

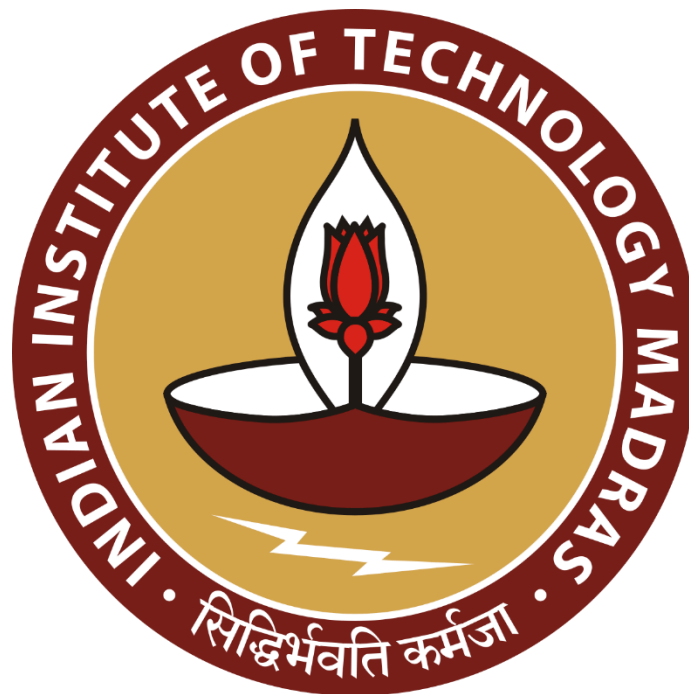
# **STRATEGIES TO COUNTER SALES DECLINE AT L. GOPAL MART**

**A Final report for the BDM Capstone Project**

**Submitted by**

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### **Declaration Statement**

I am working on a Project titled “ Strategies to counter sales decline at L. Gopal Mart”. I extend my appreciation to L.Gopal Mart, Guwahati , for providing the necessary resources that enabled me to conduct my project.

I hereby assert that the data presented and assessed in this project report is genuine and precise to the utmost extent of my knowledge and capabilities. The data has been gathered from primary sources and carefully analyzed to assure its reliability.

Additionally, I affirm that all procedures employed for the purpose of data collection and analysis have been duly explained in this report. The outcomes and inferences derived from the data are an accurate depiction of the findings acquired through thorough analytical procedures.

I am dedicated to adhering to the principles of academic honesty and integrity, and I am receptive to any additional examination or validation of the data contained in this project report.

I understand that the execution of this project is intended for individual completion and is not to be undertaken collectively. I thus affirm that I am not engaged in any form of collaboration with other individuals, and that all the work undertaken has been solely conducted by me. In the event that plagiarism is detected in the report at any stage of the project's completion, I am fully aware and prepared to accept disciplinary measures imposed by the relevant authority.

I understand that all recommendations made in this project report are within the context of the academic project taken up towards course fulfillment in the BS Degree Program offered by IIT Madras. The institution does not endorse any of the claims or comments.



Signature of Candidate

Name: Sikhashree Barman

Date: 04/07/24

# 1. EXECUTIVE SUMMARY

This report analyzes the decline in sales at L. Gopal Mart from March 2024 onwards, focusing on the impact of a new competitor store and the rise of online shopping. The store has experienced a significant drop in sales since the competitor's emergence in February. While Grocery and Food items remain strong performers, other categories, especially Cosmetics and Stationery, have seen significant declines. Customer feedback underscores general satisfaction with product quality and staff but highlights concerns about high home delivery costs, reduced product variety, and issues with expired non-grocery items.

The project also compared L. Gopal Mart with its competitors, revealing areas where the store falls short, particularly in pricing, discounts, and online presence. Rising market prices have led customers to choose online platforms for better deals. Competitors like GNRC Medishop and Morning Basket offer better deals and have a stronger online presence, which is impacting the sales of L. Gopal Mart.

The analysis of sales data and customer feedback indicates that improvements are needed in several key areas. To address these issues, the report recommends implementing special promotions and discounts on popular items during peak sales periods, lowering the minimum amount for home delivery, and expanding product assortment, particularly in underperforming categories like Cosmetics and Stationery. Enhancing inventory management to ensure the freshness of all products and improving customer service and experience are also crucial steps.

In conclusion, by adopting the recommendations, L. Gopal Mart can better compete in the current market landscape, improve customer satisfaction, and regain its market position. Addressing pricing, product assortment, and delivery issues will help the store attract more customers and achieve long-term success despite increasing competition and changing consumer behaviors.

## 2. DETAILED EXPLANATION OF ANALYSIS PROCESS/METHOD:

### 2.1. Data Collection

The sales and purchase data for the store have been collected from January to June. This data comprises monthly sales figures and purchase expenses. The data is manually entered into Google Sheets, with separate sheets for different sets of data. I also collected approximate category-wise sales data to analyze the store's performance in various product areas. Access to this data will be essential for conducting a thorough analysis of the store's declining sales.

### 2.1. Data cleaning

Data cleaning is a crucial step to ensure accurate analysis. Google Sheets was utilized to identify and eliminate missing or zero values, which occurred when the store was closed, from the sales data for each month. Additionally, all incorrect formats, like negative numbers, and wrong date formats are rectified. Outliers were removed, such as a low sales day on 3/11/24 when the store was open for half a day, to avoid misleading results. Initially, there were 182 data entries, and after cleaning we got 178 entries. The cleaned 178 data from January to June was then combined into one "Consolidated Sales Data" sheet for analysis. This step ensures accurate and reliable insights.

*Link to the collected data: [Metadata](#)*

### 2.2. Descriptive analysis

Statistical analysis of the monthly sales data is performed by calculating the mean, median, standard deviation, minimum, and maximum sales values. This helps summarize the data, understand the average performance, and identify any variations or unusual trends. These calculations provide a quick overview of the store's monthly performance.

