MIC 2016
Management International Conference
Pula, Croatia • 1–4 June 2016

Managing Global Changes with Logistics simplified

Aleksander Janeš
University of Primorska, Faculty of Management, Slovenia
aleksander.janes@fm-kp.si

Armand Faganel
University of Primorska, Faculty of Management, Slovenia
armand.faganel@fm-kp.si

Roberto Biloslavo
University of Primorska, Faculty of Management, Slovenia
roberto.biloslavo@fm-kp.si

Abstract. EuroPacific LL Company (EuroPacific) is headquartered in Koper, Slovenia where the company started its business activities in logistics in 2003. The long-term development of the company is based on the business vision: "To become a key logistics provider for the goods from the Far East destined to the European market."

Keywords: Slovenia, domestic logistic operator, business model, canvas, competence centre, EU, sustainable innovation

1 Introduction

Transport is a cornerstone of the European integration process and is firmly linked to the creation and completion of the internal market, which promotes jobs and economic growth and enables free movement of individuals, services and goods. The industry employs around 11.1 million people, accounting for 4.5% of total employment in the EU and creating about 4.8% – €548bn – in gross value added overall for the 28 EU countries. Smooth transport connections are also vital to the EU's economy in terms of its exports - shipping carries 90% of the EU's foreign trade.

In the EU, 45.3% of goods have been transported by road, 36.8% by maritime transport, 11% by rail, 0.1% by aviation transport and 3.1% by pipelines, based on tonne-kilometres.

In the case of passenger transport the difference is even greater, since road transport with a high proportion of cars represents approximately 83% of traffic, railway 7% and air 8%, based on passenger-kilometres.

Economically, road is the main form of transport for freight, where it accounts for the bulk of inland transport in the European Union and has been growing steadily in recent decades, with almost 75% of inland freight being transported by road between Member States (MS). Freight transport alone is expected to grow by 80% by 2050 (European Union 2011, 2013, 2014).

As Member States (MS) societies become ever more mobile, EU policy seeks to support transport systems meet the major challenges facing them; congestion affects both road and air traffic. It costs Europe around 1% of annual GDP – and freight and passenger transport alike are set to grow (European Union 2016).

In 2010 a research project Know Us started within the EU cross-border programme Italy-Slovenia with one of the aims to develop and test methodologies and instruments for creating strategic-

cognitive maps of small and medium sized enterprises (SMEs). The Slovenian project partners designed strategic-cognitive maps for 30 Slovenian SMEs from sectors of logistic, tourism, construction, food and agriculture, and wood industry. The strategic-cognitive maps were based on the business model (BM) canvas developed during the project. In this paper is represented case study of the third-party logistic provider (3PL) the EuroPacific Company (Janeš et al. 2014; Stake 2000).

In 2009 and 2010, turned out that, also as a breaker of the crisis, Europacific is not immune to market changes, as well as not immune to the economic downturn effects period. During this period the company lost strategic client on which relied the majority of revenue. The company was forced to drastically reduce the cost, disinvest part of assets and even dismissal of employees.

In 2010 Europacific was recapitalized with the family capital, business processes have been optimized and costs minimized to the extreme bearable limits of sustainability. The company become even more focused on the core business and on a number of important customers from Korea, Israel and the United States of America.

EuroPacific's operation is focused on customers and partners, whom are being offered comprehensive logistics solutions for their business. The client-based strategy has enabled internal reorganization and diversification in areas that are of the company's best interest in the long term and will form the basis of the current and future business growth. Such a path has required large financial investments and additional risk management. EuroPacific's operations are considering the significant cultural differences between the company and global business partners. One of the important advantages that is being offered to the partners from Asia is 24/7 accessibility and responsiveness. Company's BM is being continuously improved, in order to maintain position of an important partner to significantly larger customers e.g. Samsung, Hyundai, Nokia, LG, Philips, Sony, Tesco, CMA CGM, Posco, KIA, Foxconn (EuroPacific 2016).

The paper is organized as follows. In Section 2 is represented third-party logistics provider's strategy and practice. In Section 3 is described the chosen methodology of the multiple case studies and specifically case study of the Europacific Company. In Section 4, is represented and in particular discussed the "Logistics simplified" innovation activity of the enterprise. At the end of the paper, in Section 5, are gathered conclusions, limitations and suggestions for further research.

