FACTORS AFFECTING THE SERVICE OF DISTRIBUTION CENTER AT CDC2, SUVARNABHUMI

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ABSTRACT

The primary purpose of this study is to determine Factors Affecting the Service of Distribution Center at CDC2, Suvarnabhumi and samples were 133 transportation employees of Distribution Center at CDC2, Suvarnabhumi by using a check list and rating scale questionnaire. The statistics used for data analysis were percentage, mean, standard deviation, t-test, One-Way ANOVA.

Findings revealed that most of respondents were males, age between 20-40 year old, single marriage statuses, earned less than bachelor degree, work for company between 1-5 years. Factors affecting service of Distribution Center at CDC2, Suvarnabhumi was at average medium level with following details; work quality such as correct transportation record papers, no packages damage, packages with well-organized in categories, trust worthy such as prices of delivery with clear business standard, accurate products listing, fast moving products to trucks, rapidly transportation papers issued, and on time delivery. Cost of services was at medium level, but service satisfaction was at high level. The statistical hypothesis testing revealed that personal different such as work period and status effected job satisfaction with statistical significance at 0.05 level.

Recommendations from this study are administrative officers should put emphasis on appropriate delivery route, products should be ready to pick up on schedule, estimate cost of damage packages in time manner so that the process would be cost saving and satisfy to transportation workers.

Keywords: Factors Affecting the Service, Distribution Center.

Introduction:

Transportation is a crucial activity in product industry since production sites and consumers are in different locations. Therefore it is mandatory for producers to transport their products to the place where there are needs. Consequently, transportation plays an important role as a service that comes along with the product. If transportation service is carried out smoothly, consumer satisfaction with the products will be higher. (Bussarin Srisatriyanont: 2009) Effective transportation service has to be aware of the needs of every party involved such as producers, distributors, retailers, and customers. As a provider of basic infrastructure for transportation, transporter has to maintain quality of the service and also ensure client satisfaction. The transporter should ensure a minimal cost is spent in transportation by smartly planning in the benefit of all the parties involved. It could be asserted that effective transportation has to receive and send the products punctually as well as maintain reasonable costs. Besides, effective transportation service will help to promote a good image for the producers.

From the above facts, it is clear that distribution center plays a major role in storing and distributing the products and holding responsibility to control and recruit outsourced transportation companies. Using of distribution center will help to reduce transportation cost for manufacturers since without distribution center, the trucks that deliver directly to customers would be fully loaded only one way trip. Such problem could be solved by having effective distribution center with good distribution network to consolidate the goods for full truck load, or arrange suitable vehicles for amount of goods and place of delivery. In addition, distribution center may have network to gather the goods or change transportation mode to the form of energy saving (Krissadawan Wanpaka: 2009) The distribution center has to
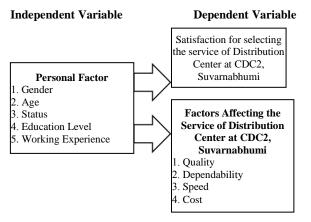
monitor, control, and enhance willingness and job satisfaction of its own personnel as well as outsourced transporting companies. Distribution center realizes the significance of transporting companies since a number of producers tend to use transportation service with the belief that their transportation service to customers can be improved which in turn will enhance their competitiveness in the market and respond to the market needs. Apart from this, producers have expectations to reduce their transportation cost or control such cost in a satisfactory level.

Researcher is interested to study the Factors Affecting the Service of Distribution Center at CDC2, Suvarnabhumi in the aspect of the personnel working in CDC2, Suvarnabhumi that affect job satisfaction of CDC2, Suvarnabhumi employees in order to improve quality of the service in CDC2, Suvarnabhumi distribution center.

The Purpose of the Study:

The purpose of this study is to determine factors affecting the service of distribution center at CDC2, Suvarnabhumi.

