



THE CHANGING LANDSCAPE OF MARKETING CHANNELS OF DISTRIBUTION AND LOGISTICS: A CONCEPTUAL REVIEW

Mridul trikha

Assistant Professor, Goswami Ganesh Dutta Sanatan Dharma College, Chandigarh

ABSTRACT

The paper focuses on the culmination of the marketing procedure as it explains the roles of manufacturers, marketing channels and store managers who provide good customer services to their end users. The paper also suggests role of retailers in distribution and integration of the products and services to the customers. In today's world logistics' is been focused as it has maximized both the revenues and sales of the merchandise. The operational procedures which need to be paid more attention are logistics and inventory control. Retail marketing is on the threshold of a new era as it will provide more efficient features which will contribute in providing meaningful and profitable outcomes. The literature review reflects the distribution and marketing mix strategies and usage which gave fruitful outcomes in the past researches. To develop the conceptualization of the retailing, this paper also includes the review of previous academic researches which were conducted and which covered the major emerging trends in retailing process. Therefore, the review summarizes the vast amount of research conducted on retailing topics to help academic researchers, teachers and marketing practitioners to better understand the concept of retail marketing

Keywords: Retail marketing, Integration of services, Channels of distribution,

INTRODUCTION

Retailing has grown in past few decades. It has become more customers oriented as retailers now engage personally with the customers and closes the sales. Retailers have taken the advantage of the personal contact or physical contact with the buyers which have given confidence to the buyers to purchase particular products. They have placed the highest priorities on buying decisions, operational concerns and merchandising practices which has contributed towards growth of profits revenues and sales.

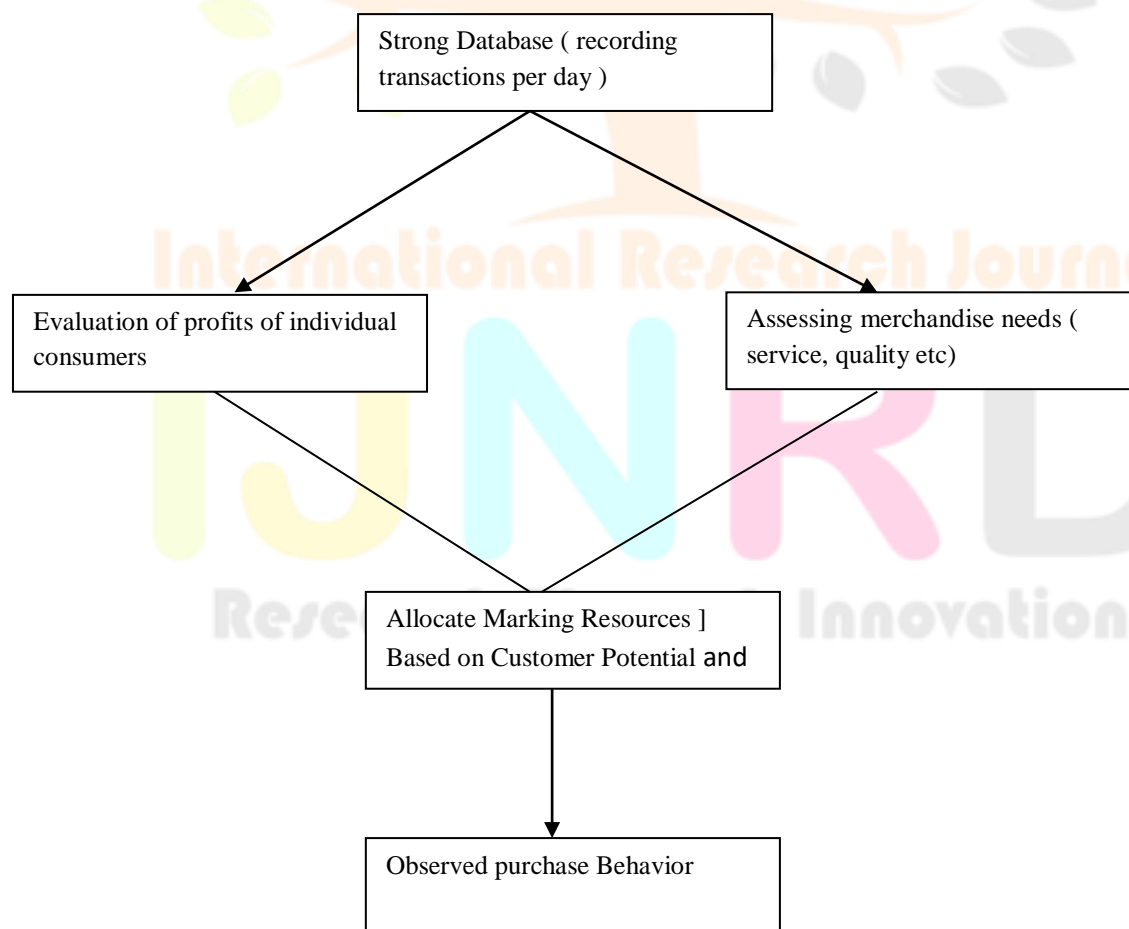
Each and every transactions is been recorded now a day's which acts as a proof or evidence both for the buyer and seller. Strong databases have been maintained to check the overall transactions recorded per day. Such strong databases also allow retailers to conduct systematic merchandising practices which help in managing the product assortment in a profitable manner. Thus, integrated marketing approach not only helps in arranging and managing product assortment but also helps in providing quality sales and long term relationships with the customers. Retailers also focus on providing good and qualitative services to customers rather than just focusing on the production and management of the merchandise. The changes taking in the retail marketing deals with data recording, strong databases, communication and integration of services to the final customers. It also provided them with maintaining the ability to concentrate and maximize marketing efforts to gain more and strong customer base. Therefore, with the help of integrated approach utilization of the resources have become more effective and profitable.

