



A Visionary Approach for DND's Journey: From Challenges to Triumphs

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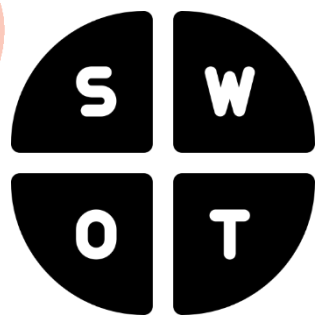
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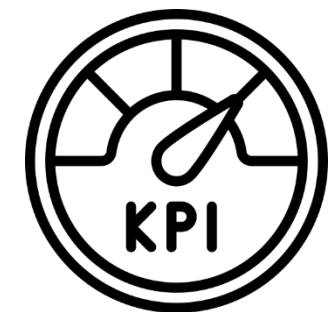
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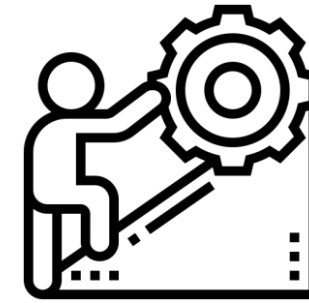


Department wise
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KPIs

Problem Statement



Challenges

DND is a 2020 Indian firm formed by Sam Malhotra and Rajish Gupta. The app-based platform sells milk, paneer, and curd in Bengaluru, Delhi, and Hyderabad. The diversified founders raised INR 15 lakhs as early money and added subscription services and BHIM UPI wallet recharging.

- Missing Deliveries and Customer Complaints
- Unreliable Delivery Partner Attendance
- Product Errors and Quality Issues
- Perishable Product Losses
- Unfulfilled Services in Non-Dense Areas
- Competition Exploiting Weaknesses



Key Resources

- Human resources
- App-Based Ordering System:
- Wide Product Range
- Seed Capital
- Strong Sales Team

Industry Analysis

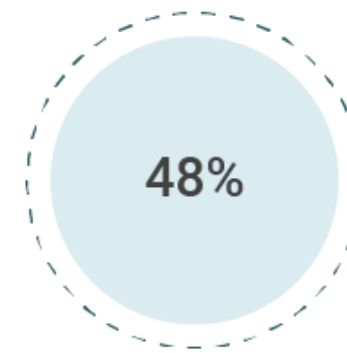
Growing Demand For Hyperlocal Commerce



Expected global hyperlocal services market by 2030



Expected CAGR of hyperlocal services from 2021 to 2030



All e-commerce buyers in India are hyperlocal shoppers



Hyperlocal buyers in India by the end of 2022

PRIVATE EQUITY AND VENTURE CAPITAL INVESTMENTS IN THE HYPERLOCAL SECTOR IN INDIA FROM 2013 TO 2018

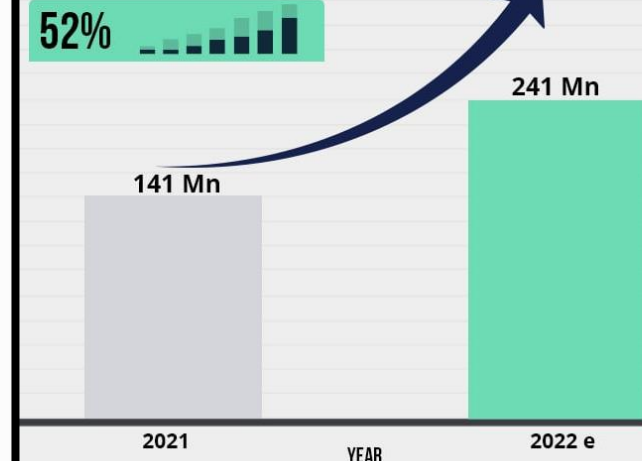
(in USD million)



Source: Statista 2020



HYPERLOCAL COMMERCE SHOPPERS IN INDIA



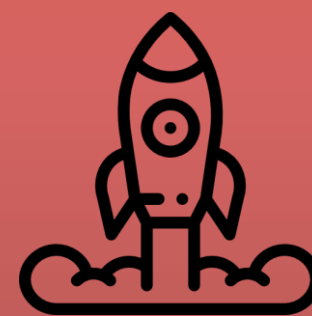
Key Drivers of Hyperlocal e-Commerce in India



