

The New E-service:

An Opportunity for LBB Teams?

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Business Administration

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26 June 2009

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University of Twente
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Building
Logistics
Blocks



halallogistics.info
The Innovation Platform for the Halal Industry



halalstorage.com
The Marketplace for Halal Storage

Preface

This bachelor thesis is the final exam of my bachelor business administration at the University of Twente, Enschede. For me writing this bachelor thesis was a really good and interesting learning experience. First of all I would like to thank Peter Schuur and Stephan Maathuis for their advices and cooperation during the writing of this thesis. Second I would like to thank Carla Wassenaar for her support during the internship and guidance during the writing of this thesis.

Aaldert Tim Sattler

18 June 2009, Amsterdam

Management Summary

This research is executed at LBB Teams (M) Sdn in Kuala Lumpur, Malaysia. LBB Teams is a consultancy firm that develops innovative logistics solutions for clients. These innovative logistics solutions have a wide range of applied scientific research, consulting and supply chain management solutions, and assisting companies in organising networks of suppliers in both Asia and Europe.

One of the project LBB Teams is participating in (at the moment this research is done) is the development of the halal logistics standard. This halal logistics standard is a guideline to ensure that halal products stay halal when they enter the logistics chain. The rules of the halal logistics standard refer to warehousing, transportation, and terminals.

In line with the development of the halal logistics standard LBB Teams came up with the idea of the halal logistics portal. The halal logistics portal must become an online knowledge portal about halal logistics, and an online marketplace for halal storage facilities. LBB Teams already invested money in the development of the portal, but doesn't have good plan to introduce the portal to the market. The objective of this research is to develop a plan of how the portal can be introduced to the market, and to map the future threats that can have a negative influence on the introduction of the portal. The main research question of the research is:

How can LBB Teams introduce the halal logistics portal successfully to the market?

To answer this question the marketing plan method of Kotler & Keller (2006) is applied. This marketing plan method is not completely applicable for the specific case of the halal logistics portal and LBB Teams. That is why other literature and theories are used to create a marketing plan model that is completely applicable for LBB Teams and the halal logistics portal.

The starting point of the marketing plan is a short introduction. After the introduction an analysis is made of the external environment and the internal environment. The outcomes of these two analyses are the input for the SWOT analysis. The most important three strengths, weaknesses, opportunities, and threats are selected, and are the input for the confrontation matrix. With the outcome of the confrontation matrix the right strategy and goals can be formulated. In Figure 1: Final Outcome SWOT Analysis the final outcome of the SWOT analysis is shown.



Figure 1: Final Outcome SWOT Analysis

Not only the marketing plan is used to answer the main research question, but also a small literature study is done to identify future threats that can have a negative influence on a successful market introduction.

The outcome marketing plan and the outcome of literature study are combined to answer the main-research question. If LBB Teams wants to introduce the halal logistics portal successfully to the market LBB Teams must make the decision if they want to invest time in the market development of the portal. If LBB Teams want to invest time in the market introduction LBB Teams must introduce the halal logistics portal first to the Malaysian market. In the Malaysian market LBB Teams has already a network in the halal industry and it easier to build up a network of suppliers and clients for the halal logistics portal. To achieve client satisfaction LBB Teams must invest in the promotion and the quality of the portal. When LBB Teams wants to invest time in the market introduction of the portal, is able to build a network of suppliers and clients, and can meet the satisfaction level of these clients and suppliers the market introduction of the halal logistics portal can be a success.

Table of Content

General Information	ii
Preface	v
Management Summary	vi
Chapter 1: <i>Introduction</i>	1
1.1. Introduction	1
1.2. Bachelor Assignment	1
1.3. LBB Teams.....	1
Chapter 2: <i>Research Approach & Problem Definition</i>	3
2.1. Introduction	3
2.2. Objectives	3
2.3. Problem Definition	3
2.4. Research Approach.....	5
2.5. Research Deliverable	9
2.6. Requirements and restrictions.....	10
Chapter 3: <i>The Halal Logistics Portal</i>	11
3.1. Introduction	11
3.2. What is Halal?.....	11
3.3. What are Halal Logistics?.....	12
3.4. What is the Halal Logistics Portal?	12
3.5. What kind of Service is the Halal Logistics Portal?.....	16
3.6. Conclusion.....	16
Chapter 4: <i>Theoretical Framework</i>	18
4.1. Introduction	18
4.2. The Market Plan	18
4.3. A Suitable Marketing Plan.....	19

4.4. Future Threats for an E-service	28
4.5. Conclusion.....	29
Chapter 5: <i>Practical Application</i>	31
5.1. Introduction	31
5.2. The Marketing Plan Applied.....	31
5.3. Conclusion.....	51
Chapter 6: <i>Conclusions & Recommendations</i>	55
6.1. Introduction	55
6.2. Conclusion.....	55
6.3. Recommendations.....	56
Chapter 7: <i>Evaluation</i>	58
7.1. Introduction	58
7.2. Evaluation Assignment	58
7.3. Personal Evaluation	58
References.....	a
Books.....	a
Articles.....	a
Internet	b
Appendix	c
Appendix A: <i>The Marketing Plan Theory</i>	c
Appendix B: <i>General & Task Environment</i>	h
Appendix C: <i>Financial Rates</i>	i

Chapter 1: Introduction

1.1. Introduction

This chapter will give a short overview of the background of this bachelor thesis. This bachelor thesis is a research which is conducted for LBB Team (M) Sdn. In this chapter is explained where the bachelor assignment is about and a short introduction about the company where the assignment is executed is given.

1.2. Bachelor Assignment

The bachelor assignment is the final exam of the bachelor phase of the bachelor Business Administration at the University of Twente. This bachelor thesis is the result of an assignment and an internship that is executed for a company. During the internship the theoretical skills that are developed during the bachelor phase of the study are translated into a practical assignment. To analyse the problem and to come to a conclusion and a number of recommendations existing literature and theories are used.

This bachelor research is conducted from September 2008 through December 2008. The first preparations were made in The Netherlands. The actual research is done at the company LBB Teams (M) Sdn Bhd in Kuala Lumpur, Malaysia.

1.3. LBB Teams

The bachelor assignment is executed at the company LBB Teams (M) Sdn. LBB Teams is located in Kuala Lumpur, Malaysia, the company is a subsidiary of the company LBB International. LBB International is located in the Netherlands and was founded in 2002 by Ir. Marco Tieman. LBB is an abbreviation for Logistics Building Blocks which is a good representation of the core business of the company. LBB Teams is a consultancy firm that develops innovative logistics solutions for their clients. The mission of the company is; to bring logistics excellence to the world. LBB Teams offers a wide range of applied scientific research-, consulting-, and supply chain management solutions. LBB Teams can assist companies which operate in organising networks of suppliers and manufacturers, and can also guide logistics operations between source and destinations in Asia and Europe. The services that LBB Teams provides have a focus on reducing the cost structure of their clients through consultancy expertise, professional supply chain management services, and customisable technologies to achieve immediate return on investment. LBB Teams works together with strategic

partners in the Netherlands and in Thailand. The clients of LBB Teams are mainly active in the (agri-) food industry, but LBB Teams has also served clients that are active in the transportation & logistics, chemicals, oil & gas industry, and governments (www.lbbinternational.com).

One of the projects LBB Teams is participating in (at the moment this research is done) is the development of the Global Halal Logistics Standard. This halal logistics standard must become a guideline to insure that halal products remain halal when they enter the logistics chain. The halal logistics standard will be introduced in 2009 in Malaysia, but after the introduction the halal logistics standard is not going to be compulsory for companies. The halal logistics standard must become the worldwide guideline to create a halal compliant logistics chain. With guideline is meant that it will cause a set of rules what companies need to do to create or remain a halal compliant logistics chain.

In line with the development of the halal logistics standard LBB Teams came up with the idea of the halal logistics portal. With the halal logistics portal LBB Teams wants to create an online knowledge portal and an online 'marketplace' for 'things' that are related to halal logistics. Marketplace and things are both written between inverted commas, because the portal exists out of two websites and both websites provide a different service related to halal logistics. In the third chapter of this thesis a more in-depth explanation is given about what the concepts halal and halal logistics exactly are. In the third chapter also a more in-depth explanation is given about the halal logistics portal, and what kind of service the halal logistics portal will provide.

Chapter 2: Research Approach & Problem Definition

2.1. Introduction

In this chapter the objectives, problem definition and research approach are described more in-depth. After the problem definition the main-research question and the sub-questions are given. Finally the research approach and the structure of the research are explained.

2.2. Objectives

LBB Teams has developed a new service; the physical form of the service is already developed, but LBB Teams does not have a plan how this new service can be introduced to the market. The first objective of the assignment is to explore how this new service can be introduced into the market. The service that LBB Teams had developed is not a 'normal' service, but it is a service that is provided through the internet (e-service). The employees of LBB Teams do not have experience with providing e-services, and that is why the second objective of the research is to map the difficulties that can arise when such an online service is introduced to the market. To achieve these objectives first a theoretical framework is developed and an analysis of the company and the e-service are made. The result of this research will be a conclusion with a number of recommendations about what can be done to introduce the new e-service into the market and which difficulties can arise.

2.3. Problem Definition

The halal logistics portal is an idea of LBB Teams. The physical form of the portal is already developed, but a plan of how the portal can be introduced into the market is not yet developed. This plan must include an identification of future problems that can arise during the launch of such a service like the portal. The main research question is:

How can LBB Teams introduce the halal logistics portal successfully to the market?

The research question formulated like this is too all-embracing. This is because of the word *successfully*. According to the dictionary the definition of successful is: '*something with a lot of successes*'. The definition of success is: '*with the right outcome*' (www.vandale.nl). These two definitions of success and successful do not make the main research question more clear. Successful

can be interpreted in many different ways. For example; when a new product is introduced into the market it can be successful, because after the introduction a lot of people bought the product. But the market introduction of a new product can also be successful if after the introduction a lot of people know the brand name of the product. The market introduction of the service is for LBB Teams successful if it is possible to gain revenues from the halal logistics portal. To introduce the portal successfully to the market, factors that influence the market introduction need to be identified and a plan needs to be developed of how LBB Teams can gain revenues from the portal.

To develop a good plan a theoretical framework is created and applied. The main-research question is divided into ten sub-questions. The first four sub-questions do not have a direct contribution to the final answer of the main-research question, but these four sub-questions must contribute to a better understanding of what the halal logistics portal exactly is. The first four sub-questions are:

What is halal?

What are halal logistics?

What is the halal logistics portal?

What kind of service is the halal logistics portal?

The first four sub-questions are answered in the third chapter: *Chapter 3: The Halal Logistics Portal*. The next sixth sub-questions are conducted out of the theory that is described in chapter four: *Chapter 4: Theoretical Framework*.

The six sub-questions that have a direct contribution to the final conclusion of the research are:

1. What does the external environment of LBB Teams and the halal logistics portal look like?

2. What does the internal environment of LBB Teams and the halal logistics portal look like?

3. What are the strengths, weaknesses, opportunities and threats of the halal logistics portal and how are they related with each other?

4. Which strategies are possible for a successful market introduction of the halal logistics portal?

5. Which marketing instruments are possible for a successful market introduction of the halal logistics portal?

6. What are possible threats that can have a negative influence on the market introduction of the halal logistics portal?

Sub-questions 1, 2, 3, 4, and 5 are answered in the fifth chapter. The sixth sub-question is answered at the end of chapter four in section 4.4.

2.4. Research Approach

This bachelor research is a desk research; this is literally a research that is done from behind the desk. With a desk research information that is already available is collected and analysed. For the collection of information the world-wide-web, scientific literature, specialist journals and databases can be used (van Zee, Westerkamp, 2003).

To structure the research and the thesis the '*Algemene Bedrijfskundige Aanpak*' (General Business Approach) of TSM Business School is used. The general business approach can be used to tackle down problems that companies have to deal with. The problems companies have can arise because of the discrepancy between the actual situation and the preferred situation. The general business approach exists out of seven different phases. These seven phases are: the problem identification phase, the formulation of the research approach phase, the problem analysis phase, the formulation of alternative solutions phase, the decision making phase, the implementation and the evaluation phase and feedback phase. In the general business approach each new phase will follow up the previous phase, but it is possible to go backwards in the model after an evaluation of a phase. In Figure 2: General Business Approach, *Source: TSM Business School* the general business approach is shown.



Figure 2: General Business Approach, Source: TSM Business School

In the next seven sections a more in-depth description is given of the content of the seven different phases, and how & where the different phases are applied in the thesis.

2.4.1. Problem Identification

The first phase of the general business approach is the problem identification phase. The problem identification phase is the exploration phase of the general business approach. The problem that needs to be solved is described in this phase; this is the discrepancy between the present situation and the desirable situation (TSM Business School). In this bachelor research the problem is identified in the first and second chapter of the thesis. The main problem is that LBB Teams had the idea to develop the halal logistics portal. The physical form of the portal is already developed, but there is no plan or strategy to bring this new service to the market. To bring the portal successfully to the market a plan of how this should be done needs to be developed. By answering the main-research question; **'How can LBB Teams launch the halal logistics portal successfully to the market?'** the problem can be solved.

2.4.2. Formulation of the Research Approach

After the problem has been identified the research approach is formulated. In this phase the problem is split up into different parts and also determined which information is needed to solve the problem and what the limited conditions of the research are (TSM Business School). In this thesis the research approach is described in the second chapter. Also in the second chapter of the thesis the problem is split up into different parts. These different parts are determined with the use of the theoretical framework. The theoretical framework is described in the third and fourth chapter of the thesis. The purpose of the theoretical framework is to identify how the portal can be introduced to the market, and which problems can arise during the market introduction. The different split-ups are named in the sub-questions. The basis of the first part of the theoretical framework is the marketing plan model of Kotler & Keller (2006). A marketing plan is the central instrument for directing and coordinating the marketing effort of a company and its products (Kotler & Keller, 2006). This is reason why the marketing plan is chosen to forecast and to give a guideline for a successful market introduction of the new service. To identify which problems can arise during the market introduction relevant literature and resources are used. To determine the 'quality' of the literature the systematic approach is used. The quality of the literature is determined by looking at the times the articles are cited. The rule of thumb is: the more times the article is cited, the better the quality of the article is. There is one exception in this rule of thumb. Articles that are less than two years old are mostly not cited many times, but they can have a high quality level. This is taken into account. The relevancy of the content of the article is selected by first the title of the article, second the abstract of the article, and the final selection is made after reading the complete article. If the content of the article is relevant the article is used.

2.4.3. Problem Analysis

After the research approach is chosen the analysis of the problem is made. In this phase the problem is made concrete with the use of indicators. The purpose of this phase is to give an overview of the relation between the indicators of the problem and the indicators of the cause (TSM Business School). In this research a problem analysis is made in the fourth and fifth chapter. The indicators are identified with the use of an internal analysis, a SWOT-analysis and a confrontation matrix. The input for these analyses is provided with the use of my personal observations and a document study. With the output of the analyses the sub-questions are answered (section 5.3).

2.4.4. Formulation of Alternative Solutions

In the next phase, the formulation of alternative solutions phase, solutions are formulated and presented. A good overview of the pros and cons of the solutions is given in this phase. Also a forecast of how the solutions can move the present situation into the desirable situation is made (TSM Business School). In this phase of the research the solutions are formulated. The solutions of this research are the answer to the main-research question. The answer to the main-research question is given in chapter 6.

2.4.5. Decision Making

In the fifth phase of the General Business Approach one solution is selected out of the solutions that are presented in the previous phase. The decisions are made by the one who is responsible for the decision making (TSM Business School). In this research there are no decisions made. The result of the thesis is an advice. LBB Teams can use this advice to make future decisions. In the fifth chapter the conclusion is given and recommendations are made. The conclusion and recommendations can be used by the company to make a good decision.

2.4.6. Implementation

In the implementation phase a description is made of how the selected solutions can be implemented. The description of the implementation must include a sum-up of the necessary implementation tools, which approach is needed (top-down approach / bottom-up approach) and an evaluation tool to measure the process of the implementation (TSM Business School). Together with the recommendations in the fifth chapter of this thesis a forecast is made of how the recommendations can contribute to the realization of the desired situation.

