

A STUDY ON SCENARIO OF EFFECTIVE SUPPLY CHAIN MANAGEMENT IN INDIA

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Abstract

The role of the supply chain is particularly significant in the organized retail industry that exists in India. This is because the Indian client needs a diversity of product mix at prices that are within their price range. It is the supply chain that ensures to the customer in all of the numerous offerings that a company decides for its clients, whether it be pricing, service, or the swiftness in responding to the ever-changing preferences of the customer. A supply chain, when viewed from an analytical perspective, is nothing more than a network of material processing cells with characteristics such as supply, transformation, and demand. Management of a network of interconnected businesses is what is meant by "supply chain management." These businesses are all involved in the eventual provision of product and service bundles that are required by end customers.

Keywords: Supply Chain Management, Business, Innovation, Risk, Customer.

Introduction

Over the course of the last ten years, there has been such a dramatic shift in the retail industry that the fundamental concept of the sector has been disrupted. A manufacturer can no longer count on sales to occur just by assuring that his product is available. This is no longer the case. Merchandising is only one aspect of the modern retail industry; there are many more. It's all about putting the consumer at the center of the narrative, reflecting their hopes and dreams, and establishing meaningful connections with them. When an Indian consumer enters a store, they do so with the expectation of receiving more and more with each passing visit to that store. The act of selling a product or service in today's retail environment has evolved into selling a consumer a dream, a desire, and most importantly, an experience that they would like to have again.

The rising potential in urban areas appear to lay in capturing and delivering higher value to customers through retail. These opportunities are available to manufacturers and service providers. Manufacturers and service providers in Chennai, such as Cavin Kares Limelight, Maricos Kaya Skin Clinic, and Apollo Hospitals Apollo Pharmacies, to name just a few examples, combine their own manufactured products and services with those of others to provide value that had not been seen before. It appears that the connection made in the last mile is becoming more exciting and experiential. In addition, producers and providers of services are confronted with an expanding rural market that is, due to the challenges of rural retailing, only being partially tapped.

Inventive ideas and business strategies are the only ones likely to stand the test of time and financial commitments. However, manufacturers and service suppliers will also increasingly compete against a plethora of specialised retailers. These retailers are distinguished by their use of contemporary management approaches, and they are supported by financial resources that appear to be virtually limitless. It seems obvious that organized retail will prevail.

It is now believed that the retail industry in India is worth US\$ 200 billion, but organized retailing only accounts for a pitiful 3 percent of that total, which is equivalent to US\$ 6.4 billion. It is anticipated that by the year 2010, organized retail will reach \$ 23 billion. Things have never looked so promising and promisingly better for the retail industry in India. When the power in the market changes to organized retail, there will be plenty of challenges for manufacturers and service providers to face.

Literature Review

According to Lenin (2014) [1], the Fashion and Apparel Supply Chains operate in an extremely dynamic environment that consistently places a premium on higher product quality, more product availability, bigger assortments, and more expedient delivery timeframes. After that, having effective Supply Chain Management might be the deciding factor in whether or not a business is successful in the market. This thesis examines the peculiarities of this particular business at a variety of different levels, taking into account the aforementioned environment.

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This study presents a reference framework for the defining and subsequent optimization of the physical and informational flows. It does so by beginning with an examination of the entire Supply Chain, with the intention of locating the regions and processes that are the most important to focus on. The model also incorporates all of the cost and revenue items associated to the processes that are typical of a Fashion Supply Chain that collaborates with a large network of directly-operated or franchised mono-brand stores. These processes are characterized by the fact that they are representative of a fashion supply chain. The conventional model, which was solely focused on a brick-and-mortar firm, has been rendered obsolete in recent years as a direct result of the proliferation of e-commerce. Because of this progression, businesses were compelled to implement a new integrated approach, which is known as Omni-Channel Retailing, in order to satisfy the demands of their customers and provide a broader variety of products. With these new points of view, the framework has been updated and expanded so that it can now not only represent the physical network but also the mobile purchasing channels. This will enable us to examine the potential effects that this newly integrated strategy may have on the performance of a conventional supply chain. As a result of all of these analyses, it became clear that the process of Replenishment, also known as the definition of the delivery times and quantities from the central warehouse to the entire network of stores and customers, is the one that is considered to be the most important for a business that operates in this industry. Bees Algorithm, a heuristic optimization method, was chosen to solve this problem. This method, along with the reference framework, represents a useful Decision Support System for fashion companies in the definition of the purchasing quantities and operations plans well in advance of the sales season. Bees Algorithm is a heuristic optimization method. Bees Algorithm is a heuristic optimization method.