Increasing purchasing power of customers



Digitization of rural areas



Increase in the number of start-ups



Preference for on-demand delivery



Need for contactless delivery



Government initiatives



Competition Benchmarking



Bigbasket



Blink It



Dunzo



Zepto



Nature's Basket



Country Delight

Services offered	Grocery, Fresh Produce, Household Items, Personal Care	Groceries, Daily Essentials, Medicines, Electronics	Grocery, Medicine, Food, Pet Supplies, Courier, etc.	Grocery, Fresh Produce, Household Essentials, Snacks	Gourmet Foods, Fresh Produce, International Brands	Dairy Products (Milk, Paneer, Curd)
Delivery charges	Varies based on order value and delivery slot	Dynamic, depends on location and urgency	Dynamic pricing, influenced by distance	Flat delivery fee with free delivery options	Based on order value and delivery location	Subscription-based, free delivery with plans
Delivery time	Based on slots within a day	10 min (subjected to location & other circumstances)	10-15 min (subjected to location & other circumstances)	10 min (subjected to location & other circumstances)	Dependent on order specifics	As per subscription schedule
No. of Active users	9 million	2.3 million	5.1 million	4.75 million	NA	1.5 million

Company Analysis...What numbers say?

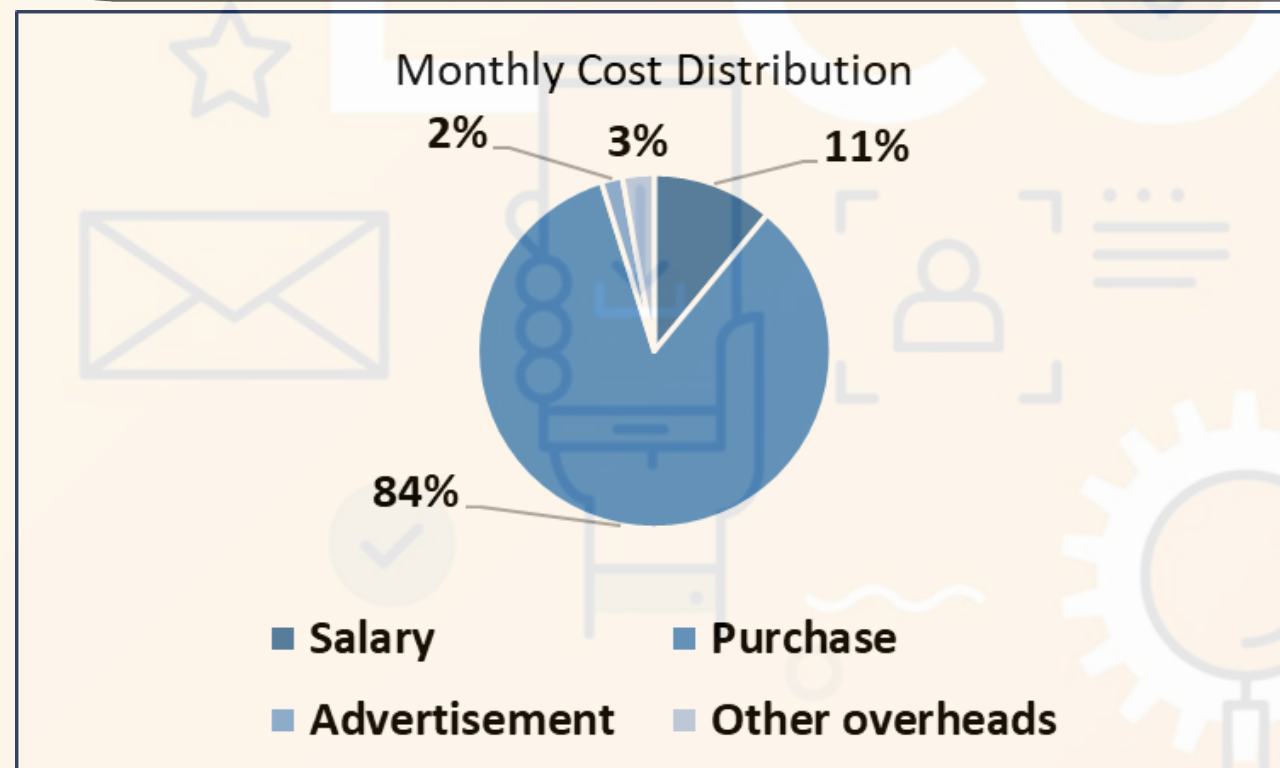
YOY Performance Comparison

	FY 2020-21	FY 2021-22	% Growth
Annual Sales	67211000	117450000	↑75%
Total Employees	50	90	↑80%
Active App Users	2500	4000	↑60%
Inactive App Users	82	321	↑290%

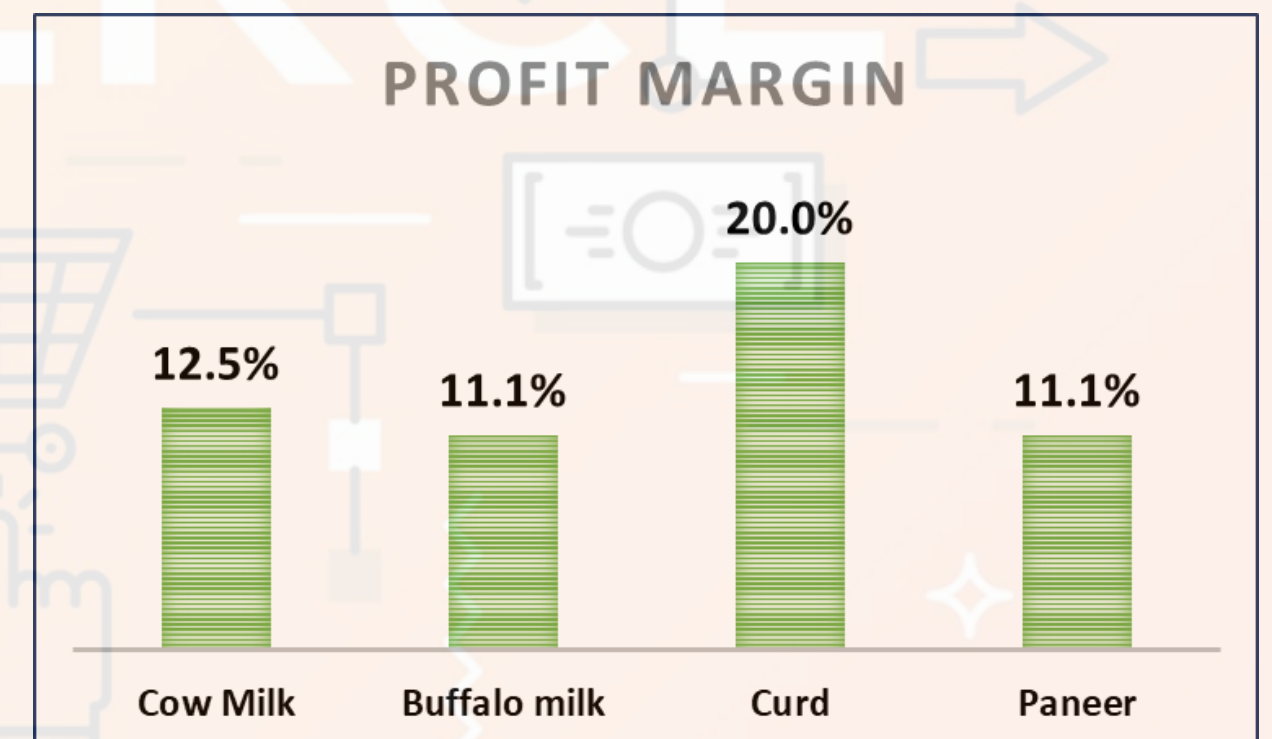
Profit Calculation

Avg. Monthly Operating Cost	
Salary	1140000
Purchase	8718750
Advertisement	200000
Other overheads	300000
Total	10358750
Avg. Monthly sales	9787500
Profit	-5.84%

Monthly cost distribution



Profit margin per product



SWOT Analysis

S

Strength

- Established presence in three major cities (Bengaluru, Delhi, Hyderabad).
- App-based ordering system with features like delivery calendar and wallet payment.
- Diverse product range catering to essential daily needs.
- Dedicated hyper-local delivery partner team of 80 people.
- 5.BHIM UPI integration for wallet recharge adds convenience for customers.



