



Optimizing Non-seasonal ROI and Expanding Market Reach: Boosting Profitability of VHS Designs

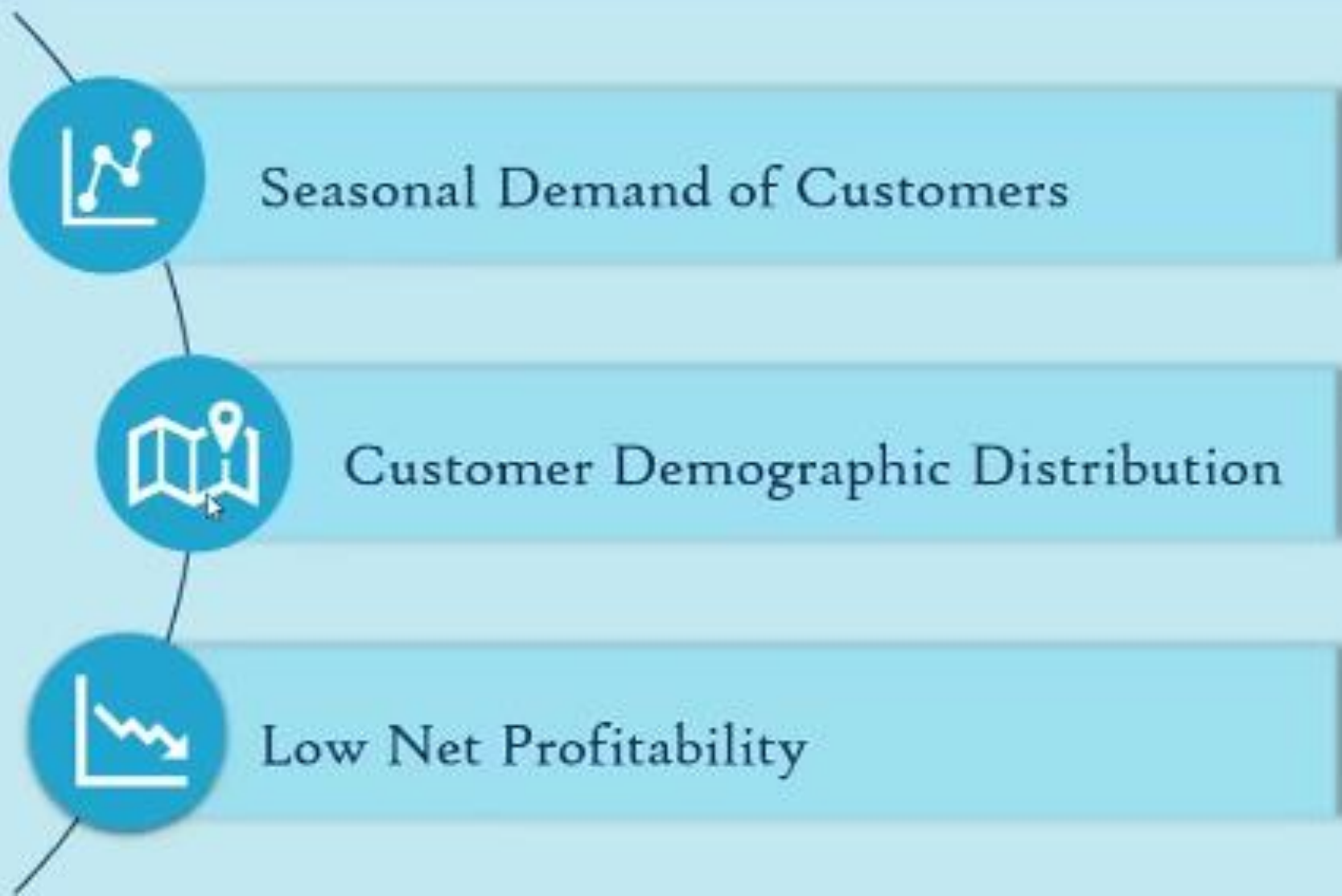
Presented by:
S Varsha
22f1000548

Organization Background

VHS Designs, a computer embroidery design shop managed by Mrs. Sumathi K, started in 2016 and based in Bangalore, creates embroidery designs tailored to meet the specific needs of its customers.



