

**Increasing the sales and profitability of Bhole Bharit and Nashta Center  
by sustainable customer acquisition practices using various statistical  
methods**

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

Submitted by

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## Declaration Statement

I am working on a project titled “**Increasing the sales and profitability of Bhole Bharit and Nashta Center by sustainable customer acquisition practices using various statistical methods**”. I extend my appreciation to **Bhole Bharit and Nashta Center**, 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 through primary sources and carefully analyzed to assure its reliability.

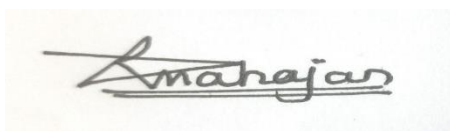
Additionally, I affirm that all procedures employed for the purpose of data collection and analysis have been duly explained in this report. The outcomes and inferences derived from the data are an accurate depiction of the findings acquired through thorough analytical procedures.

I am dedicated to adhering to the information 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 agree that all the recommendations are business-specific and limited to this project exclusively, and cannot be utilized for any other purpose with an IIT Madras tag. I understand that IIT Madras does not endorse this.

**Signature of Candidate:**

A handwritten signature in black ink, reading "Dnyaneshwari Mahajan", is written on a light-colored background.

**Name:** Dnyaneshwari Mahajan

**Date:** 4<sup>th</sup> April 2024

## **1 Executive Summary and Title (200 Words)**

Hotel Industry is significant contributor to Indian economy. Almost 9.2% GDP is contributed by Hospitality sector every year. Almost 46 million people get direct and indirect employment through it.

India being the fastest growing economy in the world, there is significant growth potential for hotel industry to expand manifold due to increase in purchasing power of the citizens and thereby changes in the lifestyle. To cater the growing demands and expectations of this new generation, many new businesses ideas are sprouting to change the face of the Indian hospitality industry.

The restaurant industry is major component of the hospitality sector in India. It comprises various segments, including fine dining, casual dining, quick-service restaurants (QSRs), and cafes. The restaurant industry in India is growing rapidly, driven by changing consumer preferences, urbanization, and a rising middle class.

This Project is mainly focused on customer acquisition and management of raw material supply chain of the Bhole Bharit and Nashta center. In small scale restaurants, it is always difficult to retain customers for long time. As there is no enough data to forecast the revenue due to low customer acquisition, it is also challenging to manage their inventory. Many such restaurants work upon the past trends of sales without solid model to predict inflow of customers. Due to this they encounter unique challenges in both attracting more customers and timely management of essential resources. We can overcome these challenges, by examining the strategies, obstacles, and potential solutions related to customer acquisition and raw material sourcing. For that, this project aims to offer valuable insights into optimizing operations, enhancing consumer experience, and ultimately increasing the sales of Bhole Bharit and Nashta Center and making it competitive to cater the demand of rising urban middle class of Jalgaon city.

## **2 Organization Background (150 Words)**

Bhole Bharit and Nashta center, located at Laxmi Nagar near M. J. College, Jalgaon is famous for their specialty in spicy and hot curry, and readymade curry mixture. They have wide variety food items in their menu. In Early days of restaurant, they had started breakfast and snack services also but later on due to low sales, they started to focus on restaurant services only. Now they provide dine in and parcel service. They emphasize on maintaining cleanliness and food safety precautions in their restaurant. They used to procure fresh vegetables every day from the market to make curries and other food items.

The owner of restaurant, Mr. Balkrushna Bhole is a retired clerk from the high school. He started the restaurant as a hobby as well as his dream to run a restaurant. We could realize his enthusiasm while talking to him about the working of his restaurant. He is profitably running whole restaurant single handedly. He has appointed 2 Chefs and 3 Helpers for running the restaurant. He purchases the raw material like vegetables on daily basis so that the quality and freshness of the food can be maintained. The location of the restaurant is very favorable (near M.J college, one of the best colleges in Jalgaon city) to attract the attention of passerby and

thereby increasing the customer inflow.

**Location:** <https://maps.app.goo.gl/uP5zEmzMnTBVs3FS8>

### 3 Problem Statement (Listed as objectives) (50-75 Words)

**3.1 Misleading Restaurant Name:** they are providing only Lunch and dinner services but the name suggest restaurant is for breakfast and snack.

**3.2 Not having Proper plan for inventory of raw materials:** they procure raw material like spices, packaging material and groceries etc. on daily basis on retail rate. It leads to high expenditure on making the products and diminishing the profitability of the restaurant in long run.

**3.3 There is no proper method to forecast the sales for incoming days.** Due to this they mostly make curries on speculation anticipating the customer inflow. Due to randomness of customer inflow, many times the food gets wasted.

**3.4 Lack of marketing:** due to which there is lack of publicity about the restaurant in the area despite its favorable location. It is hampering the customer inflow and thus sales.

**3.5 Customer has to wait for longer time for their orders.** It hampers the reputation of restaurant and cannot retain customer for longer duration.

### 4 Background of the Problem (200 Words)

The major issue of the restaurant is in customer acquisition. It seems that they have not tapped their full capacity in hiking restaurant sales. Moreover, they are not getting the enough response from the customers. This is due to the problems that we have discussed in previous topic. Mr. Bhole has realized the issues as stated above 4-5 months back, He has noticed that sales graph is stagnant and flat or sometimes there is downward fall into it. To attract the customers, he added new dishes into restaurant's menu but that thing didn't work for the restaurant up to the certain extent, then he also introduced Zomato and swiggy online delivery services to increase their sales online, it helped to grow the sales to some levels but it led to another problem of not having proper management in the human resource. There is no trained employed staff so the probability of handling the orders within the stipulated time is lesser. The ambience of the restaurant is not suitable for all season in particular in summer season, so most of the customers prefer only the parcel services.