Statistics	Sale(January )	Sale(February)	Sale(March)	Sale(April)	Sale(May)	Sale(June)
<b>mean</b>	₹96,305	₹118,911	₹80,048	₹64,283	₹58,403	₹64,256
<b>Median</b>	₹94,368	₹116,514	₹72,432	₹64,781	₹56,255	₹67,217
<b>standard deviation</b>	18793.31	14862.06	26745.74	13558.33	12775.42	16114.40
<b>Minimum</b>	₹66,432	₹92,577	₹42,451	₹38,694	₹38,814	₹39,020
<b>Maximum</b>	₹138,950	₹156,170	₹150,271	₹94,148	₹86,581	₹94,621
<b>Total</b>	₹2,696,549	₹3,448,414	₹2,401,428	₹1,928,477	₹1,810,494	₹1,927,676
<b>count</b>	28	29	30	30	31	30

Table 1: descriptive statistics of the data

The inference we can draw from the above table:

- The sales data show a peak in February, then a consistent decline till May, even though a slight recovery is seen in June, but overall we can't be sure about it.
- Sales variability was highest in March and lowest in May. This indicates that March saw the most fluctuation in daily sales, while May was more stable but consistently low. The instability in March reflects a downward trend that began that month, whereas May had a more uniform, though reduced, sales pattern.
- There is a consistent decline in minimum and maximum values from January to May indicating the overall weakening performance of the store, with a minor improvement observed in June compared to May.

These Descriptive analyses, help us to understand L Gopal Mart's significant decline in sales in the last few months possibly due to new competition and online shopping.

### 2.3. Trend analysis(sales and Purchases)

Based on the data I received, it is visible that there is a significant trend in sales for the consecutive month. To analyze this and visualize the monthly sales performance I have plotted different charts and performed trend analysis based on the available dataset.

- The first step is to plot the daily sales data from January to June using line charts to visualize sales performance over time on a daily basis. This helps us summarize the monthly total sales and identify any trends.
- Next, the differences between sales and purchases data is studied properly to identify any mismatches between stock purchases and actual sales, which can highlight potential overstocking or under-purchasing issues.

## 2.4. Profit Analysis

I have talked to the store manager regarding the sales and stock purchases that happened during the past 6 months, and based on his data and insights, there appears to be a downward trend in sales.

To verify my intuition, I have calculated the monthly profit/loss by subtracting the monthly expenditure from the monthly sales, enabling a more precise profit and loss analysis on goods.

$$\text{Monthly profit or monthly loss} = \text{Sale} - \text{Purchase (for each month)}$$

MONTH	TOTAL SALE	TOTAL PURCHASE	PROFIT
JANUARY	₹2,696,549	₹4,315,392	-₹1,618,843
FEBRUARY	₹3,448,414	₹3,725,403	-₹276,989
MARCH	₹2,401,428	₹2,309,605	₹91,823
APRIL	₹1,928,477	₹2,024,738	-₹96,261
MAY	₹1,810,494	₹2,752,725	-₹942,231
JUNE	₹1,927,676	₹2,429,325	-₹501,649

Table 2: Total sales and total purchases per month

This gives me total sales of the last 6 months = ₹14,213,038

and Total purchase = ₹17,557,188 .

So, Profit or loss in the last 6 months = ₹14,213,038 - ₹17,557,188

$$= -₹3,344,150 \text{ (loss)}$$

The store is in loss of ₹3,344,150 according to sales and purchase data from the last 6 months due to high expenditure on goods.

## 2.5. Category Performance Analysis

L. Gopal Mart doesn't have an inventory system for tracking sales by product and instead relies on daily sales totals. To work around this, the store manager, using his experience and knowledge of customer habits, provides approximate sales data for each category based on stock levels and monthly observations of sales. As a result, there's a difference between the total sales over six months (₹14,213,038) and the estimated category-wise sales (₹14,626,000). This shows the limitations of relying on estimates and the need for better data management.

- To evaluate the performance of different product categories and identify which categories have the most significant impact on total sales, I used a Pie chart to show sales contribution by each category over 6 months, ie; from January to June.
- A 100% stacked bar chart that shows monthly sales by each category, helping to highlight the strongest and weakest product categories.

## 2.6. Competitor Price Comparison Analysis

In this section, individual products like rice, Kaju, oil, dal, sugar, and atta were analyzed because these specific items are high-demand goods that directly impact customers' shopping decisions.

While previous analyses focused on broad product categories to assess overall performance, this detailed comparison of individual items offers a more precise understanding of pricing competitiveness. Customers often compare prices of specific products, particularly essential and bulk goods, when deciding where to shop.

It's also important to note that categories like cosmetics and stationery, which had the lowest sales in L. Gopal Mart, were not available in competitor shops. As a result, these categories were not included in the price comparison. Focusing on high-demand grocery items for this analysis provides clearer insights into areas where L. Gopal Mart can improve its pricing strategy and attract more customers, especially in competitive product segments.



- To assess the store's competitiveness in terms of pricing compared to online stores and offline competitor stores, I conducted a price comparison analysis of essential products, to compare the prices between the L.Gopal store and its competitors.

*Link to the table: [Prices of different shops](#)*

- Additionally, A bar plot is used to help visualize the price variations for all the key products available in the store.
- If competitor stores or online markets offer lower prices or better deals on those essential products, this may explain the loss of customers, which could be addressed through price adjustments.

To get concrete evidence of the reduction of sales due to the competitor, I have done a before and after sale reduction calculation.

Average sale before competitor(Jan and Feb)= ₹3,072,482

Average sale after competitor (Mar, Apr, May, Jun)= ₹2,017,019

Percentage decline =  $(₹3,072,482 - ₹2,017,019) * 100 / ₹3,072,482 = 34.35 \%$

## 2.7. Customer Feedback Analysis

- To understand customer satisfaction levels and common concerns through their comments and reviews, 18 people were surveyed about the rating of satisfaction and feedback about the store.
- A pie chart is used to visually represent the percentage distribution of customer review ratings, ranging from 1 to 5 stars, providing a clear and engaging overview of customer satisfaction levels.
- A word cloud is used to analyze keywords associated with complaints or praises based on their feedback and comments. This analysis will highlight recurring issues associated with the store according to the customer's point of view.

