

# The Influencing Factors of Logistics Integration and Customer Service Performance for Value Creation of Port Logistics Firms

Hee-sung BAE \*

## Contents

- |  |                                |
|--|--------------------------------|
| I . Introduction                         | IV. Results of Empirical tests |
| II . Literature Review                   | V. Conclusion                  |
| III. Research hypotheses and methodology |                                |

## Abstract

The aim of this research is to analyze the relationships between environmental uncertainty (EU), logistics information systems (LIS), logistics integration (LI) such as internal integration (II) and external integration (EI) and customer service performance (CSP) of port logistics firms. This research verified the relationships between variables by an analysis of structural equation modeling. The results are as follows. First, EU has a positive influence on II but it has no effect on EI. Second, LIS has a positive influence on LI, which means LIS can provide a useful foundation for LI in a port logistics process. Third, II has a positive influence on EI. When port logistics firms have efficient internal processes, they can structure efficient relationships with customers and suppliers. Fourth, II has a positive influence on CSP but EI does not lead directly to better outcomes of performance. In other words, EI is necessary but not a sufficient condition for an improvement of CSP. Despite the lack of support for the relationship between EI and CSP, EI has a positive influence on II and, in turn, it indirectly affects CSP. Therefore, II mediates the relationship between EI and CSP.

**Key words :** Environmental uncertainty, Logistics information systems, Logistics Integration, Service Performance, Port Logistics

Copyright © 2012, The Korean Association of Shipping and Logistics, Inc. Production and hosting by Elsevier B.V.  
Open access under [CC BY-NC-ND license](#). Peer review under responsibility of the Korean Association of Shipping and Logistics, Inc.

\* Ph.D. candidate of the University of Hull, UK, E-mail: [sunnybh@lycos.co.kr](mailto:sunnybh@lycos.co.kr)

## **I. Introduction**

Organizations want to make relationships with the other organizations in supply chain environment. The relationships are the basis of achieving efficiency of a value chain from the internal viewpoint of a firm and structuring effective processes from the inter-firm viewpoint. The relationships between firms can add value in supply chain processes through collaboration and interaction.<sup>1)</sup> In this regard, managers can efficiently operate the processes through LI.

LI is on the rise as an important factor to firms which want to acquire and maintain customers' royalty through logistics capability. A concept of LI is that firms integrate all logistics activities and, consequently, they minimize logistics cost as well as achieving a level of service which customers require.<sup>2)</sup> Logistics cost saving is attained by integration of logistics activities such as customer service, transportation, storage, management of stock, order processes, information systems, production plans and purchase. Firms, through LI, enhance a possibility of using assets in a factory and a warehouse, remove overlaps and inefficiencies in a whole logistics process and minimize possession of stock in the interface between firms. Integration is important from the viewpoint of port logistics firms as service providers in international logistics processes as well as the viewpoint of manufacturing firms.

The activities for LI of port logistics firms are concerned with maximizing efficiency of logistics operation and improving effectiveness of customer service. Port logistics firms can strengthen customer service through enhancing communication with customers in international logistics processes and provide shippers with various services such as inland transportation, treatment of documents, contract of insurance, packing, storage, customs clearance, consolidating and consulting through collaboration with other service providers in international logistics processes. They can also achieve a sustainable competitive advantage through improving internal efficiency for survival in keen competitive environment and variance of port logistics environment, providing customers with various services following use of LIS and enhancing a level of LI with various service providers in international

---

1) Iyer (2011), pp.81-91.

2) Rajaguru and Matanda (2009), pp.456-467.

Download English Version:

<https://daneshyari.com/en/article/992778>

Download Persian Version:

<https://daneshyari.com/article/992778>

[Daneshyari.com](https://daneshyari.com)