

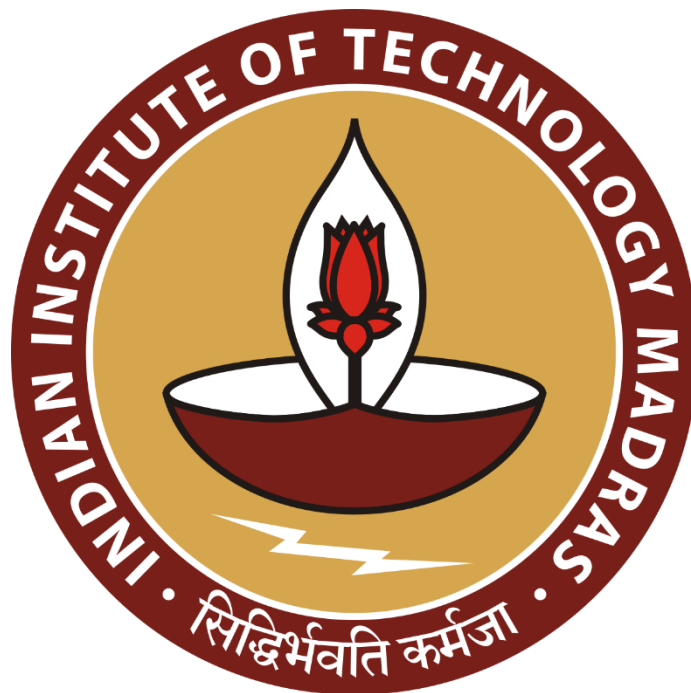
# **Sales analysis of a home based artificial jewellery business to increase profitability**

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

Submitted by

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## 1 Executive Summary and Title (182 Words)

The study in the report intends to provide sales analysis to home based artificial jewellery business in Gorakhpur Uttar Pradesh started with an initial capital of Rs.40000. The business is started by a daughter mother duo by investing 20000 each. The target segment for the business are women aged 18-40 who have a keen interest in fashion jewelry. The owner being a lady and belonging to the target segment feels that she has a good understanding of her customers.

But soon she realized that she is not able to generate revenue and grow her profits as quickly as she would have liked owing to the covid pandemic, as soon as she started her business and afterwards, not being able to generate enough sales because of low response from the customers.

This report intends to help the owner of the business to increase revenue and profitability of the existing business. Sales analysis would use data to understand various business trends and make suggestions to increase the revenue & profitability using:

- 1) The right product mix.
- 2) Other suggestions that would help to increase revenue & profitability.

Ref:

1. <https://asana.com/resources/executive-summary-examples>
2. <https://www.projectmanager.com/blog/write-an-executive-summary>

## 2 Organization Background (122 Words)

The owner of fashion jewellery business, a woman wanting to start a business from home in Gorakhpur Uttar Pradesh, where she could start with a small investment and grow from there. She needed a business partner and who could have been a better partner than her mother! They invested 20000 each and started the home based business in 2016 with initial capital of Rs.40000. They invested a total of 100000 each extra. The sales channel is from home with known family and friends and their word of mouth advertisement. The sales location is the owner's home where she has kept a dedicated room for her visiting customers. The owner has good connections in the wholesale artificial jewellery market for her inventory.

Ref:

1. <https://www.business.com/articles/writing-a-company-history/>
2. <https://bizfluent.com/write-organizational-background-5883.html>

## 3 Problem Statement (Listed as objectives) (46 Words)

- 3.1 Problem statement 1: The owner is making low profits due to increased competition. The owner of the business is facing stiff competition therefore profits are reduced.
- 3.2 Problem statement 2: The owners revenue is low due to limited sales. Look into how the sales can be increased.
- 3.3 Problem statement 3 : Her customers are demanding other women's fashion products which the business owner is not stocking currently. Look into whether she should continue specializing in artificial jewelry or add other fashion products to attract customers.

