

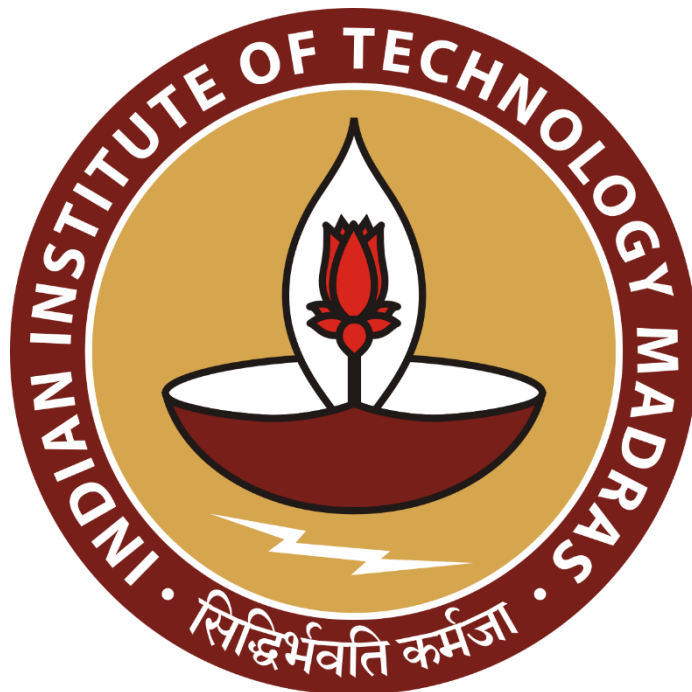
Analyzing business model of hostel canteen

A Proposal report for the BDM Capstone
Project

Submitted by

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Declaration Statement

I am working on a Project "analyzing business model of hostel canteen". I extend my appreciation to [hostel canteen manager], 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 through primary sources and carefully analyzed to assure its reliability.

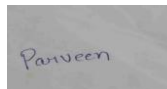
Additionally, I affirm that all procedures employed for the purpose of data collection and analysis have been duly explained in this report. The outcomes and inferences derived from the data are an accurate depiction of the findings acquired through thorough analytical procedures.

I am dedicated to adhering to the information 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 agree that all the recommendations are business-specific and limited to this project exclusively, and cannot be utilized for any other purpose with an IIT Madras tag. I understand that IIT Madras does not endorse this.

Signature of Candidate:

A small rectangular image showing a handwritten signature in blue ink on a light-colored background. The signature appears to be 'Parveen'.

Name: Parveen

Date: 05/03/2024

1. Executive Summary:-

The project focuses on the business model of a hostel canteen located in Boy's Hostel 6 (Teja Singh Hostel) at Punjab University, Chandigarh. The business is B2C, providing a variety of food items options to suit different student preferences

The primary issues faced by the hostel canteen include the absence of a menu card for new customers, leading to confusion and difficulty in selecting items. Additionally, during breakfast, the canteen becomes crowded due to the large number of hostel residents (approximately 450-500 people), resulting in difficulties finding seats and delays in orders. This overcrowding can lead to customer dissatisfaction. Furthermore, certain products like cheese patties and cupcakes have low sales, while items such as milk and biscuits occasionally go out of stock during the night. Addressing these issues is crucial to improving the overall customer experience and operational efficiency of the canteen.

The issues will be addressed by analyzing the data using various analytical approaches to achieve a positive outcome. For the first two main problems, we do not require extensive analysis. To address the menu problem, we will create a proper menu displaying all items in the canteen along with their prices. For the second main problem of limited seating capacity, we will purchase additional tables and chairs to create more space, thereby managing the crowd better. For items with low sales, we will analyze why they are not selling and gather feedback from customers/students to understand their preferences better. This feedback will help us improve the sales of these items. For items that frequently go out of stock, such as milk, biscuits, and chips, we will analyze the daily demand for these products. Based on this analysis, we will increase the stock of these items to meet customer demand

2 Organization Background:-

The hostel canteen, managed by Vicky Shah, This is situated in Boy's Hostel 6 (Teja Singh Hostel) at Punjab University, sector 14, Chandigarh. Operating on a tender-based system, the canteen undergoes an annual tender process typically in June, where multiple applicants vie for the opportunity to run the canteen. The university's selection process ensures a fair and transparent allocation of the canteen contract. Vicky Shah and his team successfully secured the tender in 2019, and since then, additionally, the hostel canteen has to pay rent to the university every month because the university provides space for the canteen. They have been the proud operators of this popular canteen.

The canteen's operational hours are from 6 am to 10:30 pm, providing foods to students. It serves as a vital hub for students' dining needs, The canteen's strategic location within the hostel premises and its status as the sole dining option for hostel residents make it a popular and essential facility.

Vicky Shah's management of the canteen emphasizes quality service, affordability, and variety, ensuring a positive dining experience for students. The canteen's role extends beyond providing meals, serving as a social hub where students gather, interact, and relax. Overall, the hostel canteen managed by Vicky Shah plays a crucial role in enhancing the hostel experience for students at Punjab University.

