

# **BDM CAPSTONE PROJECT MID-TERM SUBMISSION**

## **OPTIMIZING WORKFLOW AND MINIMIZING OPERATIONAL COST FOR SALON BUSINESS**

Submitted by

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# 1. Executive Summary

‘**Trim with Glow Salon**’ is a small beauty salon located at 118/40, Agarwal farm, Mansarover, Jaipur, Rajasthan. It is a B2C business that directly deals with the customer in the segment of salon services.

The major issue faced by the salon is tracking cash flow and revenue. Despite being a profitable business the profit margin is very less because of lack of management. The wide range of service offered by the salon makes inventory management a complex task. This problem has led to stock shortage, deadstock and wastage of products.

The main objectives include implementing a data-driven approach to inventory management, accurately tracking cash flow and quantifying inventory, and identifying cost-saving opportunities by monitoring daily sales data. By utilizing tools such as Excel and Spreadsheet. The salon seeks to streamline data processing and decision-making, optimizing stock levels, and minimizing wastage and stockouts.

The expected outcome includes enhanced operational efficiency, reduced product wastage, and improved customer satisfaction.

## 2. Proof of Originality

To establish the authenticity of the data, the supporting evidence as listed below:

1. **Letter from the Organisation:**

<https://drive.google.com/file/d/1Wov7O-tQqsc6J8J3jBo-FhplWZvUq0FU/view?usp=sharing>

2. **Video of interaction with owner:**

<https://drive.google.com/file/d/1ePd61h9JtZtfFIZj7328aQSodiVE3OFG/view?usp=sharing>

3. **Images of hisab diary:** These images are included in Appendix A, located on page 10. They all can also be accessed through the G-Drive link:

[\[https://drive.google.com/drive/folders/1DndergLLrrA9r4Oc6Dw01551u9HrgYMg?usp=sharing\]](https://drive.google.com/drive/folders/1DndergLLrrA9r4Oc6Dw01551u9HrgYMg?usp=sharing)

4. **Images of Organisation:** These visuals are enclosed within Appendix B, which can be found on page 11.

5. **Image of salon price list on google:** Image will be available within Appendix A, The same price list is used for analysis purpose also. This can be accessed in their google images also:

[https://lh3.googleusercontent.com/p/AF1QipPIK\\_7tHkDMGXsTX17ZWk5w9A21ytrDaPeNP\\_jn=s1360-w1360-h1020](https://lh3.googleusercontent.com/p/AF1QipPIK_7tHkDMGXsTX17ZWk5w9A21ytrDaPeNP_jn=s1360-w1360-h1020)

### 3. Metadata and Descriptive Statistics

#### METADATA:

The owner generously granted me access to varied data sources as listed:

1. **Sales Data from January 2023 to June 2023:** The owner shared snapshots of her hisab diary containing daily sales of services which include service name, cost of service and total revenue generated per day.
2. **List of services:** The owner actively participated in providing details of all services provided by the salon with the cost they charge from customer and cost of items used per service which will help in analyzing net profit.
3. **Fixed expense:** Among the major fixed costs paid by the owner each month was the electricity bill, maid charges, water bill and snacks which included the month and the amount.

#### Sales Data Metadata Keys:

Key	Data Type	Description
Date	Date	Specific date in DD/MM/YYYY format
Month	Varchar(3)	Month in short form
Service	Varchar(50)	Specific name of service with brand
Category	Varchar(50)	Category of service like wax, skin care
Prize	Int	Cost of service
Total	Int	Total cost of all services per day
Discounted Total	Int	Net amount received after discount

#### Service Details Metadata Keys:

Key	Data Type	Description
S.no	Int	Count of services
Service	Varchar(50)	Specific name of service with brand

Category	Varchar(50)	Category of service like wax, skin care
Price	Int	Cost of service
Product Cost	Int	Approximate amount of product used for the service

#### Fixed Expense Metadata Keys:

Key	Data Type	Description
Month	Varchar(10)	Month and year
Category	Varchar(50)	Electricity bill, water bill, maid charge, tea/snacks
Amount	Int	Amount paid in each category per month
Total	Int	Total amount paid per month

#### DESCRIPTIVE STATISTICS:

After data processing and cleansing, the following is a concise overview of the dataset using descriptive statistics. I have attempted to condense the information by highlighting the descriptive stats below relevant for both sales and services data.

