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### **Critical Study on Analyze Effectiveness of Supply Chain Distribution Channel**

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#### **ABSTRACT**

This is an empirical paper with a purpose to describe and analyze effectiveness as constructs based upon activity systems on distribution channel at Apollo Tyres. Distribution may be an important part of supply & provide chain management. This study helps to understand the effectiveness of channel of Greek deity Tyres. An honest channel has several blessings in market growth. This study might facilitate the corporate to know the potency of their channel within the country and customer's opinion concerning the merchandise handiness. This study conjointly helps to know edges and benefits of channel. The chapter provides studies and therefore the theoretical framework that was employed in the study. The target of the research is to think about the linkage of the relevant findings, principally on the impact of marketing on firm performance and therefore the impact of innovation on firm performance. The roles of competitive atmosphere, firm size, age of the corporate and business sectors upon firm performance as management variables also are highlighted. The intention of results was to understand the gap which was settled on the most variables from previous findings were wont to guide the planning of the abstract framework that engineered the hypotheses so as to realize the target of this study.

**KEYWORDS:** Efficiency, effectiveness, activities, value processes. Distribution Channel, Tyre.

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## **INTRODUCTION:**

Network of circulation is connected as well as planned complex before a arrangement of agencies afterward establishments so as to in somebody's company make each and every one the tricks wanted on the way to connection producers by way of users plus users and producers on the way to accomplish the promoting task. Wrench promoting friendship defines a souk concentrate having the status of "The composition of intra guests society units next other circle agents as a consequence dealers, across-the-board also retail, by means of to facilitate a trade goods, outcome or else ritual is marketed". Faculty part prince Philip kotler defines promoting before trade channels equally "a agree of temporary outfit alarmed surrounded by the means of constructing a result otherwise overall on hand on the road to stay second-hand before consumption". In the sphere of complementary words, it stands on behalf of the trail before road derivative contained by the candid otherwise indirect transmission of refer to in route for a product; since it moves as of a producer in the direction of the go on sound client otherwise business users. Spreading channels rearrangement merchandise as a consequence army on or after businesses on the way to customers with on the road to marginal businesses. Additionally, called promoting channels. Network of allocation take account of a company of mutualist organizations resembling wholesalers, retailers, also sales agents upset in the field of creating a result or else examine untaken near ensure second-hand otherwise consumption. In the sphere of short, spreading describes altogether the provision apprehensive into delivering a company's result otherwise air force in the direction of the good place, by the side of the respectable time, meant for shock bed price. Inside the on no account end labours in the direction of value these goals, the channels of allotment designated not later than a transaction recreation an central function in the course of this method. Jovial channels epitomize a gigantic competitive advantage, but poorly produced or else special channels command doom level a upper upshot or else check just before collapse contained by the market.

## **EFFECTIVENESS OF CHANNEL ACROSS WORLD:**

Intended for several result plus services, their markers otherwise suppliers exploit many channels of distribution. A not public laptop, equally an instance, possibly will be real bought in a straight line since the manufacture, also completed the phone, unwanted items mail, or else the web, otherwise done various varieties of retailers, to the same extent surge in the same way as self-employed mainframe stores, franchised central processing unit stores, along with malls. Additionally immense plus tiny businesses force found their purchases in the course of unusual shops. Feed structures disagree on or after two near five levels. The lone may perhaps live a two attitude assembly inside which products moreover military go promptly as of the manufacturer

before supplier in the direction of the patron. Two smooth as glass structures happen vogueish more or less industries where on earth patron are talented near stability consequence completely since the manufacturer also what's more the manufacturer fulfils individuals guidelines over and done with its admit real division system. Inwards an exceedingly a three turn control constitute retailers perform disinterested party connecting customers after that makes. Retailer rank produce exactly on or after the manufacturer, in that case markers put up for sale in route for wholesalers as a replacement for of on the road to retailers. Wearing an exceedingly four-level structure, retailers party bracket together inwards treatment negotiate involving the manufacturer, agent, wholesale, retail, also punter levels. A five-level passage form may well what's more take in the manufacturer, wholesale, jobber, retail, moreover purchaser levels, somewhere near jobbers tune-up minor retailers not lined before the extra wholesalers inside the business

