



Retail SCM - Scope

The Retail Sector



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Holds an assortment of Goods
Procures products in large quantities
Holds Inventory closer to customer
Provides services that enhance value to the customer

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Retail SCM - Challenges



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Product Category Management
More SKUs implies more problems

- SKU explosion
- Substitutability
- Shelf space allocation.

Promotional Planning
Aligning with marketing strategy

- Dynamic adjustments are tough
- Responsive supply chains are not efficient

More customer involvement
Customer is king

- Linking the customer to the supply chain planning process
- Complicated customer needs

Managing Product lifecycles
Old is not gold

- Perishability.
- Obsolescence
- Seasonality

External factors
Beyond control

- Infrastructural issues
- IT systems and their integration

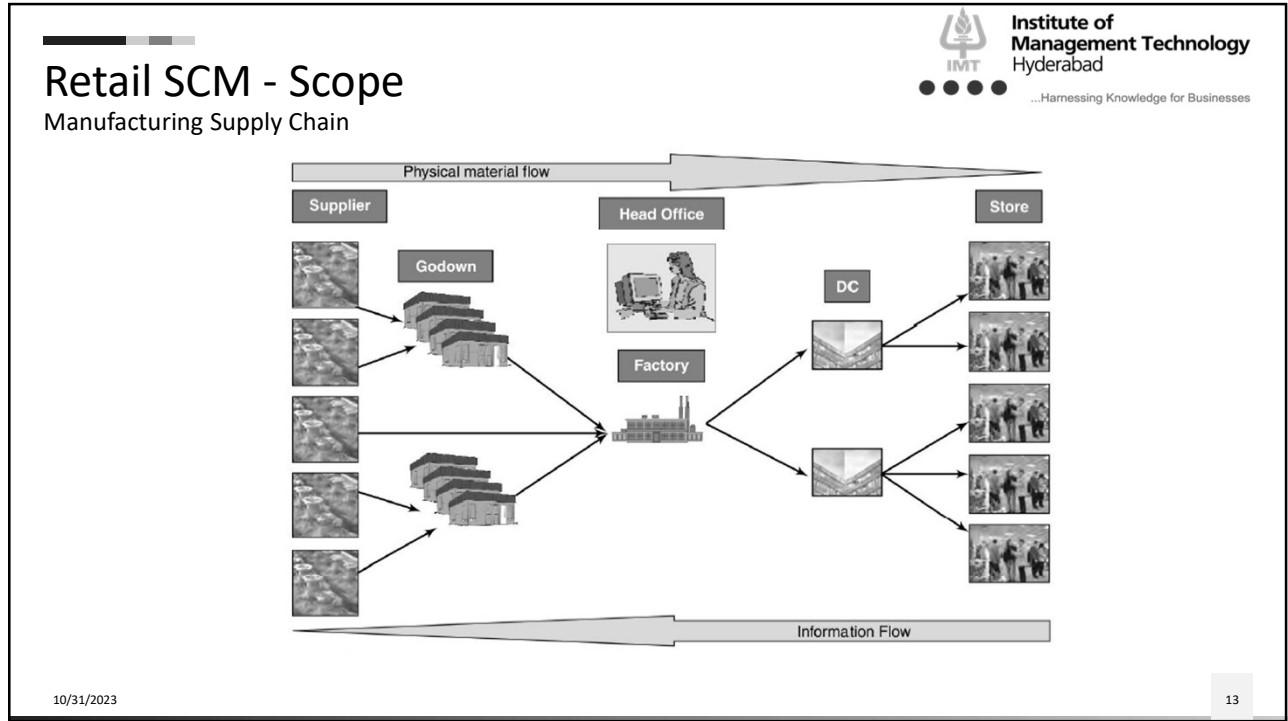
Economic Vulnerability
Retail Consumption drives economy

- Retail sector is directly linked to development of the economy
- Wafer thin margins