Challenges



Data Collection

The following data was collected from the period January 2023 to December 2023.

- Month of Order
- Date of Order
- Customer Name
- Embroidery Type
- Original Amount
- Discounted Amount
- Customer Location
- Referral Source

Problem Solving Approach



Optimizing non seasonal ROI by predicting the ROI on a new product during the non-seasonal months



Expanding market reach by demographic analysis and customer categorization



Boosting profitability by analysing various formats of collected data

Seasonal Demand of Customers

Monthly Profit Analysis: Before & After New Product



Cumulative Profit Analysis: Before & After New Product



The new product is highly profitable with an ROI of 190%, meaning it generates nearly 2 times the initial investment in profit.

Customer Demographic distribution

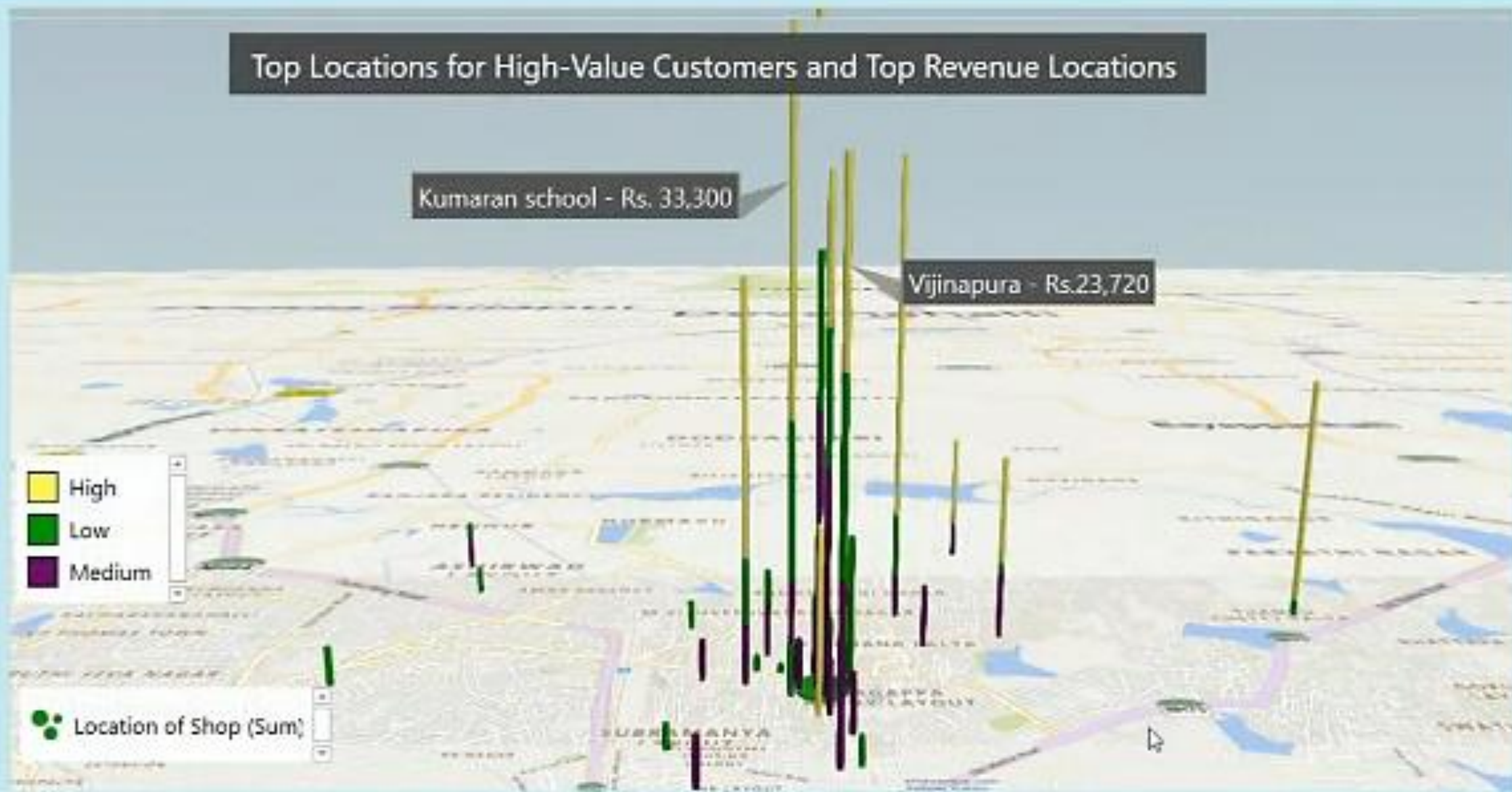
Top Locations for High-Value Customers and Top Revenue Locations

