



# The perception on ICT use among small logistics service providers: a comparison between Northern and Southern Europe

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## Abstract

Many authors have suggested that logistics information system capabilities can significantly enhance overall logistics competence. Majority of the studies have, however, assessed benefits that large logistics service providers have gained from information and communication technology (ICT) usage. The purpose of this study is to shed light on the ICT use and issues relevant for implementation plans among small and medium-sized logistics service providers. The study compares survey findings from two different geographical areas where the logistics service industry consists of a large number of small companies. The study focuses on the current status of ICT implementation, the motivators and barriers for ICT use.

*Keywords:* Small logistics service provider; Information and Communication Technology (ICT); Empirical surveys; Northern and Southern Europe.

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## 1. Introduction

Logistics service providers have a crucial role in facilitating the supply chain management (SCM) initiatives in Europe. There is an increasing trend to (re)locate manufacturing and other activities in the most favourable locations without increasing the customer lead times. In the context of evolving SCM adoption, manufacturers and retailers are increasing the outsourcing of significant parts of their logistics activities (McKinnon 1999). As a result, the business environment for logistics service providers is becoming more and more complex and technology is playing an increasing important role posing new strategic challenges and opportunities to logistics service providers (Regan and Song, 2001). In the today turbulent supply chain environment characterised by time compression, flexibility and agility, information technology capabilities become both a critical variable for logistics service differentiation (Sauvage, 2003) and a significant tool to cut costs and effectively serve clients through a better customisation

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