2 Third-party logistics provider's strategy and practice

One of the preferred logistics sourcing strategies is to take logistics as a function within a company, a so-called in-sourcing strategy.

Once the functions began to be integrated and considered as a supply chain rather than separately, several key themes emerged: a shift from a push to a pull, i.e. a demand, driven supply chain; customers power in the marketing channel; an enhanced role of information systems (ISs) in supporting the supply chain; the elimination of unnecessary inventory; and a focus upon core capabilities and increased outsourcing of non-core activities to specialists. To achieve maximum effectiveness of supply chains, it became clear that integration, i.e. the linking together of previously separated functions and activities within a single system was required. Therefore total quality management, business process re-engineering and continuous improvement brought Japanese business thinking to western manufacturing operations (Fernie, Sparks and McKennon 2010).

However, more and more companies today, especially those in Europe and North America, are outsourcing their logistics to third-party logistics (3PL) companies in a so-called outsourcing strategy.

A hybrid model between the above two strategies is also possible. A company can purchase a previously 3PL company to make it a subsidiary firm. The importance of logistics has increased and subsidiaries of major shippers have dominated the logistics industry market in i.e. Korea, extending the scope of scale and services. In EU, most manufacturers have faced various difficulties through the worldwide economic downturn since 2007 on, likewise in Japan and partly in Korea in the late 1990s. Logistics subsidiaries had to change their strategies and consequently most of them diminished from 2004 to 2010, due to a business rationalization in direction of profiling for domestic logistic operator. Consumers demand fluctuation represents a serious challenge to the configuration of the supply chain, synchronization and lead-time management (Ahn, Ishii and Ahn 2013; Kavčič and Bertoncelj 2010; Janeš and Faganel 2013; Kobal, Dežjot and Ventin 2013a,b; Lu 2011).

3PL provides a good example of widely promoted service by the phenomenon of outsourcing in rapidly emerging intermediate market, that is characterized by the increasing use of outsourcing, particularly as organizations have moved into foreign markets and globalized their supply chains and resources of materials and services (Aguezzoul 2014; Anderson et al. 2011; Marasco 2008). These intermediate markets intensify the partitioning of production and shift the focus from the final market for goods and services to the value adding processes in intermediate markets (Jacobides 2005).

Globally expanding Internet and e-businesses have brought new BMs with less distribution intercessors resulting in Internet-based customer logistics, logistics for small-batch production, and zero-inventory logistics. The development of internet based distribution channels and other mobile marketing media has made it incredibly easier for consumers to switch their usual brands. For companies the logic of going global is recognizable from economic perspective. Manufacturing companies began to outsource part or all of their logistics function to the 3PL companies who provided expertise in solutions of logistic systems, transportation, warehousing, freight consolidation, distribution, inventory management, and logistics information systems (Anderson et al. 2011; Govindan et al. 2012; Lu 2011). Aguezzoul (2014) points out the 3PL services also in a JIT context. Sahay and Mohan (2003) argue that the major reasons cited for usage of 3PL services include cost reduction 27%, strategic reasons 26%, process effectiveness 24%, and lack of internal capability 11%. Anderson et al. (2011) quote as well a range of other social exchange factors that do not fit easily into listed categories i.e. reputation, innovativeness and managerial involvement. Leuschner et al. (2014) performed a meta-analysis, which is based on 9.386 observations across 54 samples, reported a preponderance of support for beneficial performance outcomes associated with logistics outsourcing arrangements; for both suppliers and customers of the services.

The 3PL industry provides a particular challenge to understanding the way customers value different service components i.e. business-to-business (B2B) and consumer-to-business (C2B). Beside that the key service components (transport, warehousing, etc.) are inherently complex, involving physical movement of goods, IT system support and contact with service personnel. Thus, information technology and information sharing can be viewed as antecedents to material flow integration. Information and material flow integration are important for supply chain integration, having significant effects on performance. Wang, Sanchez Rodrigues and Evans (2014) found, through an in-depth intervention and analysis of three leading retailers in the UK's grocery sector, that the use of information and communication technology (ICT) solutions in road freight transport has a direct positive impact on CO2 emissions reduction. ICT in freight transport for CO2 emissions reduction has not been investigated in depth yet and its impact is largely unknown.

