Retail Supply Chain Management

NPTEL

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Logistics Strategy

Pull Supply Chain

Merchandise shipped to stores based on sales and inventory levels in the stores

Push Supply Chain

Merchandise shipped to the stores based on forecasted sales rate



Activities Performed by Distribution Center

- Managing inbound transportation
- Receiving and checking merchandise
- Storing or cross docking merchandise
- Preparing merchandise for the sales floor
  - Ticketing and marking
  - Putting on hangers
- Shipping merchandise to stores
- Managing outbound transportation



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Who Can Use DC's?

- Retailers selling non-perishable merchandise
- Retailers offering merchandise that has highly uncertain demand like apparel
- Retailers selling merchandise that needs to be replenished frequently
- Retailers that carry a large number of items shipped in broken case quantities like drug stores
- Retailers with many outlets



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Crossdocking



Merchandise flows directly from the vendor's trucks through the retailer's distribution center and is loaded on the trucks going to the retailer's stores without being stored in the distribution center

Reverse Logistics

Retailers recover loss through on-line auctions



Customer



Store



Distribution Center



Vendor