

LOGISTICS AS A COMPETITIVE ADVANTAGE IN RETAIL ORGANIZATIONS

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ABSTRACT

Retail plays an important role in the trade sector of the Brazilian economy, with net operating revenues of nearly BRL 1.7 trillion and more than 7 million workers in 2018, according to the latest Annual Trade Survey from the Brazilian Institute of Geography and Statistics. The entry of large multinational companies into the Brazilian retail market, where it is worth highlighting Amazon, has negatively impacted the market of Brazilian retail companies, which still use archaic methods and disqualified labor in their operations and processes. Amazon provides better logistics services that directly add value to the quality of products offered through a leaner and more profitable supply chain. Additionally, the behavioral changes brought about by Covid-19 have made consumers more satisfied with online shopping experiences than with visits to physical stores. The increase in internet shopping and the reduction of visits to sales outlets has caused a migration of consumption to digital media, which may generate long-term transformations in the strategies of companies. Thus, the objective of this research is to provide a conceptual proposal of the use of logistics as a competitive advantage in retail organizations, considering the best management practices for the logistics sector. As a research methodology, a systematic literature review was adopted, based on the PRISMA protocol, allowing the identification of 94 records, 12 of which were included in the literature review, due to their adherence to the researched theme.



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The main contribution of this paper is the development of a conceptual proposal for the use of logistics as a competitive advantage in retail organizations, comprising five aspects: Information Systems, Application of KPIs aligned with the Strategic Objectives of the Organization, Creating Value for Products, Modern Management Concept and, Need for Organizations to recognize the Benefits and Advantages of Logistics.

Keywords: logistics; productivity; performance indicators; retail; covid-19

1. INTRODUCTION

Over the last decades, logistics has become an important factor of competitive advantage in retail business organizations, due to the importance of cost reduction, productivity increase, solutions offering, value addition to commercialized products and services and the optimization of processes in the supply chain, from raw material suppliers to the delivery of finished products to customers, who are increasingly demanding in this globalized market. Retail plays an important role in the Brazilian economy's trade sector, as shown in Table 1.

| Tabl | e 1. General (| lata of trading compar | nes | | |
|--|----------------------------|--|--------------------|---------------|--|
| | Trade division | | | | |
| Data | Unit | Trade of vehicles, parts and motorcycles | Wholesale trade | Retail trade | |
| Expenditure on salaries, wages and other remuneration in trade companies | One Thousand BRL (1) | 22.664.609 | 59.580.206 | 155.180.371 | |
| Number of trading companies | Units | 147.570 | 202.836 | 1.150.177 | |
| Number of local units with resale revenue | Units | 159.240 | 228.200 | 1.265.220 | |
| Personnel employed on December 31 in trade companies | Persons | 894.436 | 1.694.794 | 7.623.197 | |
| Net operating revenue | One Thousand BRL (1) | 345.061.488 | 1.658.759.130 | 1.692.750.485 | |

Table 1: General data of trading companies

(1) 1 USD = 5,719 BRL (Central Bank of Brazil, March 29, 2021) Source: IBGE (2018)

Drucker (1962) stated logistics as being the "dark side" whereby the North American economy might find factors to increase productivity at business organizations, making logistics central to the development of business activities, particularly in the retail market, focus of this study. In face of economic changes in constant transformation, more competitive markets are created and with efficient and effective managerial demands in operations, in such a way that logistics has been standing out over time as an important managerial concept (Carvalho, 2002).



Additionally, the behavioral changes brought by Covid-19 have made consumers more satisfied with online shopping experiences than with visits to physical stores. The increase in internet shopping and the reduction of visits to outlets has caused a migration of consumption to digital media, which may generate long-term transformations in companies' strategies.

According to a study by SBVC (2020), 91% of consumers say they are satisfied with their online shopping experience, ten percentage points more than their satisfaction with physical stores. Just over half (53%) of respondents are visiting physical retail less and 55% shop at least monthly in online channels. In addition, 14% of online consumers made their first online purchase during the pandemic.

