

**Report on**

**Supply Chain in Meena Bazar:**

**Focus on Demand Forecasting, Inventory Management, Reverse**

**Logistics, and Business Expansion**

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22282022

An internship report submitted to the BRAC Institute of Governance and Development (BIGD) in partial fulfillment of the requirements for the degree of Masters in Procurement and Supply Management (MPSM)

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## **Declaration**

It is hereby declared that, the report submitted is my own original work while completing degree at BRAC University. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing. The report does not contain material that has been accepted, or submitted, for any other degree or diploma at a university or other institution. I have acknowledged all main sources of help.

### **Student's Full Name and Signature**

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Sr. Academic Coordinator, BIGD, BRAC University

## Letter of Transmittal

Mohammad Sirajul Islam

Sr. Academic Coordinator

BIGD, BRAC University

**Subject: Submission of practicum report titled Supply Chain in Meena Bazar: Focus on Demand Forecasting, Inventory Management, Reverse Logistics, and Business Expansion**

Dear Sir,

I am pleased to submit my practicum report titled “Supply Chain in Meena Bazar: Focus on Demand Forecasting, Inventory Management, Reverse Logistics, and Business Expansion” This submission is a partial requirement for obtaining my Master’s degree in Procurement and Supply Chain Management.

I am grateful for the opportunity to work under your active supervision and guidance. I trust that this report aligns with your expectations. Thank you for your support.

Sincerely,

Md. Razibul Hasan

Student ID- 22282022

BIGD, BRAC University

## **Non-Disclosure Agreement**

This agreement is made and entered into by and between Gemcon Food and Agricultural Products Ltd. and the undersigned Mohammad Razibul Hasan at BRAC University. As I am currently working at the organization, I have access to the Organization's information. I agree that I will keep all the information strictly confidential and will not share it with anyone outside of the organization.

### **Student's Full Name and Signature**

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Chief Operating Officer

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## **Acknowledgement**

I wish to extend my sincere appreciation to the individuals who played pivotal roles during my practicum experience. Foremost, I express my gratitude to my colleagues at Meena bazar, for granting me the opportunity to engage in practicum work within our organization. Their invaluable guidance and unwavering support throughout my tenure have been instrumental.

Additionally, I owe a debt of gratitude to Mr. Sirajul Islam Sir, my academic supervisor, whose meticulous guidance enhanced my understanding of finer details and contributed to the quality of my practicum report.

Lastly, heartfelt thanks go to my family and friends for their constant encouragement and unwavering presence. Their support has been a beacon of strength during this journey."

## **Executive Summary**

The practicum focuses on Meena Bazar's supply chain process, exploring novel theories and methods to enhance overall supply chain management. Meena Bazar, one of Bangladesh's largest retail supermarket chains, was established in 2002. Presently, it operates across Chittagong, Savar, Narayanganj, and Dhaka, with 43 locations open seven days a week, offering services like home delivery. Customers can choose from over 10,000 products, and Meena Bazar prides itself on easy parking, a convenient shopping experience, and excellent customer service.

As a division of the renowned Gemcon Group in Bangladesh, Meena Bazar is known for its fresh produce, dairy items, and organic and herbal products. Beyond sales, Meena Bazar educates patrons about the benefits of a healthy lifestyle.

The main objective of this practicum is to analyze Meena Bazar's existing supply chain process and recommend innovative methods for overall improvement. Four key areas—demand forecasting, inventory management, reverse logistics and business expansion—have been selected for further examination. By applying new methods, the practicum aims to enhance efficiency and effectiveness.

Chapter 1 discusses overview of organization and scope of practicum which includes Meena bazar's organizational overview, methodology of demand forecasting, warehouse and inventory management, and returns and reverse logistics, aiming to enhance Meena Bazar's operational efficiency and support sustainable growth.

Chapter 2 provides a descriptive overview of Meena Bazar's Supply Chain Method, it involves two primary teams: Procurement, responsible for sourcing a wide range of goods, and Logistics, handling warehousing, inventory management, and transportation. Demand forecasting is key,

divided into central warehouse deliveries and direct retail location deliveries, ensuring optimal inventory levels. The supply chain also encompasses local sourcing collaborations, advanced inventory management, and efficient transportation. Integrated marketing efforts align promotional activities with projected demand, enhancing overall business operations and customer satisfaction.

Chapter 3 discusses the demand forecasting method and relation with practicum work, demonstrating the findings and providing observations. It discusses quantitative forecasting methods including moving average method and trend analysis. Primarily using quantitative methods like Moving Average and Trend Analysis, they optimize inventory management. During the practicum, the author explored qualitative forecasting through market research, uncovering trends in customer preferences. Additionally, Meena Bazar uses Collaborative Planning, Forecasting, and Replenishment (CPFR) to enhance accuracy and efficiency,

Chapter 4 discusses how efficient supply chain management—encompassing inventory, warehousing, transportation, and logistics—supports Meena Bazar's growth strategies. By integrating advanced technologies, fostering supplier collaboration, optimizing inventory, and expanding its distribution network, Meena Bazar ensures scalability, cost reduction, and customer satisfaction. Strategic warehouses and hubs enhance flexibility and delivery speed, critical for supporting both offline and online channels. As Meena Bazar looks to the future, embracing sustainability, digital transformation, and a customer-centric approach will be vital for maintaining its competitive edge and achieving long-term success.

