

Business Data Management

Capstone Project

Shivam Drugs is a wholesale distributor of Medicines based out of Dholi, Muzaffarpur, Bihar. The Wholesale Store maintains its data on the ERP system. It caters to retailers within 10 Kms radius from its location.

The analysis was done on daily sales data for the period from December 2021 to February 2022.

I gathered the data through discussion with the owner of the store. My objective is to analyze the B2B sales data of Shivam Drugs. And find out the buying pattern of customers.

Loyalty Score Calculation

From the monthly sales data, We have calculated the average value of each sale. Those customers whose monthly purchase value is greater than the average. Then it is awarded with 1 point.

Observations

- The Company generates peak sales in the months of December.
- The Distribution offers over 800 SKUs, 281 SKUs contribute to 80% of Revenue.
- Most of the Loyal customers purchase the stocks for more than 2 months at once.
- Shivam Drugs have 31 B2B customers. And 7 customers account for 50% of the B2B revenue of Shivam Drugs.
- As the logistics cost from Distributor to Retailer are very low, Retailers purchase many products which have low demand or are costly to store on demand basis.

Recommendations

- Since the Retailers avoid stocking products which need special storage. Providing quick on demand delivery of such products to retailers can increase sales.
- Giving line of credit and Discounts to retailers with loyalty ratings 1 and 2 which have huge potential to increase the revenue of Shivam Drugs in long terms.