Descriptive statistic measure	Descriptive statistic definition
Sum	The total value.
Mean	The average value.
Median	The middle value when arranged in ascending order.
Standard Deviation	The measure of spread of values from mean in a single sample.
Minimum	The smallest value.
Maximum	The largest value.

#### For Overall Sales Data (Jan-June 2023):

Descriptive statistic measure	Quantity	Total Revenue	Gross Profit
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Sum	617	₹230049	₹176654
Mean	4.113	₹1533.66	₹1177.69
Median	4	₹1250	₹968
Standard Deviation	2.084	₹986.31	₹774.56
Minimum	1	₹100	₹100
Maximum	12	₹5200	₹4150

The services have been organized into seven primary categories for the purpose of analysis. These categories are as follows:

1. **Wax:** Encompassing all sort of wax such as hand, legs, full body wax and different brand like honey, milk, D-tan etc
2. **Skin Care:** This includes all facials, cleanups of different brands.
3. **Hair spa:** Encompasses all different brands spa, hair colours, highlighting and hair treatment such as keratin treatment, rebonding etc.
4. **Threading:** This includes threading of forehead, upper lip and face with either thread or wax.
5. **Makeup:** Includes bridal, party and light makeup. Hair styles are also included in this category.
6. **Hair cut:** All different hair cuts, massage, curls and straightening are included in this category.
7. **Package:** Introduced in June have a single package as of now called “summer offer package”. In this package out of 10 any 6 services can be opt at just ₹999. Those options include:
  - a. Oiling Spa
  - b. Manicure
  - c. Pedicure
  - d. Fruit Facial
  - e. Fruit cleanup
  - f. D-tan
  - g. Oxy Bleach
  - h. Hair cut
  - i. Full Legs Honey
  - j. Hand Wax Honey

The focus of the analysis will be directed towards the services across prominent categories such as wax, makeup, skin care.

**For the entire category of skin care:**

Descriptive statistic measure	Quantity	Total Revenue	Gross Profit	Percentage Revenue
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Sum	148	₹83610	₹61225	36.34%
Mean	5.10	₹2883.10	₹2111.21	1.25%
Median	3	₹900	₹640	0.39%
Standard Deviation	4.71	₹3904.47	₹2943.58	1.70%
Minimum	1	₹100	₹70	0.04%
Maximum	18	₹14000	₹11200	6.09%

**For the entire category of Wax:**

Descriptive statistic measure	Quantity	Total Revenue	Gross Profit	Percentage Revenue
Sum	97	₹47290	₹37931	20.56%
Mean	5.11	₹2488.95	₹1996.37	1.08%
Median	4	₹480	₹360	1.93%
Standard Deviation	4.46	₹4448.80	₹3519.15	0.21%
Minimum	1	₹100	₹80	0.04%
Maximum	16	₹17600	₹13600	7.65%

**For the entire category of Makeup:**

Descriptive statistic measure	Quantity	Total Revenue	Gross Profit	Percentage Revenue
Sum	31	₹45850	₹39400	19.93%
Mean	6.20	₹9170	₹7880	3.99%
Median	7	₹6000	₹5000	2.61%
Standard Deviation	3.27	₹8074.93	₹6652.59	3.51%
Minimum	1	₹2450	₹2100	1.06%
Maximum	10	₹21700	₹17500	9.43%

## 4. Analysis Process and Methods

The process of data analysis is a mixture of defining the problem, data collection, organization, cleaning, transformation, applying analysis techniques, and drawing conclusions.

The data furnished by the owner was a blend of clean and mixed data, requiring preliminary cleaning before conducting analysis. The sales data provided by the owner requires major changes, adjustments and further feature analysis. In contrast, the services list along with MRP and material cost of each service is given. Further all services are divided in categories for better conclusions.

