PROJECT PROPOSAL (MS-100)

**“LOGISTICS MANAGEMENT IN RETAIL INDUSTRY: A CASE STUDY IN EASY DAY RETAIL STORES IN NEW DELHI”**

*SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT OF MASTER OF BUSINESS ADMINISTRATION (MBA)(OPERATION)*

**SUBMITTED BY:**

**ENROLMENT NO.:**

**SUBMITTED TO:**



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**INTRODUCTION**

Supply chain management addresses the management of materials and information across the entire chain from suppliers to producers, distributors, retailers, and customers. Traditionally, each company performs purchasing, production and marketing activities independently, so that it is difficult to make an optimal plan for the whole chain. In recent years, it has been realized that actions taken by one member of the chain can influence all others in the chain. More and more companies have gradually recognized that each of them serves as part of a supply chain against other supply chains in terms of competition, rather than as a single firm against other individual firms. Since 1990, as the information technology has continuously developed, it is possible to coordinate all organizations and all functions involved in the whole chain. Consequently, supply chain management has been increasingly receiving attention from both academic researchers and practitioners.

Retailing is a significant part of economic activities of both developed and developing countries’ economies, with wholesaling and retailing value-added. The major goal of the retail industry or retail merchandising system is to influence possible consumers to purchase a particular products assortment at a particular retail store. Retail activities turn out to be one of the significant themes playing the role in supply chain management and logistics.

Convenience store is also one part of the store format in retailing business and the word convenience means the least amount level of the financial, physical, and mental expenditure required to conquer the friction of time, space and pecuniary loss inherent in any retail transaction (Risch, 1991). The product assortment consists mainly of goods for daily use and it is offered to customer on a relatively small sale area. Convenience stores need a flexible system with the ability to deliver products rapidly with small volume to diverse locations in an efficient manner

In the late 1990s with the boom in the economy and at that India became the fastest- growing economy in the world as well the next major developments in Indian retailing with the arrival of both convenience stores and discount superstores. Nevertheless, the mixture of more investment, economic growth, greater lifestyle of Westernization and most remarkably the timely arrival of Bharti Walmart has made 24-hour convenience stores ubiquitous near bus stops, in service stations and on many street corners.

The researcher will use a case study of chain convenience store, namely Easy Day in New Delhi as it resembles a good example of establishing logistical activities to conquer the hindrances for the success of the business as mentioned before. Compared to other convenience store brands, Family Mart and Vishal mega mart, Easy Day in India has been ranked number one in convenience store industry.

**RATIONALE BEHIND THE STUDY**

India has a relatively inferior infrastructure and supply chain coordination in the retail business. Retailing and distribution are concerned with product availability and retailers must be concerned with the flows of product and information into and through their companies in order to make products available to consumers. Logistics support to retail stores was the first step that changed the management of the logistics function; retailers moved from direct store deliveries (DSD) to centralization of stock at regional distribution centers .

Latest technologies and IT have developed and facilitated logistical efficiencies in the distribution network. IT improved the flow of information through the supply chain.

The concern in retail and distribution are with the structure and management logistics channels. The management task is concerned with the element of distribution mix (for example storage facilities and communication, etc), which have to be integrated for successful retail distribution. Thus to analyze various processes in the supply chain management in the light of latest technological developments and IT revolution in the country makes a good sense.

This study will focus on only retailing industry and retailing convenience stores’ perspective in India. The subject will be` studied by using Easy Day in New Delhi as a reference.

The purpose of this research is to, from retailing industry and retailing convenience store’s perspective, identifies and describe how easy day manages and operates its retail convenience business focusing on several aspects; strategic fits, distribution and IT, which support the logistics activities. It will explore the competitive advantage that originates from those actions.

