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"The Role of Logistics Management in Organized Retailing"

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ABSTRACT
Retailing is the India's biggest industry and one of the extreme necessities of the best possible Logistic management for its prosperity. Retailing is the interface between the manufacturer and the individual shopper. Shopper convictions and necessities have transformed. Our eagerness to wait for the product has decreased and we anticipate instant product availability and satisfaction. It ought to be evident from this that the supply or Logistic system that gets products from manufacturer through retailing to the utilization has likewise should have been changed. Physical transportation and materials management have been supplanted by Logistics management and a resulting apprehension for the entire production network. This Logistics change gets from expense and management necessities just as a buyer and retailer change. Components of Logistics, for example, transportation, stocking, stock and warehousing are astoundingly costly, if not controlled viably. Holding stock in distribution centers just if it is required is an exceedingly expensive. In this situation, there can be management benefits. By proper incorporation of demand and supply, basically through the broad utilization of data innovation and frameworks, retailers can give a superior management to customers by, for instance, having fresher, higher quality produce touching base to fulfill the purchaser need for such products.

Key words: Logistics, Retailing, inventory.

INTRODUCTION

Logistics is the management of the flow of goods, information and different resources in a fix cycle between the purpose of starting point and the purpose of utilization so as to meet the prerequisites of customers. Logistics is a channel of the store network, which includes value of time and place utility.

Prior to the 1950s, no formal idea or hypothesis of Logistics existed yet the strategic capacities were performed in the corporate world without due acknowledgment. The second 50% of the twentieth century saw an exceptional development and improvement in the general idea and approach towards Logistics. Regardless of critical commitment of the Logistics amid World War II, a large number of the strategic

procedures were overlooked briefly amid the Post-War flood in the economic activity and the centralization of business exercises were on filling the post-war requests for products. It was just amid the subsidence of the 1950s that administrators were constrained to analyze their physical conveyance framework. What's more, from that point, the control of business Logistics has progressed from the distribution center and the transportation dock to the meeting room of driving worldwide undertakings. With the change of the business work itself, there has been a change in the idea of Logistics which has been efficiently partitioned into four stages, specifically:

The essential capacities enveloped by Logistics are the Inventory, Warehousing, Transportation and Information and Communication.

1. Inventory

The term stock methods any load of immediate or aberrant material (crude materials or completed things or both) supplied so as to meet the normal and unforeseen interest later on. A fundamental motivation behind stock administration is to control stock by dealing with the flows of materials. It sets strategies and controls to screen dimensions of stock and figure out what levels ought to be kept up, when stock ought to be recharged, and how substantial requests ought to be.

2. Warehouse

Business structures and open land for capacity of merchandise are utilized by producers, merchants, exporters, wholesalers, transporters, and traditions as Warehouse. They are generally huge plain structures in the modern parts of towns or contiguous regions. They are outfitted with stacking docks to stack and empty trucks, or here and there bolstered through railroads, air terminals or ocean ports. A few distribution centers are totally computerized, with no inclusion of manual work. Customary warehousing has been declining in the most recent many years of the twentieth century with the steady presentation of Just-in-time or JIT methods, intended to enhance the arrival on ventures of a business by diminishing in-process stock.

3. **Transportation**

Transportation is an essential piece of the logistics framework. A noteworthy concentration in logistics is upon the physical movement or flow of merchandise or upon the system that moves the item. This system is made out of transportation organizations that give the support of the firm. The logistics director is in charge of choosing the mode or methods of transportation utilized in moving the crude materials and completed merchandise or for creating private transportation as an option.

4. **Information and Communication**

Data assumes a noteworthy job in Logistics exercises. Data is the base from where the arrangement required for transportation, warehousing, stock and packing can be done. By following a few guidelines of model

building and reproduction on the PCs, numerous basic obstacles of the previously mentioned nature can defeat before down to earth application is made. PCs lessen the majority of data to a progressively packed structure, in this manner help srevive basic leadership procedure of transportation, material taking care of, stock control, warehousing and so forth.

