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Research Article

A STUDY ON INBOUND AND OUTBOUND LOGISTICS OVER THE COMPETIVENESS OF RETAIL TEXTILE INDUSTRY WITH REFERENCE TO "HOUSE OF STORI"

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Abstract: *This study is made to understand the logistics management where it is one of the significant componenet in the competitive market being the blend of business and major activities of the different businesses. The supply and distribution actions collectively known as logistics activities. The value chain has been renowned as a tool to analyse and compare the activities within competitors or industry role players. Two major events within the value chain are inbound logistics and outbound logistics. The objective of the research is to investigate the influence of inbound and outbound logistics on the competitiveness retail textile company with reference to the "House of Stori" in Karaikal, where on the forego it was also made to study the customers' satisfaction towards the logistics performance in the company that may influence. The collective questionnaire from the previous findingd formed the primary research tool for this study. This helped us to make an attempt to understand the local supply chain and help to impact businesses to restrain on the indispensable parts of the logistics management.*
Keywords: Inbound Logistics, Outbound Logistics, Customer satisfaction, Supply chain, retail industry

Introduction

This study will help the retail textile industry and supply chain management to understand the essential internal means of logistics management in the business establishments. Logistics management may be a SCM concept in order to meet customer demands through the design, control and application of the effective measure and storage of connected information, goods and services from origin to end-point. Logistics management helps organisations reduce cost and boost customer service. This study aims the logistics management in business which specialise in twofold: inbound logistics for internal functions and outbound logistics for the external be due the purpose of origin to the purpose of destination.

The success of the brand or the organization is highly dependent on the logistic management at the core level. The organization has to adapt the effective logistic service strategy to successively gain approachability and in more profits to its investment. Logistic service activity not only satisfy the organizational goal, it fulfils the customer and helps in acquiring new customers to build a brand as positioned among the clients. The study is to find the

brand's logistic operations in delivering the product to the customer all over and to analyse an effective logistic service strategy for Stori in further success of the retail stores.

Inbound logistics denotes conveyance, the storage and the receiving of goods into a trade. It relates to goods purchasing for office use or for the production unit. In a manufacturing company, the production unit merchandises raw materials or components from its suppliers for the production of other goods.

Outbound logistics processes refers to the transit of end products to the end user, often devising in a distribution or fulfilment center and then disseminated to its final destination.

This paper aims to study the effectiveness of logistics service in 'House of Stori'. The study focuses on the brand's effective supply of collection to its customers through its means of inbound and outbound logistics strategy. Meanwhile, to support it is necessary to understand the customers' opinion on the brand's services in order to analyse and suggest effective strategy for the logistics management at the retail textile industry.

Overview of logistics industry

The Ministry of Commerce & Industry, estimates that currently the us of a spends approximately 14% of its GDP on logistics that is a great deal better than Japan (11%) and the USA (9-10%). During the Union Budget 2020-21, the Government of India introduced that a National Logistics Policy could be launched quickly clarifying the jobs of the Union Government, State Governments and key regulators. Policy additionally talks approximately discount withinside the logistics value to much less than 10% of GDP via way of means of 2022. With the implementation of GST, the Indian logistics marketplace is predicted to attain approximately USD 215 billion in 2020, developing at a CAGR of 10.five in keeping with cent.

New age era has revolutionised the Logistics region through being a key differentiator. Digital transformation of the Logistics region ought to translate into fee of USD 1.5 trillion for the individuals and a further USD 2.4 trillion really well worth of societal advantages through 2025, in line with World Economic Forum (2016). Logistics startups could be leveraging era to offer clever answers and disrupt the conventional manner of operating.

Strong boom supported through authorities reforms, transportation zone improvement plans, developing retail income and the E-trade zone are in all likelihood to be the important thing drivers of the logistics enterprise in India in 2021. Online freight platforms and aggregators have been on the rise in the Indian logistics market, given the need for low entry barriers and less capital investment compared to setting up of an asset-based business model.

