Analysis on the End Distribution of Watsons (Xi'an) under the New Retail

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Abstract. In order to meet the personalized needs of customers, Watsons(Xi’an) uses e-commerce technology to closely integrate stores with consumers and provide distribution services. The delivery services provided by Watsons(Xi’an) for consumers are essentially terminal distribution services. Firstly, this paper investigates the current situation of the terminal distribution of Watsons(Xi’an) under the new retail sales. Based on the current situation of its terminal distribution, we find out its existing problems and reasons: lack of professional level, single distribution mode, unreasonable distribution route design and unreasonable distribution process. This paper puts forward some countermeasures to solve the problems existing in the terminal distribution of Watsons(Xi’an): improving the professional level of distributors, coordinating the operation of various distribution mode, optimizing the distribution route of logistics and optimizing the distribution process.

Introduction

In the highly integrated new retail model, terminal distribution service is an important node in logistics distribution. Through the analysis and research of the current terminal distribution service, we can find that the main reasons for restricting terminal distribution are: first, the service level of terminal distribution is difficult to guarantee; secondly, there are some problems in the mode and process of terminal distribution, which do not form the optimum; finally, the requirements of timeliness of terminal distribution are compared relatively. High, there is no best path. However, because the new retail was proposed only in 2016, there is little research on this aspect. This paper takes Watson's (Xi'an) terminal distribution under the new retail as the research object, and studies the existing problems of its terminal distribution.

Related Concepts

New Retail

New retail, that is, enterprises rely on the Internet, through the use of large data, artificial intelligence and other advanced technologies, to transform the production, circulation and sales process of commodities, to remodel the structure and ecosystem, and to integrate online services, offline experience and modern logistics in depth. According to the description of the concept of new retail, the basic function of new retail is embodied in the following aspects. First of all, the development of new retail is based on information technology, which is produced under the background of a large number of difficulties encountered by traditional online retail. It combines online and offline as well as modern logistics, thus changing its mode of operation. Secondly, the focus of new retailing is to reshape the structure of the industry and create an ecosystem. At the present stage, the production, circulation and sales of products are a cycle process. Shaping a good format can reduce the inventory of enterprises and improve consumer satisfaction. Finally, the new retail effectively guarantees end-to-end distribution, greatly facilitates consumer demand for products, and can effectively reduce the inventory of enterprises.

End Distribution

End-to-end logistics refers to the logistics delivered to consumers, which is the logistics activities that directly satisfy the terminal (customer) of the distribution link. Such activities are based on the
interests of consumers. With the development and progress of social economy, the basic concept of consumers has become the core concern of operators. After the development of logistics industry is integrated into this concept, providing high-quality logistics services to consumers is the core of enterprise management, especially the end-of-line logistics industry, which has been paid more and more attention. The development of terminal logistics has two functions. On the one hand, with the growing maturity of domestic logistics market, higher requirements are put forward for logistics service quality and logistics timeliness. Solving the problem of terminal distribution is the key to improve logistics service quality and logistics timeliness. On the other hand, terminal logistics distribution itself contains huge commercial value. Because terminal logistics distribution data comes directly from consumers, these data have become important indicators for enterprise in consumer group segmentation, product segmentation, channel segmentation, etc. It is of great significance for forecasting the front-end market, improving customer satisfaction and optimizing supply chain management.

Existing Problems and Reasons of New Retail Lower Watson's (Xi'an) Terminal Distribution

Insufficient Professional Level of Distribution Personnel

Distribution personnel's professional skills are an important standard to measure the level of distribution management of an enterprise or unit. In other words, the professional skills of distribution personnel are closely related to the quality of distribution, affecting the improvement of customer satisfaction and loyalty. The insufficient professional level of distribution personnel is also a prominent problem in the development of end-to-end distribution in retail industry.

According to the current distribution mode of Watson's (Xi'an), it is completed by the third party logistics. After consumers place orders, they inform the distribution personnel to pick up the goods. They just use their subjective consciousness to judge the distance between themselves and the distribution address, and distribute the products to consumers. They do not have too high service awareness and professional skills for the timeliness of product distribution, the flexibility of product signing and receiving, and the service quality of distribution.

There are two important reasons for this phenomenon. On the one hand, Watson's (Xi'an) understanding of distribution personnel is one-sided. Watsons (Xi'an) outsourced the terminal distribution to the third party logistics, which resulted in Watsons (Xi'an) losing control over the distribution of goods. It is not necessary to effectively grasp the information technology and positioning system technology in the process of logistics distribution. On the other hand, the distribution personnel of Watson's (Xi'an) are in the distribution all year round, and the company does not pay enough attention to the training of logistics talents.

