



Study of Supply Chain Management of Retail Sector with Reference to Gorkha Department Store, Nepal

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Abstract

The research paper focus on the study of supply chain management of a retail store. Retail business is emerging in present context. We see number of super market and malls in number of places. Supply chain management definitely comes into picture when we talk about retail store. This study is carried out to evaluate the issues and challenges on retail store with respect to distribution aspect. There might be the probability of channel conflict, so this paper focus on the causes of the channel conflict and the impact of it on retail store. The research also generates various information and collects data through the questionnaire, those data were analyzed with statistical tools and interpretation have been mentioned.

Keywords: supply chain management, retail store, distribution, channel, conflict, data, and information.

INTRODUCTION

In Distribution aspect is an important aspect of supply chain management and definitely plays a very crucial role on the overall operation of a retail store. Effective distribution strategy must be adopted by each and every retail store. In the absence of effective distribution strategy will definitely lead to downfall of the retail. Effective distribution is not easy and number of dimension should be looked out by every retailer. There might be the number of cases where the scenario of conflict might arise between the distributors and retailers.

The main focus of the paper lies on the cause of the problem between distributors and retailers along with the impact of the conflict on the overall operation of the retail store. The paper also covers different dimension of supply chain activity of a retail store.

LITERATURE REVIEW

1. The business of retail is emerging as a hot cake in the past decade along with the development of mobile technologies, internet and e-commerce. Supply chain management is seen as the integral part for retail operation. Revolutionary changes are seen in the supply chain activity of the retail store in both algorithm design and computational power. Vendor management, demand forecasting, inventory management and order fulfilment are core components of supply chain activity of retail business.

2. There are nine dimensions for supply chain management practices and four dimensions of competitive advantage. It has been found that they strongly relate to each other. These nine dimensions of supply chain management also strongly relate to the performance of firm.

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Information sharing with suppliers emerge as the major dimension and it has a strong impact on its competitive advantage.

3. A study of supply chain management process in Indian industry: ICT and its usage in supply chain management, particularly in the area of e-business assure competitiveness and sustainable development. Thus we need to understand the effect of e-business on supply chain components and performance.

OBJECTIVE

- To study the distribution activity adopted by Gorkha Department store.
- To analyze the problem on distribution activity of Gorkha Department store.
- To study the impact of those problem on the overall operation of Gorkha Department Store.

RESEARCH METHODOLOGY

The paper aims to explore the issues of supply chain management of retail store. The research was conducted at Gorkha Department Store, Nepal. The study based on Gorkha Department Store where data was collected from 60 respondents. The respondents were the employees of the store and its customers. The convenient sampling design was adopted for the research. The structured questionnaire was prepared and conducted at Gorkha Department Store, Nepal.

Gorkha Department Store is Located in Itahari, Sunsari District, Nepal. It is terai belt of Nepal. The wider variety of merchandise can be found at the store. These basically include apparel and accessories for adults and children household textiles, small household wares, kitchen wares, electrical wares and accessories, foods, yard goods and many more. It covers larger number of customers of Itahari, Nepal. The store has been operating from the last 24 years. The store has its branches at five different locations. The store offers everything that we could ever want.

DATA ANALYSIS

Table 1: According to the survey done- the below graph displays that respondents have a high priority on roadways mode (75%), airways mode standing at the 2nd position (25%).

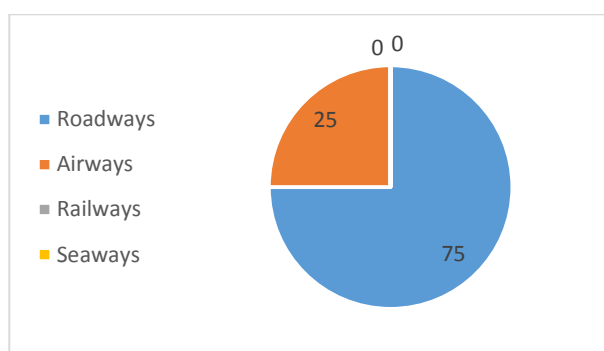


Table 1: Mode of transport

Table 2: According to the survey done - the below graph displays it is observed that, customers prefer gorkha department for its quality products (42%), service stand at second

position (25%), branding stand for third position (20%) and remaining respondents believe convenience to prefer Gorkha department (13%).

