



A Decline Earnings at the Empty Depot: Case Study at JP Logistics Sdn Bhd

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Abstract. Empty Depot is one of the most important container storage at JP Logistics Sdn Bhd (JPL) and contribute profits to the business of logistics. Scope of work at Empty Depot are storing an empty container, maintenance services, repairing the damage container and clean dirty containers. The aim of the research is to study empty depot management adopted in JPL. By investigating a decline annual earnings at the empty depot as well as the current implementation, and customer needs, this study aspires to provide conclusions and recommendations to JPL, so as to enhance JPL as a leading logistics hub. A case study was adopted as the research method. The case study approach allows for a free and detailed analysis of what is happening in a specific small area. A combination of quantitative and qualitative techniques with an emphasis on qualitative analysis was deemed most appropriate. The sample size was 98 respondents. Questionnaires were used to collect data. The questionnaire was designed by the researcher based on the objectives. Survey conducted shows that post-sales service are the most important elements. Besides that, to be more competitive, JPL should overcome the use of old equipments and space capacity. It will cause a delay in stacking container. Other than that, internet connection problems cause a delay in processing data at JPL depot. As conclusions and recommendations, JPL should strengthen their efforts to improve sales at JPL depot.

Keywords: earnings · JP Logistics · Empty Depot

1 Introduction

Empty Depot is known as storage area for empty shipping container. [1] approached the study on empty depot management with these findings: The global container fleet was 18.8 million dollar year TEUs in 2004. It was expected to grow to 21 millions TEUs in 2005 and 23.3 millions in 2006. Empty Depot services are important compared with other services at JP Logistics Sdn Bhd (JPL). Empty Depot's build up their business and gain high profit margin and survive in long time period in JPL's business [2]. Apart from storing empty container, the scope of work also includes maintenance and repairing the damaged container and washing dirty container. Empty Depot's contribute high profit margin in JPL's business. But the data shows a decline earnings of Empty Depot JPL's. This research project is aimed at studying empty depot management adopted in JPL

[3]. By investigating the current implementation, as well as customer needs, this study aspires to provide conclusions and recommendations to JPL, so as to enhance JPL as a leading logistics hub [4].

2 Literature Review

Container management is a logistical phenomenon that shapes profitability. [5] finds that acquiring, holding and processing containers in empty depots makes them a major asset and that the entire liner shipping system is inefficient and costly if not carefully managed. Summarized. After-sales service, accessibility, space constraints for containers are among the issues that make it difficult to fully enjoy the benefits of container shipping at empty depot. The empty depot needs careful planning in order to reduce the cost [6]. This can be done through an integrated long-term logistic system.

3 Methodology

A case study was adopted as the research method. The case-study approach allows for an open-ended, detailed analysis of phenomena occurring at small scales [7]. A combination of quantitative and qualitative techniques with an emphasis on qualitative analysis was deemed most appropriate. Survey questionnaires were distribute to clients of JP Logistics Sdn Bhd engaged in warehouse operations and there were in total 98 respondents received. Interviews were also conducted in order to gather in-depth information about the topic. The surveys used for data collection are carried out using questionnaires. A measuring instrument must be able to measure an object to acquire data [8]. Surveys are the easiest way to get information. This questionnaire was designed by researchers based on set goals. If you have a large population, using surveys is more convenient and efficient. Questionnaires were adapted from previous studies and tailored to researchers. This questionnaire is divided into Part I and Part II, and Part I asks questions about the respondents' gender, age, approximate annual income, and other career backgrounds. Part II consists of his 9 questions divided into 2 out of 4 questions on the benefits of JP Logistics Depot for customers and 5 questions on customer consent to services at JP Logistics Depot. In Part II, the respondent answers using her 5-Likert scale [9].

4 Analysis and Recommendation

To answer the research question 1, descriptive analysis were used to see the frequencies in aim and increase sales at Empty Depot JP Logistics [10].

4.1 To Aim and Increase Sales at Empty Depot

According to the Table 1, the most frequent aim to increase sales by the respondents is to maintain a favorable attention and it refers to the effective marketing and strong skills [11]. As we can see, most of 78% of the respondents strongly agree on it. While majority 76% of the respondents strongly agree on resolve any complaint quickly and efficiently. Besides, 74% are strongly agree on looking for customers feedback, complaints and try to improve better services [7].

Table 1. To aims and increase sales at Empty Depot JP Logistics

Questions	Strongly Disagree %	Disagree %	Less Agree %	Agree %	Strongly Agree %
1. Looking for any customer feedback, complaints and try to improve better services	-	-	-	26	74
2. Resolve any complaint quickly and efficiently	-	-	-	24	76
3. Maintain a favorable attention (effective marketing and strong sales skills)	-	-	-	22	78
4. Lead by example: show respect for every person at every level in the company	-	-	-	66	34
5. Ensure all staff feel they are important as part of business success	-	-	-	50	22

4.2 How to Compete with New Competitors at JP Logistics?

The second section of the questionnaire is about how to compete with new competitors at JP Logistics. The result is shown in Table 2 [12].

More than half, 78% of the respondents responded to compete with new competitors, staff should know the product or services provided and how they market the product to customers. While most 64% of the respondents, strongly agree to check any interactive parts of the competitors website to see improvements in company website.

From the findings, it was found that JPL should strengthen their efforts to improve sales at depot JPL. Survey conducted shows that giving good service to customer after sales are the most important elements [13].

Besides that, to be more competitive, JPL should overcome the use of old equipments. It will cause a delay in stacking container. Furthermore, lack of space at storage depots

Table 2. How to compete with new competitors at JP Logistics?

Questions	Strongly Disagree %	Disagree %	Less Agree %	Agree %	Strongly Agree %
1. Check any interactive parts of the competitors website to see if you could improve on company website	-	-	-	36	64
2. Know the product or services provided and how they market the product to customers	-	-	-	22	78
3. Draw up a list of strength and weakness that you've found out about your competitors, and try to compete with them	-	-	-	38	62
4. Indicate whether there is a situations of supplier in certain areas of your market which might lead you to focus on less competitive areas	-	-	-	64	36
5. Make the most of conduct and follow-up with potential customers	-	-	-	86	14

[14] Other than that, it was also shows that accesibility such as internet access at Depot could cause difficult to connect with customers and it will cause a delay in processing data [15].

5 Conclusion

By investigating the current implementation of Empty/Container Depot at JPL, this study aspires to provide conclusions and recommendations for JPL in logistics industry as a

whole. So the study as to enhance JPL competitiveness as a leading logistics hub. It is therefore stoped hope that the outcome of this study is beneficial for JPL future planning.

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