The data analysis process heavily relied on utilizing Microsoft Excel tools, including Excel Data Analysis ToolPak, Pivot tables, Pivot charts, custom formulas, and Excel add-ins. The foundational analysis provided comprehensive insights into the data. The descriptive statistics highlighted in this report have been meticulously formulated by systematically organizing and exploring data within each category.

The whole data analysis will be done in parts. Firstly with the sales data, revenue can be calculated for daily, weekly and monthly basis. With the help of product cost for every service, analysis of more profitable services will be great insight.

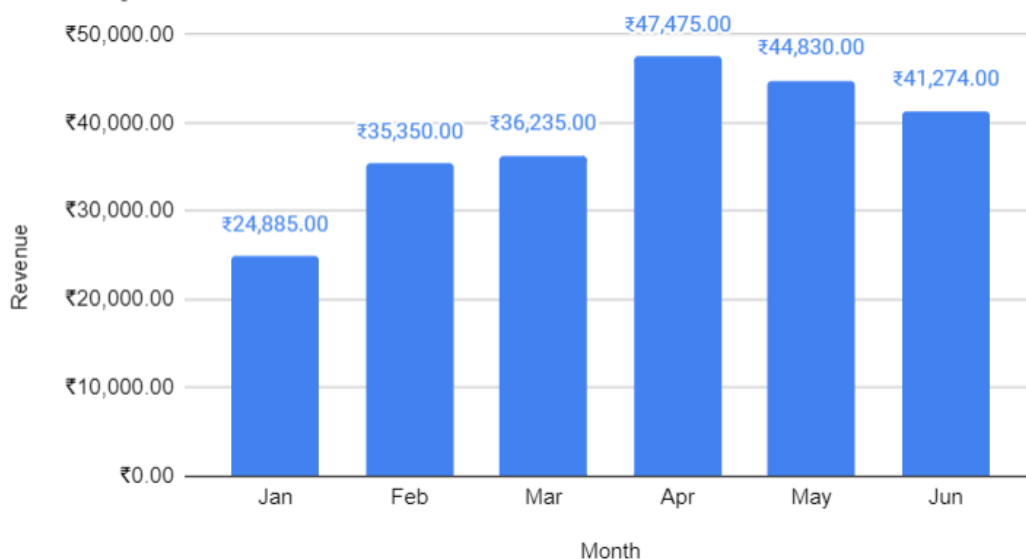
A thorough and exhaustive analysis will be conducted for the final submission with the goal of gaining insightful knowledge from the dataset and improving sales and services for business.

## 5.Results and Findings

Some insights from the sales data:

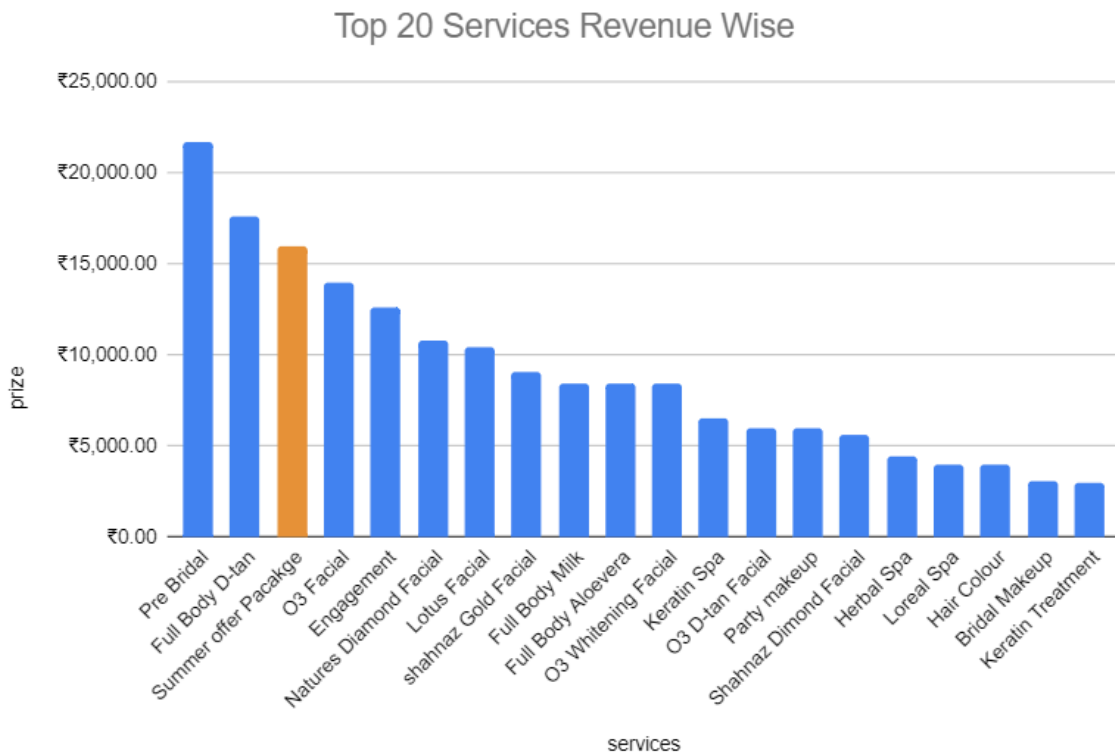
- A total of ₹2,30,049 revenue is generated in the span of 6 months (Jan 23 - Jun 23). In this time a total of 617 services were done by salon with approximately 4.08 services per day.