Some other related zones of logistics are Packaging, Materials Handling, Order Fulfilment, Forecasting, Production Planning, Purchasing, Customer Service and Site Location. Everyone is quickly clarified underneath:

GLOBAL RETAILING INDUSTRY- AN OUTLINE

The global retail sector is estimated to have achieved revenues of US$ 22.6 trillion in 2015 and should continue to rise to US$ 28 trillion by 2019, with an average annual growth rate of 3.8% since 2008. The sector represents 31% of the world's GDP and employs billions of people throughout the globe. Hyper and supermarkets account for 35% of retail direct sales with the USA and China at the forefront. E-commerce is expected to show a CAGR of 23% between 2012 and 2019 in revenue and 12% for e-consumers. Mobile share in e-commerce reaches 29% in certain countries and has been growing fast, but there is still room for growth, with desktops still representing the majority of devices used for online shopping. In terms of market trends, specific consumer behavior such as over-connectivity and the pursuit of healthier lifestyles are expected to shape the market in coming years.

In 2017 the world's main 30 biggest retail organizations posted outcomes recommending a general enhancement in their sales and productivity contrasted with the earlier year. In any case, a portion of the part news a year ago was less sprightly. The world's second biggest retail advertises, the US enrolled a 6-year high in regards to the total number of liquidations with some unmistakable names, for example, Toys "R" US and Radio Shack, advancing on the rundown. The battling retailers today need to re-examine their plan of action to abstain from contending on value alone and locate the correct harmony between putting resources into the new advances and dealing with their substantial obligation loads, which kept on becoming through 2017.

The year 2018 for retailers will be like never before about getting up to speed with the most recent advances to remain pertinent. The year began with the principle business disruptor, Amazon, propelling Amazon Go, its first supermarket without clerks, which utilizes an arrangement of cameras to follow what items customers put in their sack and charges their Credit Card consequently when they leave the store. Thinking about Amazon's securing of Whole Foods in 2017, one may expect an across the country rollout of the innovation in excess of 400 stores possessed by the American grocery store chain. This may appear to be a little advance of a solitary organization, however, at last, have a vast scale sway overall segment, similarly as computerized driving innovation is having on the transportation segment.

India's retail division is seeing quickened development, with retail advancement occurring in real urban communities and metros, yet in addition in Tier-II and Tier-III urban areas. The buying intensity of Indian buyer is developing in classes like clothes, beauty care products, shoes, watches, refreshments, nourishment and even gems.

OBJECTIVES OF THE STUDY

1. To understand the Eco- System of logistics management in organized retailing of Bangalore.

2. To examine the contributions of logistics management for deriving value to organized retailing.

REVIEW OF LITERATURE

Bouzekri et al (2013) Transportation is an inimitable part of the supply chain through which economic and social development is feasible. But at the same time it is the largest supplier of the carbon dioxide and green house gas emissions. The paper presents a methodology of ant colonization system through which the computation of the emission is feasible and also able to identify cleaner routes for transport.

Melnyk et al (2013) In today's world the concept of supply chain is gaining lot of importance which is very essential but is very poorly understood. The paper presents with a three tier framework (influencers, design decisions and building blocks) to understand the concept and presents with lot of opportunities to explore further.

Hua et al (2014) Logistics distribution involves preparing goods in the distribution centre or logistics nodule for most sensible delivery according to the requirements of customers. Inherited algorithm is a random global search algorithm based on the principle of natural evolution. It can be a good clarification to optimize the distribution routes. The tentative results show that it can solve the logistics distribution steering problem. Also it can not only get a higher qualified solution, but can also considerably reduce the evolutionary generation that algorithm requires, and obtain solution to the problem in less time.

Dubey et al (2014) The paper offer a illustration for sustainable supply chain system where it describes about maximize the supply chain profitable and minimize the carbon emission. The paper finds that the environmental dimensions were overlooked in comparison to the economic criteria in a study conducted in one of the Indian company.

METHODOLOGY

The study is carried out by survey and analytical research methods.

(i) Survey Method

The study used schedule for the collection of data from sample respondents. By using survey method, the researcher initially identified the research problem, hypotheses, independent and dependent parameters. Subsequently, developed and administered questionnaires to the respondents. The collected data have been analyzed.

The research results are noted down in relation to logistics management. The researcher critically analyzed the existing system practices in Bangalore. The qualitative aspects of logistics management have been quantified by five-point scaling techniques. Further, the researcher has observed and seen that logistics management the organizations in Bangalore. Therefore, the research programme also falls under empirical one. Thus, more-than one research method were used to comprehend and to come out with realistic scenario on logistics management.