Kumaran school - Rs. 33,300

Vijinapura - Rs.23,720

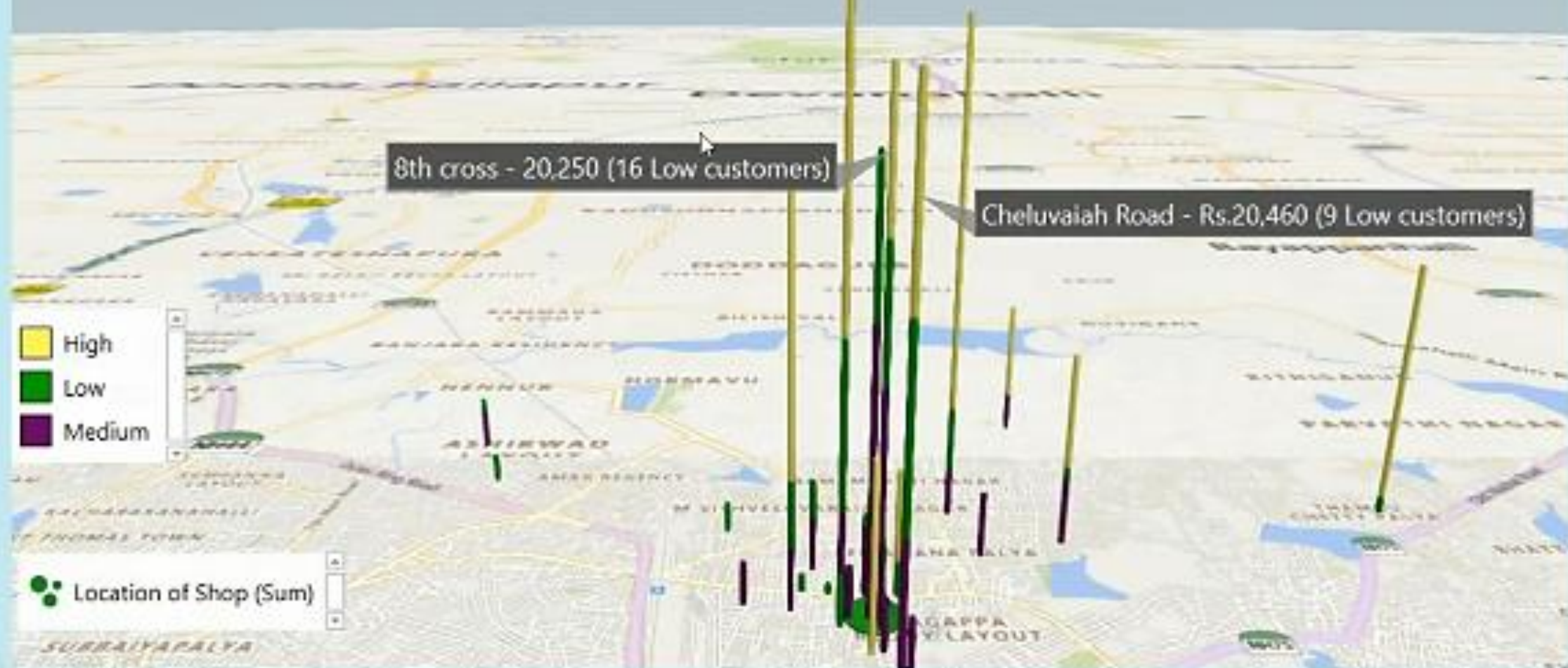
High
Low
Medium

Location of Shop (Sum)

