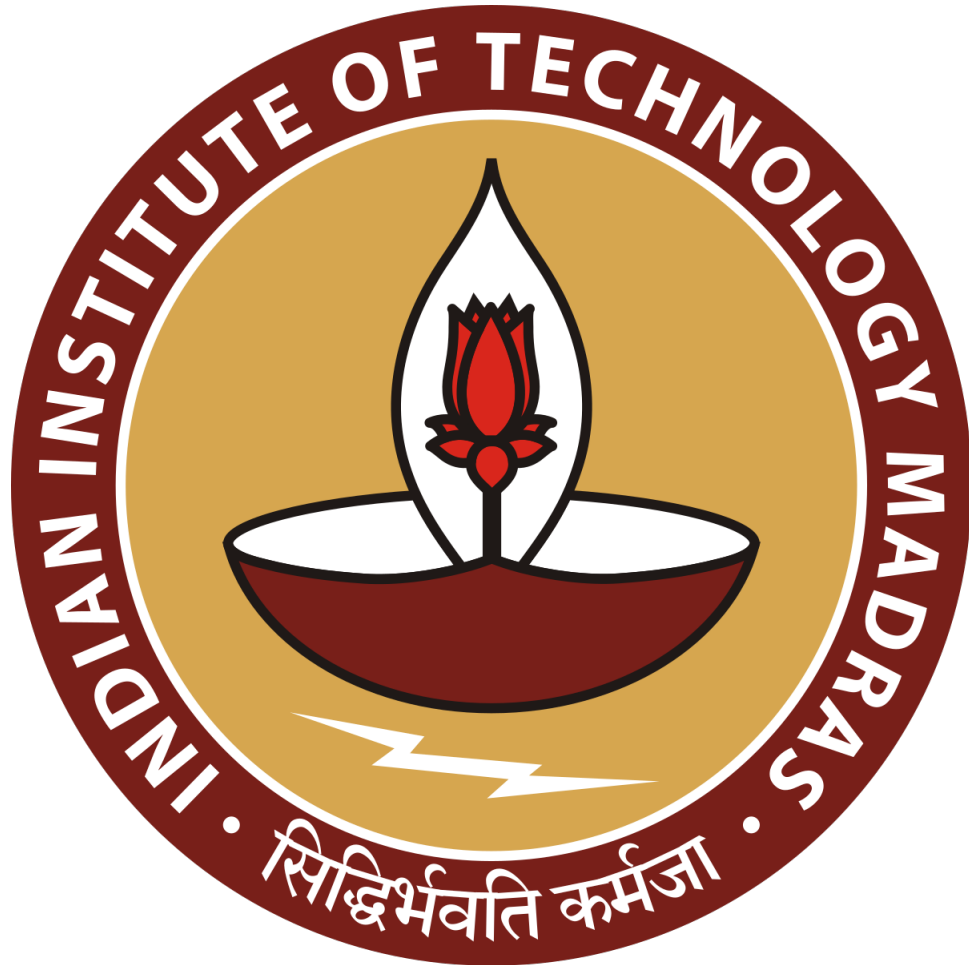


Driving Sales Growth and Expanding Market Reach: A Strategic Solution for Audio Visuals Inc

Submitted by
Name: Janani D
Roll No: 21f3002138



IITM BS Degree Program,
Indian Institute of Technology, Madras, Chennai,
Tamil Nadu, India, 600036

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1 Executive Summary

The project focuses on a retail company, Audio Visuals Inc situated in Chennai, Tamil Nadu. This company has 3 sectors namely sales, services and acoustics. It comes under B2C category. This project focuses on 2 main problems faced by the organization.

The first problem lies in the sales sector. The sales sector is facing significant challenges primarily due to less sales and diminishing profit. This is caused due to the increasing dominance of e-commerce websites.

The second problem lies in scaling. The organization faces challenges in serving customers outside Chennai. This problem is caused due to their single branch presence. With only one branch the owner faces the demanding task of travelling long distances to reach other cities like Hyderabad and Cochin to do acoustics, equipment transportation and recording studio construction.

These issues can be analyzed using approaches such as descriptive analysis, trend analysis, comparative analysis and data visualization using graphs and charts. Combined, these approaches enable comprehensive sales analysis, informed decision-making, and effective sales optimization strategies.

The expected outcome provides a comprehensive solution which helps the organization to increase their sales and scale their organization to broaden their customer base and establish a strong presence in nearby states. Consequently, it will position the organization for sustained growth, profitability and long-term success.

2 Organization Background

Audio Visuals Inc., the company I am currently working with, is a retail organization founded in 2002 by Mr. Tamil Selvan P, a networking engineer. Recognizing the growing demand for computer and services in the early 2000s, Mr. Tamil Selvan embarked into the business, initially focusing on providing network, and audio equipment-related services. During the digital-to-analog conversion era, he started his business with service sector, recognizing that many individuals lacked the knowledge and skills required to effectively utilize computers and audio equipment.