*Link to the customer feedback data: [customer feedback and reviews](#)*

### 3. RESULTS AND FINDINGS

#### 3.1. Sales and purchase Trend

The graph below shows the store's daily sales from January 1st to June 30th. The data indicates that sales have been declining since March. January sales were satisfactory, and in February, the store achieved its highest daily sales of ₹156,170, with frequent peaks above ₹100,000. However, starting in March, there is a noticeable decline, with only a few spikes early in the month. It can be concluded that the emergence of a new competitor shop on February 25th has negatively impacted L. Gopal Mart's sales performance. The initial days of March saw some peaks, but sales dropped significantly afterwards.

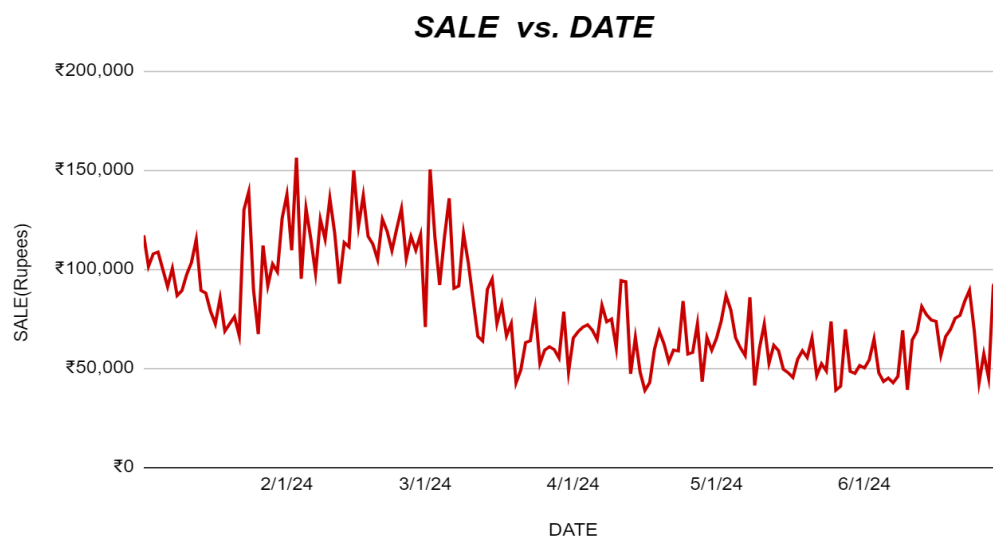


Chart 1: Daily Sales Trend at L. Gopal Mart from January to June 2024

From the given Chart 2, it is observed that in January and February, the store made significant purchases, as the sales and demand were high in those months, looking at the high demand they made high purchases of goods as well. However, from March onwards, both sales and purchases declined sharply. The lowest is seen in April in case of purchase, showing the store tried to minimize the declined sales.

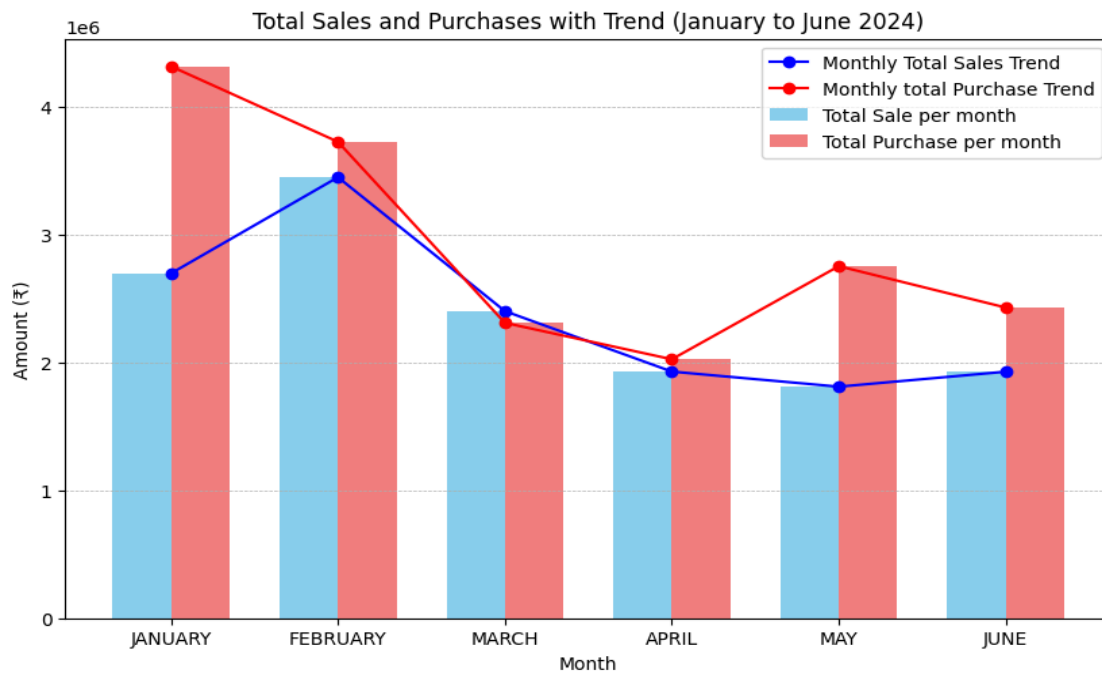


Chart 2: Total sales and Purchases trend from January to June 2024

In May, sales decreased further yet purchases of goods increased, possibly leading to overstocking as the store attempted to diversify its offerings to attract customers. By June, sales showed a minor improvement, but purchases decreased compared to May, reflecting a more cautious approach to inventory management.