Considering the above mentioned context, the following research question was defined: How can logistics contribute with the development of companies within the Brazilian retail market? The subject matter of this study is justified, primarily due to the entry of large multinational companies into the Brazilian retail market, where Amazon is worth mentioning, offering better logistics services which directly add value to the quality of offered products, by means of a leaner and more profitable supply chain. Amazon's arrival has negatively impacted the market of Brazilian retail companies, which still use archaic methods and unqualified labor in their operations and processes.

This research also intends to study little or poorly explored gaps in daily business life, with a focus on logistics operations and the optimized application of operational processes, in addition to the creation and monitoring of performance indicators in companies, and information systems in the logistics sector, focusing on productivity increase, expense reduction, and serving as a competitive differential for business organizations.

Based on the aforementioned, the objective of this research is to present a conceptual proposal for the use of logistics as a competitive advantage in retail organizations, considering the best management practices for the logistics sector, presenting Key Performance Indicators (KPI's) and information systems, to enhance the results of companies.

This study adopted as methodology a systematic literature review, based on the PRISMA protocol with searches in scientific databases Scielo and Capes Journals Website (search subject), besides books and technical journals specialized in the logistics field, exploring subjects such as:

• A brief history of logistics in the business environment;



- The importance of logistics in the supply chain flow; and
- The main factors for increasing logistics productivity as a competitive advantage in retail business organizations.

In addition to this introduction, the study is structured as follows: the second section presents a literature review of the main logistics concepts and their relation with the retail market. The third section discusses the research methodology used, a systematic review of the literature. In the fourth section the results are analyzed and discussed, followed by the conclusions in the fifth section and references.

2. LITERATURE REVIEW

As from the investigated scientific literature, the study was divided into four subsections, for a better understanding of the addressed topics.

2.1. Logistics

Logistical practices have existed for centuries, and it was mainly in wars that their strategies were used as a competitive advantage in the logistical ability to manage supplies, meet demands, with their results in operations being crucial in the military organization. However, it was only much later, and in the recent past, that business organizations recognized the benefits and advantages of logistics (Carvalho, 2002).

At the same time in which logistics is one of the oldest economic activities, it is also considered one of the most modern managerial concepts, being a facilitating agent in the exchange processes of production surplus between people, leading to the emergence of three important logistics functions: stock, storage and transport. In a more modern way, the concepts of logistics will be explored as of the 50's, with its emergence and application in the business environment, where previously the term transportation was the main point to be observed and studied within the organizations, where it should be noted that 2/3 of the logistic costs are generally directed to the transportation sector (Neves, 2010).

From the 1950's to the 1970's, the term business logistics became stronger in the market, with various projects being developed in the private sector and, in Brazil, it is worth mentioning the people transportation companies (COMETA), as the forerunners of the first quality programs and the introduction of performance indicators in their operations, implementing controls such as: fuel consumption, vehicle maintenance, driver training hours, etc. It is also important to highlight Companhia Metropolitana de Transporte Coletivo de São Paulo (CMTC)



and Viação Aérea Rio Grandense (VARIG), with the application of broader concepts and greater use of logistical resources in their operations.

From the 70's and until the mid 2000's, logistics is more directed and applied inside the companies in their operations, where a new broader concept emerges: the supply chain, encompassing all the efforts involved in the production and delivery of the final finished product, integrating several areas from the supplier's supplier to the final client's client (Carrara, 2007). This concept is wider, because it covers not only the level of commitment of the producing company's employees, but also a large net of contacts, with the collaboration and mutual commitment among all the companies responsible for delivering the final product at the lowest cost, in the shortest time and with the highest quality, where it is extremely common the gathering between contractors and contracted parties, seeking to increase the synergy, commitment and collaboration of all the elements involved along the supply chain, adopting a posture of great commercial partnership in the negotiations.

