

# Business Models for Logistics Platforms/Hubs

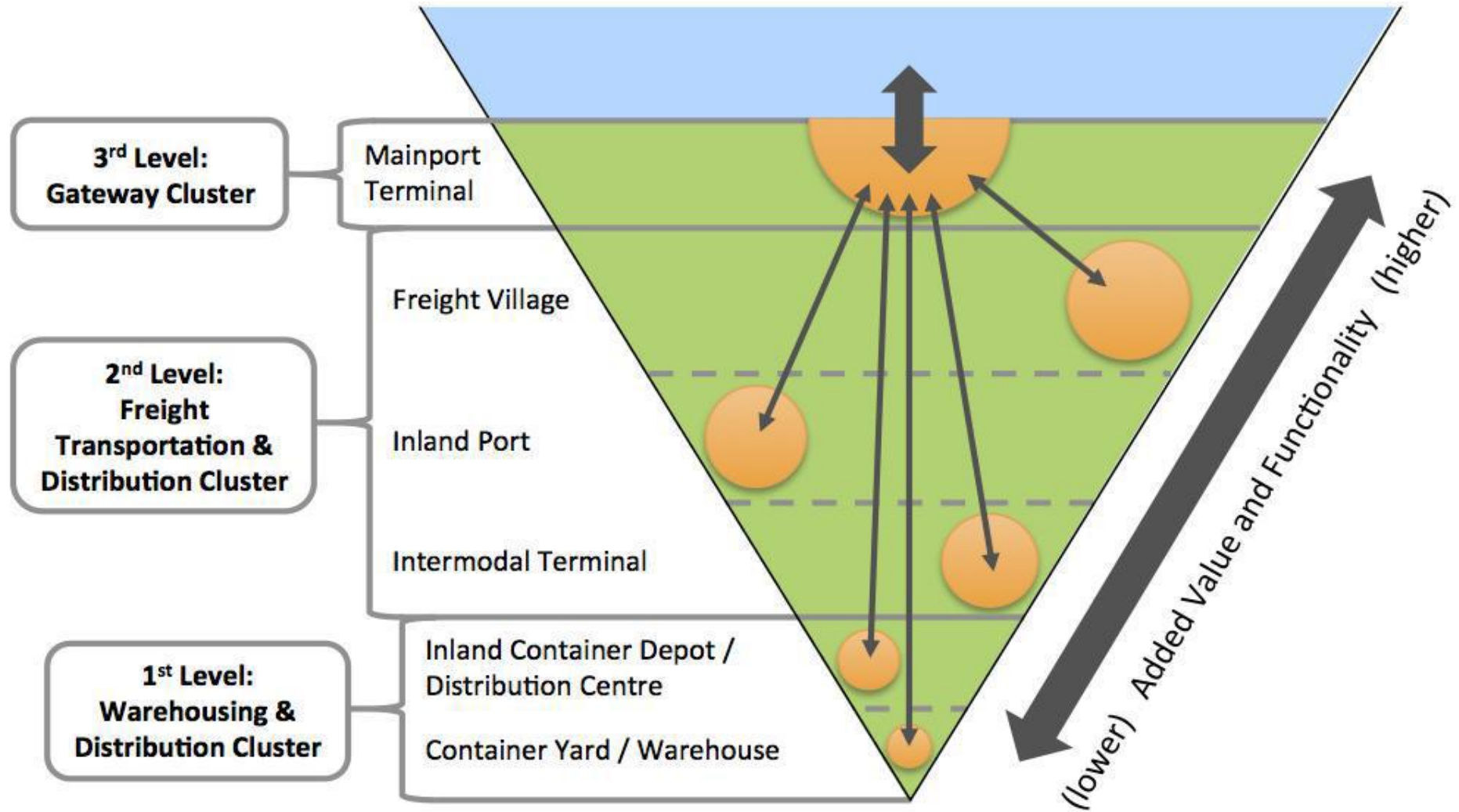
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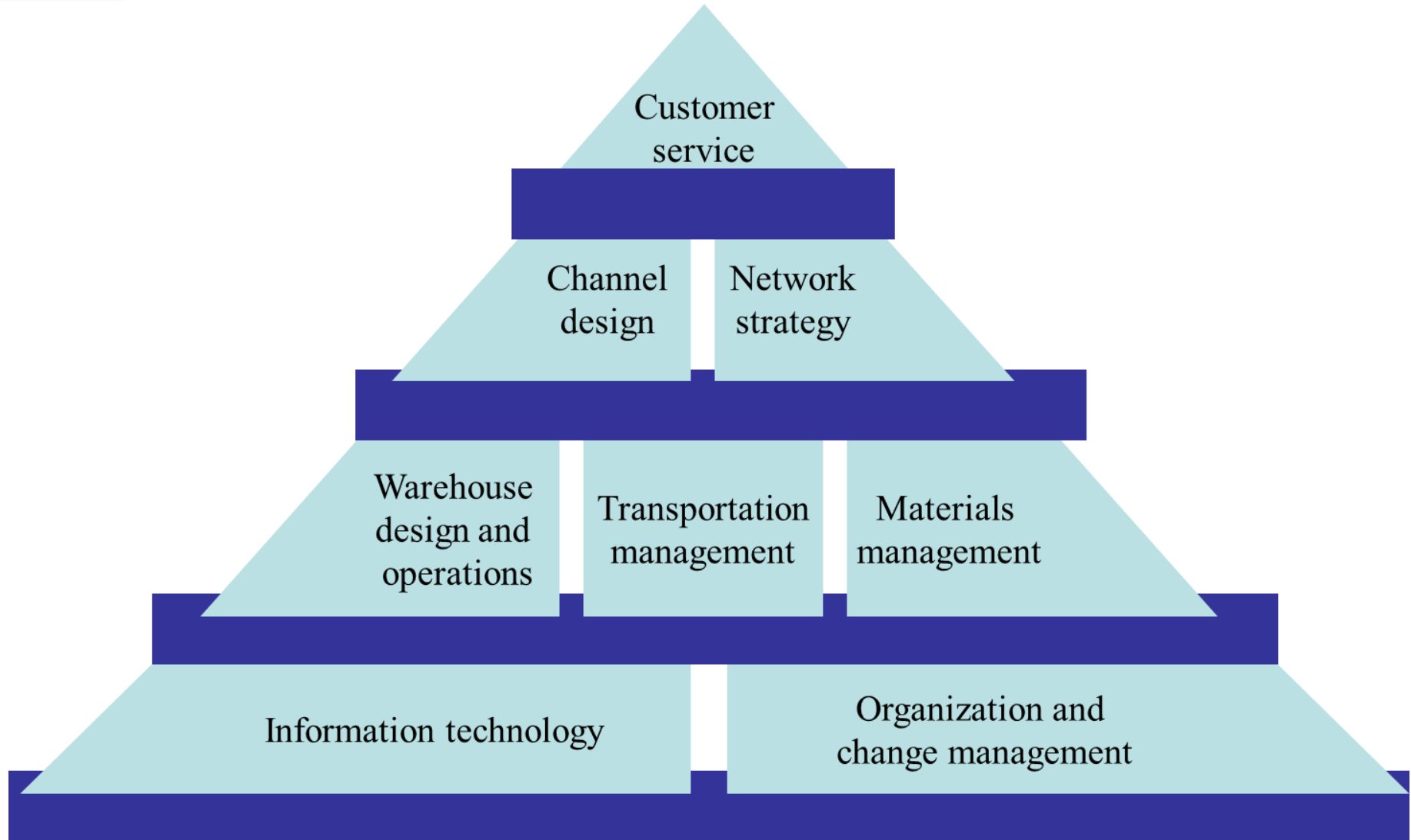
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# Logistics platforms hierarchy