Manufacturing in India holds the ability to make a contribution as much as 25%–30% of the GDP via way of means of 2025 in an effort to pressure the increase of the warehousing section in India. The logistics marketplace in India is forecasted to develop at a CAGR of 10.5 between 2019 and 2025. E-trade is any other primary section that's predicted to guide increase of the logistics enterprise all through the forecast period. Increasing investments and alternate factor toward a wholesome outlook for the Indian freight sector. Port ability is predicted to develop at a CAGR of 5% to 6% via way of means of 2022, thereby, including an ability of 275 to 325 MT. Indian Railways ambitions to boom its freight visitors from 1.1 billion heaps in 2017 to 3.3 billion heaps in 2030. Freight visitors on airports in India has the ability to attain 17 million heaps via way of means of FY 2040.

Review of literature

Hasan Uvet (2020), any company who wants to create a competitive advantage in business should give importance to satisfy customers' desires. Therefore, logistics companies cannot build any long-term relationship without understanding the fundamental factors behind the customers' behavioral intentions. One of the business implications of this research, logistics service providers can easily target what areas to concentrate for the purpose of the improve their LSQ. Additionally, by getting feedback from their customers, firms can easily enhance their service quality and can build a long-term relationship with their customers by meeting their expectations.

Francesco Querin & Martin Göbl (2017), expertise at the fee of logistics withinside the average buy enjoy and on its contribution to patron pride with its presence in all levels of a buy, from the stock to the achievement and the eventual returns, logistics participates to the complete patron enjoy. It appears clean that the primary driver, each in phrases of expectancies and significance, is the price. Customers appear to assume on line stores to provide decrease expenses and that is determinant while buying from a desired store. However, a sum of the logistics elements appears to quantity to over 45% significance while buying from a desired store and to over 46% in phrases of widespread prospects.

Natasha, Sasho & Vladimir (2017), One of the primary goals of any organization must be continuous improvement of operations and the effectiveness and output increase. To promote a positive example of implementing efficient logistics management practices by companies pay attention to stock control, to effective storage selection, to proper transportation options, how information has been stored, whether companies implement proper coordination and integration of business activities and how companies benefit from reduced operations costs.

While, control the levels of stocks, or keep records electronically of the minimum amount of inventory and thus decrease the amount of so-called "dead" capital that stands in storage. When inventory control is easier, more flexible the procurement is and the costs are lower.

Charles Lagat, Josphine Koech & Ambrose Kemboi (2016), customer satisfaction enhances customer loyalty, there is need for firms to improve the quality of their services, products and treat customers as their number one priority so that they become loyal to the firm and also recommend the firm's products/services to others. Customer service satisfaction has a vital result on customer loyalty. Specifically, customer service leads to customer retention which in turn generates a loyal customer base which is an added advantage to a firm. Logistics service practices enhances customer satisfaction and customer loyalty.

Bajram Korsita & Luftim Cania (2016), the effectiveness in logistical management was not at a high level. Among the main reasons that influenced the effectiveness were inventory management and transportation of products. The slow inventory turnover of the companies in the supply chain brings obstacles, delays, products obtained not by expectations of consumers, etc. At the same time, problems in transportation of products bring deterioration effectively managing logistics operations. The packaging shows positive correlation in this study. The highest positive impact brings improvement in sharing and communication between each member in the supply chain.

Gursharan Kaur & N.K.Batra (2016), A warehouse acts as a helping feature for logistics and performs a key position in accomplishing the general goal of the firm's logistical deliver chain system. The overall performance of the warehouse is judged through its operations including well timed consumer service, retaining music of items, decrease running costs, harm loose shipping and better stock turnover. The effectiveness of common operations of a business enterprise may be appreciably improved through right choice on targets for green warehousing. Warehousing community performs a main position withinside the achievement of the bodily distribution of products.

Objectives of the study

- To comprehend and examine the working of inbound and outbound service.
- To compare the effectiveness of logistics service and to benchmark the company with respect to the industry.
- To know the customer satisfaction in the existing range of service pattern.
- To study and analyse the process of logistic services and suggest an effective strategy.

Research methodology

The examine has followed the descriptive studies layout and "Convenience Sampling", as a selected form of non- possibility sampling approach that is based on facts, series from populace participants who're effortlessly to be had to take part in study.

