

Table 3. Transportation Logistics: Strategic Issues in the Value Chain

INBOUND LOGISTICS	VALUE-ADDED IN PRODUCTION	OUTBOUND LOGISTICS		
		TRANSPORTATION TO WAREHOUSE	WAREHOUSE CHARACTERISTICS	DELIVERY TO CUSTOMER
Harmonization of Supply Chain with Production Needs	Demand Forecasting	In-house / Third Party Logistics	Network Design ~central ~regional	Market/Vendor Choice
Sourcing & Procurement	Production Design	*	Warehouse Location	Network Pattern ~Hub & Spoke ~point to point ~route
Transport Mode Choice ~sea ~river/canal ~air ~rail ~road	Management ~total qualitymanagement ~just-in-time ~others	Frequency of Delivery	Warehouse Internal Layout	Transportation Mode
Distribution Network ~direct delivery to factory ~warehouse	Location Choice	Mode Choice	Quantity & Inventory	Frequency ~on demand ~daily ~weekly ~Monthly
		Fleet Size	IT & EDI for Harmonizing Orders & Shipments	Speed of Delivery
		Fleet Composition		Tracking Equipment
		Optional Routing		Shipment Size ~Package ~LTL ~TL
				Damage Consideration ~breakage ~spoilage ~theft ~accident
				On Time Delivery
↑ Cost	Delivery Coordination		↑ Accuracy	
	Speed/Cycle Time	Agility/Flexibility		

Source: Lata Chatterjee (2000)