Grocery Retailing In Malaysia: Improvements Through ECR Application

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# TABLE OF CONTENTS

**LIST OF TABLES** iii

**ACKNOWLEDGEMENTS** iv

**ABSTRACT** v

**CHAPTERS**

1.0 **INTRODUCTION** 1
   1.1 Significance Of The Distribution System 1
   1.2 Objectives Of This Study 1
   1.3 Research Methodology 2
   1.4 Standard Questionnaire Employed In The Interviews Of Key Personnel 3
   1.5 Definition Of Terminology 3
   1.6 Organisation Of This Study 4

2.0 **LITERATURE REVIEW** 6
   2.1 Brief Overview Of The Distribution System 6
   2.2 Distribution System In Developed Countries 6
   2.3 Distribution System In Less Developed Countries 10

3.0 **THE STRUCTURE OF SUPPLY DISTRIBUTION IN MALAYSIA** 16
   3.1 The Importance Of The Distributive Trade 16
   3.2 Past And Present Profile Of The Distributive Trade 19
   3.3 Comparison Of The Malaysian Distribution System With Those In Developed Countries 22
   3.4 Inefficiencies In The Present Distribution System 23
# TABLE OF CONTENTS

## CHAPTERS

4.0 PERFORMANCE ENHANCING DISTRIBUTION PRACTICES 26  
   4.1 Summary Of Findings 26  
   4.2 ECR As A Distribution Management Strategy 26  

5.0 DEVELOPMENTS IN THE DISTRIBUTION TRADE 32  
   5.1 Emerging Trends In Distribution Trade 32  

6.0 CONCLUSION 37  
   6.1 Challenges To The Implementation Of ECR In Malaysia 37  
   6.2 Recommendations For Future Development Of ECR 37  
   6.3 Further Research 42  

## APPENDICES

Appendix A 43  
Standard Questionnaire Employed During Interview With Manufacturer  

Appendix B 47  
Standard Questionnaire Employed During Interview With Retailer  

## REFERENCES 51
LIST OF TABLES

Table 1  Contribution Of The Distributive Sector To GDP  16
Table 2  Employment By Sector  17
Table 3  Survey Of Wholesale & Retail Trade And Catering,  18
           1993, Key Indicators
Table 4  Wholesale Trade, 1993  20
Table 5  Retail Trade, 1993  20
Table 6  Sales and Size By Output Size Group, 1993  21
Table 7  Total Self Service Stores & % Share Of Trade,  33
           Selected Countries
Table 8  Total Supermarket Stores & % Share Of Trade,  33
           Selected Countries
Table 9  Multi-National Retailers, Selected Countries  34
Table 10 % Share Of Trade For Top 5 Chains,  35
           Selected Countries
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ABSTRACT

The increasing population of sophisticated consumers is demanding for more quality, variety and service but for less money and time. This emerging pattern of consumers demanding more for less - is an issue facing the increasingly competitive grocery industry today. The increasing number and importance of large multi-national retailers in Asia during the last 5 years is further challenging the grocery business. Certainly, the ambience of the front store of a Tops or a Carrefour is as appealing as in shops anywhere. But peer into the back room, go round the yard, follow the delivery trucks and we are back in the sixties. When there are pallets, they are of different sizes. When they are not any, cases of goods are thrown down from trucks only to land on their corners. Meanwhile, integrated links in the manufacturing – distribution chain remain in their infancy in Malaysia. The traditional supply chain can no longer support the industry in the most efficient manner in today's market. This study is an attempt to examine the structure and inefficiencies within the present supply chain in Malaysia and the changes that are likely and necessary to meet industry challenges in the near future.