Finally, the report concludes with certain recommendations which include combining qualitative and quantitative forecasting, fostering collaboration across departments, and minimizing inventory costs. The study has four chapters.

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## **List of Acronyms**

CPFR = Collaboration, Planning, Forecasting and Replenishment

JIT = Just in Time

MPSM = Masters in Procurement & Supply Management

RMS = Reverse Management System

SCM = Supply Chain Management

# **Chapter 1: Overview of Organization and Scope of Practicum**

## **1.1 Overview of Meena Bazar**

Founded in 2002, Meena Bazar stands as one of Bangladesh's largest retail supermarket chains. With 43 own and franchise outlets across Dhaka, Sylhet, Narayanganj, Savar, and Chittagong, it offers a comprehensive range of over 12,000 products. Customers enjoy convenient shopping experiences, easy parking, and top-notch customer service. As a subsidiary of the renowned Gemcon Group, Meena Bazar not only sells organic and herbal products, dairy goods, and fresh meals but also emphasizes healthy living. By sourcing directly from route-level farmers, Meena Bazar ensures competitive prices and high-quality products. Simultaneously, it plays a vital role in safeguarding farmers' rights and enhancing livelihoods. The supply chain and operations departments play a pivotal role in maintaining product quality.

## **1.2 Supply Chain at Meena Bazar**

At Meena Bazar, the supply chain activities encompass everything from sourcing products and inventory management to distribution and logistics. It's like orchestrating a well-choreographed dance where goods flow seamlessly from suppliers to store shelves. The supply chain of the Meena Bazar mainly deals with the following aspects.

### **Strategic Profit Margin Enhancement**

The primary responsibility involves devising strategies and plans to boost overall profit margins. This includes analyzing price quotes from various vendors, creating Comparative Statements (CS) to select the best value, negotiating for favorable pricing and benefits, choosing optimal quotations,

and generating purchase orders. These processes contribute to the business's strength and sustainability.

### **Demand Forecasting**

Meena Bazar uses qualitative forecasting methods, such as expert opinions and market research, to predict future demand for products<sup>1</sup>. This helps in maintaining optimal inventory levels and reducing stockouts.

### **Operational Coordination**

Once profit margins are stable, secondary tasks involve maintaining communication with both the logistics and operations teams. Effective teamwork and communication are crucial for smooth business operations.

### **Continuous Improvement**

In a renowned retail chain like Meena Bazar, maintaining an efficient operational system is essential. This includes introducing new promotional offers for different product segments to attract both existing and new customers. Additionally, adapting strategies to enhance customer service contributes to overall business growth.

### **Expansion and Growth**

Meena Bazar focuses on expanding its business all over the country through its own and franchise business format. The company expands to Tier 2 and Tier 3 cities ensuring product support through strategically placed warehouses and local product sourcing mechanisms.

## **1.3 Scope of Practicum**

In the dynamic world of retail, seven critical supply chain processes play a pivotal role. These include order fulfillment, inventory management, vendor relationships and procurement, demand forecasting, warehousing and distribution, returns and reverse logistics, and quality control and assurance. This practicum will be focusing on three of the processes. They are as follows:

**Demand Forecasting:** Here, I delve into the intricate process by which retail stores and supply chains predict customer demand for products. The analysis encompasses various forecasting methods, data collection techniques, and the consequential impact of these forecasts on inventory levels and ordering decisions. The delicate balance between meeting customer needs and avoiding excess stock lies at the heart of this exploration.

**Warehouse & Inventory Management:** Within the realm of inventory management, we scrutinize the strategies employed by retail stores to maintain optimal stock levels. This involves a comprehensive examination of demand forecasting (revisited), supplier order placement, inventory tracking, and the art of replenishment. Achieving the equilibrium—where products are neither overstocked nor understocked—requires a harmonious orchestration of processes.

**Returns and Reverse Logistics:** The handling of product returns and the management of reverse logistics form the focus of this segment. We delve into the intricacies of return policies, restocking procedures, and the fate of returned items. Some products may undergo refurbishment or find a second chance on the shelves. The circular economy within retail—where returns become opportunities—is a fascinating aspect to explore.

**Business Expansion & Efficient Supply Chain:** An efficient supply chain is integral to successful business expansion. It involves the optimized flow of goods, information, and finances from suppliers to end customers. This includes sourcing raw materials, manufacturing, warehousing, transportation, and final delivery. Efficiency in the supply chain ensures that products are delivered in the right quantity, at the right time, and at minimal cost. Combining business expansion with an efficient supply chain means that as a company grows, it can maintain high levels of operational efficiency, meet increased demand, reduce costs, and enhance customer

satisfaction. Efficient supply chain management supports scalability, flexibility, and resilience, which are essential for sustainable growth and competitive advantage in new and existing markets.