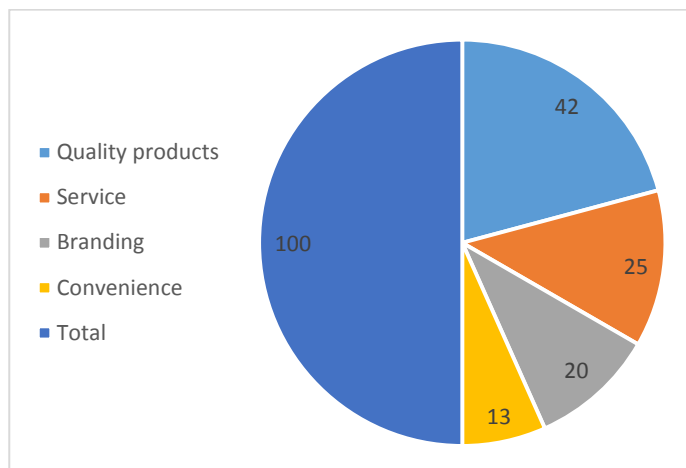


Table 2: Reasons for preferring Gorkha Department

Table 3: According to the survey done -The below chart displays that Gorkha department have positive attitude towards its customers (100%)

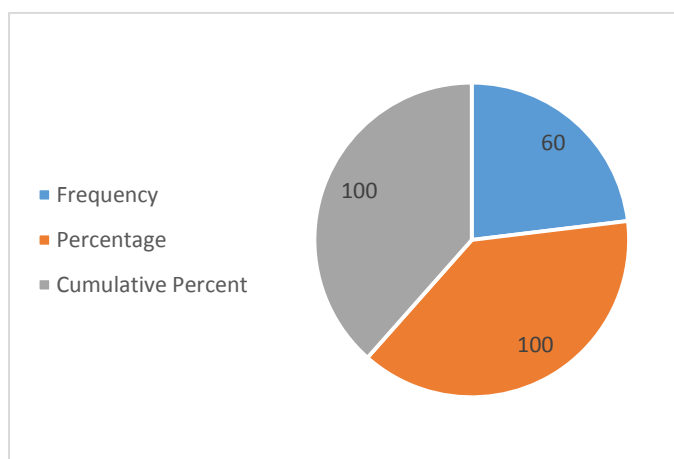


Table 3: Attitude of Gorkha department towards its customers

Table 4: It is clear from below graph that respondents (100%) are satisfied with products offered by Gorkha department.

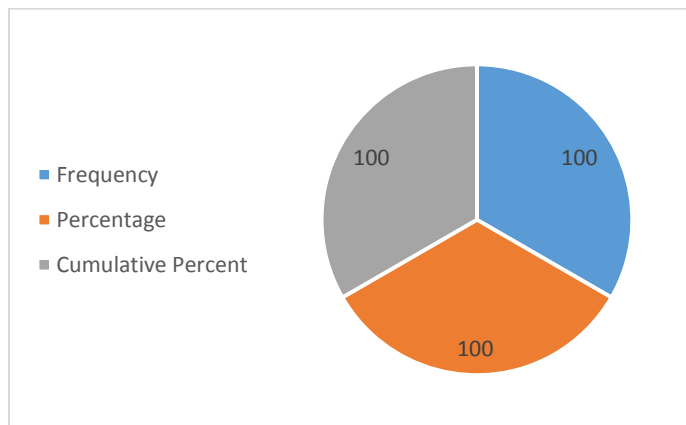


Table 4: Satisfied with products offered by Gorkha department

Table 5: It is clear from the chart that that the suppliers of Gorkha department are very good (58%), 25% respondents believe that suppliers of Gorkha department are good and remaining 17% respondents believe that suppliers of Gorkha department are average.