Framework of the study:

Independent Variable   **Dependent Variable**

Literature Review:

Silchai Oun-arun (2011) Study on Relation Between Service Quality in Operation for Waste Elimination and Land Transport Performance: Case study of NML Co.,Ltd. This study aim to 1) Evaluate factor of service quality of NML Co., Ltd. 2) Explore relation between factor of service quality and land transport performance of NML Co., Ltd. 3) Investigate relation between operation for waste elimination and land transport performance of NML Co., Ltd. The questionnaire was used as a research tool while the population in this study covered users who were the member of NML Co., Ltd. and the sample group consisted of 400 subjects. Statistics applied for data analysis included frequency, percentage, mean, standard deviation. Hypothesis testing was done by Pearson's correlation. Findings from the research

found that the factor of reliability was at high level from the overall.

Sivadtra Pipatchaisiri (2013) Study on Influence Factors for Choosing Low-Cost Airline in Domestic Route of Thai Passengers. The objective of this study was to study the customer behavior and influence factors for choosing Low-cost airline in domestic routes, Thailand. The sample was 400 respondents who have been travelled by Low-cost airline and have power to make the buying decision. The study found that the respondents' rate for product and service factor in high level and the reputation of safety was the highest point among the lists. For price factor, in general was in high level and the highest point was air fare was reasonable. For distribution factor, in general was in high level and the convenience of buying the ticket via the airline's website was the highest point. For promotion factor was in high level, ticket discount promotion was the highest point to influence them. For service delivery factor was in high level, departure and arriving on-time was the highest point. For people factor was in high level, the hospitality and efficiency of in-flight attendants was the highest point. For physical evidence factor in general was in moderate level, the airline's office was modern and elegant decorate was the highest point.

Thanutra Jantaraget (2011) Study on The satisfaction of Customer Towards Bus Service Quality of Transport Company Limited at Saraburi Bus Station, Saraburi Province. The objectives of this study were 1) To study satisfaction of customer towards bus service quality of transport Co., Ltd. at Saraburi Bus Station, Saraburi Province. 2) To study level of quality of service. 3) To study how service quality relates with satisfaction of customer. 4) To study problems and obstacles and suggestions. Samples are composed of 400 people who use transport service. Questionnaires are used to collect data. Frequency, Percentage, Mean, Standard Deviation, t-test, ANOVA and Multiple Comparison are utilized to analyze data by using LSD and Pearson product moment correlation coefficient. Findings from the research found that the results of satisfaction have not shown differently accordind to age.

Atcharaphorn Jirachartphong (2012) Study on The Service of Thailand's Airport Rail Link: A Customer's Perspective. This study has the objective to 1) Study the service behavior of Thailand's Airport Link. 2) Study the factors influencing perception and expectation affect satisfaction of the customer use Airport Link. 3) Study behavioral factors that affect perception and expectation affect satisfaction of the customer use Airport Link. This study is a survey research that employed a questionnaire to collected data from 400 Thai passengers who used the service of the Airport Rail Link at 8 stations for both arrivals and departures. The result of the hypothesis test revealed that the service users with different

demographic factor such as gender, age, marital status, education level, occupation and monthly income have different levels of perception and expectation toward the service of the Airport Rail Link. Found that the service users with different status have different levels of perception and expectation toward the service of Airport Rail Link.

Pramoath Chatuparisute (2006) Study on Customer Satisfaction on Service of S.P. Development Import Export Co., Ltd. The purposes of the study were to understand and compare the characteristics of the customers. The study was made through a research by collecting data through questionnaires from 172 customers, with confidence equivalent to 0.9186 and analyzed through percentages, means, standard deviation, t-test and f-test. The study revealed the following: (1) The respondents who submitted the questionnaires showed – (a) 97 or 56.40% were Males, (b) 94 or 54.65% were between the age of 26-30, (c) 91 or 52.91% had completed education up to college graduation, (d) 60 or 34.88% were from businesses established for not more than 1 year and (e) 74 or 43.02% had between 6-10 employees. (2) Customer satisfaction on Service provided by S. P. DEVELOPMENT IMPORT EXPORT Co., Ltd. in overview was generally found to be at a high level. On looking for reasons for the same it was found to be a composite of many aspects, firstly on contact staff, secondly on data and after sales service, and on location. (3) The hypothesis test result showed that customers with different size of employees showed customer satisfaction in general overview differing by 0.05%. Whereas for customers with differences in Gender, Age, Education levels, Longevity for being in business, the level of customer satisfaction was totally unaffected.