#### **1.4 Methodology and clarification of relevant concepts**

During my coursework, I delved into various essential concepts, models, and tools related to supply chain management. Here are some key ones:

- **Qualitative Forecasting:** Understanding the art of predicting demand beyond numbers.
- **Collaborative Planning, Forecasting, and Replenishment (CPFR):** A strategic approach to aligning supply and demand.
- **ABC Analysis:** Prioritizing inventory items based on their impact.
- **Economic Order Quantity (EOQ):** Finding the sweet spot for inventory ordering.
- **Supplier Performance Metrics:** Evaluating lead time, on-time delivery, and storage efficiency.
- **Return and Reverse Logistics:** Navigating the journey of returned products.
- **Resource-Based View (RBV):** Strategic Management framework that focuses on competitive advantage

These models and concepts have enriched my understanding of supply chain functions. I apply them to examine demand forecasting, inventory management, and return logistics:

##### **Qualitative Forecasting:**

In supply chain management, qualitative forecasting relies on subjective, intuitive, and experiential approaches. It considers factors like customer journey knowledge, market research, and leadership experience. While numbers are crucial, qualitative insights provide a deeper understanding of customer behavior and help businesses navigate uncertainties during sales efforts over a fixed period.

### **Collaborative Planning, Forecasting, and Replenishment (CPFR):**

CPFR involves supply chain partners working together to plan and communicate tasks efficiently. It encompasses business planning, sales forecasting, and replenishing raw materials and finished goods. By fostering collaboration, CPFR aims to reduce costs, streamline inventory management, and enhance overall supply chain efficiency. Effective communication and shared metrics are essential for successful CPFR implementation.

### **Economic Order Quantity (EOQ) Analysis:**

EOQ determines the optimal order quantity that minimizes inventory costs (such as holding costs, shortage costs, and order costs). Developed in 1913, this model assumes constant demand, ordering costs, and holding costs. The EOQ formula balances these factors to find the ideal order quantity. It's like finding the sweet spot where costs are minimized.

The EOQ formula calculates the ideal order quantity by finding the point where ordering costs and holding costs are minimized. The formula is:

$$EOQ = \sqrt{2DS/H}$$

Where:

- EOQ = Economic Order Quantity (optimal order quantity)
- D = Demand rate (number of units needed annually)
- S = Ordering cost per order
- H = Holding cost per unit per year

### **Just-in-Time (JIT) Method:**

JIT is an inventory management strategy where raw-material orders align directly with production schedules. By receiving goods only as needed, companies reduce waste and inventory costs. Accurate demand forecasting is crucial for successful JIT implementation.

**Reverse Management Systems (RMS):**

RMS software streamlines the return process by handling authorizations, transportation, and restocking. It provides visibility into returned items, improving efficiency for organizations.

**Resource-Based View (RBV):** The Resource-Based View (RBV) is a strategic management framework that focuses on leveraging a company's internal resources and capabilities to gain a competitive advantage. According to RBV, resources that are valuable, rare, inimitable, and (VRIO) can provide sustained competitive advantage.

**1.5 Duration of the practicum**

During my practicum, I dedicated substantial time and effort to thoroughly scrutinize Meena Bazar's supply chain processes. Over several months, I meticulously collected data, employing diverse research methodologies and analytical tools. My focus centered on understanding the intricacies of demand forecasting, inventory management, and reverse supply chain operations within the organization.

This extended duration allowed me to delve deeply into the nuances of the retail industry, extracting valuable insights and conducting detailed analyses. As a result, I was well-positioned to make informed recommendations. Beyond supply chain dynamics, this immersive experience fostered a holistic comprehension of Meena Bazar's challenges, ultimately contributing to a more robust and actionable report.

## **Chapter 2: Supply Chain Management System of Meena bazar**

The supply chain within a retail chain comprises a network of interconnected activities aimed at efficiently delivering products to clients while carefully managing costs and ensuring product availability. Meena Bazar, too, boasts a distinctive supply chain process, meticulously orchestrated to enhance overall business operations. Within this framework, two pivotal wings operate within the supply chain management department:

### **The Procurement Team:**

The core responsibility of Meena Bazar's procurement team lies in sourcing and procuring all goods and products that adorn the shelves and are offered to customers through the retail outlets. These encompass a diverse range, from daily essentials and groceries to proteins, vegetables, and fast-moving consumer goods (FMCG). The team diligently collaborates with local manufacturers and importers, ensuring timely and efficient sourcing.

Beyond mere acquisition, the procurement team actively engages with internal stakeholders—operations, finance, and others—to devise promotional features and customer-centric offers. Their overarching goal extends beyond customer service; it includes optimizing profit margins by sourcing judiciously from the right vendors at the opportune moment.

### **The Logistics Team:**

Meena Bazar's logistics team oversees critical aspects of the supply chain, including warehousing, inventory management, and transportation. Their duties encompass receiving products at the central warehouse, efficiently distributing stocks to various retail outlets, meticulous inventory control, managing reverse logistics (including returns), and other essential functions.



By orchestrating this logistics seamlessly, the team ensures the smooth flow of goods, minimizing disruptions and maximizing operational efficiency.