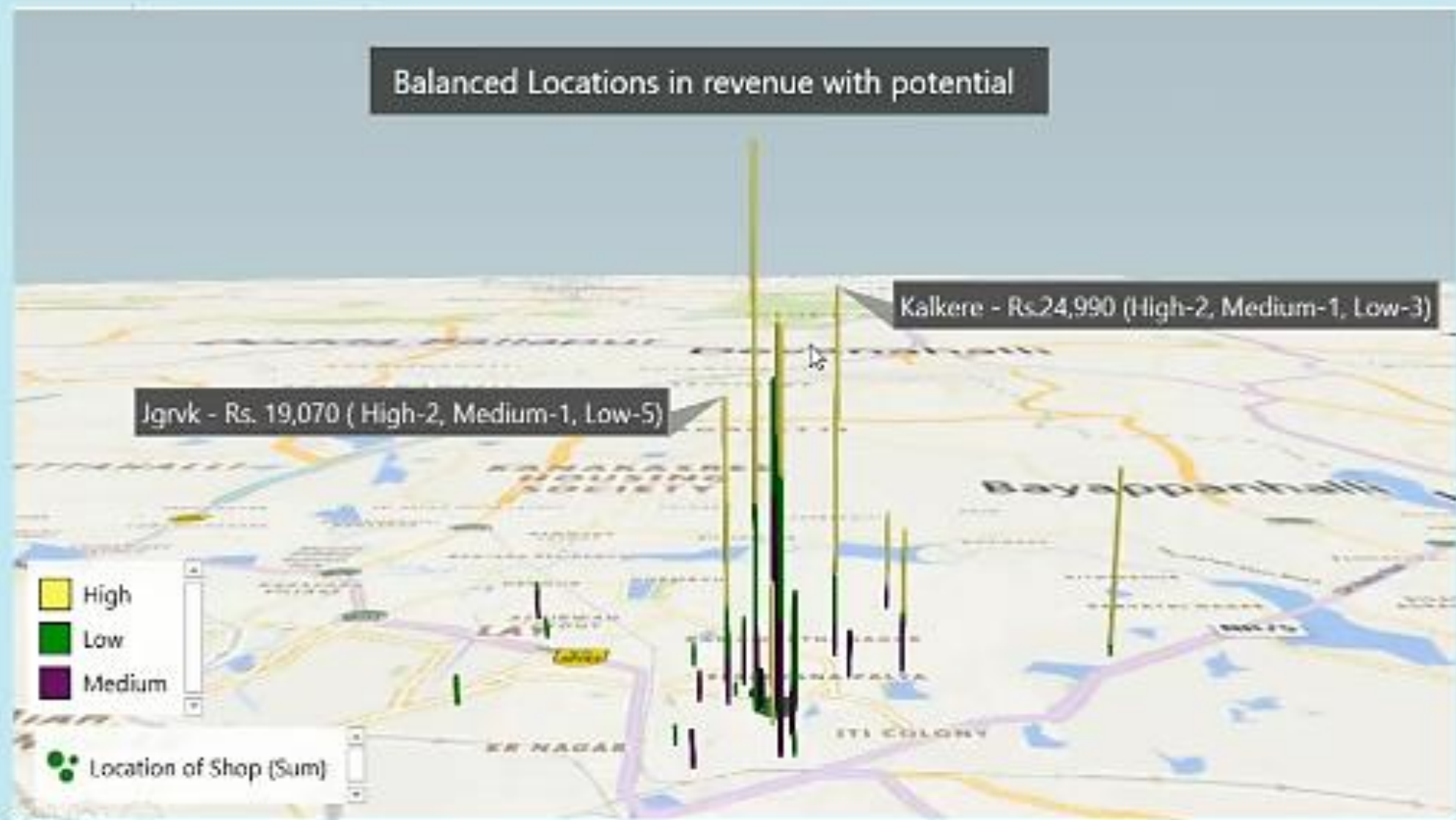


Customer Demographic distribution

