



A Study on Green Supply Chain Practices in Amazon India and Customer Perception Towards Green Practices

Awnish Kumar Dubey, Deeksha Priya, Prashant Kumar

Department of MBA, Noida Institute of Engineering and Technology, Greater, Noida 201306, India.

ABSTRACT-

Supply chain management can be referred as – ‘a collection of methods for effectively integrating suppliers, manufacturers, warehouses, and retailers to ensure that goods are manufactured and distributed in the appropriate amounts, to the right places, and at the right time, in order to minimize system-wide costs while meeting service level requirements.’ Any company, industry or organization has some supply chain practices. The supply chain includes many functions and activities within and outside the industry, company, or organization. There has been much talk about sustainability and environmental issues in recent decades. Green supply chain management ensures that public and corporate policies are effective in greening their operations, gaining market share, boosting business image and reputation, and increasing earnings. Green supply chain management or commonly known as GSCM, entails integrating environmental and economic goals into the operational plan management. This type of integration reduces the carbon footprint while enhancing financial benefit and efficiency. It is a broader concept that maximizes revenue while minimising environmental effects and improves the social well-being of the different stakeholders involved. Green practises are considered at the SC level, including internal practises and inbound and outbound linkages, as well as making room for systemic potential and systemic techniques. The Indian e-commerce business is experiencing a good shift in Indian customers' attitudes about online purchasing. The Indian e-commerce market is expanding, with established e-Businesses like Amazon, Flipkart, Snapdeal, and others and new creative e-Business start-ups such as Grofers Aaramshop.com, and others. Nevertheless, the way Amazon has created a new level of competition, others follow its footsteps. Amazon entered Indian market in 2012 and by 2013, it was functional and since then, it has successfully captured the e-commerce business in India with leaps and bounds.

KEYWORDS- Green supply chain, customer perception, GSCM, Amazon India.

INTRODUCTION-

The internet technology era has not only altered the style in which companies are conducting business, but also the methods used in supply chain management, such as how firms communicate with one another and how each member in the supply chain is influenced and how even a small improvement can benefit the company along with contributing to decrease in its carbon emission. This study paper aims to understand better supply chain management for online E retailing and how it affects how retailing is done. The primary operations involved in the supply chain and their correct management are of great significance in the retailer's success or failure. In a country like India, the internet commerce business has proliferated over the last few years. The concept of supply chain management has gotten much attention in the last few decades because of the following factors: most businesses favouring worldwide sourcing of supplies, consumer's demand for on-time delivery of high-quality products, and the Omni-present dynamism and instability in international markets. Such conditions necessitate strategic and well-established supplier relationships, contributing to enterprises' rising interest in leveraging supply chains (Sarkis, Zhu & Lai, 2011). The notion of sustainability, often said as the green supply chain, mixes ecologically friendly operations within the traditional supply chain that includes selecting and procuring supplier materials, product design, manufacturing and assembly of goods, distribution, and life cycle management. In lieu of minimizing the negative consequences of business and supply chain operations, the green supply chain adds and/or creates value via the activities of the entire chain. The environmental deterioration has resulted in new supply chain development standards. People must address the concerns of building a green supply chain and developing equitable environmental policy as soon as possible. The government develops a green standard for items and offers the industry an environmental incentive. If the product satisfies the requirement, the maker may be awarded an eco-label. The environmental benefits of development-intensive green goods may be continuously enhanced by a growing green standard (Gao, Xiao, Wei & Zhou, 2020). Environmental innovation is an important factor in today's economic success. Using the Schumpeterian perspective on how a firm's perception of the green success of competing enterprises drives its pursuit and creation of environmental innovation through green supply chain implementation activities. Firms are intimidated from their competitors' success in environmental management efforts, thus pursuing supply chain integration projects. Green supply chain integration tends to have a favourable impact on creating incremental environmental innovation, but only customer integration appears to have a significant beneficial impact on developing radical environmental innovation (Dai, Cantor & Montabon, 2015).