**EASY DAY OVERVIEW**

Easy day is an [Indian](http://en.wikipedia.org/wiki/India) retail brand that runs chains of consumer retail department stores. The brand is wholly owned by Bharti Enterprises Limited and is operated by its subsidiary, Bharti Retail Limited, which is headquartered in [New Delhi](http://en.wikipedia.org/wiki/New_Delhi). The technical and management support for the brand is provided by Arkansas, [United States](http://en.wikipedia.org/wiki/United_States) based Wal-Mart Stores, Inc, which is the largest retailer in the world. Bharti Enterprises announced its foray into retail in February 2007 and the first store was opened in [Punjab, India](http://en.wikipedia.org/wiki/Punjab) in April 2008. Easy day presently has 220 stores across 13 states.The real estate, design and construction services to Easy day are provided by Cedar Support Services, an Indian retail company majority-owned by Bharti Enterprises, which also provides similar services to Bharti Walmart Private Limited. The agreement between Bharti and Walmart has recently broken and now Walmart is handling the business exclusively.

Easy day sells items and products of various brands keeping in mind the requirements of the local and regional needs. A typical Easy day store sells groceries including fresh produce inclusive of fruits, vegetables & milk; cereals, meat, poultry, dairy and baked products, canned goods, soups, grains, snacks, cookies, chips, condiments, beverages, sauces, spices, and candy; beauty products like toiletries, fragrances, makeup, shaving and skincare items; health care items; apparel, hosiery, shoes & accessories; books and stationary; toys; gifts; kitchen ware; home improvement products including tools, lighting, & electronic accessories; and items related to religion. Easy day has also partnered with Moneygram International that provides customers the facility of money transfer at their stores. This facility was initially launched at 121 stores in May 2011.

**OBJECTIVES OF THE STUDY**

Following objectives are formulated for the proposed study:

* To identify and describe how Easy Day manage and operate its retail convenience business in New Delhi.
* To analyze the strategies, distribution and IT support in easy day stores in New Delhi.
* To explore the competitive advantage of Easy Day products in the market.
* To find out how supply chain management is done at Easy Day stores in New Delhi.
* From retailing industry and retailing convenience store’s perspective analyze the operations of Easy Day store in New Delhi
* To examine how logistics activities are handled and in what essence have they been regarded to in Easy Day.

**METHODOLOGY OF THE STUDY**

The proposed study is a qualitative research aimed at identifying how Easy Day manage and operate its retail convenience business focusing on several aspects; strategic fits, distribution and IT, which support its logistics activities.

**POPULATION OF THE STUDY**

The population of the study will comprise of all the staff members in the management involved in managing the supply chain. Furthermore, the managers of distribution centers and transport providers also form part of the population of the study.

**SAMPLE OF THE STUDY**

20 interviews will be conducted with the respondents from various easy day stores functional in the New Delhi city.

**RESEARCH DESIGN**

The proposed study will utilize a mixed methodology approach to collect the data from the respondents.

The purpose of this study is to cast the main interests on how logistics activities are handled and in what essence have they been regarded to.

The researcher will collect information through observation and interviews by using tools such as phone, audio record, email and internet. Furthermore, the researcher will use interviews with several parties involved in the process of distribution in the selected case study.

A case study of Easy Day New Delhi is chosen as a representative of an observation in logistics and retailing business in this research.

**RELIABILITY AND VALIDITY OF DATA**

The multi-data collection methods will be employed from various sources of data to ensure the validity and reliability of the research. The sources of data include the chosen firm’s representatives, including the staff in distribution center of Easy Day. Additionally, researcher will conduct the interview with other supply chain members such as Easy Day supplier and company that provide transportation services to Easy Day. The researcher will also include both primary and secondary data throughout the data collection and analysis part. To obtain higher reliability, the researcher will recheck the transcripts from the interviews to the interviewees to let them confirm their answer again. Therefore, this proposed research will be valid and reliable.

**METHODS OF DATA COLLECTION**

The researcher will use two main data collection. First, the primary data is from the interviews. The secondary data gives supporting data in to fulfill the gap from the interviews in this research study. Both data collection methods are explained below.

**PRIMARY DATA**

The researcher will use interviews as a primary source of data. Interviews are of 3 types viz.

**Structured interview**: Data collection technique in which an interviewer physically meets the respondent, reads them the same set of questions in a predetermined order, and records his or her response to each.

**Semi-structured interview:** Wide-ranging category of interview in which the interviewer commences with a set of interview themes but is prepared to vary the order in which questions are asked and to ask new questions in the context of the research situation. **Unstructured interview:** Loosely structured and informally conducted interview that may commence with one or more themes to explore with participants but without a predetermined list of questions to work through.