(ii) Analytical Research Method

Qualitative data are converted into quantitative data by using scaling techniques. Analytical research analyses the already available facts and information. The researcher has to use facts or information already available, and analyze these to make a critical

SCOPE OF THE STUDY

The scope of the study encompasses logistics management comprising of transportation, warehousing and cold storage. The organized retailing comprises of fruits and vegetables, stationary and textile. The difference in price, quality, quantity, customer choice verity, shopping experience between organized retailing and unorganized retailing have been considered from the customers' perspective. The study area is confined to Bangalore city – A Cosmopolitan and Metropolitan city.

ANALYSIS AND INTERPRETATION

Logistic Management – An Overview

Sl. No.	Statement	Mean	S.D
1	A logistics system always aim at providing a fast and effective response to the ever-changing market environment	**4.28**	**0.902**
2	Logistics management (LM) involves planning, implementing, and controlling the physical flow of materials from the point of origin to the point of the consumer at a profit	**4.37**	**1.035**
3	Logistic Management is a function which is 100 percent planning oriented.	**4.39**	**0.898**

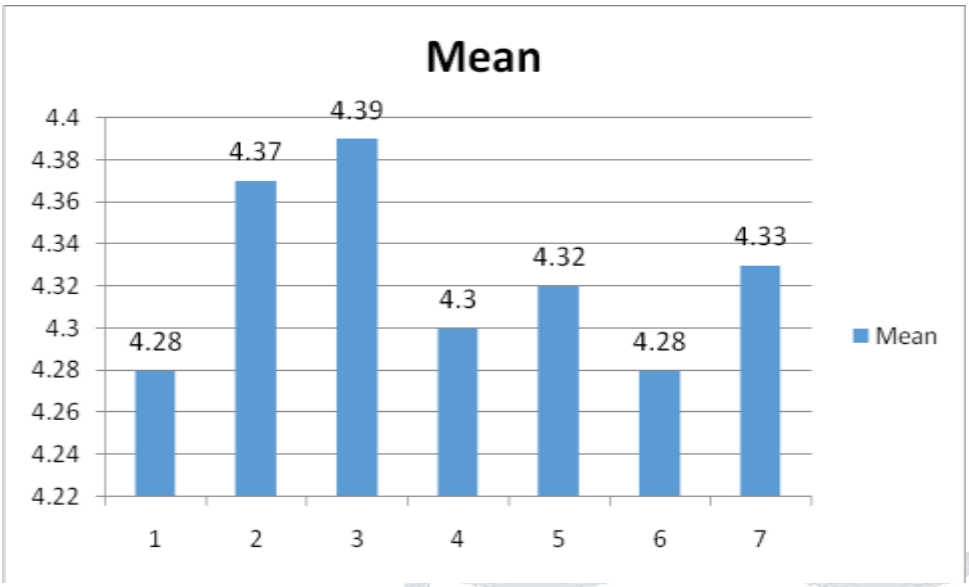
4	The role of logistics is to get the right amount of product to the right places in the right time.	**4.3**	**0.811**
5	An improved logistics management system offers great potential as a strategic marketing tool	**4.32**	**0.862**
6	A manufacturer is more likely to make these changes if it views the logistics program as an integral part of its overall marketing program.	**4.28**	**0.952**
7	Logistics management (LM) is the more practical, hands-on part of the supply chain where goods are transported into a facility, properly stored, handled and transported out.	**4.33**	**0.901**

(Source: Field Survey)

ANALYSIS

From the above table it is depicted that the opinion about their understanding logistic management (LM). The respondents opined that a logistics system always aim at providing a fast and effective response to the ever-changing market environment (Mean=4.28, SD=0.902) and logistics management involves planning, implementing, and controlling the physical flow of materials from the point of origin to the point of the consumer at a profit (Mean=4.37, SD=1.035). Also, logistic management is a function which is 100 percent planning oriented. (Mean=4.39, SD=0.898). Likewise, the role of logistics is to get the right amount of product to the right places in the right time. (Mean=4.3, SD=0.811). Followed by an improved logistics management system offers great potential as a strategic marketing tool (Mean=4.32, SD=0.862). Furthermore, a manufacturer is more likely to make these changes if it views the logistics program as an integral part of its overall marketing program. (Mean=4.28, SD=0.952). For the ultimate statement, logistics management is the more practical, hands-on part of the supply chain where goods are transported into a facility, properly stored, handled and transported out. (Mean=4.33, SD=0.901) agreed unanimously.