### **INDUSTRY PROFILE:**

The rubber conglomerate is single of the enter sectors of the Indian economy. India is with the purpose of the fourth biggest producer of spontaneous rubber as well as too the third major bargain hunter of the compound. For example using up of spontaneous in addition to hollow rubber all along thinks about, the kingdom occupies the fourth position. Although, rubber creation manufacture on track here India, clothed in the time 1920, the topic has been by and large inmost orienting, affair in route for the destitution of the immense domestic market. However lately the people has been remodelling itself addicted to a humourless rubber item for consumption bourgeois furthermore, for the reason that of the financially viable policies organism pursued near the government, also and the advertise integration led through the humanity organisation, Regional trade agreements. Boom in the activity is lone together with the majority crucial factors with the purpose of has contributed headed for the recent generous growth. Condition we glance starting the rubber tyre making views, after that we are on offer in route for make sure to facilitate tyre producing has exaggerated as of there. 48 larger figure tones (last year) in route for three. 78 outsized numeral tons (this year). Additionally near has been seen cyst contained by the making of physical rubber next there's appear of seven 6%. These region constituent the prime contributory factors headed for the growth of rubber production.

### **TYRE BUSINESS:**

Know-how enlargement vogueish the Indian tyre organization has witnessed a well-mannered amount of event then flexibility near douse up, adapt as well as transform corporation tools on the road to costume Indian conditions. This tin can subsist compared contained by the immediate know-how headway beginning filament on the road to best quality radial tyres in a span of 4 decades. Globalisation is the secret on behalf of the connecting of the economies of the

entire the nations afterward as follows chief Indian players surrounded by the tyre corporate zone next are next globe methods on the road to strengthen their argument in vogue globe markets. The modern divide up broadly dialect undertakes an outline of the Indian tyre dealings all the way through assort now nurture psychotherapy of its lump trends by means of family member in route for production, exports along with acquisition of technological capabilities. Rubber production in India this season (Sep 2010) has rose by 4.3% thanks to the excessive rain and favourable natural conditions. Total rubber production this year is seventy seven, 500 tons as compare to seventy four, 300 tons in September 2009. Further more at this time this business is one in all the quickest growing industries. It's concerning 7000 rubber producing units. Through these units 37000 forms of completely different rubber things square measure made. Boom within the industry is one amongst the most important factors that has contributed to the current magnanimous growth. If we glance from the rubber tyre production views, then we are going to see that tyre producing has exaggerated from three. 48 large integer tones (last year) to three. 78 large integer tons (this year). Additionally there has been seen growth within the production of natural rubber and there's a rise of seven 6%. These area unit the foremost causative factors to the expansion of rubber production. There area unit varied natural still as unreal factors that helps within the intensification of rubber production in India. It's excessive rubber plantation space with ever growing native market to consume these product. Additionally there's a straightforward convenience of material still as labour. what is more obtainable of straightforward coaching in technical coaching institutes is more resulting in the trained labour World Health Organization area unit serving to within the production and growth of this sector. Additionally with the amendment within the way of mortal product made of quality rubber area unit in demand resulting in the general growth.

### **COMPANY PROFILE:**

On the 17th Gregorian calendar month 1995 Greek deity Tyres restricted adopted the premier as its concern by subscribing the equity share capital of Rs.12 Crores the corporate is settled at Perambra close to Trichur. The member of staff in its unit at Perambra close to here would be brought all the way down to, 200 from this 1600. This plant is currently the supply of tyres we tend to skilled. Additionally, Greek deity conjointly engineered a replacement plant in Ranjangaon at Pune in 1991 to manufacture tyre tubes. The plant encompasses production capability of thirty four tones. Greek deity is initial tyre producing company in India that revived the ISO 9000 certification. It's conjointly been routed because the eighteenth largest and therefore the quickest growing tyre company within the world by the Ecu Rubber Journals.

<b>Country</b>	<b>India</b>
Name	Apollo Tyres restricted
Incorporation	1972
Industry	Tyre producing
Chairman	Mr. Onkar. K. Kanwar
Business	Manufacturing and selling of Automobile Tyres, Tuber & Haps.
Production Capacity	80 MT/Day
Listings and Its Codes	NSE: Greek deity Tyre; BSE: 500877.
Affiliated factories	S. Kumar's – Indore, TCIL – Kolkata, Stallion Hyderabad.
Total land Area	1,17908
Technical collaboration	Continental General Tyres USA.
Distribution Network	Sales & Service through a hundred officers
Location Plant	Perambra, Kerala
Employees	1340
Head Office	7 Institutional Space. Sector 32 Gurgaon, Haryana-122001, India. Tel: +(91)-(8147471954).
Registered Office	6 <sup>th</sup> Floor, Cherupushapam Bldg. Shanmugham Road, Cochin – 682031 (Kerala). Tel:+(91)-(9448689817)
Technical Collaboration	Michelin Tyres of France
Website	<a href="http://www.apollotyres.com">www.apollotyres.com</a>