But a 3PL provider must be able to bundle a broad range of services for different customer's needs. The majority of customers consider reliable performance, price, customer service recovery and being easy to deal with as most critical to their choice of a 3PL provider (Aguezzoul 2014). From a 3PL's perspective, this suggests that contracts will be acquired by providing evidence to potential customers

about unique capabilities and embedded logistics expertise that are not available by their competitors (Anderson et al. 2011).

The term supply chains represents the complete set of value adding activities involved in marketing, planning, purchasing, full manufacturing, distribution, delivery process, and reverse logistics between business partners (Agrawal, Singh and Murtaza 2015; Lu 2011). These days, the supply chain plays a vital role in the value creation process (Govindan et al. 2012). One of the fundamental characteristics needed for a supply chain to survive and thrive in a turbulent environment is agility. The latter has been identified as a critical factor influencing company's overall global competitiveness which synchronizes supply with demand. That is defined as how fast the supply chain respond to the unexpected and often quite sudden changes in market demand. In the increasingly dynamic global market place, developing and implementing an agile supply chain strategy makes sense. Namely, the tough challenges are on balancing the "cost to serve". In order to maintain grounded BM, the supply chain may have to be upgraded with investment in facilities, higher productivity or higher level of inventory. However, in an era of global business companies no longer compete against each other as autonomous entities, but instead as supply chain against supply chain. A substantial deal of global supply chain management is not about competition but rather it is more about collaboration and partnering. Supply chain management is therefore a new perspective towards the well-known activities (Fernie, Sparks and McKennon 2010; Gligor and Holcomb 2012; Lu 2011).

At the same time, supply chain integration is a difficult task as it involves many management aspects in terms of information exchange mechanisms in support of the logistics integration activities concerning the physical material flow between the involved parties. Such complex implications can be managed where there is a long term relationship between supply chain partners (Ellram and Cooper 2014; Govindan et al. 2012; Kim, Hoon Yang and Kim 2008; Prajogo and Olhager 2012).

The creation of coordinated supply chains is being performed through the voluntary integration of economic, environmental, and social considerations. Those are supported by key inter-organizational business systems designed to efficiently and effectively manage the material, information, and capital flows. The latter are associated with the procurement, production, and distribution of goods or services in order to meet stakeholder requirements and improve the profitability, competitiveness, and resilience of the organization over the short- and long-term. That is probably the appropriate definition of the sustainable supply chain management (Ashby, Leat and Hudson-Smith 2012 by Ahi and Searcy 2013).

A supply chain is a dynamic process that includes the continuous flow of materials, funds and information across multiple functional areas within and between supply chain members (Jain, Wadhwa and Deshmukh 2009 by Ahi and Searcy 2013). Considering the fact that the supply chain considers the goods from initial processing of raw materials to delivery to the end-user, a focus on supply chains is a step toward the wider adoption and development of sustainability (Ashby, Leat and Hudson-Smith 2012 by Ahi and Searcy 2013). In a broad sense, business sustainability signifies the resiliency of organizations over time where they are closely connected to healthy environmental, economic and social systems so they are better positioned to respond to internal and external shocks. The supply chains management is thus receiving increased prominence (Ahi and Searcy 2013; Fernie, Sparks and McKennon 2010). Marchet, Melacini and Perotti (2014) ascertained that little attention has been paid so far to sustainability initiatives among 3PLs, and the subjects of "warehousing and green building". Beside that also "internal management" initiatives seem to be inappropriate addressed. Similarly, critical issues and benefits achieved following the adoption of sustainability initiatives have received little attention; evaluation and measurement of environmental performance have only been partially explored and a holistic perspective is being expected.

Many researches have come to a broad consensus that some significant development trends are influencing nowadays global supply chains. These are the following: supply chain volatility and market uncertainty, dependence on global customers and supplier networks, cost optimizations, risk management which involves end-to-end supply chain management, integration and empowerment (Lu 2011).

