IIT Madras

BS Degree

Business Data Management

Mid - Term submission

Optimising Sales of a B2B Garment shop

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EXECUTIVE SUMMARY

The proposed capstone project is focused on improving the sales and marketing strategy of the shop. The shop sells a variety of textile products like readymade clothes for kids and adults. The goal of this project is to increase the quarterly and annual revenue by optimising their sales and marketing efforts.

To achieve this I will look into the sales data of the previous financial year of the shop and analyse it. will also study their target market, competitors, product offerings, pricing, and sales channels. Finding the gaps and areas of improvement in the current strategy is also very crucial. This will involve analysing the data collected and comparing it with the industry benchmarks and best practices. After doing the analysis I will finally suggest some recommendations to the problem statements which I have analysed. Overall the proposed capstone project will help the textile shop improve its sales and marketing strategy, increase its revenue and market share.

The report includes analysis of sales data of one financial year to identify patterns and trends in the sales data available to us. The analysis will include the comparison of revenue generated of each quarter . The report also identifies the best and the worst performing quarters.

PROOF OF ORIGINALITY OF DATA

As a proof of originality I am attaching a screenshot of the GST registration certificate of the shop issued by the government of India.

It includes the legal name of the owner, Trade name of the shop, constitution of business, address of principal place of Business, period of validity and Type of registration.

Government of India
Form GST REG-06
[See Rule 10(1)]

Registration Certificate

Registration Number :10AFAPB0077M1Z1

1.	Legal Name	MOHAN PRASAD BARNWAL			
2.	Trade Name, if any	SAVITRY HANDLOOM			
3.	Constitution of Business	Proprietorship			
4.	Address of Principal Place of Business	122, SHAVITRY HANDLOOM, SIKANDRA, SIKANDRA, Jamui, Bihar, 811315			
5.	Date of Liability	01/07/2017			
6.	Period of Validity	From	01/07/2017	To	NA
7.	Type of Registration	Regular			
8.	Particulars of Approving Authority				

Signature

Name	
Designation	
Jurisdictional Office	
9. Date of issue of Certificate	23/09/2017

Note: The registration certificate is required to be prominently displayed at all places of business in the State.

This is a system generated digitally signed Registration Certificate issued based on the deemed approval of the application for registration

METADATA

METADATA	TYPE	DESCRIPTION
Date	Date	Indicates the date on which particular product has been sold.
Particulars	String	Indicates the shop name and the item which has been sold.
Quantity	Integer	Indicates the quantity/volume of the particular unit sold.
Rate	float	Shows the price per unit of that particular quantity
Value	float	Shows the total amount of that particular unit.
Gross Total	float	Shows the gross total amount after adding CGST and SGST in the value.
Output CGST	float	Shows the total CGST on that particular unit.
Output SGST	float	Shows the total SGST on that particular unit.

I have used the above mentioned metadata for analysis of the data for the business problems which can be inferred from the sales data of one financial year.

DESCRIPTIVE STATISTICS

After visiting the shop and having some discussion with the owner, I got the sales data of one financial year through their tally database. I had a talk with the employees of the shop and they helped me to understand the challenges they face in the day to day business of the shop. After a lot of discussions I have tried to list some of the major challenges faced by the business, which are as follows:-

- competition from the branded companies like Raymond and vimal in men's clothing to Biba and W in women's clothing. On the top of all these there are multiple branded shops nowadays in the market like FBB from Big Bazaar, club factory outlet, reliance trends etc. They offer huge discounts during peak seasons and attract a lot of customers due to which their revenue gets minimised as people prefer branded clothes over local ones.
- High competition among the local B2B garment supplying shops is one of the biggest problems faced by the shop, as the garment and textile industry is very saturated.
- Big e-commerce platforms like AJIO & myntra etc. which offer huge discounts during the peak festival seasons also attract a lot of their customers who otherwise would have bought from the local shops.
- Increase in the fashion trends is also making the marketing very tough as people don't want to buy clothes which are outdated in terms of fashion. As their shop is a B2B shop so they have to update their stock accordingly and supply them to their consignee.
- Seasonal effect in the garment industry is also a big factor. The garment industry mainly focuses on two seasons of winter and summer. People tend to buy additional clothes in winters like jackets, body warmer, winter caps, gloves etc. in addition to the normal clothes like jeans and shirts. That's why there is an increase in revenue during winter months.

