

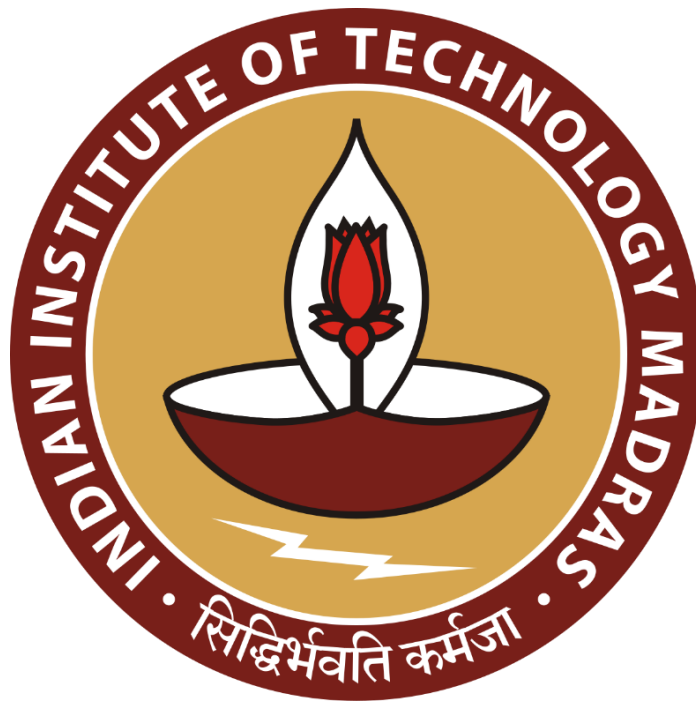
# **Enhancing Sales and Profit Maximization of Photocopy and Stationery Business**

## **A Proposal report for the BDM Capstone Project**

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## **Executive Summary and Title:**

### **Enhancing Sales and Profit Maximization of Photocopy and Stationery Business**

The project focuses on a small business of photocopy and stationery located at Muzaffarnagar (Uttar Pradesh) that works on copying documents and selling pens and pencils, notebooks, diaries, staplers, scissors etc. The business is B2C and deals the entire business running via offline mode only.

The major business issues that the organization is facing are related to the fluctuation in prices of the material purchased for sale. Fluctuations in paper and ink prices and other related materials can significantly impact the overall cost of the final goods. It should be carefully managed and forecast goods costs to maintain profitability and competitive pricing.

The issues will be addressed by analyzing the data via different analytical approaches to obtain a fruitful outcome. Regularly monitor raw material markets, economic indicators, industry trends to anticipate potential price fluctuations and also having a diverse supplier base allows businesses to compare prices, negotiate favorable terms, and switch suppliers if necessary.

The expected result of this study is to contribute to the business development by recognizing modern target markets patterns and achieve feasible benefits by viably managing costs, optimizing pricing techniques, and generating adequate income to cover costs and generate a sensible return on investment.

## **Organization Background:**

The business that I am working with is Balaji Photostat and Stationers, which is a for-profit home business situated in Muzaffarnagar, Uttar Pradesh. It is owned, managed and operated by Mr. Anuj Kumar Agarwal and the entire business is running mainly through offline mode only, also the business is seasonal in nature. The business was started in 2001 when Mr. Agarwal decided to switch his business from being an accountant to business owner. This business has grown steadily to become a reputed business in the market, as it operates with a dedicated member who possess deep industry knowledge and expertise. Balaji Photostat and Stationers was started with an initial investment of INR 60,000 and is completely self-financed. With the commitment to the market, they ensure to provide the best quality and quantity of products to their customers.

## **Problem Statement:**

### **1. Profitability and Pricing Challenges**

Balaji Photostat and Stationers faces critical challenges related to profitability and pricing. Fluctuating market demands, coupled with aggressive pricing from the competitors, make it difficult to maintain the competitive edge while maintaining the healthy profits. Balancing the need for affordability for customers with the necessity of sustaining profitability poses a continuous challenge, impacting the financial health of the business.

