

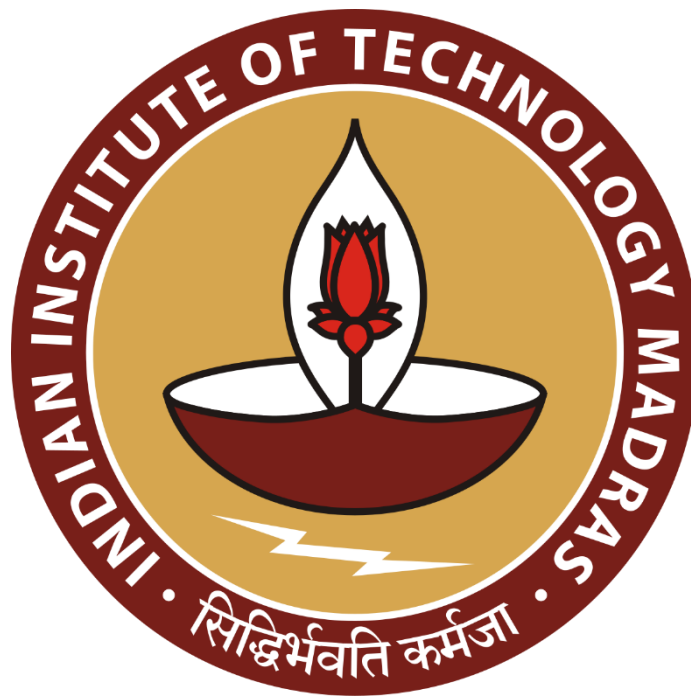
# **Cutting-edge Solutions: Aju's Hair Cut Saloon Transformation**

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

Submitted by

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## **Declaration Statement**

I am working on a Project titled “**Cutting-edge Solutions: Aju’s Hair Cut Saloon Transformation**”. I extend my appreciation to “**AJJU HAIR CUT SALOON**”, 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: Vikas Jha

Date: 3 Feb 2024

## 1. Executive Summary

The project centers on a neighborhood barber shop situated in Gram Sabha, North West Delhi. Operating as a local B2C establishment, the barber shop specializes in providing grooming services, including haircuts, styling, and related services, catering to the residents in the community.

The primary challenge faced by the barber shop is maintaining profitability amid fluctuating customer traffic and preferences. Issues such as low profit margins and occasional dips in customer visits hinder the overall growth potential of the business.

To address these challenges, the project will utilize data analysis techniques to gain insights into customer trends, peak hours, and popular services. By focusing on customer preferences and optimizing service offerings, the expected outcome is an enhancement in operational efficiency, leading to an increase in the barber shop's overall profitability.

## 2. Organization Background

Name: AJJU Hair Cut Saloon

Owner: AJJU

Address: Plot No. 1139, Gram Sabha, North West Delhi - 110086

AJJU Hair Cut Saloon, owned by Mr. AJJU, is a thriving local grooming destination in North West Delhi. Specializing in a wide array of services such as cutting, shaving, facials, bleaching, massage, threading, rebonding, hair spa, styling, color, and highlights, AJJU brings over 8 years of expertise to the local community. Having recently shifted to the current location two years ago, the salon opens its doors every day from 7:30 am to 9:30 pm.

Despite AJJU's skill in various grooming services, the salon faces unique challenges associated with local business dynamics. One significant aspect is the rental overhead for the shop.



*figure 1 picture of the shop.*

### 3. Problem Statement (Listed as objectives)

1. **Objective 1: Establish and Expand Customer Base with Enhanced Experience:** Develop strategies to enhance the shop's visibility, attract new customers, and establish a long-lasting presence in the community. Simultaneously, improve overall customer experience by addressing impatience due to wait times.
2. **Objective 2: Mitigate Superstitious Beliefs Impact:** Implement measures to counter the impact of superstitious beliefs surrounding specific haircut days, encouraging consistent customer visits irrespective of perceived inauspicious days.
3. **Objective 3: Improve Profit Margins and Competitiveness:** Formulate initiatives to address low profit margins and compete effectively with wealthier establishments. Optimize pricing strategies, enhance service offerings, and communicate the unique value proposition of the shop.

### 4. Background of the Problem

The problem at AJJU Hair Cut Saloon stems from a combination of internal and external factors, creating challenges that impact the overall business performance. Internally, the salon faces the hurdle of establishing a robust customer base within its relatively short two-year presence in the neighborhood. This internal challenge is exacerbated by factors such as limited visibility and a smaller clientele, leading to reduced sales and profit margins.

Externally, the prevalence of superstitious beliefs among customers regarding specific haircut days, notably Tuesday, Thursday, and Saturday, adds another layer to the problem. This external factor contributes to fluctuations in customer visits, affecting the consistency of business operations.

Moreover, the salon contends with low profit margins and increased competition from wealthier establishments. The external challenge of customer preferences for upscale shops presents a major obstacle, impacting the salon's ability to compete effectively in the local market.