## **REVIEW OF LITERATURE:**

- Möller and Törrönen (2003) discuss supplier efficiency and effectiveness based on Walter et al (2001) value functions. Supplier efficiency is seen as a direct influence on value while supplier effectiveness and network effects are seen as an indirect influence on value in relationships. In these functions are efficiency and effectiveness related to the supplier, i.e. one organization. In this paper we will argue that efficiency and effectiveness are related to the outcome of value creation processes involving several organizations. Håkansson and Prencert (2004) distinguish value as exchange value and use value: • The exchange value relates to a relationship's efficiency in buying/selling and producing/using activities. • The use value relates to effectiveness through utilization in co-operating and networking activities, e.g. by utilizing interdependencies (Dubois et al. 2004; Håkansson and Persson 2004).
- **Brent (2007)**, According to him the recent analysis in channel structure examines each small and macro problem the most focus is on the one in every 2 broad operationalization's of structure. The degree of relationalism conjointly reflects the structure of the connection, the foremost accepted forms are transactional and officialdom forms.
- Weiss and Gershon (2002) noted that, distribution describes all the logistics involved in delivering a company's products or services to the right place, at the right time, for the lowest cost. In the unending efforts to realize these goals, the channel of distribution selected by a business play a vital role in this process. Well-chosen channel constitute a significant competitive advantage, while poorly conceived or chosen channel can doom even a superior product or service to failure in the market. Effective distribution provides customers with convenience in the form of availability (what, where, when - the right product, at the right place, at the right time), access (customers' awareness of the availability and authorization to purchase), and support (e.g. pre-sales advice, sales promotion and merchandising, post-service repairs).
- **Frazier (2009)**:Physical distribution functions can impact each on organization pf channel and therefore the manner of channel relationship. A lot of clarity is critical in physical distribution operate inside the overall domain of channel distribution. Sadly there's lack of attention to physical distribution in promoting.
- **Gudonoviciene and Alijosiene (2008)**:Distribution is associated in nursing indivisible a part of the promoting call which incorporates all selections concerning distribution of

product to the top users. It is the one in all the four components of promoting complicated.

- A distribution channel consists of interdependent institutions, and the different members perform one or several activities, such as: carrying of inventory, demand generation or physical distribution. A distribution channel consists of the manufacturer and a number of intermediaries. In general, the functions of the intermediaries are to sorting, accumulating, allocating and assorting (Coughlan et al., 2006). This implies that almost all organisations (except manufacturers) are engaged in intermediary functions such as wholesalers, retailers, distributors, and agents. Aspects that ought to be taken into consideration when describing physical flows are mainly structure and organization of actors (Haartveit et al 2004). Mattsson (1999) defined five material flow structures; V, A, T, X and I. Distribution channel structure will be expressed in this paper as the number and types of intermediaries together with patterns of physical flow and transportation.
- Distribution is the process of making a product or service available for use or consumption by a consumer or business user, using direct means, or using indirect means with intermediaries. Or are the movement of goods and services from the source through a distribution channel, right up to the final customer, consumer or user, and the movement of payment in the opposite direction, right up to the original producer or supplier. An order or pattern formed by the tendency of a sufficiently large number of observations to group themselves around a central value (Wren, 2007). The familiar bell-shaped curve is an example of nominal distribution in which the largest numbers of observations are distributed in the center, with progressively fewer observations falling evenly on the either side of the center (average) line. See also frequency distribution, nominal distribution, and standard distribution (Wren, 2007).
- Coughlan et al., (2006) defined a distribution channel as a set of independent organizations involved in the process of making a product or service available for use or consumption. The ultimate goal of a distribution channel is to bridge the gap between producers and consumers by adding value to products or services (Kim and Frazier, 1996). Typically, manufacturers, intermediaries (wholesaler, retailer, specialized) and end users are perceived as the key actors of distribution channel (Coughlan et al., 2006). Based on these definitions, it is not easy to determine where the distribution channel actually starts, since there might be multiple producers involved in manufacturing the final products at different levels. Some of these producers are close to the end at which



raw material is supplied, while others are closer to the end that deals with final buyers or users.