This paper by Raj Kamalpur (2013) [2] provides an overview of the most recent studies on supply chain management (SCM) as it relates to the tourism industry. Studies of SCM in the hospitality industry are extremely scarce, in contrast to the enormous study attention that SCM in the industrial industry has generated over the past two decades. Interaction between the many stakeholders in the tourism sector is necessary for resolving the conflicting business goals that exist within the industry's various operational systems. It becomes clear that there is potential benefit in taking into account not only individual businesses but also the tourism value chain. This study investigates the attributes of tourism products, as well as identifies and investigates central problems and ideas in tourism supply chains (TSCs) and tourism supply chain

management (TSCM). Even though there is a growing body of research on tourist supply chain management or its counterparts, development is inconsistent. This is because the majority of research focuses on distribution and marketing activities without fully considering the wide variety of suppliers engaged in the provision of tourism products and their consumption. This paper develops a framework for TSCM research and provides a systematic review of current tourism studies from the perspective of TSCM. This framework should be of great value not only to those who wish to extend their research into this new and exciting area, but also to decision makers in the tourism and hospitality industries. In addition to this, the paper identifies important research problems in TSCM that are deserving of further theoretical and empirical investigation.

The Importance Effective Supply Chain Management in The Modern Retail Environment

As a result of the robust expansion of the retail sector, merchants all over the country are brainstorming ways to capitalize on the chances that are currently available to them. The management of the supply chain is an essential component of the overall process. We spoke with the heads of supply chain management at several of the most well-known retail chains in the country how they are improving the efficiency of supply chain management, including the changes that need be adopted and the improvements that should be made to ensure that retail remains at an all-time high.

The Crucial Role That Time-Definite Supply Chain Management Plays for Retailers

As a result of the expansion seen across the board in the retail industry, the mentality of customers is also undergoing rapid change. Consumers of today are well aware of their preferences, actively pursue those preferences, and have high standards for the services they receive. This shift in consumer preferences has given the retail industry a jolt, and in order to stay up with the competition, merchants are brainstorming methods to cut their operational costs as much as possible without sacrificing the quality of their products, their ability to manage their time effectively, or their ability to accurately predict customer demand.

The requirement of the hour is to deliver the appropriate service or product at the appropriate time. The critical component is the management of the transition of items from the manufacturing stage to the point of sale. Simply achieving this goal would be sufficient to assure that any retail company operates without hiccups. SCM is concerned with the appropriate control of everything, including the

planning of inventory, the movement of items, and the point of sales. It only takes a small change for one of the processes in the supply chain to go wrong for customers to become dissatisfied, which then exposes the company to significant financial risk.

It has been shown that the availability of product on shelves is the single most important determinant in the success of a retail firm. Time-bound logistic services are required in order to achieve timely delivery of products and faster replenishment. According to the Assistant Vice President of Supply Chain Management at Aditya Birla Fashion, "time definite logistic service is critical for any grocery retail business, particularly the dairy and F&B sectors; however, it is not as critical for the apparel retail business."

In addition to this, he adds, "With e-commerce and Omnichannel players competing in the market place, retailers are indeed getting more and more conscious about time definite logistic service." According to Ranjan Sharma, Head of IT and Supply Chain for Bestseller Retail India Pvt Ltd, "We have weekly new launches, and the entire supply chain is geared to meet those dates as there is a lot of planning involved in it, and any misses cost us heavily."

It is essential for retailers to devise new tactics and reevaluate their supply chain and ways of distribution in order to remain competitive. Because to the use of SCM, the merchant is now able to capitalize on emerging trends at a more rapid rate while also avoiding the other dangers that are typically encountered.