Overall, the graph shows the store's struggle to maintain sales momentum after a strong start in early 2024.

### 3.2. Highest sales day of the week

A detailed analysis was performed to identify the day of the week when the majority of the sales happened. Chart 3 shows the frequency of the highest sales day for each week from January to June. We got from the chart that "Saturday" shows the highest frequency with 7 weeks where it was the top sales day. Next, "Sunday" follows with 5 weeks indicating good weekend sales. However, on weekdays also "Wednesday" becomes the third highest with 4 weeks as the highest sales day. Weekends (Saturday, Sunday) are significantly more frequent as the highest sales days, indicating that customers prefer shopping on weekends.

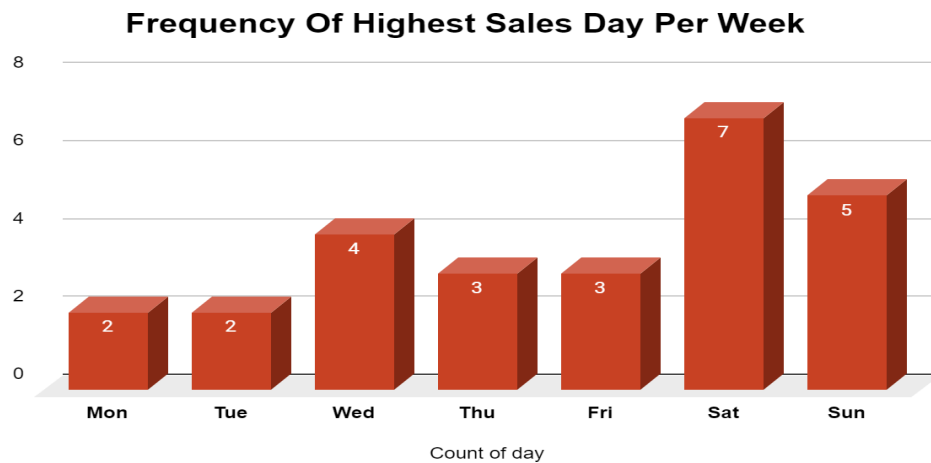


Chart 3: Analysis of highest sales day per week

This trend may be due to the increased availability of free time and the desire to stock up for the weekend. Understanding the frequency of the highest sales days provides insights into customer shopping behavior, which can help in maximizing sales and enhancing customer satisfaction.

### 3.3. Competitor shops pricing strategies

Chart 4 compares the prices of various goods across four shops: L. Gopal Mart, GNRC Medishop, Gromaal, and Morning Basket. For the most part, the prices are quite similar across all the shops, with slight variations.

The price comparison shows that L. Gopal Mart has higher prices on key bulk items such as rice (₹1,680) and Dhara M Oil (₹150), making it less competitive compared to GNRC Medishop and popular online platforms like Gromaal and Morning Basket. Premium goods like Kaju are also significantly pricier at L. Gopal Mart (₹1,080), adding to its disadvantage. However, for staples like Masoor Dal and Moong Dal, the store remains competitive with similar or slightly lower prices. L. Gopal Mart offers lower prices on only a few items like Ashirvaad Atta and Masoor Dal (Small), but Moong Gota (500G) is more expensive at L. Gopal Mart than both Gromaal and Morning Basket and Mati Dal(1KG) is more expensive than all the stores.

Key observations made:

- L. Gopal Mart has higher prices for some key items like **rice, oil, and premium goods (Kaju)**, making it less appealing for bulk buyers.
- The store has more competitive pricing on certain staples like **Masoor Dal** and **Atta**, but the differences are minor.

