

# Helping with Location Feasibility Study for Starting Retail Store

## BUSINESS CASE

### Organization Trends

- The organization enjoys a unique legacy as one of the oldest & most popular lifestyle destinations with roots tracing from India's freedom struggle
- Incorporated with an idea to promote Indian made products during the Swadeshi movement
- The organization was evaluating the opening of its first store at Hyderabad
- In the 90+ years of its existence, the store only has 5+ stores, and hence has been very careful in its growth plans

## CHALLENGE

### What and how much is the challenge

- Location decision is very crucial in retail as it has a direct impact on its revenue and profitability
- Hyderabad offers a total of 12 hot zones with high income levels
- Each hot zone has multiple shopping markets catering to it
- Competition has already covered the city with multiple stores
- Rental fee, their terms and conditions are varying in each micro-market

### Where is the challenge

- Hyderabad, India

### When was the challenge identified

- During FY 2010

## IMPACT

### What is the impact

- The management wanted to be very sure of the location they might invest in
- This created a need for an effective scientific analysis of the opportunity at hand
- A mistake in deciding the location given the as-is on the ground situation, and the forthcoming PESTEL risks will have a direct impact on
  - Profitability
  - Revenue
- On the contrary, an effective decision will help have a direct positive impact on the customer satisfaction and business financials

## TARGET

### What is the Target

- To identify potential locations in Hyderabad, and prioritize them basis a scientific criteria considering the following, but not limited to parameters:
  - As-is income levels
  - As-is retail zones
  - As-is shopping malls
  - As-is Anchors
  - As-is competitors
  - Forthcoming projects
  - Projected income levels
  - Projected increase in households
  - Projected PESTEL risks
  - Available locations

## OUTCOMES

### Decision Making

- The organization was able to quickly make a decision not to invest in Hyderabad at the time period, given the scientific analysis and associated risks
- This avoided unnecessary losses to the organization

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