3 Problem Statements:-

1. No Proper Menu Card available in hostel canteen.
 2. Limited Seating Space.
 3. Low Sales of Certain Items.
 4. High Price of Some items.
- One Addition problem: (This problem not occurs always)
5. Some Time Items goes Out of Stock.

4 Background of the Problem :-

1. No Proper Menu Card available in hostel canteen:

The absence of a proper menu card in the hostel canteen can be attributed to various factors such as lack of resources, oversight, or a focus on other operational priorities. Without a clear and informative menu card, customers may struggle to make informed choices, leading to potential dissatisfaction and confusion. This can impact the overall customer experience and may result in lost sales opportunities for the canteen.

2. Limited Seating Space:

Limited seating space in the hostel canteen could be due to physical constraints or inefficient space utilization. It may also result from poor planning or inadequate consideration for customer comfort. Limited seating can lead to crowded conditions, discomfort for customers, and potential loss of business during peak hours.

3. Low Sales of Certain Items:

The low sales of items like cheese patties, paneer patties, and cupcakes in the canteen may be attributed to various factors such as lack of promotion, poor visibility, or mismatch between customer preferences and offerings. Understanding the reasons behind the low sales can help the canteen develop strategies to boost sales and reduce inventory wastage.

4. High Price of Some items:

Some items in the canteen may have high prices due to factors such as high procurement costs, inefficient pricing strategies, or lack of market research. High prices can deter customers from making purchases, leading to lower sales and profitability for the canteen.

5. Some Time Items goes Out of Stock:

Items like milk, biscuits, and chips go out of stock during the night. This can be a result of inaccurate demand forecasting, poor inventory management practices, supplier issues, or unforeseen demand spikes.

5. Problem Solving Approach:-

1. Introduce a Well-Designed Menu Card:

Create visually appealing and informative menu cards that list all items with descriptions and prices. Additionally, have a large menu card displayed on the wall for new customers to quickly view the available items and prices. This approach will help customers make informed decisions and enhance their overall experience, potentially increasing satisfaction levels

2. Limited Seating Space:

To address limited seating space, the canteen can evaluate its current layout and optimize it for maximum space utilization. This may involve adding more tables and chairs or rearranging the seating to accommodate more customers comfortably. Implementing a reservation system or staggering meal times can also help manage peak-hour crowds more efficiently.

3. Low Sales of Certain Items:

Investigate why items like cheese patties, paneer patties, and cupcakes are not selling well. It could be due to their taste not meeting customer expectations. Collect feedback from customers to identify areas for improvement in these products. Adjust the recipes to better match customer preferences, which may help increase sales. Additionally, offer promotions and discounts on these items to encourage customers to try them and boost sales.

4. High Price of Some Items:

Review the pricing of high-priced items like paneer roll and bread omelette. Experiment with lowering their prices and assess the impact on sales. Compare the net profit before and after the price reduction to gauge the effectiveness. Offer meal deals or combo offers to make these items more attractive to customers. Clearly explain the value of premium items to justify their prices to customers.

5. Items Going Out of Stock:

Identify items that frequently go out of stock and determine the daily demand for each item. Based on this analysis, increase the stock of these items to meet customer demand and improve customer satisfaction. Enhance inventory management practices to prevent items from going out of stock.

6. Customer Engagement:

Regular surveys or feedback sessions allow the hostel canteen to directly engage with its customers, gaining valuable insights into their preferences and expectations. By understanding what customers like or dislike about the menu and pricing, the canteen can make informed decisions to improve its offerings. For example, if customers consistently request a certain dish or suggest a lower price for a particular item, the canteen can adjust its menu and pricing accordingly. This customer-centric approach can lead to increased satisfaction and loyalty, ultimately resulting in higher sales as customers are more likely to return and recommend the canteen to others

