



**ORIGINAL RESEARCH PAPER**

**Commerce**

**RESEARCH ON THE ROLE AND PERFORMANCE OF THIRD-PARTY LOGISTICS PROVIDERS IN THE APPAREL INDUSTRY**

**KEY WORDS:** Third-Party Logistics, 3PL providers, Coimbatore city's apparel industry

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**ABSTRACT**

The term third-party logistics (or 3PL) describes the outsourcing of ecommerce logistical procedures, such as inventory management, warehousing, and fulfilment, to a third-party company. By providing the infrastructure and tools to automate the fulfilment of retail orders, 3PL providers enable ecommerce retailers to do more. Third-party logistics is the use of third-party businesses by an organization to outsource distribution, warehousing, and fulfilment services in the fields of logistics and supply chain management. In order to meet consumer demand and delivery service requirements for their products, third-party logistics providers specialize in integrated warehousing and transportation operations that can be scaled and modified dependent on market conditions. 3PL concentrates on certain elements of supply management, such as raw materials, transportation, and warehousing. Those who supply third-party logistics services include freight forwarders, courier services, and other businesses.

**INTRODUCTION**

Indian cotton, silk, and denim are quite popular in other countries, and with the rise of Indian design skill, Indian apparel has also found success in other fashion centers throughout the world. With a big raw material and manufacturing base, India is the world's second-largest exporter of textiles and apparel. In terms of domestic share and exports, India's textile and garment sector is a substantial contribution to the economy. It accounts for around 7% of industry output, 2% of GDP, and 15% of the country's overall export revenues. Tamil Nadu's textile industry is a trailblazer in terms of industrial development and job creation in the state. Tamil Nadu has 893 major and medium textile mills out of India's total of 2049. Coimbatore is known as the Manchester of South India because of its extensive textile and IT industries. It is Tamil Nadu's second-largest city in terms of GDP. CODISSIA owns the Trade Fair Complex, which is one of the country's largest. According to the Lirncra Book of Records, it is also the country's largest pillar-free hall.

**OBJECTIVES OF THE STUDY**

1. To evaluate the services provided by outside logistics providers in Coimbatore.
2. To look into the effectiveness of third-party logistics companies in the Coimbatore city's apparel industry.
3. To give the apparel industry information on knowledgeable and affordable third-party logistics providers.
4. To offer a solution to the problems that the apparel industry, third-party logistics companies, and contracting parties were facing at the time of the contract.

RESEARCH DESIGN : Quantitative Research  
 SAMPLE SIZE : 20  
 SAMPLE DESIGN : Probability Sampling  
 TOOLS USED : Chi-square, Likert scale, Percentage Analysis, Garette Ranking

**FINDINGS OF THE STUDY**

- \* 73% of the respondents are male and have more than 10 years of experience in the logistics industry for the apparel industry.
- \* Fully finished clothes account for 60% of all exports, compared to other produced materials.
- \* The expectations of the apparel industry for 3PL service providers' performance are revealed in this study.

\* This survey demonstrates that the 3PL service provider must concentrate more on labelling and packing than on their other services because just 13% of customers choose these options.

\* As they only earned 7% for this service, the majority of respondents stated that the 3PL service provider should enhance their reverse logistics and end source outsourcing. Enhancing this service benefits 3PL businesses by boosting their clientele and brand recognition.

\* This study demonstrates that 3PL service providers are experts at upholding positive relationships and providing on-time delivery because they achieved a 67% success rate compared to other services offered.

\* According to the report, all 3PL service providers have embraced new technology, allowing them to save a significant amount of time and money.

\* This survey shows that when the price of gasoline rises, 80% of the companies raise their service costs.

\* Given that all businesses have indicated yes, the GPS tracking services offered by the 3PL service provider are 100% accurate.

\* This greatly improves the tracking facility service provided by the 3PL service provider.

**SUGGESTIONS**

- \* Having a specific team in place to handle all of the provider's communications is advised. Exacting the contract's escalation procedure reduces ambiguity in the case of a missed, delayed, or damaged delivery.
- \* It's essential to communicate with your 3PL partner on a daily or weekly basis, depending on the urgency.
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- \* A successful 3PI, cooperation, depends on setting up meeting and phone times as well as consistently achieving deadlines.
- \* A 3PL outsourcing mistake that is frequently made is a

refusal to provide crucial data. As a result, the partnership does not operate at its best because culture and connection are crucial.

\* Up until there is good chemistry between a company and its 3PL partner, operations will not be optimal and seamless.

### CONCLUSIONS

Even while third-party logistics service providers are crucial to supply chain management, attention should also be paid to how to expand job prospects in the 3PL industry to fully use the field. In the beginning, third-party logistics was not very common. Nonetheless, it currently has a significant impact, as the majority of businesses rely on 3PL providers to export their products.

Our investigation has revealed that only a few 3PL companies offer the reverse logistics service. Reverse logistics is a service that 3PL service providers can expand to offer in order to improve their standing in the supply chain management industry. The 3PL providers can take steps to incorporate green logistics systems in their businesses, which will ultimately boost their reputation.

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