Sources of data

Primary data in this study is received through questionnaire method while the purpose of the necessary secondary data was obtained from the sources both internal and external to the organization. The internal sources of secondary data are from the company's Sales Report and Financial Statements. Descriptive secondary data were from the comapny's information portal resulting in Customer details, like name, age, contact details, etc., Reports and feedback from the distributor and Management information system.

External sources from where the secondary data was collected from the Internet, where wide knowledge about different areas were easily acquired. In the study, secondary data was much helpful to analysis about the company and peoples' opinion about the company. Specially this secondary data helped to find sales report of the organisation in past years and analysis the problem faced by the organization in regards to the sales and their logistics strategy adopted over the years.

Period of study

The period of study for this paper was from 1st – 30th April, 2021

Tools used for analysis

Statistical tools are used to analyse the received responses for the questionnaires.

Chi-square

The Chi-square check of independence determines whether or not there's a statistically extensive courting among express variables. The Chi-square check of affiliation evaluates relationships among express variables. Like any statistical speculation check, the Chi-square check has each a null speculation and an opportunity speculation. The null speculation constitute that there aren't anyt any relationships among the specific variables. If you recognize the fee of 1 variable, it does now no longer assist you are expecting the fee of some other variable. There are relationships among the specific variables. Knowing the fee of 1 variable does assist you are expecting the fee of some other variable. The Chi-square check of independence works through evaluating the distribution which you look at to the distribution which you count on if there's no courting among the specific variables. In the Chi-square context, the word "predicted" is equal to what you'd count on if the null speculation is true. If

your discovered distribution is satisfactorily extraordinary than the predicted distribution (no courting), you could reject the null speculation and infer that the variables are related. For a Chi-square check, a p-fee this is much less than or same in your importance stage suggests there's enough proof to finish that the discovered distribution isn't similar to the predicted distribution. You can finish that a courting exists among the specific variables.

Correlation

Correlation is defined in statistics as the measurement of the strength of the relationship between two variables and their association with each other. In simple words, correlation calculates the effect of change in one variable when the other variable changes. The correlation has a high statistical significance. It is the relationship between two variables seeking to illustrate a line through the data of two variables to show their relationship. The relationship of the variables is measured with the help the help of correlation test.

Data analysis and interpretation

I. Chi-square

a. To test the part of House of Stori's total production cost attributing to inbound logistics andoutbound logistics

For the study, the formulated hypothesis is;

H_0: There is no association between the part of House of Stori's total production cost attributing to inboundlogistics and outbound logistics

H_1: There is association between the part of House of Stori's total production cost attributing to inboundlogistics and outbound logistics

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	15.830a	2	.000
Likelihood Ratio	17.178	2	.000
Linear-by-Linear Association	14.908	1	.000
N of Valid Cases	165		

b. To test the percentage of imported material used to produce final products and part of House of Stori's total cost attributing to outbound logistics

For the study, the formulated hypothesis is;

H_0: There is no association between the percentage of imported material used to produce final products andpart of House of Stori's total cost attributing to outbound logistics

H_1: There is significant association between the percentage of imported material used to produce final products and part of House of Stori's total cost attributing to outbound logistics

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	35.371a	2	.000
Likelihood Ratio	38.307	2	.000
Linear-by-Linear Association	.867	1	.352
N of Valid Cases	165		

II. Correlation

a. To test the part of "House of Stori"'s total cost in attributing to outbound logistics and the logistics costs taken into consideration, when global sourcing decisions made at head office to import components or raw material

For the study, the formulated hypothesis is;

H_0: There is no correlation between the part of "House of Stori"' s total cost in attributing to outbound logistics and the logistics costs taken into consideration, when global sourcing decisions made at head office to import components or raw material.

H_1: There is correlation between the part of "House of Stori"' s total cost in attributing to outbound logistics and the logistics costs taken into consideration, when global sourcing decisions made at head office to import components or raw material.