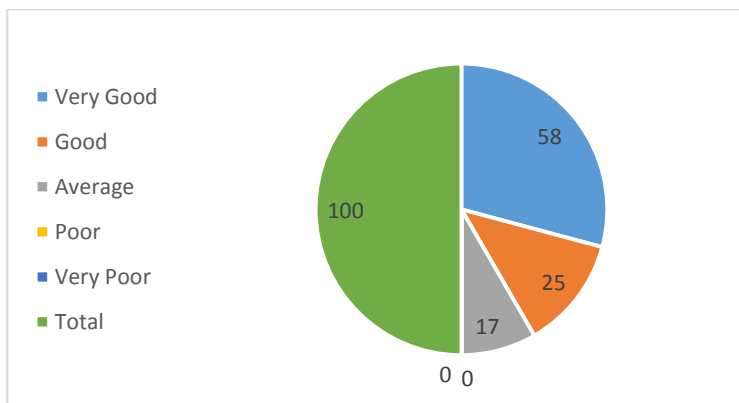


Table5: Rate the suppliers of Gorkha Departments from its competitors

Table 6: Most of the respondents (42%) definitely agreed time as important aspects in suppliers, respondents (8%) agreed transport as important aspects in suppliers, respondents (17%) agreed safety as important aspects in suppliers and respondents (33%) agreed cost as important aspects in suppliers.

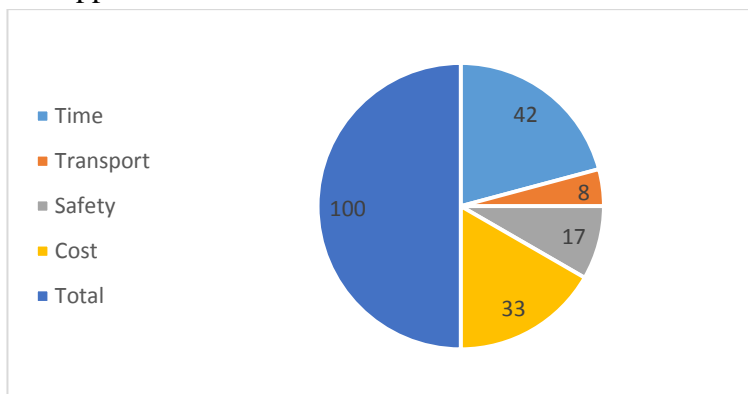


Table 6: Important aspects in suppliers

Table 7: It is clear from the chart that respondents (83%) recommends Gorkha department to other.

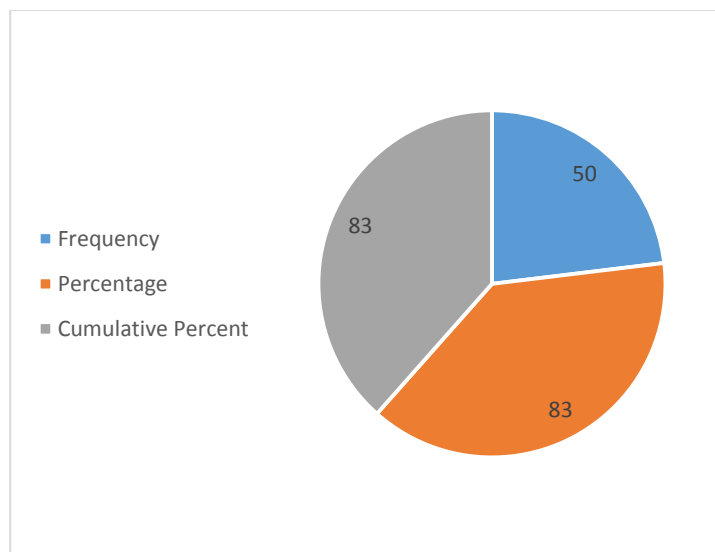


Table 7: Recommendation of Gorkha department to other

Table 8: It is clear from the chart that respondents (75%) agree that conflict exist between Gorkha department and its suppliers, respondents (25%) agree that conflict do not exist between Gorkha department and its suppliers.

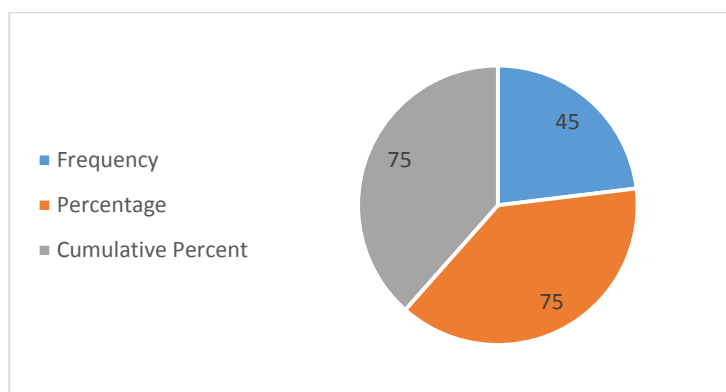


Table 8: Conflict exist in Gorkha department

Table 9: It is clear from the chart that respondents (67%) agree that conflict has positive impact in Gorkha department, respondents (33%) agree that conflict has negative impact in Gorkha department.

