Janus Pannonius University
Faculty of Business and Economics
H - Pecs

PhD-Dissertation

The Position of the Logistics Service Provider within the Supply Chain and the Achievement of Dominance through Customer Relationship Management

Josef Zellner

Dipl.-Kfm. Josef Zellner Schulstraße 13 D-94513 Schönberg

PhD - Dissertation

"The Position of the Logistics Service Provider
within the Supply Chain and the
Achievement of Dominance through
Customer Relationship Management"

Janus Pannonius University Faculty of Business and Economics H - Pecs

PhD supervisor:

Prof. Dr. habil. Zoltan Szegedi St. Stephen University H - Budapest

2008

Table of Content

Pre	liminary Remarks6
The	ses 9
Prof	file of the Medium-Sized Logistics Service Provider12
Cha Dev	pter (1) elopment Areas in Logistics – a Comprehensive Overview
1.1.	General trends
1.1.1	Competition trough Logistics and trough Supply Chains
	2. Growing Task Areas in Logistics
	Increasing Qualification Requirements
1.1.4	. Control with Information Technology
	. Cost Reduction via Outsourcing
	Globalisation of Production and Business Relations
1.2.	Market Strategies in Trade and Industry
1.2.1.	Cost and Service-Oriented Competition Strategy in Trade
	Marketing-Oriented Competition Strategy in the Consumer Goods Industry 29
1.2.3.	Potential for Conflict between Trade and Industry
1.2.4.	Design of Cooperative Relationships
1.3.	Formation and Control of Inter-Company Logistic Chains
1.3.1.	Range of Logistical Services
1.3.2.	Networking of Value-Adding Partners
1.3.3.	Control Mechanisms
1.3.4.	Integration through Fourth Party Logistics Service Provider
1.4.	Supply Chain Management as a –"Modified" Environment for the Middle-Sized Logistics Service Provider
1.4.1.	Definition and General Principles 41

1.4.2.	Collaboration Management	44				
1.4.3.	Organizational Involvement and Responsibility	45				
1.4.4.	The Economic Potential of Supply Chain Management	46				
Chap	Chapter (2) The Role of the Medium Sized Logistics Provider within the Supply Chain 53					
2.1.	Opportunities and Risks in Supply Chain Management	53				
2.2.	Supply Chain Management Concepts	56				
2.2.1.	Collaborative Planning	56				
2.2.2.	Supplier Integration	57				
2.2.3.	Efficient Consumer Response for Logistics Service Provider	59				
2.2.4.	Collaborative Planning, Forecasting and Replenishment	61				
2.3.	Challenges and Strategies for Logistics Service Providers	63				
2.3.1.	Impacts on the Service Portfolio	63				
2.3.2.	Strategic Realignment	. 65				
2.3.3.	Investments in Education and Information Technology	. 66				
2.3.4.	Positioning in a Growth Market	. 68				
2.3.5.	Previous Use of Customer Relationship Management	. 70				
2.4.	Implementation of the Supply Chain Management Concept	. 71				
2.4.1.	Functional Objectives	. 71				
	Management Horizon and Complexity of Services					
2.5.	Outsourcing - Opportunity and Challenge for Logistics Service Providers	. 74				
	Cost and Benefit Considerations					
	Basis for Decision-Making					
	New Business Areas and Service Components					
	Limits to Outsourcing	79				

Chapter (3) Customer Relationship Management as a Condition for Decisive Influence of the Logistics Provider within Supply Chain Management					
3.1.	General Conditions for Logistics Service Providers	82			
3.2.	Principles of Customer Relationship Management	83			
3.2.1.	Definition of Terms	. 83			
3.2.2.	Customer Focus Creates Potential Success	86			
3.2.3.	Extending Utility through Customer Loyalty	88			
3.3.	Process Organization and Process Management	92			
3.3.1.	Objectives of Process Design	92			
3.3.2.	Customer Focus in the Process Cycle	93			
3.4.	Design of Customer-Oriented Logistic Processes	95			
3.4.1.	Integration into the System of Objectives and Organizational Structure	95			
3.4.2.	Implementation in Logistic Solutions	96			
3.4.3.	Anchoring in the Customer Relationship Management Process	96			
3.4.4.	The Bridge from Customer Focus to Customer Satisfaction	97			
3.5.	Handling Recommendations for Middle-Sized-Logistics Service Providers	100			
Chapter (4) The Significance of Selected Customer Strategy Activities at German Logistics Service Providers - Results of the Empirical Research					
4.1.	Background and Methods of the Research	103			
4.2.	Modified Understanding of the Role of Logistics Service Providers 1	108			
4.3.	Market and Competition Strategy 1	109			
4.3.1.	Performance of Market Analyses	109			
4.3.2.	Business Positioning in Competition	110			
4.4.	The Importance of Marketing	111			
4.4.1.	Setting out Marketing Objectives	111			
4.4.2	Review of Marketing Measures	113			

4.5.	Targeted Customer Segmentation	114		
4.6.	Increase in Customer Loyalty	115		
4.6.1.	Methods and Instruments	115		
4.6.2.	Measuring Success of Customer Loyalty Strategy	116		
4.7.	Summary of the Results of the Empirical Research	117		
Closing Summary and Conclusions				
List of	Figures und Tables	124		
Refere	ences	126		
List of	Abbreviations	133		
Δffida	vit	135		