In Tsai's (2008) view, the supply chain systemic approach contradicts to a great extent the archaic and extremely confrontational relationship between buyers and suppliers adopted in the negotiations previously established in the buying and selling processes, being replaced and known today by the approach called Efficient Consumer Response (ECR).

Since the 2000s, the term supply chain is evidenced as a fundamental element, being strongly explored in the current scenario, evolving towards a supply network, with a more updated perspective and working in a globalized way, mainly due to the increase in the flow of imports and exports, being a primordial and fundamental factor for the survival and maintenance of competitiveness of multinational companies, expanding the availability of their products and services to the most distant nations.

Logistics is the process of strategically managing the purchase, transportation, and storage of raw materials, parts, and finished goods (and related information flows) by the organization and its distribution channels in such a way that current and future profitability is maximized by delivering orders at the lowest associated cost (Christopher, 2009).

2.2. Logistics and Retail Market

For Churchill and Peter (2013), retailers create value for manufacturers by making their commercialized products available to demanding consumers, transferring information about the needs presented by consumer behavior in relation to the offered products, including taking risks for perishable products that have a higher possibility of losses, promoting the

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manufacturers' products and offering services and conveniences to consumers that make the products become objects of desire for consumption.

When it comes to retail supply chain management, the market's need to obtain increasingly faster responses to the demands generated at the end-consumer, has driven companies to look for more flexible structures that have the necessary skills for the new scenario created by the economic globalization, mainly driven by the retail market (Arbache, 2011).

2.3. Logistics and KPI's

A company, based on streams, applies rigorous standards to measure or evaluate the performance of its logistics services (Carvalho, 2002), where these standards and results are measured through performance indicators, also called Key Performance Indicators (KPI's), which serve as a tool for analysis and control of the quality of logistics services performed by suppliers to any company. Thus, this section aims to describe the improvements in companies, through the analysis and study of performance indicators used in the logistics environment.

All evaluation systems applied in the business environment, should preferably be composed of performance indicators that allow the integration of the different processes and areas, providing a solid basis for decision making. According to Bititci (2015), performance indicators must be aligned with the company's strategic objectives. In general, it is observed in the literature that these performance indicators should preferably be an index, which must be clear, objective, and aligned with a competition strategy (Bititci, 2015; Kennerley; Neely, 2003).

Performance indicators guide the business organization not only to measure a certain goal, but also to solve a problem, according to Table 2, where the creation of each KPI was based on the information of a defect in its operational process, identified from the experience of one of the authors of this work, responsible for the logistics of a fashion company, which exists for over 30 years, with operations throughout the Brazilian territory.

Having performance indicators, which are clear, objective and easy to understand in an organization is a primary and differenciatory factor to strive for continuous improvements, and ensure that all employees, regardless of hierarchical levels, can move in the same defined direction, aiming for the same objectives and strategies outlined by management (Neves, 2010). Performance indicators also represent an important communication link between executives, to transmit to their subordinates the mission and vision of their company, through the

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integration of all employees at various operational levels to achieve the defined strategic objectives.

| Table 2: Observed problems and proposed indicators | | | | |
|--|---|--|--|--|
| Observed problems | Proposed indicators | | | |
| Products delivered after the deadline to customers | Average percentage of orders delivered on time | | | |
| Products delivered to customers with damages | Average percentage of products being delivered damaged | | | |
| High employee absenteeism | Average percentage of the main reasons for employee absenteeism | | | |
| Source: The authors (2021) | | | | |

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Source: The authors (2021)

When creating KPI's, the following caution must be taken (NEVES, 2010):

- KPI must be aligned with the company's strategic planning;
- Important, measurable and realistic business goals should be defined; •
- KPI's must have clear rules and be easy to calculate;
- After the KPI's are created, it is necessary to constantly monitor the obtained results and make sure that the company is within the expected performance; and
- The measured deviations must be corrected through KPI's analysis and continuous improvements must be proposed.