Methodology:

Population of the study is 199 transportation workers of Distribution Center at CDC2, Suvarnabhumi out of which 133 samples were selected for the study. Tool used in this study is a structured questionnaire, using 1-5 Likert scale as the scale of measurement in this study. Hypothesis used in this research is One-way ANOVA.

Discussion:

The study indicated that most of respondents were males, age between 20-40 year old, who are single, earned less than bachelor degree, and working in the current company between 1-5 years.

Factors affecting service of Distribution Center at CDC2, Suvarnabhumi was at average medium level with the following details; Quality, Credibility, Speed and Cost. Quality factors that are in a high level of significance include: accuracy of shipping document of CDC2; good condition of the products received from CDC2; proper sorting of the products according to their categories; and appropriate transportation

routing of CDC2. Credibility factors in high level of significance include: a clear and standardized transportation cost of CDC2 in reference to fuel price; accurate loading of the products as stated in delivery document; reliable schedule for trucks entrance to receive the products at CDC2; punctual arrangement of products as scheduled. On-time delivery factors in high level of significance are: fast and punctual loading of the products into trucks; fast issuing of delivery document; fast process of receiving the returned cartons; and fast delivery of CDC2. Cost factors that are in medium level of significance consist of: late receiving charge; lost document charge; and damage charge caused by delivery. Customer satisfaction in the service of CDC2 distribution center is found to be in a high level of significance. This indicates that most of the transportation employees who used the service of CDC2 in receiving the products are highly satisfied with the service. Quality factor including accuracy of shipping document of CDC2; good condition of the products received from CDC2 proper sorting of the products according to their categories; and appropriate transportation routing of CDC2 were in high level of significance similar to the research of Kanyanet Wongsa (2008) about quality of service of Marine Office 3 and found that quality factor has high level of significance.

Credibility factor includes a clear and standardized transportation cost of CDC2 in reference to fuel price; accurate loading of the products as stated in delivery document; reliable schedule for trucks entrance to receive the products at CDC2; punctual arrangement of products as scheduled. These factors are in high level of significance which is in accordance with the research of Sinchai Unarun (2011) about relationship between quality of service to help waste elimination and effectiveness of land transportation: case study NML Co., Ltd. and concluded that dependability is a highly significant factor.

On-time delivery factor including fast and punctual loading of the products into trucks; fast issuing of delivery document; fast process of receiving the returned cartons; and fast delivery of CDC2 are all in high level of significance. This finding resembles the study of Siwattra Phiphatchaisiri (2013) about Thai customers' choices of low cost airline for domestic journey and found that on-time factor is in high level of significance overall.

Cost factor including late receiving charge; lost document charge; and damage charge caused by delivery are in the medium level of significance similar to the study of Krissadawan Wanpaka (2009) about quality improvement of sales forecast in the case study of Float Glass Factory which found cost factor to be in medium level.

Hypothesis test revealed that age and education do not have effect on the satisfaction on the service of CDC2

Suvarnabhumi while status is shown to have effect on satisfaction level of the service of CDC2 Suvarnabhumi.

Conclusion:

The statistical hypothesis testing revealed that personal different such as work period and status effected job satisfaction with statistical significance at 0.05 level.

Recommendations:

For Quality Factor, the transportation routes should be planned suitably to reduce time and increase satisfaction.
For Dependability Factor, products should be picked up on time with schedule of transportation workers.
For Speed Factor, should be ready to pick up on schedule.
For Cost Factor, estimate cost of damage packages in time manner so that the process would be cost saving and satisfy to transportation workers.

Acknowledgement:

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