The researcher will apply a semi-structured interview and an in-depth interview in retrieving primary data. The interviewees will involve Easy Day managers, the financial analyst in commerce industry, transportation firm, and supplier of Easy Day.

**SECONDARY DATA**

The researcher will gather data from company annual report, quarterly report and from its website. The data can be trusted from these resources since the company selected in the case study is a listed company in India which is obligated to provide financial and operations performance, and future plans to investors.

Journals, magazines as well as the newspapers interviews with Easy Day will be used as data in this study. They will provide the researcher with the reflections on firm’s perspectives, especially in the interviews with management level of the firm. The data will be compared and cross checked before including in the study.

**METHODS OF DATA ANALYSIS**

Data will be analyzed in three phases.

The researcher will write down all interviews from the respondents in order to prevent the loss of information. Moreover, they will give the researcher an opportunity to review the respondents again. All interviews will be transcribed into written text after finishing of the interviews.

The data reduction will be made before the collection starts, questions will be selected in the interview and they will be given to the participants only relating to the research purpose and objectives. Furthermore, in the second phase, the use of displays will not be separate from analysis, formats can be as various as the imagination of the analyst, and different analytical activities can be used such as rows and columns of a matrix for qualitative data and deciding which data, in which form, should be entered in the cells. In our analysis part, related data will be complied together to provide readers a complete picture of respondents’ opinions. Lastly, in the final part of analysis section, the modified materials will be analyzed and then conclusions will be drawn.

**LIMITATIONS OF THE STUDY**

* The selected case study is a convenience store chain, Easy Day in New Delhi; therefore it may mainly reflect norms and practices considerably within the firm’s environment.
* The convenience store management policies on certain areas normally differ at each location since they are tightly tied to local customer needs. It could then give a deviated data from the retail convenience store in other firms or in other states. Hence, the results cannot be generalized.
* The time frame of the study is limited.
* The data collected may have the biased opinion of the respondents.
* The Easy Day management may not reveal the whole information due to secrecy considerations.

**EXPECTED CONTRIBUTION OF THE STUDY**

Retailing is a significant part of economic activity with wholesaling and retailing value-added. The major goal of the retail industry or retail merchandising system is to influence possible consumers to purchase a particular products assortment at a particular retail store. Retail activities turn out to be one of the significant themes playing the role in supply chain management and logistics.

The management task is concerned with the element of distribution mix, which have to be integrated for successful retail distribution. This researcher will focus on the mentioned information which will surely affect retail business in one way or another as it will be able to highlight the day to day problems faced by the staff and the management in supply chain and logistics. The study will also contribute towards suggesting various measures for improving the present supply chain and logistics management scenario in Easy Day New Delhi in particular.

**DIRECTIONS FOR FUTURE RESEARCH**

The future studies may be carried out to analyze the effect of enterprise resource planning on the supply chain management. While retail industry welcomes ECR techniques, self-estimation of firm’s capabilities should be identified before embracing ECR to be implemented. The further research on the key success factors of bringing up as well as the failure case of implementing this program will be worthy to investigate.

**CHAPTERIZATON**

**Chapter 1** - In this chapter, the researcher will briefly present background related to the subject of this research that is retail convenience stores.

**Chapter 2 -** This chapter will provide frame of references related to the subject studied which will be used throughout this study. The theories derived from literature reviews frame the analysis of an empirical study will be presented in the choice of theories. Then each theoretical framework concerned with each dimension will be presented.

**Chapter 3 -** In this chapter, the explanations of research strategy and research approaches used in this study will be displayed.

**Chapter 4 -** The fourth chapter will present empirical study. The researcher will depict the issues relating to the subject studied that are the industry profile, the overviews of the business and its trend, the operation in many perspectives. The main objective of this chapter will be to capture and present the case study as a whole.

**Chapter 5 -** Within this chapter the analysis of an empirical study will be given.

**Chapter 6 -** In this chapter, the researcher will give summary on the entire research study; discussion on the analysis part the answer to the purpose of study will be clarified. The researcher will also give opinions on future research.

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