2.4.7. Evaluation and Feedback

The evaluation phase is the seventh and final phase of the general business approach. In the final phase an evaluation is made of the total process. The evaluation includes an answer to the question; *'In what extent have the selected solutions solved the original problem?'* The outcome of this phase can be the start of a new problem solving process (TSM Business School). An evaluation is made in the seventh chapter of the thesis. This evaluation exists out of two parts; one part is an evaluation of the assignment and the second part of the chapter is a personal evaluation. The evaluation will not include an evaluation of the selected solutions, because no decisions are made, but the evaluation is about the total research.

Figure 3: General Business Approach implemented in the Thesis, *Based on: Algemeen Bedrijfskundige Aanpak, TSM Business School* shows which steps of the General Business Approach are implemented in the thesis, and in which chapter the steps are implemented.

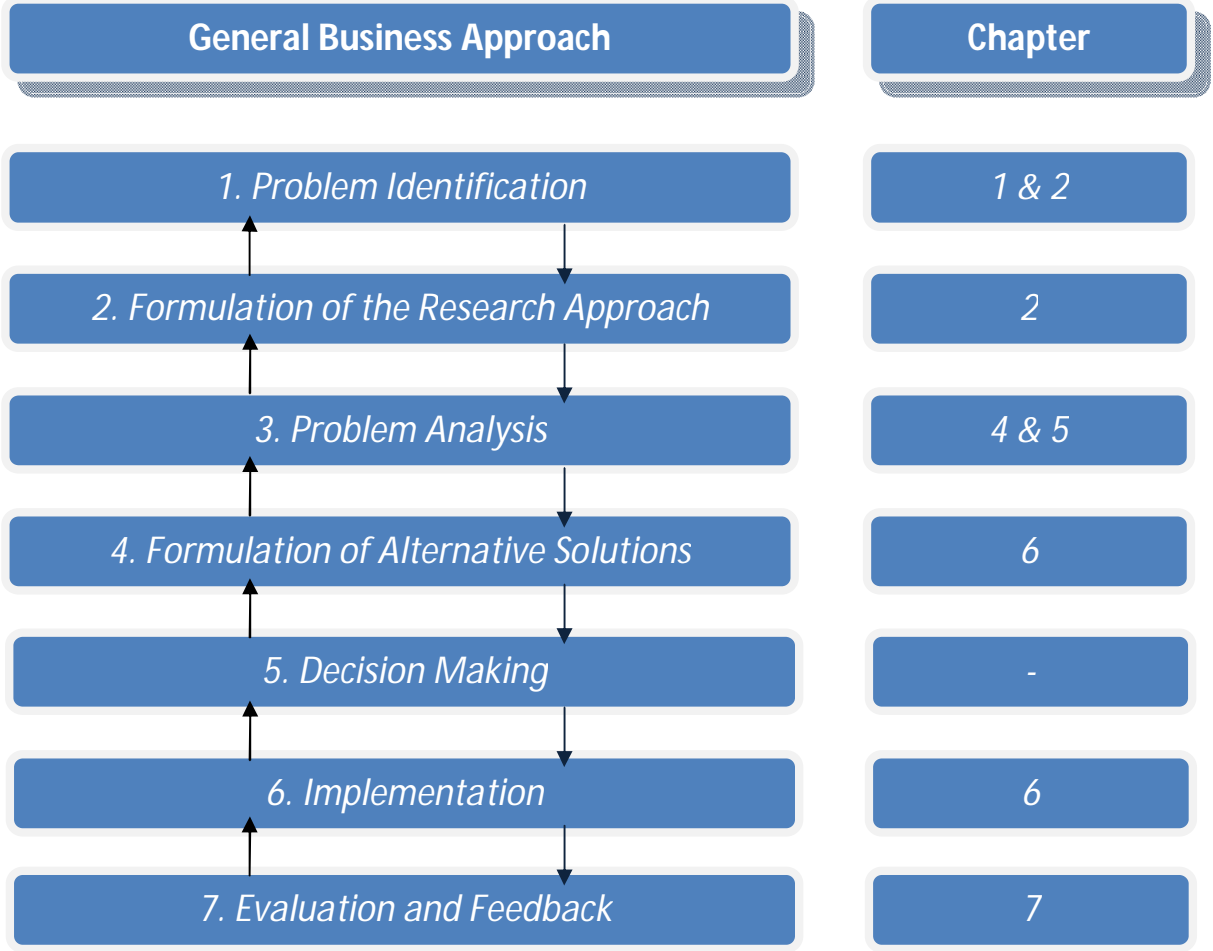


Figure 3: General Business Approach implemented in the Thesis, *Based on: Algemeen Bedrijfskundige Aanpak, TSM Business School*

Chapter 3 is not included in Figure 3: General Business Approach implemented in the Thesis, *Based on: Algemeen Bedrijfskundige Aanpak, TSM Business School*, because this chapter gives a more in-depth explanation into the topics of halal and the halal logistics portal, and does not have a direct contribution to the answering of the main-research question.

2.5. Research Deliverable

The final outcome of this research and thesis is an advice for LBB Team of how LBB Teams can introduce the halal logistics portal successfully to the market. The final advice will exist out of a number of recommendations of how the portal can be introduced to the market. It will also give an

overview of the strong and weak points of the service LBB Teams want to provide with the portal, and the possible future threats that can have a negative influence on a successful market introduction.

2.6. Requirements and restrictions

In this section the requirements and the restrictions are described. The requirements and the restrictions determine the boundaries of the research.

2.6.1. Requirements

In this research there is only one requirement. This requirement is that the outcome of the thesis must be an advice for a successful market introduction. The end result of the thesis is an advice that can be seen as a tool or instrument that LBB Teams can use for the market introduction of their new service, the halal logistics portal.

2.6.2. Restriction

The physical form of the portal is already developed. Because of this there are two restrictions. The outcome of the research can be that the potential of the portal to create extra revenues is not high. Another possible outcome of the research is that it is impossible to develop a good plan for a successfully market introduction, because there are for example too many uncertain factors. In this case LBB Teams has made an investment that probably won't pay back. If the outcomes are something like the outcomes above an advice will be given of how LBB Teams can deal with this. The second restriction that is related to the fact that the portal is already developed is that in some theories the importance of the layout and design of services like the halal logistics portal are pointed out (Duen-Ren Liu, Minxin Shen, Chiu-Ting Liao, 2003). The layout and design can be a very important factor for the success of such a service. For example: if because of the layout it is hard for clients to make use of the service, the clients will not use the service a second time. The layout and design are two critical success factors for a successful market introduction. Although these two factors are critical success factors for a successful market introduction, they are left out the research. This is because the portal is already developed. Leaving out these two factors is also a restriction in the research.

The last restriction in the research is that there is not a real budget available to invest into the market introduction of the portal. LBB Teams does not want to invest a lot of money in advertisements like magazines, and a marketing campaign.

Chapter 3: The Halal Logistics Portal

3.1. Introduction

This chapter will create a better understanding of what halal and halal logistics are, and what kind of service the halal logistics portal is. In section 3.2 an explanation is given of what the concept halal is and in section 3.3 an explanation is given of what is meant with halal logistics. Section 3.4 gives a more in-depth explanation of what the halal logistics portal is, what the structure of the halal logistics portal is, and what kind of services LBB Teams want to provide with the portal. In section 3.4 is explained how such a service as the halal logistics portal can be defined.

3.2. What is Halal?

Halal is Arabic and means; legal or permitted. The opposite of halal is haram and the meaning of the word haram is: unlawful, illegal or prohibited (Port of Rotterdam Halal Logistics Handbook, 2007). Halal refers to the nature, origin, and processing method of the product. Halal is an example of what refers to as a socially constructed quality criterion, which incorporates not only the physical properties of the product, but also the conditions under which it is produced, distributed, and retailed (Bonne & Verbeke, 2008). Muslims have to follow a set of dietary laws intended to advance their well-being, in addition to the five pillars of Islam. These dietary laws or prescriptions determine which foods are halal for Muslims (Bonne & Verbeke, 2007). Food products entail many similarities with organic foods and foods produced taking animal welfare or sustainability issues into account (Bonne & Verbeke, 2008). Prohibited (haram) is the consumption of alcohol, pork, blood, meat of animals that died because of natural dearth, and meat which has not been slaughtered according to Islamic rules (Bonne & Verbeke, 2007). Other examples of products that are prohibited for Muslims are: dogs; snakes; monkeys; carnivorous animals, such as lions and bears; birds of prey; vermin such as rats and scorpions; animals that Islamic law prohibits killing such as ants, bees and woodpeckers; animals that are generally considered repulsive, such as lice, flies and maggots; animals that live both on land and in the water such as frogs and crocodiles; mules and donkeys; poisonous and dangerous water animals, blood, any drink that may be toxic or harmful to human health; all plants that may be toxic or dangerous to human health; and any food, ingredients or additive not made from halal products. Muslims are allowed to eat meat products or meat related products if ritual slaughter methods are used. Products derived from dangerous water animals or from plants become halal or permitted if the toxin or danger is eliminated during the production process (Port of Rotterdam Halal Logistics Handbook, 2007).

3.3. What are Halal Logistics?

At the moment it is uncertain how the halal product meets the halal standards in the production and processing of the products. Domestic trade of halal products is for example based on face-to-face relationships and on personal trust that has been established over previous transactions (Bonne & Verbeke, 2008). LBB Teams is participating in the development of the halal logistics standard. The halal logistics standard is going to be a set of rules about halal logistics. The halal logistics standard must ensure that the supply chain is halal compliant. Halal products can become haram in the supply chain of the product (Tieman, 2006). To get a better understanding of how halal products can become haram in the supply chain two examples are given. The first example of how halal products can become haram is during the storage of the products. Halal products can be stored separately from the regular goods, but it is also possible to store halal goods in the same room as other goods. If halal products are stored in the same room as non-halal products measures must be taken to prevent cross-contamination and recognisability. A regulation to prevent cross-contamination would be vacuum-packing the goods. Another measure is to create physically separate areas in the same room by setting up a barrier or partition wall. The second way of how halal products can become haram is during the transportation of the products. Halal products and non-halal products can be shipped together. To prevent this; products need to be packed in closed boxes. The shipment may not consist of boxes with air holes or any other form of open packaging (Port of Rotterdam Halal Logistics Handbook, 2007). During the storage and transportation cross-contamination can arise, but this should be avoided by keeping the supply chain halal compliant. The halal logistics standard is a set of rules of how the logistics chain can be halal compliant and controlled, and includes regulation for storage and transportation. The halal logistics standard is going to be officially launched in 2009 in Malaysia. The halal logistics standard is in the beginning not compulsory, but must be seen as a guideline to create and ensure a halal compliant supply chain.

3.4. What is the Halal Logistics Portal?

The halal logistics portal exists out of two websites. With these two website LBB Teams want to provide two different services related to halal logistics. In Figure 4: The Structure of the Halal Logistics Portal the structure of the halal logistics portal is shown.

The Structure of the Halal Logistics Portal

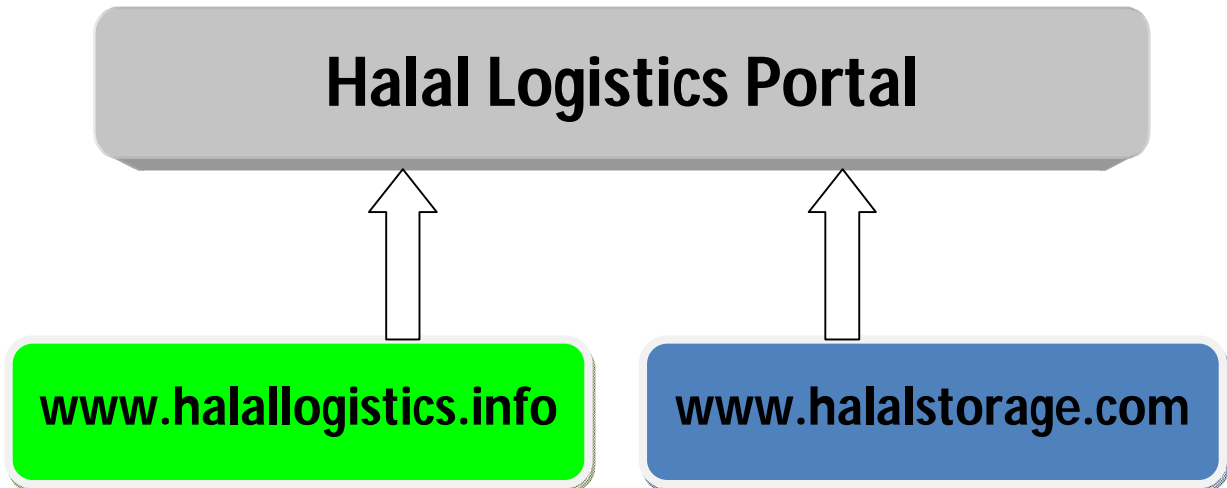


Figure 4: The Structure of the Halal Logistics Portal

3.4.1. www.halallogistics.info

This website is the knowledge portal of the halal logistics portal. This part of the portal exists out of a forum, a marketplace and information about halal logistics. The forum must become a platform where people can find and share knowledge about halal logistics. The marketplace must become a platform where logistics service providers can place an advertisement of their halal logistic service. The information and knowledge about halal logistics is going to be published by LBB Teams on the website.

3.4.2. www.halalstorage.com

Halalstorage.com is the second website of the halal logistics portal. This website is a marketplace where the need and supply of halal storage facilities can meet each other. Companies who have halal storage facilities available can place an advertisement on halalstorage.com. Also companies who need a halal storage facility can place an advertisement on the halalstorage.com website. The need and supply of halal storage facilities can find their match on the website, but LBB Teams will also play an active role in the matching between the available and needed halal storage facilities.

3.4.3. The Environment

To get a better understanding of how the halal logistics portal is structured the structure of the halal logistics portal is shown in Figure 5: Environment of the Halal Logistics Portal.

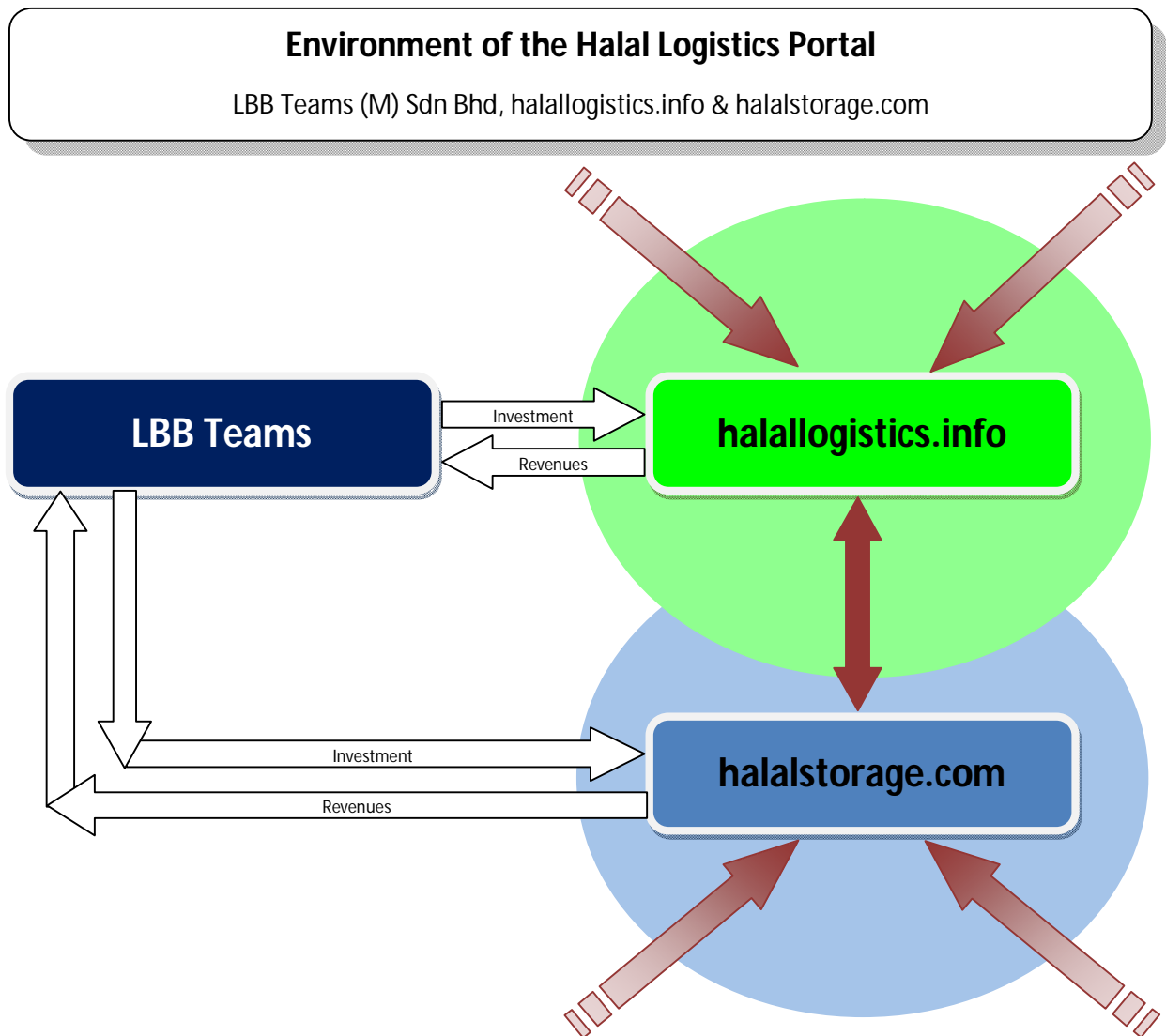


Figure 5: Environment of the Halal Logistics Portal

In Figure 5: Environment of the Halal Logistics Portal LBB Teams, halalstorage.com and halallogistics.info are displayed. LBB Teams invested in the development of the halal logistics portal and after the launch of the portal LBB Teams wants to gain revenue from the portal. The investment and the revenues streams are displayed in the form of the white arrows.