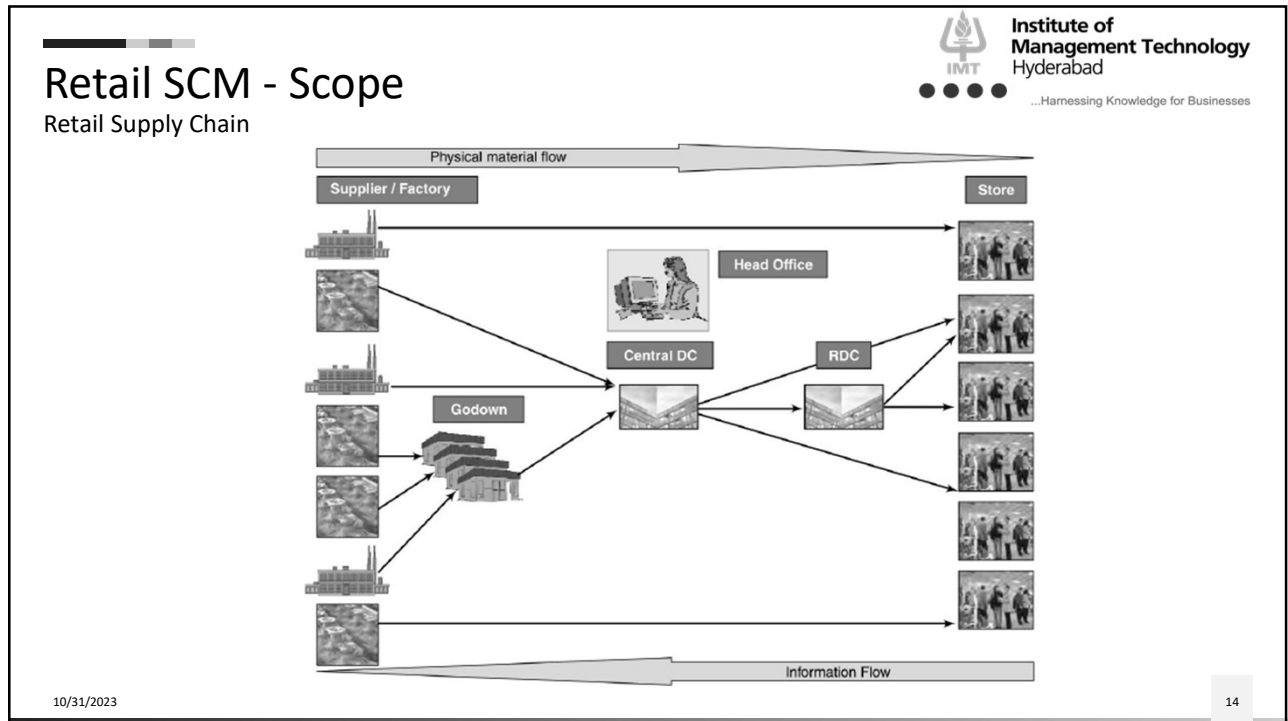
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Retail SCM - Scope

What's common and what's different?



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Manufacturing Supply Chain

- Production
- In process quality
- Plant Maintenance
- WIP Inventory

- Warehousing
- Transport
- Sourcing
- Incoming quality check
- Import documents/ Clearance
- Customer Service
- Inventory Management

Retail Supply Chain


- Category Management
- Assortment
- Space Management
- Private Label
- Store Clustering
- Markdown Management
- Multi channel

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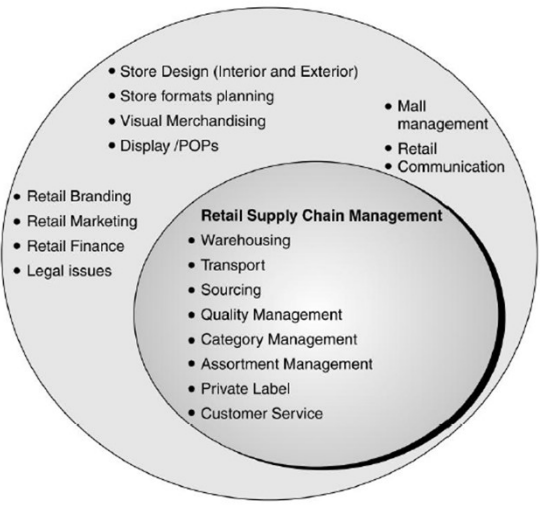
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RSCM as a subset of Retail Management



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Retail SCM - Importance

What's hot in the RSCM sector?

- Magnitude of the Opportunity
 - How big is the Indian Retail Market?
 - What is the penetration of Organized Retail in India?



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What is your opinion about the Retail sector in India?
What are the challenges hindering the growth of Retail sector in India?

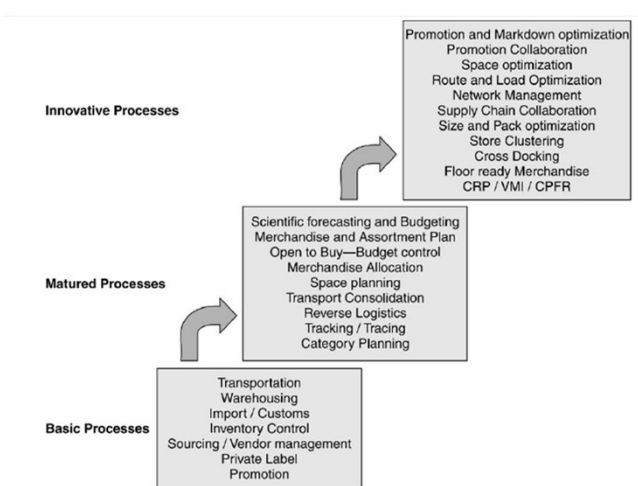
BCG Report IBEF Report

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RSC Process Maturity



Basic Processes


- Transportation
- Warehousing
- Import / Customs
- Inventory Control
- Sourcing / Vendor management
- Private Label
- Promotion

Matured Processes

- Scientific forecasting and Budgeting
- Merchandise and Assortment Plan
- Open to Buy—Budget control
- Merchandise Allocation
- Space planning
- Transport Consolidation
- Reverse Logistics
- Tracking / Tracing
- Category Planning

Innovative Processes

- Promotion and Markdown optimization
- Promotion Collaboration
- Space optimization
- Route and Load Optimization
- Network Management
- Supply Chain Collaboration
- Size and Pack optimization
- Store Clustering
- Cross Docking
- Floor ready Merchandise
- CRP / VMI / CPFR



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