



ABSTRACT

Logistics outsourcing is an emerging trend in nowadays. Many companies are trying to outsource their logistics activities to outside parties to focus on their core competencies. Therefore, third party logistics industry is a strategic arm for today's companies. The ultimate objective of this research is to find the factors which are affecting to the customer satisfaction of third party logistics outsourcing relationships in Sri Lanka. When considering the service organization context, customer satisfaction is one of the most significant aspects. In order to attract new customers and retain the existing customers providing higher quality of service is needed.

After the comprehensive literature review, structured questionnaire was constructed with the 29 latent variables. A questionnaire base survey was conducted. The target sample of this research was recently 3PL used large scale public listed companies in Sri Lanka. The study collected data from 50 companies. Among these companies 203 valid responses was received. SPSS statistical software was used to analyze the data. Stratified random sampling technique was used in this study. Initially, descriptive analysis was carried out to screen the respondents' profile. Further factor analysis was carried out to reduce number of variables and grouping factors which have similar characteristics. Moreover hypothesis test has been done in order to check the hypothesis.

Finally the research findings were discussed. This research paper has been identified the main four factors which are affecting to the customer satisfaction in third party logistics outsourcing relationships. The recommendations are given to improve the service quality in order to increase the customer satisfaction which helps 3PLs to attract more customers in future.

Key Words: Third Party Logistics (3PL), Outsourcing, Service Quality, Customer Satisfaction.