In summary, Meena Bazar's supply chain functions as a well-coordinated ensemble, harmonizing procurement and logistics to deliver exceptional service while optimizing business outcomes.

### **Demand Forecasting:**

The supply chain department at Meena Bazar bears the critical responsibility of forecasting the required quantity of specific products. This forecasting occurs in two distinct segments:

#### **Central Warehouse Delivery:**

In this scenario, vendors directly deliver products to Meena Bazar's central warehouse. From here, the necessary quantities are meticulously distributed to various outlet locations. The remaining stock remains as inventory within the warehouse.

#### **Direct Retail Location Delivery:**

Alternatively, some vendors deliver products directly to specific retail outlets. Here, forecasting focuses exclusively on that particular outlet. Considerations include projected sales volume, inventory holding days, holding costs, selling capacity for the specific product, and available storage space at the outlet.

The supply chain team diligently engages in vendor-based and product-based forecasting to maintain optimal inventory levels, ensuring efficiency and cost-effectiveness.

### **Sourcing and Procurement:**

Meena Bazar's supply chain department collaborates closely with local manufacturers and suppliers for local sourcing. When it comes to imported products, procurement occurs through third parties or authorized distributors, as direct international procurement is not yet in place.

Occasionally, extensive searches are necessary to source specific season-friendly items or those experiencing high demand.

**Warehousing and Inventory Management:**

The logistics team at Meena Bazar employs an advanced inventory management system, leveraging various data sets to monitor inventory levels. Their focus includes optimizing refilling processes and minimizing excess inventory. The logistics team collaborates with the procurement team to replenish inventory strategically, reducing holding days for specific product genres and types, thereby enhancing overall performance.

**Transportation and Logistics:**

Efficient transportation is pivotal to Meena Bazar's supply chain. For distributing products to retail shops, the logistics team relies primarily on motor transportation—specifically, pickup vans. Given that all outlets are located within Dhaka city (with one in Chittagong), this approach remains cost-efficient.

**Collaboration with Marketing Department for Promotions:**

Recognizing the importance of attracting customers, Meena Bazar seamlessly integrates marketing and promotional initiatives into its supply chain processes. During promotional events and seasonal sales, inventory levels are meticulously aligned with projected demand. These offers result from a collaborative effort involving both external vendors and Meena Bazar's internal stakeholders.

## **Chapter 3: Supply Chain Process in Meena Bazar: Practicum Work, Findings, and Observations**

This chapter discusses the demand forecasting method and relation with practicum work, demonstrating the findings and providing observations. It discusses quantitative forecasting methods including moving average method and trend analysis. Primarily using quantitative methods like Moving Average and Trend Analysis, they optimize inventory management. During the practicum, the author explored qualitative forecasting through market research, uncovering trends in customer preferences. Additionally, Meena Bazar uses Collaborative Planning, Forecasting, and Replenishment (CPFR) to enhance accuracy and efficiency.

### **3.1 Demand Forecasting in Meena Bazar**

From our previous discussions, we understand that demand forecasting is the technique used to estimate future demand for products or services. It relies on analyzing past demand within the current market context. Scientific rigor and consideration of relevant facts and events are crucial. In simpler terms, demand forecasting involves gathering information about market aspects and historical demand to estimate future needs. At Meena Bazar, we rely on quantitative forecasting, which entails projecting future values using mathematical and statistical methods based on historical data.

Our primary quantitative forecasting methods include:

#### **Moving Average Method:**

By calculating averages within specific time windows, we smooth out fluctuations and identify trends. The procurement team analyzes the last 2-3 months of sales and purchased quantities. We

collaborate with retail outlets, fetching specific location or central warehouse data to forecast approximate demand. This informs our purchase orders to vendors.

### **Trend Analysis:**

Trend analysis identifies and analyzes patterns in historical data. Linear and nonlinear trends guide our predictions. For events like festivals or seasons, we extrapolate based on previous years' purchase quantities.

In summary, Meena Bazar combines data-driven insights with strategic foresight to optimize inventory management and meet customer demand effectively.

### **3.1.1 Qualitative Demand Forecasting**

During my practicum, I aimed to apply the tools and techniques I learned from my coursework. Collaborating with my workplace supervisor, we decided to explore qualitative forecasting as an alternative approach to demand forecasting. While data-driven methods are robust, considering qualitative aspects—such as customer insights—can yield valuable perspectives.

Our rationale for this approach lies in the potential for fresh insights. To implement qualitative forecasting, we chose the market research method. Specifically, we focused on three Meena Bazar outlets in a prominent Dhaka zone. Through surveys and personal discussions with in-store and online customers, we explored their preferences for a specific type of biscuits. By combining quantitative and qualitative approaches, we aimed for more accurate forecasting.

### **Findings and observations:**

Our qualitative forecasting revealed an interesting trend: over the past month, customers have developed a preference for two new biscuit brands recently introduced to the market. What sets these brands apart? Their unique and distinct flavors have captured customers' attention. Additionally, the well-balanced quality of these products has contributed to their appeal.