Understanding about Logistic Management



INFERENCE

In the brand new millennium, globalization is making national economic climate increasingly more integrated into the worldwide economic system. World trade is growing at an exponential speed. Technologies are advancing as well as turning an integrating force. Buyer demand value for the money of theirs product. Marketers are encountering Competitive strain. Businesses are struggling not just for growth but additionally for survival. This has forced company organization within the world to re-evaluate the business processes of theirs as well as the manner they provide the services and products to the customers of theirs.

Objective of Implementing Logistic Management

Sl. No.	Statement	Mean	S.D
1	Reduction of inventory: Logistics helps in maintaining inventory at the lowest level, and thus achieving the customer goal. This is done through small, but frequent supplies	**4.33**	**0.902**
2	Economy of freight: It can be reduced by following measures like selecting the proper mode of transport, consolidation of freight, route planning, long distance shipments etc.	**4.35**	**1.035**
3	Reliability and consistency in delivery performance: Material required by the customer must be delivered on time, not ahead of the schedule or behind the schedule.	**4.27**	**0.898**

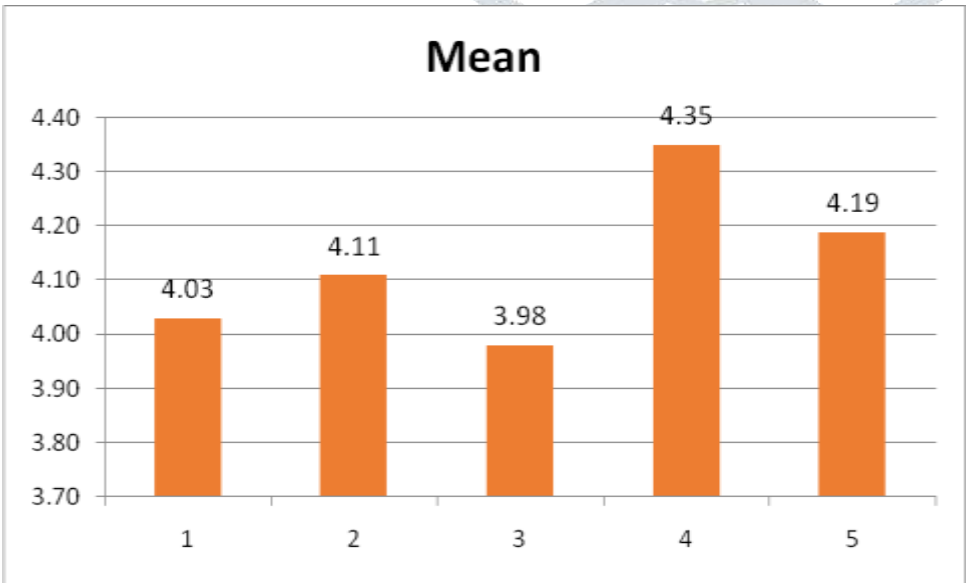
4	Minimum damage to products: Sometimes products may be damaged due to improper packing, frequent handling of consignment, and other reasons.	**4.29**	**0.811**
5	Quicker and faster response: A firm must have the capability to extend service to the customer in the shortest time frame.	**4.25**	**0.862**

(Source: Field Survey)

ANALYSIS

From the above table it is depicted that the opinion collected from all three categories respondents about the objective of logistic management in organised retailing. The respondents opined that logistics helps in maintaining inventory at the lowest level, and thus achieving the customer goal. This is done through small, but frequent supplies (Mean=4.33, SD=0.902). The other relationship, it can be reduced by following measures like selecting the proper mode of transport, consolidation of freight, route planning, long distance shipments and so on. (Mean=4.35, SD=1.035) and material required by the customer must be delivered on time, not ahead of the schedule or behind the schedule. (Mean=4.27, SD=0.898). Likewise, they agreed that sometimes products may be damaged due to improper packing, frequent handling of consignment, and other reasons. (Mean=4.29, SD=0.811). Eventually, respondents of all three categories agreed that a firm must have the capability to extend service to the customer in the shortest time frame. (Mean=4.25, SD=0.862).

Objective of Implementing Logistic Management



INFERENCE

The well working logistics for both domestic as well as international shipments is mandatory for countries competitiveness. Overall production flow depends upon the transport operation. Different strategic alliance and improvement of logistics services plays a vital role for the development of logistics performance which includes task like supply chain, supply of raw material from suppliers to end users and finally flow of product from manufacturer to ultimate consumer.