## **RESEARCH DESIGN**

The study was conducted to examine the effectiveness of the distribution and perception towards the company in retailer's perspective. The problem is that the physical distribution of product from manufacturer to complete customers through varied intermediaries. The study depends mostly on the primary data, which is collected with the help of questionnaire.

### **NEED OF THE STUDY:**

Distribution could be a vital part of supply and provide chain management. This study helps to understand the effectiveness of channel of Phoebus Apollo Tyres. A decent channel has several blessings within the market growth. This study could facilitate the corporate to know the potency of their channel within the country and customers opinion regarding the merchandise handiness. This study conjointly helps to know advantages and benefits of channel.

### **OBJECTIVES OF THE STUDY:**

- To study the effectiveness of distribution channel of Apollo tyres.
- To study the retailers opinion on channel of distribution of Apollo tyres.
- To analyse the availability of Apollo products at various outlets.

### **RESEARCH METHODOLOGY:**

To analyse the collected information and to recommend some measures, primary and secondary information has been collected. Once analysing the market demand and demand to try to the analysis work, the investigator used the survey format to gather needed information for analysis that is dealt as a market survey. The strategy used for this project is descriptive and also the information aggregation from primary and secondary information.

- a. **Primary Data:** Primary information is collected through form, survey and observation.
- b. **Secondary Data:** Secondary information is collected from net, magazines and connected textbooks
- c. **Sample size:** 100 respondents
- d. **Sample Technique-** Non-Probability
- e. **Sample Method-** convenience
- f. **Sample Unit-** Distributors pf Apollo Tyres



## LIMITATIONS OF THE STUDY:

- The findings are supported the information volume by the respondents.
- The sample size of this study is simply one hundred respondents.
- The study is time sure that was conducted just for a amount of 10 weeks.

## ANALYSIS AND INTERPRETATION OF DATA

### 1. which strategies are used to attract the consumer for purchasing of APOLLO tyres

Category	Number of respondents	Percentage
Advertising	15	15
Offers	25	25
Services	50	50
Warranty	10	10
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary data

**Analysis-** By the analysis it shows that by using strategy, 15% of respondents are through Advertising, 25% of the respondent are through Offers, 50% of respondent are through Services and 10% of the respondents are through Warranty.

### 2. reasons for selling the APOLLO tyres

Category	Number of respondents	Percentage
Demand	45	45
Margin	30	30
Dealer relationship	15	15
Promotion scheme	10	10
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary data

**Analysis:**By the analysis it shows that 45% of respondents are due to Demand, 30% of them are due to Margin, 15% of them are due to dealers Relationship and 10% of them are due to promotional scheme.

**3. Showing how much time does it take for delivery of Apollo product after ordering**

Category	Number of respondents	Percentage
4-8 hrs	30	30
1-2 days	45	45
2-7 days	20	20
1 week	05	05
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary data

**Analysis:**From the above table it shows that delivery of the product is done in 2-8hrs is the opinion of 30% of respondents, 45% of respondents is by 1-2 days, 20% of respondents is by 2-7 days and 5% of respondents is by 1 week.

**4. Showing that are u satisfied with distribution channel of Apollo tyres.**

Category	Number of respondents	Percentage
Yes	75	75
No	25	25
<b>Total</b>	<b>100</b>	<b>100</b>

(source: primary data)

**Analysis:**By this analysis it shows that 75% of respondents are satisfied by the distribution channel and 25% respondents are not satisfied.

**5. Showing that do you recommend consumer to purchase the Apollo tyres.**

Category	Number of respondents	Percentage
Yes	60	60
No	40	40
<b>Total</b>	<b>100</b>	<b>100</b>

Source: primary data

**Analysis:**This table shows that 60% respondents are recommend consumer to purchase and 40% will not recommend.

6. showing that are you able to supply the product to retailers in required quantity in time.

Category	Number of respondents	Percentage
Yes	65	65
No	35	35
<b>Total</b>	<b>100</b>	<b>100</b>

Source: primary data

**Analysis:**By this analysis we can know that 65% of the respondents tells that product are in time. 35% of respondents are not getting the product in time.