According to Neves (2010), the main logistics indicators are:

- Perfect Order: Measures the % of orders delivered on time to customers, complete, undamaged, and without problems in their tax documentation;
- Order Cycle Time: Measures the actual time between the receipt of the order and delivery to the end customer;
- Stock Coverage: Measures the time in which the existing stock is sufficient to meet • demand, without the need for replenishment;
- Dock-to-stock time: Measures the time between the unloading of the products at the receiving dock until the material is available, properly addressed and free for the separation processes;
- Inventory Accuracy: Measures the % accuracy between physical and book inventory;
- Transportation Cost: Measures the proportional % of the transportation cost in relation to the total value of the transported goods; and



• Transportation Damages: Measures the % of damaged goods in relation to the total value of transported goods.

2.4. Logistics and Information Systems

Fleury and Fleury (2011) point out that, despite the broad movement with the need for continuous evolution and changes required by the market, there are still major barriers to be overcome for the evolution of operations; both to implement new management concepts, as well as operational practices and information technologies.

The globalization trend is generating a new global vision of operations in logistics (Dornier et al., 2000) where, firstly, there is a need for significant cost reduction in logistics operations, now perceived as a source of differentiated services and of competition and, secondly, technology allowing greater access to information for planning and management purposes, from suppliers to the final customer and, thirdly, companies are avoiding the internal vertical integration of the organization and migrating to an external integration, in connectivity with the globalized world, building a large logistics chain of commercial partners.

Before addressing these technologies, it will be briefly discussed Information Systems (IS) and the main location to be worked in this study with these technologies, which are the Distribution Centers (DC). According to Karim (2011), IS are data, processes and technologies that work together to collect, process, store and distribute information, aiming to enhance and streamline the decision-making process in organizations. For this author, the importance of an IS is focused mainly on providing more accurate and faster information so that decisions are grounded more effectively.

The Management Information Systems (MIS) deal with a process of data transformation into information that are used for decision analysis in the organization structure, as well as provide the support and administrative security to achieve the company's expected results (Oliveira, 2009). As stated by Laudon and Laudon (2007), one of the objectives of implementing an IS in an organization is to improve the decision-making processes by managers, who use real data, provided by IS.

In the opinion of Rodrigues and Pizzolato (2003), "the DC is a regional warehouse configuration where consolidated shipments are received from several suppliers. These loads are fractioned in order to group the products in correct quantity and assortment, then forwarded to the sales points". According to Lacerda (2000), the DCs represent a great advantage in productivity increase and cost reduction for companies that receive in a single way (a single



load) the orders that were placed with several suppliers, thus reducing transportation costs, since the shipments that are received by the DCs are consolidated.

The investment in IS of companies that manage the DCs, such as a Warehouse Management System (WMS), will make it possible to reduce significantly the operating costs of the retail company, placing it in a competitive position in the market (Ma & Liu, 2011). By deploying the WMS, the information circulates within the company, among employees (leaders and subordinates), in a more agile way, minimizing deficiencies, helping the company with the control and reduction of inventories, improving the profitability of the business and reducing costs, where it is worth highlighting the reduction of costs with human resources, because productivity is enhanced and thus a smaller number of people will be required to perform a particular task.

According to Banzato (2011), with the implementation of a WMS, the company can improve in two important business fronts. The first is reducing logistics costs and the second is enhancing the results of the quality of services offered to the customer. The cost reduction is achieved through better control of activities performed by the workforce, resulting in a more functional DC that will require a lower workload from its employees, generating greater gains for retail companies.

It is worth noting that the most frequently observed improvements in retail logistics operations are directly related to the significant reduction in the need to work overtime, a reduction also seen in the hiring of personnel as the company grows commercially. Perhaps the greatest advantage of having an automated environment with a WMS is to obtain a real-time record of all errors made, which are immediately discovered and corrected, avoiding failures in future processes (Banzato, 2011).