3 Methodology

The Slovenian project partners designed strategic-cognitive maps within thirty in-depth semi-structured interviews which were conducted with entrepreneurs between January 2012 and May 2014. Prior to the interview the interviewees received generic questions by e-mail (Fontana and Frey 2000). Semi-structured individual interviews were agreed and scheduled with the owners and managers of the company (Janeš et al. 2014; Kvale 2007; Silverman 2000).

Interview included questions about the historical development and the key turning points of the EuroPacific Company. In particular were investigated the most innovative practices of the company's BM, as recognized by the company itself. Using the method canvas for BMs, mapping of the vision and strategic knowledge of the company was performed. In order to implement strategic innovation of the BM, it is necessary to find the answer to several questions, but it is always required to start with the question: "Why do we exist and what is our goal?" This is followed by the question: "When to redesign the BM?" To the noted need for BM innovation follows questions relating to characteristics of the existing BM. Questions were classified according to the key elements of the BM. In this way canvas was used for a description of the BM with a set of seven key elements (see Figure 1 and 2): stakeholders, business partners, key resources and activities, business processes, products, customer segments and the value proposition (Bocken et al. 2013, 483, 489; Elkington 1997; Janeš et al. 2014; White 2009). Key elements were adapted from the popular BM canvas framework of Österwalder and Pigneur (2010).

The EuroPacific Company case study was one among the companies which participated in the project and was selected and represented because of its outstanding innovative logistic expertise (Yin, 1994). Semi-structured individual interviews were agreed and scheduled with Mr. Rok Kobal, owner and manager of the company. Interviews were conducted between March and April 2013. Interviews lasted from 120 to 180 minutes, as recommended (Kvale 2007).

First interview was dedicated to the visualization of the present situation in the company (i.e. "as-is") and represented starting point for the second interview, which was aimed at development of the future desired state and innovation of the existing BM (i.e. "to-be"). At the specific request of the company's owner a third interview was carried out, which was designed primarily on the use of management tools in a company. Interviews were recorded, with approval of the interviewee, and then transcribed and analysed (Easterby-Smith et al. 2007; Janeš and Biloslavo 2013; Janeš and Trnavčević 2014). The method of semi-structured interviews was supplemented with the participation and observation of the researchers and collecting company documentation and articles discussing their activities (Angrosino and Mays de Pérez 2000 by Janeš 2014; Bocken et al. 2013). The developed BM canvas (Figure 1 and 2) was analysed and discussed as a single case study. The latter was sent to the company-interviewee for confirmation and authorization (Janeš et al. 2014).

4 Empirical findings and discussion

EuroPacific is relatively young, dynamic and flexible company. First and foremost, it certainly excels willingness to take initiative, solve and find solutions to their customers, who are looking for faster and cheaper transport route for their goods. So they have developed their own possibilities of organizing maritime, land and air transport of goods. They are distinguished by the developed competences, which significantly differ from competitors in the field of logistics services.

4.1 Logistics simplified innovation activity of the enterprise

A good example of the innovative approach of the company is the setting of its own information system (IS), which is linked to the IS of the Port of Koper, public limited company (Port of Koper) and allows monitoring of container throughput in real time. That means that IS informs the actors in transition process on the status and location of containers. Usage of that particular computer application is allowed to the most important customers in order to have control over the transportation of containers (Ellram and Cooper 2014; Prajogo and Olhager 2012). The IS provides continuous traceability of cargo and faster shipment in road transport, because significantly shortens the waiting time of truck drivers and optimizes operating costs. For the purchase of this particular computer application has already been shown an interest, but because the software represents a competitive advantage of the company it had been decided that application will not be on sale. In any case, the application is subject to certain conditions under which can be transferable to other ports for IT support in throughput of goods (Kobal, Dežjot and Ventin 2013a, b; Kim, Hoon Yang and Kim 2008).

EuroPacific's operations are linked to the only Slovenian throughput port i.e. Port of Koper. And the former's enterprising employees have found a necessary transition guarantee (i.e. transport insurance for all risks) to secure the throughput increase. Mr. Rok Kobal states: "We were looking for an insurance instrument. In December 2012, a subsidiary of the ASCO Company from Austria has opened in Slovenia. Thus, we have found the solution to a given transit guarantee challenge – a transit guarantee in the amount of 33.33 million euros! And we are agents of the Germans! We are working more to find the solution!" This acquisition will support the growth of revenue and also facilitate the growth of cargo transit through the Port of Koper. The last will ensure customers that the direction of cargo through the Port of Koper is the right decision.