Monthly Revenue Distribution

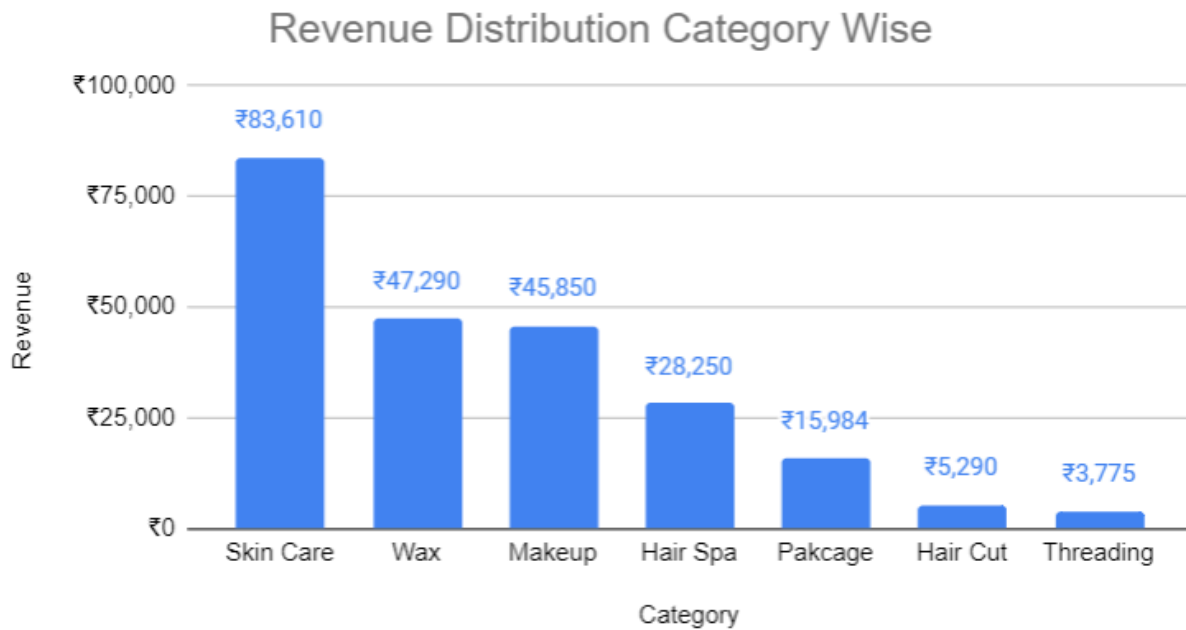




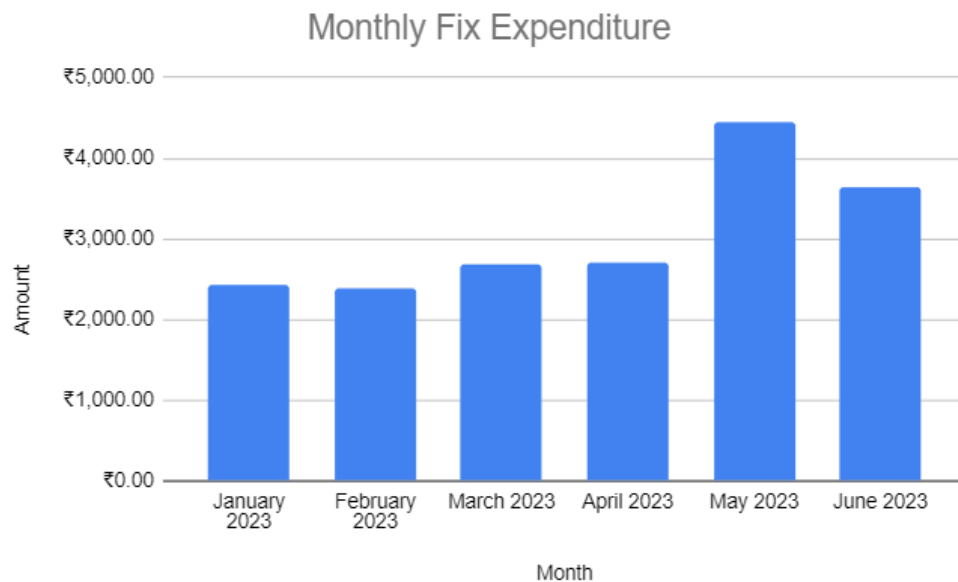
- Monthly Revenue Distribution graph is having low revenue in Jan, Feb and Mar because of winters in Jaipur, Rajasthan. Usually salon business perform low during winters and are highly dependent on marriage season.
- April and May are supposed to be high performing months in salon business. June should have less revenue but the introduction of the “summer offer package” was a huge hit.
- The top five services that have the most frequency includes Pre-Bridal, Full Body D-tan Wax, Summer Offer Package, O3 Facial, Engagement Makeup. These services collectively contributed 36% of the total revenue.



- Among the top services, Wax emerged as the most frequent and the most revenue generating service category. The “Pre-Bridal” stood out as the highest revenue-generating service despite being done only 7 times in 6 months, generating a total revenue of ₹21,700.
- Despite being introduced in June month only, “Summer Offer Package” is the 3rd most revenue generating service. Generating revenue of ₹15,984.



- Fix expenditure includes maid salary, Water bill and snacks bill which are approximately the same but the electricity bill is dependent on the season.
- May being a hot summer season and good business month for the salon justify the high expenditure. June on the other hand is also hot but as mentioned above, is not a good month for salon business hence have low working days but were effective.



# Appendix A: Proof of Originality

Few images of hisab diary:

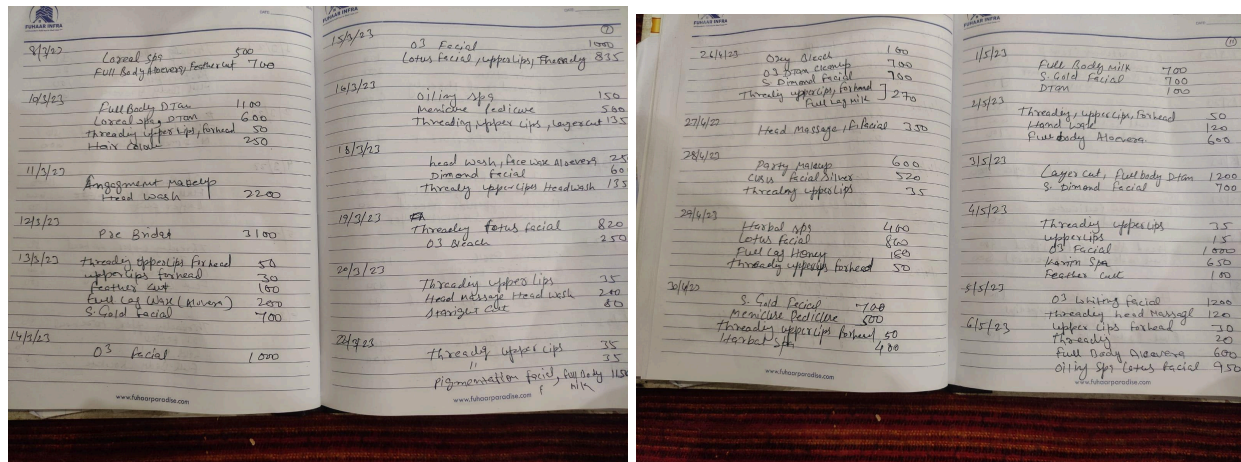


Image of prize list of salon:

# TRIM WITH GLOW SALON

## Skin Care

	Facial	Clean up
O3 D-Tan Facial	1500/-	700/-
Lotus Facial	800/-	400/-
O3 Whitening	1200/-	600/-
O3 Facial	1000/-	500/-
Shahnaz Gold Facial	700/-	400/-
Shahnaz Diamond Facial	700/-	400/-
Natures Diamond Facial	600/-	350/-
Natures Gold Facial	600/-	350/-
Natures Repair Skin Facial	450/-	300/-
Natures Remove Acne Facial	400/-	250/-
Natures Papaya Facial	400/-	250/-
Pigmentation Facial	450/-	-
VLCC Fruit Facial	350/-	200/-
VLCC Papaya Facial	400/-	250/-
VLCC D-Tan Facial	350/-	200/-
Natural Fruit Facial	600/-	-
Fruit Facial	250/-	150/-
Silver Facial	350/-	200/-
Aloe vera Facial	200/-	100/-
O3 Bleach	250/-	-
Diamond Bleach	170/-	-
Gold Bleach	150/-	-
Oxy Bleach	100/-	-
D-Tan	100/-	-
Fruit Bleach	100/-	-
Thermo Pack	120/-	-

## Wax

	Honey
Hand Wax	80/-
Under Arms	40/-
Half Legs	100/-
Full Legs	180/-
Full Body	500/-
Face Wax	120/-

## Chocolate

100/-
50/-
120/-
200/-
600/-
150/-

## Aloe vera

100/-
50/-
120/-
200/-
600/-
150/-

## Milk

120/-
60/-
140/-
220/-
700/-
200/-

## D-Tan

200/-
100/-
250/-
400/-
1100/-
300/-

## Premium

Permanent Threading Treatment	2500/-
Remove Skin Tag	200/-
Fresh Aloe Vera facial	200

## Makeup

Party Makeup	600/-
Light Makeup	500/-
Engagement	2100/-
Bridal Makeup	3100/-
Pre Bridal	3100/-
Reception	3100/-

## Hair-cut

Trim	60/-
U Cut	70/-
V Cut	70/-
Step with Layer	100/-
Layer Cut	100/-
Feather Cut	100/-
Straight Cut	80/-
Head Massage	100/-
Head Wash	100/-
Split Ends	300/-
Straightening	170/-
Curls	170/-

## Hair Spa

Hair Smoothing	2500/-
Rebonding	3000/-
Keratin Treatment	3000/-
Keratin Spa	650/-
Loxal Spa	500/-
Herbal spa	400/-
Oiling Spa	150/-
Head massage	100/-
Hair Colour	250/-
Highlighting	200/-
Blond	100/-

## Threading

Threading	20/-
Upper Lips	15/-
Forehead	15/-
Wax Upper Lips	80/-
Wax Threading	50/-

1 Floor, 118/40, Shiv Marg, Agarwal Farm, Mansarovar,  
Jaipur. Phone No- 9664164936, 8278631810.

## Appendix B: Images



Location: <https://g.co/kgs/oYbyVCT>