A) Integration of services

An integrated approach to retailing is more customers oriented as its main purpose is to build strong customer base and maintain long term relationship with the customers. It aims at engaging more customers by physical contact. Therefore, personal contact helps the customers to believe and build confidence related to the product. In general, most retailers are very product oriented as they manage the assortment of merchandise in an efficient way so the customer gets influenced and takes the buying decision. They also maintain the databases which acts as an evidence of the sales completed. The invoices are given to customers too. Retailers are concerned with both profitability and management of the merchandise to increase the profits for the enterprise. They deal in customer management through merchandising practices by giving high priorities to customer's needs.

It can be seen that strong data base can be maintained by recording the day to day transactions which will further help in evaluation of profits. Assessment of the merchandise needs is also done by receiving feedback from the customers. Accordingly changes in the products, quality can be done for future merchandise production. Allocation of marketing resourced is also done by measuring the customers will and potential to buy the products. It can be known by measuring and figuring out the interests of the customer towards particular products. Lastly purchase behavior of the customers is observed. Accordingly changes, modification can be done in future with the upcoming patterns, latest trends and preferences prevailing at the current scenario.

The below figure shows the integrated approach used by the retailers to maximize sales of merchandise:



A) Channels of distribution

Foundations of logistics have laid various organizational structures which helps in managing the supply chains. **Palmatier et al., (2006)** suggested that performance improvement could be done if external and internal relationships between the firms are maintained. It in turn leads to more profits as well as growth.

According to (**Min et al., 2008**) it was found that supply chains could be efficiently maintained if the flow of merchandise is efficiently done without any deviations.

Therefore entities should be more proactive in nature so as to maintain the supply chain mechanism. **Wathne and Heide, (2006)** concluded that the exchange partners and co-producers are interdependent upon each other which also reflects the relationship oriented marketing. Therefore, inter-organizational relationship led to commitment, trust, lowering of transaction cost and relational norms which were pertinent for the logistics.



LITERATURE REVIEW

Following table shows the review of previous studies done which observes the distribution, logistics and other implications of the retailing:

Table 1 :Summarized literature review

RESEACHER	YEAR	PURPOSE	OUTCOMES
Kiessling and Harvey	2014	– Supply chains have become a strategic strength to many firms due to the nature of the globalization of business. The past roles of supply chain managers have changed dramatically and now also include various new duties that will enhance firm competitiveness due to their boundary spanning nature and the new focus of learning organizations. The paper aims to discuss these issues.	This was a theoretically developed paper exploring trust, learning organizations, and supply chains. Findings – Researchers are now focusing on the relationship among the supply chain network through the paradigm of relational marketing as the governance structures of contractual arrangements globally cannot be anticipated.
Gundlach, Bolumole et.al	2006	The paper seeks to examine the changing landscape of supply chain management, marketing channels of distribution, logistics and purchasing.	– The authors examine and take stock of the changing nature and landscape surrounding the related disciplines of supply chain management, marketing channels of distribution, logistics and purchasing. This examination highlights the considerable evolution and significant advances occurring within and between these disciplines. Findings – The authors find that this new landscape provides both opportunities and challenges for future scholarship and practice in these related disciplines
Kembro & Eriksson	2018	The purpose of this paper is to increase the understanding of how warehouse operations and design are affected by the move toward integrated omni-channels	A structured literature review is conducted to identify and categorize themes in multi- and omni-channel logistics, and to discuss how aspects related to these themes impact and pose contingencies for warehouse operations and design. The agenda can inspire practitioners in their work to understand the upcoming challenges and address relevant issues in omni-channel warehousing, taking into consideration its interdependence with value proposition, channel management and network decisions.
Aldin and Stahre,	2003	This paper describes alternative strategies for wholesalers conducting electronic commerce and how logistics may support the development of marketing channels and improve flexibility.	Empirically the base is a case study of an intermediary with extensive use of business-to-business electronic commerce in a supply chain with independent dealers. The paper compares theoretical aspects with findings from the case and gives some indications of the potential of electronic commerce and logistics platforms. Related issues with logistics implications are the decisions whether or not to use multiple channels and if intermediaries should totally bypass dealers, or rather collaborate by letting them manage the marketing relations and bypass them logistically. The concept of “logistics platforms” is discussed, based on empirical findings
Bello, Lohtia et al.	2004	In particular, the regulatory, normative, and cultural –cognitive elements of institutional environments around the world can enhance or inhibit the ability of trading partners to craft the contractual, ownership, and social elements of institutional arrangements required by an innovation have been taken into consideration.	A conceptual model is developed to explain the role of institutions in the successful deployment of supply chain innovations in global marketing channels. Deploying supply chain innovations in cross-border trading arrangements poses many constraints and challenges for international marketers. The study has been done within the boundaries of the United States
Marchet, Melacini, et al.	2018	Companies are currently moving from multi-channel (MC) strategies to offer their customers an omni-channel (OC) experience. So far, OC research has been mainly tackled	Implementing an OC management strategy requires to set eleven logistics variables belonging to four strategic areas: delivery service, distribution