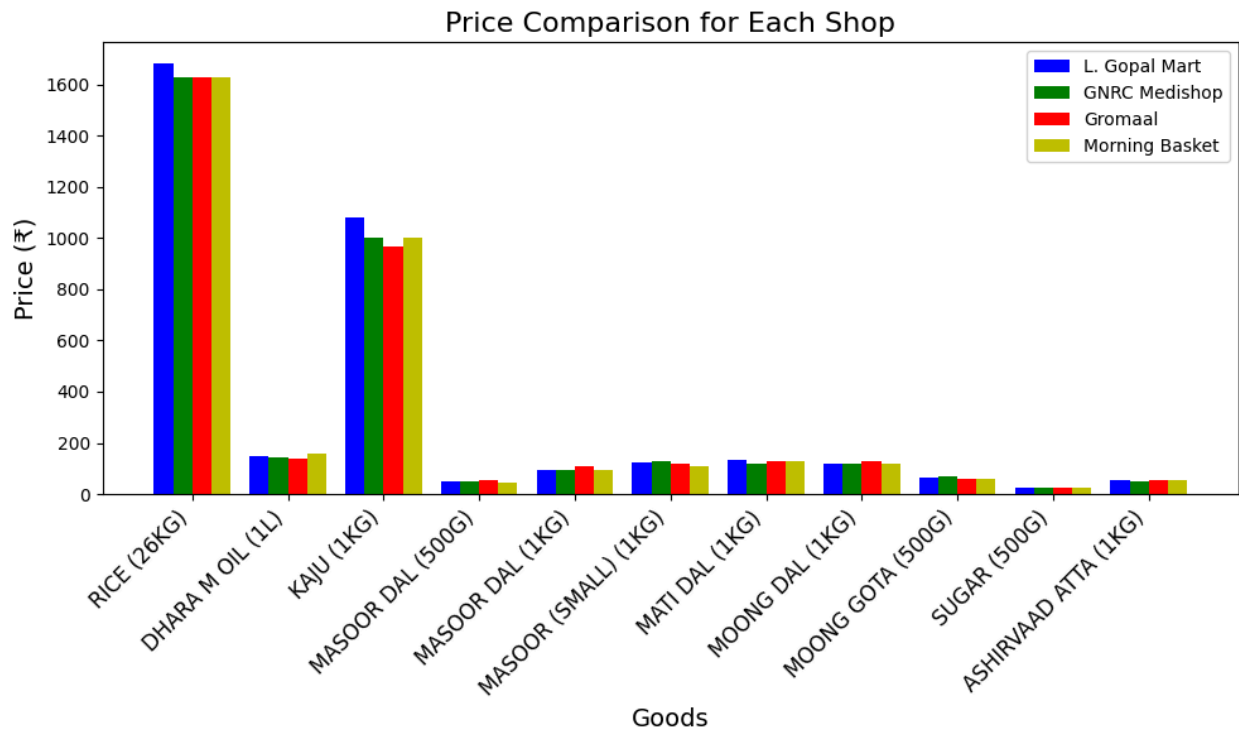


Chart 4: Competitor top item's price comparison

### 3.4. Impact of competitor's offers and facilities:

From the above chart, it is evident that all shops offer competitive prices. To understand how other stores attract customers, we need to examine their offers and additional facilities. Below is a study of these aspects for all four shops.

#### L. Gopal Mart

- **Free Delivery:** Available on orders over ₹2000 within a 2-3 km range.
- **App availability:** No mobile app or online site for shopping.

- **Discounts:** Offers 5-7% off on groceries, 5% on cosmetics, up to 10% on organic items, and fixed prices on some items.
- **Promotion/advertisement:** No promotional events or advertisements

## GNRC Medishop

- **Free Delivery:** Available on orders over ₹1000 across Guwahati, with multiple branches including one in Hengrabari (location).
- **App availability:** Has an online website and mobile app for shopping.
- **Discounts:** Provides 5-10% discounts on most items, additional discounts for large orders, occasional festival discounts, and special offers on medicines over ₹500.
- **Promotion/advertisement:** Engages in promotions and advertisements, including large discounts at openings and online and print media.

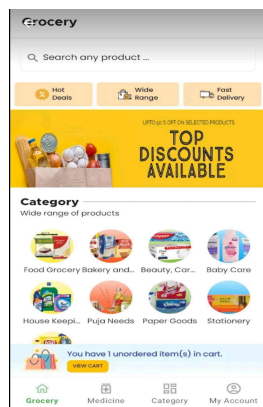


Fig 1. Mobile app

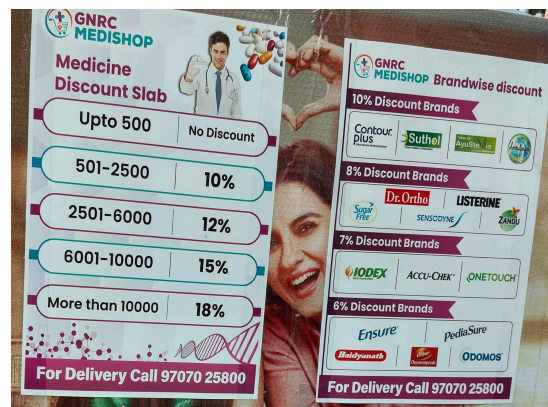


Fig 2. Advertisement outside the shop for medicines

## GROMAAL

- **Free Delivery:** Offers free delivery on orders over ₹1500 and discounts on orders above ₹400 with coupons.
- **App Availability:** Mobile apps and online websites are available for easy shopping.
- **Discounts:** Various offers on items, including special summer and festival discounts. Provides discounts on fruits, veggies, and traditional Assamese foods.
- **Promotion/Advertisement:** Uses a YouTube channel and other advertising platforms for promotions.

## Morning Basket

This is an online application for online shopping and home delivery service by “People’s Mart” a departmental store located just 3 km from L. Gopal Mart. This online site is popular among the localities for its good online service and availability of every type of goods.

- **Free Delivery:** Offers free delivery with no minimum purchase requirement.
- **App Availability:** Mobile app is available for online shopping.
- **Discounts:** Provides an extra 10% off on orders over ₹1000, plus seasonal and occasional offers.
- **Promotion/Advertisement:** Conducts extensive promotional activities, including ads on their website and Instagram, and offers a subscription option.

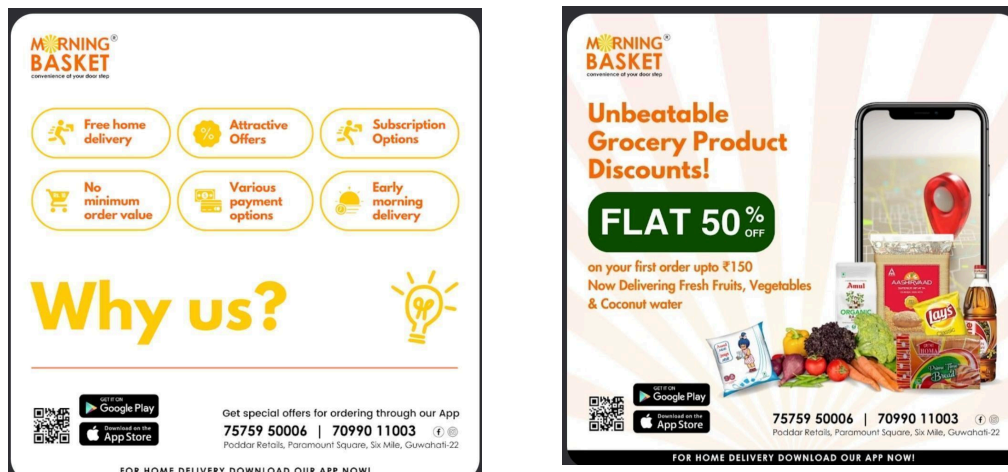


Fig 3: advertisements by Morning basket

The above study shows that L.Gopal Mart faces strong competition from stores like **GNRC Medishop** and **Morning Basket**, which offer better pricing, discounts and online shopping options. They also promote their service, where L. Gopal Mart is lacking. To stay competitive in the market, L. Gopal Mart needs to enhance its pricing, discounts, online presence, and promotional efforts.

