Packaging effects on logistics activities: a study at rol international

Science



Packaging has a major impact on the activities performed in a logistical value chain. Packaging can improve or decrease the efficiency of the outbound logistics process. It is therefore important to consider the activities and the value that they add to the overall process. ROL International is a Swedish store interior manufacturer that design, produce and distribute their products on a global basis. One of their basic products is the shelf concept. ROL wants to improve their efficiency and consider a change in the packaging method for the shelf concept. Two alternative packaging methods have been suggested and ROL want to know if either of the two alternatives would result in increased efficiency. The purpose of this report is to evaluate the two packaging alternatives and their impact on the activities connected to the outbound logistics at ROL International. Since the study was conducted at request from ROL International, it is considered as a qualitative single case study. Observations, mainly at ROL? s warehouse but also through an observation at one customer? s premises, were used for determination of the activities included throughout the studied process. In addition to the observations, interviews were conducted with key persons concerned with the effects of a change in packaging method. Secondary data in form of order and shelf statistics were important for the study due to its impact on the frequency in which the studied activities are performed. The study found that neither of the two suggested packaging alternatives are suitable for implementation in the present situation. This is mainly because of the increase in activities needed to perform the packaging of shelves, which would result in increased cost that cannot be justified through enhanced customer service and higher quality. More-over, the study also

found that the current process for picking customer orders are ineffi-cient and might require a restructuring of the warehouse operation in order to become more efficient.