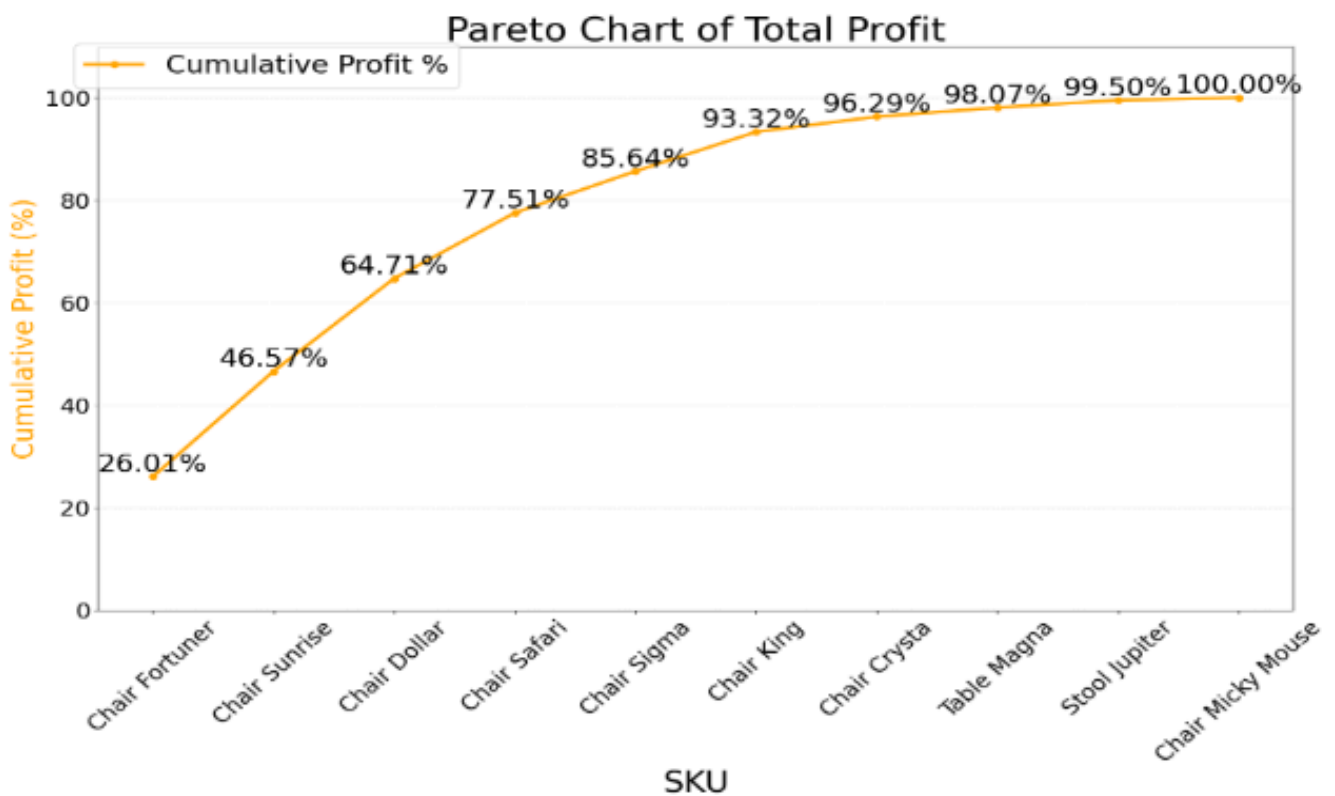
Cost Price Vs Selling Price



Profit Per Unit



- From the above graph it can be seen that Chair Fortuner and Chair Sigma are the items that holds maximum profit generating capacity while comparing this results to the revenue and revenue volume proportion pie chart it can be clearly seen that Chair Fortuner and Chair Sigma sales volume (9.5% and 3.4%) need to be improved to increase its net profit.
- To validate our above finding , the below pareto chart for total profit is plotted