### **2. Limited Market Awareness and Reach**

Limited market awareness and reach pose a substantial hurdle for Balaji Photostat and Stationers. Despite offering quality products and services, the business struggles to create a robust presence. Inadequate marketing efforts result in reduced visibility among potential customers. This limitation prevents the business from maximizing its sales potential and reaching untapped markets.

## **Background of the Problem:**

### **1. Profitability and Pricing Challenges**

The profitability and pricing challenges facing the business are due to a number of factors, including:

- The high cost of goods sold: The business has to purchase toner, ink, and paper at a high cost. These costs are passed on to customers, but they are limiting the business's ability to compete on price.
- Competition from larger retailers: Larger retailers have the advantage of scale and can negotiate lower prices from suppliers. This allows them to offer lower prices to customers.

### **2. Limited Market Awareness and Reach**

The limited market awareness and reach challenges facing the business are due to a number of factors, including:

- The business is located in a relatively small town: The business is not well-known outside of its immediate area.
- The business has a limited marketing budget: The business does not have the budget to invest in large-scale marketing campaigns.

## **Problem Solving Approach:**

### **1. Profitability and Pricing Challenges**

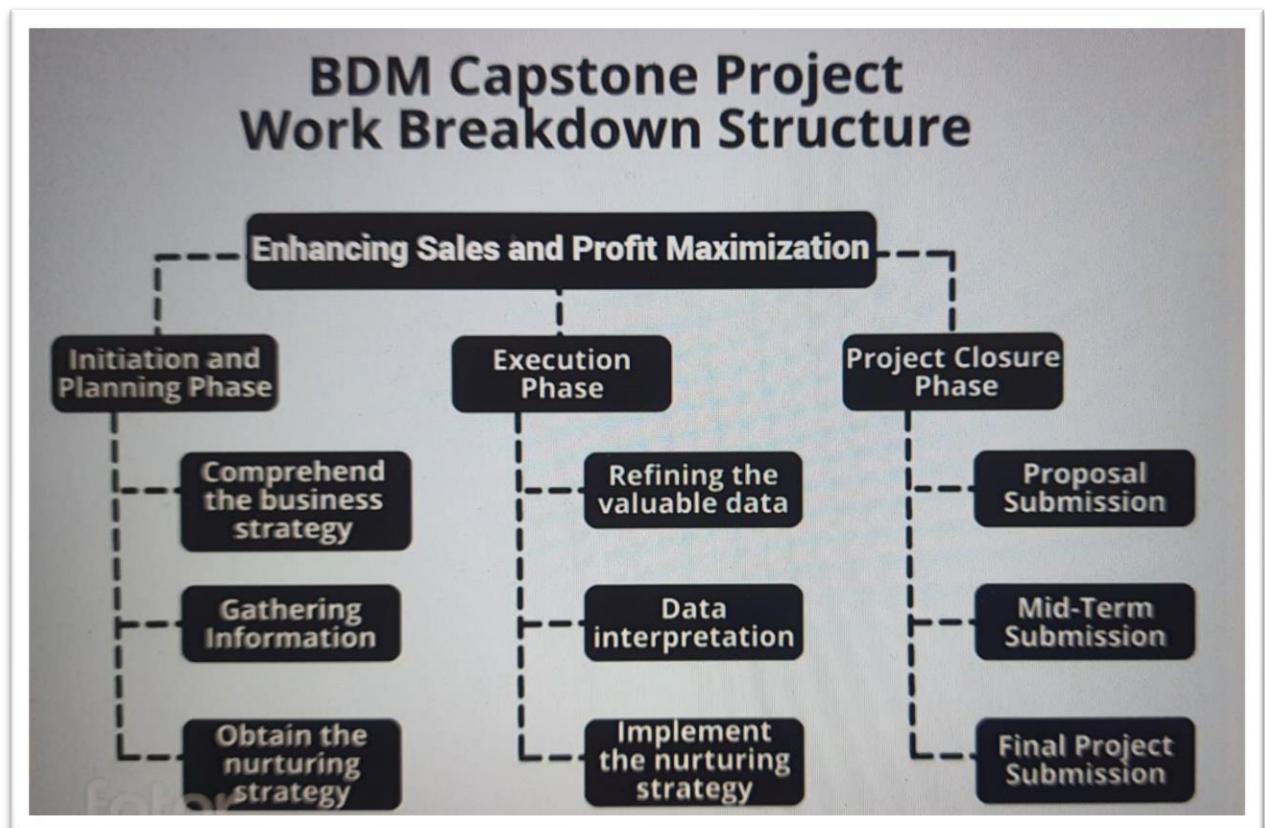
- Conduct a comprehensive analysis of the business cost structure, including materials to be bought, overhead costs, and operational inefficiencies.
- Reducing costs by negotiating lower prices from suppliers and finding cheaper alternatives. This can be done by shopping around for the best prices and by negotiating bulk discounts. The business could also consider switching to cheaper suppliers or using lower-cost alternatives, such as generic toner and ink cartridges.
- Offering discounts and promotions to attract new customers and increase customer loyalty. This could include offering discounts to students, seniors, or businesses that sign up for long-term contracts. The business could also offer loyalty programs that reward customers for repeat business.