EuroPacific's advantage in comparison with insurance companies is negotiation, which allows customers to get attractive premium conditions. The compensation claims by the owners of the cargo are resolved much faster as it is not necessary to prove the responsibility of the carrier for the cargo insurance (EuroPacific 2016).

An important competitive advantage of the EuroPacific is its own "fleet" of trucks and acquired contractors for container transport. To this end, they founded a subsidiary company EuroPacific Transport Ltd., which operates its own fleet of new, reliable and environmentally friendly EURO 5 vehicles and is developing into a facilitator for all suppliers and partners of road transport. EuroPacific transportation is being developed as integrated service for trucks drivers so that the latter will lose as little time waiting at transport documentation processing.

4.2 The business model of the enterprise

Through analysis of the EuroPacific's "as-is" business model, were identified three strategic themes: lean service, logistics expertise and profiling for domestic logistic operator which are based on key elements (Figure 1).

Figure 1: Business model "as-is and to-be"

Note: Figure 1 contains the status "as-is" (black coloured font) and "to-be" (green coloured font) of the business model.

The first of strategic themes was identified as a focus on customers which was later renamed into *lean services*. The latter represents a competitive advantage (Govindan et al. 2012) that is being offered to the partners from Asia as a 24/7 accessibility and responsiveness of staff and the provision of comprehensive services within intermodal transport. This, according to Mr. Rok Kobal, is the one of the most appreciated values among Korean partners. Anderson et al. 2011 established that the majority of customers consider reliable performance, price, customer service recovery and being easy to deal with as most critical to their choice of a 3PL provider.

Support for development of such an approach represents the use of management tools e.g. Authorized Economic Operator (AEO), Slovenia Excellent SME certificate and membership in the associations as Transported Asset Protection Association for geographical area of the Europe, Middle East and Africa (TAPA-EMEA) and International Federation of Freight Forwarders Associations (FIATA). The TAPA is a unique forum that unites global manufacturers, logistics providers, freight carriers, law enforcement agencies, and other stakeholders with the common aim of reducing losses from international supply chains.

Another identified strategic theme is the *logistics expertise* which is characterized by in-depth knowledge about the business philosophy of Asian companies. Such knowledge and experience are gained through many years of business cooperation, networking and gained trust from Asian business partners. Experience in the field of logistics have contributed to the identification of throughput of goods (i.e. cargo transport) with high added value, which represent a high-tech goods i.e. clean cargo of manufacturing companies like Hyundai, LG, Samsung, Sony, Philips etc. Those companies usually practice outsourcing of logistical activities with 3PL business partner as discussed EuroPacific (Anderson et al. 2011; Govindan et al. 2012; Lu 2011; Aguezzoul 2014).

As a third strategic theme *profiling for domestic logistic operator* was identified. Company's profiling for domestic logistic operator was enabled with the focus on the customer and logistics expertise, which stem from the tradition, confidence and knowledge about Asian business philosophy. Namely, when especially Korean companies trust their business partners, it means long-term business commitment. Beside Korean high-tech goods, there are potential new customers from fast-growing markets in India, Turkey and South-East Africa.

Obtaining the status of domestic logistic operator represents a great responsibility, because it is associated with consulting on the optimal implementation of the key customer's logistics processes. Consulting services to key customers is the Europacific's strategic direction, which the company will intensively develop and spread.

The company takes advantage of the transport sector, which is reflected in a favourable geographic position of the Slovenian coast and hinterland, transport routes profitability, knowledge and skills in the logistics branch and company's global business integration.

EuroPacific's involvement in regional business environment is being further developed in cooperation with Intereuropa, public limited company (Intereuropa), with which had been set up a competence centre for training employees in the field of logistics and transport. For this purpose funding from the European Regional Development Fund was gained.