The halal storage website must become a marketplace for companies who have capacity of halal storage and people/companies who need halal storage facilities. The website must become an additional sales channel for who rent storage facilities that are halal compliant. In Figure 5: Environment of the Halal Logistics Portal two dark red arrows are pointed at the rectangle halalstorage.com. The arrows represent the demand and supply of halal storage facilities. These arrows come together on halalstorage.com, because the website must become a platform where the need for and the supply of available halal storage facilities can find each other. The light blue circle around halalstorage.com is the potential market for halalstorage.com.

The halallogistics.info website must become a knowledge portal about halal logistics. People who are interested in halal logistics can find information and discuss about this topic on the website. The

website also has a marketplace where logistic service providers can place an advertisement for the halal logistic service they provide. The dark red arrows that are pointed on the rectangle represent the clients who visit the website. The arrows that are pointed into the market represent the service and information that is provided by halallogistics.info and that must attract the visitors.

The halal storage website must become an additional sales channel for companies who rent out storage facilities that are halal compliant. LBB Teams want to provide a mediating service and bring the supply and demand in halal storage facilities together.

The light green circle around rectangle halallogistics.com is the potential market for halallogistics.info. The light green circle has an overlap with the light blue circle. This is because the markets of the halal logistics and the halal storage will have some overlap, but both services will also have their own clients who are not interested in the other service. Halallogistics.info and halalstorage.com have both their own potential market and from both markets clients need to be attracted to use the service. Because the halal logistics portal exists out of two websites, with both their own market, not exactly the same strategy for a successful market introduction can be used. The main focus of this research is to create a strategy for the halalstorage.com part of the halal logistics portal. The reason for this is that the service of halalstorage.com has more potential to

generate revenues; Halallogistics.info is a knowledge portal and revenues must come from advertisement on the website. The revenues from advertisement are only interesting when the website has a lot of visitors. Halalstorage.com is a mediating service where the clients have to pay for. This means that when clients start making use from the halalstorage.com service LBB Teams will generate immediately revenues. The second reason is that if the research has a focus on both markets the outcome will be too complex, because one plan needs to cover two different markets.

3.5. What kind of Service is the Halal Logistics Portal?

The characteristics of a service are; that it is intangible and every time a service is produced the service has a different outcome. A service cannot be held in stock, because the production and the consumption of a service happen at the same time. A service is not a given result, but an act or process (Gallouj & Weinstein, 1997). The service LBB Teams want to provide with the halal logistics portal (halalstorage.com) is a mediator role between the supply and demand of halal storage facilities. This can be defined as a service, because the outcome of the halal logistics portal is for example intangible and cannot be held in stock.

The halal logistics portal is not a normal service, because the halal logistics portal uses the internet (the portal has its physical form as a website) as a platform to provide the service, a so called e-service. An e-service is any asset that is made available via the internet to drive new revenue streams or to create new efficiencies (Duen-Ren Liu, Minxin Shen, Chiu-Ting Liao, 2003). Boyer, Hallowell, & Roth (2002) define an e-service as being comprised of all interactive services that are delivered on the internet using advanced telecommunications, information, and multimedia technologies. Service providers who provide an e-service can be a pure internet player, but also a traditional 'brick-and-mortar' company. The main advantage of providing a service via the internet is the greater geographic reach and product variety.

3.6. Conclusion

In this chapter the first four sub-questions are answered. An explanation is given of what halal and halal logistics are. The word halal means legal or permitted and it refers to the nature, the origin, and the processing method of a product. Halal refers not only to the physical properties of the product, but also to the conditions under which it is produced, distributed, and retailed. When a halal product enters the logistics chain there are multiple possibilities how a halal product can become haram. Cross-fertilisation is a way of how a halal product can become haram in the logistics chain. Halal logistics are a set of rules or a guideline to ensure a halal compliant supply chain. LBB Teams came up

with the idea to develop the halal logistics portal; this is an e-service with which LBB Teams want to create an online marketplace for the need and supply of halal compliant storage facilities. The portal is an e-service, because the actual service is provide via the internet.

Chapter 4: Theoretical Framework

4.1. Introduction

This chapter describes the theoretical framework that is used to answer the research questions. In the fifth chapter the theoretical framework is applied. In section 4.2 a explanation is given about the marketing plan model of Kotler & Keller (2006). In section 4.3 a suitable marketing plan for LBB Teams and the halal logistics portal is created. Some parts of the marketing plan theory of Kotler & Keller (2006) are not suitable for the specific case of LBB Teams and the halal logistics portal. These parts are supported by additional literature. In section 4.4 an overview is given of the future threats that can arise during the market introduction of an e-service.

4.2. The Market Plan

A marketing plan is the central instrument for directing and coordinating the marketing effort of a company and its products (Kotler & Keller, 2006).

Marketing plans are developed with inputs and sign-offs from every important function of the company. After a marketing plan is developed the plan is implemented at the appropriate levels of the organization. The marketing plan operates at two levels: the strategic and the tactical level. The strategic marketing plan lays out the target markets and the value proposition that will be offered, based on an analysis of the best market opportunities. The tactical marketing plan specifies the marketing tactics, including product features, promotion, merchandising, pricing, sales channels, and service. The strategic plan is developed to carry a specific business unit into a profitable future (Kotler & Keller, 2006).

A marketing plan is the central instrument for directing and coordinating the marketing effort of a company and its products (Kotler & Keller, 2006).

One of the starting-points of the marketing plan model of Kotler & Keller (2006) is that the marketing plan is suitable for large companies. These large companies must have a past, a present, and a future to make an analysis and to create a good and suitable marketing plan. Although LBB International was founded in 2002 LBB Teams started its operations completely independently in the year 2008. Because of this not the complete marketing

plan model of Kotler & Keller (2006) is applicable for LBB Teams and the new e-service. To create a good marketing plan that is applicable for LBB Teams, the halal logistics portal, the marketing plan model of Kotler & Keller (2006) is used as a starting point and is combined with other relevant literatures. A complete explanation of the marketing plan theory of Kotler & Keller (2006) is given in Appendix A: *Marketing Plan Theory*.

4.3. A Suitable Marketing Plan

4.3.1. Short Introduction

The start of the marketing plan for LBB Teams and the halal logistics portal is a short introduction of the business mission and vision of the company and the new e-service. The marketing plan starts with a short summary and not with a very extensive summary, because an extensive introduction is already given in chapter 1 and chapter 2 of this thesis.

4.3.2. External Environment Analysis

The second phase in the marketing plan is the external environment analysis. To analyse the external environment the Market Opportunity Analysis (MOA) of Kotler & Keller (2006) can be used. To apply the MOA the next questions need to be answered:

- Can the benefits involved in the opportunity be articulated convincingly to a defined target markets?
- Can the target markets be located and reached with cost-effective media and trade channels?
- Does the company possess or have access to the critical capabilities and resources needed to deliver the customer benefits?
- Can the company deliver the benefits better than any actual or potential competitors?
- Will the financial rate of return meet or exceed the company's required threshold investment (Kotler & Keller, 2006)?

To make a more extensive analysis of the external environment it is also interesting to look at other relevant theories. One of the theories that can be used to make an analysis of the external environment is the five forces model of Porter (1985). The basis of this model is that this model includes five forces that can have an influence on profitability of a company. These five forces are:

1. The entry of new competitors,
2. The threat of substitutes,
3. The bargaining power of buyers,

4. The bargaining power of suppliers,
5. The rivalry among the existing competitors (Porter, 1985).

According to Daft (2003) the external environment exists out of the general environment and the task environment. The general environment affects the organization indirectly and the task environment affects the operations and performance of the organization directly. The general environment includes: technological factors, socio-cultural factors, economic factors, legal/political factors and international factors.

The task environment is closer to the company and includes competitors, suppliers, labour markets, and customers (Daft, 2003). In Appendix B: *General & Task Environment* is explained what the factors of the general and task environment exactly are. The factors of the general environment and the task environment that are described by Daft (2003) can be used to analyse the external environment.

The important factors in the theories of Kotler & Keller (2006), Porter (1985), and Daft (2003), are markets, competitors, customers and suppliers. To get a good analysis of the external environment a number of questions are formulated for each factor. These questions are answer in section 5.2.1.

Market:

- What are the target markets of the halal logistics portal?
 - What are the sizes of the target markets?
- How difficult is it to reach the target markets with cost-effective methods?

Competitors:

- Who are the competitors of the halal logistics portal?
 - What is the size of these competitors?
 - Which markets are these competitors active in?
- How difficult is it for competitors to enter the market?
- How big is the threat of possible substitutes?
- Why does LBB Teams deliver the service better than the existing competitors?

Customers:

- What are potential customers of the halal logistics portal?

- Where do the customers buy their products at the moment?
- What is the bargaining power of the costumers?

Suppliers:

- Which suppliers does the halal logistics portal need?
- Where are the suppliers located?
- How difficult is it for LBB Teams to access the suppliers?
- What is the bargaining power of the suppliers?

4.3.3. Internal Environment Analysis

The internal environment exists out of the factors that can be controlled by the company (Westerkamp, 2000). With the internal environment analysis it is possible to map the strengths and weaknesses of LBB Teams and the new e-service. The strengths can support the halal logistics portal into a successful market introduction, but the weakness can be a threat for a successful market introduction.

The external environment analysis and the internal environment analysis are tools to map the opportunities, threats, strengths, and weaknesses of the company and their new service.

According to Westerkamp (2000) the internal environment is determined by the factors strategy, planning, results, the company structure, used technologies and systems, quality, and culture. Kotler & Keller (2006) have formulated a checklist of 25 points to make an analysis of the internal environment of a business unit. The categories of the checklist are: marketing, finance, manufacturing, and organization. In Figure 19: Checklist for Performing Strengths/Weaknesses Analysis, *Source: Kotler & Keller 2006* in Appendix A: *The Marketing Plan Theory* the complete checklist of Kotler & Keller (2006) is shown. Most of these 25 points are not applicable for LBB Teams, because to answer these points the performance of the company in the past is needed. The points that are applicable are: company reputation, visionary, capable leadership, dedicated employees, entrepreneurial orientation, and flexible or responsive.

Because 6 of the total 25 points of the checklist of Kotler & Keller (2006) are applicable on LBB Teams in relation with the halal logistics portal other methods are needed to get a good analysis of the internal environment. According to Alsem (2005) it is possible to make an internal environment

analysis of a start-up company. For a good internal environment analysis of a start-up company it is necessary to look at the goals, the plans, the strategy, the structure, the financial situation and the strengths and weaknesses of the start-up company (Alsem, 2005).

Goals

A goal is a desired future state that the organization attempts to realize. Goals are important because companies exist for a purpose and goals define that purpose. A plan is a blueprint for goal achievement and specifies the necessary resources, schedules, tasks, and actions. There are multiple levels of goals and plans of a company. The highest plan in hierarchy is the mission. The mission is the reason why the company exists. The mission is the overall 'goal' the company wants to achieve. All the goals of a company must be in line with the mission. Below the mission a company has goals and plans on strategic, tactical and operational levels (Daft, 2003).

Strategy

The strategy of a company is how the company wants to achieve their goals (Kotler & Keller, 2006). According to Porter (1985) there are three different starting points to formulate a strategy has: cost leadership, differentiation, and focus. In the first strategy, the cost leadership strategy, the most important goal the company want to achieve is to have the lowest production and distribution costs,. This results in that the company can price its products or services lower than its competitors and win a large market share. In the second strategy, the differentiation strategy, the goal of the company is to perform in an important customer benefit area valued by a large part of the market. In the last strategy, the focus strategy, the goal of the company is to focus on a narrow market segment. The company gets to know these segments and want to achieve leadership or differentiation within the target segment (Porter, 1985).

Company structure

The structure of the company is analysed based on the allocation of tasks of departments (Daft, 2003). LBB Teams is a small company and it is not possible to make an analysis based on the hierarchy. This is why an analysis is made of how the tasks and functions are executed in the company.

Financial situation

A good overview of the financial situation of a company can be get by determine the financial ratios of a company. Examples of these ratios are liquidity ratios, activity ratios, and probability ratios. With

these ratios it is possible to calculate the ability of the company to meet its current debts, the internal performance with respect to the key activities defined by the management, and the profits in terms of the source of profits, for example sales or total assets (Daft, 2003). The financial information to calculate these ratios is not available, and that is why the investment and the possibilities to earn this investment back are used for the financial overview.

Strengths and weaknesses

The last part of the internal analysis is the strengths and weaknesses analysis. One of the methods of how an internal analysis can be made is by making a comparison of the competitors and to develop a number of benchmarks with the results of this comparison (Alsem, 2005). Benchmarking is the technique for measuring a firm's performance against the performance of others that may be in the same or completely different industry (Ball, 2006). The competitors are already identified in the external environment analysis. With these outcomes it is possible to make benchmarks and compare the benchmarks with LBB Teams.

In the theories of Kotler & Keller (2006) and Alsem (2005) the important factors are: company structure, the characteristics of the company, the company goals, the company strategy, the employees of the company, the financial situation of the company, and strengths and weaknesses compared with the competitors are the factors who determine the internal environment. Based on the important factors out of the theories of Kotler & Keller (2006) and Alsem (2005) a number of questions are formulated. To make an analysis of the internal environment the questions need to be answered:

- What is the structure of LBB Teams?
- What is the strategy of LBB Teams?
- What is the mission of LBB Teams?
- What are the goals of LBB Teams?
- What is the mission of the halal logistics portal?
- What are the investments of LBB Teams in the halal logistics portal?
- What are suitable benchmarks to compare LBB Teams with their competitors?
- What are the strengths and weaknesses of LBB Teams compared with the competitors?

4.3.4. SWOT Analysis

The output of the external environment analysis and the internal environment analysis are the input for the SWOT analysis (Westerkamp, 2000). The SWOT analysis is an evaluation tool for the strength, weaknesses, opportunity and threats of a company (Kotler & Keller, 2006). In Figure 6: SWOT Analysis, *Source Kotler & Keller 2006* the SWOT analysis is graphical shown. The outcome of the SWOT analysis must give answers to the questions:

- What are the strong points of LBB Teams and the halal logistics portal?
- Which factors can influence LBB Teams and the halal logistics portal in a negative way (Westerkamp, 2000)?

The strengths and weaknesses are the internal forces of the company. The strengths are the strong points of the company, and the company can use these strengths to develop a unique competitive advantage. The weaknesses are the weak points of the company and the company need to develop these points that they are not a disadvantage anymore. The opportunities and threats are the external forces that can influence the performance of the company. A company must use the opportunities to get a good market position. The threats can have a negative influence on this market position and the company needs to defeat the threats.