Generally speaking, the professional skills of distribution personnel can deal with unexpected situations to a great extent. Watson's (Xi'an) needs to establish its own distribution personnel, develop its own distribution system, and improve the efficiency of distribution.

Single Distribution Model

The single distribution mode is also a problem that Watson's (Xi'an) encountered in the terminal logistics distribution. According to the previous analysis of the current situation of Watson's (Xi'an) terminal distribution, at present, the third-party logistics distribution mode is the main choice for Watson's (Xi'an) terminal distribution. However, due to the large time span between online orders and delivery of goods to consumers, consumers are uncertain about receiving goods, which makes it difficult to satisfy the service satisfaction of direct distribution. This single terminal distribution mode has greatly limited the development of Watson's (Xi'an) terminal distribution.

The reasons for this phenomenon are: on the one hand, Watson's (Xi'an) lacks understanding of the new retail terminal distribution mode, such as joint distribution mode. On this basis, Watson's (Xi'an) terminal distribution model is limited in the initial stage, and there is no innovative development. From this point of view, the singularity of distribution mode determines that Watson's (Xi'an) terminal distribution has great problems.
In view of this, Watson's (Xi'an) should increase the terminal distribution mode in its terminal distribution process, adopt and optimize each mode, improve the efficiency of terminal distribution and the level of terminal distribution service.

Irrational Distribution Route Design

The unreasonable distribution route design is also an important manifestation of Watson's (Xi'an) low distribution efficiency. In other words, the design of distribution route is the key link of Watson's (Xi'an) terminal distribution. But Watson's (Xi'an) is distributed by the third party logistics, which can not control the distribution of goods.

This section elaborates the unreasonable design of distribution path from two aspects: the planning of distribution path and the distribution of customer resources. From the point of view of distribution route planning, Watson's (Xi'an) is currently responsible for the distribution of retail products in various stores and cooperative customers by the third-party distribution company. The staff of the third-party distribution company complete the distribution route arrangement, and then the driver completes the route selection in the whole distribution process. According to the distribution of customer resources, customers are mainly distributed within 3 kilometers from stores. The demand of customers is stable and the distribution is intensive. According to the characteristics of retail products, urban distribution has the characteristics of multi-frequency and small batch. Increased travel time will also increase the quality risk of retail products in transit. For Watson's (Xi'an), how to distribute high-quality retail products to customers in a timely, efficient and accurate manner at the lowest cost is an important problem to be solved urgently.

Generally speaking, the unreasonable design of distribution route is due to the lack of scientific planning methods in distribution work, and seriously affects the distribution efficiency of Watson's (Xi'an).

Distribution Process is Unreasonable

Watson's (Xi'an) terminal distribution process uses the traditional logistics distribution process, according to the division of labor and orderly operation of various departments, to ensure the normal distribution of goods. However, with the development of business, the existing distribution process and division of labor began to appear some drawbacks:

(1) In the distribution process of third party logistics, there is no staff specially responsible for online orders, but the general packaging of orders to salesmen, resulting in increased workload of salesmen, which reduces the efficiency of distribution when there are more consumers in stores.

(2) The existing distribution process is too simple to meet business needs. In the initial stage of the company's end-to-end distribution, Watson's (Xi'an) will deliver the distribution to the third-party logistics distribution, although it can ensure the orderly operation of the company. However, with the increase of business volume, Watson's (Xi'an) can not grasp the specific situation of commodity logistics distribution, resulting in the decline of consumer service quality.

(3) In the third-party logistics distribution, Watson's (Xi'an) can not directly contact consumers, which is not conducive to Watson's (Xi'an) and the establishment of customer relations with consumers, and third-party distribution increases the possibility of consumer information leakage.

Through the above induction and analysis, it can be clearly found that Watson's (Xi'an) under the premise of increasing business volume, the original distribution process restricts the development of distribution. At the same time, due to the existence of Watson's (Xi'an) distribution process problems, the enthusiasm of distribution personnel can not be effectively improved. In view of this, this paper needs to adjust Watson's (Xi'an) terminal distribution process in order to enhance the enthusiasm of distribution personnel.

The Optimizing Strategy of Watson's (Xi'an) Terminal Distribution under New Retail

Improve the Professional Level of Distribution Personnel

There is a close relationship between the professional skills of distribution personnel and
distribution management. Watson's (Xi'an) can train its own distribution personnel. According to the previous analysis, the mastery of information technology and terminal distribution system technology is the core skills that distribution personnel must master. Therefore, Watsons (Xi'an) needs to make corresponding efforts from the following aspects.

