



BDM Capstone Project

Title:

**Revitalizing Revenue:
Data-Driven Strategies for stable growth in a
Small-Town Stationery Business.**

Submitted by:

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Executive Summary:

This project aims to analyse three years of revenue and growth data from a small-town stationary business in order to identify the root causes of instability and provide the owner with valuable suggestions for revenue improvement and business scalability. Through this analysis, the owner will gain a deeper understanding of the underlying factors affecting their business and be equipped to effectively implement solutions.

The chosen business is unique in that it operates as both B2B and B2C and offers products through both retail and wholesale channels. In order to perform a fair analysis of revenue structure and results, it will be necessary to separate the data into two distinct datasets based on the type of transaction. This will allow for a more accurate understanding of the business's performance and enable us to develop targeted strategies for revenue improvement. The owner also uses platforms like Amazon and Flipkart to compensate the loss in revenue.

To identify a solution, I will employ both qualitative and quantitative research methods. Qualitative data will be gathered through discussions with the business owner and employees to uncover any underlying issues that may be affecting performance, and by conducting a competitor analysis to better understand the market. Additionally, revisiting the current marketing strategies used by the business will be explored.

Quantitative data will also be collected from the past three years to provide reliable and objective insights that can be used to understand important statistics and identify patterns and trends. This data will be used to create a ledger to assess supply chain performance and identify areas for improvement.

By combining qualitative and quantitative data, I aim to develop a comprehensive understanding of the business and provide valuable recommendations to improve revenue and stabilize growth.

Organisational details & Background:



‘Sanwariya Seth Stationary’ is a retail and wholesale channel that offers stationary products in the town of Rath, located in the Bundelkhand region of Hamirpur district. The business, owned by Mr. Rahul, has been in operation since 2014. Initially, the shop solely catered to wholesale channels; however, it later expanded to include retail sales as well. In 2014, the wholesale channel was launched, offering books of all standards and boards to schools within a radius of approximately 100 kms. In 2015, stationary products were added to the wholesale business. In March 2016, Mr. Rahul opened the shop for both retail and wholesale customers. Presently, the business supplies books of all major boards to nearby schools and a wide range of branded and non-branded stationary items as per customer demand.

In terms of competition, Sanwariya Seth Stationary faces one major competitor in its wholesale business and another in its retail business. However, Mr. Rahul prides himself on the top-notch quality of his products and asserts that there is no competition in terms of quality. Going forward, I plan to continue interacting with him to gain a better understanding of his business operations and his strategies for addressing any challenges he may face.

Problem Statement:

The major problem in the business is:

- The wholesale business experiences high book sales at the start of the year (April-July) but a decline in sales for the rest of the year.
- Sales of other products- art supplies, project material (in retail) also dip during certain months (August – November), causing instability in sales during these months for the owner.

Other challenges faced by the business are:

- Clearing out inventory of exclusive items.
- Delay in payments in the wholesale business.
- Lack of emphasis on marketing/ branding.

Background of the Problem:

The success of a business largely hinges on catering to the needs of the target audience, in this case it is primarily students below the age of 16. As the academic year commences around March-April, the demand for books and other educational supplies increases, leading to a significant surge in B2B sales and revenue. However, after July, when the need for books decreases, the revenue from this segment also dwindles.

To compensate for this dip, the owner shifts his focus towards the retail segment of the business. However, this segment experiences a temporary decline in sales during the months of August to November, particularly for products such as art supplies and project materials, as there are typically fewer school-related activities during this period.

To address this issue, the owner attempted to expand the reach by exploring online retail options such as Amazon and Flipkart. However, despite these efforts, the sales have not significantly improved during this period.

To attract more customers, the owner has attempted to stock expensive branded products. However, since not everyone in small towns is attracted to such high-end items, the owner has faced some difficulties in selling them. Another challenge is delay in payments, which is quite common in small towns. As businesses relies heavily on trust, and word-of-mouth marketing, one cannot simply demand that other businesses/customers pay on time because it can impact the positive relationship with them. While this issue is not a major concern for the business, it is still something we are mindful of and continue to work on.