REVIEW OF LITERATURE –

Sarkis and Zhu (2011) provide an overview on various organisational ideas that have seen use in the fledgling GSCM. Their study focuses on GSCM studies that used an organisational theoretic lens to base their research, particularly on the adoption and spread of GSCM techniques. The material featured in the journal has accurately tested and extended upon organisational theories or used theories for descriptive objectives, with a significant emphasis on GSCM adoption and its performance consequences. They also help by recognizing specific GSCM adoption and practise traits which might be linked to distinct organisational theories. They discovered that there is a significant possibility for extending GSCM research using a variety of organisational theories. The paper can also be said as a resource for scholars in GSCM or other logistics domains looking to promote organisational theory development along with implementation of sustainable practices. The majority of the work is based on applying a number of organisational theories connected to GSCM in the literature. They briefly explain critical features of various theories, exemplary GSCM studies and the topics they studied, and what are the prospects for continuing the inquiry utilising these theories in the introduction of these organisational theories.

Srivastava (2007) says that there is a heightening desire for sustainable choices and their incorporation into supply-chain management and practices. There is an absence of an extensive foundation for green supply chain management (GSCM). Its foundational lack also impacts regulatory bodies, which create rules to solve social and environmental issues to allow for commercial and economic advancement. A simple categorization is necessary to help academics, researchers, and practitioners in understanding the integration of GSCM from a larger point of view. The research gives an in-depth and original look at the topic of GSCM. Green supply chain management has its genesis in environmental and supply chain management literature. Incorporating a 'green' element into supply-chain management includes considering the impact and connections between supply-chain management and the environment. The investigator's objective determines the border of GSCM, as it does the concept of supply-chain management. The definition and breadth of GSCM have varied in the literature, ranging from green purchasing to entire green supply chains flowing from supplier to manufacturer to customer and even reverse logistics (Zhu and Sarkis 2004). The GSCM is defined in this journal as 'encompassing environmental factors into supply-chain management, including product design, material sourcing and selection, manufacturing processes, product distribution, and product life cycle management beyond its useful life'.

Objectives

- To understand the supply chain practices in e-commerce giant Amazon.
- To understand the green practices incorporated by Amazon to grab the customers.
- To study the complexities and barriers, those are in between Amazon and the customers.
- To understand the customer perception towards greener practices that Amazon is following.

RESEARCH METHODOLOGY –

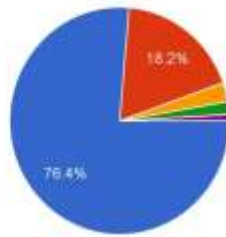
The study's technique is exploratory and qualitative research. In these sorts of studies, the specialist relies heavily on information obtained from direct perception, interviews, surveys, centre meetings, member perception, reports produced in distinctive situations, archives, and curios. It is based on various literature review, an experiment, and a few case studies rather than a survey or a sample size. This is not the only pillar upon which every scientific endeavour is built. It is a type of design utilised in tandem with descriptive and causal aspects. It aids in learning about the problem or cause from several perspectives, allowing one to conduct their research and arrive at a more accurate conclusion. Conclusive research is also utilised to arrive at a more accurate conclusion or better judgment. The purpose of this form of study is determined, and data needs are developed in accordance with that. Following the collection of data, numerous tools and approaches are employed to aid in the production of more accurate results and conclusions.

A questionnaire is used to collect primary data to better understand a customer's insights towards greener practices and whether a company's or a brand's greener practices influences their purchasing habits. The core data acquired is unique and is primarily based on simple survey questions.

Data Analysis

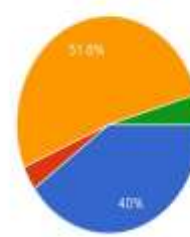
Descriptive Analysis

Age Group
110 responses



Employment status
110 responses

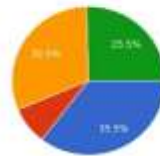
● 18 - 25
● 25 - 30
● 30 - 40
● 40 - 50
● above 50



● Employed
● Parttime employed
● Student
● Unemployed

Analysis:

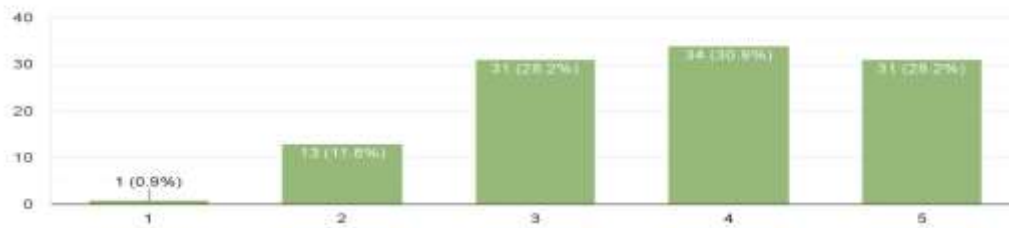
Annual Income
110 responses



● Below 2,50,000
● 2,50,000 - 5,00,000
● 5,00,000 - 10,00,000
● Above 10,00,000

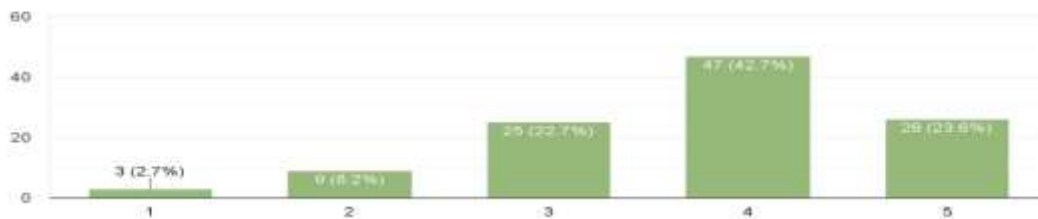
Summarization; A total of 110 respondents and as per their age number of respondents: 18-25(76.36%), 25-30(18.18%), 30-40(2.72%), 4050 (1.81%) and above 50 (0.9%). The distribution of respondents as per their occupation: Employed (40%), part time employed (3.63%), Student (51.82%) and Unemployed (4.55%). The distribution of respondents according to their income bracket: Below 2,50,000 (35.45%), 2,50,000 – 5,00,000 (8.18%), 5,00,000 – 10,00,000 (30.9%) and above 10,00,000 (25.45%).

It is important to me that the products I use do not harm the environment.
110 responses



ANALYSIS - From this graph, it can be easily grasped that most respondents (including both 'agree' and 'strongly agree' respondents totalling around 60%) care about the environment and want to use the environment's less harmful products.

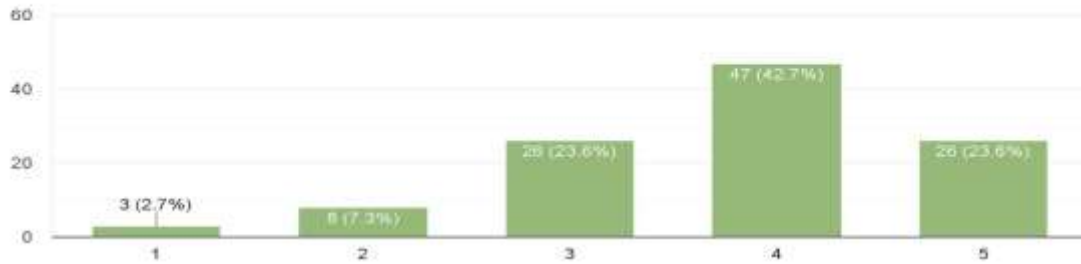
I am willing to tolerate slight inconvenience in order to take purchase actions that are more environmentally friendly
110 responses



ANALYSIS - It can be interpreted from the graph that most respondents (around 43%) are willing to change their purchase behaviour towards an environment friendly purchase or product even if that would be slightly inconvenient for them.