4.3 Sustainability assessment of the business model

EuroPacific is a modern international logistics company with a tradition of organizing land, sea and air transports which stems from the family tradition. Operations are supported by highly qualified employees, well developed IS with clear guidelines in all possible situations in order to master the complete logistic solution from the shipper to consignee. Company's competitive advantages are in well-established co-operations with Port of Koper, several Slovenian railroad operators, Intereuropa and reputable shipping agencies in the region (Europacific 2016; Govindan et al. 2012; Gligor and Holcomb 2012).

Furthermore, the focus on organic growth of the EuroPacific has encouraged the owner and director to acquire a strategic partner. Setting up of subsidiaries represents the diffusion and further development of integrated solutions for customers with a growing demand for consulting and enforcing the realization of Key Account Managers (Ahn, Ishii and Ahn 2013; Anderson et al. 2011; Kobal, Dežjot and Ventin 2013a, b).

Moreover, it is essential that the responsibilities of the owner and director Mr. Rok Kobal will be delegated to the reliable, loyal and professional employees. With the growth of business volume will certainly have to come to the development of the organizational structure in form of departments and services that will supply different markets, customers and the continuous development of services. Therefore, it is reasonable to establish the modalities for material and non-material motivation of employees in key positions (e.g. participation in profits).

With the increasing business volume, all participating business partners will be confronted with the need to establish a system for measuring the carbon footprint and the introduction of "green" technologies, which will contribute to enhancing the reputation in the business and general public (Ahi and Searcy 2013; Kobal, Dežjot and Ventin 2013b; Marchet, Melacini and Perotti 2014).

According to the analysis of the logistics sector the segment of goods with high added value, which is being transported through the ports in the northern Adriatic and the Middle and Far East, is rising in

recent years. The latter fact confirms the sustainable aim of the company's organic growth (Kobal, Dežjot, and Ventin 2013a,b). Many reliable management researches have come to a broad consensus that some significant development trends in supply chain management that are worth of further in-depth researching are: supply chain volatility and market uncertainty, dependence on global customers and supplier networks, cost optimizations, end-to-end supply chain management, integration and empowerment (Lu 2011).

Due to the general economic situation in Slovenia and region has become typical that logistics providers are implementing a range of services in this complex area. However, with the return to positive economic growth in the country, is being expected that the EuroPacific is "profiled" according to its mission – "Logistics simplified."

5 Conclusions

Analysis of the transport sector has shown that, due to the continued growth of the economy and the increased number of cars, transport system is being increasingly choked. The result is congestion, particularly at the road transport, which reduces economic efficiency, and increases fuel consumption and environmental pollution.

Therefore, it is important to revitalize rail transport and other alternatives to road transport: diversion of goods transport to the railways, sea routes and inland waters, to encourage people to travel by train instead of plane on short trips, to promote transport modes that combine the transport of passengers and goods, to establish an intermodal transportation centre, to link the national rail networks and to establish the optimal payment system for users of transport infrastructure.

It can be asserted that the generator of development of the transport sector in the Coastal-Karst (slo. Obalno-kraška) region, where Europacific is headquartered, is the port of Koper, where the tradition of maritime throughput has always been a driver of economic development, the life and work of the inhabitants. Port activities are in fact a lever for the development of other forms of transport, as road, rail, as well as warehousing and logistics services.

EuroPacific's logistic activities are being developed in direction of strengthening the market position, which are: a significant provider of logistics solutions for goods on the transport route from Asia to the EU markets through the northern Adriatic ports, by expanding international network and strengthening presence in the markets of the Central and Eastern EU, by strengthening the partnership with the Asian market with a flexible approach based on the needs of customers and to allow simplified logistics to customers. Although the EuroPacific's strategy and practice is an excellent example in the field of logistics, the findings cannot be generalized to the entire logistics industry.

A major challenge for the 3PL service tenderers has been in determining the value that customers place on their comprehensive solutions, in order that they can then focus on delivering the right service to the right customer segment. One implication is that 3PL managers and especially Key Account Managers should monitor the segment profiles of their customers to avoid misalignment between these segments and their service proposals. The logic of segmentation suggests management strategies that definitely involve a 3PL, or a team within a 3PL focusing on a particular customer segmentation (Anderson et al. 2011; Kobal, Dežjot and Ventin 2013b).