When it comes to Enterprise Resource Planning (ERP), there is a real need for integration among the various existing sectors in companies, becoming more evidenced and popular in corporate business in recent years (Tsai, 2008). Also according to the author, the ERP system provides not only the integration of the various sectors in business organizations, but also reduces costs, processing time and real-time data exchange in an integrated way in companies.

Garcia et al. (2009) state that the IS of ERP type had an increase in its use by large and medium-sized companies after the 90's, becoming part of their business strategies and for this reason the decision making process about the deployment of this system, although extremely



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necessary, is also quite complex and delicate. There are some ERP's known worldwide, among them, those of SAP and ORACLE.

3. RESEARCH METHODOLOGY

Regarding the nature of a research, the criteria for classifying the types of research vary from author to author, following interests, objectives and fields. Ander-Egg (1978) classifies the nature into two types: pure basic or fundamental research, which seeks scientific progress and aims at knowledge for knowledge's sake, and applied research which, as the name implies, has practical interests in solving problems. When the solution to a research problem has no apparent application to a practical problem, such research is called "pure" rather than "applied" (Booth, Colomb & Williams, 2019). Based on the above, the nature of this research can be classified as applied, considering that the presented conceptual proposal aims to encourage the use of logistics as a competitive advantage in retail organizations.

The strategy for collecting information was the bibliographic research, defined by Gil (2002) as a compilation consisting mainly of books and scientific articles. Its purpose is to analyze different positions that encompass a given subject. Marconi and Lakatos (2003) also state that such research is based on important works carried out with the capacity to enrich the material.

The studies were collected throughout the month of October 2020 in the databases Scielo and Capes Journals Website (search subject). The Scielo database is an electronic library covering a selected collection of scientific journals basically in Portuguese and Spanish, with blind and peer-reviewed documents, ensuring their quality. Scielo was chosen because it contains high quality articles, such as scientific journals, books, congress proceedings, and industry publications.

The Capes Journals Website was officially created by the Coordination for Improvement of Higher Education Personnel (CAPES), founded by the Brazilian Ministry of Education on November 11, 2000, and is a virtual library that gathers and makes available a large collection of national and international scientific production. Regarding the Capes Journals Website (search subject), only the contents of peer-reviewed journals were studied, ensuring the quality of the collected material.

The research process involved a systematic literature review using the PRISMA protocol (Moher et al., 2009). A literature review fulfills several purposes, among them, it shares with the reader the results of other studies that are closely related to the one being



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conducted, fills gaps by expanding previous studies, and provides a framework for establishing the importance of the study and also a reference for comparing the results with other findings (Creswell, 2010).

In Robson's (2011) view, a systematic literature review is a specific way of identifying and synthesizing the evidence of a research study, with emphasis on:

- Provide comprehensive coverage of the available literature in the field of interest studied;
- Quality of the reviewed evidence presented;
- Follow detailed and explicit approach to data synthesis; and
- Use of transparent and rigorous processes throughout the conducted researches.

The systematic literature review was divided into four phases, as follows: 1) Identification of records - in Scielo and Capes Journals Website (subject search), 2) Screening - by excluding duplicated records, 3) Eligibility - by excluding unavailable text, method or author, and 4) Inclusion - by excluding documents not aligned with the purpose of this study. To search for records in the databases, the search phrase and boolean operators ((logistics) AND (retail)) were used.

The search phrase was defined based on the professional experience of one of the authors, responsible for the logistics area of a company in the fashion sector, as well as through preliminary research with a few articles, from which the most repeated terms were selected. To increase the number of records, it was decided to search the scientific bases allowing the identification of documents of any kind, including articles from scientific journals and congresses. As a filter, records identified in the period of 2010 to 2020 were used.

4. RESULTS ANALYSIS AND DISCUSSION

4.1. Literature Review Results

Table 3 shows the results of the systematic literature review, along the four phases of the PRISMA protocol (Moher et al., 2009).