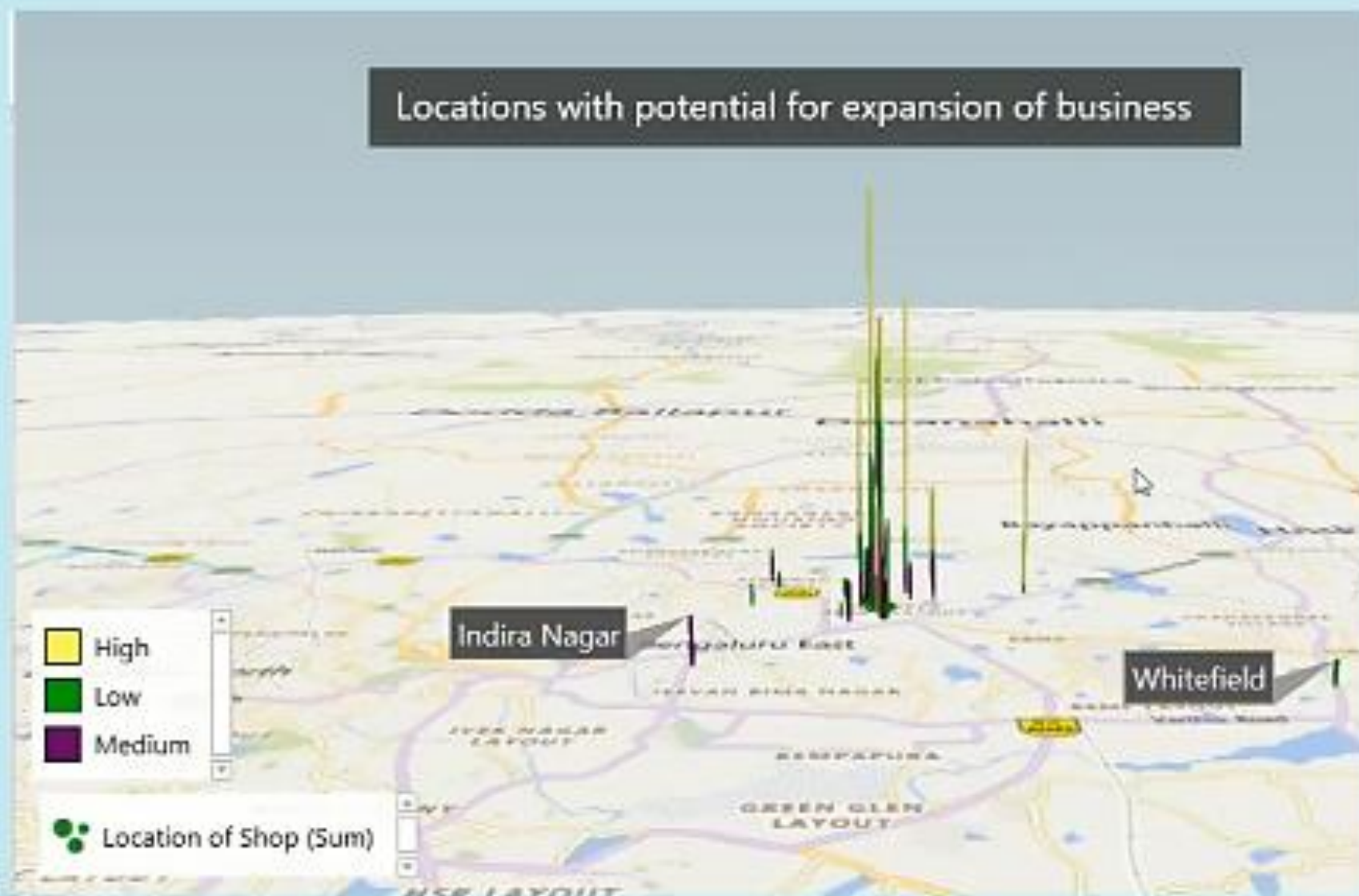
Top Locations with Many Low-Value Customers but High Revenue