(1) Watsons (Xi'an) can train such talents through inter-school entrusted training. Watsons (Xi'an) communicates with local colleges and universities, sets up relevant majors, and takes these two technologies as compulsory courses. Under this condition, Watson's (Xi'an) is bound to be able to train a number of distribution personnel.

(2) Skills training for existing distribution personnel. In society, there are some prestigious logistics experts who have mastered a lot of skills. Watsons (Xi'an) can effectively train distribution personnel by inviting such experts.

Through the above two efforts, Watson's (Xi'an) distribution personnel's professional skills can be improved accordingly.

Cooperative Operation of Multiple Distribution Modes

In view of the single terminal distribution mode, Watson's (Xi'an) needs to enrich the terminal distribution mode in its terminal distribution process. According to the basic idea of the new retail model, Watson's (Xi'an) can adopt self-operated distribution mode and third-party distribution mode in the process of end-to-end distribution, effectively combine the two distribution modes, and achieve the improvement of consumer satisfaction.

(1) Watson's (Xi'an) can adopt self-distribution mode. As a large chain retail enterprise, Watson's has sufficient funds and strong strength. The self-run distribution mode is convenient for the unified management of enterprises. It can better grasp the situation of logistics distribution and improve the efficiency of Watson's (Xi'an) management.

(2) Watson's (Xi'an) can set up an intelligent express cabinet at the end under the cooperation mode of third party logistics distribution. Each branch stores set up intelligent express cabinets for community residential buildings according to the distribution of the community. Watson's (Xi'an) can quickly distribute goods to intelligent express cabinets after receiving orders from consumers. Consumers can take corresponding products according to their own time. Intelligent express cabinet is less than 100 meters away from the consumer's residence, which will take into account both "one kilometer community" and terminal distribution efficiency.

Self-operated logistics and third-party logistics are adopted to jointly distribute. During the peak period of Watson's (Xi'an) orders, a reasonable distribution mode can be selected according to its own order quantity to increase the flexibility of distribution.

Optimizing Logistics Distribution Path

Optimizing distribution routes is also an important means to improve the efficiency of Watson's (Xi'an) distribution. By choosing the optimal distribution route, Watson's (Xi'an) can satisfy customers'needs at the fastest speed. In view of this, Watsons (Xi'an) develops its own distribution system and personnel under the mode of self-distribution and third-party distribution. Therefore, we need to make the following efforts in optimizing distribution routes.

(1) To accurately determine the main customer information of Watson's (Xi'an). Its main customer information can be obtained through the data of the volume of transactions and the distance of distribution. And for these customers, Watsons (Xi'an) should adopt the way of direct distribution or self-delivery within 3 kilometers.

(2) Optimizing Watson's (Xi'an) distribution route based on the method of saving mileage. The best choice to improve the distribution efficiency of Watson's (Xi'an) is to save time and mileage. The basic idea of mileage saving method is that all customers'goods are loaded by a car, and the goods are sent to each consumer one by one along a preferred route. It can not only deliver on time, but also save mileage and transportation costs.

Optimizing Distribution Process

Optimizing the distribution process has irreplaceable significance for improving the management
level of the company's distribution personnel. In view of this, this section improves the distribution process in the study. The optimization of distribution process needs to make the following two efforts. On the one hand, in order to ensure the smooth implementation of Watson's (Xi'an) terminal distribution process optimization program, Watson's (Xi'an) should set up a logistics department, from order processing, sorting, packaging, packing, distribution are completed by the logistics department, to improve the efficiency of the entire distribution process. On the other hand, it reduces the serial links in Watson's (Xi'an) distribution process, changes to circular operation, and reduces the distribution time. Overall, through the above two efforts, Watson's (Xi'an) terminal distribution process and distribution management issues have been effectively improved.

In the process of end-to-end distribution service, the quality of end-to-end distribution of Watson's (Xi'an) is greatly restricted due to the problems of insufficient professional level of distribution personnel, single distribution mode, unreasonable distribution route design and unreasonable distribution process. In view of this, this paper puts forward that improving the professional level of distribution personnel, coordinating the operation of multiple distribution modes, optimizing the logistics distribution path and optimizing the distribution process are the key to solve Watson's (Xi'an) terminal distribution problem.

In this paper, the analysis of Watson's (Xi'an) terminal distribution is limited to Xi'an, considering the differences between different regions, it can not fully summarize the development of Watson's in different regions. In order to get more detailed analysis data and conclusions to study Watson's overall terminal distribution situation, it is necessary to analyze Watson's situation in different areas, in addition to generality analysis, differences analysis.

References