Problem Solving Approach:

Details about the methods used:

To provide an accurate analysis of the business, a combination of qualitative and quantitative research methods will be used. By using both methods, the study will gain insights into the business's performance and its market demand, which will aid in identifying growth opportunities and strategies.

Qualitative analysis: One of the qualitative analysis methods is conducting interviews with the business owner and workers to gather information about the products that are in high demand, the factors that drive sales, and the factors that impede sales. This will provide the study with an understanding of the business's ground reality, which can be used to interpret the quantitative data and develop strategies accordingly. The qualitative research will also help to explore the unique features of the business that may not be reflected in the quantitative data.

Quantitative analysis: The quantitative analysis will involve collecting and analysing data on the business's sales performance over the past three years. The data will be collected in both wholesale and retail sales formats to provide a complete picture of the business's performance. To analyse the data, pivot tables will be used to identify the highest revenue-generating section of the business. Pareto charts will be created to identify the exact months when the sales are dropping in a particular section. This data will be used to identify potential problems and opportunities for the business and to develop effective strategies.

Details about the intended Data Collection:

The study will collect detailed information about the business's sales performance over the past three years from the Tally system owned by the business owner. This information will be utilized to gain an in-depth understanding of the business's statistics. The data will be segregated and analysed separately for wholesale and retail sales to identify any divergences in performance and trends. Additionally, the qualitative analysis will provide further insights that will complement the quantitative analysis.

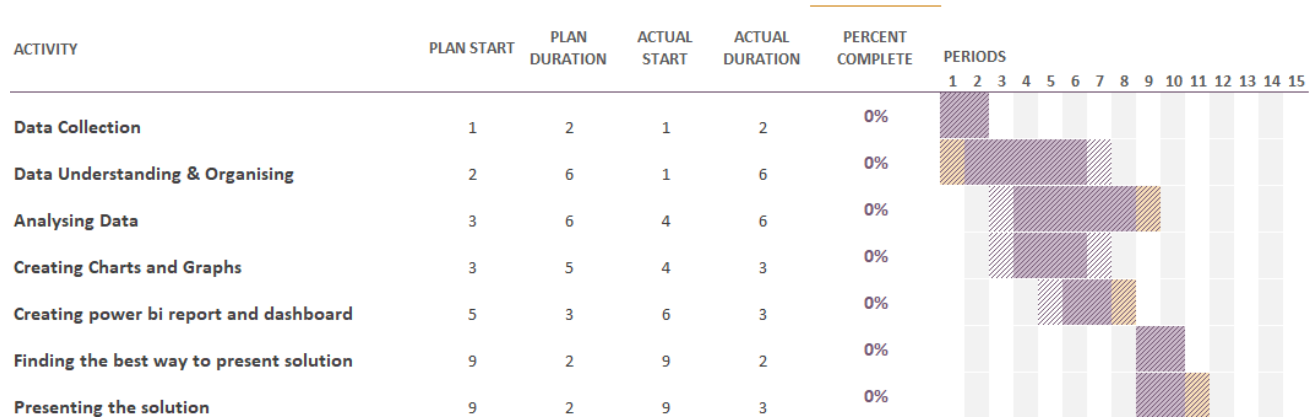
Details about the Tools:

The data collected for this study will be analysed using Microsoft Excel, which provides tools like pivot tables, charts, which will help me create ledgers. These tools will help to organize and analyse the data effectively. Power BI will be used to create reports and dashboards that present data using visuals using charts like pie chart, waterfall charts and column charts. This will provide a clear and concise understanding of the business's performance and help to identify areas of improvement.

Expected Timeline:

I will initiate the data collection process by requesting the necessary information from the business owner. Once I receive the data, I will promptly organize it for analysis. Using Excel sheets, I will thoroughly analyse the data, experimenting with various charts to identify the most effective way to present the business's challenges. The expected timeline and steps are given in the provided Gantt chart.

BDM Project Planner



<https://drive.google.com/drive/folders/10EoXwDib0ppGAjCj2g4SSfRsGGioAmI0>

Expected Outcome:

I with the help of the business owner have to come up with the solution to reduce the instability in revenue and to leave him with the valuable suggestions so that he can improve his sales in both retail and wholesale channel.