

Business Data Management Capstone Project

Title: Vandniye Exim Pvt LTD

Submitted by:

Name: Kunal Gupta

Roll No.: 21F3001818

Department: BS in Data Science and Application

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Indian Institute of Technology, Madras

Executive Summary

When we humans came into existence food, shelter and clothing are our basic necessity or we can say basic things to lead a life. Engrossing our mind towards the clothing arena, we as humans we love to do shopping, buying clothes for ourselves and families, in which the entire credit goes to garment and fashion industry of India.

In Indian Economy Garment industry plays a major role. According to the data only textile industry provides nearly 29% of total organized manufacturing sector's employment in India. The Indian textile industry specialises in weaving a diverse range of yarns and fabric, generating employment for both skilled and unskilled workers. Government data suggest that the industry employs about **4.5 crore people directly and another 6 crores through allied sectors.**

To cater our daily clothing needs there are many outlets of clothing brand which gives quality clothes to the customers. Many international companies open there outlets in India to get indulge in Indian market as India is one of the leading country in terms of population. One such retailer is "Vandniye Exim pvt ltd" which owns a "Louis Phillipe" outlet in Faridabad.

This study is carried out to analyse the market of industry and to help the company to optimize its performance in all aspects, so it is very essential to find the best fit in regard to price, availability and performance

Organization Background

This is the picture of the owner of the company at his outlet.

Location: Faridabad, Haryana



'Vandniye Exim pvt ltd' is a private limited company situated in the city of Faridabad, Haryana.

This is a 17-year-old company under which the director has 'Louis Phillipe' Outlet. They Mainly sell coat, pants, t-shirts, shirts, trousers, formals etc. They attract mainly teenagers and adults. They only run on B2C business model. They attract the customers from Delhi NCR.

Running the business since 2005, They are solely dedicated in one outlet. Products in the outlet varies from seasons to seasons. Apart from it, team consist of 3 laborers working inside the outlet. The company was started in 2005 and Mr. Navneet Kumar Gupta is the director of that company who has an experience of more than 18 years in the garment and fashion Industry.

The company has provided the data in hopes to seek solutions in increase profit margins and expand the network and reach of the business.

Problem Statement

- 1) Increasing customer retention rate
- 2) Increasing profit margin and revenue of the company
- 3) Expand the business network
- 4) To understand which SKU gives highest sales and which is least performing SKU.
- 5) Analyse the average sales per month observed in the outlet.
- 6) Analyse of Inventory

Problem Background

While interviewing the director of the company I found out how low is customer footfall in the shop due to the area being less explorable by the new customers due to metro. A somewhat amusing problem which is that even though the outlet has a loyal customer base, they are falling behind in attracting new potential customer because most of the time a customer prefers to online shop without leaving their house and if they come to buy, they hope for a heavy discount which is not possible for a retailer to directly give to the customer as it opposes the company policies and guidelines.

Sometimes inventory or in simple words stock leads to create a major setback in sales because sometimes stock is not able to fulfil the customers demand so customer goes back without even buying anything.

Sales per month consist of shop rent, staff salaries, company cost per good, variable cost, generator etc and then the left amount is called the profit made by the outlet.

The sales have also been very seasonal with festive season being the peak of the sales time leading to 40k per day while regular day sale being so mediocre that the daily sales only hit 10-15k and sometimes 5k per day.

Sometimes Inventory leads to major problem in which the outlet is not able to fulfil the customer demand.

Problem Solving Approach

1. Increasing profit margins and net revenue •

Method Used

For this problem I would like to analyse the monthly sales data and with the help of pareto principle I would like to draw conclusions on which top 20 percent of the SKUs are generating 80 percent of the revenue of business.

This will help us focus on those SKUs qualitatively and quantitatively which in turn can lead to an increase in net revenue.

Also, if we decrease the order of the item which contributes less than 5 percent to the revenue we can level out or even observe an increase in net margins. All this analysis can be done using Pivot Table, and observing graphical trends of monthly sales and further deriving conclusions using the pareto principle.

2. Best and Worst performing SKUs •

Method Used

Well, this problem is just an extension to the last problem, once we have the monthly sales data and the production data we can create a pivot table to see the highest and lowest volume of the SKUs, also by including the prices for each of them, we can understand which provides the best revenue and which are the lowest performing SKU.

3. Average Sales Data •

Method Used

So now that we have the sales and stock data of FY21-22, we will be having the prices for each SKU and now we can calculate the average sales per month in terms of volume and price and thus understand the revenue for each month.

We will be able to understand if the festive season of October affects the revenue or on any other particular SKU or not.

Intended Data

The probable data which I would get from the company will be the stock bought and the sales data for fiscal year 21 to 22 from April 22 to October 22. The data is partially organized databases, all the data is in the form of excel sheet and in the digital company software data sale format.

Hence, I will have to manually make significant changes in a database or a .xlsx file. After that I will move onto organizing that data and further cleaning it to make it feasible for all sorts of pivotal and graphical analysis.

Expected Outcome

The final report will convey solutions derived from the data and their graphical representation will provide aid to the firm in solving the above-mentioned problems thereby increasing the sales, profit, and net margin, inventory, stock related problems.