Customer is considered king in the market who dictates the market and makes the enterprise run. Today, what customer wants is better products, lower prices and faster supplies of goods and services. These enhance the customer delight and enterprise plight. Meeting customer's wants have never been simple especially in a competitive market. Marketers have been engaged in evolving devices to gain competitive advantage that enables them to satisfy the customer's wants and stay and survive in market. In fact, innovate and invent have become, of late, the new mantras in modern marketing to possess competitive advantage especially in a highly competitive market. Earlier logistics was used as one of the devices to gain competitive advantage in the market. Of late, there has been a paradigm shift from logistics to its modern day avatar, better known as Supply Chain Management (SCM) which has been discovered as a source of competitive advantage. It is against this backdrop, the present research aims to address certain vital issues:

Why is there the need for SCM? What are the forces that drove logistics to SCM? Also discussed towards the end of the effort are the key thrust areas in SCM.

Changing social trends in India are fueling the growth of retailing in the country. The ICT revolutions, double income families where husband and wife both are working and more and more Indian women are now moving into education and jobs, packaged food, ready to cook food and shopping convenience in organized retail ambience under one roof would be the increasingly replacing the corner kirana shop / traditional grocery shop shopping. All this has increasingly affected the shopping pattern that is moving towards fulfilling the need of convenience shopping in the form of Supermarkets (now graduating to Hyper format) home deliveries. Indian consumer is quality and price conscious and this awareness would drive the retailers to rework their supply chain relationships which traditionally comprised several layers such as the national distributor, the regional C and F, wholesaler and the end retailer. However this scenario is fast changing with the organized retail increasing its presence in the country where the relationship is directly with the manufacturer. This new model has been affecting the relationships that the manufacturer enjoys with the traditional system which is still the most dominant in the entire retail sector.
The Indian consumer is changing rapidly. The average consumer today is richer, younger and more inspirational in his/her needs than ever before. Consumers now value convenience and choice at par with getting value for their hard-earned money. A range of modern retailers are attempting to serve the needs of the 'new' Indian consumer. The last few years have witnessed an explosion of organized retail formats like supermarkets and hypermarkets in an otherwise fragmented Indian retail market.

To tap this growth opportunity, Indian retail organizations need to be prepared for a quick scale up across dimensions of people, processes and technology in addition to identifying the right formats and value proposition for the Indian consumer.

This report addresses some top of the mind questions that existing retailers and potential new entrants have on Indian retailing viz.,

- Which segments and formats have the maximum potential?
- What is the right format for India? Are multiple formats necessary for success?
- Where are we today on the supply chain practices and IT usage?
- How good is the support infrastructure in terms of supplier maturity, financing etc?
- Where are we on people availability and capability?

In a scenario of rapid growth, the preparedness of Indian retailers in terms of having appropriate formats, scalable processes, appropriate technology and relevant organization capability would be crucial to success. The survey respondents felt that it may be difficult to transplant a successful international format directly and expect a similar performance in India. Local conditions and insights into the local buying behaviour have to shape the format choice. India would thus see experimentation by retailers to identify the winning format suited to different geographies and segments – implying multiple formats by retailers. Such experimentation and identification of an appropriate format for the local conditions would differentiate winners from losers in the Indian retail market of the future. Appropriate supply chain practices will have to be identified and implemented by retailers so that the 'consumer' wins.

The retailers in India are nascent along three dimensions: Internal processes (supply chain management, private label management and loss prevention), real estate availability and costs, finance availability and costs. Easy availability of finance at competitive rates is a key enabler for growth in India. Retail space availability and costs are also prime issues to be dealt with.
India is already facing retail manpower and capability shortage. This is set to intensify, given the rapid growth forecasted for the industry. Attrition levels, while low compared to global standards, are set to aggravate going forward.

Winning the imminent war for talent is imperative for success in Indian retailing. Indian retailers need to develop a combination of good HR practices to enhance competency and retention while simultaneously develop processes and systems to ensure that high people turnover does not disrupt operations.

While there are obstacles, there is a clear opportunity in modern retailing in India. There are ample lessons India can take from other countries which have moved along the path of retail evolution. There are also several best practice organizations from which Indian retailers can pick relevant learning and tailor to suit local requirement. Organizations that experiment and innovate across different aspects shall be the ones that emerge as winners.

In addition to finding the answers to these and other questions, relevant best practice examples from retailers and experiences have been highlighted to indicate directions that Indian retailers may want to look at to address some of the challenges in the Indian marketplace. It is hoped that this report succeeds in adding another dimension to the growing knowledge base on Indian retail.

Dividing the report in six chapters, efforts have been standardized first introducing the concept of supply chain management as practices by the retails in organized retailing sector as evidenced in literature and by introducing the select operative retail stores to readers. The literary evidences have been arranged in the order to make the readers understand the objectives of the research in second chapter. Third chapter prescribes research framework and draws various hypotheses. Research methodology has been presented in fourth chapter wherein the sample characteristics and the sampling details have been provided. Data analysis and interpretation has been provided in chapter five followed by conclusive remarks in the sixth. Appendices are placed in the last wherein the References and Questionnaire have been described.

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