

Problems of Chain Store Distribution Management and Countermeasures

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Abstract: This paper presents a detailed analysis of the current situation of distribution management of the famous H chain stores in China, and comes up with a series of existing problems, such as: market distribution, coverage degree, old information system and lack of a large number of excellent talents in distribution. According to the excellent experience of foreign chain stores and combined with the actual situation in China, the countermeasures and suggestions of distribution management of chain stores are proposed, hoping to learn from these relevant experiences and make the enterprise have better development.

Keywords: Chain stores, Distribution management, Problems and countermeasures.

1. Introduction

The chain store business method is a more common way of operating business trade in the country today. H chain store was established in the 1990s, is a large pharmaceutical company specializing in medicine, life medical supplies, currently the largest number of chain stores in China's leading pharmaceutical chain enterprises. In the contemporary Chinese medical chain sales industry, H Chain Store took the lead in introducing advanced chain management experience and skills from developed countries, and strived to study and explore the new retail market for pharmaceuticals and health care products, creating a modern retail pharmacy "H Health Pharmacy" that suits the current situation of our national society. Over the years, with its rich marketing experience, strategic management and human resources, H Health has been committed to promoting the healthy development of modern pharmaceutical retailing in China. However, there are some problems in the process of distribution. In this paper, we analyze the H chain store to come up with some problems and thus put forward corresponding countermeasures and suggestions to provide some useful references for the distribution management of China's chain stores.

2. Problems of Chain Store Distribution Management

2.1. Irrational distribution of distribution area

For H chain pharmacy, the development plan of stores are mostly scattered in the coastal and eastern regions. Since the reform and opening up, the development of China's eastern region is more prosperous than the western region, so the expansion of H chain drug stores are also mostly concentrated in the eastern coastal region. However, the number of stores in the western and central China is significantly smaller, and only the only distribution management is located in Chengdu, Sichuan, the distribution of logistics is very cumbersome and inefficient. By 2021, the number of H chain pharmacy stores in China's eastern coastal region occupies seven tenths of the national number, if not consider the balance of regional development, it will be very difficult for the chain pharmacy aspiring to become the leading pharmacy in China said.

2.2. The degree of radicalization of distribution management is not comprehensive enough

Although H chain pharmacies in China's pharmaceutical chain market basically occupies the leading position, the development of very rapid. However, due to the subjective factors of China's pharmaceutical industry chain development course is relatively short, so far still in a primary development stage. And because the regional distribution of distribution management in the east and west is not reasonable, so it may cause multiple distribution management radiation in the same area and multiple areas only one distribution management, especially in central and western China. H chain drugstore store number in the country has exceeded more than two thousand six hundred stores, but the share of the entire domestic market is only a point. Compared to AIN, a famous chain of pharmacies in Japan, which occupies eighty percent of the entire Japanese market share, its distribution management can radiate to 300-400 stores, and its distribution covers the entire country of Japan, forming a real chain distribution network in its country.

2.3. The information management system of distribution management is still not perfect

In the management of modern social enterprises, information management system is now each chain must understand and use a thing, its emergence allows the chain to update the old management methods, and gradually into a modern management system. This system can standardize the management system, consistency and standardization, which greatly improves the efficiency of the management of fast and accurate transfer settlement response can significantly improve the efficiency of distribution management. H chain pharmacy distribution management is still dominated by manual management, supplemented by computers. However, manual management will inevitably carry personal subjectivity and one-sidedness, and will also invest a lot of time and energy. Therefore, Neptune is due to combine human and machine with each other, each playing its strengths, so that the enterprise can provide more efficient for the development of business.

2.4. Lack of logistics personnel training

Pharmacy chain distribution management of unified distribution is the development of the pharmaceutical chain industry can not be avoided. Due to the late start of China's distribution management, the relevant professional courses in colleges and universities, not many professionals involved in distribution research are developing logistics planning and implementing distribution management. However, due to the lack of attention to the logistics industry in China's universities, the training of logistics personnel is scarce, the lack of highly educated and experienced senior management. And most of the practitioners are not highly educated, the understanding of logistics is only the receipt and delivery of goods. This is a widespread problem in the development of China's logistics chain industry, H chain pharmacies also have the same problem, so these problems have become the biggest stumbling block to the development of China's distribution logistics.