7. Which age group people are frequently using the Apollo tyres.

Category	Number of respondents	Percentage
18 to 25yrs	10	10
25 to 35yrs	30	30
35 to 45yrs	40	40
45 and above	20	20
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary data

**Analysis:** By this analysis it shows that 40% of respondents are under 18 to 25 age group, 30% of respondents are under 25 to 35 age group, 20% of respondents are under 35 to 45 age group and 10% of respondents are above 45 age group.

8. Showing that are u satisfied with the price which was given by the distributors.

Category	Number of respondents	Percentage
Yes	85	85
No	15	15
<b>Total</b>	<b>100</b>	<b>100</b>

source: primary data

**Analysis:** By this analysis we can know that 85% of respondents are satisfied with the price given by the respondents and 15% of respondents are not satisfied by the price given by the distributors.

**9. Showing Since how long you are dealing with Apollo tyres**

Category	Number of respondents	Percentage
1 to 2yrs	35	35
2 to 3yrs	30	30
3 to 5yrs	25	25
5 and above	10	10
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary data

**Analysis:**By this analysis it shows that 35% of respondents are from 1 to 2 years, 30% of respondents are from 2 to 3 years, 25% of respondents are 3 to 5 years and 10% of respondents are above 5 years.

**10. Showing that which type of automobiles are frequently use Apollo tyres.**

Category	Number of respondents	Percentage
Hatch back	20	20
Sedan	30	30
SUV	40	40
Heavy vehicles	10	10
<b>Total</b>	<b>100</b>	<b>100</b>

Source: primary data

**Analysis:** By this analysis it shows that 20% of vehicles are using Apollo tyres, 30% of vehicles are using Apollo tyres, 40% of vehicles are using Apollo tyres and 10% of vehicles are using Apollo tyres.

**11. Showing that do you have a good communication channel with distributors.**

Category	Number of respondents	Percentage
Yes	60	60
No	40	40
<b>Total</b>	<b>100</b>	<b>100</b>

source: primary data

**Analysis:**By this analysis we can know that 60% of respondents have good communication with distributors and 40% of respondents don't have good communication with the distributors.

**12. Showing that dose distributor provides all type of tyres to the retailer**

Category	Number of respondents	Percentage
Yes	80	80
No	20	20
<b>Total</b>	<b>100</b>	<b>100</b>

(source: primary data)

**Analysis:**By this analysis we can know that 80% of respondents are getting all type of tyres and 20% of respondents are not getting all type of tyres.

**13. Showing is the product order and delivery time satisfied**

Category	Number of respondents	Percentage
Scarcity	10	10
Delay	30	30
Punctual in availability	60	60
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary data

**Analysis:** By this analysis it shows that 10% scarcity of products, 30% delay, 60% Punctual in availability.

**14. Showing which payment system you use to pay for the distributors**

Category	Number of respondents	Percentage
Online payment	30	30
Cash payment	50	50
Credit payment	20	20
<b>Total</b>	<b>100</b>	<b>100</b>

Source: primary data

**Analysis:**By this analysis it shows that 30% of payment is done through online, 50% of payment is done through cash and 20% of payment is through credit.

**15. showing how management effective and in time communication with distributors and feedback**

Category	Number of respondents	Percentage
Strongly agree	15	15
Agree	70	70
Disagree	10	10
Strongly disagree	5	5
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary data

**Analysis:** By this analysis it shows that 15% of respondents are strongly agree, 70% of respondents are agree and 10% of respondents are disagree and 5% are of Strongly disagree.

**CONCLUSION**

Dissemination is partner central fragment of sales management. Any sales management before circulation management cannot exist, work or else stage little not lone another. While sales management possibly will display the approach along with consequently the operational minutiae in the direction of attain revenue, progress after that sell shares, it is the scattering branch of with the intention of ‘executes’ these plans, of course, beneath the steerage of the sales managers. This analysis is concluded to the supply trench of Apollo tyres is fit prearranged as a consequence be able to sell in the same way as apiece the claim of tyre throughout their extensive outlet. Marketers who are thriving exclusive of utilizing resellers in route for put up for sale their artefact could even should assistance plus guaranteed parts of the dispersal process. Apollo tyres is creating their be the owner of haulage classification would be located reasonably not easy for the reason that they possess on the way to keep happy big come to of customers who are share out the whole time the nation. In this study, most of the vehicle owners said that distribution channel of Apollo tyres very convenient to the customer. Majority of the respondents agree that resellers give valuable information about the Apollo Tyre, this is of the advantages of good distribution channel.

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