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The Usage of Third Party Logistics in New Zealand

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ABSTRACT

The aim of this research is to investigate the use of third party logistics in New Zealand companies from the users' perspective and to identify the improvement opportunities in the New Zealand environment.

The empirical research is used to investigate the reasons for undertaking or not outsourcing logistics activities in New Zealand companies; to investigate the extent of use of third party logistics services in New Zealand and the influence of firm sizes and different industries on different aspects of 3PL (third party logistics) practices; to investigate critical success factors and attributes of selecting and evaluating 3PL service providers by users of 3PL in New Zealand; to establish the impact of usage of 3PL providers on New Zealand companies; to evaluate the satisfaction level of New Zealand 3PL services; to investigate the future plans of current 3PL users in New Zealand.

The results showed that 3PL has been accepted by New Zealand organizations; with more than half of the respondents using 3PL. Current users accepted that 3PL allows them to gain a number of benefits and believe that 3PL has more positive impacts than negative. With a high level of satisfaction, a large number of user firms are likely to maintain and moderately increase the use of 3PL in the near future.

The results of this study provide useful information for both 3PL providers and users. Providers should be aware of the most frequently used services, the potential trend, and develop their capabilities accordingly in terms of these future requirements. The experience of the firms in this study also provides insights as to the benefits of outsourcing logistics activities and how to plan for implementation for 3PL users.

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