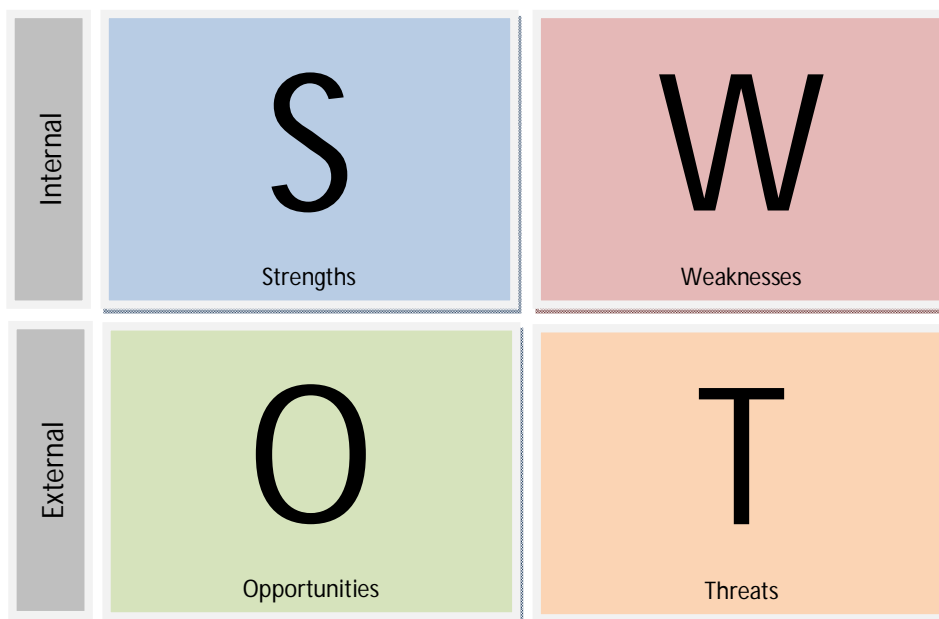


Figure 6: SWOT Analysis, *Source Kotler & Keller 2006*

4.3.5. Confrontation Matrix

In the confrontation matrix the three most important strengths, weaknesses, opportunities, and threats that are identified in the SWOT analysis are related with each other. The in total nine

selected strengths, weaknesses, opportunities, and threats are the input for the confrontation matrix. The strengths and weaknesses that are related to the opportunities and threats are ranked based on their importance with a 1, 3, or 5. Figure 7: Example Confrontation Matrix, *Source: zakelijk.infonu.nl* shows what a confrontation matrix looks like.

		Opportunities			Threats		
		Opportunity 1	Opportunity 2	Opportunity 3	Threat 1	Threat 2	Threat 3
Strengths	Strength 1	1				3	
	Strength 2		3		1		
	Strength 3	5		3			5
Weaknesses	Weaknesses 1		1	1			5
	Weaknesses 2	5				1	
	Weaknesses 3		3		3		

Figure 7: Example Confrontation Matrix, *Source: zakelijk.infonu.nl*

After the ranking the most important strengths, weaknesses, opportunities, and threats and how they are related to each other are identified. With this outcome the next four questions can be answered:

- o How can strengths be used to develop an opportunity?
- o How can strengths be used to overcome a threat?
- o How can a weakness be developed to contribute to the opportunity?
- o How can a weakness be developed to overcome a threat (Westerkamp, 2000)?

These four questions are the final outcome of the confrontation matrix. The next figure shows how the four questions are positioned in the confrontation matrix.

		Opportunities			Threats		
		Opportunity 1	Opportunity 2	Opportunity 3	Threat 1	Threat 2	Threat 3
Strengths	Strength 1	<i>How can strengths be used to develop an opportunity?</i>			<i>How can strengths be used to overcome a threat?</i>		
	Strength 2						
	Strength 3						
Weaknesses	Weaknesses 1	<i>How can a weakness be developed to contribute to the opportunity?</i>			<i>How can a weakness be developed to overcome a threat?</i>		
	Weaknesses 2						
	Weaknesses 3						

Figure 8: Final outcome Confrontation Matrix, *Source: zakelijk.infonu.nl*

4.3.6. Strategy Formulation

With the output of the confrontation matrix the strategy for the market introduction of the halal logistics portal can be formulated. The strategy is the plan for achieving the formulated goals. Small companies who use strategic planning in an effective way will perform much better (Smith, 1998).

To formulate a strategy important factors are: the market segmentation and positioning of the service. The positioning of the service is a method to determine how, and which characteristics of the service are used to give the service a unique market position. With the market segmentation is determined which market are the focus markets to sell the service (Westerkamp, 2000).

Porter (1985) argues that there are three different strategies: cost leadership, differentiation and focus. In the cost leadership strategy the business works hard to achieve the lowest production and distribution costs, so that it can price lower than its competitors and win a large market share. In the differentiation strategy the business concentrates on achieving performance in an important customer benefit area valued by a large part of the market. In the focus strategy the business focuses on a narrow market segment. The business gets to know these segments intimately and pursues either leadership or differentiation within the target segment (Porter, 1985).

4.3.7. Goal Formulation

It is important to include in the goal formulation the short-term growth versus long-term growth. This is: deep penetration of existing markets versus developing new markets, profit goals versus non profit goals, and high growth versus low risk. Goals that are formulated in the right way need to meet with four criteria: goals need to be arranged from the most to the least important, objectives should be stated quantitatively whenever possible, goals should be realistic, and objectives must be consistent (Kotler & Keller, 2006). The goals that are formulated in this stage have a direct influence on the marketing instruments that needs be chosen in the next stage of the marketing plan.

4.3.8. Marketing Instruments

Most of the time the selection of the marketing instruments are the result and a logical follow up of the formulated strategy. The marketing instruments are the tools that the company can use to execute the strategy and to achieve the goals (Westerkamp, 2000). The four Ps of marketing are the tools that achieve this. These four Ps are: Product, Price, Promotion, and Place. In

Figure 9: Marketing Mix, *Source Kotler & Keller (2006)* the four Ps are show with variables.

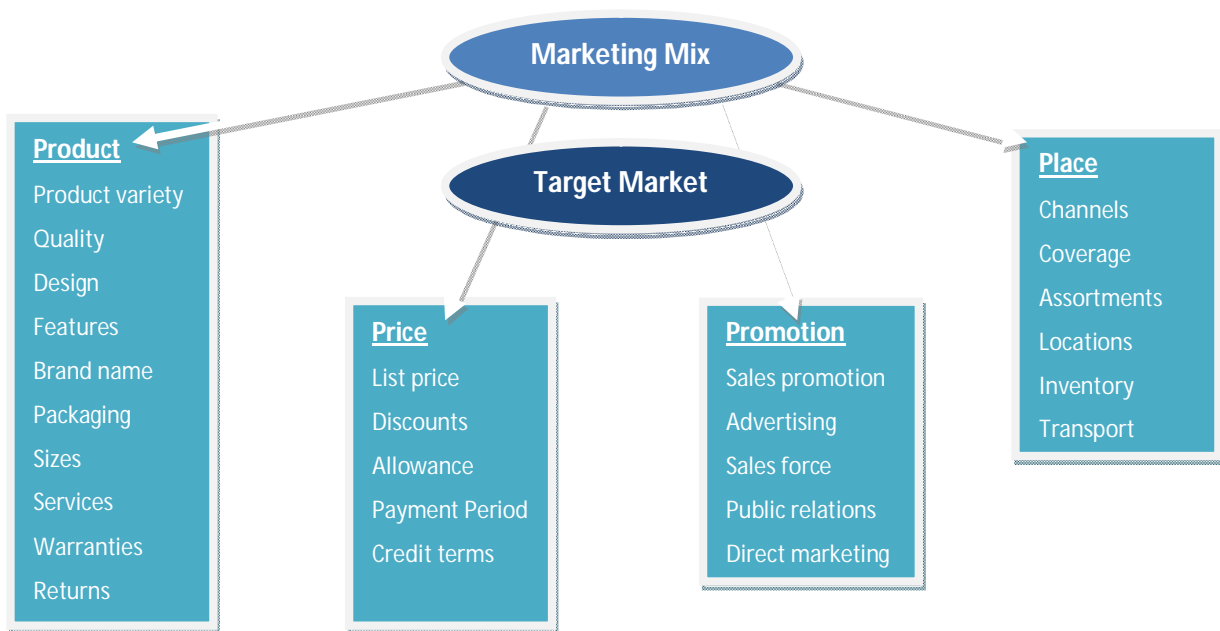


Figure 9: Marketing Mix, Source Kotler & Keller (2006)

When the four Ps are applied, and the right variables are chosen the marketing mix strategy is complete. Not all the variables are needed for a good and effective marketing mix strategy. The selection of variables depends on the specific situation (Kotler & Keller, 2006). Figure 10: Marketing Mix Strategy, Source: Kotler & Keller, 2006 shows how the final market mix strategy looks like.

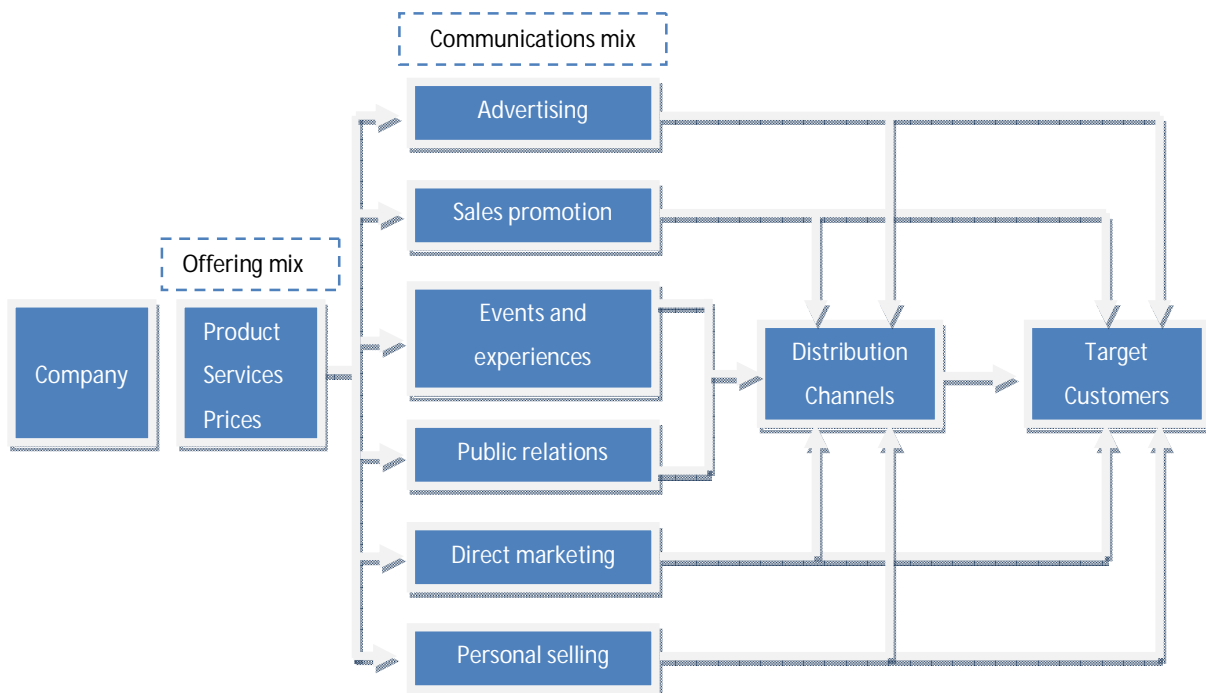


Figure 10: Marketing Mix Strategy, Source: Kotler & Keller, 2006

4.4. Future Threats for an E-service

Korgaonkar & O'Leary (2006) have done a study that empirically investigated factors that may lead to e-business success or failure. They have done a study in which they collected data by contacting 3000 e-commerce executives in the United States in 2004. The factors that are identified by Korgaonkar & O'Leary (2006) are categorized as management, market and financial factors. The **management** factors that are investigated in the research are management vision, professional orientation, and managerial experience. The **market** factors are market growth, market newness, and first entrant. The **financial** factors are stock market performance, start up capital, and cost of site operations (Korgaonkar & O'Leary, 2006).

The results of the analysis of the management factors (the management vision, professional orientation, and management experience) strongly indicate that these issues do matter in the ultimate success or failure of an e-business. Those firms whose managers had a clear vision of the business fared better than those whose managers' ideas of the e-business seemed more ambiguous, without clearly defined objectives and goals. Managers who did not have the ability to manage rapid change and react quickly and decisively to risk factors did not have the same success as those who possessed these attributes. A lot of e-businesses who failed did not take the time to make a good planning and had an unrealistic business model. A lot of managers did not hire professionals to help in areas that the entrepreneur or manager was not as skilled in. Those managers who did hire professionals fared better than managers who did not hire professionals to support them. Ego may have been a factor in this area, as well as the management experience factor. It was clear that managers with prior business experience, and also those who had prior experience in this type of venture, were more apt to be successful than new managers with little or no business experience. The more experienced teams and managers were more successful than teams and managers who had little or no business experience.

The results of the study show that the market factors (market growth, market newness, and first entrant) advantage may have contributed to the success or failure of the e-business. The factor market growth is as important for e-business as for 'normal' traditional businesses. A number of managers and entrepreneurs believed that the venture itself would create a market for the product or service. That is why some of the products and services were too complex to buy or to difficult use. The management ignored the fact that they were marketing innovative services (Korgaonkar & O'Leary, 2006). The financial factors in this research are not relevant for LBB Teams, because LBB Teams is not a stock market listed company and did not lent a lot of money to develop the portal. And that is why the financial factors in the research of Korgaonkar & O'Leary (2006) are not

comparable with the financial factors that will have an influence on the market introduction of the e-service of LBB Teams.

Muhammad and Tarn (2005) also did a research in which the vital factors responsible for the failure of many dotcoms are identified and investigated. The term dotcoms is used for companies who use the World Wide Web or Internet to conduct their businesses. The main business strategy of many dotcoms was to be first in the market in order to lead the competition. This was the only strategy the companies had, if the market situation changed, the dotcoms were not able to change the strategy with market situation. In order to gain more market share, the main focus of the dotcoms was on promotion instead of product differentiation. As a result, the costs of the marketing were too high and many dotcoms flooded the market with similar products or services and created intense competition among them. This shows that it is also important for dotcoms or e-services to create a distinct advantage. Another reason why dotcoms failed was because of the little consideration that was given to the quality and the user friendliness of the website. Many websites were too complex to navigate and users could get lost and were unable to come back to their starting point (Muhammad & Tarn, 2005).

Online customers are extremely finicky when services do not match their expectations. An e-service is less about hype and more about delivering to promise in more interactive, convenient and personal ways. The biggest challenge of e-services is balancing the greater customization possible with a simple, accessible and easy to use web interface (Boyer, Hallowell & Roth, 2002).

4.5. Conclusion

In Figure 11: The Final Design of the Marketing Plan for LBB Teams and the Halal Logistics Portal is shown how the final marketing plan for LBB Teams and the halal logistics portal looks like. The starting point of the marketing plan is a short summary. This short summary includes the most important facts of LBB Teams and the halal logistics portal. The second step of the marketing plan is the external environment analysis and the internal environment analysis. These two analyses give the input for the SWOT analysis. The SWOT analysis gives an overview of all the strengths, weaknesses, opportunities and threats of LBB Teams and the portal. In the confrontation matrix the most important opportunities and threats and strong points and weak points are ranked and related with each other. With the outcome of the confrontation matrix the strategy can be formulated. To achieve the strategy suitable goals need to be developed. The final step is to define the marketing instruments that are needed to execute the chosen strategy and goals.