In line with this sentiment, Suresh Chugh, General Manager and Head of Logistics at Raymond, had this to say: "Retailers are becoming more conscious in modern times because it's directly linked with secondary sale." More effective and timely logistics services have the potential to assist retailers in achieving stronger sell thrust, particularly for "Fresh Sale," which is already under pressure as a result of the extended EOSS window that occurs with each season and year.

Reforming Supply Chain Procedures in an Age of Omnichannel Distribution

The modern customer is the primary impetus behind the transformation that is required in Omni channel retail supply chains. In today's market, all of the power is with the purchasers. They are seeking more choices and pitting different businesses against one another in an effort to obtain the best deal possible for their money. Because of the intense competition in the retail industry, more and more stores are adopting an omnichannel approach. Retailers are striving towards integrating their various distribution channels in a smooth manner in order to improve

their visibility into their inventory and provide improved service to their consumers.

Vineet Kanaujia, Vice President of Marketing at Safe press Pvt Ltd, had this to say about how supply chain mechanics are changing in the digital era as a result of retailers going the Omni channel way: "Development of a profitable Omni channel supply chain strategy requires analyzing the business from top to bottom." Vineet was speaking about how supply chain mechanics are changing as a result of retailers going the Omni channel method. It is necessary for us to investigate the market strategy of the store, as well as the Omni channel operating model and execution enablers. As the market leader in the supply chain and logistics business, Safexpress has established 30 ultra-modern Logistics Parks, a pan-India network that reaches every inch of India, and has backed these endeavors with world-class systems, procedures, human resources, fleet, and information technology infrastructure.

The fundamentals of logistics are perpetually subject to change, and as the world is now more interconnected than it has ever been before, there is an increasing demand for real-time integration across all channels. Reiterating the same point, the Chief Executive Officer and Whole-Time Director of TCI Express, P.C. Sharma, stated, "At TCI Express, we are continually tracking the movement of goods on a real-time basis, and we also look at online response management (ORM) as a critical mechanism to address the consumer through the social network." For the purpose of ensuring that a consistent message is conveyed across all channels, we have uniformly deployed information across platforms such as our website, catalogues, brochures, Facebook page, Twitter, and LinkedIn. In addition to this, we monitor the scanning of packages using barcode technology, employing tools such as the Hand Pallet Truck (HPT), pallets, and forklifts. This ensures that the operations are accurate and allows for real-time tracking of the shipments down to the packet level.

Because of the ever-increasing popularity of mobile and online shopping, the process of making a purchase is getting increasingly convoluted. The 2017 Retail Vision Study (RVS) conducted by Zebra found that in order to provide exceptional Omnichannel assistance, 90 percent inventory accuracy is required. As a direct consequence of this, maintaining an accurate inventory is more important than it has ever been before as products from both traditional and online distribution channels move through the pipeline.

Deep Agarwal, Regional Sales Director for India at Zebra Technologies, had this to say about the topic: "With today's digitally empowered consumers,

omnichannel retailing has become more of a necessity than a requirement." Consumers may look for products and compare prices using their mobile devices, making it feel as though they are virtually tapping into the stockroom of every business. Retailers are implementing technology solutions to increase the visibility of merchandise across the supply chain in order to meet this demand. This includes the period when inventory is transported from the warehouse and received in the back room of a store, as well as the times when it is stocked and restocked on the sales floor.

Agarwal continues by saying, "The growth of online shopping has trained consumers to demand an unprecedented level of convenience." Retailers in today's market need to have the agility to offer their customers on a seamless basis across several buying channels. Retailers all over the world are making investments in Internet of Things (IoT) technologies in order to reimagine their business processes and improve their customers' shopping experiences. Upgrades that enable automated, real-time inventory visibility using Internet of Things (IoT) technologies, such as RFID, are being implemented by retailers as part of a reimagining of their supply chains. This can increase inventory accuracy levels to as high as 95 percent.