Through this practicum, I gained valuable insights. It expanded my learning horizons and highlighted the synergy between data-oriented forecasting and qualitative research. Our team discovered that combining these approaches can further enhance the accuracy and effectiveness of our forecasting systems.

### **3.1.2 Collaborative planning, forecasting, and replenishment (CPFR)**

In supply chain management, CPFR involves close collaboration among trading partners to efficiently plan critical activities that meet customer demand while minimizing costs. This collaborative effort encompasses business planning, sales forecasting, and restocking of raw materials and finished goods.

CPFR aims to dismantle silos by streamlining sales and operations (S&OP) processes and supply chain planning. By doing so, it reduces inventory and logistics costs, enhances overall supply chain efficiency, and optimizes inventory movement.

At Meena Bazar, our commitment to teamwork drives our pursuit of overarching goals. Now, we're taking the next step by implementing Collaborative Planning, Forecasting, and Replenishment (CPFR) within our supply chain system. The primary purpose of CPFR is to enhance the precision of our forecasting. By fostering collaboration among stakeholder teams, we anticipate several benefits:

**Increased Sales:** Aligning our efforts ensures we meet customer demand effectively.

**Effective Branding and Promotions:** Coordinated planning allows us to strategically promote products.

**Optimized Inventory Management:** We maintain the right stock levels without excess.

As a pilot, we've chosen Nestle Bangladesh's baby products for emphasis. Here's how we're executing CPFR:

**Quantitative and Qualitative Forecasting:** Our procurement team analyzes both quantitative (historical data) and qualitative (consumer preferences) aspects. We engage with customers to understand their choices and preferences.

**Collaboration with Brand and Communication Team:** Together, we finalize promotional strategies. What price cuts or freebies can attract more consumers?

**Logistics Team Engagement:** We determine the optimal inventory level needed to meet expected sales. Logistics ensures smooth product flow from warehouse to outlets.

**Financial Considerations:** Our finance team confirms the necessary financial support.

For instance, if we plan to sell 3000 units of baby products (25% more than regular sales), we must ensure sufficient funds.

In this experimental phase, maintaining regular vendor relationships while innovating remains our challenge, otherwise product availability will be compromised.

### **Findings and observations:**

Upon implementing the collaborative plan, we observed a remarkable 34% increase in sales for the specified product range. This outcome underscores the potential impact of targeted initiatives within a limited timeframe. By strategically applying similar approaches to different product types during various seasons, we can significantly influence revenue turnover.

As previously emphasized, the CPFR method indeed yields positive results within a business structure (as evidenced by our increased sales). However, it's essential to recognize that CPFR isn't universally applicable to all institutional or organizational contexts. Nevertheless, consistent practice of collaboration and strategic planning can enhance overall business performance across various aspects.

### **3.2 Just in Time (JIT) method for Efficient Inventory Management**

Just-in-Time (JIT) is a production and inventory management strategy where supplies, materials, and labor are precisely utilized when needed in the manufacturing process. The primary goal of JIT is to reduce inventory levels, associated carrying costs, and waste, ultimately enhancing efficiency. Here are the key benefits of JIT:

**Cost Efficiency:** By minimizing carrying costs and waste, JIT leads to significant cost savings.

**Improved Quality:** JIT's focus on quality control results in overall product quality enhancement.

**Flexibility:** Production can swiftly adapt to changes in customer demands.

**Lead Time Reduction:** Shorter lead times enable faster delivery to customers.

**Space Savings:** Reduced inventory translates to less required warehouse space.

As part of our practicum work, we implemented JIT within Meena Bazar's current inventory management system. Collaborating with the logistics team, we engaged two vendors with warehouses in close proximity. Our approach involved providing purchase orders only upon receiving requisitions from outlets. By coordinating our distribution channel for timely product delivery, we dispatch items immediately upon vendor delivery. This eliminates the need for excess stock, reducing holding and inventory costs.

#### **Findings and observations:**

During our JIT implementation within Meena Bazar's current inventory management system, we observed how effectively this method reduces inventory stocks and holding costs. Proper utilization of JIT principles can significantly enhance efficiency. However, it's essential to recognize that a successful JIT relies not only on business strategies but also on partners' commitment. Trust in our suppliers ensures timely deliveries, minimizing the risk of product shortages.

Our experience with implementing the JIT method underscores its effectiveness within modern supply chains. However, we recognize that the current socio-economic and political landscape demands caution. While JIT offers tremendous benefits, it's essential to allow individuals and organizations sufficient time to adapt to this feature gradually.

### **3.3 Return Management System (RMS)**

Return management systems (RMS) streamline reverse logistics through automation and information technology. They encompass the entire flow of returned goods, including transportation and storage. To experiment with an RMS system within our current reverse supply chain, we collaborated with our IT team. Together, we developed a prototype RMS software tailored to handle these processes. By testing this software on a smaller scale, we aimed to assess its feasibility and potential benefits.

#### **Findings and observations:**

During our RMS software implementation, we discovered that getting accustomed to its interface might pose an initial challenge. However, once familiarized, tracking the return management system becomes significantly easier with this dedicated software.