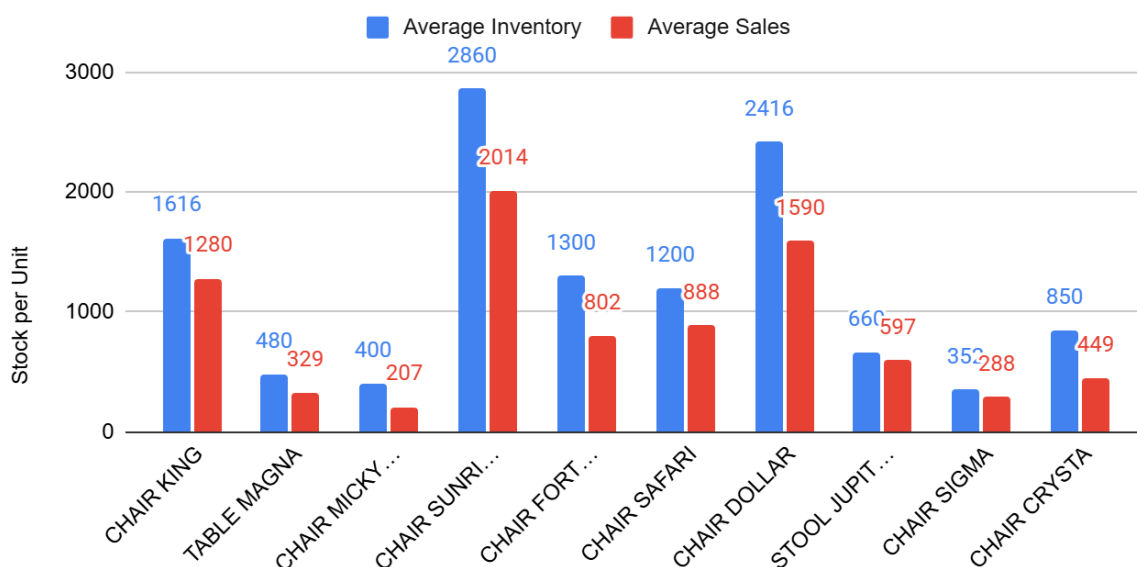
From the above graph we can see that Chair Fortuner, Chair Sunrise, Chair Dollar, Chair Safari and Chair Sigma are the 5 SKUs contributing to the 80% of store's total profit.

Secondly, from the above graph, we do validate our above analysis about Chair King and Chair Crysta (as they are not in 80%).

3.4: Inventory Analysis :

Below graph represent the average stock and average sales in the store for every item.

Inventory Vs Sales



Comparing the above average stock inventory graph with average sales of each SKU, we can see that there are no abnormalities. However, we can see that the fast moving SKUs are available in large quantities.

Key Formulas for Inventory Management:

Daily Safety Stock Calculation:

$$\text{Daily Safety Stock} = Z \times \sigma_D \times \sqrt{L}$$

Daily Reorder Point (ROP):

$$\text{Daily ROP} = (\text{Average Daily Demand} \times L) + \text{Daily Safety Stock}$$

Daily Economic Order Quantity (EOQ):

$$\text{Daily EOQ} = \sqrt{\frac{2DS}{H}}$$

Where:

- Z = Z-score for service level (e.g., 1.65 for 95% service level).
 - σ_D = Standard deviation of daily demand.
 - L = Lead time in days.
 - D = Total daily demand.
 - S = Ordering cost per order.
 - H = Holding cost per unit per day.
-
- **Average Daily Sales:** The average number of units sold per day over the analysis period (30 days).
 - **Standard Deviation (Daily Sales):** Measures daily variability in sales, used to calculate the safety stock.
 - **Lead Time (Days):** The number of days required to receive an order after placing it (at most 2 days depending on the stock availability).
 - **Daily Safety Stock:** The buffer stock needed to prevent stockouts, calculated based on sales variability and lead time.
 - **Daily Reorder Point (ROP):** The inventory level at which a new order should be placed to replenish stock before it runs out.
 - **Daily EOQ:** The optimal order quantity for minimizing ordering and holding costs.