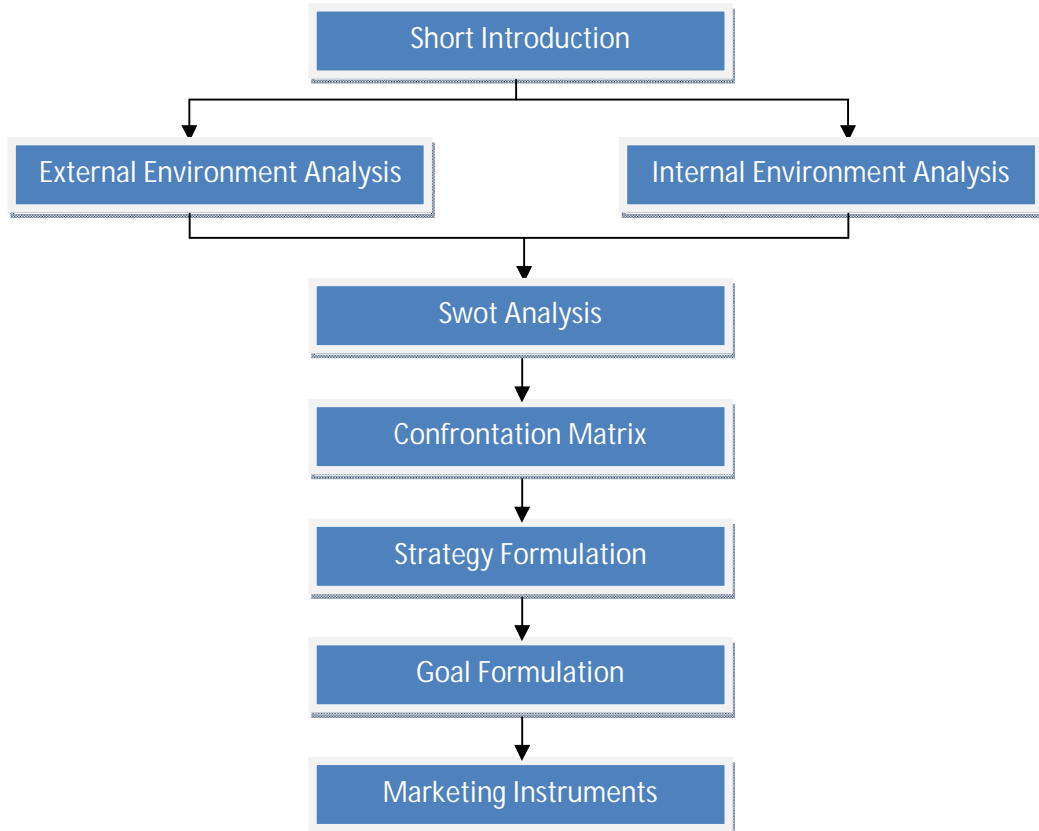


Figure 11: The Final Design of the Marketing Plan for LBB Teams and the Halal Logistics Portal

In section 4.5 an answer is given on the sixth sub-question: *'What are possible threats that can have a negative influence on the market introduction of the halal logistics portal?'*. Important success factors are; the management skills and the experience of the team. Companies whose managers had a clear vision were more successful. Companies who hired experience professional to support the manager and employees were also more successful. A second important success factor is the planning, business model, and strategy. The planning and the business model must be realistic. Most companies had only one strategy. This strategy was that the company was the first service provider in a new market. When the market changed the companies were not able to adjust their strategy. The third critical success factor is the fact that online customers have high demands. If the service did not match the expectations the customers did not use the service a second time.

Chapter 5: Practical Application

5.1. Introduction

In this fifth chapter the marketing plan that is described in the previous chapter is applied. In section 5.2.1 a short introduction is given of the present situation of LBB Teams and the halal logistics portal is described. In section 5.2.2 an analysis of the external environment is made with the factors: market, competitors, customers, and suppliers. In section 5.2.3 an internal environment analysis is made with the factors: goals, strategy, company structure, financial situation, and strengths and weaknesses. With the output of the external and internal environment analysis the SWOT analysis is made in section 5.2.4. The outcome of the SWOT analysis is used for the input of the confrontation matrix in section 5.2.5. In the confrontation matrix the most important outcomes of the SWOT analysis are related with each other. In section 5.2.6 the strategy is formulated with the outcomes of the confrontation matrix. In section 5.2.7 the goals are formulated and in section 5.2.8 is explained how the goals can be achieved. The information that is used in this chapter is collected by means of a document study and by personal observations.

5.2. The Marketing Plan Applied

5.2.1. Short Introduction

The first stage of the marketing plan described in chapter 4 is the introduction. In this case the introduction is not very extensive, because the marketing plan is part of a research. The objective of the research is to develop an advice of how the halal logistics portal can be introduced successfully to the market. The main objective of the marketing plan in this research is to map the strong and weak points of the halal logistics portal and how LBB Teams can control the market introduction of the halal logistics portal. The halal logistics portal is an idea of LBB Teams and is in line with the development of the halal logistics standard. The halal logistics portal is already developed and LBB Teams want to gain revenues from this investment. The mission of LBB Teams is: 'To bring logistics excellence to the world'. The halal logistics portal can contribute to this mission, because the halal logistics portal can contribute to a halal compliant logistics chain. The mission of the halal logistics portal is: 'To bring halal logistics excellence to the world'. The halal logistics portal is an e-service and exists out of two different websites (www.halallogistics.info & www.halalstorage.com). One website is a knowledge portal and the second website is a marketplace for halal storage facilities. The focus of the marketing plan is on the second website, because the potential to gain revenues with the storage facilities marketplace is higher than the knowledge portal.

5.2.2. External Environment Analysis

A good analysis of LBB Teams and the halal logistics portal must include the factors market, competitors, customers and suppliers. For these four factors a number of questions are formulated in chapter four; section 4.3.2.

Market

The first factor is market. It is important to identify the markets where LBB Teams can provide their service with the halal logistics portal. LBB Teams want to offer the new e-service to a world-wide market. This is also possible, because the halal logistics portal is an e-service and is provided via an internet website. Every company who want to rent a storage facility that is halal compliant can go to the website, and place an advertisement on the halal storage website. Companies who need a halal compliant storage facility can go to the halal storage website, and if there is a match between the supply and demand the companies can contact each other.

The next questions are formulated to make an analysis of the potential market for the halal logistics portal:

- What are the target markets of the halal logistics portal?
 - What are the sizes of the target markets?
- How difficult is it to reach the target markets with cost-effective methods?

Halalstorage.com must become a market place where the supply and need for halal storage facilities can meet each other. The supply of halal storage facilities is provided by companies who have halal storage facilities. Halal storage facilities are needed by companies who must store halal goods or products that can become haram. The halal logistics portal is a business to business (B2B) marketplace. A B2B marketplace is an electronic marketplace set up by an intermediary where buyers and sellers can meet (Daft, 2003).

Because LBB Teams wants to reach a world-wide market with the halal logistics portal an overview is given of the total Muslim population to identify potential markets. The first reason why the Muslim population is used as an indicator for identifying the potential market of the halal logistics portal is that the halal logistics standard is not yet introduced. If the halal logistics standard was already introduced the countries or companies who used the halal logistics standard could be identified as potential markets. The second reason why the Muslim population is used as an indicator is the fact

that there are no detailed figures known or published about the world-wide consumption or distribution of halal products.

In 2006 the world population of Muslim people was around 1.6 billion divided over 112 countries. In Figure 12: Total Muslim Population (2006), Source: <http://atn-riae.agr.ca> to total Muslim population divided over the different continents is shown.

Continent	Muslim Population
Africa	443 million
Asia	1,061 million
Europe	51 million
North America	9 million
South America	3 million
Oceania	0.5 million
Total	1,568 million

Figure 12: Total Muslim Population (2006), Source: <http://atn-riae.agr.ca>

The total amount of the global market for halal products is estimated at \$580 billion a year. There are different estimations and this is one of the more preserve ones. The halal markets are markets with high potential, because in a number of Muslims countries the income levels are rising and this leads to higher consumption rates and more opportunities for halal food producers (<http://atn-riae.agr.ca>).

The largest halal markets are located in South East Asia and West Asia. The key halal markets are: Indonesia, United Arab Emirates, Algeria, Saudi Arabia, Iraq, Morocco, Iran, Malaysia, Egypt, Turkey, Tunisia, Kuwait, Jordan, Lebanon, Yemen, Qatar, Bahrain, Syria and Oman. These key markets together have a population of over 650 million people. There are also countries where majority is not Muslim, but that have a demand for halal products. These markets include India (140 million Muslims), China (40 million Muslims), United States (8 million Muslims), Philippines (6 million Muslims), France (6 million Muslims), Germany (3 million Muslims) and the United Kingdom (1.5 million Muslims) (<http://atn-riae.agr.ca>).

Asia has the highest Muslim population; therefore this would be the market with the most potential. But to only use the Muslim population to determine the potential market is not enough. The

population in Asia has for example lower average income than the Muslim population in Europe, and India and Pakistan have a high Muslim population, but a relatively low consumer incomes and consumption. Therefore the trade in halal products in India and Pakistan is only on the local market (<http://atn-riae.agr.ca>). To create a better overview of the potential market also countries that are already active in the halal industry are identified.

Asia

The countries Malaysia, Thailand, Singapore, Brunei, and China have taken steps into the global halal market. Malaysia is becoming an international halal hub and the government of Malaysia has taken a number of measures to support that objective. The food industry in Singapore has also taken a number of steps toward becoming a halal hub. One of these steps is an advertising campaign in the Middle East. Thailand has moved to become a recognized halal centre of excellence in science and testing. The country Brunei is co-operating with Australian companies in order to combine its role in the Muslim world with Australia's track record in safe, high quality food production and the Chinese Halal industry is growing and is expected to expand its role in the global market (<http://atn-riae.agr.ca>).

Middle East

The Middle East countries, especially members of the Cooperation Council for the Arab States of the Gulf (GCC), have higher incomes and higher rates of consumption and this region imports 80% of its food. Saudi Arabia and the United Arab Emirates (UAE) are seen as the most important import markets in the region. Brazil is the largest exporter to Saudi Arabia and the United Arab Emirates followed by the European Union and the United States. Turkey is a growing market for halal and a potential supplier of halal products to the European Union (<http://atn-riae.agr.ca>).

Europe

Europe is seen as an important market for Halal products on the basis of higher purchasing power rather than population size. France has the highest population of Muslims and the total value of the French market for Halal products has been estimated over US\$13 billion. In the Netherlands the Port of Rotterdam is a key halal entry port in the European Union. The Port of Rotterdam has a dedicated warehouse for halal products. Germany and the United Kingdom have major potential as halal markets because of the purchasing power. In Eastern Europe there are also substantial Muslim communities in the countries: Albania, Bosnia/Herzegovina, Macedonia, Russia and Yugoslavia (<http://atn-riae.agr.ca>).

United States

The market of the United States for Halal products is estimated at US\$12 billion annually. There are a lot of companies in the United States who are exporters of Halal products. Examples of companies who are involved with Halal products are: Cargil, ConAgra, Tyson, Purdue Farms, Oscar Mayer and Midamar (<http://atn-riae.agr.ca>).

Australia

Australia is a major supplier of Halal products, with exports to over 70 countries. Australia has a reputation as a producer of safe, disease-free food products and is the first non-Muslim country that place Halal certification under legislation (<http://atn-riae.agr.ca>).

There is a major potential market for the halal industry. This market is determined by the total Muslim population world-wide, and if certain markets are already active in the halal industry. The markets that are identified as potential markets are: Asia: Malaysia, Thailand, Singapore, Brunei, and China; Europe: France, Netherlands, Germany and Great Britain; Middle East: Saudi Arabia, the United Arab Emirates and Turkey, and Australia and the United States (<http://atn-riae.agr.ca>).

Although the potential of the halal market seems very large it is still difficult to make a real good forecast of what the real potential markets are. The halal logistics standard is not introduced yet, and it is not clear which countries and which companies are going to adopt the halal logistics standard. The objective of the introduction of the standard is that it is becoming the world-wide standard for halal logistics, but in the beginning the standard is not compulsory. After the introduction of the halal logistics standard the awareness for a halal compliant supply chain will probably grow, but this is a factor that is uncertain.

Competitors

The second stage of the external environment analysis is the identification of the competitors. To get a good analysis of the competitors the next questions need to be answered.

- Who are the competitors of the halal logistics portal?
 - What is the size of these competitors?
 - Which markets are these competitors active in?
- How difficult is it for competitors to enter the market?
- How big is the threat of possible substitutes?
- Why does LBB Teams deliver the service better than the existing competitors?

There are two companies who provide more or less the same service as LBB Teams wants to provide with the halal logistics portal. The websites of the companies are: www.warehousematch.com and www.entrepotonline.com. These two websites are also an online platform where the demand and supply for storage facilities can find each other. The websites do not provide specific halal storage facilities, but they have facilities listed on their websites with special requirements. One example of these requirements is that www.warehousematch.com has a number of storage facilities listed on their website that are HACCP certified. HACCP is an abbreviation for Hazard Analysis Critical Control Points, which means that the critical points in the production process of food are checked and analysed. HACCP is a preventive method to ensure the quality of the food (www.vwa.nl). If the demand for halal compliant storage facilities will grow it is possible that these websites will also start with the listing of these storage facilities on their website.

www.warehousematch.com

Warehousematch B.V. is a Dutch company who is founded in 1997. Warehousematch started with three employees, nowadays there are working eleven employees for Warehousematch. According to Warehousematch they have 75.000 international viewers each month. The goal of Warehousematch is: *'To be recognized as the European market place for supply and demand in logistics/industrial real estate'*. To achieve this goal Warehousematch has cooperation's with important players from the European real estate market. The website of Warehousematch can be viewed in the languages: Dutch, English, France, and German. This will probably be the main focus groups of company. On the website of Warehousematch the customer can find storage facilities in: Austria, Belgium, Bulgaria, Czech Republic, Denmark, France, Germany, Hungary, Italy, Luxembourg, Poland, Romania, Slovakia, Spain, Sweden, The Netherlands, Turkey, and the United Kingdom with a total of 26,870,032 square meters (www.warehousematch.com, 22 March 2009). How Warehousematch does earn revenues with their service is not described on the website. Advertising is one of the incomes of Warehousematch, because there are some small banners visible on the website. Warehousematch is a mediator between available storage facilities and companies who need storage facilities. It is also possible for companies who need a storage facility to place an advertisement on the website of Warehousematch. Warehousematch plays also an active role in the search for a suitable storage facility if there is not a match on the website.

www.entrepotonline.com

Entrepot On-line (EOL) is a company who is located in France. In total there are five different offices of EOL located in France. The website of EOL is only in the French language, and the focus markets of EOL are France, Spain, Belgium and Morocco. On the website of EOL are no banners or advertisement displayed. EOL is also a mediator between the supply and demand of storage facilities, and if there is no match on the website of EOL, EOL will search for a match. Exhibitions are one of the marketing tools that are used by Entrepotonline.

Entrepotonline and Warehousematch are both active on the European market. It is hard to determine how successful they are, but both companies have a lot of storage facilities in their online database. The companies play an active role in the search process to find the right match between the supply and demand for storage facilities and both companies have a large network in this branch of industry. It is probably not easy to enter this market, because of the required wide network of storage facility providers and companies who need halal storage facilities.

Entrepotonline and Warehousematch are providing more or less the same service LBB Teams wants to provide with the halal logistics portal. There are some major differences between the service LBB Teams want to provide and the services of the two companies. First of all LBB Teams is located in Kuala Lumpur, Malaysia and both websites are not active in Asia. The focus of the halal logistics portal is on halal storage facilities and Entrepotonline & Warehousematch do not have halal

To provide the service efficient a wide network of storage facility providers and companies who can need storage facilities is necessary.

compliant storage facilities listed on their websites. However if there is a growing demand for halal compliant storage facilities it is not difficult for Entrepotonline & Warehousematch to start also in this new niche market. The main advantage of LBB Teams is that they have already a track record build up in the halal industry. LBB Teams has a lot of contacts in this industry in Malaysia and Asia.

The next two factors in the external environment analysis are: the customers and the suppliers. The customers are; the companies who want or need the goods or services of the producing company and the suppliers are; the needed for the output (Daft, 2003). Most of the time the producing companies buys raw 'material' from the suppliers, and

produces its output with this material. In the case of the halal logistics portal is this a bit different. The halal logistics portal must become an additional sales channel for the suppliers, and the customers are who need the storage facilities of the suppliers. In Figure 13: Halalstorage.com and the Relation between the Suppliers and Customers is show how the relation of the suppliers and the customers, and the halal storage website is structured.