3. Chain Store Distribution Improvement Measures

3.1. Coordinate the regional layout of distribution management

According to the development strategy of China's western development, to expand and develop to central, northwest and southwest China, H chain pharmacies should also seize this opportunity to establish distribution management in Lanzhou, Xi'an, Chengdu, to cover the entire southwest region. Central and North China, respectively, can be distributed in Urumqi, Yinchuan and other provincial capital centers, increase the expansion of stores in Chengdu, Yunnan, Xinjiang, Tibet and other areas, to open stores across the country, to become a leading chain of pharmaceuticals known to the public, rather than just become a "chain of pharmacies in the East".

H chain pharmacies to give full play to its distribution management to cover a wide range of role basis, not only in distribution and warehousing, but also in e-commerce. From the previous point of view, no matter which domestic customers place orders, the goods are sent from the Shenzhen mall headquarters. For cities far away from Shenzhen, the distribution efficiency and people's initial intentions and expectations of the timeliness of the courier will be affected. The information management system should be updated, and the distribution management corresponding to different regions can receive the order demand immediately after the user places an order, and can be automatically transmitted to the stores in close proximity, and arrange the stores to deliver the order. The backend big data on the replenishment type and quantity can also be automatically calculated, timely replenishment, and improve the business efficiency of the enterprise.

H chain pharmacy's own online shopping platform should also continue to develop forward, not all rely on the development of third-party logistics cooperation, should also gradually open distribution services, improve and unify service standards and distribution rules and regulations. Gradually become the same as the Jingdong self-operated + distribution business system. Carry out their own distribution business can also save business costs, and self-operated distribution can be better unified management and adjustment. At the same time, for users in urban areas, H chain pharmacy stores can provide free home delivery services, so that

customers can enjoy the concept of humane service and convenience without leaving home.

3.2. Improve the radiation of distribution management range

The development history of our logistics and distribution is relatively short, and many of the regulations and functions are not comprehensive, so the distribution management can cover a relatively limited area. Therefore, H chain pharmacies should steadily improve the scope and quantity of distribution management according to the guiding strategies of the country's western development and Belt and Road, and should carry out reasonable layout control to precisely radiate to every region and city and expand the radiation range, and we will continue to steadily expand our market share and open more chain stores in new cities and new urban areas. The rural population in China is also an essential part of the country, and medical security in rural areas is also a top priority. We should not only focus on the urban population, but also on potential areas, and establish chain pharmacies in the combination of urban and rural areas. On the other hand, H chain pharmacies should plan precisely, improve the skills and experience of management personnel, strengthen both hardware and software, so as to improve the overall efficiency and time control of distribution, expand the coverage of distribution by cooperating with third-party platforms and other methods, so that the distribution points can be expanded to cover every province and city in China, large and small.

3.3. Improve the information management system of distribution management

The information management system of H chain pharmacies needs to be associated with the relevant cooperative banking system, which not only allows for a secure and accurate view of the flow of funds, but also saves time and costs for confirmation. All operations are performed online, which correspondingly increases the efficiency and cost of distribution.

3.4. Strengthen the training of logistics talents

At present, China's logistics industry has been in a period of rapid development, but in general is still at the junction of modern logistics and traditional logistics, so logistics enterprises should analyze their own advantages, so as to choose the right professional field. The most important thing is the training of domestic universities for logistics industry talents, increase the construction of logistics majors above the specialist and undergraduate level, and encourage students to actively engage in logistics industry as well as to get the logistics qualification certificate. We should also spend a lot of money to introduce outstanding logistics talents to foreign countries, as well as the release of better policies for returnees, to attract foreign students to return to China to develop, to bring back foreign advanced technology and management ideas to China, to promote the development of enterprises.

4. Conclusion

China's chain store distribution management has worthy of learning, but also has shortcomings. It is expected that chain stores pay attention to the problems of distribution management, reduce the cost of distribution management, improve management efficiency and enhance the management level.

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