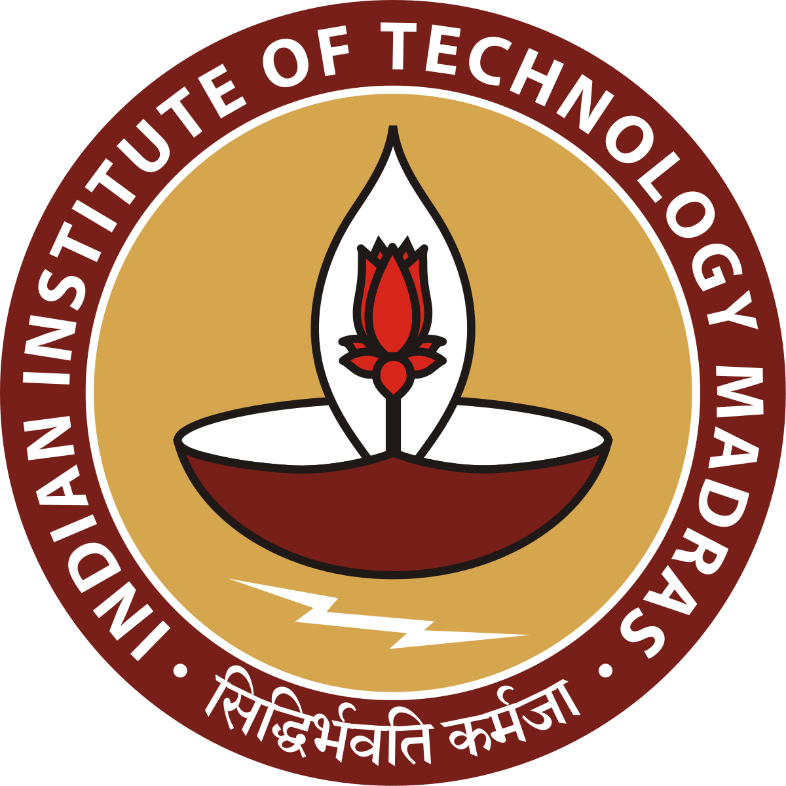
# Maximizing Sales Through Strategic Product Bundling

**A Proposal report for the BDM capstone Project**

Submitted by

Name:

Roll number: XXXXXXXXXX.



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**Declaration Statement**

I am working on a Project titled “Maximizing Sales Through Strategic Product Bundling”. I extend my appreciation to **XXXXXX Company, Raebareli** and Kamal & Sons, Lucknow , for providing the necessary resources that enabled me to conduct my project.

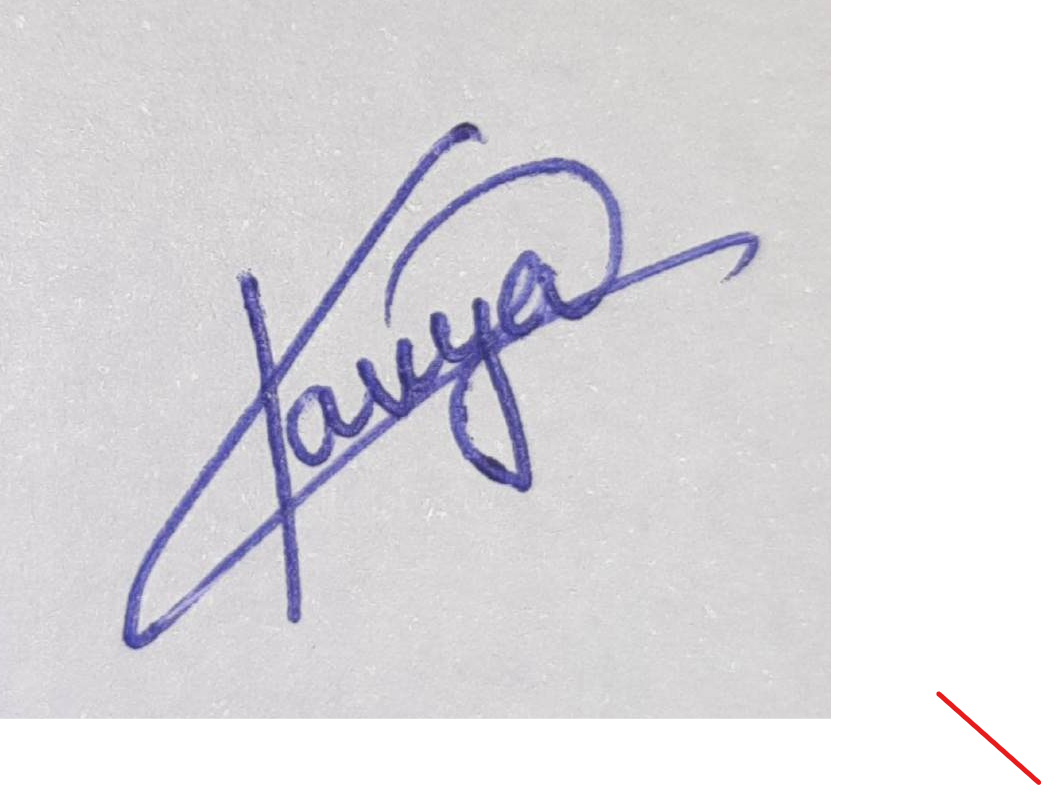
I hereby assert that the data presented and assessed in this project report is genuine and precise to the utmost extent of my knowledge and capabilities. The data has been gathered from primary sources and carefully analyzed to assure its reliability.