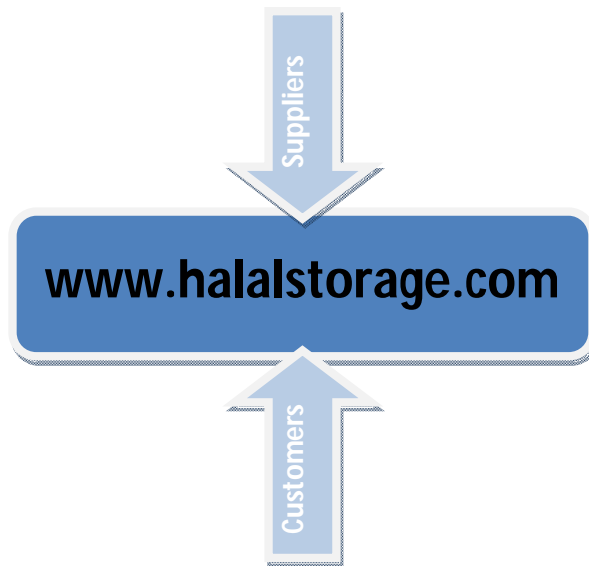


Figure 13: Halalstorage.com and the Relation between the Suppliers and Customers

To provide the service successful LBB Teams need to attract suppliers and customers. The suppliers need to pay for the service, and the customers can use the service for free. Without suppliers or the customers LBB Teams is not able to provide the service. Both parties are very important for LBB Teams.

Customers

The third factors of the external environment analysis are the customers of the halal logistics portal. To get a good analysis of the customers the next questions need to be answered:

- What are potential customers of the halal logistics portal?
- Where do the customers buy their products at the moment?
- What is the bargaining power of the costumers?

The customers of the halal logistics portal are companies who have a need for halal storage facilities. Companies who have this need are companies who must store halal products. The potential customers of LBB Teams are located in the market where LBB Teams can supply halal storage

facilities. It is important for LBB Teams to develop a network of companies who may need halal storage facilities. If there is a halal storage facility available these companies can be contacted. The customers have probably their own network of storage facilities. LBB Teams can bring more transparency in this market, and with use of the portal the customers can have more choose in storage facilities. The customer can make use of the service for free, but LBB Teams is very depending on the customer. If the customer has already their own storage facilities, or has already good contact with companies who provide storage facilities the service LBB Teams want to provide with the portal is not interesting for the customer.

Suppliers

The last factors of the external environment analysis are the suppliers of the halal logistics portal. The next four questions need to be answered to get a good analysis of the suppliers that LBB Teams need for the halal logistics portal:

- Which suppliers does the halal logistics portal need?
- Where are the suppliers located?
- How difficult is it for LBB Teams to access the suppliers?
- What is the bargaining power of the suppliers?

The suppliers of the halal logistics portal are the companies who have halal compliant storage facilities available. The suppliers are the companies who provide the input for the halal logistics portal. The portal is an extra sales channel for the companies who have halal compliant storage available. One example of such a company is Eurofrigo, it is located in the area of the Port of Rotterdam and has a storage facility that is halal compliant (www.logistiek.nl). If the halal storage facility is available Eurofrigo can place an advertisement on halal logistics portal, companies who may need this halal storage facility can find the storage. The bargaining power of the suppliers is very high; the input for the halal logistics portal completely depends on the suppliers. If the suppliers do not want to place the storage facilities on the website LBB Teams, they cannot provide the service that they want. LBB Teams needs to build up a network of suppliers. To build this network it is important that the suppliers understand the value that the halal logistics portal adds to their business.

5.2.3. Internal Environment Analysis

The factors that need to be analyzed to get a good analysis of the internal environment are: the goals, the strategy of the company, the company structure, the financial situation and the strengths

and weaknesses. These factors are identified in chapter four, section 4.3.3. In section 4.3.3 the next questions formulated:

- What is the structure of LBB Teams?
- What is the strategy of LBB Teams?
- What is the mission of LBB Teams?
- What are the goals of LBB Teams?
- What is the mission of the halal logistics portal?
- What are the investments of LBB Teams in the halal logistics portal?
- What are suitable benchmarks to compare LBB Teams and the halal logistics portal with their competitors?
- What are the strengths and weaknesses of LBB Teams and the halal logistics portal compared with the competitors?

These questions are formulated on the basis of the factors that need to be analyzed to get a good overview of the internal environment. The eight questions are answered in this section.

Structure

LBB Teams Sdn Bhd is a small entrepreneurial company with three employees that are working fulltime. According to Smith (1998) LBB Teams is a micro-company. A micro-company is a company with less than ten employees. In Figure 14: Structure of LBB Teams Sdn. Bhd. the structure of LBB Teams is shown.

Marco Tieman is the founder and managing director of the company. The activities of Marco Tieman are the sales and the execution of the project. Grace Kenneth supports Marco Tieman in these activities. Nahriah Baharin is the personal assistant of Marco Tieman and is also responsible for the financials and administration. The operations part of LBB Teams exists out of employees or interns who work temporary for LBB Teams. The operations part of LBB Teams exists out of three employees at the moment this thesis is written. Two of these temporary employees were working on a project, and one temporary employee supported Marco Tieman with his operations.

Goals

The mission of LBB Teams is: *'to bring logistics excellence to the world'*. The mission of the halal logistics portal is: *'to bring halal logistics excellence to the world'*. With the halal logistics portal LBB Teams have created a knowledge portal where companies and people can find knowledge about halal logistics. With the halal logistics portal LBB Teams also want to create more transparency in the

market for halal storage facilities. The mission of the company and the mission of the e-service are in line with each other. The new e-service can contribute to the achievement of the mission of LBB Teams.

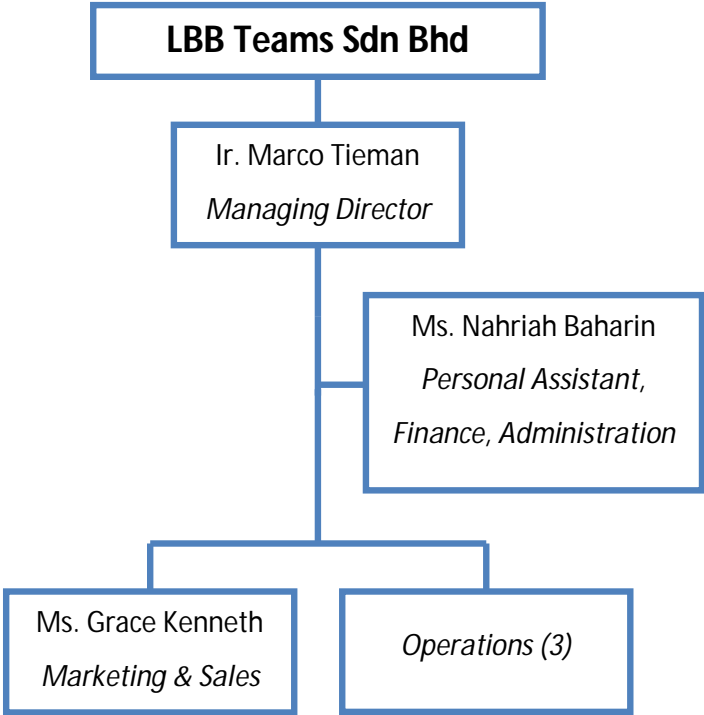


Figure 14: Structure of LBB Teams Sdn. Bhd.

Strategy

LBB Teams is an entrepreneurial company, and LBB Teams is continuously looking for new opportunities to extent their existing portfolio of services. Most of the services that LBB Teams provides are in the area of logistics advisory. The focus markets of LBB Teams are: Asia (Malaysia) and Europe (The Netherlands). For European companies LBB Teams can be an extension to represent or guide the activities in Asia. The strategy of LBB Teams is a focus strategy; LBB Teams has a focus on the logistics industry in Asia, and especially in Malaysia.

Financial Situation

LBB Teams has invested in the development of the halal logistics portal. With the service LBB Teams provide with the halal logistics portal LBB Teams wants to earn revenues. The revenues can be earned in two different ways. The first way is by listing of the facilities on the website. Companies who have halal storage available, and want to place this on the halal logistics portal need to pay for this. The companies who need the available halal storage do not have to pay for the service. For the

listing there are two options where a company can choose for. The first option is the full listing; in this full listing option all the contact data of the company is published on the portal. The company has to pay a fixed amount of 5.000 Malaysian Ringgits (around 1.000 Euro) for every facility that the company wants to list on the portal. A company can also choose for listing option two; in this option not all the contact data is displayed on the portal. The contact between the company who have the halal storage facility available and the company who needs the halal storage facility is via LBB Teams. When there is a match between the supply and demand the company has to pay one month rental. The second way of how LBB Teams can earn revenues with the portal is with the advertisement on the portal. A company can buy advertisement space on banners at the portal. A company must pay 1.000 Malaysian Ringgits (around 200 Euro) per thousands clicks troughs. An overview of the rates LBB Teams want to account for the services of the halal logistics portal is shown in Appendix C: *Financial Rates*. The investment that is made by LBB Teams in the development of the portal is 25.000 Malaysian Ringgits (around 5.000 Euro) and LBB Teams has invested 5.000 Malaysian Ringgits (around 1.000 Euro) in the development of the logo, name cards, note paper, flyers, and envelopes. When the halal logistics portal starts to operate, LBB Teams must make some reservation for extra costs. Extra costs can be for example the maintenance of the portal. The total investment is relatively not high; only six companies who want to be listed on the website are needed to earn back the investments.

Strengths and Weaknesses

A major strength of LBB Teams compared with the competitors is that LBB Teams has a track record and experience in the halal market. The service of the halal storage website is not completely in line with the other services of LBB Teams, but this new service can contribute to the extent of the service portfolio of LBB Teams. This is strength, because LBB Teams does not completely has to rely on the incomes of the portal.

A major weakness is that LBB Teams does not have experience in the real estate market and must build up a new network in this market. This can be a major disadvantage. The investment to develop the portal is already made by LBB Teams. This is a weakness, because when companies are not interested in the service LBB Teams want to provide with the portal the investment is lost. The investment that is made in the development of the portal is relatively low. When companies are interested in the e-service it is easy for LBB Teams earn back the investment, and to make profit with the portal.

5.2.4. SWOT Analysis

The output of the external environment analysis and the internal environment analysis (section 5.2.2 and 5.2.3) are the input for the SWOT analysis. The output of the internal environment analysis is the input for the Strengths and Weaknesses and the output for the external environment analysis is the input for the Opportunities and Threats. At the end of this section the next questions are answered:

- What are the strong points of LBB Teams and the halal logistics portal?
- Which factors can influence LBB Teams and the halal logistics portal in a negative way?

Strengths

- The mission of the service LBB Teams want to provide with the portal is in line with the mission of the company. The halal logistics portal can contribute to the achievement of the mission of the company.
- The investment that is made by LBB Teams is relatively low. Not a lot of clients are needed to earn back the investments and to start making profit.
- LBB Teams has a track record in the halal industry and the halal logistics industry. This track record can be used to identify and attract potential suppliers and customers.
- LBB Teams offers a new sales channel for storage facilitators. This can be a new opportunity for the storage facilitators, because their sales can grow.
- The halal logistics portal is not the only source of income for LBB Teams. LBB Teams does not only rely on the revenues of the halal logistics portal.

Weaknesses

- LBB Teams has a small staff; therefore they have a small staff on the sales and execution of the projects. This results in the fact that they have not a fulltime employee who is working on the sales and development of the portal.
- LBB Teams does not have an employee that has experience in the real estate market or with providing e-services.
- The investment in the portal is already made; when clients are not interested in the service of the portal the investment is lost.
- LBB Teams does not want to invest extra money in the marketing of the halal logistics portal.

Opportunities

- The global halal market is a major market with new opportunities.

- LBB Teams is located in Kuala Lumpur, Malaysia. There are no competitors located in Asia who provide the same service.
- There are no competitors who provide the same services as LBB Teams want to provide with the halal logistics portal.

Threats

- LBB Teams has to build a new network of suppliers and customers. This can be difficult; halal logistics is something new and it is possible that clients do not see the added value of the service.
- The suppliers that LBB Teams need to provide the service have a major bargaining power.
- It is not difficult for competitors to provide the same service. Competitors can easily adjust their current services to create also a marketplace for storage facilities that are halal compliant.
- It is not clear if there is a real demand for the service LBB Teams wants to provide with the halal logistics service.

LBB Teams does heavily depend on their suppliers to provide the service in a successful way.

5.2.5. Confrontation Matrix

The first step to create a good confrontation matrix is to select the most from the strengths, weaknesses, opportunities and threats the most important three. After the selection the strengths, weaknesses and the opportunities and threats are related with each other and ranked with the numbers 1, 3 or 5 according to how strong and important the relation is. With the most important relations the four questions are answered:

- How can strengths be used to develop an opportunity?
- How can strengths be used to overcome a threat?
- How can a weakness be developed to contribute to the opportunity?
- How can a weakness be developed to overcome a threat?

The selected strengths, weaknesses, opportunities and threats are:

Strengths

- The investment that is made by LBB Teams is relatively low. Not a lot of clients are needed to earn back the investments and to start making profit.
 - ↳ The investment to develop the portal is **relatively low**
- LBB Teams has a track record in the halal industry and the halal logistics industry. This track record can be used to identify and attract potential suppliers and customers.
 - ↳ LBB Teams has a **track record** in the halal logistics industry
- The halal logistics portal is not the only source of income for LBB Teams. LBB Teams does not only rely on the revenues of the halal logistics portal.
 - ↳ The portal is not the **only source of income** for LBB Teams

Weaknesses

- LBB Teams has a small staff; therefore they have a small staff on the sales and execution of the projects. This results in the fact that they have not a fulltime employee who is working on the sales and development of the portal.
 - ↳ LBB Teams has a **small staff**
- LBB Teams does not have an employee that has experience in the real estate market or with providing e-services.
 - ↳ The staff of LBB Teams has **no experience** with providing services like the portal
- The investment in the portal is already made; when clients are not interested in the service of the portal the investment is lost.
 - ↳ **Investment** in the portal is **already made**

Opportunities

- The global halal market is a major market with new opportunities.
 - ↳ The global halal market is a **market with new opportunities**
- LBB Teams is located in Kuala Lumpur, Malaysia. There are no competitors located in Asia who provide the same service.
 - ↳ There are **no competitors** who provide the same service **in Asia**
- There are no competitors who provide the same services as LBB Teams want to provide with the halal logistics portal.
 - ↳ There **are no competitors who provide exactly the same service** as the portal

Threats

- LBB Teams has to build a new network of suppliers and customers. This can be difficult; halal logistics is something new and it is possible that clients do not see the added value of the service.
 - ↳ LBB Teams has **to build a new network** of suppliers and customers
- The suppliers that LBB Teams need to provide the service to have a major bargaining power.
 - ↳ **Suppliers** have a **major bargaining power**
- It is not difficult for competitors to provide the same service. Competitors can easy adjust their current services to create also a marketplace for storage facilities that are halal compliant.
 - ↳ The **entry level** for competitors is **low**

In Figure 15: The Applied Confrontation Matrix are the selected strengths, weaknesses, opportunities, and threats are ranked.

		Opportunities			Threats		
		Market with new opportunities	No competitors in Asia	No competitors who provide exactly the same service	Build new network	Suppliers have a major bargaining power	Low entry level for competitors
Strengths	Relatively low investment					3	1
	Track record in the halal logistics industry	1	5	3	5	3	1
	Not the only source of income					5	3
Weaknesses	Small staff						
	Staff has no experience		5	3			
	Investment is already made					5	3

Figure 15: The Applied Confrontation Matrix

With the outcome of the applied confrontation matrix the most important strengths, weaknesses and the opportunities and threats are linked with each other in Figure 16: The Final Outcome Confrontation Matrix.