Conclusion:

- **High-Demand SKUs (e.g., CHAIR SUNRISE, CHAIR DOLLAR, CHAIR KING):** Recommend maintaining safety stock at higher levels and ensuring EOQ calculations are accurate to optimize costs and prevent stockouts.
- **Low Sales SKUs (e.g., STOOL JUPITER, CHAIR SIGMA):** Focus on promotions or strategic pricing to increase sales volume. Reconsider investment or space allocation if turnover remains low.
- **Reorder Points and Safety Stock:** Adjust based on lead time and variability in sales to maintain service levels and minimize risk of stockouts.

Data for Daily Analysis:

SKU	Initial Inventory	(Restock) 03-6-24	(Restock) 21-6-24	End Inventory	Avg Daily Sales	Standard Deviation (Daily Sales)	Lead Time (Days)	Daily Safety Stock	Daily ROP	Daily EOQ
CHAIR KING	256	960	400	336	42.67	15.38	2	30.76	111.10	195.59
TABLE MAGNA	30	250	200	151	10.67	7.07	2	14.14	41.49	48.16
CHAIR MICKY MOUSE	100	150	150	193	6.67	6.00	2	12.00	33.34	40.20
CHAIR SUNRISE	160	1500	1200	846	67.47	21.82	2	43.64	155.58	317.89
CHAIR FORTUNER	240	660	400	498	26.73	10.95	2	21.90	74.52	119.96
CHAIR SAFARI	208	432	560	312	29.60	8.49	2	16.98	59.68	129.10
CHAIR DOLLAR	176	1040	1200	826	53.20	12.65	2	25.30	104.70	177.86
STOOL JUPITER	60	300	300	63	19.90	5.00	2	10.00	49.80	70.72
CHAIR SIGMA	60	84	208	124	9.60	3.41	2	6.82	25.42	39.04
CHAIR CRYSTA	0	350	500	401	16.97	7.07	2	14.14	49.96	83.87

3.5: PL & INSIGHTS :

To analyze the net profit firstly fixed cost is calculated using the data given by the owner :

Fixed Cost Analysis			Salaries	
	COST			COST
ELECTRICITY	2300		Staff 1	6000
Salaries	64000		Staff 2	7000
Unloading	3600		Staff 3	6000
TOTAL FIXED COST	69900		Owner	45000
			TOTAL SALARIE	64000

- The above table provides us with fixed cost analysis along with the salaries cost (approx given by the owner).
- It does not include the cost of transportation as it is included in the cost of goods by the company.
- Unloading charges are other costs which are the cost of labour to unload the goods which is around Rs. 1800 per truck. The owner bought 2 times from the company, hence the overall labour cost is Rs. 3600.
- The monthly cost of the fixed assets is only ₹69,900 , which is very low compared to the returns he gets from them indicating good investment.

From the above table following things can also be calculated :

Total fixed cost : ₹69900

Net profit :

$$\begin{aligned}\text{Net Profit} &= \text{Profit} - \text{Total Fixed Cost} \\ \text{Net Profit} &= ₹166520 - ₹69900 \\ &= ₹96620\end{aligned}$$

From the above analysis, we can conclude that the business has managed their fixed costs very efficiently and hence, there is not much reduction to do in it.

4) Interpretation of Results and Recommendation :

4.1 : Recommendation 1: Increase the sales of high profit items (such as :- Chair Fortuner and Chair Sigma)

Based on the analysis, it is evident that Chair Fortuner and Chair Sigma have significantly higher profit margins compared to other items. The business owner can take advantage of this by increasing the sales of these items, resulting in higher profits and additional assets for the shop.

Steps which can be taken to increase the sales of high profit margin items :-

- **Promotion & Marketing :** The owner can promote the high profit SKUs by running ads in nearby areas using various platforms (like facebook, instagram) or can distribute templates, which will lead to a boost in sales.
- **Bulk Sales and Discounts:** Instead of selling small quantities, the business owner can offer discounts on larger quantities which will attract customers and other business owners. This strategy can incentivize customers to buy in bulk and increase sales volume.