### 3.5. Profit Analysis

The graph below shows the monthly profit/loss of L. Gopal Mart from January to June 2024 as green columns with a dark green trend line. Each column represents profit or loss for a specific month.

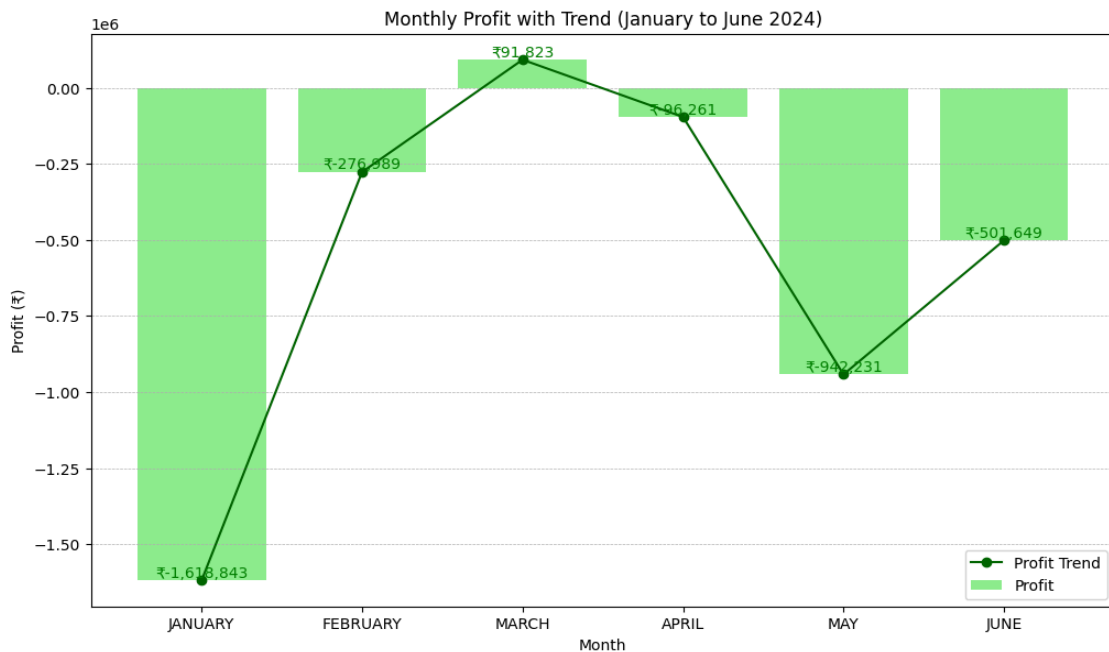


Chart 5: Monthly Profit analysis

The trend line shows that the store started with a substantial loss in January, with expenses far higher than sales. However, the store made progress towards reducing the deficit in February and made a profit in March. However, losses increased again in April, though they were relatively minor. In May, the losses worsened, indicating that store sales were not good but they purchased more, expecting a good sale in the month. In June, the store saw a decreased loss compared to May, but still is in negative or loss.

Even though the manager has mentioned that the store is not facing any inventory management issue, overstocking or out-of-stock issues, the store should try to minimize their loss for the upcoming months.



### 3.6. Category-wise performance of L. Gopal Store

The table shows the sales data for L. Gopal Mart across six product categories from January to June 2024.

Link to the category wise data: [category wise sale](#)

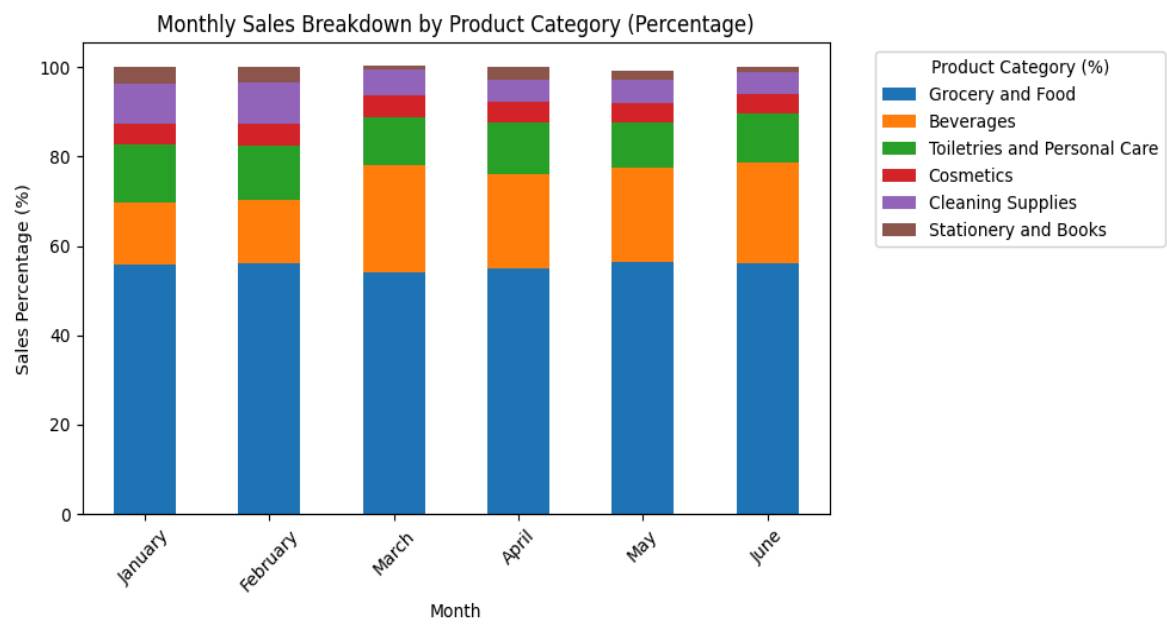


Chart 6: Product Category monthly sales analysis

Sales data for L. Gopal Mart from January to June 2024 reveals key trends:

- **Grocery and Foods:** Consistently highest revenue, peaking at ₹2,000,000 in February, declining to ₹1,100,000 in June.
- **Beverages:** Increased significantly during summer, peaking at ₹600,000 in March.
- **Toiletries and Personal Care:** Declined after February.
- **Cleaning Supplies:** Dropped sharply from ₹320,000 in February to ₹100,000 in April, stabilizing at ₹110,000 in June.
- **Cosmetics:** Declined from ₹170,000 in February to ₹75,000 in June.
- **Stationery and Books:** Peaked at ₹120,000 in February, falling to ₹20,000 by June, but always a less contributor category compared to others.