When I have a choice between two equal products, I would purchase the one that is made under fair environmental practices even if it is slightly costlier

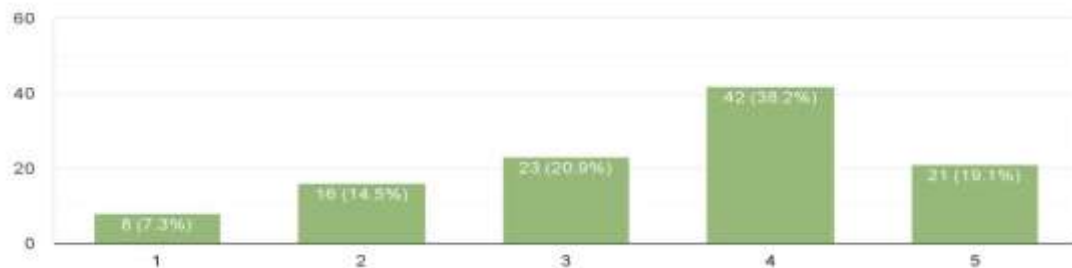
110 responses



ANALYSIS- Most respondents (around 43%) are willing to buy a product made under environmental sustainability practices and are happy to pay a slightly higher price for the same.

I try to convince my family and friends to not to buy products that are made by companies under poor production conditions and harm the environment

110 responses



ANALYSIS- Almost the same as above, it can be said from the graph that most respondents (38.2%) try to convince their family and friends not to buy a product made by companies that are not following environmental norms and harming the environment.

FINDINGS

- Consumers are conscious about their purchases and want to move towards environmentally sustainable products.
- Consumers are willing to pay a bit higher price if they know about a particular brand or company using environment-friendly practices to deliver the final product to them.
- By adequately segmenting its inventory, Amazon can plan out its warehouse strategically without overloading its inventory.
- Warehouse automation has taken Amazon to new levels as it has decreased the excessive inventory and limited the usage of unwanted space and wastage.
- Through continuous touch with its customer in different country regions, Amazon can plan accordingly what all product is needed or required in those regions. This way, they can efficiently plan their inventory, transportation, centralization, and decentralization of the inventory.
- Packaging is one of the aspects where Amazon has made a change by moving towards greener practices. Usage of plastic or polybags has reduced significantly.
- Amazon is continuously working towards improving its supply chain and adopting greener practices without declining its service quality.

CONCLUSION-

GSCM can minimize the environmental effect of industrial operations while maintaining quality, cost, reliability, performance, and energy use efficiency. It entails a paradigm change, from absolute control to fulfilling environmental requirements to reducing ecological harm and resulting in total economic profit. Practitioners, academics, and researchers face various obstacles in this field. The present state of GSCM practices research is positive; it is being carried out in clusters. Interactions between various research activities must thus be investigated to create interrelationships and evaluate the worldwide impact of this topic. In the context of GSCM, the integrated business strategy (including product and process design, manufacturing, marketing, RL, and regulatory compliance) is limited to thinking papers and frameworks. More study is required to determine how corporations could best choose items for each location to maximize returns while maintaining brand value, goals, and integrity. Furthermore, GSCM merits exceptional consideration regarding resource commitment within a company/supply chain. Amazon's success is heavily dependent on supply chain management. The company's principal

objective is to provide a one-stop service where buyers can track down everything on Amazon's website and deliver it to the buyer's location within a specific time frame. The organization must have collaborated with a partner to create multi-tier inventory systems that can deliver nearly limitless commodities. Furthermore, excellent distribution networks must deliver items to customers on time. These represent Amazon's foundational aim of providing high responsiveness to consumers. Amazon's rate of supply chain management upgradation has been stunning. The velocity of change has been astonishing, finding it challenging for lesser volume competitors to stay up. Amazon is pressuring its big competitors to spend more on supply chain automation, reduce total product delivery time, boost storage capacity, and even engage in product production. Most online e-commerce competitors are already out of reach of Amazon.

Most Indian firms are still in the outskirts of developing, integrating, and implementing green supply chain management (GSCM) techniques. Organizations that embrace green activities such as learning and benchmarking and communicate these concepts to their employees will undoubtedly successfully implement green business practices. The company's long-term viability will be based on the environment's viability. As a result, for the sake of Mother Nature, environmental considerations must be appropriately incorporated into business operations, and green supply chain management (GSCM) activities must be vigorously encouraged and applied by firms. However, organizations are now involved in most green supply chain practices due to mounting pressure from the government and its litigations and mounting pressure from customers regarding the need and demand for green products to save the environment, earth, and non-renewable natural resources.

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