		from a sales-based view, with numerous operational challenges to be fully investigated yet. The purpose of this paper is to investigate how companies set the logistics variables in their OC management strategy and the business logistics models currently most adopted.	setting, fulfillment strategy, returns management. A broad empirical investigation showed the choices made by companies when setting the logistics variables to implement an OC management strategy. Lastly, four business logistics models, differing in terms of both business sector and OC maturity, were discussed.
Wollenburg and Kuhn,	2018	The advent of grocery sales through online channels necessitates that bricks-and-mortar retailers redefine their logistics networks if they want to compete online. Because the general understanding of such bricks-and-clicks logistics systems for grocery is still limited, the purpose of this paper is to analyze the internal logistics networks used to serve customers across channels by means of an exploratory study with retailers from different contexts	A total of twelve case companies from six European countries participated in this exploratory study. Face-to-face interviews with managers were the primary source for data collection. The heterogeneity of our sample enabled us to build a common understanding of logistics networks in grocery retailing on multiple channels and to understand the advantages of different warehousing, picking, internal transportation and last-mile delivery systems. Findings - Bricks-and-mortar grocery retailers are leveraging their existing logistics structures to fulfill online orders. Logistics networks are mostly determined by the question of where to split case packs into customer units. In non-food logistics channel integration is mostly seen as beneficial, but in grocery retailing this depends heavily on product, market and retailer specifics. The data from our heterogeneous sample reveals six distinct types for cross-channel order fulfillment.

FUTURE IMPLICATIONS & SUGGESTIONS

Many changes have occurred in multi channel system which has provided an omnichannel mode for the logistics in order to serve the consumers. The main cause of the changes in retailing system is growing trends and preferences of people. The strategic changes have helped in building operational priorities which are important for the distribution of goods in international markets. The distribution of goods has become much easier now. There were some of the complexities which were worked upon. They were:

- Cultural and institutional differences in regulation process
- High length of international supply chains
- Quality standards
- Changes in infrastructures
- Multiple organizational structures

These were worked upon and logistics system has improved by paying attention to these factors. Therefore, more focus should be given to eliminate the wastage and inculcate solutions which are pertinent to the logistics system.

REFERENCES

- Aldin, N., & Stahre, F. (2003). Electronic commerce, marketing channels and logistics platforms—a wholesaler perspective. *European Journal of Operational Research*, 144(2), 270-279.

- Bello, D. C., Lohtia, R., & Sangtani, V. (2004). An institutional analysis of supply chain innovations in global marketing channels. *Industrial Marketing Management*, 33(1), 57-64.
- Gundlach, G. T., Bolumole, Y. A., Eltantawy, R. A., & Frankel, R. (2006). The changing landscape of supply chain management, marketing channels of distribution, logistics and purchasing. *Journal of business & industrial marketing*.
- Kembro, J. H., Norrman, A., & Eriksson, E. (2018). Adapting warehouse operations and design to omni-channel logistics: A literature review and research agenda. *International Journal of Physical Distribution & Logistics Management*.
- Kiessling, T., Harvey, M., & Akdeniz, L. (2014). The evolving role of supply chain managers in global channels of distribution and logistics systems. *International Journal of Physical Distribution & Logistics Management*.
- Marchet, G., Melacini, M., Perotti, S., Rasini, M., & Tappia, E. (2018). Business logistics models in omni-channel: a classification framework and empirical analysis. *International Journal of Physical Distribution & Logistics Management*.
- Min, S. and Mentzer, J. (2004), "Measuring supply chain management", *Journal of Business Logistics*, 25 (1), 63-99.
- Min, S., Kim, S. and Chen, H. (2008), "Developing social identity and social capital for supply chain management", *Journal of Business Logistics*, 29(1),283-304
- Palmatier, R., Dant, R., Grewal, D. and Evans, K. (2006), "Factors influencing the effectiveness of relationship marketing", *Journal of Marketing*, 13 (2), 156-173.
- Wathne, K. and Heide, J. (2006), "Managing marketing relationships through qualification and incentives", Working Paper Report 06-125, Marketing Science Institute, Amsterdam
- Wollenburg, J., Hübner, A., Kuhn, H., & Trautrim, A. (2018). From bricks-and-mortar to bricks-and-clicks: Logistics networks in omni-channel grocery retailing. *International Journal of Physical Distribution & Logistics Management*, 48(4), 415-438.