Overall, the store shows a declining trend in most categories, indicating potential issues with customer retention, product assortment, or competition.

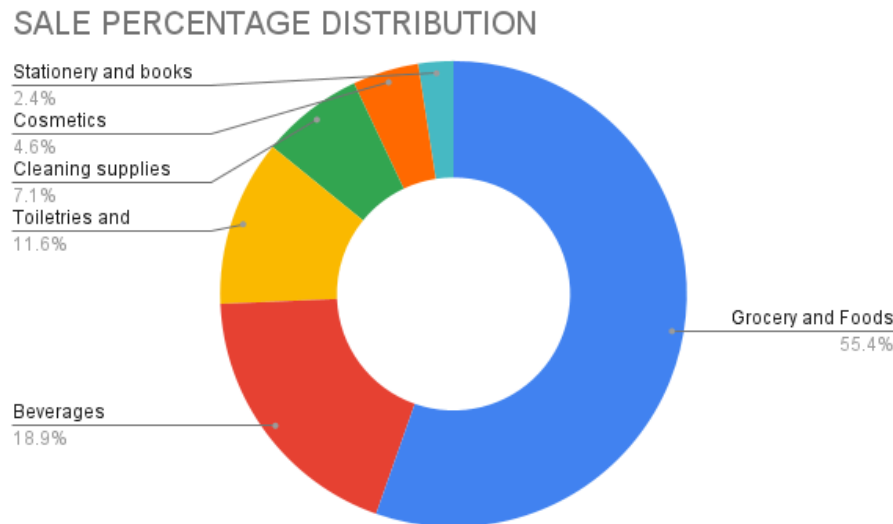


Chart 7: Sale Percentage Distribution based on Goods Categories

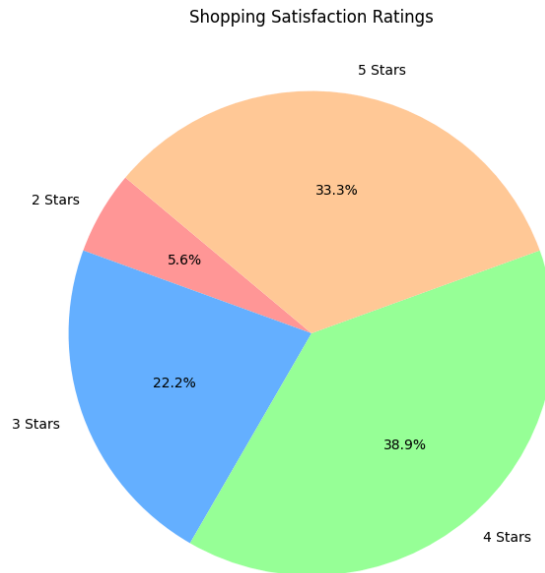
- The **Grocery and Foods** category leads with 55.4% of total sales from January to June, signifying its critical role in driving the store's revenue.
- **Beverages** account for 18.9%, peaking during warmer months, while **Toiletries and Personal Care** contribute 11.6%, indicating strong consumer interest in these segments.
- **Cleaning Supplies** represent 7.1% of sales, whereas **Cosmetics**(4.6%) and **Stationery/Books** show minimal performance of only 2.4% , due to lower demand.

### 3.7. Customer Review and feedback

The pie chart shows the distribution of customer satisfaction ratings for L. Gopal Mart. The rating ranges from 2 to 5 with each segment of the pie chart representing the proportion of customers who rated their shopping experience at these levels.

- **38.9%** of customers rated their experience as 4, indicating they are fairly satisfied.
- **33.3%** rated 5, reflecting an excellent experience and suggesting strong customer satisfaction, which might contribute to the store's 50% customer retention rate.

- **22.2%** rated their experience as 3, suggesting these customers find some aspects average and expect improvements.
- **5.6%** rated their experience as 2, indicating dissatisfaction. Although a small percentage, this highlights areas needing attention to prevent losing customers.



### Chart 8: Customer rating analysis

From the feedback of the customers, I have drawn a Word Cloud representing the most used comments in ratings.



Chart 9: Word cloud representing top customer comments

- The word cloud above showcases the most common words from customer comments, with the size of each word representing its frequency.
- Larger words, such as **"GOOD," "HOME," "DELIVERY," "PRODUCTS,"** and **"GROCERY,"** highlight the aspects customers frequently mention, indicating a positive reception to the quality of goods and groceries offered.
- The prominence of **"HOME DELIVERY"** suggests that customers are dissatisfied with the store's delivery system, expressing a desire for improvement as reflected by many comments.
- Additional words like **"STAFF," "VARIETY," "EXPERIENCE,"** and **"PRICE"** point to positive interactions with staff and general satisfaction with the shopping experience.
- However, there are concerns regarding pricing, product variety, and the availability of discounts, especially in comparison to competitor stores.

## 4. INTERPRETATION OF RESULTS

### 4.1. Sales and purchase pattern

The trendline graph shows that both sales and purchases started declining after March 2024. The store experienced high demand in January and February, leading to significant purchases. But things took a sharp turn in March, with sales dropping significantly and continuing to decline through June. From March to April, the store tried to adjust the decline in sales by reducing purchases. But despite declining sales, the store did overstock by increasing the purchase amount in May, even though a slight recovery in sales and reduced purchases in June shows a more cautious and controlled approach to inventory management.