As the procurement and supply chain management team explored the impact of a return management system, Meena Bazar's management made a fresh decision. They are now actively addressing deadstock—both at the warehouse and outlet levels. The focus is on reducing slow-moving or non-moving products. Teams are meticulously evaluating each item, considering options such as returning them to vendors or replenishing through targeted promotional offers. Although this initiative is currently in pilot mode, there are plans to expand it across all operations soon.



### 3.4 Resource-Based View (RBV)

Resource-Based View (RBV): The Resource-Based View (RBV) is a strategic management framework that focuses on leveraging a company's internal resources and capabilities to gain a competitive advantage. Here's how RBV can be applied to Meena Bazar:

**Valuable Resources:** Meena Bazar offers a diverse range of products, from groceries to household items. This extensive selection is valuable because it meets various customer needs and attracts a broad customer base. online grocery shopping platform and mobile app provide convenience, which is highly valuable to customers who prefer shopping from home, especially during times like the COVID-19 pandemic.

**Rare Resources:** Rare resources are those that few competitors possess, giving the company a unique advantage. Over the years, Meena Bazar has built a solid brand reputation for quality and reliability. This brand trust is rare and difficult for new entrants to replicate. Their efficient supply chain management ensures timely delivery and availability of products, which is rare and provides a competitive edge in the retail market.

**Inimitable Resources:** Inimitable resources are difficult for competitors to replicate due to their complexity, uniqueness, or path dependency. Meena Bazar's loyalty programs offer personalized rewards and discounts, creating a unique shopping experience that strengthens customer retention. This system is complex and tailored, making it hard for competitors to imitate. Meena Bazar's deep understanding of the local market, including consumer preferences and cultural nuances, provides insights that are difficult for competitors, especially international ones, to replicate.

**Organized Resources:** Organized resources are those that a company can exploit effectively. Meena Bazar's organized management structure allows for efficient decision-making and smooth operations. This includes well-coordinated logistics, inventory management, and customer service

processes. Meena Bazar's collaborations with suppliers and other businesses enhance its market presence and competitive pricing. These partnerships are well-structured, allowing for the effective execution of strategies.

### **Findings and observations:**

During our Resource-Based View (RBV) implementation within Meena Bazar, we found that the unavailability of mobile app for shopping affects valuable resources. Also, as part of the inimitable resources, loyalty program enrollment process and its awareness to customers is not adequate. Additionally, the challenge of sourcing fresh produce remains when expanding to sub-urban Markets.

In developing the Resource-Based View (RBV) method for Meena Bazar, it is essential to focus on enhancing the company's valuable, rare, inimitable, and organized resources. While Meena Bazar's diverse product range and online shopping platform are valuable assets, addressing the unavailability of the mobile app for shopping will further strengthen these resources. The brand's strong reputation and efficient supply chain are rare resources, but there is a need to improve the enrollment and awareness of loyalty programs to maximize their inimitable value. Additionally, Meena Bazar's deep local market knowledge is a significant advantage, though sourcing fresh produce for sub-urban markets remains a challenge that needs addressing. Streamlining the organized resources, such as efficient decision-making and strategic partnerships, will ensure the company effectively leverages its strengths to gain a competitive edge in the expanding market.

## **Application to Business Expansion**

When Meena Bazar plans to expand its business, leveraging the RBV framework ensures that the company capitalizes on its internal strengths:

- **Market Entry Strategies:** Utilize the strong brand reputation and local market knowledge to enter new regions or cities within Bangladesh.
- **Innovation and Technology:** Invest in technology to enhance the online shopping experience and supply chain efficiency, maintaining a competitive edge.
- **Customer Engagement:** Expand and innovate loyalty programs to retain customers and attract new ones, ensuring that the personalized shopping experience remains unmatched.
- **Supplier Networks:** Strengthen and expand supplier networks to ensure consistent product availability and competitive pricing as the business grows.

## **Chapter 4: Business Expansion and Efficient Supply Chain**

In the dynamic and competitive world of retail, business expansion is a crucial pathway to growth and sustainability. For Meena Bazar, one of Bangladesh's leading retail supermarket chains, successful expansion hinges on the efficiency of its supply chain. This chapter explores the intricate relationship between business expansion and supply chain efficiency, highlighting how Meena Bazar leverages its supply chain capabilities to support its growth strategies.

### **4.1 Business expansion and supply chain efficiency**

Business expansion involves growing a company's operations, increasing its market reach, and enhancing its profitability. For Meena Bazar, expansion can take various forms, including opening new stores, entering new geographical markets, launching new product lines, and enhancing online presence. Expansion is vital for maintaining competitive advantage, increasing market share, and achieving long-term business objectives.

Supply chain efficiency refers to the optimized flow of goods, information, and resources from suppliers to end customers. Key elements include inventory management, warehousing, transportation, and logistics. An efficient supply chain minimizes costs, reduces lead times, and ensures that products are available when and where customers need them.

### **4.2 The Role of supply chain efficiency in business expansion**

In the context of Meena Bazar, supply chain efficiency plays a pivotal role in enabling successful business expansion:

**Cost Management:** Efficient supply chains help reduce operational costs, which is crucial when scaling up. By optimizing inventory levels, reducing waste, and improving resource allocation, Meena Bazar can maintain profitability even as it expands its operations.