Table 3: Information flow through the phases of a systematic literature review

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| Scientific database | Search phrase | 1. Identification | 2.Screening | 3.Elegibility | 4.Inclusion |
|------------------------------|-------------------------|-----------------------|-------------------------|---|--|
| | | Exclusion Criteria | Duplicated records (#2) | Text, authors or method not available (#24) | Texts not aligned with the scope of this study (#56) |
| Scielo | logistics AND retail | 16 | 1 | 2 | 10 |
| Capes Journals Website | logistics AND retail | 78 | 1 | 22 | 46 |
| | Total | 94 | 92 | 68 | 12 |

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Source: The authors (2021)

The search phrase ((logistics) AND (retail)) was used in the two mentioned databases. In Scielo, 16 records were retrieved, and in the Capes Journals Website (search subject), 78 records were retrieved, totalizing 94 records in the first identification phase.

In the second phase, duplicated documents were eliminated, reducing the initial number to 92 records. Texts not available, even after a complementary search in Google Academic, as well as texts without author or method were excluded in the third phase, resulting in 68 remaining documents. In the last phase, texts not aligned with the scope of this study were excluded, leaving 12 papers dealing specifically with the logistics and retail theme, which were included in the literature review, in addition to books with important contributions to the studied subject. Table 4 displays the main topics that were identified, with their respective references.

| Table 4: Topics and references | | |
|--------------------------------------|--|--|
| Topics | References (year) | |
| Logistics | Carvalho (2002), Neves (2010), Carrara (2007), Tsai (2008), Christopher (2009) | |
| Logistics and Retail Market | Churchill and Peter (2013), Arbache (2011) | |
| Logistics and KPI's | Carvalho (2002), Bititci (2015), Kennerley and Neely (2003), Neves (2010) | |
| Logistics and Information Systems | Fleury and Fleury (2011), Dornier et al. (2000), Karim (2011), Oliveira (2009), Laudon and Laudon (2007), Rodrigues and Pizzolato (2003), Lacerda (2000), Ma and Liu (2011), Banzato (2011), Tsai (2008), Garcia et al. (2009) | |

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Source: The authors (2021)

4.2. **Qualitative Overview**

The systematic literature review used in this study specifically aimed to identify and synthesize the evidence for this research, with literature available in the field of logistics and retail. There is quality in the reviewed evidence and a detailed and explicit approach to summarize the addressed subjects, using transparent processes throughout the conducted research. When analyzing the documents included in the literature review (Table 4), it was evidenced that:



- Year: There is no specific year that stands out for the quantity of studies, with the exception of 2011, in which five studies by different authors were identified, aligned with the theme of this research;
- References: All the authors of the studies are different, so there is an opportunity for a researcher interested in the relationship between logistics and retail to become prominent in this field of research;
- Institutional affiliation: There is no institution that distinguishes itself with research in the field of logistics and retail;
- Country: Regarding the countries of origin of the collected records, there is a predominance for Brazil, because the application of the concepts focused on logistics was concentrated on the internal needs of consumption associated with the external needs of exports from the Brazilian market;
- Source: Similar to references and institutional affiliation, there is no publication that is renowned for research involving logistics and retailing;
- Method: Among the various methods described it is worth highlighting the systematic review of the literature.

4.3. Conceptual Proposal

Through the content analysis of the studies included in the literature review, it was possible to establish a conceptual proposal of the use of logistics as a competitive advantage in retail organizations (Figure 1).



Figure 1: Conceptual proposal of the use of logistics as a competitive advantage in retail organizations Source: The authors (2021)

The conceptual proposal of the use of logistics as a competitive advantage in retail organizations is discussed in more detail as follows.