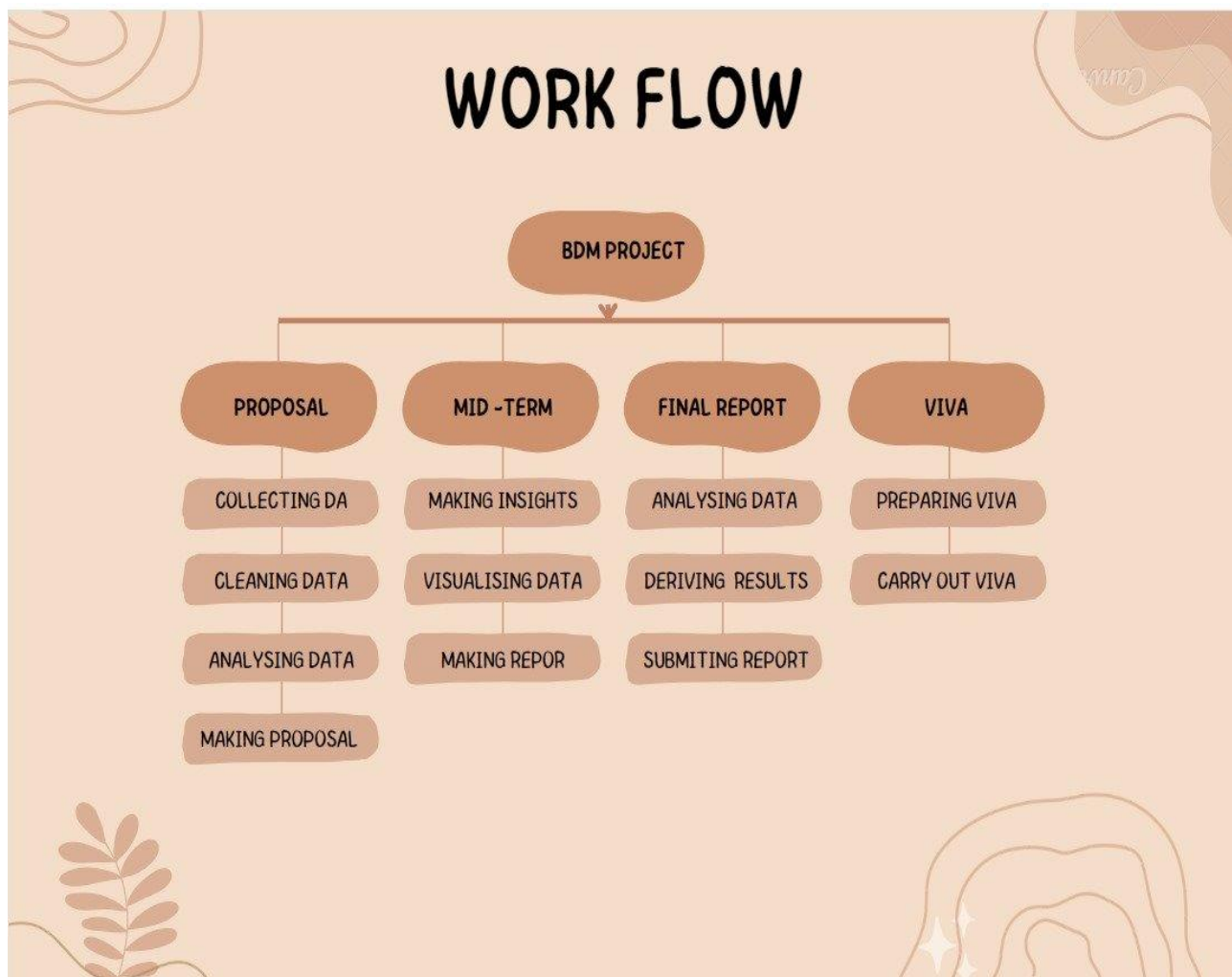
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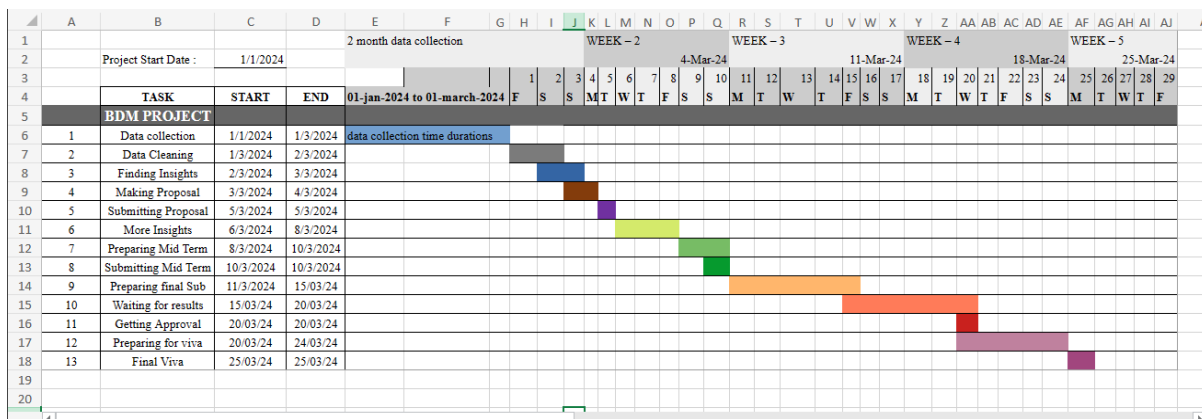
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6. Expected Timeline :-

6.1 Work Breakdown Structure:



2. Gantt chart: -



Expected timeline for completion of project.

7 Expected Outcome:-

7.1 Fixing the hostel canteen's issues will bring good results. With a clear menu and better seating, customers will be happier and more likely to come back. By improving items that don't sell well and lowering prices where needed, more people will be attracted to the canteen, leading to more sales and higher profits. Overall, these changes will make the canteen more popular and competitive, helping it to succeed.

7.2 Some items in the canteen have low sales compared to others. The reasons for this could be that the taste is not good or the items are not popular yet. By reviewing customer feedback, we can find out why these items are not selling well

7.3 The canteen manager ensures transparency with all students. Every student is treated equally, and no particular customer is given preference over others. This ensures that no one is disappointed by the canteen management system.