W

Weaknesses

- Complaints about missing deliveries and wrong/misplaced products.
- Delivery partners' reliability issues, impacting morning deliveries.
- Losses due to perishable nature of products (0.2% of sourced inventory).
- Hesitation to expand services to non-dense areas due to cost concerns.
- Some subscribers in non-dense areas not receiving services, leading to dissatisfaction.



O

Opportunities

- Potential for expansion into more cities and non-dense areas.
- Growing demand for convenient and contactless daily need delivery services.
- Collaboration with local vendors for on-demand sourcing to reduce losses.
- Leverage unique features to differentiate from competitors.
- Continuous improvement in app features based on customer feedback.



T

Threats

- Increasing competition from traditional and new entrants.
- Consumer dissatisfaction leading to uninstallation and refunds.
- Fluctuations in supply chain, affecting product availability.
- Quality control issues impacting customer satisfaction.
- Economic factors affecting consumer spending on daily needs

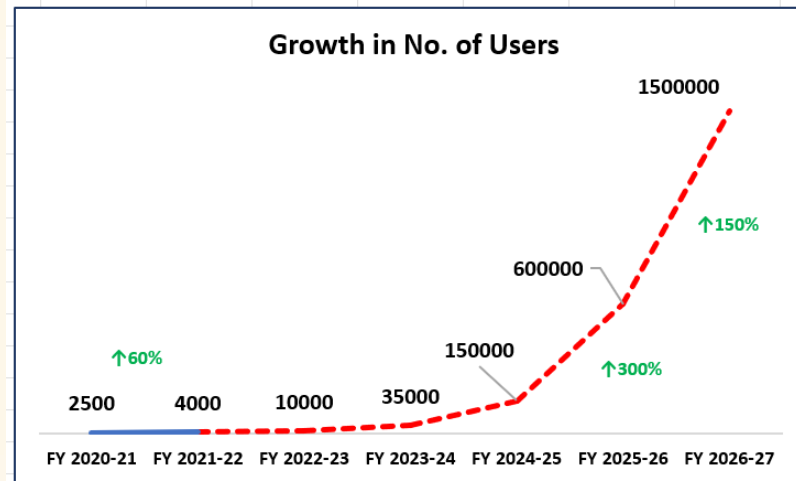


VRIO Analysis

Source/Capability	Value	Rarity	Imitability	Organization
App-based Ordering System	Enhances convenience	Relatively common	Specific features may be hard to replicate	Continuous improvement through regular updates
Product Range (Milk, Paneer, Curd)	Addresses essential needs	Niche	Competitors may imitate range but stable supply chain is a challenge	Optimize inventory management to reduce losses
Delivery Calendar System	Adds flexibility	Relatively unique	Challenging for competitors to replicate specific features	Implement real-time tracking and incentivize customer feedback
BHIM UPI Integration for Wallet Recharge	Seamless payment method	Not universally implemented	Competitors may adopt similar methods	Regular training and monitoring of delivery partners
Delivery Partner Team	Essential for efficiency	Common but crucial	Local knowledge may be hard to replicate	Implement stringent quality control measures
Corporate Office Sales Team	Critical for expansion	Common but crucial	Building strong customer relationships is key	Regular audit of sourcing and storage processes

