EXECUTIVE SUMMARY

The present generation market is highly competitive than ever before. New technology, Globalization and customer demand for newly entered products are forcing companies to implement good business models and innovative managerial practices. One such area that has been majorly benefited from new technologies is Supply Chain Management (SCM). Supply Chain Management (SCM), in general, is a synthesis of what was previously considered to be the management of a number of separable business functions on the one side, and several relatively independent theoretic domains on the other. SCM practices are related to logistics, operations management, purchasing and procurement, industrial relationship, marketing and service management. Today, SCM could be an integrated single function that is highly responsible for all aspects of management functions, as well as financial and other information interchange between business partners among the chain.

Coffee is the world’s most widely traded tropical agricultural commodity as well as the second largest traded commodity in the world, next only to petroleum and hence aptly described as ‘Brown Gold’. In the world economy, revenue from the coffee trading was worth approximately US$ 18.5 billion by 2015. It is a major source of revenue for the livelihood of many in more than 40 countries, and it generates employment of more than 120 million jobs. Around 125 million people worldwide depend on coffee for their livelihood and people are involved in its various aspects from farm level to market level.

About 1.5 billion cups of coffee is consumed in the world every day. Coffee is a habit-forming stimulant, but is also strongly associated with relaxation and sociability. In Indian tradition hot beverages are served with the food or alone to cherish guests and it is a part of daily life. The coffee beverage entered into the retail market, serving in hotels usually with milk and sugar. In India, the coffee café industries are making high profits, expanding themselves and creating customer value. The facilities designed by these cafes are distinct from their competitors and are developing their own customer base.

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Café Coffee Day, the largest coffee retailing business in India, which has owned more than 11,000 acres of coffee plantation situated in the highest peak points of coffee growing places in India. The Café Coffee Day had started its business in 1996 which made the business to go in the better way. It has broadly covered India by increasing more than 2000 retail outlets. Understanding the need of the business many other firms tried to establish their business and some have succeeded but majority have not. Since these outlets are recent in India and the research has not done in the broader area especially in the field of the supply chain management. Hence the need of the research has aroused to give better understanding to this new business.

Supply Chain Management of Coffee is a series of phase implicated to produce a product and deliver it to consumers. It starts with cultivation, harvest, preprocessing, post-processing, roasting and ends with distribution and consumption. The supply chain management of coffee looks very complex and very difficult to manage.

The review of the literature on supply chain management suggests that the core system is designed by different sub domains. Supply chain as a system that includes material suppliers, production facilities, distribution services and customers linked together through the feed-forward flow of materials and the feedback flow of information.

By interpreting the thesis through its more explicit objectives, this research aims specifically to contribute to the body of existing knowledge by, firstly, presenting the different drivers of the adoption of supply chain systems. Secondly, by discussing how different supply chain systems influence company in the service sector. Thirdly, by providing guidelines for managers and researchers concerned with the importance of adoption of supply chain systems and supply chain integration in an effort to achieve superior performance and output. This will help in collective understanding on the Supply Chain Management of Café Coffee Day. The result will ultimately benefit the café Coffee Day Company as a whole, which is one of the dynamic and unique café in India contributing significantly to the development of the coffee supply chain and its supply chain partners.
In order to achieve the research objectives, a quantitative analysis approach was employed and deductive approach is best suited. A descriptive and cross-sectional design would be the most suitable for the purposes of this study. This research work is based on a questionnaire survey addressed to the top executives of Café Coffee Day company, who are involved in supply chain management and other success factors of the company.

Snowball sampling technique was adopted for selection of respondents; the respondents are top level executives of the company with a blend of supply chain management experience, supply chain systems, supply chain integration concepts, competition capabilities and firm performance. The collected data was analyzed utilizing descriptive statistics, structural equation modeling, Confirmatory Factor Analysis, Principal Component Analysis and correlation tables.

From the sample it was found that 12% of the respondents are from supply chain management, 12% IT managers, 11% Business Area managers, 9% Finance managers, 8% logistics managers, 7% operations managers and HODs of different Departments. Majority of the respondents have more than 10 years of experience in the company. This indicates the respondents had very good knowledge on the supply chain management process and various process improvement initiatives.

The result shows that the application of information technology in the Café Coffee Day Company is high. So the supply chain systems manage the drivers of supply chain systems i. e. New markets, Anticipated Performance and External Pressure. The major supply chain partners of Café Coffee Day are Growers, Intermediaries, Cooperatives, Processors and Roasters, the results reveal that the level of Integration between the company and the partners are good. The result of the research shows that the connectivity between the supply chain integration and the competition capabilities of the company are very strong. The result also shows that the firm performance of the company is very strong and also the relationship between competition capabilities and the firm performance is very significant.

The results of the analysis are very satisfactory, the designed constructs and its related variables are highly reliable, and the convergent validity and discriminant validity are successfully tested on the designed constructs.
A conceptual model was proposed for the implementation of Supply Chain Management process to the Café Coffee Day Company. The result of the research shows that the implementation of the proposed model to the company takes to the new heights. The detailed study of the drivers of the markets, supply chain systems, supply chain integration, competition capabilities and firm performance made the research very strong. So that the creation of the model with the above constructs in terms of supply chain management strongly proposes the company for implementation.

Supply Chain Management is considered as a strategic issue in the enterprises which wants themselves to shine in the global market. The activities, functions and systems adopted for the development of Supply Chain Management requires integration in between. Over a century of development in the field of marketing logistics and management, researchers can now focus on how important supply chain management has become to the competitive nature of business today.