THE EFFICIENCY OF NESTLE'S DISTRIBUTION MANAGEMENT AT CONFECTIONERY AND PET CARE BUSINESS UNIT (CPBU), BUKIT RAJA

A GRADUATION EXERCISE SUBMITTED IN PARTIAL FULFILMENT FOR THE REQUIREMENT OF BACHELOR IN BUSINESS ADMINISTRATION (TRANSPORT)

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ABSTRACT

Logistics is the collective term for the series of inter-related functions (principally transport, stockholding, storage, goods handling and order processing) involved in the physical transfer of finished products from producer to customer, directly or via intermediaries. Those elements involved are inter-related or a chain which the negligent of one of this activity, it will lead to the inefficiency of logistics as a whole. The principal tasks of logistics are to ensure that products are available at the right places, at the right time and in the right quantities to satisfy customers' demand.

Eventhough the total contribution of confectionery items is only 2% out of total output, the demand of it nowadays is increasing tremendously. The popular items such as Kit Kat, Milo Nugget, Smarties, Polo, Kool, Crunch and many others are the example of well-known confectionery items. Thus, the movement of these items should be well monitored by Nestle in order to ensure the quality of the products is maintained.

In this research, an analysis is carried out on CPBU delivery process and the distribution activity as a whole. The analysis is carried out from the point of delivery arrives at CPBU up to the despatch activity. All problems occurred will be screened out and discussed in further details. The research is important because problems in delivery process will lead to a delay, market return and market complaints, thus reducing the image of the company. Therefore CPBU Bukit Raja, or SCD has to be very concerned in improving its supply chain management in order to maintain its good image and reputation as the No. 1 leading in food industry.

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