DATA CLEANING

The cleaning of Raw data is a very crucial part before building any data model or for analysing the problems on which we are focusing to optimise business revenue.

- There was some unimportant data which were not useful for analysing objectives like address, voucher type, voucher number, GSTIN/UIN etc. so I eliminated them to focus only on the main objective data.

- The shop maintained the total earnings only on a daily basis and there was no monthly or quarterly data available. So I calculated the monthly data to analyse the revenue trend on both monthly and quarterly basis.

- The shop also didn't maintain the data on the basis of each consignee which otherwise would be very beneficial in terms of quarterly or yearly planning of the shop.

- The tally data was also having many blank spaces between the useful data which were hindering while drawing pivot tables of the data or while drawing important graphs like pie chart and bar chart. So, I eliminated these blank spaces to work more efficiently.

ANALYSIS PROCESS

From the sales data of the shop I calculated the below mentioned descriptive statistics using microsoft excel software and created pivot tables and graphs to descriptive the objective problems.

From the above graph it is clearly evident that there is a decline in revenue during the 1st quarter i.e. April, May & June months and the 2nd quarter i.e. July, August & sept months. The 3rd and the 4th quarter proves to be the most profitable quarters for the shop.
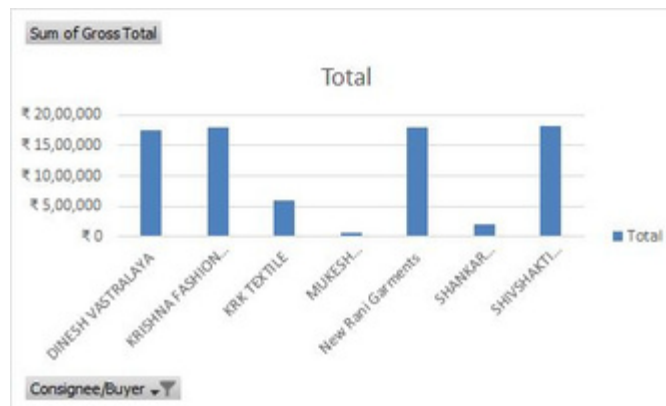
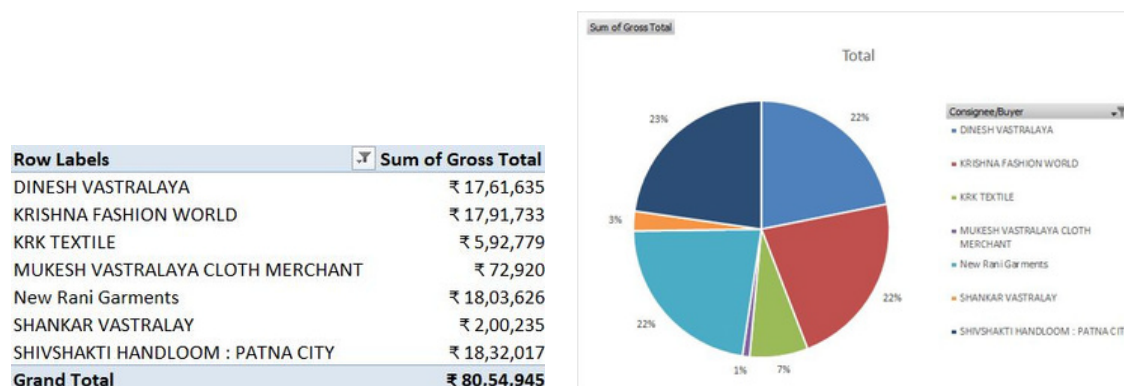| Row Labels	Sum of Gross Total
Jan	₹ 8,02,864
Feb	₹ 8,04,513
Mar	₹ 8,99,910
Apr	₹ 5,94,615
May	₹ 6,55,984
Jun	₹ 5,89,187
Jul	₹ 5,84,338
Aug	₹ 5,86,288
Sep	₹ 5,88,473
Oct	₹ 6,36,562
Nov	₹ 5,85,781
Dec	₹ 7,26,430
Grand Total	₹ 80,54,945
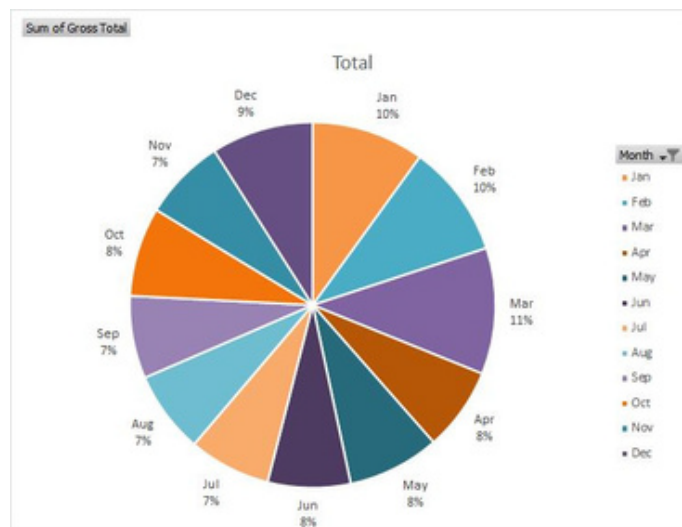
From the pivot table we can see the monthly and gross total revenue of the shop in the financial year.