Ref:

1. <https://project-management.com/what-is-a-problem-statement/>
2. <https://www.isixsigma.com/getting-started/how-to-write-an-effective-problem-statement/>
3. <https://www.managementstudyguide.com/defining-project-problem-statement.htm>

#### **4 Background of the Problem (144 Words)**

The owner of the fashion jewellery business has invested a certain amount of money in the business and is maintaining the inventory of the same. The sales channel is from home with limited customers of trusted family and friends. With covid affecting her business during her startup phase she took a beating in terms of no sales at all. Later the sales happened in close family and friend circles. The owner wants to increase her sales and target customers in the Gorakhpur City region. She also wants to ensure her profit margin and not to bring it down while trying to increase her sales. The customers are generally demanding other fashion products apart from jewelry as well. The owner is keen to specialize in the jewelry business but open to suggestions if she can stock other products to increase sales and maintain the same profitability.

Ref:

1. <https://fhsu.pressbooks.pub/aep-research/chapter/background/>
2. <https://readwriteperfect.com/whats-the-difference-between-the-problem-background-and-problem-statement-in-your-dissertation-chapter-1/>

#### **5 Problem Solving Approach (182 Words)**

The two given questions in the executive summary section of this report will be answered using data for each of the below given elements

- a) The elements that will attract more customers.
- b) Having the right product mix to increase profitability
- c) Demographic analysis of the people in the area. Focusing on the make-up of the target market i.e. women ages 18- 40 , considering overall demographic makeup in the area and (in greater detail) the demographics of the areas women ages 18 – 40.
- d) Competition in the area.
- e) Feasibility of adding other channels of sales (online, exhibitions) and developing a plan to roll out the same.

#### **Other non quantitative factors**

- a) Challenges that will be overcome. For example how to build trust with the customer
- b) What competitors are doing and what the owner will do differently.
- c) Outline best case scenario and contingency plans.
- d) Know competitors in the same area, or in an area of similar demographics, and identify what they're doing to be successful.

Sales and inventory data will be collected from the owner to find answers to the question given above and to make su

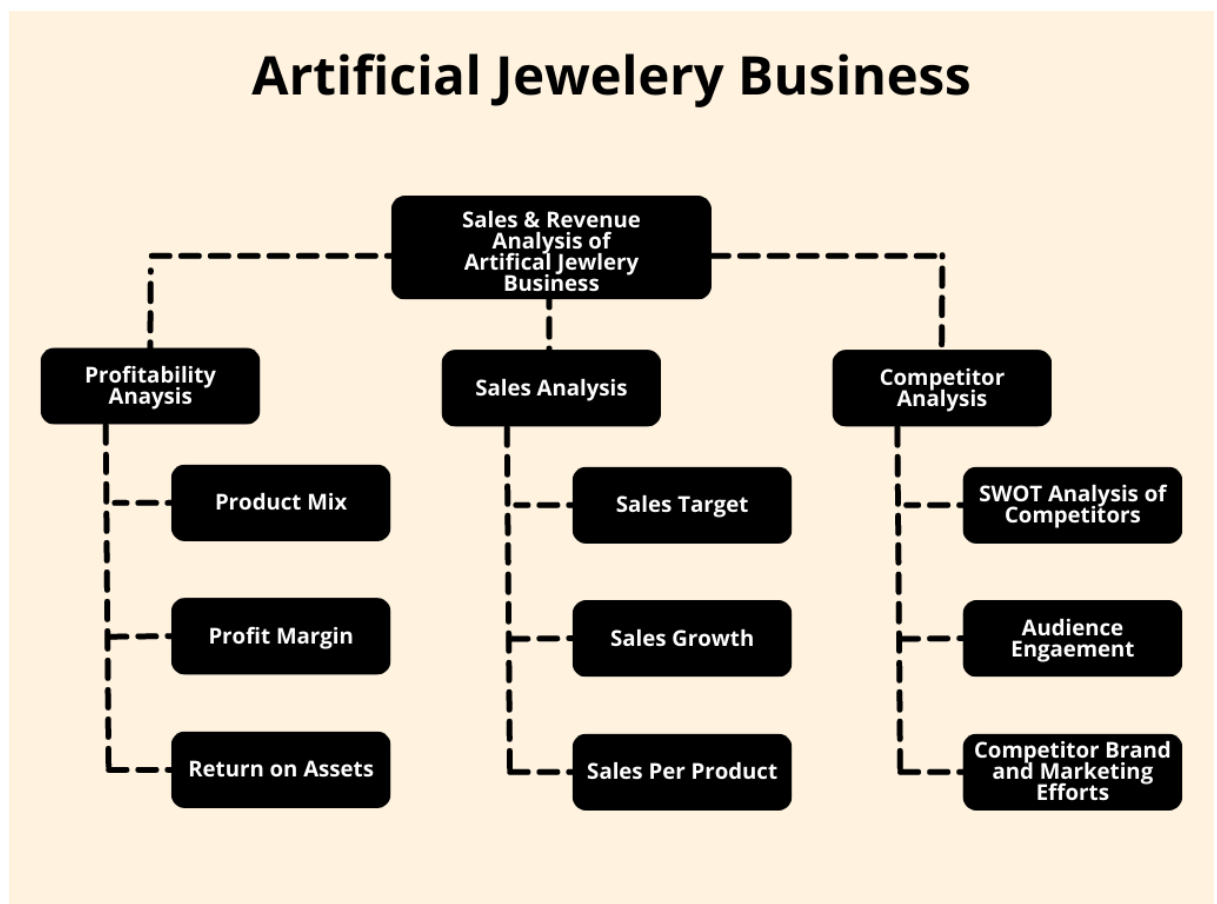
ggestions.

