# Logistics Management of the CG Group Distribution Center

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Abstract – The purposes of this study were to determine logistics management factors, the quality of services level, and relationship between Logistics management and the quality of the services level of Central department stores. A questionnaire was distributed to 330 customers who used services at distribution center of Central department stores and analyzed data in statistic application of percentage, mean, standard deviation, t-test, f-test, one-way Anova, Pearson correlation, and multiple regression analysis.

The results of the study showed that most of respondents were male, aged 21-30 years old, were single, graduated lower than vocational level, staff level position, and had 2-5 years job experienced with company. The overall picture of the opinions on Logistics management, such as receipt products, storage, distribution, services, transportation, and returned merchandises were at a high level. The different personal behavior patterns, such as positions, job lengths affected the quality of the services with a statistically significant .05 level. Factors of Logistics management in the field of receipt products, storage, distribution, transportation, and returning products had a very high level of relationship in the same direction. Logistics management factors had an influence on the quality of products distribution services in the products condition, such as company employees dress modestly according to the regulation, delivery of the right products, correct location, on time delivery, competent employee along with solving problems, there are facilities that are ready and sufficient for services which influencing the quality of services at Central department stores, Bang Na district distribution center with a statistically significant .05 level.

Suggestions from the study results were that administrative officers should emphasize on allocation of investment funds to purchase tools and equipment for receiving products to meet the customers requirement, to enhance the image of the organization, to be accepted by customers, to improve the quality of receipt good in term of storage, and should pay attention to distribution process. In addition, focus on the development of various information systems in order to increase communication channels for the return of products which need to be convenient, quick, and more comfortable for customers.

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Keywords : Logistics, Distribution Center

### INTRODUCTION

Distribution Center (Distribution Center) or that is often translated as DC, which is part of the activities of logistics, which is a mechanism to drive or move products to customers. Under the conditions of time and cost that can be effectively competed by the meaning of the distribution center as a unit of logistics to perform the transaction, accept the delivery of the finished product that is Final Production in order to have Delivered to recipients who may be customers or users who want to use Or in other words, in the face of receiving and delivering or delivering goods, spare parts, raw materials, as well as various services which are the parts of the product from the center Has agreed, therefore, the important function of the distribution center is to be the source for collecting, assembling, packing, sorting to suit the type of vehicle that will be used in transportation The customer or recipient.

Which will be different according to the environment, the important mission of the distribution center is to deal with the interaction of information between people and / or related agencies, including the management of "Cross-Dock" and warehouse With packaging, including the management of the mode of transport, especially the duty of planning the delivery of products to ensure The correct product in the correct time to meet the customer's premises, which defined and delivered on time required (chairman Thanit Sorat. V-SERVEGROUP Date 11-01-2008 www.tanitsorat.com/view.php?id=184)

Danai Kalasie, Vice President responsible for overseeing the company's supply chain Central (CRC) is considered Corporation Retail а professional who specializes in planning, planning, management, supply chain and logistics. Experience has worked with Nestle before joining the retail industry giant CRC. And Thai consumer products Which has more than 3,800 suppliers, suppliers and transportation products worth 40,000 million baht per year. It is worth noting that this year, CRC has spent more than 200 million baht to expand the delivery area of Bangna KM 20 distribution center. 15 rai is 18 rai, which means the index indicates that the business of the CRC group grows in all 7 businesses, namely Central, Robinson, Super Sport, B2S, OfficeDepot and Page One, including the Central Department Store in Hangzhou, China. With this event, Robinson Department Store will have to move the warehouse of Robinson Bangkae to the same place at Bangna Distribution Center. CRC is one of the new infrastructure (Mission Link Infrastructure) that uses the XD Hub (Cross dock Hub).

Spearheading the northern part of Chiang Mai and the southern part of Surat Thani as a distribution. By using 18-wheel-6-wheel trucks-4 wheels that use low-cost NGV to deliver to the branches of Central and Robinson in the north and south This strategy reduces transportation costs per trip. 10-15% and increase the efficiency of product delivery management to reach the target. Danai also talked about the project of importing goods. And export expensive products that must be taken care of to prevent damage while transporting between Central and Zen malls in Thailand and branches in China Which will be added from the other 2 Hangzhou branches, which is also the Shenyang branch Danai must supervise the costs and expenses. Including time management with Good boat and airplane routes Know the procedure of customs clearance and Effective communication "We value China very much. Which we talked about the distribution of products in China to Thai big businessmen in China, such as Mitr Phol Company that has been operating in China for a long time, as well as a major CP company. " Develop WMS (Warehouse Management System) warehouse management software which will play an important role in supporting the production process and Affiliated businesses with business partners Including customer service in the plaza area