## 5 Problem Solving Approach (400 Words)

### 1. Methods Used:

- i) Descriptive Statistics: we should start with descriptive statistics for getting the idea about the sales, raw material usage, etc.  
From the computation of mean, mode, median, standard deviation and range overall economic cycle of the restaurant can be analyzed through this method.
- ii) Correlation Analysis: The relation between the sales and raw materials usage can be rectified using the correlation analysis. The dependencies of variables can be measured using this method. The correlation between raw material usage and sales volumes helps in optimizing inventory management and production planning. By understanding how changes in sales volumes correlate with fluctuations in raw material consumption, restaurant can adjust their inventory levels and procurement strategies to minimize waste and ensure adequate stock availability.
- iii) Clustering: From this method various trends in the sales of the restaurant can be studied to make further conclusion on it. This can help to segment customers based on their purchasing behavior, preferences, and demographics.
- iv) Regression Analysis: The dependent or independent variables of the data such as sales, expenditure, raw materials and other variables their relationships can be drawn into the regression analysis and further sales trends can be predicted using this method.

### 2. Data Collection Techniques:

Data collection will be done through existing sales and purchase records notes by the owner of the restaurant, Mr. Balkrushna Bhole. In his records he has noted down the purchase of vegetables, packaging materials, grocery, dairy products, etc. and expenditure on staff salaries. He purchases vegetables on daily basis, dairy products on weekly basis and grocery and other items on monthly basis in order to maintain freshness and quality of the food. However, He does not have clear records for each and every item listed in his records.

Those missing records will be rectified with the help of questionnaire and interviews. The data is stored in the manual tabular form, in order to use this data, we need to convert it into tabular form in excel sheets. The whole data collected is catalogued in existing data sheets. From the observations and interviews we would get information about the all-inventory records and on the basis of those records we can make dataset which are useful for the project.

### 3. Analysis Tools:

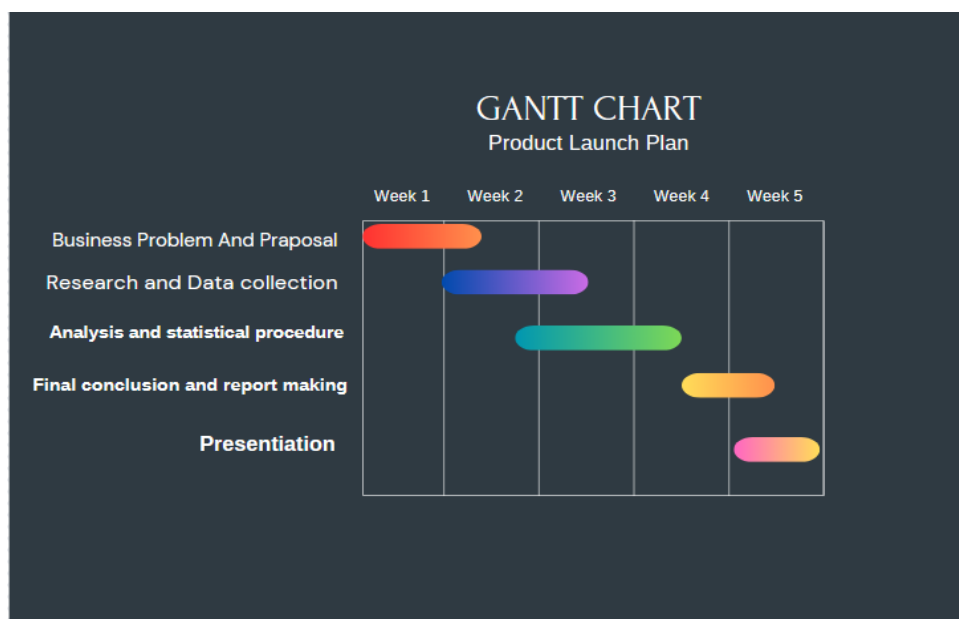
- i) Pivot Tables: It is most significant tool to summarize the whole data in the tabular format. It gives flexibility to perform complex calculations and it is useful to make interactive records for the sales and inventory dataset. All descriptive measures will be performed with the help of pivot tables.
- ii) Pivot charts: these charts are useful to analyze and visualize the trends of the sales and customer behavior, sales distributions, raw materials usage. This tool is useful to draw pie chart to understand the distribution of sales of each menu of the restaurant. Bar charts or Line charts will give the sales trends over the period of time.
- iii) There are different advanced functions such as SUMIF, COUNTIF, AVERAGEIF, VLOOKUP and many more will be useful to manipulate and analyze the data efficiently.

## 6 Expected Timeline

### Work Breakdown:

- 1. Identifying the business problem and submitting project proposal: week 1- week 2
- 2. Research and data collection: week2- week 3
- 3. Performing analysis and statistical procedure: week 3- week 4
- 4. Final conclusion and submission of the report: week 4- week 5

### Gantt chart:



## **7 Expected Outcome (Briefly explain in 150-200 words)**

The major expectations from this project are as follows:

1. Identifying the problems which are responsible for low sales and low customer retention.
2. Observing the sales trends of 4 weeks and finding out overall gross and net margin.
3. Decluttering the inventory to reduce wastage of raw materials by finding out best seller's products.
4. Finding out alternative business model which could increase sales of the restaurant.
5. Making suggestions to the restaurant for better customer dining and parcel service experience through better ambience in the restaurant.
6. Providing future path for the restaurant to sustain in dynamic hospitality and catering industry through making innovations in dishes and marketing strategies for consistency in customer inflow.