An Investigation on Relationship between Third Party Logistics User and Provider at FMCG Industry in Sri Lanka

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Abstract

The aim of this research is to investigate the relationship between Third Party Logistics (3PL) user and provider at Fast Moving Consumer Goods (FMCG) industry in Sri Lanka from the users’ perspective. The empirical research is used to investigate the user satisfaction on

- Information technology in terms of using web enabled communication, IT based customer order management and IT based distribution management
- Supply chain security in terms of providing physical security for material goods, providing information security and monitor environmental conditions associated with shipments
- Green supply chain practices in terms of improving transportation efficiency and thereby reducing carbon emission, reducing the use of non recyclable materials and using energy efficient distribution centers.

And it further investigates as to how information technology, supply chain security and green supply chain practices are affecting to the level of relationship between third party logistics user and provider. The results showed that 3PL users are satisfied with the above three factors provided by the 3PL providers in Sri Lanka. With the high level of satisfaction, these factors are affecting to the relationship between 3PL user and provider. The results of this study provide useful information especially for 3PL providers to improve their services. Providers can be aware of the most frequently used services, the potential trends so that they can develop their capabilities for the future requirements.