## 5. Problem Solving Approach

In addressing the specific challenges of AJJU Hair Cut Saloon, a tailored and efficient problem-solving approach will be implemented, given its nature as a small shop operated by a single individual. The primary focus areas will be understanding customer behavior, financial analysis, and optimizing the operational efficiency of the sole proprietor. Firstly, in understanding customer behavior, data analysis tools such as trend lines and scatter plots will be utilized to unveil patterns in customer visits and preferred services. The objective is to tailor the available services to align with customer preferences, optimizing the limited resources and time available to the sole proprietor.

Financial analysis remains crucial, with a simplified approach using bar charts to assess revenue and expenses and line charts to track profit margins over time. This streamlined financial analysis aims to provide quick insights into the most profitable services and guide pricing decisions effectively. Operational efficiency, particularly in wait time management, will be addressed through the analysis of wait time data, considering the limited capacity of a single operator. This involves optimizing the scheduling of appointments and strategically managing customer flow during peak hours, ensuring a positive and efficient experience for clients.

In summary, the problem-solving approach for AJJU Hair Cut Saloon acknowledges its small-scale operations and the solitary role of the proprietor. By utilizing straightforward data analysis tools tailored to the unique circumstances of a single-operator business, the salon aims to enhance customer satisfaction, maximize profitability, and streamline day-to-day operations efficiently. The continuous adaptation and improvement of these strategies will remain pivotal in navigating the challenges of a small, one-person-operated salon.

## 6. Expected Timeline

### 6.1 Work Breakdown Structure (WBS):

#### **Project Initialization (January 12, 2024 - January 31, 2024)**

- 1.1 Initial Meeting with Mr. AJJU (January 12, 2024)
- 1.2 Understand Business Problems (January 12, 2024 - January 15, 2024)
- 1.3 Data Collection and Cleaning (January 16, 2024 - January 30, 2024)
- 1.4 Outline Project Scope and Objectives (January 31, 2024)

#### **Prepare Project Proposal (February 1, 2024 - February 3, 2024)**

- 2.1 Review and Submit Proposal (February 3)

#### **Mid-Term Submission (February 4, 2024 - March 2, 2024)**

- 3.1 Mid-Term Submission Preparation (February 4, 2024 - February 29, 2024)
- 3.2 Review Mid-Term Submission (March 1, 2024)
- 3.3 Submit Mid-Term Project (March 2, 2024)

### Final Submission Preparation (March 3, 2024 - April 2, 2024)

4.1 Analyze Data for Final Insights (March 3, 2024 - March 15, 2024)

4.2 Formulate Final Recommendations (March 16, 2024 - March 30, 2024)

4.3 Prepare Final Project Report (March 31, 2024 - April 2, 2024)

### Final Submission (April 3, 2024)

5.1 Review and Edit Final Project Report (April 3, 2024)

5.2 Submit Final Project (April 3, 2024)

## 6.2 Gantt Chart:

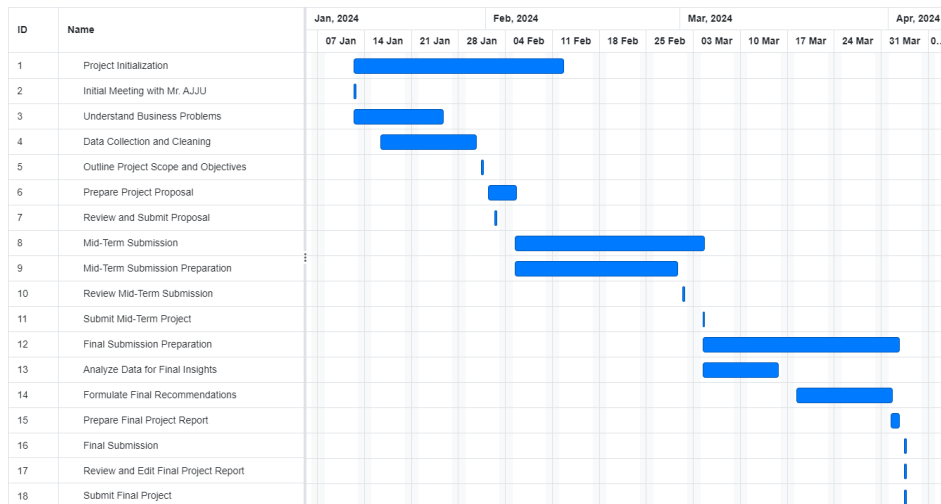


Figure 2 Expected timeline for completion of project.

## 7. Expected Outcome

The anticipated outcomes of the project for Ajju's Hair Cut Saloon are geared towards a comprehensive enhancement of overall business operations and customer satisfaction. The implementation of data-driven insights aims to significantly reduce customer waiting times, providing a more efficient and enjoyable experience. Through a meticulous analysis of financial data and operational patterns, the project seeks to identify opportunities for increasing profit margins. This involves optimizing service pricing, understanding customer preferences, and refining resource allocation strategies. Furthermore, the project aims to establish targeted marketing initiatives and loyalty programs based on insights into customer preferences, fostering stronger relationships and encouraging repeat business. Operational efficiency is another key focus, addressing bottlenecks and proposing solutions to streamline scheduling, inventory management, and minimize downtime. Ultimately, the adoption of data-driven decision-making is expected to empower Ajju's Hair Cut Saloon, enabling informed choices that align with customer trends and preferences, resulting in heightened customer satisfaction, increased profitability, and sustained business success.