4.2 : Recommendation 2 :Profit Maximization Strategy:

- **Reducing Holding Costs:** By maintaining EOQ and optimizing storage space for high-value SKUs, the shop can reduce unnecessary holding costs, freeing up resources for investment in more profitable products.
- **Improving Sales of High-Profit SKUs:** Leveraging insights from ABC analysis, marketing efforts and promotions can focus on high-profit items in Categories A and B to boost overall profitability.
- **Avoiding Losses:** For Category C SKUs, minimizing overstocking ensures that resources are not wasted on products with low revenue and profit contributions.

4.3 : Recommendation 3 : Strategic Decision-Making: The combined use of ABC analysis and EOQ enables data-driven decision-making for inventory management. By aligning stock levels with customer demand and sales patterns, the shop can enhance operational efficiency and ensure a steady flow of revenue and profit. This structured inventory approach not only improves cash flow but also provides a competitive edge in the market by ensuring that the right products are available at the right time and cost.

4.4: Recommendation 4 - Exploring Nearby Cities for Marketing

The business owner can expand the market by visiting nearby cities, establishing connections with local sellers, and marketing their products. This approach will attract new customers, leading to increased sales and profit margins.

4.5: Recommendation 4 - Opening a Retail Store

To further enhance profitability, the business owner can consider opening a retail store. By cutting out intermediaries, the profit margins will increase. Combined with effective marketing strategies in new locations, this initiative can significantly elevate the business to higher levels.

4.6: Recommendation 6 - Additional Steps

4.6.1: Effective Pricing Strategies

Adopting innovative pricing strategies can drive sales and maximize profitability:

- **Bundle Pricing:** Offering complementary products together, such as chair sets with tables, at a discounted price can encourage bulk purchases and increase transaction value.
- **Promotional Pricing:** Introducing discounts, limited-time offers, or seasonal promotions creates urgency among customers, boosts sales during specific periods, and increases overall revenue.

4.6.2: Enhancing Store Display and Visual Merchandising

Creating an appealing and strategic store layout can significantly influence customer buying behavior:

- **Eye-Catching Displays:** High-profit items should be prominently displayed near entrances or high-traffic areas. Creative arrangements and attractive signage can capture the attention of potential customers.
- **Engaging Visual Merchandising:** The store environment should be designed to be customer-friendly, making navigation intuitive and encouraging longer browsing time.

By implementing these recommendations, Hindustan Enterprises can effectively expand its customer base, improve operational efficiency, and significantly enhance sales and profitability.

5) Conclusion :

In conclusion, the analysis of Hindustan Enterprises sales and expenditure data has provided valuable insights and recommendations for improving the business profitability and inventory management. The analysis revealed that certain items, such as Chair Fortuner and Chair Sigma, have high-profit margins and represent significant opportunities for increasing sales. By implementing targeted marketing strategies, such as seasonal promotions, the store can fairly potential these high-profit items. Additionally, offering bulk sales and discounts can incentivize customers to purchase larger quantities, further boosting sales volume and overall profitability. The findings also highlighted the importance of optimizing inventory management. By using ABC analysis and EOQ, the store can ensure sufficient stock availability without excess inventory buildup or shortages. This will help to maintain customer satisfaction, reduce unwanted buying, and improve overall operational efficiency. Furthermore, the analysis emphasized the significance of making informed purchase decisions. By implementing a proactive approach to purchasing, the store can minimize losses in the form of leftover stock and increase profitability. The analysis of fixed costs identified areas of expenditure that require attention, such as electricity and salaries. The store owner should continuously evaluate and optimize these costs to improve cost efficiency and maximize profit margins in the long run. Additionally, the owner can contact the retail sellers of nearby cities and market their product, which will lead to increased sales. The store owner can open a retail store outlet which will increase the profit margins and will lead to increase the overall profit. In addition, the recommendations to enhance store display and utilize effective pricing strategies can contribute to increased customer attraction and sales. Eye-catching displays and promotional pricing can create a positive shopping experience and encourage customers to make additional purchases, leading to higher revenue and profitability. By implementing these recommendations, the business can improve its financial performance, increase profitability, and establish a stronger position in the market. It is important for the business owner to continuously monitor and evaluate the effectiveness of these strategies, making necessary adjustments to ensure long-term growth and sustainability of the business.

6) Important Links :

- Link to spreadsheet : [Click Here](#)
- Link to Presentation : [Click Here](#)