Customer Demographic distribution

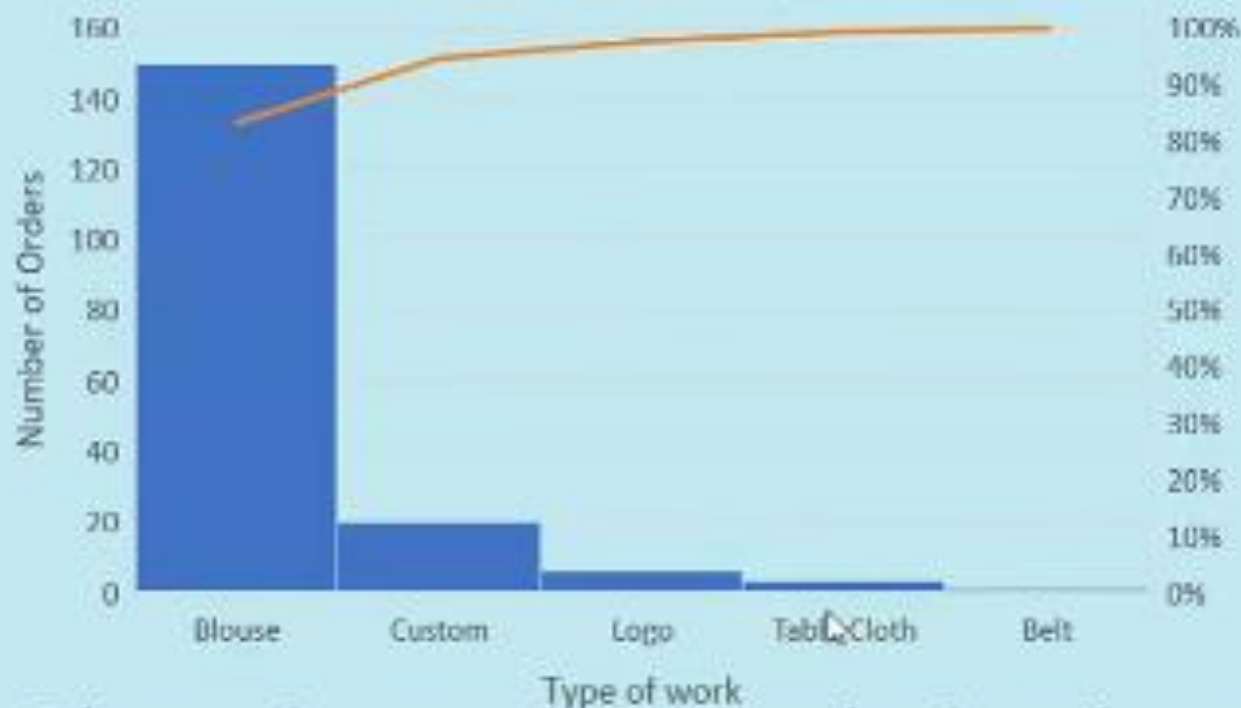


Customer Demographic distribution

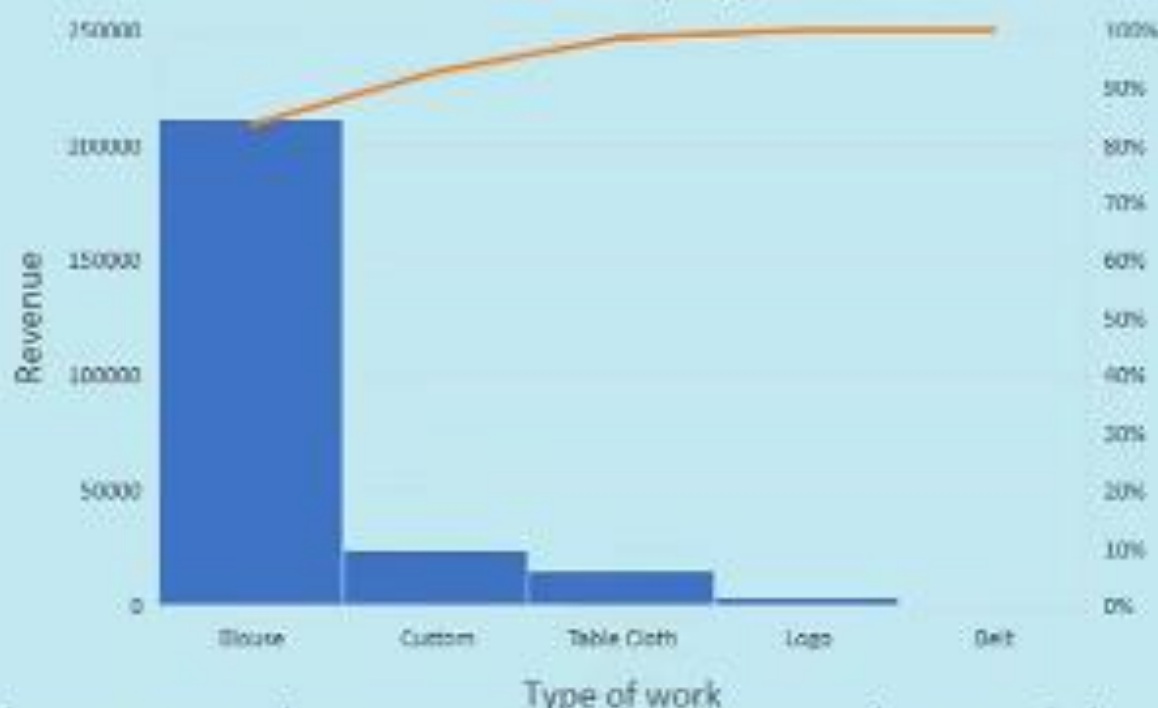


Low Net Profitability

Distribution Of Orders By Type Of Work