The above pie chart shows the percentage contribution of every month in the gross total revenue generated every financial year. The months of Jan, Feb & March generate 10%, 10% & 11% revenue respectively.

Now when we create a pivot table of sum of gross total for each consignee, we see a lot of interesting analysis from that also.

From the above bar graph of consignee Vs sum of gross total, we can see that the four main shops namely Dinesh vastralay, krishna fashion world, New rani garments and shivshakti handloom constitute the largest chunk of the gross total.

Row Labels	Sum of Gross Total
DINESH VASTRALAYA	₹ 17,61,635
KRISHNA FASHION WORLD	₹ 17,91,733
KRK TEXTILE	₹ 5,92,779
MUKESH VASTRALAYA CLOTH MERCHANT	₹ 72,920
New Rani Garments	₹ 18,03,626
SHANKAR VASTRALAY	₹ 2,00,235
SHIVSHAKTI HANDLOOM : PATNA CITY	₹ 18,32,017
Grand Total	₹ 80,54,945

From the pivot table we can see the sum of gross total amount of each consignee whose bar graph we have plotted above.

From the pie-chart of the data it is evident that the large chunk of gross total income from the 4 shops whose percentage is between 22-23% respectively.

These findings and graphical representations are very important while dealing with the problems of the shop.

RESULTS AND FINDINGS

- During the 1st and 2nd quarter months since there is a significant drop in the sales of the business, it is recommended that they should increase the inventory of the clothes that cater to the demand.

- During the winter season categories like "Ladies Cardigan", "warm-up trousers" and "Jackets" etc. whose price is at a high range are in heavy demand. Thus it is recommended to increase the inventory of these products during the winter season to increase the overall revenue of the business.

- It is recommended that the wholesaler should include latest fashion clothes which are there in the market to ensure that it is not losing the customer whose preference is towards new fancy garments.

- In order to compete with the big brands and e-commerce, the shop should start collaborating and selling its products on the platforms like Amazon, Flipkart, Myntra etc. As it would give them a significant boost in business.

THANK YOU