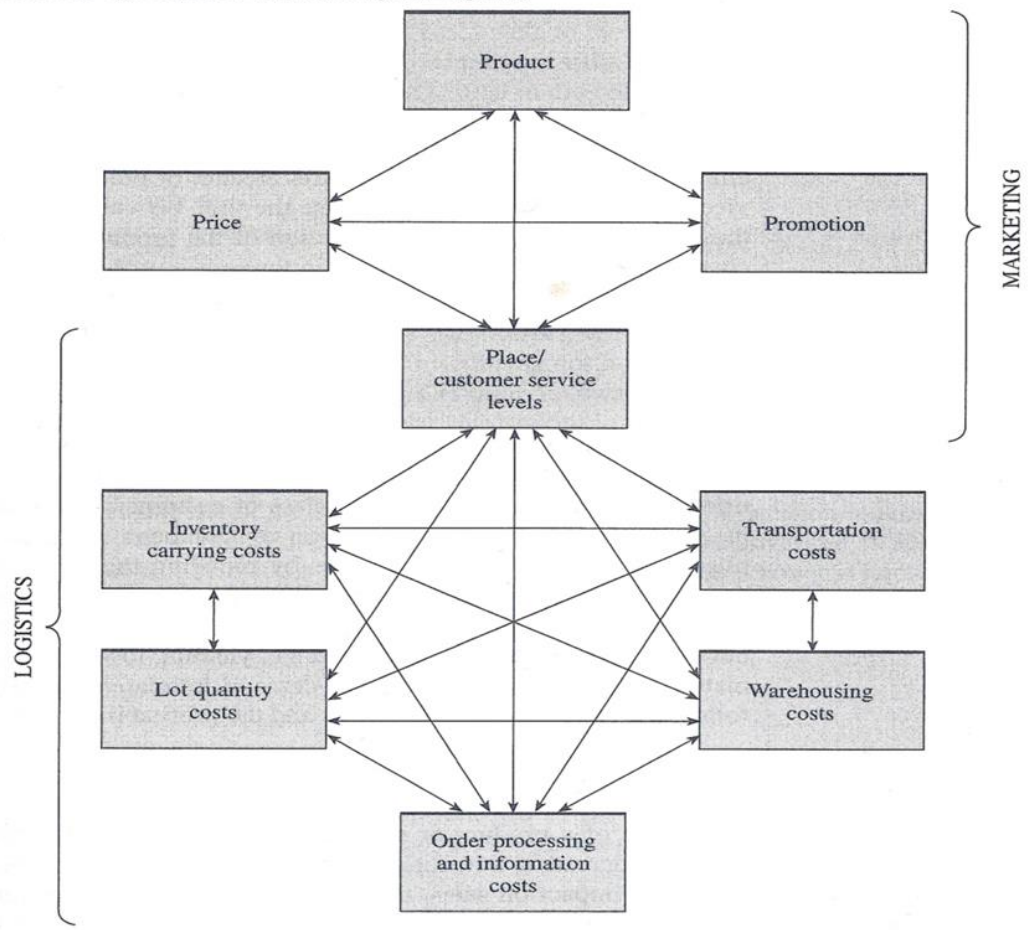
Source: Rimiené & Grundey (2007)

# Logistics Business Models integrates 8 key main strategies



# Marketing is the key input!

FIGURE 1-4  
Cost trade-offs required in marketing and logistics



Marketing objective:  
Allocate resources to the marketing mix to maximise long term profitability.

Logistics objective:  
minimise total costs given the customer service objective. Total cost = sum of all costs i.e. Transportation cost + warehousing costs + order processing and information costs + inventory carrying costs etc.

## It is always a question of trade-offs

