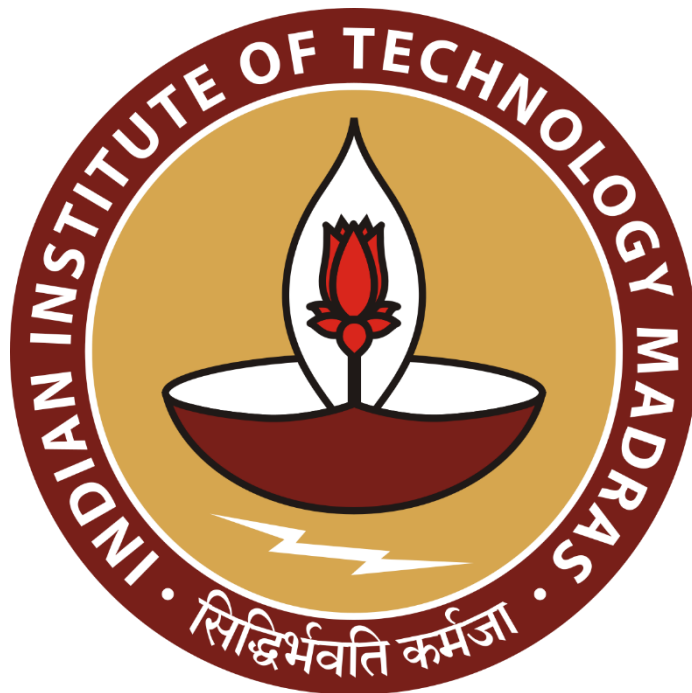# Strategic Insights for Enhancing Retail Sales in Timepiece Business

A Proposal report for the BDM capstone Project

Submitted by

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<u>Declaration Statement</u>

I am working on a Project titled "**Strategic Insights for Enhancing Retail Sales in Timepiece Business**". I extend my appreciation to **Mr. Rakesh Kumar (Shop Owner), 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 analysed 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 fulfilment in the BS Degree Program offered by IIT Madras. The institution does not endorse any of the claims or comments.

Signature of Candidate

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Name: Anaypal Singh

Date: 02 May, 2025

1. Executive Summary:

'New Golden Shop' is a retail store in Rewari, Haryana, that has been running since 1957. It sells wrist watches and wall clocks from popular brands like Titan, Sonata, Fasttrack, Timex, Casio, and Ajanta etc. The shop follows a B2C business model and serves regular walk-in customers.

The main problems faced by the shop are dead stock and limited business growth. Many products remain unsold for a long time, which blocks money and space. At the same time, even though sales are happening regularly, the profit generation or growth of the business is somewhat constant. These challenges are primarily due to a lack of data-driven inventory management and purchasing decisions. This happens because there is no proper system to track which products sell well and which don't.

This project aims to address these problems by collecting and analysing primary data from daily sales and stock records. I will use tools like Excel, Google sheets and basic charts to find out which products are fast-moving and which are slow-moving. I will also check which brands give better profit. The analysis will support better stocking decisions and pricing strategies.

The goal is to reduce dead stock, improve product selection, and make smarter decisions. And help in increasing profits and running the business more smoothly in the future.

2. Organisation Background:

Business Name: New Golden Shop
Address: Shop 36, Railway Road, Rewari, Haryana – 123401
Owner's Name: Mr. Rakesh Kumar

'New Golden Shop' is a retail business established in 1957 and located in Rewari, Haryana. The store specializes in the sale of wrist watches and wall clocks, offering a wide range of models from trusted brands. Over decades, the shop has developed a strong local presence and loyal customer base through its commitment to product variety and quality service. 'New Golden Shop' operates under a B2C model, with most customers being walk-in buyers

from the surrounding town and nearby areas. The shop founded by Mr. Narender Kumar (Owner's Father) around 60 years ago, but now it is managed by Mr. Rakesh Kumar, who has been handling the shop for many years with a deep understanding of customer preferences and brand value.

3. Problem Statement:

3.1 This store is actually experiencing a problem with dead stock, specifically unsold wrist watches and wall clocks from previous collection. These are taking up space on the shelves and block the money, limiting the store to bring in newer and more popular models of wrist watches and wall clocks.

3.2 The business is facing a limited growth in business, as both profits and sales have shown minimal change over time. This steady performance restricts opportunities for expansion, limits adaptability to evolving customer demands, and poses challenges to enhancing the store's overall profitability and competitiveness in local market.

4. Background of the Problem:

New Golden Shop, a well-established retail business in Rewari, Haryana, has been serving customers since 1957 with a wide variety of wrist watches and wall clocks from leading brands. While the shop has a strong reputation and loyal customer base, it currently faces challenges that are affecting its financial performance and long-term sustainability. This shop faces two main challenges: accumulating dead stock and stagnant business growth.

The primary cause of these problems is the absence of a systematic, data-driven inventory management system**.** The shop currently makes purchasing decisions based on intuition rather than analysis of sales data. Without proper tracking systems, it's difficult to identify which products sell well and which remain unsold for some period. And this accumulates the dead stock and stagnant the business growth.