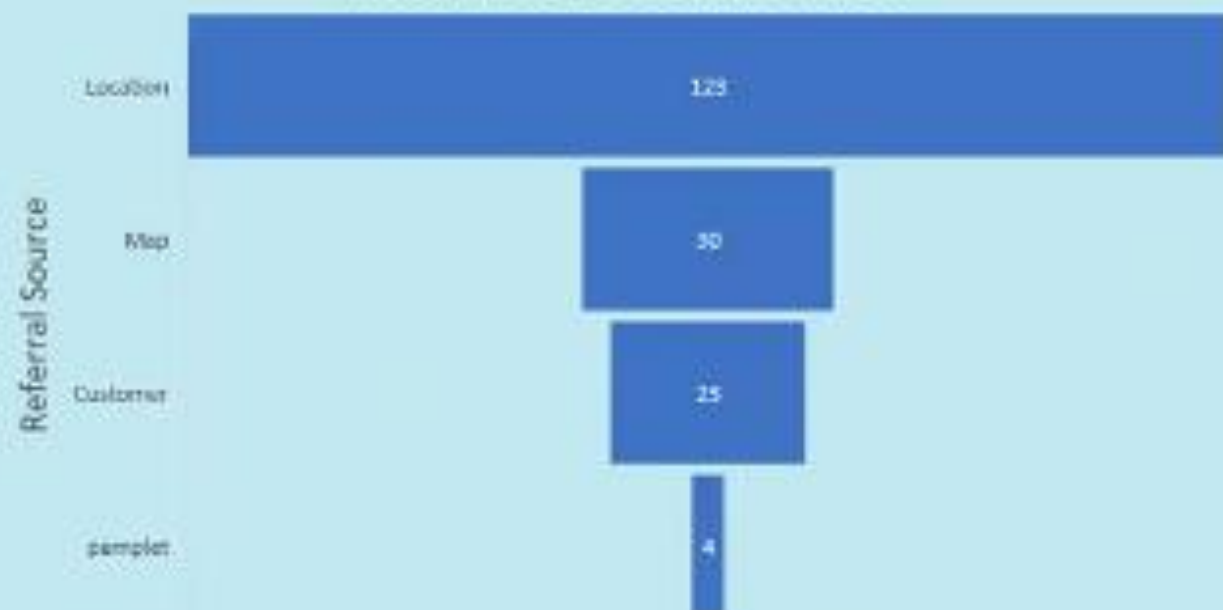
Revenue Distribution by Type Of Work



Blouse designs dominate both order volume and revenue, but products like tablecloths, despite being low in volume (1% of orders), contribute significantly to revenue (4%).