After a few years, he keenly observed the growing demand for recording studio equipment from numerous individuals. Realizing the opportunity, he decided to expand his business with sales sector, offering a wide range of audio-related equipment such as microphones, speakers, audio cards, interfaces, and mic stands. Later he opened a showroom for selling equipment in the year 2009 at Chennai.

In 2015, he recognized the growing demand for complete recording studio setups and realized the need to expand his business to acoustics. To meet this demand, he decided to begin building acoustics. Utilizing his expertise in audio equipment sales and services, he began constructing recording studios from scratch, which included microphones, speakers, audio cards, sound proofing etc. After successfully designing and constructing numerous recording studios his skills and expertise caught the attention of music directors. Notably he had the honor of completely building Ilayaraja's current studio with best acoustics, instruments and audio equipment, strengthening his reputation for delivering exceptional studio setups.

3 Problem Statements

3.1 Problem Statement-1:

Optimizing sales strategy: Audio Visuals Inc faces challenges in its sales sector as it is facing less profits due to decline in sales. This is caused due to e-commerce giants like Amazon and Flipkart.

3.2 Problem Statement-2:

Scaling: Audio Visuals Inc faces challenges in its Acoustic sector due to its sole one branch presence. The lack of branches in other cities hampers the organization's ability to efficiently cater to customers in distant areas.

4 Background of Problem:

4.1 Major cause of problem-1:

The rise of e-commerce websites has affected majority of the retail shops leading to business losses for many. The dominance of e-commerce giants like Amazon and Flipkart is attributed to their substantial capital which enables them to purchase products in bulk. As a result, they often receive discounts from suppliers in first sector, allowing them to sell products at lower prices compared to other markets. This pricing advantage attracts the customers to e-commerce websites as they obtain products at potentially lower cost, impacting the profitability of local and retail shops. Due to this Audio Visuals Inc faces challenges in their sales sector with less profit.

4.2 Major cause of problem-2

The growing popularity of music and singing has resulted in increased demand for recording studios. Musicians, vocalists and music directors now prefer to have personalized home studios or commercial studios to facilitate their singing, instrument playing and recording activities. This trend has spread across India, due to the diverse music culture prevalent in different states. However, many individuals outside Chennai lack the expertise in setting up proper acoustics and selecting the right equipment for their specific needs. While Audio Visuals Inc excels in constructing recording studios with optimal acoustics, its operations are limited to Chennai due to its sole branch presence. As a result, the company faces significant demand from areas like Cochin, Hyderabad, Bangalore, and others, but is unable to fully satisfy it due to the long distances involved

5 Problem Solving Approach:

5.1 Problem solving strategy for problem-1:

To address the challenges faced by Audio Visuals Inc in the sales sector and improve profitability in the face of competition from e-commerce websites, the following problem-solving

approach can be considered:

- **Data Analysis** Analyze the sales data from the past three months to identify patterns, trends, and insights. Look for any specific areas where sales have declined or been affected by the rise of e-commerce websites. Examine the product categories and customer segments that have experienced the most significant impact.
- **Diversify Revenue Streams:** Diversify Revenue Streams: Audio Visuals Inc can explore additional revenue streams beyond recording studios, such as offering equipment rentals, audio production services, or audio equipment sales. By diversifying their offerings, they can generate additional income and attract a wider range of customers with different needs.
- **Customer Segmentation:** Segment customers based on their buying behavior, preferences, and demographics. This segmentation can help Audio Visuals Inc to identify customer segments that are more likely to choose e-commerce platforms over local retail shops, thereby allowing them to effectively target and retain these customer segments.
- **Offer Unique Value Propositions:** Audio Visuals Inc can differentiate themselves from e-commerce platforms by offering unique value propositions. This can include personalized customer service, expert advice on acoustic solutions, equipment selection, and customized studio designs.
- **Customer Loyalty and Retention:** Focus on building long-term relationships with customers by providing exceptional service and maintaining regular communication. Implement loyalty programs, referral incentives, or exclusive offers to encourage repeat business and word-of-mouth recommendations.

5.2 Problem solving strategy for problem-2:

To solve the problem faced by Audio Visuals Inc in satisfying the demand for recording studios in locations outside Chennai, the following methods strategies can be considered:

- **Partnership with Local Service Providers:** Audio Visuals Inc can establish partnerships with local service providers in high-demand areas like Cochin, Hyderabad, and Bangalore. By collaborating with trusted local partners, Audio Visuals Inc can expand its reach to serve customers in those areas effectively.
- **Remote Studio Construction and Installation:** With the help of local partners or contractors, Audio Visuals Inc can offer remote studio construction and installation services. This method allows Audio Visuals Inc to extend its services to clients in different cities without the need for physical presence.
- **Establish Regional Branches:** Identify key cities or locations in neighboring states of Tamil Nadu with high demand and establish regional branches. These branches can offer comprehensive services, including studio design, equipment sales, installation, and maintenance. Hiring local talent and utilizing local resources can help in providing services to the specific needs and preferences of customers in each region.