		Opportunities			Threats		
		Market with new opportunities	No competitors in Asia	No competitors who provide exactly the same service	Build new network	Suppliers have a major bargaining power	Low entry level for competitors
Strengths	Relatively low investment	LBB Teams has a track record in the halal industry, and especially in Malaysia. There are no competitors who are active in Asia. LBB Teams must use the advantage of being the only company in Asia that is providing such a service, and having the knowledge and experience in the halal logistics industry. This first mover is a good starting point for providing the service successful.			LBB Teams has experience, and is familiar in the halal logistics industry in Asia. To provide the service successful, LBB Teams need to have a network of suppliers and customers for the portal. It is easier to build up this network in Malaysia, than for example Europe.		
	Track record in the halal logistics industry						
	Not the only source of income						
Weaknesses	Small staff	The staff of LBB Teams does not have experience with e-services, or the real estate market. Because there are no competitors in Asia the employees of LBB Teams have the time to get more experienced in this branch of industry.			The suppliers have a major bargaining power; LBB Teams heavily depends on the suppliers for the portal. The investment in the portal is already made, and if the suppliers find the service to expensive LBB Teams can choose to give the suppliers discounts.		
	Staff has no experience						
	Investment is already made						

Figure 16: The Final Outcome Confrontation Matrix

The final outcomes of the confrontation matrix are:

- o LBB Teams has a track record in the halal industry, and especially in Malaysia. There are no competitors who are active in Asia. LBB Teams must use the advantage of being the only company in Asia that is providing such a service, and having the knowledge and experience in the halal logistics industry. This first mover is a good starting point for providing the service successful.

- LBB Teams has experience, and is familiar in the halal logistics industry in Asia. To provide the service successful, LBB Teams need to have a network of suppliers and customers for the portal. It is easier to build up this network in Malaysia, than for example Europe.
- The staff of LBB Teams does not have experience with e-services, or the real estate market. Because there are no competitors in Asia the employees of LBB Teams have the time to get more experienced in this branch of industry.
- The suppliers have a major bargaining power; LBB Teams heavily depends on the suppliers for the portal. The investment in the portal is already made, and if the suppliers find the service to expensive LBB Teams can choose to give the suppliers discounts.

These four outcomes are the starting point of the strategy formulation in the next section.

5.2.6. Strategy Formulation

The starting point for formulating the right strategy is the market segmentation and positioning of the product/service. One of the important outcomes of the SWOT analysis and the confrontation matrix is that LBB Teams has the advantage of being located in Kuala Lumpur and that LBB Teams has a track record in the halal logistics industry in Malaysia.

LBB Teams should introduce the halal logistics portal first on de Asian market. This is because LBB Teams is located in Asia, and the halal industry is more developed in Asia. Europe is a potential market for the halal logistics portal, but the perception about halal is different than in Asia. For example the supermarket Albert Hein wanted to add halal meat too their range of products, but public opinion was against this. This was because animal protection societies though that the slaughter method of halal meat is not animal friendly (www.volkskrant.nl). LBB Teams has to build up a complete new network of suppliers and customers. LBB Teams should choose Malaysia as a starting point. In Malaysia LBB Teams does already have a lot of contacts that can be used for this network, and it is easy for LBB Teams to approach the potential suppliers and customers.

LBB Teams must use the focus strategy in the narrow market. LBB Teams must use this strategy, because this is a good starting point for the service. By starting in a relatively small and familiar market the employees of LBB Teams can gain experience in this new market and it is easier to approach new suppliers and new customers.

By approaching the local market LBB Teams can find out if there is a real need for such a mediation service as the halal logistics portal. There are also no competitors in the market in Asia, so LBB Teams has the time to build up a network before other companies can provide the same service.

Building up a network it is important that LBB Teams build a good relationship with suppliers and customers. Especially when it comes to products or services that are bought or used through the internet. The higher the value is that customers perceive, the more likely they are to make repeat purchases, this is called e-loyalty (Hallowell & Roth, 2002). To attract more suppliers to the new network LBB Teams can give new suppliers for example a first time discount.

5.2.7. Goal Formulation

To realize the chosen strategy a number of goals must be formulated. The goals to realize a short term growth are:

- The first and most important goal is that LBB Teams must make a good overview of all the potential suppliers and customers in Malaysia.
- The second goal is that LBB Teams must approach the suppliers and customers, and develop a good relationship with these suppliers and customers.
- The third goal of LBB Teams is that they must decide when they have enough suppliers to start providing the service. If there are not enough suppliers the database of the portal is empty, and the costumers do not see the added value of the service.
- The fourth goal is that LBB Teams must earn the investment back. This is not too difficult; there are only six listings of storage facilities on the portal necessary to earn back the investments. Earning back the investment must not be the main goal, because it is important for the service that LBB Teams creates first a good network of suppliers and customers.

The first four goals have a focus on the local market of Malaysia. This market can be researched with the present staff. LBB Teams has already the contacts and the track record in the halal logistics market in Malaysia. If halal storage providers are interested in an additional sales channel, and there is a real demand for the service of the portal LBB Teams can make the decision to expend the focus market. In that case the employees of LBB Teams have to gain some experience in the branch of industry, and it will be easier to enter a new market.

5.2.8. Marketing Instruments

The marketing instruments are the tools that the company can use to execute the strategy and to achieve the goals (Westerkamp, 2000). The four Ps of marketing: Product, Price, Promotion, and

Place are the tools that achieve this. Kolter & Keller (2006) described a number of variables of the four Ps. Not all the variables are applicable in the specific case of the portal.

Product

The product LBB Teams wants to sell is an addition sales channel for storage providers who provide halal compliant storage facilities. It is important that the suppliers of the portal are satisfied, because they must use the service of the portal more than once. The only way to keep the suppliers satisfied is to provide a good service; the quality of the service must be good. To guarantee the quality of the service of the portal LBB Teams can give warranties. If a suppliers of the portal for example do not find a client who needs a storage facility within two months, LBB Teams can give the amount of money paid by the supplier to make use of the service back to the supplier. A second way of how LBB Teams can guarantee the quality is by playing an active role as a mediator. In the beginning this is very important, because not all the potential customers know about the existence of the portal. The brand name of the portal must be promoted. By approaching a lot of potential suppliers and customers more companies get familiar with the name, and the service. If the companies recognize the added value of the service they will start to use it.

Price

LBB Teams has already made the investment in the portal and like stated before; the suppliers are very important for the success of the portal, LBB Teams can choose to give a first time discount. With this first time discount LBB Teams can attract suppliers who maybe have their doubts about the added value of the service.

Promotion

LBB Teams does not want to invest a lot of money in for example advertisements. The big advantage of starting to provide the service in Malaysia is the fact that LBB Teams can approach possible suppliers and customers in person. By approaching the suppliers and customers in person it is easier to build up a good relationship. In the beginning the sales and marketing should exist out of planning meetings with potential customers and suppliers. Other marketing instruments are articles; Marco Tieman writes on regular basis articles for specialist journals about halal logistics. In these articles it possible to create in some way a little bit of free publicity. LBB Teams participates at exhibitions and lectures; during these exhibitions and lectures it is possible to promote the halal logistics portal in person. A third marketing instrument is a newsletter; this newsletter can be send through e-mail. LBB

Teams can send this by using a database with e-mail contacts of potential suppliers and customers, but LBB Teams need to be careful that the e-mail is not considered as spam.

Place

The portal must be introduced first to the Malaysian market. The main advantage if starting in Malaysia is that it is easier for LBB Teams to contact potential suppliers and customers and that LBB Teams is familiar in this market.

5.3. Conclusion

In this section the important conclusions are given based on the previous sections. This will be done by giving answers to the first five sub-questions that are formulated in section 2.3.

5.3.1. What does the external environment of LBB Teams and the halal logistics portal look like?

Good analyses of the external environment must include the factors market, competitors, customers, and suppliers. To determine the market for the halal logistics portal first the total Muslim population is used as an indicator. The second indicator that is used is if certain countries are already active in the halal industry. The conclusion is that there is a major potential market for the portal, but the most suitable market for LBB Teams will be Asia, and as a real starting point Malaysia. The two indicators (Muslim population and activity in the halal industry) are chosen, because there do not exist data or numbers about halal logistics.

The second factor is competitors. There are two companies who provide more or less the same service as LBB Teams wants to provide with the halal logistics portal. These companies are Entrepotonline and Warehousematch. Both companies are active on the European market. It is difficult to determine how successful these companies are, but both companies have a large offer of storage facilities on their websites. The two competitors do not have storage facilities that are halal compliant on their websites, but it is probably not that difficult to also start providing similar services as the halal logistics portal. There are no competitors located in Asia, so this is an opportunity for LBB Teams.

The third and fourth factors are the customers and suppliers. The suppliers are needed to provide the service of the halal logistics portal. The suppliers provide the input, the storage facilities, for the portal. The suppliers have a major bargaining power, because without the suppliers LBB Teams

cannot provide the service. The customers are the companies who need the storage facilities of the suppliers. It is important that LBB Teams build up a network of suppliers and customers in the focus market.

5.3.2. What does the internal environment of LBB Teams and the halal logistics portal look like?

The goals, the strategy of the company, the company structure, the financial situation, and the strengths and weaknesses are the factors that need to be analyzed to get a good overview of the internal environment. The mission of the company is in line with the mission of the new service. The service can contribute to achieve the mission of the company. LBB Teams is an entrepreneurial firm, and uses a focus strategy to achieve their goals. But the company is continuous looking for new opportunities to extend their present services.

LBB Teams is a small company with three full time employees. There are also people who work on a project base for LBB Teams, but most of the time these employees work on one certain project. This means that LBB Teams does not have employees who can fully work on the development and marketing of the portal.

Because LBB Teams is a start up company no real good overview of the financial situation can be given, and instead of this an overview of the investment, and how LBB Teams want to gain revenues from the portal is given. The investment that LBB Teams has made in the development of the portal is relatively low. If companies are interested in the service LBB Teams want to provide, and they are willing to pay for this service it is not difficult for LBB Teams to earn back their investment.

One of the major strengths of LBB Teams is the fact that they have a track record in the halal industry in Malaysia. A weaknesses it that the employees of LBB Teams does not have any experience with providing an e-service and in the real estate market. Also the service LBB Teams want to provide with the portal is not completely in line with the other services LBB Teams provides.

5.3.3. What are the strengths, weaknesses, opportunities and threats of the halal logistics portal and how are they related with each other?

The most important strengths, weaknesses, opportunities and threats are shown in Figure 17: Selected Strengths, Weaknesses, Opportunities, and Threats.



Figure 17: Selected Strengths, Weaknesses, Opportunities, and Threats

5.3.4. Which strategies are possible for a successful market introduction of the halal logistics portal?

The strategy that is most suitable for a successful market introduction is the focus strategy. LBB Teams must start introducing the halal logistics portal in Malaysia. In this market LBB Teams has developed already a track record in the halal industry, and easier to build up a network of suppliers and customers in this local market.

5.3.5. Which marketing instruments are possible for a successful market introduction of the halal logistics portal?

The quality of the service is very important to convince companies of the added value of the service of the portal. This service can be guaranteed with warranties and LBB Teams must play an active role in the mediation process. To attract suppliers LBB Teams can give new suppliers a first time discount. LBB Teams does not want to invest a lot of extra money in the marketing. Promotion instruments that LBB Teams can use are publicity in articles, publicity during exhibitions, and sending out a newsletter. Marco Tieman does publish articles about halal logistics in specialist literature. These

articles can be used for free publicity. Another way to promote the halal logistics portal is by sending out a newsletter. This newsletter can be send out on regular basis through e-mail to possible supplier and clients of the halal logistics portal. By launching the portal in Malaysia LBB Teams can contact possible suppliers and clients in person. This will help to build up an network of suppliers and clients, because with a personal approach it is easier to build up a relationship with your suppliers and clients.

Chapter 6: Conclusions & Recommendations

6.1. Introduction

In this chapter the final conclusions of the research are given. In section 6.3 a number of recommendations are given that LBB Teams can use to guide the halal logistics portal into a successful market introduction.

6.2. Conclusion

The main research question of this research is:

How can LBB Teams introduce the halal logistics portal successfully to the market?

To answer this question the marketing model is used. Within the marketing model the internal and external environment are analysed. The outcomes of these analyses are the input for the SWOT matrix, and the confrontation matrix. With the outcomes of these analyses the strategy and the goals are formulated.

A strengths of LBB Teams is that LBB Teams has a track record and is familiar in the halal industry in Malaysia. This is an advantage that LBB Teams should use. To provide the service of the halal logistics portal successful LBB Teams needs a network of supplier and possible clients. When LBB Teams first introduce the halal logistics portal to the Malaysian market the company can use its existing network as a starting point. The second big advantage is that there are no competitors active in Malaysia that provides similar services. This is an opportunity, because if LBB Teams introduces the halal logistics portal first to the Malaysian market LBB Teams do not have to deal with competitors.

A weakness of LBB Teams is that the employees that are working for LBB Teams do not have experience with providing -services, or in the real estate market. A lot of e-services in the past failed because of a lack of experience (Korgaonkar & O'Leary, 2006). This problem can be overcome by first introducing the new e-service to the Malaysian market. This is a familiar market, and LBB Teams does not have to deal with competitors in this market, and that is why it is easier for the employees of LBB Teams to get experienced with providing an e-service. A threat is that the suppliers of the halal logistics portal have a major bargaining power; LBB Teams heavily depends on the suppliers of the portal. Online customers are extremely finicky when services do not match their expectations they

won't use the e-service a second time (Boyer, Hallowell & Roth, 2002). If LBB Teams cannot satisfy the needs of the suppliers and the clients of the portal the market introduction won't be a success. The expectations can be met by providing the service active. When a supplier makes use of the portal LBB Teams must not only place the storage facility online, but must play a active role in the matching between the storage facilitator and the company who may need the storage facility. If LBB Teams is able to find quickly the right match suppliers will use the service of portal probably more often.

A lot of e-businesses who failed did not had a good strategy, planning, defined objectives or goals (Korgaonkar & O'Leary, 2006). LBB Teams must choose a good strategy and must define the goals that are important:

- LBB Teams must use the focus strategy in the narrow market. LBB Teams must use this strategy, because the familiar halal industry in Malaysia is a good starting point for a successful market introduction.
- The first important goal is that LBB Teams must make a good overview of all the potential suppliers and customers in Malaysia.
- The second important goal of LBB Teams is that they must decide when they have enough suppliers to start providing the service. If there are not enough suppliers the database of the portal is empty, and the clients do not see the added value of the service.
- The four Ps of marketing: Product, Price, Promotion, and Place are the marketing tools that need to be used to introduce the portal to the market

6.3. Recommendations

In this section an overview will be given of the recommendations that can be used by LBB Logistics to introduce the halal portal successfully to the market. First of all it is important to chose a market to introduce the halal logistics portal into. LBB Teams cannot introduce the portal globally and therefore a choice need to be made. Therefore the first advice is:

- LBB Teams must introduce the halal logistics portal into the Malaysian market. LBB Teams is familiar with this market, and has a track record in the halal industry in Malaysia. There are also no competitors located in this market, and that is why the employees get the time to gain experience in this new branch of industry.

Secondly it is important to build on the strengths and opportunities and try to improve or cope with the threats and weaknesses that are identified in the SWOT analysis and the confrontation matrix. This is very important because it gives LBB Team the opportunity to work with their strong points,

but also gives them the opportunity to be aware of certain occasions. This will lead to the following recommendation:

- LBB Teams must build up a network of suppliers and customers. It is important that LBB Teams can show the suppliers the added value of the service of the portal.
- LBB Teams must use the available marketing instruments to promote the portal. It is important that companies start to know that the new service exists.
- The suppliers are very important for LBB Teams. To attract more suppliers in the start up phase of the portal LBB Teams can give the suppliers a first time discount. If they are satisfied about the service the companies will probably use it a second time.

The third part of the recommendations is focused on building a strong service. It is not enough just to introduce the product to the market, it is also important to know where the service must be in a few years and to be able to develop the strategy and goals. This will lead to the following recommendations:

- During the market introduction some evaluation points needs to be build in. The first evaluation point is after the development of the network of suppliers and clients. If there are not enough supplier LBB Teams cannot provide the service successfully.
- LBB Teams must be able to adjust the strategy. It is possible that after LBB Teams tried to build up the network of suppliers and customers no companies are interested. Because the portal is already developed the portal can be used for other purposes. One of the purposes can be to create awareness about the importance of halal logistics.