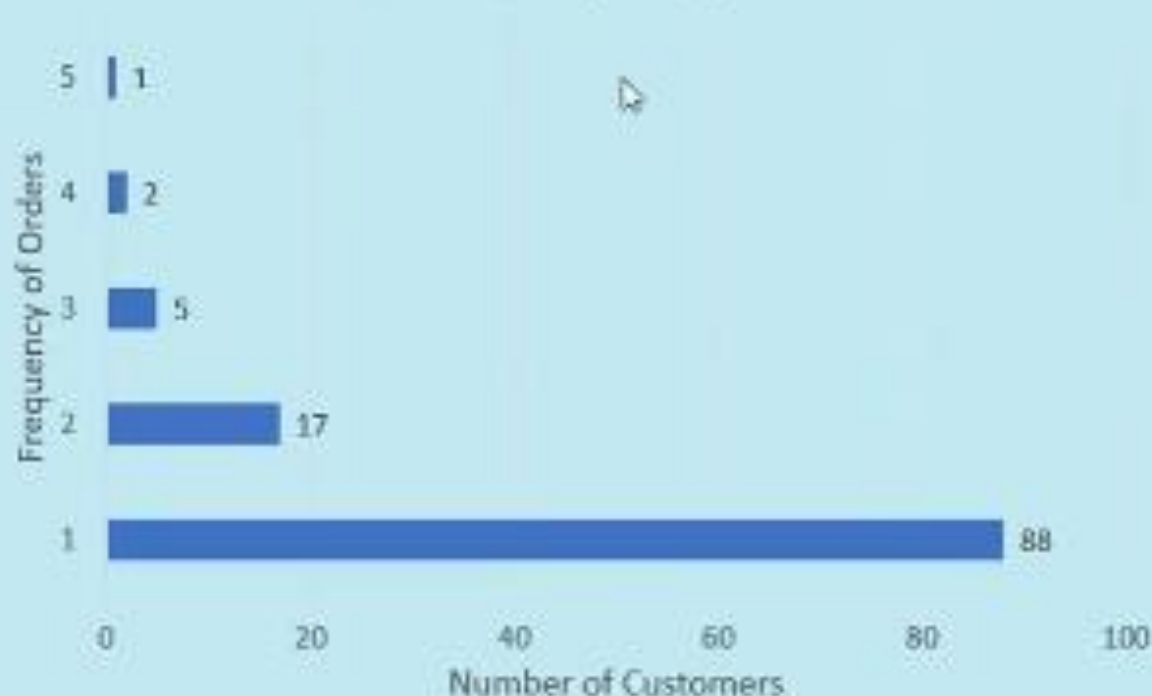
Low Net Profitability

Referral Source Distribution



Location-based referrals are the most effective and Pamphlet referrals are the least effective.

Customer Order Frequency Distribution



A large portion of customers (88 out of 140) place only one order.

Recommendations

Seasonal Demand

- Market Year-Round
- Leverage Social Media for New Products

Demographic Distribution

- Exclusive Offers for High-Value Customers in locations like Kumaran School and Vijnapura.
- Upsell Low-Value Customers in areas like 8th Cross and Cheluvaiah Road.
- Market in Targeted Locations like Whitefield, Indira Nagar, JGRVK and Cheluvaiah Road.

Recommendations

Net Profitability

- Implement personalized offers to turn one-time buyers into repeat customers.
- Promote high-margin, low-volume products such as tablecloths and photo embroidery.
- Balance High and Low-Value Customers to drive overall revenue growth.



Thank You