The author-date system of citation for references should be used in the text, followed by page number if a direct quotation is given, e.g., (Jackson 1979, 181). The alphabetized reference list should be titled 'References' with entries in the following format (please note that initials should be used for the authors' names):

References

Agrawal, S., Singh, R.K., and Murtaza, Q. 2015. 'A literature review and perspectives in reverse logistics. Resources.' *Conservation and Recycling* 97 (Apri): 76–92.

Aguezzoul, A. 2014. 'Third-partylogistics selection problem: A literature review on criteria and methods.' *Omega* 49 (December): 69–78.

Ahi, P., and Searcy, C. 2013. 'A comparative literature analysis of definitions for green and sustainable supply chain management.' *Journal of Cleaner Production* 52: 329–341.

Ahn, W., Ishii, S., Ahn, S. 2013. 'A Comparative Study of Korean and Japanese Logistics Industries' Market Structures: Focusing on Subsidiary and Third-Party Logistics Companies.' *The Asian journal of shipping and logistics* 29 (3): 361–376.

Anderson, E., Coltman, T., Devinney, T., and Keating, B. 2011. 'What Drives the Choice of a Third Party Logistics Provider?' *Journal of Supply Chain Management* 47 (2): 97–115.

Angrosino, M. V. and Mays de Pérez, K. A. 2000. 'Rethinking Observation.' In *Handbook of qualitative research*, edited by N. Denzin, N. and Y. Lincoln, 673–702. Thousand Oaks: Sage.

Ashby, A., Leat, M., and Hudson-Smith, M. 2012. 'Making connections: a review of supply chain management and sustainability literature.' *Supply Chain Management: An International Journal* 17 (5): 497–516.

Bocken, N., Short, S., Rana, P. and Evans, S. 2013. 'A value mapping tool for sustainable business modelling.' *Corporate Governance* 13 (5): 482–497.

Elkington, J. 1997. *Cannibals with Forks: The Triple Bottom Line of 21st Century Business*. Oxford: Capstone Publishing.

Ellram, L. M. and Cooper, M. C. 2014. 'Supply chain management: it's all about the journey, not the destination.' *Journal of Supply Chain Management* 50 (1): 8–20.

EuroPacific. 2016. *About us*. Https://www.europacific.si/en/ (23.2.2016).

European Union. 2011. *Transport*. Http://europa.eu/pol/trans/index_sl.htm, (26.8.2011).

European Union. 2013. *Mobility and transport*. Http://ec.europa.eu/transport/facts-fundings/statistics/pocketbook-2013_en.htm, (7.3.2016).

European Union. 2014. *EU transport policy*. http://europa.eu/pol/trans/index_en.htm, (3.3.2016).

European Union. 2016. *EU Transport Policy*. http://europa.eu/pol/trans/index_en.htm, (7.3.2016).

Fernie, J., Sparks, L., and McKinnon, A. C. 2010. 'Retail logistics in the UK: past, present and future.' *International Journal of Retail & Distribution Management* 38 (11/12): 894–914.

Fontana, A., and J. H. Frey. 2000. 'The interview.' In *Handbook of qualitative research*, edited by N. Denzin, N. and Y. Lincoln, 645–669. Thousand Oaks: Sage Publications.

Gligor, D. M., and Holcomb, M. C. 2012. 'Understanding the role of logistics capabilities in achieving supply chain agility: a systematic literature review.' *Supply Chain Management: An International Journal* (17/4): 438–453.

Govindan, K., Palaniappan, M., Zhu, Q., and Kannan, D. 2012. 'Analysis of third party reverse logistics provider using interpretive structural modelling.' *Int. J. Production Economics* 140: 204–211.

Jacobides, M. G. 2005. 'Industry Change Through Vertical Disintegration: How and Why Markets Emerged in Mortgage Banking.' *Academy of Management Journal* 48 (3): 465–498.

Jain, V., Wadhwa, S., and Deshmukh, S. G. 2009. 'Select supplier-related issues in modeling a dynamic supply chain: potential, challenges and direction for future research.' *International Journal of Production Research* 47 (1): 3013–3039.