The halal logistics portal has market potential, but LBB Teams needs to make the decision if they want to invest time in the implementation of the marketing plan. When LBB Teams choose not to invest time in the introduction it will be very difficult to really make the market introduction a success. But even if LBB Teams makes the decision to invest time in the market introduction it is difficult to make a good forecast if the halal logistics portal can be introduced successfully to the market. This is because there are many uncertain factors that are important in the market introduction. The most important uncertain factors is that it is not clear how big the demand for such a service like the halal logistics portal is. The portal must provide an additional sales channel for storage providers who have halal compliant storage facilities, but it is not clear if these providers need an additional sales channel. This will lead to final recommendation:

- If LBB Teams want to introduce the halal portal successful to the market they must make the decision to invest time in the further development and marketing of the portal.

Chapter 7: Evaluation

7.1. Introduction

This evaluation exists out of two parts. The first part is an evaluation of the assignment (section 7.2) and the second part is a personal evaluation of how I experienced the research and the internship (section 7.3).

7.2. Evaluation Assignment

Working at LBB Teams in Kuala Lumpur, Malaysia was a great experience. It was interesting to work and live for four months in a completely different culture and atmosphere. It was interesting to experience, because of the differences in the work environment between Malaysia and the Netherlands. One thing I learned is that it is very important to make real good and clear agreements if you do business with someone, and that sometimes things don't go that efficient as you aspect. Especially in Asia where for example being on time has total different meaning than in the Netherlands. Sometimes the fact that you are working for a Dutch entrepreneur with Dutch time expectations in an Asian environment which has a total different time experience was difficult. This gave sometimes challenges that really contributed to the development of my personal skills when it comes to patience and negotiation.

Another thing I learned is that it is for an entrepreneur very important to have good ideas, but it is as important to have the ability to sell these ideas, and to let people understand your ideas. I found out that those skills were sometimes lacking at LBB Teams, but were not really valued. This was a bit of a disappointment for me as a person. I did good work for LBB Teams to move the development of the portal in the right direction, but I think that after my internship nobody have done something with the work I did. This made me feel that my bachelor research and my other work were not of a high importance.

Overall it was a very good experience and I like to thank Marco Tieman for the opportunity to work at his office and I wish him all the best with his company, especially in these challenging times.

7.3. Personal Evaluation

Before I started with this research and the internship at LBB Teams in Kuala Lumpur I had some personal goals. Of course was one of these goals to write my bachelor thesis and to graduate for my

bachelor degree. But a second goal was to work and live for a while aboard; it was a very good learning experience to live such a time in a completely different culture. Living in such culture will make you realize that some characteristic that you have as a person are made by the culture that you live in. For example; in the Netherlands it is normal to speak your mind about everything, making you feel like you are an open person. But in Malaysia it is not that normal to express your opinion about everything and this means that you need to adjust. This experience made me realize who I am as a person.

I also found it very interesting to learn about the different culture, I really loved speaking to the native people and learn all about their culture. I always went to the local food-courts and try to eat the local food and speak with the people. This was sometimes a very good experience with lovely food and good stories and sometime not so good; making you ill because of the bad hygiene. I also enjoyed living the "expat life"; I met some Dutch people who lived for a longer time in Kuala Lumpur, because of their work or other personal reasons. The Dutch embassy organised some events and I joined a Dutch hockey team. This was really great to talk to people who lived there for a longer time and talk about their and mine experiences.

Living in Malaysia was a great time, but everything has it down side, there were of course also some negative experiences. The first thing that I found really difficult was to not be able to have my own routine. I lived in Kuala Lumpur with two other interns, what means that all the time you are with other people and that everything you do is a compromise. It gave me a lot of fun, but sometimes I had the need to do things on my own.

Another negative point about Kuala Lumpur are the taxi's and especially their drivers. Every ride is a bargaining and sometimes it even came to a conflict inside the car. This never really resulted into a fight or a serious conflict, but every time I needed to use a taxi it gave me an uncomfortable feeling. The last negative point is that it is sometimes difficult to see all the poor people in Malaysia and in the rest of Asia (I did some travelling). It sometimes made me really feel bad, because you are not able to give the people an opportunity to a better life, and it made me realise even more how well we have it in the Netherlands. The positive part is that it made me realize that I find it important to do charity work in the future; to actively contribute to a better world.

I would like to thank Malaysia and everybody who I met there for a very good time and a great learning experience!

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Appendix

Appendix A: *The Marketing Plan Theory*

According to Kotler and Keller (2006) most large companies consist out of four organizational levels: the corporate level, the division level, the business unit level, and the product level. The plans that are developed on the corporate level, the division level, and the business unit level are the strategic plans, and the plan on the product level is the tactical plan. These strategic and tactical plans are interrelated with each other. The plans on corporate level for example determine the direction of the whole company. To achieve the strategic plans on the corporate level all the other plans must be in line with the corporate level plans. The strategic and tactical plans on the lower levels of the company support the plan on the higher level. All the plans together must move the company in the right direction. The strategic plans can be seen as the plans that describe in which direction a company should move, and the tactical plans are the plans of how this can be done.

1. **The Corporate and Division Level**

The corporate and division strategic planning of a company exists out of defining the corporate mission, establishing strategic business units, assigning resources to each strategic business unit and assessing growth opportunities. The corporate mission reflects a vision and is a way to share this vision with employees and customers. LBB Teams does not have different strategic business units. The mission of LBB Teams is: *To bring logistics excellence to the world*. The strategic growth plan of LBB Teams is an intensive growth strategy, but also an integrative growth strategy. The growth focus of LBB Teams is to improve their existing business, but LBB Teams is also continuously looking for new opportunities that are in line with their present business.

2. **The Business Unit Level**

The business unit strategic planning process is shown in Figure 18: The Business Unit Strategic Planning Process, *Source: Kotler & Keller 2006*.

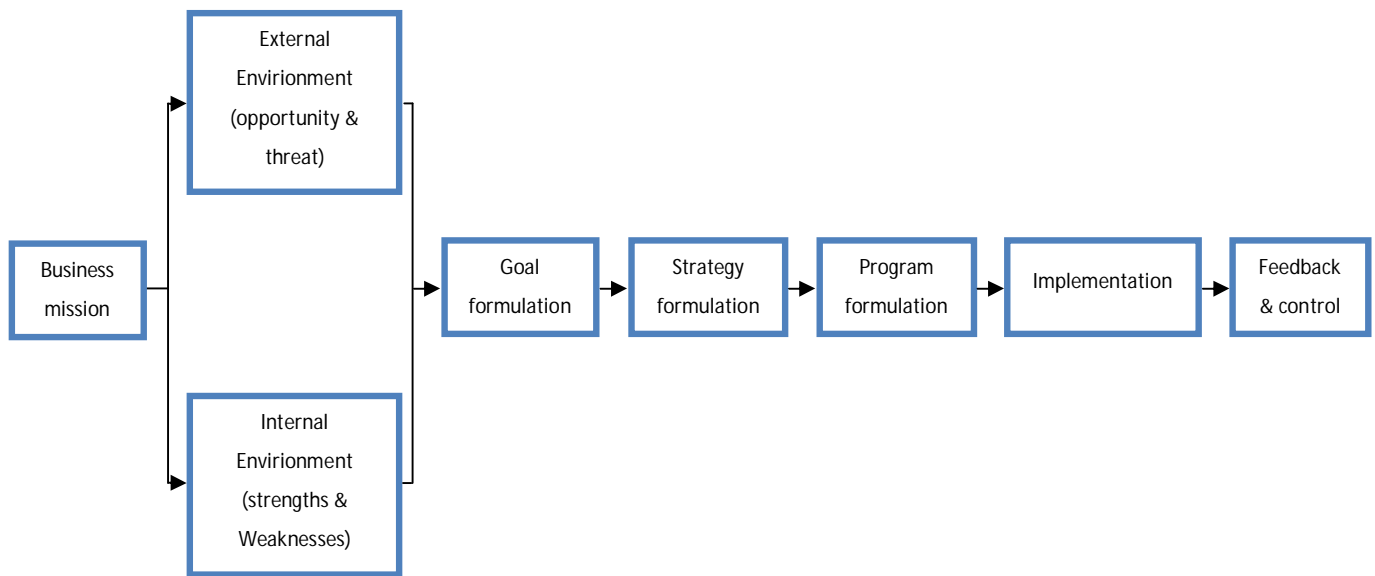


Figure 18: The Business Unit Strategic Planning Process, Source: Kotler & Keller 2006

LBB Teams does not have different business units that are operating independently from each other, but it is interesting to look at the business unit strategic planning process, because some aspects can be interesting.

The business unit strategic planning process of Kotler & Keller (2006) starts with the formulation of the *Business Mission*. The business mission is the specific mission of a business unit within the broader company mission.

The second stage of the business unit strategic planning process is the *External Environment Analysis* and the *Internal Environment Analysis*. The external environment exists out of the uncontrollable forces outside the company. The main purpose of the external environment analysis is to monitor the key macro environment forces, such as demographic-economic, technological, political-legal, and social-cultural, and microenvironment actors, such as customers, competitors, distributors and suppliers, that have the ability to affect the profit earnings of the company. By monitoring these forces the trends or developments are identified and new marketing opportunities can be explored. A marketing opportunity is an area of buyers' needs or potential interest in which a company can perform profitably. Examples of opportunities are:

- The company may make a buying process more convenient or efficient.
- A company can meet the need for more information and advice.

- A company can customize a product or service that was formerly offered only in a standard form.
- A company may be able to deliver a product or a service faster.
- A company may be able to offer a product at a much lower price.

After the opportunities are identified the company must apply the Market Opportunity Analysis (MOA) to determine the attractiveness and success probability of any opportunity. To apply the Market Opportunity Analysis five questions must be answered:

- Can the benefits involved in the opportunity be articulated convincingly to a defined target markets?
- Can the target markets be located and reached with cost-effective media and trade channels?
- Does the company possess or have access to the critical capabilities and resources needed to deliver the customer benefits?
- Can the company deliver the benefits better than any actual or potential competitors?
- Will the financial rate of return meet or exceed the company's required threshold investment?

Some trends and developments in the external environment are threats. These threats can have a negative effect on the sales and profit and can be solved with defensive marketing. Threats can be classified according to seriousness and probability of occurrence. After the identification of the opportunities and threats the business can be identified as one of the four different possibilities:

- An ideal business is high in major opportunities and low in major threats.
- A speculative business is high in both major opportunities and threats.
- A mature business is low in major opportunities and low in threats.
- A trouble business is low in opportunities and high in threats.

The main focus of the *External Environment Analysis* is to identify opportunities and the way a business unit should take advantage of the opportunities.

The *Internal Environment Analysis* is an analysis to evaluate the internal strengths and weaknesses of a business unit. Kotler & Keller (2006) have developed a checklist of 25 indicators to measure the internal strengths and weaknesses. This checklist is shown in Figure 19: Checklist for Performing Strengths/Weaknesses Analysis, *Source: Kotler & Keller 2006*. The checklist is subdivided in four

different categories; marketing, finance, manufacturing, and organization. The 25 indicators need to be ranked according to the strength, weakness or neutral influence of the indicator on the performance of the business unit and how important the indicator is for the business unit. Most of these 25 indicators are not applicable for LBB Teams, because these indicators are based on performance of the business unit in the past.

	Performance					Importance		
	Major Strength	Minor Strength	Neutral	Minor Weakness	Major Weakness	Hi	Med	Low
<i>Marketing</i>								
1. Company reputation								
2. Market share								
3. Customer satisfaction								
4. Customer retention								
5. Product quality								
6. Service quality								
7. Pricing effectiveness								
8. Distribution effectiveness								
9. Promotion effectiveness								
10. Sales force effectiveness								
11. Innovation effectiveness								
12. Geographical effectiveness								
<i>Finance</i>								
13. Cost of availability of capital								
14. Cash flow								
15. Financial stability								
<i>Manufacturing</i>								
16. Facilities								
17. Economies of scale								
18. Capacity								
19. Able, dedicated workforce								
20. Ability to produce on time								
21. Technical manufacturing skill								
<i>Organization</i>								
22. Visionary, capable leadership								
23. Dedicated employees								
24. Entrepreneurial orientation								
25. Flexible or responsive								

Figure 19: Checklist for Performing Strengths/Weaknesses Analysis, Source: Kotler & Keller 2006

The third stage is the *Goal Formulation* of the business unit strategic planning process. With the output of internal analysis and external analysis, goals can be formulated. Goals are specific objectives that are related to time and magnitude. One business unit can formulate more than one goal, but the goals must be arranged hierarchically from the most to the least important one. It is important that the formulated goals are realistic, they must be consistent, and goals should be stated quantitatively if this is possible.

The fourth stage is the *Strategic Formulation*. The goals are an indication of what a business unit wants to achieve and the strategy is how the business unit can achieve this.

The last three stages of the business unit strategic planning process are *Program Formulation, Implementation, and Feedback and Control*. The program formulation is a detailed plan of how the strategy can be executed. In the implementation stage the program that is developed in the previous stage is executed. In the final stage, the feedback and control stage, the results are tracked and new developments are monitored.

2. The Product Level

The tactical plan on the product level of a company is what according to Kotler & Keller (2006) the 'real' marketing plan is. The marketing plan is a tactical guideline for a specific product or service to bring a product to the market and to achieve certain goals. The marketing plan at the product level must include a summary of the main goals, a situation analysis, a marketing strategy, financial projections and tools to control the implementation.

Not all the different aspects from the strategic and tactical plans can be used to create a suitable marketing plan for LBB Teams and the new e-service, the halal logistics portal. This is because the strategic and tactical plans of Kotler & Keller (2006) have some starting-points that do not have a fit with the specific situation of LBB Teams. According to Kotler & Keller (2006) it is necessary to completely understand the strategic and tactical plans at the different levels of the company. LBB Teams is a small company and does not exist out of four different business levels. That is why no the complete marketing plan of Kotler & Keller (2006) is used, but when necessary other relevant literature is used to complete the model.

Appendix B: *General & Task Environment*

According to Daft (2003) the external environment exists out of the general environment and the task environment. The general environment affects the organization indirectly and the task environment affects the operations and performance of the organization directly. The general environment includes: technological factors, socio-cultural factors, economic factors, legal/political factors and international factors. The international factors of the general environment are the opportunities for a company that can arise in international markets. An example of an opportunity that is influenced by international factors is the possibility to expand your business in a foreign market. The technological factors are scientific and technological advantages in a specific industry as well as in society. The social-cultural factors are the demographic characteristics as well as the norms, customs and values of the general population. The economic factors are the general economic health of the country or region in which the organization operates. One example of an economic factor is the degree of willingness of companies to invest in other companies. And the legal/political factors of the general environment include government regulations at the local, state, and federal levels as well as political activities designed to influence the company behaviour.

The task environment is closer to the company and includes competitors, suppliers, labour markets, and customers. The customers are the people and/or organizations in the environment that want or need the goods or services of the company. The competitors are other organizations in the same industry or type of business who provide more or less the same products or services. The suppliers are the organizations who produce the raw materials that are needed for the output of the producing company. And the labour market is the representation of the people who have the skills to work for a certain company and who can be hired by the producing company (Daft, 2003). The factors of the general environment and the task environment that are described by Daft can also be used to analyse the external environment. In the specific case of LBB Teams and the halal logistics portal it is interesting to look at the international factor and the socio-cultural factor of the general environment and at the possible competitors, suppliers, and customers of the task environment.

Appendix C: Financial Rates



halalstorage.com
The Marketplace for Halal Storage

Halalstorage.com
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Jalan 26A/70A
Desa Sri Hartamas
50480 Kuala Lumpur
Malaysia

1 / 2

Phone +60 3 6201 0707
Fax +60 3 6201 2737
Email info@halalstorage.com

Order Confirmation

1. Listing at the Halalstorage.com for the year 2009

Quantity (Facilities)	Service	Charge
	Free listing @ Cost of mediation (1 month)	Per successful mediation
	Full listing @ RM 5,000.- per facility	2009

2. Listing at Halallogistics.info [Marketplace] for the year 2009

Selection	Service	Charge
	Listing @ RM 1,000.- per add	2009

3. Advertising at Halalstorage.com & Halallogistics.info for the year 2009

Quantity	Service	Charge
	Halalstorage.com @ RM 1,000.-	Per 1000 click throughs
	Halallogistics.info @ RM 1,000.-	Per 1000 click throughs

Company	
Address	
Postal code	
City	
Country	
Telephone	
E-mail	

I agree with the terms & conditions and will pay by cheque/ telegraphic transfer to your bank account.

Signature _____

Name _____

Function _____

Company stamp _____

Date _____