Venkat Nott, CEO of Vinculum, made the following statement while discussing the topic of e-commerce: "Today's customers do not like to wait for the things that they buy. On the other hand, the vast majority of them do not like paying extra for expedited service. It is likely that a paid service for expedited shipping will work effectively for retail businesses. Marketplaces have already established the standard, and they have made investments in products not only to streamline their order management processes and to have real-time inventory in stores and warehouses, but also to have predictive analytics in terms of what products to carry in which store and how to keep the appropriate products in warehouses close to the buyer. In continuation of his discussion of the services provided by Vinculum, he stated, "Vinculum has cutting edge products to facilitate Omnichannel retailing and provides real time view of inventory across the supply chain using our Vin eRetail suite of products."

Conclusion

India has achieved a fantastic place in the rankings of retail markets around the world. One of the industries with one of the most rapid rates of expansion is India's retail sector. The retail industry in India is undergoing exponential expansion, and retail development is taking place not just in big cities and metros, but also in Tier-II and Tier-III cities. This growth is occurring despite the fact that India's population is still relatively low.

Kanaujia, when speaking about the innovations that are taking place in the space of supply chain management, says that "Emerging trends like making the supply chains digital, increasing the role of procurement in supply chain, increasing collaboration for efficient supply chain management, etc., will be the major factors driving growth in the organized retail market in India." Our role in introducing global standards to India is quite important given that we are the market leaders in this business. The pace of change in our industry is something that we are actively working to accelerate, and we are also aiming to take it to a new level. A High Speed Cross Belt Sortation Technology was just recently inaugurated at Future Supply Chain Solution Limited's distribution center in Mihan, Nagpur.

This revolutionary technology, which is the first of its kind in India, is said to be a game changer and a stepping stone. This distinction makes it India's most automated first of- its-kind.

Kishore Biyani, Group CEO of the future group, made the following statement in reference to this newly developed revolutionary SCM facility: "This distribution center would be a milestone in the Indian warehousing business. We are able to guarantee the greatest quality of service to the customers across the country by utilizing the cutting-edge technology that is implemented in the sorting system at the distribution center (DC), in conjunction with the specifically coordinated system solutions.

The increased technical quotient present in the industry, as well as in India, is already demonstrating the significance of big data and internet of things in the field of logistics. Even if technological advances are being made, we do not observe a separation but rather the co-existence of manpower and technological advancement in order to go to the next level.

In order to put things into perspective, Sharma of TCI Express states that "some of the trends and practices which are already in play in the global markets include robotics, automation, and unmanned aerial vehicles/drones." The RFID and barcode technologies is what we utilize to perform piece-level scanning. It is plain to see that this technology is being put to extensive use by both manufacturers and retailers in the contemporary retail sector. We have technologically adapted to this need and are in line with the demand of industry because we are prepared for the future.

When asked about the company's adoption of certain SCM best practices, Khetan responded as follows: "There had been quite a few best SCM practices adopted by us, key ones being: use of warehouse

management system (WMS) coupled with RFID technology turning our warehouses into paperless operation, Auto replenishment system (ARS), ensuring faster replenishment of stock to the stores, and Vendor portal for auto approvals of shipment requests from vendor."

Chugh, when asked about the specifics of the SCM creative methods that have assisted Raymond in remaining one step ahead of the competition, responded by saying, "Layout restructuring, current season stock kept on ground floor and previous season stock moved to first and second floors based on the ageing." This helped us to increase picking productivity; manpower deployment based on season/month wise load helped us in cost reduction of WH transactions/piece; working on Auto LSP selection program which helped us in significantly reducing the logistics cost/piece; and manual processes converted to system based programs which helped in hassle and error free work."

According to Devadas Nair, a Customer Care Associate and the Head of Supply Chain and Mission Control for Shoppers Stop Ltd., "Supply chain in Shoppers Stop coordinate and integrate all activities associated with moving products, services, and information into a seamless process by embracing all partners in the chain including various departments, vendors, carriers, and other service providers."

Further discussing the progressive SCM practices that they have implemented, he mentions that they have "Regionalized distribution centre operation, which helps us to manage the inventory better; distribution centre management is outsourced and independently handled by logistic partners; implemented advance warehouse management system with Omnihannel capabilities; same-day turnaround across DCs." Some of the fast-moving products are delivered straight to the stores to ensure speedier availability; sales and stock information are sent to vendors on a regular basis in order for them to be able to take preventative measures.

Conflict of Interest

There is no conflict of interest by the authors in this manuscript.

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