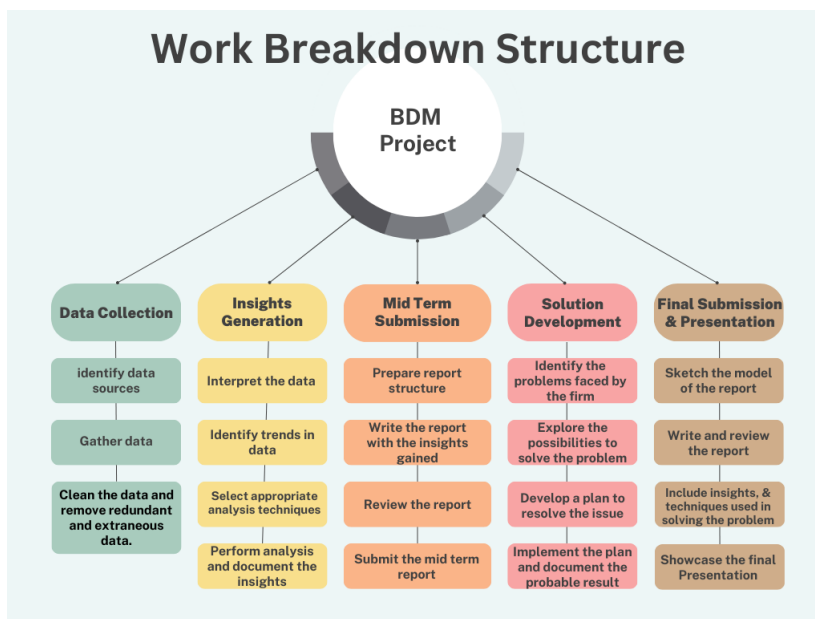
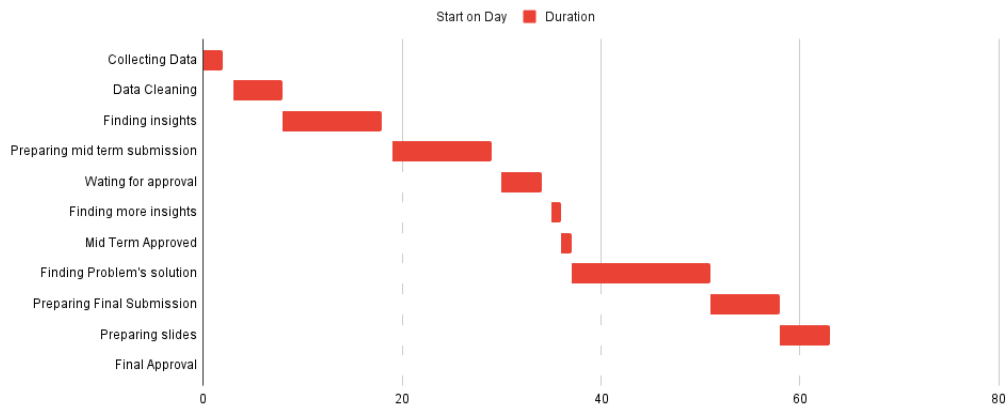
- **Remote Consultation and Design Services:** Audio Visuals Inc can offer remote consultation and design services to clients located in areas outside Chennai. Through video conferencing, phone calls, and email communication, the company can provide expertise and guidance on setting up proper acoustics and selecting the right equipment for their clients' specific needs.

6 Expected Timeline

6.1 Work Breakdown Structure

- i **Collecting Data:** Start Date: July 8 2023, End Date: July 10 2023, Duration: 2 days
- ii **Data Cleaning:** Start Date: July 11 2023, End Date: July 16 2023, Duration: 5 days
- iii **Finding insights:** Start Date: July 16 2023, End Date: July 26 2023, Duration: 10 days
- iv **Preparing mid term submission:** Start Date: July 27 2023, End Date: August 6 2023, Duration: 10 days
- v **Waiting for approval:** Start Date: August 7 2023, End Date: August 11 2023, Duration: 4 days
- vi **Finding more insights:** Start Date: August 12 2023, End Date: August 13 2023, Duration: 1 days
- vii **Mid Term Approved:** Start Date: August 13 2023, End Date: August 14 2023, Duration: 1 days
- viii **Finding Problem's Solution:** Start Date: August 14 2023, End Date: August 28 2023, Duration: 14 days
- ix **Preparing Final Submission:** Start Date: August 28 2023, End Date: September 4 2023, Duration: 7 days
- x **Preparing Slides:** Start Date: September 4 2023, End Date: September 9 2023, Duration: 5 days
- xi **Final Approval:** Start Date: September 10 2023, End Date: September 10 2023, Duration: 0 days

6.2 Gantt Chart



7 Expected Outcome:

7.1 Outcome 1

A successful pricing strategy which will help Audio Visuals Inc to increase their profit in sales sector.

7.2 Outcome 2

A good solution to solve the Audio Visuals Inc's problem of scaling acoustic sector to neighboring states.