

Topic:- **GROCERY STORE MODEL**

Peer reviewed assignment

1. Introduction



“ Walmart will be the death of grocery stores ”

In India every street has dogs, puddles and grocery stores. Grocery stores have played a very important part in Indian society since anyone could remember.

But a few years ago when companies like Walmart identified India as a potential target they realized there's a even bigger problem. Walmart has always sold directly to customers. But in India, adopting this strategy was not feasible due to certain foreign investment policies and barriers to entry.

These barriers are there to protect the small business in the country. In this project I will talk about a grocery store in a big society trying to survive in this competitive market. How can they advertise themselves in the market.

WHY DID I CHOOSE THIS MODEL

The grocery store that I am taking into consideration is a medium range store where you get mostly all of the stuff for daily use. They have a computerized bill system and a well maintained inventory. This grocery store nowadays is facing heavy competition from the other grocery stores as well as stores like Big Bazaar, Reliance mart etc . this store is being supplied by the local wholesalers of the different companies.

To survive in this market the owner of this store asked his son who is studying CSE – AI to help him and his store with the methods of AI . Hence our model.



2. Marketing Campaign Proposal

We know when a person enters a grocery store, he tries to buy things that suits him.

Like if there are 3 brands of oil X,Y,Z and the person is confused then he will always take the brand he's most comfortable with even if he gets a slight discount on the other brands. All in all a grocery store is a very personal place of costumers. So when we are making an marketing proposal it should be like

“ Our Personal Touch “

It will be like we will personalize the machines to help us get to know the consumer a little bit more.

I will discuss “HOW” in the later section of the model.

In this model we will personalize the consumer's experience with the help of data provided by the consumer. We will launch an app by through which a consumer will get the store on their phone. They will login with their phone numbers. The app will help us get to know the consumer better. We can give a lot of different offers, coupons on the app based on the general need of consumer.

We will start a home delivery service till a certain radius and if this model succeeds then we might increase the radius. We will do everything that's possible for us to fulfil the consumer's need.

We will distribute pamphlets at the bus stop, tea stalls etc so that middle aged women and men who shop regularly knows about our new theme.

The marketing model should also be based on the pricing psychology of people. This is a very important way of selling goods at any shop. If we apply this method to our store we might see instant positive results.

Now the role for our partners. We won't buy goods from the whole sellers that sell product less popular in our neighbourhood. Even if we buy those we should keep the profit margin less so more people will buy our product.

If we apply all these strategies we might see sudden growth in our business. This is my marketing proposal for the grocery store.

3. Data Identification

Right now the data collection at the grocery store is at the bare minimum. As we know

“ if we want to succeed in our business we should have a clear idea about our consumer, to have a clear idea we need data. “

The data is provided by the consumers. To collect the data we can implement different models but right now the store does not have any model to collect data. It's all on face value of the owner and the consumer.

The customers know this guy for a long time and the people in this society prefer to buy things from his shop because they get the sense of trust from his shop.

But this is not ideal moving forward. The competition in the market is tough and with the help of AI we can avoid losses in our business moving forward.

But the data collection of this store is not zero. They have a computerized billing system as well as the inventory. The area where they lack is data manipulation and data management. If they use a model where the data from the inventory and consumers are managed properly they can use it for the betterment of their business. This is what I will discuss in the next section.

4. Business Model Proposal

Now the most important part of this project.

The business model that I would implement is based on data collection, management, manipulation and application. To go through it step by step let's look at an example

“ it's been observed at in India during 5-7pm most of the grocery stores are visited by consumers to get milk, bread etc. daily use items when they are returning from their offices, colleges, schools etc.”



In this model the billing machine will get the data of the consumer by making a bill with the help of their phone number. Every phone number is an unique identity of the consumer and the data will get stored in the cloud under that account. Now when the costumer downloads the app and logins with their phone number the store already have a history with them and they can get their offline as well as online history of shopping. We can use this data for a lot of other things like marketing,

For example

we can notify costumers about offers in their favourite brands, We can stop buying stuff from the whole sellers which is not that popular in the costumers, we can have a section on the app where the consumers ask us to introduces the items they couldn't find in our store, we can introduce points system i.e. as the consumers buy more often from us the points increases and they get benefits when they want to cash in. this will ensure long relationship between us.

During a team in the day, week, month or year some specific products are more in demand and we might run out of those products in the shop. We can predict such situations beforehand and get that product stacked up.

As our business grows we can add new products or even expand our business in the other area of the city. In this way we will have a bigger database and more consumers.

With this model we fulfil our promise of a better personal experience for consumers as well as a better business vision and perspective for us. We save money by not keeping unnecessary items in the shop, increase profit by selling common items, tracking the consumer's orders so that we get a better view on how to run, consumer feedback from the app ensures that the costumer is working with you for the betterment of our business.

THANK YOU.