Branch Expansion Strategy for Starbucks in Koramangala, Bangalore

Tata Starbucks PVT LTD

Bengaluru, KA, India

starbucks.in

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# EXECUTIVE SUMMARY

Starbucks is considering a branch expansion within its three outlets in the Koramangala region, Bangalore. With constraints on time and resources, this project requires a targeted analysis to identify the branch with the highest growth potential. This Business Requirements Document highlights the key areas of focus, project scope, and stakeholder requirements for evaluating branch performances and establishing the optimal outlet for expansion. The findings will enable Starbucks to make an informed decision on where to allocate resources to maximize growth over the next year (2025).

# PROJECT DESCRIPTION

The project involves analyzing a dataset comprising overall sales transactions, branch-specific details, and associated expenses. The dataset, a simulated representation of 2024 sales, has been enhanced using Mostly.ai and Python. The analysis will be conducted using SQL within MySQL Workbench to process and manipulate the data, followed by visualization in Power BI. This will be supplemented by manual research, including site visits to the three branches, to account for external factors and contextual influences. The primary objective is to identify patterns in product sales, profitability trends, and growth potential, utilizing data-driven insights to guide strategic decision-making.

# PROJECT SCOPE

Each branch's performance will be evaluated based on profitability, customer base growth potential, and other defined success metrics. External market trends and competitors may also be analyzed if relevant.

## OUT OF SCOPE

* **Data Limitations**: The dataset is a simulated sample of 2024 sales, which may not fully capture real sales patterns. Recommendations should consider these limitations.
* **Implementation Costs**: Excludes staffing, inventory, or infrastructure costs for executing expansion plans.
* **Legal and Compliance**: Does not cover permits, taxes, or regulatory requirements associated with branch expansion.
* **Marketing Strategies**: No development or budgeting for promotional or customer engagement initiatives.
* **Competitor Analysis**: A detailed competitor study is not included; only high-level environmental observations from site visits.

## PROJECT CONSTRAINTS

* **Time**: Limited timeline to complete the analysis to meet the upcoming fiscal planning cycle.
* **Resources**: Limited budget and staff capacity for collecting and analyzing extensive data.



# BUSINESS REQUIREMENTS:

* **Determine the branch most suitable for expansion to maximize revenue in the Koramangala locality.**
  + Analyze sales, orders, and profits across all relevant variables.
  + Observe seasonal trends and surrounding factors to forecast next year’s performance.
* **Identify actionable focus areas to increase profits with minimal resource investment.**
  + Visualize trends across products, platforms and time to uncover hidden opportunities and insights.
  + Evaluate operational efficiencies and customer preferences to streamline high-impact areas.



# KEY STAKEHOLDERS:

1. **Starbucks Director and Sr. Management**: Oversee the project, make final decisions on branch expansion.
2. **Branch Managers**: Provide operational insights and data for each location.
3. **Financial and Operations Teams**: Support cost-benefit analysis and ensure operational feasibility.
4. **Data Analytics Team**: Conduct the analysis and provide data-driven recommendations.

# FUNCTIONAL REQUIREMENTS

|  |  |  |  |
| --- | --- | --- | --- |
| **Requirement** | **Priority** | **Description** | **Platform** |
| Comprehensive Data Analysis | 1 (Critical) | Perform a detailed analysis of transaction data to identify patterns in sales, profits, and trends. | MySQL Workbench |
| Branch Performance Metrics | 1 (Critical) | Establish KPIs such as Total Sales, Net Profits, Top products & categories, MoM / WoW Sales and more. | MySQL Workbench, Power BI |
| Data Visualization | 2 (High) | The Use Power BI to create interactive dashboards for communicating insights to stakeholders. | Power BI |
| **(NFR):** Manual Research and Environmental Impact | 3 (Medium) | Conduct branch visits to understand surrounding influences, competitors and contextual factors, if any. | On site (branch locations) |

# RESOURCES

**Personnel:**

* Business Analyst and Project manager: This is a self-starter case project, led by Inderveer Singh, working remotely.

**Software & Tools:**

* Mostly.ai: For generating a sample database.
* Claude.ai: For data enhancement and analysis.
* Python (Google Colab): For data manipulation and analysis.
* MySQL Workbench: For managing and querying the sales database.
* Power BI Desktop & Service: For creating and sharing visualizations and dashboards.
* MS Office: For documentation, presentations, and sharing reports.

**Hardware:**

* Macbook Air M1 with Windows Parallels Desktop: For running SQL queries, data analysis, and Power BI visualizations.

# SCHEDULE & TIMELINE

|  |  |  |
| --- | --- | --- |
| ****Milestone**** | **Deadline** | **Description** |
| **Project Kick-off** | Week 1 | Define scope and deliverables. |
| **Data Collection & Preparation** | Week 1 | Gather sales data and branch details. |
| **Data Analysis** | Week 2 | Perform SQL queries, identify patterns. |
| **Data Visualization** | Week 3 | Create Power BI dashboards. |
| **Research** & Site Analysis | Week 4 | Visit branches for contextual data. |
| **Final Evaluation & Recommendations** | Week 4 | Present insights and growth opportunities. |
| **Project Completion** | Week 5 | Final documentation and presentation. |

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