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D Y PATIL UNIVERSITY

End Term Examinations (December 2018)

School : SOM- ICRI Program: BBA Logistics and Supply Chain Management

Course: Introduction to Logistics and Supply Chain Management

Course Code: MGT314

Semester: First

Max Marks: 50

Duration (mins) : 120mins

Note : 1. Figures to the right indicates full marks.

2. Internal choices provided in 2 questions you need to attend any one of them.

3. All 6 questions are compulsory.

Q 1. What do you mean by distribution channel explain with example? What are the factors influencing distribution channel? Explain in detail any 2 designs of distribution channel and its cost and service factor in detail.

(8)

Q 2. How are marketing and logistics related to each other, explain in detail with example?

OR

What do you mean by supply chain management how it is related to logistics? What are the benefits of SCM? What are the key business processes in SCM explain with help of example?

(7)

Q 3. What do you understand by outsourcing logistics? What are pros and cons of outsourcing logistics, what are the risks and challenges and how to overcome them while outsourcing the logistics decision?

(7)

Q 4. What do you mean by Logistics strategy? Explain types of strategies (Agile and Lean), difference between them. How will you choose the strategy? Give example.

OR

What do you mean by order cycle? What are the steps in time order cycle? Explain the measures to make order cycle effective and efficient.

(8)

Q 5. What are the elements of customer satisfaction? How customer satisfaction does affect Supply Chain Management business/ firm's business? What are the measures to improve customer Satisfaction?

(8)

Q6. Read the following case study and answer the related questions given below (12)

Customer service as a strategy A Parcelforce Worldwide case study

Introduction

Parcelforce Worldwide is part of the Royal Mail Group Ltd. Royal Mail Group has three main operating brands:

- The Post Office Ltd provides counter services to the high street customer
- Royal Mail manages the delivery of letters and packets
- Parcelforce Worldwide provides express parcel delivery services for businesses and consumers

Parcelforce Worldwide has over 30,000 business customers in the UK. It handles 200,000 parcels a day. It has a turnover of £382 million. In 2006-07, revenues grew by 7.3% over the previous year. With its 23 partners across 30 European countries and access to Postal Administrations through the Universal Postal Union. It operates:

- Business to Business (B2B) services, delivering parcels and supplies from companies to other companies
- Business to Consumer (B2C) services, delivering parcels to individuals in their homes around the UK

Parcelforce Worldwide competes in a free or unregulated market. A free market is open to all. Any company can choose to operate in the market and customers can choose any supplier they wish. Suppliers therefore need to provide good value for money to keep customers and win new business.

The need for change

In 2002, Parcelforce Worldwide was making a loss. In response, those managing the business decided to change the type of service it offered. Instead of unguaranteed parcel deliveries typically taking between two and four days, Parcelforce Worldwide decided to focus on time and day guaranteed, express delivery. This resulted in a reduction of the number of parcels handled (volume) but increased the value of each delivery to Parcelforce Worldwide.

As a result of these changes, Parcelforce Worldwide also increased operational efficiency. The business:

- reduced the number of staff it employed
- closed some of its depots
- opened a new, technologically advanced sorting centre in Coventry

These changes enabled Parcelforce Worldwide to achieve its financial targets. It turned a loss-making business into a profitable one. However, it recognised that more could be done to improve efficiency. The business sought to improve staff attendance rates. It wanted to cut absenteeism staff taking unauthorised or sick leave and reduce the time lost as a result of accidents at work. To do this, Parcelforce Worldwide introduced a more decentralised approach to management. This gives depot managers greater decision-making accountability to improve the effectiveness of the operation in their local area.

Differentiation

Most companies operating in the express parcel delivery market offer similar services. Parcelforce Worldwide remains competitive by differentiating itself in other ways. Parcelforce Worldwide has developed a unique selling proposition (USP) based on high-quality customer service.

This customer-orientated approach is designed to attract and retain key customers. Parcelforce Worldwide works in partnership with customers, such as the UK's examination boards, to develop and deliver services to meet specific needs. During exam season, Parcelforce Worldwide delivers millions of exam papers, scripts and coursework.

This case study examines how a strategy focused on customer service can contribute to longterm business development.

Questions:

Q6.1. Give a brief about the company and what is there aim?

Q6.2. What are the current drawbacks faced by the company, what changes they want to bring in to improve them?

Q6.3. What are the results of implementing the desired change to the company's performance?

Q6.4. What is USP of Parcelforce company which made the company become market leader?