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 thorough 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: 

Name:Kavya Dwivedi Date: 08-12-2023

# Executive Summary and Title

The project focuses on a well known firm located at Raebareli, Mahesh Company. The business is B2B and deals in the segment of wholesale distribution, specializing in supplying a diverse range of goods to retail establishments, stores and small businesses within the region.

While the organization doesn’t face explicit challenges, its primary focus revolves around maximizing profitability and attracting a wider customer base. The emphasis is on optimizing operations to increase profit margins and implementing strategies to drive customer acquisition and retention. Exploring avenues for enhanced profitability without compromising on service quality or inventory management stands as a key objective for the organization.

The issues will be addressed by analyzing the data via different analytical approaches to obtain a fruitful outcome.I am planning to use

PARETO PRINCIPLE as it will help me spotlight the critical few products that contribute significantly to sales between Mahesh Company and Kamal and Sons, identifying the top 20%. I am also planning to use ABC ANALYSIS as it will help me categorize products from their sales to Kamal and Sons into high-value ‘A’ items, moderate value ‘B’ items and low value ‘C’ items. Lastly, after analyzing the outcomes derived from Pareto and ABC analyses, the intention is to strategically combine complementary products into bundles or packages , aiming to optimize sales, enhance customer value and ultimately bolster the profitability of the firm.

The expected outcome helps the organization reduce the money blockage in terms of inventory, which helps increase the profitability of the organization.

# Organization Background (150 Words)

Mahesh Company stands as a reputable entity renowned for its distribution of various renowned brands like Dabur, Amul, Patanjali, and more. As a prominent product supplier, Mahesh Company caters to the market in Lucknow and Raebareli, offering a diverse range of quality products. Known for its reliability and comprehensive supply network, the company plays a pivotal role in supplying goods to numerous businesses, stores, and small enterprises within this region. With a focus on supplying high-quality products from esteemed brands, Mahesh Company has established itself as a key player in the supply chain industry, contributing significantly to the availability of top-tier goods in the Lucknow and Raebareli markets

# Problem Statement (Listed as objectives) (50-75 Words)

* 1. Problem statement 1: Data Quality Improvement:

The primary challenge observed is the data inconsistency, errors, and lack of uniformity pose significant hurdles in conducting comprehensive analysis and drawing meaningful conclusions.

* 1. Problem Statement 2 : *Revenue Enhancement through Sales Data Analysis*

The company wants to enhance their profit so I need to deeply analyze their sales data to make any suggestions.

* 1. Problem Statement 3 : *Strategic Product Grouping for Sales Amplification*

Increasing sales and promoting lesser-known products is a priority for the company, urging the preparation of effective product combinations

# Background of the Problem (200 Words)

Mahesh Company is striving to boost its revenue and gear up for the upcoming season, although they haven't highlighted specific challenges. The owner's focus is on finding strategies to ramp up sales. However, a critical obstacle lies in the lack of organized data, hindering their ability to make informed decisions for growth.

The challenges stem from the company's internal data management. Mistakes in data entry and the absence of clear rules lead to messy and unreliable information, making it tough to analyze effectively. Externally, as Mahesh Company expands,

managing various data sources becomes complex, complicating data integration and usage.

Despite no clear-cut issues mentioned, the pressing need for revenue growth and sales improvement drives their quest for effective strategies. The objective is to capitalize on the approaching season's opportunities. However, this ambition is impeded by the messy data situation, impacting their ability to make informed decisions for enhancing sales and maximizing profits.

Resolving these challenges involves establishing clear data rules internally and finding better ways to organize and utilize the diverse data sources. Moreover, understanding customer preferences is crucial for devising successful sales

strategies. Streamlining internal data processes and harnessing external data

effectively will empower Mahesh Company to make informed decisions for revenue growth and successful seasonal readiness.