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- Information Systems Cruz et al. (2015) investigated a transportation problem considering the expedition of goods, using the Excel SOLVER as a tool for the linear programming (LP) modeling problem to support decision making. The model allowed to suggest enlarging the use of vehicles, the demand absorbed by each store and identified important points, such as the fact that the pallets demand and DC expedition capacity are aligned, having no fleet sizing problems nor installations. The model designed by Cruz et al. (2015) made it possible to obtain information on how to allocate charges for expedition before operationalizing activities, allowing to plan the operation more efficiently based on data collected in the company. It was possible to increase the number of pallets sent to stores, when compared with the historical decisions made by the company.
- Application of KPI's aligned to the Strategic Objectives of the Organization According to Cruz et al. (2015), in order to obtain results that actually contribute to an improvement in a company's expedition planning, it is necessary that the data collected fairly represent the company's reality. This finding is of great importance in the meaning that the quality of the information that feeds the KPI's will be proportional to the quality of decision making based on them, and can significantly affect the competitiveness of the organization, positively or negatively.
- Value Creation for Products As informed from the Brazilian association of handling logistics (ABML), the logistics provider is a logistics service provider that specializes in the management of logistics operations activities, or part of the various stages of the supply chain, adding value to stored products of its customers, with the power to at least simultaneously provide services in three activities: inventory control, warehousing and transportation management (Rocha, Silva & Rosini, 2018).
- Modern Managerial Concept Delivering products to the consumption sphere is one of the important trade functions that take place in commercial companies. Rational management of these processes plays an important role in the distribution of goods. Recent studies point to the adoption of managerial decisions in the logistics system, considering purchasing interests (Kush et al., 2020).
- Need for Organizations to recognize the Benefits and Advantages of Logistics The knowledge about the benefits and advantages of logistics, can support an organization



in the appropriate decision regarding the supply chain strategy, such as lean, flexible, responsive and agile, as described by Neto, Fusco and Machado (2014).

5. CONCLUSIONS

This study intended to describe how logistics concepts have relevance and gain a new dimension in the structural changes of business organizations, especially in the retail market within the globalized competitive context and the present moment of the Covid-19 pandemic, where the competitive contribution that logistics provides, through performance analysis systems and applied technologies as factors of competitive advantage, was mainly addressed.

It is believed that the objective of this study was reached, by means of the development of a conceptual proposal for the use of logistics as a competitive advantage at retail organizations, comprising five aspects, namely: Information Systems, Application of KPIs aligned to the Strategic Objectives of the Organization, Value Creation for Products, Modern Managerial Concept and, Need for Organizations to recognize the Benefits and Advantages of Logistics.

Despite the importance of further research involving logistics in the retail business, it is proven that companies that have a logistics structure supported by technology, processes and performance indicators, combined with a meritocracy-based management, with training and development of people, will have important competitive advantage factors in the business environment, especially in the retail market.

In addition to these studies, it is not enough to react to technological changes, customer demands, and market trends that usually move the company's bases, it is necessary to evaluate and identify the values that guide the business strategy, establishing the pace of change according to the market, which at this moment was seriously affected by the Covid-19 pandemic.

The organization must follow its own path as the driving force of the company's performance, evaluating profitability, assigning priorities, examining performance indicators, constantly diagnosing its own results, and having the competence to direct and, when necessary, change the steps to be followed with strategic measures to achieve success.

It is crucial to rethink new concepts for productivity increase in all segments of the retail business management, where by means of the analysis of networks and supply chains, a new focus can be given, creating value, generating profitability and offering a greater financial



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return for the company, as well as high quality products for customers and a positive impact on society.

There are limitations in this research on the subjects of logistics and retail, which did not consider worldwide scientific databases such as Scopus and Web of Science, generating a low quantity of material available with the necessary quality, dealing specifically with the Brazilian retail market, but this does not diminish the importance of the results found.

For future research, it is suggested to verify the negative impact on the retail business in times of economic crisis caused by Covid-19 and how logistics can contribute to the reduction of economic losses in retail companies.

6. CONFLICT OF INTEREST

"We certify that there are no conflicts of interest associated with the work described in the article.

All corporate or institutional affiliations and all sources of financial support to the research is properly cited or mentioned in the manuscript."

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