### **2. Limited Market Awareness and Reach**

- Conduct market research to understand the target market needs, preferences, and purchasing behavior.
- Developing a new website and improving its online presence. This should involve creating a user-friendly website that is optimized for search engines. The website should also include clear and concise information about the business's products and services, as well as testimonials from satisfied customers.
- Investing in social media marketing. This could involve creating and maintaining social media accounts, such as Facebook, Twitter, and Instagram. The business could use social media to share news and updates about the business, run contests and giveaways, and promote its products and services.
- Partnering with local businesses to cross-promote products and services. This could involve offering discounts to customers of other local businesses, or co-hosting events. The business could also partner with local businesses to offer bundled products and services.

## Expected Timeline

Work Breakdown Structure:



Gantt Chart:

PROJECT NAME	DURATION	PROJECT START DATE	PROJECT END DATE
Enhancing Sales and Profit Maximization of Photocopy and Stationery Business	29	01-Nov-21	30-Nov-21

Task Description	Start Date	Completion Date
Selecting the project	01-Nov-21	02-Nov-21
First meeting with the owner	03-Nov-21	04-Nov-21
Preparing the proposal	04-Nov-21	04-Nov-21
Submission of proposal	05-Nov-21	05-Nov-21
Second meeting with the owner	06-Nov-21	07-Nov-21
Collecting the valuable data	08-Nov-21	07-Nov-21
Obtain the insights from the	08-Nov-21	09-Nov-21
Preparing the mid-term submission	10-Nov-21	10-Nov-21
Submit the mid-term submission	10-Nov-21	10-Nov-21
Proposal Approved	11-Nov-21	11-Nov-21
Complete analysis	12-Nov-21	12-Nov-21
Preparing the final submission report	15-Nov-21	15-Nov-21
Submitting the final report	15-Nov-21	15-Nov-21
Approval for mid-term submission	16-Nov-21	16-Nov-21
Preparing PPT slides while waiting for final approval	18-Nov-21	18-Nov-21
Preparation for Viva Voce	19-Nov-21	19-Nov-21
Final Submission Approved	20-Nov-21	20-Nov-21
Viva Voce	30-Nov-21	30-Nov-21

## **Expected Outcome:**

1. Implementing price optimization and effective sales strategies can lead to increased revenue and improved profit margins.
2. Business can adapt to market changes, respond to customer preferences, and maintain profitability even in the face of external challenges with the issues.
3. Effective pricing and sales strategies contribute to a strong brand reputation.
4. It allows the business to manage inventory levels more efficiently and reduce excess stock or stockouts.