**Scalability:** A scalable supply chain can handle increased volume and complexity without compromising performance. This is essential for Meena Bazar as it opens new stores and expands its market reach. Efficient supply chain processes ensure that the business can grow without facing bottlenecks or operational disruptions.

**Customer Satisfaction:** Timely and accurate order fulfillment is critical for maintaining customer satisfaction. An efficient supply chain ensures that products are consistently available, meeting customer demand and building loyalty. This is particularly important for Meena Bazar, which aims to provide a seamless shopping experience across all its locations.

#### **4.3 Strategies for enhancing supply chain efficiency in Meena Bazar**

To support its expansion goals, Meena Bazar employs several strategies to enhance supply chain efficiency:

**Technology Integration:** Implementing advanced technologies such as Warehouse Management Systems (WMS) and Transportation Management Systems (TMS) helps optimize inventory management and transportation routes. Data analytics and predictive modeling enable better demand forecasting and resource planning.

**Supplier Collaboration:** Building strong relationships with suppliers ensures a reliable supply of goods. Meena Bazar collaborates closely with its suppliers to improve lead times, negotiate better terms, and ensure quality standards. This collaboration is crucial for maintaining a consistent product offering during expansion.

**Inventory Optimization:** Effective inventory management is key to supply chain efficiency. Meena Bazar employs just-in-time (JIT) inventory practices to minimize holding costs and reduce waste. By accurately forecasting demand, the company ensures that it has the right products in the right quantities at the right time.

**Logistics and Distribution:** Expanding the distribution network is essential for reaching new markets. Meena Bazar strategically places new distribution centers to reduce transportation costs and improve delivery times. Partnering with third-party logistics providers (3PLs) allows the company to manage distribution in new regions without significant upfront investment.

#### 4.4 Importance of adding strategic warehouses and hubs

##### SEED TO SHELF CONCEPT FOR EFFICIENT SCM

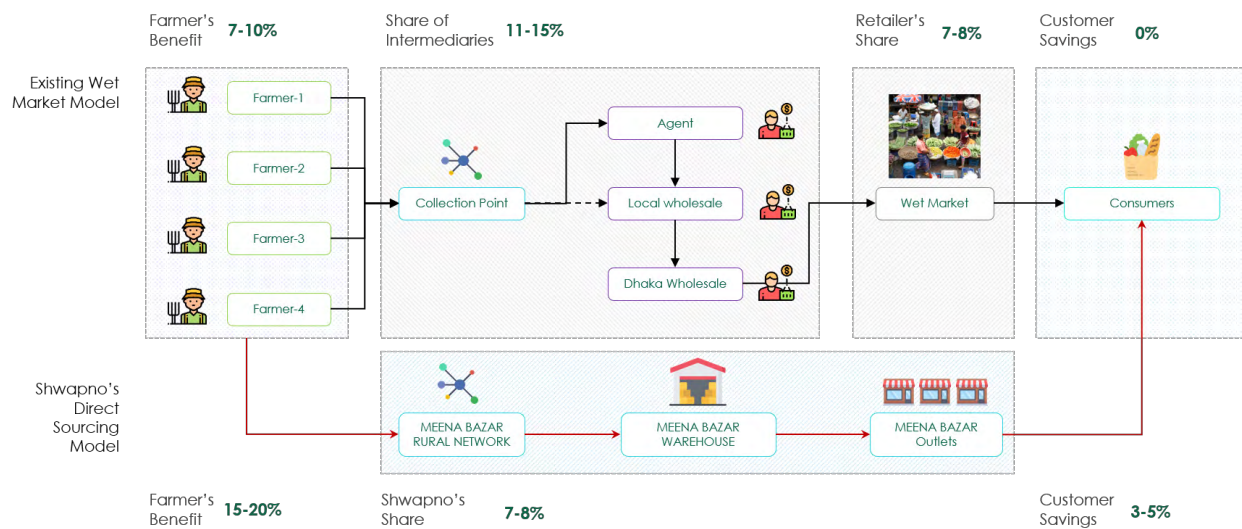


Fig: Fresh produce sourcing method of Meena bazar

As part of its expansion strategy, Meena Bazar recognizes the importance of adding strategic warehouses and hubs to its supply chain network. These facilities play a crucial role in enhancing supply chain efficiency and supporting business growth:

**Optimized Inventory Management:** Strategic warehouses and hubs enable better inventory management by centralizing stock and reducing the need for excess inventory at individual stores. This helps lower carrying costs and minimizes the risk of stockouts or overstock situations.

**Improved Delivery Speed:** By strategically locating warehouses and hubs closer to key markets, Meena Bazar can significantly reduce delivery times. This is particularly important for perishable goods and ensures that customers receive fresh products promptly.

**Cost Reduction:** Centralized warehousing and distribution can lead to economies of scale, reducing transportation and operational costs. Consolidating shipments and optimizing delivery routes from these hubs further enhances cost-efficiency.