Janeš, A. and Biloslavo, T. 2013. Preoblikovanje poslovnega modela za večjo uspešnost podjetij = Transform business model to improve company performance. V: Izzivi gospodarskega razvoja - inovativni projektni management: zbornik, Ljubljana, 20. in 21. maj 2013. Ljubljana, GZS, 23–26.

Janeš, A. and Trnavčević, A. 2014. Dobre prakse Interreg Slovenija Italija: Projekt Know Us. V: Izzivi gospodarskega razvoja - inovativni projektni management: zbornik, Ljubljana, 26. in 27. maj 2014. Ljubljana, GZS, 17–23.

Janeš, A. and Faganel, A. 2013. 'Instruments and methods for the integration of company's strategic goals and key performance indicators.' *Kybernetes* 42 (6): 928–942.

Janeš, A., Bratkovič Kregar, T., Trnavčević, A. in Biloslavo, R. 2014. 'Projekt Know Us: primer povezovanja univerze in gospodarstva.' In *Sostvarjanje kompetenčnega znanja*, edited by A. Janeš, 93–125. Koper: Fakulteta za management.

Janeš, A. 2014. 'Empirical Verification of the Balanced Scorecard.' *Industrial Management & Data Systems* 114 (2): 203–219.

Kavčič, K. and Bertoncelj, A. 2010. 'Strategic orientation of organizations: risk management perspective.' *Kybernetes* 39 (5): 735–749.

Kim, C., Hoon Yang, K., and Kim, J. 2008. 'A Strategy for Third-Party Logistics Systems: A Case Analysis Using the Blue Ocean Strategy.' *Omega* 36 (4): 522–534.

Kobal, R., Dežjot, A. and Ventin, H. 2013a. EuroPacific d.o.o.: Workshop 1. Koper, 29. March, 2013.

Kobal, R., Dežjot, A. and Ventin, H. 2013b. EuroPacific d.o.o.: Workshop 2. Koper, 22. April, 2013.

Kvale, S. 2007. *Doing interviews*. Los Angeles: Sage.

Leuschner, R., Carter, C. R., Goldsby, T. J., Rogers, Z. 2014. 'Third-Party Logistics: A Meta-Analytic Review and Investigation of Its Impact on Performance.' *Journal of Supply Chain Management* 50 (1): 21–43.

Lu, D. 2011. *Fundamentals of supply chain management*. http://bookboon.com/en/fundamentals-of-supply-chain-management-ebook, (3.3.2016).

Marasco, A. 2008. 'Third-party logistics: A literature review.' *Int. J. Production Economics* 113: 127–147.

Marchet, G., Melacini, M. and Perotti, S. 2014. 'Environmental sustainability in logistics and freight Transportation.' *Journal of Manufacturing Technology* Management 25 (6): 775–811.

Österwalder, A., and Pigneur, Y. 2010. *Business Model Generation: A handbook for visionaries gamechangers, and challangers*. Hoboken, New Yersey: Wiley.

Prajogo, D. and Olhager, J. 2012. 'Supply chain integration and performance: The effects of long-term relationships, information technology and sharing, and logistics integration.' *Int. J. Production Economics* 135: 514–522.

Sahay, B. S., Mohan, R. 2003. 'Supply chain management practices in Indian industry.' *International Journal of Physical Distribution & Logistics Management* 33 (7): 582–606.

Silverman, D. 2000. 'Analyzing talk and text.' In *Handbook of qualitative research*, edited by N. Denzin, N. and Y. Lincoln, 821–834. Thousand Oaks, CA: Sage Publications.

Stake, R. E. 2000. 'Case studies. 'In *Handbook of qualitative research*, edited by N. Denzin, N. and Y. Lincoln, 435–454. Thousand Oaks, CA: Sage Publications.

Wang, Y., Sanchez Rodrigues, V., and Evans, L. 2015. 'The use of ICT in road freight transport for CO2 reduction – an exploratory study of UK's grocery retail industry.' *The International Journal of Logistics Management* 26 (1): 2–29.

White, P. 2009. 'Building a sustainability strategy into the business.' *Corporate governance* 9 (4): 386–394.

Yin, R. K. 1994. *Case Study Research*. Thousand Oaks: Sage.