### 4.2. Sales day Pattern

Saturday has regularly seen the largest sales throughout the weeks, indicating a strong weekend purchasing tendency among customers. Sunday is the second busiest shopping day. Weekends (Saturday and Sunday) stand out as high-volume sales days, most likely because buyers have more spare time and want to stock up for the coming week. Interestingly, Wednesday is the third

greatest sales day, offering an excellent opportunity for midweek promotions to improve sales during the week.

### 4.3. Competitive pricing and market positions

Each store has a distinct pricing approach, and no single retailer offers the lowest price in all categories. L.Gopla Mart has reasonable pricing but is frequently outpriced by competitor GNRC Medishop, particularly for staple items, making it more appealing to budget-conscious buyers. This demonstrates the need for L. Gopal Mart to monitor rival prices to increase sales.

### 4.4. Service offerings and Customer Convenience

L. Gopal Mart primarily provides free delivery for high-value purchases within a narrow range and does not have an online purchasing platform, putting it at a disadvantage when compared to competitors such as GNRC Medishop and Morning Basket, which offer broader delivery services and online shopping choices. Furthermore, L. Gopal Mart does not engage in promotional or advertising activities, whereas competitors actively seek clients through discounts and online advertisements.

### 4.5. Financial performance(profit or loss)

The store suffered huge losses in January of this year, most likely as a result of high New Year's spending. Despite a slight profit in March, the store suffered a total loss of ₹3,344,150 in six months. This could be attributed to overestimating customer demand, which resulted in excessive inventory purchases. The store continues to encounter financial difficulties, underscoring the importance of closer monitoring and modifications to avoid future losses.

### 4.6. Product wise summary

The sales data from January to June 2024 shows a decline across most categories at L. Gopal Mart. Grocery and Foods remained the strongest category but experienced a significant drop in sales by June, likely due to seasonal changes or increased competition. Beverages peaked in March, driven by summer demand, while Toiletries and Cleaning Supplies saw sharp declines

after February. Cosmetics and Stationery consistently underperformed, indicating reduced customer interest or product relevance. Overall, the data points to issues with customer retention, product assortment, and competition, suggesting the store is losing market share.

## 4.7. Customer satisfaction insights

The feedback reveals that customers are generally satisfied with the quality of products, staff friendliness, and the store's convenience, with many appreciating the variety of groceries and the overall shopping experience. However, several recurring issues are highlighted, particularly regarding the high minimum amount for home delivery, which many find inconvenient. Additionally, some customers expressed concerns about product variety decreasing over time, difficulties in finding specific items, and high prices for certain goods. There are also serious concerns about the expiration dates of non-grocery items, with multiple customers mentioning that packaged products are old and poorly maintained. A notable preference for online shopping, particularly for cosmetics, suggests that customers find better options elsewhere for certain product categories.

# 5. RECOMMENDATIONS

## 5.1 Stock Management and Sales Optimization

Since the weekends are giving the highest sales, ensure that stock levels are highest towards the end of the week to meet the increased customer demands on those days. They can also target marketing efforts and promotions on weekends, especially on Saturdays, on Grocery and Food items, such as discounts or bundle deals, to increase customer spending. They can also give special offers on slower days like Tuesday and Monday to balance the sales distribution across the week.

## 5.2. Price Matching and Discounts

To attract price-sensitive customers, the store could consider price matching with competitor shops or offer exclusive in-store deals. They could also include regular discounts on staple goods, exclusive discounts and seasonal or festival discounts on goods to attract customers. This

could help in regaining market share from the competitors and could help in increasing customer footfall.

### 5.3. Improving Home Delivery

Given the feedback on home delivery, the store could introduce free or lower minimum order requirements (Minimum Rs. 2000 for free home delivery is a very big amount of shopping and not everyone can meet the facility) for nearby areas could help in enhancing customer convenience and satisfaction, leading to more sales.

### 5.4. Inventory Management

They should improve inventory management, ensuring that all products, especially non-grocery items, are fresh and properly maintained to avoid customer dissatisfaction with expired or nearly expired items.

### 5.5. Establish Online Presence

Nowadays, people are shifting towards online shopping due to busy life and competitor shops are providing this facility. If L. Gopal Mart could, they should try to make an online presence through applications or websites to compete with online grocery stores. Like: the “People’s Mart” departmental store has started the online application “Morning Basket”.

### 5.6. Advertising and Marketing

L. Gopal mart could invest in local advertising, digital marketing and in-store promotions to increase visibility and attract new customers. Targeted marketing and promotions are needed for low-selling categories like Cosmetics and Stationery, including discounts, loyalty rewards near high-traffic areas. If there will be no advertisement, people will not be aware about it. If they start advertising about offers and discounts they are providing, highlighting the store’s strength such as product quality and variety, it could help the store to improve its image.

## 5.7. Enhancing In-Store Experience

The store could enhance the In-store experience by improving the layout and display to attract more customers. Addressing the issue of one customer about difficulty in finding products, the store could add better signage in different areas and also train staff to assist customers effectively to enhance the shopping experience and improve customer retention.

## 5.8. Align Stock and Demand Trend

The store should analyze trends to align inventory levels with customer demand. Rather than overflowing with stocks, the store could focus on high demand products and offer them with good quality and discounts to improve sales performance and customer satisfaction of the store.

# 6. CONCLUSION

This project has identified critical factors contributing to the decline in sales at L. Gopal Mart, notably the emergence of a new competitor store in February 2024 and the rising popularity of online shopping. Analysis of sales data, customer feedback, and competitor comparisons revealed a significant 34% drop in sales since the competitor's entry, which clears that improvements in pricing strategy, product assortment, and customer service are essential for the store's recovery. Implementing targeted promotions, providing good discounts and offers, optimizing inventory management, and enhancing the shopping experience will not only address the current challenges but also position L. Gopal Mart for long-term success in an increasingly competitive market.