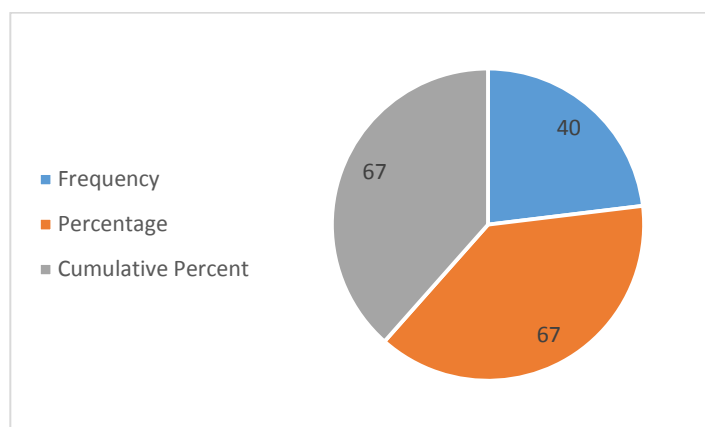


Table 9: Impact of conflict in Gorkha department

Table 10: It is clear from the chart that respondents (42%) believe that Gorkha department itself is responsible for the conflict with the suppliers, respondents (58%) believe that suppliers are responsible for the conflict with Gorkha department.

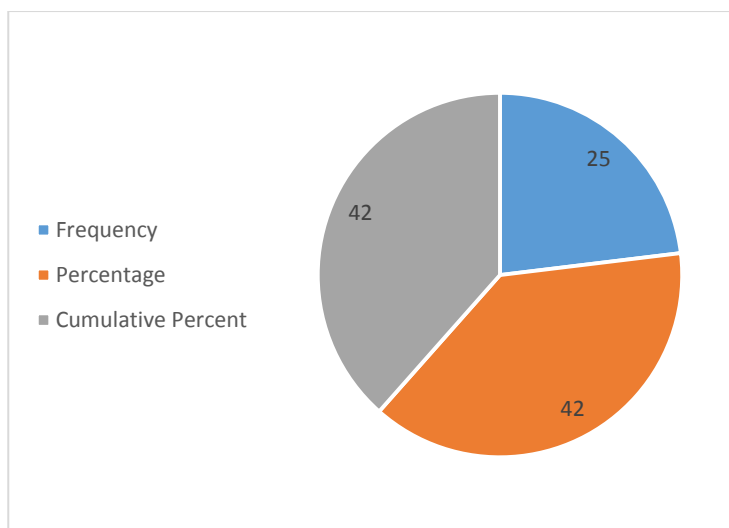


Table 10: Responsible for channel conflict

FINDINGS

- Respondents have a high priority on roadways mode (75%).
- Customers prefer Gorkha department for its quality products (42%).
- Gorkha department have positive attitude towards its customers (100%).
- Respondents (100%) are satisfied with products offered by Gorkha department.
- Suppliers of Gorkha department are very good (58%).
- Most of the respondents (42%) definitely agreed time as important aspects in suppliers.
- Respondents (83%) recommends Gorkha department to other.
- Respondents (75%) agree that conflict exist between Gorkha department and its suppliers.

- Respondents (67%) agree that conflict has positive impact in Gorkha department.
- Respondents (42%) believe that Gorkha department itself is responsible for the conflict with the suppliers.

SUMMARY AND CONCLUSION

Gorkha department is a big name at Itharai, Nepal and has a strong brand image in the market. Gorkha department, being one of the leading super market, is being analyzed to study the supply chain activity of the store. The research tries to reveal the overall supply chain activity, the issues seen in the supply chain activity of the Gorkha department. I strongly believe that, this research might be useful in gaining the insight of the overall supply chain activity of the retail store and in reducing the problem with its suppliers so that they can satisfy their customers with the better and timely service, if applied.

Gorkha possess positive word of mouth, it possesses positive attitude towards its customers, and they focus on quality products. It is found that some problems are traced at the department with its suppliers but these problem must be solved on mutual consensus and in win win situation. Else, it will disturb the supply chain activity of Gorkha department which is unhealthy for the store as it will create high level of dissatisfaction among their customers.

References

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