# Problem Solving Approach (400 Words)

Mahesh Company wants to sell more of their products that aren't doing so well. They plan to put these products together in packages that people will really like. They'll

use data and clever pricing to make these packages appealing to customers and also make sure the company earns well from it. The goal is to make these product combos super attractive to buyers while making a good profit for both the sellers and buyers.

Pareto Principle for Product Selection:Applying the Pareto Principle, we'll identify the vital few products contributing significantly to overall sales. Focusing on these

top-performing items will ensure that bundled offerings comprise the most profitable and relevant products, maximizing the impact of the product combinations.

SWOT Analysis for Strategic Insights:

Conducting a SWOT analysis will uncover internal strengths, weaknesses, market opportunities, and threats pertinent to product bundling. Leveraging strengths and opportunities will help craft effective combinations, while addressing weaknesses and mitigating threats ensures strategic alignment and reduced risks

Value-Based Pricing Strategy:

Implementing value-based pricing ensures that the bundled offerings are not only appealing but also financially feasible for both sellers and buyers. This strategy involves setting an optimum price based on the perceived value of the combined products, aligning with customers' willingness to pay and maximizing revenue.

Combining these methodologies enables a comprehensive approach to solving the sales enhancement challenge:

Identification of High-Impact Products: Pareto Principle guides the selection of key products for bundling.

Strategic Insights and Alignment: SWOT analysis provides strategic insights for bundling while aligning offerings with market needs.

Optimized Pricing for Value: Value-based pricing ensures that pricing strategies align with customer perceptions of value while maximizing profitability.

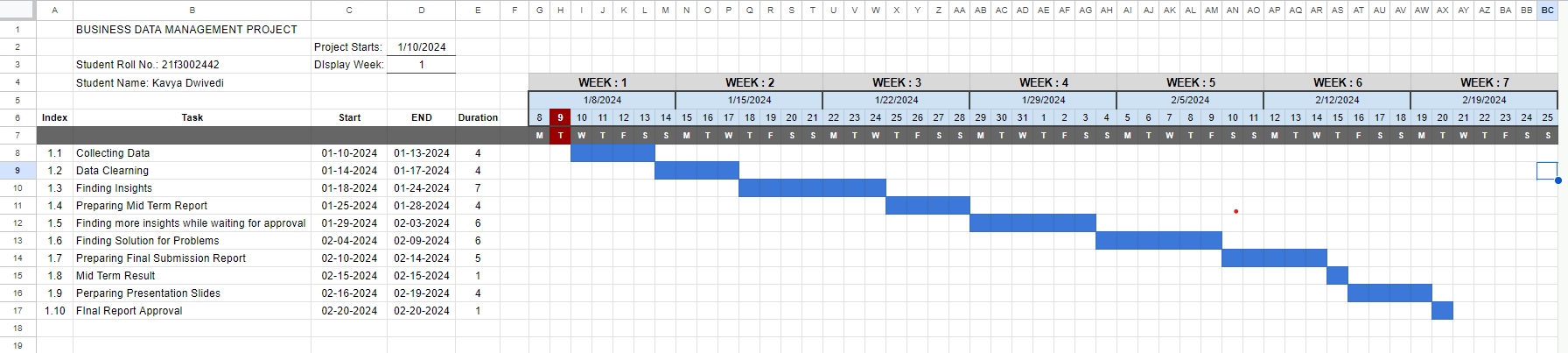
This multifaceted approach ensures that Mahesh Company's efforts in product

bundling is data-driven, strategically aligned, and customer-centric. By harnessing the insights from Pareto analysis, SWOT assessment, and value-based pricing, the company can generate compelling product combinations that effectively drive sales of less performing products, fostering revenue growth and market competitiveness.

# Expected Timeline

* 1. Gantt chart:

[Click here](https://docs.google.com/spreadsheets/d/19nLxqBwypmf9c0G6lLgfQC6PbGwhHQhT/edit?usp=sharing&ouid=113865614006029318246&rtpof=true&sd=true) to view Gantt Chart.



*Figure 1 Expected timeline for completion of project.*

# Expected Outcome (Briefly explain in 150-200 words)

* 1. Optimized Product Combinations: Anticipate increased sales for underperforming products through strategically curated bundles, thereby boosting overall revenue
  2. Enhanced Customer Engagement: Resulting from tailored product groupings based on customer preferences, fostering greater customer satisfaction and loyalty
  3. Improved Profitability: Implementing value-based pricing strategies ensures profitable sales while catering to buyers' preferences, benefiting both sellers and buyers.
  4. Data-Driven Decision Making: Establishing refined data management practices enables informed decision-making, aiding in better inventory planning and sales forecasting.