There are internal factors contributing to these problems like traditional record-keeping methods that don't track easy analysis of sales trends. The shop maintains basic sales record (By using khata book and daily notepad) but doesn't effectively categorize or analyse this data so that Rakesh Kumar can classify the products as fast-moving or slow-moving items. External factors also play a significant role to these problems, especially stagnant of the business growth. It involves changing customer preferences because of the fashion trends, and the continuous introduction of new models by brands like Titan, Ajanta etc. This makes challenging for retailers to predict which new product will perform well without analytical tools. Without addressing these fundamental issues, New Golden Shop risks continued stagnation despite its established market presence and loyal customer base.

5. Problem Solving Approach

5a. Details about the methods used with Justification

For addressing the issues faced by 'Rakesh Kumar New Golden Shop', a comprehensive strategy incorporating both quantitative and qualitative methods is essential.

Quantitative Methods:

Inventory Turnover Analysis: This method will help to quickly identify which watch and wall clock are moving well and which are becoming dead stock.
Justification: This helps clearly identify which watches and clocks aren't selling well, directly addressing the dead stock problem.
Time-Series Analysis: Given the time-based nature of the shop's sales data, time-series analysis will be used to identify trends and patterns across different days and weeks. This will help in understanding peak selling periods and seasonal demand for specific watch and clock models.
Statistical Computation: I will use basic statistics to analyse prices and sales. This will help find which products sell well and which ones do not. And extracting meaningful insights beyond specific methods like the pareto principle.

Qualitative Methods:

<u>Conversation</u>: I will talk to the owner, Mr. Rakesh Kumar about customer inquiries and preferences; I'll gather insights about market demands.

5b.   Details   about   the   intended   data   collection   with   Justification:

<u>Daily Data Collection</u>: I will collect detailed data on past transactions from the khata book and daily notepads, including product details (brand, model, type), cost price, quantities purchased and sold.

<u>Justification</u>: Focusing on these data points will make it easier to calculate inventory turnover, profit margins, and sales speed without making data collection too complex.

5c. Analysis Tools and Justification:

Google Sheets/Microsoft Excel: For data organization, metrics calculation, and visualization.

Pivot Tables: To summarize relationships between different data points.

Basic Charts: To visualize sales trends and inventory aging for easy understanding.

<u>Justification</u>: These tools will enable efficient data processing, analysis, and presentation of actionable insights.

6. Expected Timeline

6.1 Work Breakdown Structure:

● Data Collection: I collected data for 8 weeks (February and March), spanning a total of nearly 60 days.

● Data Cleaning and Processing: I have successfully cleaned the data by mid of April.

● Proposal Preparation: I prepared my project proposal by the starting of May.

● Data Analysis: I started basic data analysis by the mid of April.

● The aim is to successfully analyse and provide conclusive recommendations by the starting of August.
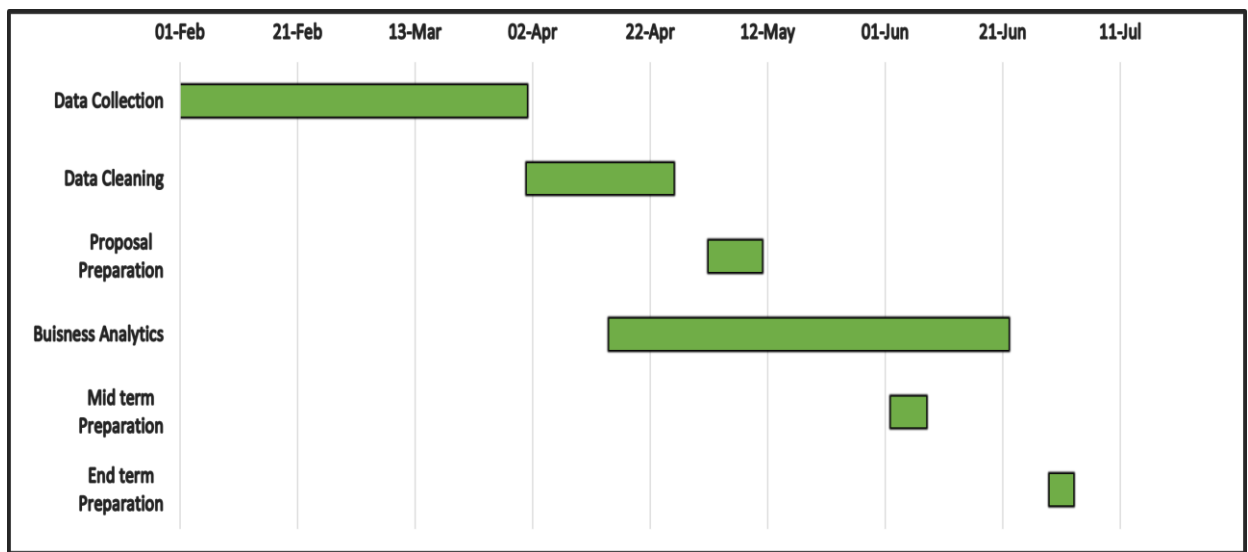
6.2   Gantt Chart:

Figure 1 Expected timeline for completion of project

7.   Expected Outcome

●	The analysis will reveal which brands and models contribute most to profits, allowing the shop to focus on these high-performing products.

●	Practical tips will be given to clear out dead stock, like offering discounts or rearranging shelf space.

●	Formulate strategies which can help the owner to identify the types of products which can be sold very quickly and also those products that can become a part of dead stock.

●	To establish a transparent pricing strategy that defines the margin between the cost and selling price of wrist watches and wall clocks by analysing historical transaction data.