BUSINESS PLAN
SAFFRON RETAILERS LTD.

PRESENTED TO:
EXECUTIVE DIRECTORS

CONTACT

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As district managers for an Indian grocery store chain, Saffron Retailers Ltd., we have observed stagnant or declining profits at stores across our districts, in Calgary, Alberta. To address this challenge, our project aims to conduct a comprehensive analysis of sales data across the district, which will uncover valuable insights and opportunities for increasing sales and profitability. Our client, the board of directors at Saffron Retailers Ltd., is eager to understand the underlying reasons for the decline in profits and explore strategies to revitalize business growth.

Project Mission Statement

"Our mission is to analyze the historical sales data of Saffron Retailers Ltd. stores in the various districts in Calgary, Alberta, to identify the root causes of our declining business. By uncovering insights and trends, we aim to help the grocery chain identify areas of improvement, optimize product offerings, and strategically plan for future growth. A predictive model, implemented with practical business considerations, will be developed to accurately forecast sales over a six-month timeframe. The ultimate goal is to increase profitability, enhance customer satisfaction, and strengthen the company's market position."

Stakeholder Analysis

Board of Directors: They are the main client, as they benefit from the analysis by gaining actionable insights to make informed strategic decisions at the highest level of business. Ultimately leading to improved profitability and business growth.

District Managers: District managers will benefit from the analysis as it will provide them with valuable data and recommendations to optimize store performance and boost sales in their respective regions.

Store Managers: Store managers will benefit from the analysis by gaining insights into the performance of individual products and product categories within their stores, helping them make better stocking decisions and increase profitability.

Customers: Customers will indirectly benefit from the analysis as it may lead to better product offerings and improved shopping experiences based on sales trends and customer preferences.

Suppliers: Suppliers will benefit from the analysis by understanding the demand for different products, enabling them to align their supply chain with the grocery chain's needs.

Investors/Shareholders: Investors and shareholders will benefit from the analysis as it may lead to increased profitability and potentially higher returns on their investments.

Project Scope Statement

The scope of this project involves analyzing historical sales data from the past four years for the Saffron Retailers Ltd. stores located in Calgary. It is expected that the data will provide information on which stores have healthy sales, which products are selling well, and which months have the highest sales, among other insights. Using practical ideas that represent a response to a decline in sales, the analysis will focus on developing a predictive sales model, that will model increased profitability for the next six months. The scope does not involve implementing changes in business processes based on the findings; rather, it aims to provide insights and recommendations to support strategic decision-making. This project does not attempt to gain insights on data such as where our customers are commuting from, or the frequency at which individual customers are shopping at our locations.

Project Description

The project aims to conduct a comprehensive sales analysis of Saffron Retailers Ltd. stores across Calgary. The Board of Directors, our audience, are interested in the decline in sales across the company's stores, and the solutions they must put into place to rebound from the lost profits. By leveraging a multidimensional data set comprising of revenues, profits, and quantities sold, the analysis will explore the performance of individual products and product categories sold in stores in various communities across five sectors in Calgary. The goal is to identify the key factors impacting profitability and formulate data-driven strategies to improve sales and growth.

The project involves conducting a thorough analysis of Saffron Retailers Ltd.'s historical sales data, extending back four years, to build a predictive sales model. This model will be used to forecast sales for the upcoming six months, providing valuable insights to enhance the company's sales performance and profitability.

Project Objectives

The objectives of this project are as follows. Develop a predictive sales model that accurately forecasts sales for the next six months. Identify products and product categories with low performance and recommend potential removal or improvement strategies. Analyze sales trends based on monthly data to identify seasonality patterns and optimize inventory management. Compare sales performance across sectors and stores to identify high and low-performing areas. Create data visualizations and reports to present sales insights and trends to stakeholders and the board of directors.

Deliverables

Cleaned and processed historical sales data from the past four years.

A predictive sales model with accurate forecasts for the next six months.

Data visualizations and interactive dashboards presenting sales trends and insights.

Documented project plans, including an analysis, findings, and practical suggestions for business improvements.

Project Boundaries

The project will focus on historical sales data analysis and modeling for sales prediction. It does not involve implementing business process changes based on the findings. The scope is limited to historical sales data only. The project will not focus on information that has to do with individual customers, but rather the raw sales data.

Assumptions

The historical sales data provided is accurate, complete, and representative of the company's performance.

The sales data is the primary driver of sales, and other factors are not considered in the modelling process.

The performance of each product line is independent of other factors not considered in this analysis.

Each transaction represents a separate and different customer, it is assumed there are no duplicates even though customer names are similar.

For purposes of simplicity, taxes, inflation, shipping costs and other additional costs are assumed to be accounted for but not directly shown within the analysis, therefore the sales data is strictly based on the sold product.

Constraints

The project timeline should not exceed four months, from data gathering to the final model deployment.

The project can only be completed during normal working hours, as access to confidential company data is required.

The analysis will rely on the availability of sufficient historical sales data to build an accurate predictive model.

Costs

The analysis itself has effectively zero additional cost, as the analysis is performed on historical data, but the business itself is losing money with declining sales. The costs associated with this project would be hourly wages of the analysts and potentially any computer software used to obtain

valuable insights from the data. It is noteworthy that the longer the project takes, the more money the company will technically be losing. As this project is only providing insights to the board of directors, any additional actions such as the costs of commissioning of a new store will need to be discussed in additional reports.

Risk and Reward

The risk associated with this project would be time until completion. It was discovered by the Board of Directors the business is declining, but rather than implementing a solution instantly, they have chosen to use data analysis to potentially improve their business. The longer the analysis takes, the more money the business will effectively lose as there would be no practical solutions put into place.

The reward associated with the project would be valuable business insights. After the analysis has been completed, the Board of Directors will be presented with information that they will be able to use to improve on the profitability of the business, as well as on customer satisfaction. The project will reward the business with the tools and knowledge to implement inherent solutions at their stores, ultimately driving the success and growth of Saffron Retailers Ltd.