That depends on CPN companies to connect effectively, modernly, economically, quickly and accurately with call center services and CRC Web EDI websites as data centers and supplemented by Vendor Compliance projects that will provide knowledge and understanding to suppliers New And old about the rules of cooperation, working together as well as the rental of large plastic product boxes called Tote-Box to help prevent damaged products and attach barcodes to be able to track three - under the supply chain between Central business, retail, Central Department Store, with over 3,800 business partners. Danai told us about CSR activities. That organizes social gatherings and awards the "CRC Partnership Award 2011" to outstanding customers. Danai points out that the opportunities and obstacles of Thai logistics as a whole are high. There are many risk factors, such as natural risk factors, such as floods, under energy risk factors that affect the cost of road transport. While the modes of rail transport such as The train still lacks development. And marine transportation that lacks sufficient deep sea ports is a structural problem

The limited Thai foundation lacks the use of IT technology and efficient logistics management knowledge. In addition, the political risk factor that has failed has reduced the opportunity to develop the Thai economy. Last year, the World Bank adjusted logistics. Thailand dropped from 31 to 35, considered a country strategy to accelerate the strategic plan. Thai logistics development for efficiency In order to increase the potential of Thailand to be able to compete in ASEAN trade liberalization (AEC: ASEAN Economic Community) in 2015, which the retail giant Like Central Department Store has already blown the business to this golden opportunity (360 degree manager magazine, May 2011)

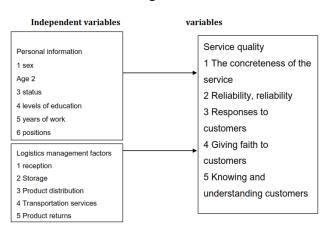
Therefore, the students are interested in studying the quality of service and the satisfaction of the customers who use the service as well as the related problems. For the development of quality in logistics management of distribution centers, CG groups and information obtained from This study will use the information to be used as a guideline for improving the logistics of the distribution center. The CG Group provides customers with the most satisfaction in receiving services. In order to make the CG Distribution Center more efficient in providing services And very important, it is also an option for companies to distribute products to various branches and also reduce the cost of shipping as well as able to distribute products to department stores more quickly

## **RESEARCH OBJECTIVES**

- 1. To study logistics management factors of the CG Group Distribution Center.
- 2. To study the service quality level of the CG Group Distribution Center.

### Journal of Advances and Scholarly Researches in Allied Education Vol. 16, Issue No. 8, (Special Issue) June-2019, ISSN 2230-7540

3. To study the relationship between logistics management factors of the distribution center and the service quality of the CG Group Distribution Center



#### Thinking framework

### RESEARCH SCOPE

- Content scope this research on logistics management of the distribution center relies on the logistics management concept of receiving storage. Product distribution Transportation services Product return And service quality (Zeithaml, Parasuraman and Berry, 1990) The concrete aspect of the service Reliability In response to customers In terms of giving confidence to customers And the knowledge and understanding of customers
- 2. Scope of population, population and samples used in the study Study from 330 customers who use the CG Distribution Center.
- 3. Scope of time Duration of study during December 2017 - April 2018

### **RESEARCH METHODOLOGY**

The tools used in this research, the researcher used the questionnaire as a tool to collect data by the study builders themselves.

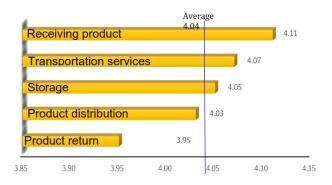
- 1. Study related documents and research to determine the questionnaire structure.
- 2. The questionnaire structure consists of 3 important parts as follows

### **RESEARCH RESULT**

Results: 330 respondents found that the majority of respondents were male, 21-30 years old, single status, graduated lower than vocational level, had a job position as an employee, and had 2-5 years of age.

Logistics management factors of the CG Group Distribution Center

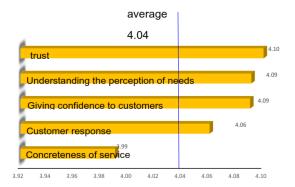
From the study of logistics management factors of the distribution center, the CG group found that in terms of receiving goods Storage Product distribution In the field of transportation services for product return In the overall level of logistics management is at a high level, respectively, as illustrated in Figure 2.