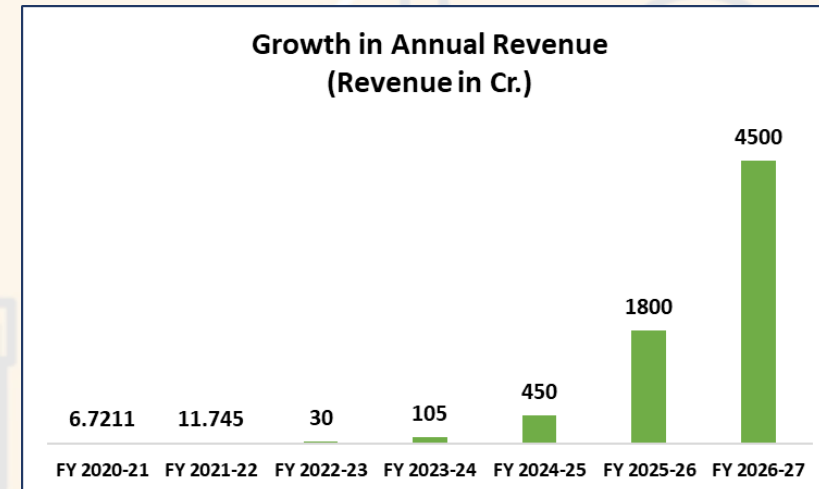
5 Years Vision

1.5 million users by FY2026-27



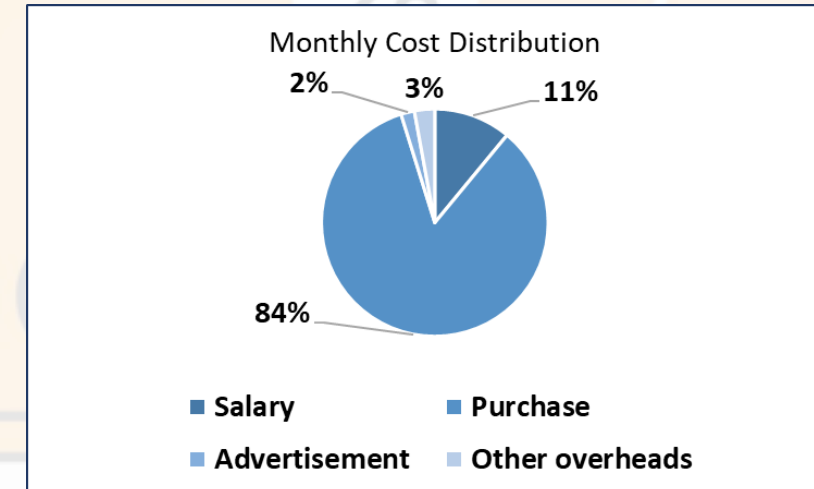
Based on current rate of growth, we should be able to achieve 1.5 million app users at the end of FY2026-27

4500 Cr Annual revenue by FY 2026-27



Average basket size of customer was Rs. 26884 in FY 2020-21 and Rs. 29362 in FY 2021-22. Based on that it is assumed that in average basket size in FY 2022-23 will be Rs. 30000. Considering 1.5 million users in FY 2026-27, annual revenue will be Rs. 4500 Cr.

Vocal for Local



From above graph, it is evident that major chunk of budget is consumed by purchases. To reduce this, we can consider local suppliers for our products. We can form **long term contracts** with suppliers to achieve cost reduction.

Increased Market Share



Over the next 5 years, Daily Needs Delivery LLP plans to boost market share through strategic marketing, expanding services to new areas, and prioritizing customer satisfaction and loyalty programs. Regular adaptability to market trends will be crucial for success.

Vision

To be the foremost provider of daily essentials, enriching lives by seamlessly connecting communities with a reliable and innovative daily needs delivery experience.

Mission

At Daily Needs Delivery (DND), our mission is to redefine and elevate the daily essentials delivery landscape by leveraging technology, fostering trust, and prioritizing customer satisfaction. We are committed to ensuring the seamless availability of high-quality products, backed by efficient delivery services, while empowering local communities and sustaining our commitment to environmental responsibility.

Objectives

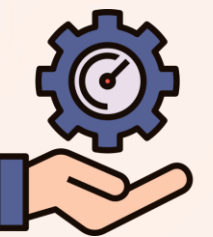
Enhancement of Customer Satisfaction and Trust



Strengthen Operational Reliability



Optimize Logistics and Minimize Perishable Losses



Expand Services in Non-Dense Areas Strategically



Department Wise Plan – Finance

Challenges

Negative profits	Increased costs	Effective budget allocation
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Action Plan

1. Cost of Goods Sold (COGS) Percentage:

Action Plan:

Conduct a thorough review of supply chain and procurement processes to identify cost-saving opportunities. Explore partnerships with suppliers to negotiate better terms and bulk purchase discounts.