Ref:

1. <https://upmetrics.co/blog/4-proven-techniques-for-effective-business-problem-solving>
2. <https://www.tycoonstory.com/7-steps-to-solve-business-problems-effectively/>

## 6 Expected Timeline

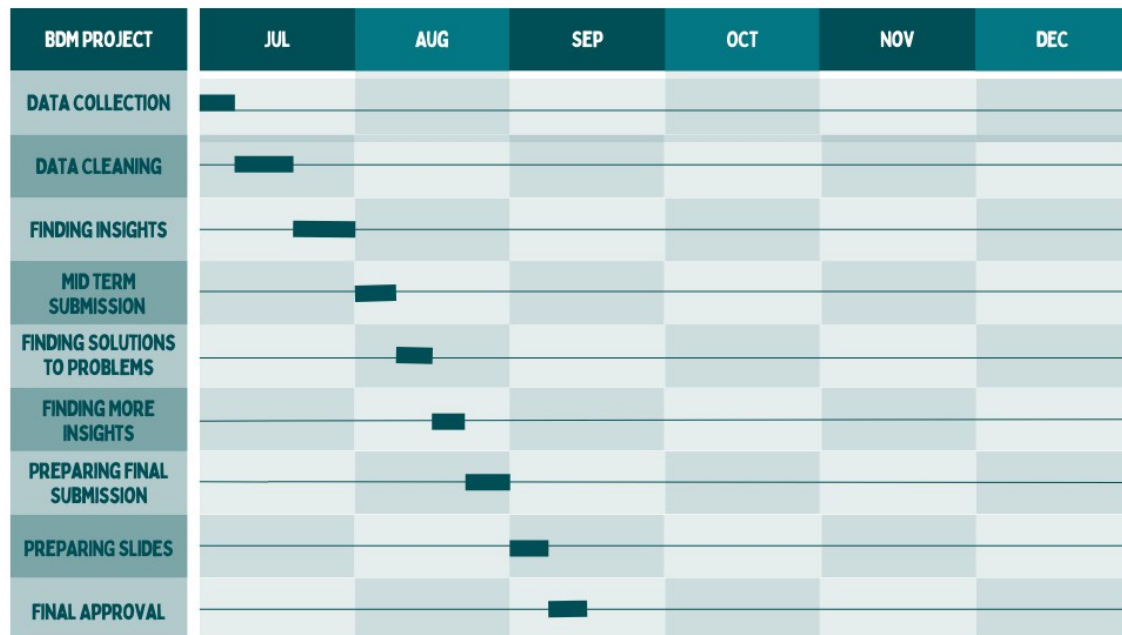
### 6.1 Work Breakdown Structure:



## 6.2 Gantt chart

### GANTT CHART

Sales analysis of a home based artificial jewellery business to increase profitability



Ref:

<https://acqnotes.com/acqnote/careerfields/work-breakdown-structure>

<https://www.wrike.com/project-management-guide/faq/what-is-work-breakdown-structure-in-project-management/>

## 7 Expected Outcome

7.1 This project will help the owner to run her business in a profitable way.

7.2 Suggest the right product mix for increased revenue.

7.3 Decide on other channels of sales and have a plan in place to roll out the same.

7.4 Owner has a better understanding of her customers.