		Company's logistics costs are taken into consideration	House of Stori total cost would you attribute to outbound logistics costs
Company's logistics costs are taken into consideration	Pearson Correlation	1	.314**
	Sig. (2-tailed)		.000
	N	165	165
House of Stori total cost attribute to outbound logistics costs	Pearson Correlation	.314**	1
	Sig. (2-tailed)	.000	
	N	165	165

**. Correlation is significant at the 0.01 level (2-tailed).

b. To test the services provided in-store for the respondents, where to check whether there is relation between the variables for its credibility in usage of the in-store customer satisfaction.

For the study, the formulated hypothesis is;

H$_0$: There is no correlation between the services provided in-store for the respondents

H$_1$: There is correlation between the services provided in-store for the respondents

The test between the variables were categorized based on the services provided in-store for the customers which includes the logistics as per their need.

		Did the respondents feel welcomed during the visit at "House of Stori"?	Did one or more salesperson offer to help repsondents while the visit?	Did the responde nts find salespers on friendly at "House of Stori"?	Did the respondents find salesperson knowledgeabl e about the ?
Did the respondents feel welcomed during the visit at "House of Stori"?	Pearson Correlation	1	.214**	.653**	.290**
	Sig. (2-tailed)		.001	.000	.000
	N	260	260	260	260
Did one or more salesperson offer to help repsondents while the visit?	Pearson Correlation	.214**	1	.083	.748**
	Sig. (2-tailed)	.001		.182	.000
	N	260	260	260	260
Did the respondents find salesperson friendly at "House of Stori"?	Pearson Correlation	.653**	.083	1	.274**
	Sig. (2-tailed)	.000	.182		.000
	N	260	260	260	260
Did the respondents find salesperson knowledgeable about the product?	Pearson Correlation	.290**	.748**	.274**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	260	260	260	260
Did the respondents feel the store visually appealing?	Pearson Correlation	.554**	.083	.810**	.274**
	Sig. (2-tailed)	.000	.182	.000	.000
	N	260	260	260	260
Did the respondents feel the wait time at checkout was reasonable?	Pearson Correlation	.484**	.487**	.542**	.514**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	260	260	260	260
Did the cashier at "House of Stori" process transaction quickly and effectively?	Pearson Correlation	.395**	.487**	.542**	.607**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	260	260	260	260
Did the respondents feel the store have a reasonable return and exchange policy?	Pearson Correlation	.168**	.708**	.355**	.837**
	Sig. (2-tailed)	.007	.000	.000	.000
	N	260	260	260	260

Would respondents like someone to contact from "Stori" for fashion recommendation?	Pearson Correlation	.497**	.516**	.545**	.529**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	260	260	260	260

**. Correlation is significant at the 0.01 level (2-tailed).

		Respondents feel the store visually appealing	Respondents feel the wait time at checkout was reasonable	Cashier at "House of Stori" process transaction quickly and effectively	Respondents feel the store have a reasonable return and exchange policy?
Did the respondents feel welcomed during the visit at "House of Stori"?	Pearson Correlation	.554**	.484**	.395**	.168**
	Sig. (2-tailed)	.000	.000	.000	.007
	N	260	260	260	260
Did one or more salesperson offer to help repsondents while the visit?	Pearson Correlation	.083	.487**	.487**	.708**
	Sig. (2-tailed)	.182	.000	.000	.000
	N	260	260	260	260
Did the respondents find salesperson friendly at "House of Stori"?	Pearson Correlation	.810**	.542**	.542**	.355**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	260	260	260	260
Did the respondents find salesperson knowledgeable about the product?	Pearson Correlation	.274**	.514**	.607**	.837**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	260	260	260	260
Did the respondents feel the store visually appealing?	Pearson Correlation	1	.458**	.542**	.256**
	Sig. (2-tailed)		.000	.000	.000
	N	260	260	260	260
Did the respondents feel the wait time at checkout was reasonable?	Pearson Correlation	.458**	1	.396**	.573**
	Sig. (2-tailed)	.000		.000	.000
	N	260	260	260	260
Did the cashier at "House of Stori" process transaction quickly and effectively?	Pearson Correlation	.542**	.396**	1	.661**
	Sig. (2-tailed)	.000	.000		.000
	N	260	260	260	260
Did the respondents feel the store have a reasonable return and exchange policy?	Pearson Correlation	.256**	.573**	.661**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	260	260	260	260
Would respondents like someone to contact from "Stori" for fashion recommendation?	Pearson Correlation	.545**	.606**	.606**	.576**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	260	260	260	260