# Illustration 1 shows the overview of logistics management

# Service quality level of CG Group Distribution Center

The results of the study found that satisfaction with the overall picture of service quality level With the overall average being very satisfied When considering each aspect, it was found that reliability, trust, understanding, perception, needs, giving faith to customers Responding to customers and the concreteness of services, respectively As illustrated in Figure 3



#### Illustration 2 shows an overview of service quality levels

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#### Table 1 Logistics management factors are related to overall service quality

Logistics management factors	Relationship with overall service quality					
	r	Sig	Relationship level	sequence		
receiving	.759**	.000	High in the same direction	5		
Storage	.762**	.000	High in the same direction	4		
Product distribution	.802**	.000	Very high in the same direction	3		
Transportation services	.844**	.000	Very high in the	1		
Returns	.821**	.000	same direction	2		
Average overview	.895**	.000	Very high in the same direction	2		
			Very high in the same direction			

From Table 1, logistics management factors are related to Overall service quality The average picture has a very high level of correlation (r) = .895

# Table 2 Logistics management factors of the distribution center influence the service quality of the CG group.

	Std.				test result
В	Error	Beta	t	Sig.	
0.450	0.163		2762	0.006	
0.157	0.060	0.169	2.610	0.010	yes
0.114	0.063	0.127	1.828	0.070	no
0.186	0.072	0.200	2.573	0.011	yes
0.206	0.074	0.217	2.799	0.006	yes
0.237	0.53	0.285	4.451	0.000	yes
	0.450 0.157 0.114 0.186 0.206	B         Error           0.450         0.163           0.157         0.060           0.114         0.063           0.186         0.072           0.206         0.074	B         Error         Beta           0.450         0.163	B         Error         Beta         t           0.450         0.163         2762           0.157         0.060         0.169         2.610           0.114         0.063         0.127         1.828           0.186         0.072         0.200         2.573           0.206         0.074         0.217         2.799	B         Error         Beta         t         Sig.           0.450         0.163         2762         0.006           0.157         0.060         0.169         2.610         0.010           0.114         0.063         0.127         1.828         0.070           0.186         0.072         0.200         2.573         0.011           0.206         0.074         0.217         2.799         0.066

From Table 2, the comparison of logistics management factors of the distribution center influences the service quality of the group. CG from the study found that logistics management factors have an influence on the quality of product delivery services in the distribution of transportation services. Returning goods Influencing service quality of the CG group distribution center with statistical significance at .05 level

# Summary and metaphysics Suggestions from the study the study has suggestions for the following benefits.

- Receiving goods Service providers should pay more attention to the allocation of investment funds to purchase tools and equipment. There are modern facilities in coordination. Including the availability of the place In receiving products with modernity To meet the needs of customers or those who come to receive services to enhance the image of the body and to be accepted by customers who come to use the service And also to improve the quality of the company's products
- 2. In terms of storage, service providers should pay more attention to investment in Selective Rack, Double deeprack equipment and modern moving products for ease of use. Including the accurate collection process in order to reduce the time of moving in a flat

and high way, as well as having a system to find products that are more convenient and faster in order to improve the quality of storage Go

- 3. Product distribution Service providers should pay attention to the system for issuing documents that are fast, accurate, including the personnel themselves who have a good understanding and also have modern software to control the distribution and have a distribution process. Products that allow the product condition to be in perfect condition by forcing the capital equipment to move products such as electric pallet power, hand pallet truck, conveyor to be satisfied with customers. And also reduces the claim defective product and system design technology, management, or distribution to date. Fast, accurate In order to further improve the quality of distribution
- 4. Transportation services Service providers should focus on promoting employees to have personalities. Liked the image to look reliable. In order to elevate the body to look professional, together with the importance of the correct delivery of goods, the correct location and the appointment time In order to enhance the ability of the company Able to compete with competitors in the same business and Employees are ready and willing to provide services at all times. To meet the needs of service recipients
- 5. For product return, service providers should pay more attention to the development of various information systems in order increase to communication channels for the return of products to be convenient and fast so that the customers will have more convenience in total. Both allocating budget for investment in equipment and facilities and providing adequate services to improve the quality of product return

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Journal of Advances and Scholarly Researches in Allied Education Vol. 16, Issue No. 8, (Special Issue) June-2019, ISSN 2230-7540

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