**Enhanced Flexibility and Responsiveness:** Strategic warehouses and hubs provide the flexibility to quickly respond to changes in demand, seasonal fluctuations, and market trends. This agility is essential for maintaining a competitive edge and meeting customer expectations.

**Supporting Omnichannel Retail:** As Meena Bazar expands its online presence, strategic warehouses and hubs play a vital role in fulfilling online orders efficiently. They enable seamless integration of online and offline channels, ensuring a consistent and reliable customer experience.

#### **4.5 Case studies of Meena Bazar's expansion and supply chain efficiency**

**Opening New Stores:** When Meena Bazar opened new stores in suburban areas, it faced challenges in sourcing fresh produce. By leveraging its efficient supply chain, including strategic warehouses and hubs, the company ensured a steady supply of high-quality products, meeting the specific preferences of local customers.

**Online Shopping Platform:** The launch of Meena Bazar's online grocery shopping platform required robust supply chain support. Efficient warehousing and inventory management systems enabled the company to handle increased online orders, ensuring timely delivery and customer satisfaction.

#### **4.7 Future Directions: Aligning Expansion with Supply Chain Innovation**

Looking ahead, Meena Bazar aims to align its expansion strategies with ongoing supply chain innovations. The focus will be on:

**Sustainability:** Integrating sustainable practices into the supply chain to reduce environmental impact and appeal to eco-conscious consumers.

**Digital Transformation:** Embracing digital technologies such as artificial intelligence (AI) and blockchain to enhance transparency, traceability, and efficiency in the supply chain.

**Customer-Centric Approach:** Continuously improving the customer experience by ensuring product availability, timely delivery, and personalized services across all channels.

The relationship between business expansion and supply chain efficiency is symbiotic. For Meena Bazar, a well-optimized supply chain is not just a support function but a strategic enabler of growth. By continuously enhancing supply chain efficiency and strategically adding warehouses and hubs, Meena Bazar can achieve its expansion goals, maintain competitive advantage, and deliver exceptional value to its customers. As the company navigates the complexities of growth, its commitment to supply chain excellence will be a cornerstone of its success.



## **Chapter 5: Conclusion and Recommendations**

To sum up, my practicum at Meena Bazar has been a truly transformative and enriching journey. I aimed to implement qualitative forecasting, CPFR, JIT, and RMS, and I am proud to say that I have not only met but exceeded these objectives. By engaging in various small projects, I have sharpened my skills in several areas of supply chain management and gained a deeper understanding of demand forecasting techniques, inventory management processes, and reverse logistics systems. Despite encountering some challenges, I overcame them with determination and creativity. With the support of my colleagues, this practicum has not only enhanced my technical abilities but also broadened my perspective on supply chain management. I am confident that the lessons learned here will provide a strong foundation for my future endeavors. I look forward to applying these skills and knowledge in my career and am excited about the opportunities ahead. Thank you to everyone at Meena Bazar for this invaluable experience.

### **Recommendations:**

There are few recommendations that I want to make based on my practicum work at Meena bazar in the fields of demand forecasting, inventory management and reverse supply chain. The recommendations are:

#### **Qualitative Forecasting Enhancement:**

Suggest that the procurement department combine qualitative forecasting with the existing quantitative forecasting method. This approach will provide a better understanding of the current market scenario and lead to more accurate forecasts. Ultimately, it should boost overall sales for Meena Bazar.

**Collaboration, Planning, Forecasting, and Implementation (CPFR):**

Encourage the application of CPFR principles in both forecasting and inventory management. By fostering collaboration among stakeholder teams, Meena Bazar can improve the effectiveness of these processes, resulting in increased profitability.

**Just-in-Time (JIT) Implementation:**

Acknowledge that a complete shift to JIT may be challenging, given the complexities of international and local markets. However, recommend taking gradual steps to increase JIT implementation. Partnering with select vendors who can support this approach will help minimize stock holding and inventory costs.

**Reverse Supply Chain Management Software (RMS):**

Propose introducing an RMS software specifically for handling reverse supply chain processes. This tool will enhance accuracy in managing returns and contribute to overall operational efficiency.

Drawing from my analysis and practical experience, I recommend these changes for Meena Bazar. If implemented gradually, they have the potential to yield positive results for the company

**Resource Based View (RBV):**

By focusing on the VRIO attributes of its resources, Meena Bazar can strategically manage its internal capabilities to support its expansion plans. This approach not only helps in sustaining a competitive advantage but also ensures that the business remains resilient and adaptable in a dynamic market environment.

**Business Expansion:**

To facilitate successful business expansion, Meena Bazar should integrate qualitative forecasting with existing quantitative methods to enhance market understanding and accuracy. Implementing

CPFR principles will strengthen collaboration, boosting profitability. While fully adopting JIT may be complex, gradual steps with select vendors can reduce inventory costs. Introducing RMS software will streamline reverse logistics and improve operational efficiency. Applying the Resource-Based View (RBV) to manage internal capabilities will support strategic growth, ensuring resilience and adaptability. These recommendations, grounded in practical experience and analysis, can significantly enhance Meena Bazar's expansion efforts.

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