2. Profit Margin:

Action Plan:

Implement dynamic pricing strategies based on demand, delivery locations, and product popularity. Continuously monitor and analyze expenses to identify areas for cost reduction without compromising quality.

3. Inventory Turnover Ratio:

Action Plan:

Optimize inventory management systems to minimize holding costs. Regularly assess product demand patterns and adjust procurement strategies accordingly.

4. Cash Conversion Cycle:

Action Plan:

Streamline billing and payment processes to reduce the time it takes to convert sales into cash. Negotiate favorable payment terms with suppliers to improve working capital efficiency.

Department Wise Plan – Marketing

Challenges

Increased no of inactive users

Lower market share

Enhancement of customer satisfaction

Action Plan

1. Customer Acquisition Cost (CAC):

Action Plan:

Conduct a comprehensive analysis of marketing channels to identify the most cost-effective ones.

Implement referral programs or incentives to encourage existing customers to refer new ones.

2. Conversion Rate:

Action Plan:

A/B test different elements of the app and marketing messages to optimize for conversion.

Personalize marketing campaigns based on user behavior and preferences.

3. Brand Awareness Index:

Action Plan:

Invest in local marketing initiatives in target cities to increase brand visibility.

Collaborate with influencers or local communities to organically boost brand awareness.

4. Subscriber Churn Rate:

Action Plan:

Analyze customer feedback to identify pain points and address them promptly.

Implement targeted retention campaigns and loyalty programs to increase subscriber satisfaction.

Department Wise Plan – HR

Challenges

Employee Turnover

Training of Delivery Persons

Employee Satisfaction

Action Plan

1. Employee Satisfaction Score (ESS):

Action Plan:

Conduct regular employee surveys to gather feedback and identify areas for improvement.
Establish open communication channels for employees to voice concerns and suggestions.

2. Training Effectiveness Index:

Action Plan:

Periodically evaluate training programs through assessments and post-training evaluations.
Offer ongoing learning opportunities and ensure that training content aligns with business objectives.

3. Average Time to Fill Vacancies:

Action Plan:

Streamline the recruitment process, from job posting to onboarding, to reduce time-to-fill.
Maintain a talent pool and network to proactively address staffing needs.

4. Absenteeism Rate:

Action Plan:

Analyze absenteeism patterns to identify root causes and address them.
Introduce flexible work arrangements or wellness programs to enhance employee well-being.

Department Wise Plan – IT

Challenges

Increased customer complaints

No. of Inactive app users

Continuous App development

Action Plan

1. App Uptime Percentage:

Action Plan:

Implement robust monitoring tools to identify and address downtime issues promptly.

Conduct regular system audits and invest in scalable infrastructure to handle increased demand.

2. Cybersecurity Incident Rate:

Action Plan:

Enhance cybersecurity measures through regular employee training on security best practices.

Collaborate with cybersecurity experts to conduct regular audits and vulnerability assessments.

3. App User Engagement Metrics:

Action Plan:

Analyze user feedback and behavior to identify features that enhance engagement.

Regularly update the app with new features and improvements based on user preferences.

4. Technology ROI (Return on Investment):

Action Plan:

Conduct a comprehensive review of existing technology investments to assess their impact on business goals.

Align IT initiatives with strategic business objectives to ensure a measurable return on investment.

Key Performance Indicators

Leadership

- Market Expansion Rate (MER)
- Customer Satisfaction Index (CSI)
- Employee Retention Rate
- Innovation Adoption Rate

Finance

- Cost of Goods Sold (COGS) Percentage
- Profit Margin
- Inventory Turnover Ratio
- Cash Conversion Cycle

Marketing

- Customer Acquisition Cost (CAC)
- Conversion Rate
- Brand Awareness Index
- Subscriber Churn Rate

HR

- Employee Satisfaction Score (ESS)
- Training Effectiveness Index
- Average Time to Fill Vacancies
- Absenteeism Rate

IT & Business Analytics

- App Uptime Percentage
- Cybersecurity Incident Rate
- App User Engagement Metrics
- Technology ROI (Return on Investment)

Meet Our Team



Komal Kolte

IT & Business
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Om Prakash Kumar

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