Functions of Logistics in Organised Retailing

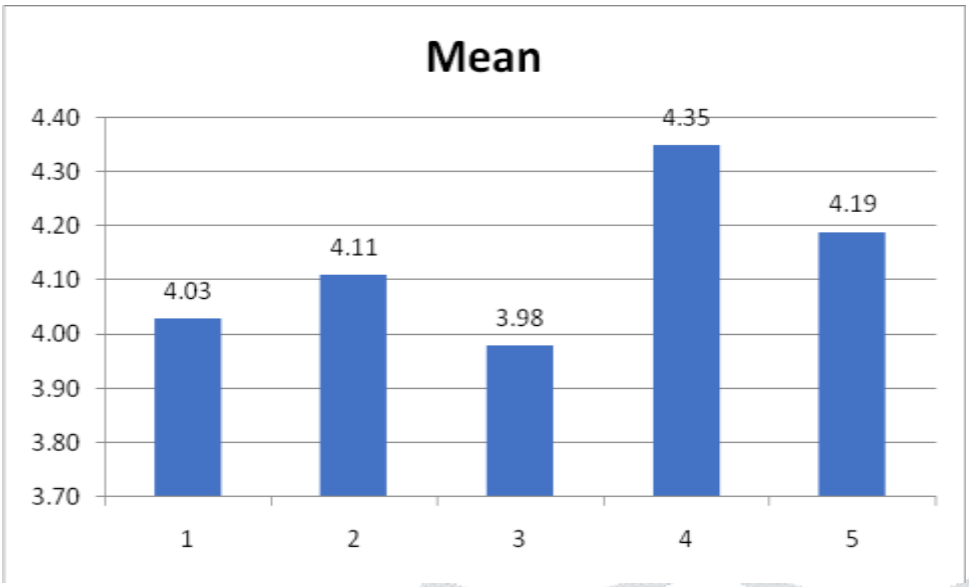
Sl. No.	Statement	Mean	S.D
1	Order Processing	**4.03**	**0.863**
2	Inventory Planning and Management	**4.11**	**958**
3	Warehousing	**3.98**	**1.025**
4	Transportation	**4.35**	**0.798**
5	Packaging	**4.19**	**0.662**

(Source: Field Survey)

ANALYSIS

From the above table it is depicted that the opinion collected from all three categories such as transportation, warehousing and cold storage units' respondents about the functions of logistic management in organised retailing. The respondents opined that Order Processing (Mean=4.03, SD=0.863). The other relationship, Inventory Planning and management (Mean=4.11, SD=958) and Warehousing (Mean=3.98, SD=1.025). Likewise, they agreed that Transportation (Mean=4.35, SD=0.798). Eventually, respondents of all three category agreed that the Packaging (Mean=4.19, SD=0.662).

Functions of Logistics in Organised Retailing



INFERENCE

Processing the orders received from the customers is an activity, which is very important by itself and also consumes a lot of time and paperwork. The inventory can help an organization in maintaining an optimal level of inventory which will also help in satisfying the customer. This serves as the place where the finished goods are stored before they are sold to the customers finally. The transportation helps in physical movement of the goods to the customers place. This is done through various modes like rail, road, air, sea so on. A critical element packaging in the physical distribution of the product and which also influences the efficiency of the logistical system.

CONCLUSION

Logistics is generally viewed as a facilitating or support function prior to the 1950s. The organizational logistics responsibility is dispersed all through the firm. This resulted in duplication and waste, with fragmentation and aspects of logistics related activities were performed without any cross-functional co-ordination. The primary idea behind functional aggregation was done with a belief that grouping all functions of logistics into a single organization would increase the integration.

Organizations need to maximize profitability at each link in order to increase the overall profitability. It is not enough for management to just identify metrics, but they have to be developed for their situation. In fact standard metrics can be developed in spite of different supply chain settings. Most of the performance measures called supply chain metrics are nothing more than logistics measures that have an internal focus and do not capture how the firm drives value or profitability in the supply chain. The goal should not be to identify specific metrics, but to provide the framework that allows management to develop the best metrics

for their situation. By maximizing profitability in each link, supply chain performance migrates towards management's objectives and maximizes performance for the whole.

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