**. Correlation is significant at the 0.01 level (2-tailed).

		Would respondents like someone to contact from "Stori" for fashion recommendation?
Did the respondents feel welcomed during the visit at "House of Stori"?	Pearson Correlation	.497**
	Sig. (2-tailed)	.000
	N	260
Did one or more salesperson offer to help repsondents while the visit?	Pearson Correlation	.516**
	Sig. (2-tailed)	.000
	N	260
Did the respondents find salesperson friendly at "House of Stori"?	Pearson Correlation	.545**
	Sig. (2-tailed)	.000
	N	260
Did the respondents find salesperson knowledgeable about the product?	Pearson Correlation	.529**
	Sig. (2-tailed)	.000
	N	260
Did the respondents feel the store visually appealing?	Pearson Correlation	.545**
	Sig. (2-tailed)	.000
	N	260
Did the respondents feel the wait time at checkout was reasonable?	Pearson Correlation	.606**
	Sig. (2-tailed)	.000
	N	260
Did the cashier at "House of Stori" process transaction quickly and effectively?	Pearson Correlation	.606**
	Sig. (2-tailed)	.000
	N	260
Did the respondents feel the store have a reasonable return and exchange policy?	Pearson Correlation	.576**
	Sig. (2-tailed)	.000
	N	260
Would respondents like someone to contact from "Stori" for fashion recommendation?	Pearson Correlation	1
	Sig. (2-tailed)	
	N	260

**. Correlation is significant at the 0.01 level (2-tailed).

Findings

- The statistical study indicates that the total production cost incurred by the company is by attributing to the inbound and outbound logistics services within, thus resulting in successive measure of cost handling with the logistics services.

- It has proven that there is significant association between the percentage of imported material used to produce final products and part of House of Stori's total cost attributing to outbound logistics.

- Correlation has been shown in between the part of House of Stori's total cost in attributing to outbound logistics and the logistics costs taken into consideration, when global sourcing decisions made at head office to import components or raw material by being 31.4% positively correlated.

- The study shows that there is positive correlation between the services provided in-store for the customers, while proving that the customer service plays an important role in the impact of effective logistics operations by the company.

- It shows here the referred company "House of Stori" is growing and over the period it is expected to show result with the effective customer service pairing the success of logistics performance.

Suggestions

- The elaboration of particular factors of the logistics can assist managers from the sphere of engineering control to pick out a suitable approach of logistics engagement easily and create cost of their deliver chains greater efficiently.

- The logistics overall performance is in direct correlation with the customer support or the provider first-rate. Furthermore, business enterprise income relies upon the first-rate of customer support. The customer support coverage can reduce the opportunity that there can be overlooked income, which, in recent times represents the worst advertising propaganda for a business enterprise.

- Old advertising rule says that happy clients are the actual capital of the business enterprise, and that they constitute the capital with the best boom rate. The function of customer support increases, even greater, whilst it's miles apparent that almost all of its capabilities are carried out in direct touch with clients withinside the market.

- It is recommended to replace the customer support via a control data machine and ultimately get at the side of the logistics overall performance altogether for the higher overall performance of the business enterprise.

Conclusion

Through this study, a model has been understood for the use in determining the logistics success of an industry, company, product, or group of products. The model is simple as it is, where the customer satisfaction and the company's service has to been achieved through the customers alone. Customers been satisfied with the available product determines the success of the company's logistics performance. The model is financially driven and success is based on optimizing efficiency. It delivers tranquil method for producing a rating, and is most effective when financial data is available.

The model is elastic enough to be precise in all industries and to give managers the prospect to establish the most important activities to their companies. The persisted use of this technique will make it extra valuable, because it will offer benchmarks and display successive development or decline withinside the performance of logistics activities. The evaluation of the fabric enterprise affords a concrete instance of the technique's use. It suggests that each enterprise is unique, as transportation and warehousing had been to begin

with notion of because the maximum key logistics achievement factors, however it became out that the retail fabric enterprise positioned extra significance on packaging and stock control through its allocation of costs.

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