

# The Impact of Supply Chain Management on Customer Service (A Case Study of Lebanon)

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**Abstract** The study aims to identify the supply chain management and its impact on customer service, as well as indicating the role of supply chain management in improving sales and identifying the views of managers working in the corporate about supply chain management. The purpose of the study is to reach a true understanding of the elements of supply chain management' effect in companies represented by their relations with their suppliers, dealers and customers, on standards related to customer service in terms of quality of service. This study is based on extrapolation and diagnosis of the current situation of supply chain management, the analysis and assessment of its responsiveness to the requirements of the surrounding environment, and raising the efficiency of its management and its achievement of different purposes, primarily in improving sales management and customer service in the company. Therefore, this study is gaining importance by supporting studies, theoretical and applied research in the field of supply chain management on the company's performance to improve sales management and customer service, offering these companies the right notes and evaluation, which help them to perform their important role in achieving comprehensive development. And also this study deals with a commercial-industrial sector, and thus comes as a contribution to the definition of the importance of this sector as an essential and important factor, and it Provides information and data about the reality of supply chain management and its impact on improving sales and customer service. Most of the studies in this field focused on the general framework of the supply chain and on identifying its elements and technical aspects, while the current paper describes the aspect related to the management of supply chain and its impact on sales management and customer service, from the point of view of managers in senior positions and customers, this study is considering an important aspect, it is seen as a serious contribution in achieving a scientific addition in this area, and the study is one of the latest studies in this area in Lebanon, and gives it added comprehensiveness and a liability to diffuse. Most of the studies that have been made were conducted in different sectors, while this study was conducted on a commercial- industrial level, considered the most used for supply chain.

**Keywords** Supply Chain, Supply chain management, Customer service

## 1. Introduction

The evolution of the market and its openness due to globalization has produced two phenomena that changed the foundations of many of the sciences, namely the phenomenon (of integration, alliances and political, economic and industrial blocs), and the phenomenon (ICT) revolution.

If the blocs and alliances between countries are old, the forms and methods have evolved, diversified and extended to companies, to form giant multinational companies, through horizontal and vertical integration.

As a result, the concept of supply chain emerged and the information and communication technology revolution

facilitated the process of integration between the scattered company entities throughout the world, as well as the integration between independent companies that operate within one supply chain.

Furthermore, among the administrative foundations that the supply chain has altered is the form of relationship with the customer and suppliers, where its administration moved towards more cooperation and coordination for the formation of the supply chain, and a part of the data and information (that was considered one of the peculiarities of the company) moved to exchange with customers and suppliers, and the responsibility of inventory control moved to their suppliers. The concept of the project resource planning system spread to the project resource planning system, which includes suppliers and customers. With the intensification of competition, supply chain started taking into account the competition through the relationship management between suppliers, dealers and customers in a way that aims at overcoming the competitors, and this competition requires from managers a speed in the decision-making, to avoid

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facing problems and seizing opportunities, and since the final consumer of the commodity is the customer who will supply the profit for the company, it has become necessary to examine the impact of the management elements of the supply chain on the customer service, to see the points that are positive on customer service, thereby increase sales and profits of the company and avoid policies that adversely affect on the decline of customer service.

The significance of supply chain has begun after the scientific revolution, which had a big role in all walks of life, including management. In the light of the scientific revolution, and with the great technological development, the interest in the supply chain has become a necessity, where supply chain management processes became an important element in the company's efficiency and effectiveness.

There is no doubt that the supply chain in the organization deals with the most delicate stages within the institution that intervene directly in the product configuration, so its role is the most prominent in the production, sale, making profit, and achieving continuity through customer service that keeps the market share of the institution.

### 1.1. Research Problem

Because a lot of foundations and administrative concepts changed in the last decade, where the shape of the relationship with suppliers and customers has changed, towards more cooperation and coordination for the formation of the supply chain, and achieve goals such as reducing cost, the main question was formulated:

What is the effect of successful supply chain management in improving customer service?

### 1.2. Research Hypothesis

The first major hypothesis: There is no statistically significant effect between the supply chain management variables (relationship with suppliers, relationship with dealers and distributors) on customer service.

The second major hypothesis: There are no statistically significant differences between the average responses of the queried, about the impact of the supply chain management on customer service, due to personal variables (gender, age, educational qualification, and years of service).

The third main hypothesis: There is no statistically significant relationship between customer satisfaction and the performance of toy companies in Lebanon.

### 1.3. Research Importance

Despite the importance of supply chain management and its role in business development in enabling companies to operate effectively, but it has not received the attention of researchers, especially as it has become one of the effective tools to keep up with the rapid and modern developments.

The importance of this study is based on extrapolation and diagnosis of the current situation of supply chain management, the analysis and assessment of its

responsiveness to the requirements of the surrounding environment, and raising the efficiency of its management and its achievement of different purposes, primarily in improving sales management and customer service in the company. Therefore, this study is gaining importance through the following points:

1. It supports studies, theoretical and applied research in the field of supply chain management on the company's performance to improve sales management and customer service, offering these companies the right notes and evaluation, which help them to perform their important role in achieving comprehensive development.
2. This study deals with a commercial- industrial sector, and thus comes as a contribution to the definition of the importance of this sector as an essential and important factor.
3. Provides information and data about the reality of supply chain management and its impact on improving sales and customer service.
4. Helps the company's director and staff in the procurement, storage and marketing of the company, to get to know the importance of supply chain management on improving performance in sales management and customer service.

### 1.4. Research Objectives

The importance of this study is based on extrapolation and diagnosis of the current situation of supply chain management. Therefore, this study is gaining importance through the following points:

1. It supports studies, theoretical and applied research in the field of supply chain management on the company's performance to improve sales management and customer service, offering these companies the right notes and evaluation, which help them to perform their important role in achieving comprehensive development.
2. This study deals with a commercial- industrial sector, and thus comes as a contribution to the definition of the importance of this sector as an essential and important factor. Concurrence
3. Provides information and data about the reality of supply chain management and its impact on improving sales and customer service.
4. Helps the company's director and staff in the procurement, storage and marketing of the company, to get to know the importance of supply chain management on improving performance in sales management and customer service.

### 1.5. Research Methodology

In order to achieve the objectives of the study, the researcher used the descriptive analytical method, which attempts to assess "the impact of supply chain management on customer service," through a Case Study conducted on

toy companies in Lebanon; the descriptive analytical approach tries to compare, explain and evaluates, in the hope of reaching meaningful generalizations than can increase knowledge on this subject.

The researcher divided his study into four parts. The first part is the introduction concerning the systematic aspect of the study represented by the problematic, the importance and objectives of the research as well as the hypothesis and the curriculum and the method used in the search as a conclusion. The second part dealt with the theoretical side represented by the concept of supply chain and its management and then the concept of customer service and the relationship both of them. The third part of the study dealt with the practical side represented by the display and analysis of the case results. The fifth part highlights the most important conclusions and recommendations of the research.

## 2. Literature Review

### 2.1. Supply Chain

**The concept of supply chain** is a relatively new concept, since the beginning of 1980, especially for commercial and industrial companies, because of its benefits that improve the efficiency of the supply chain members in the production of products, or the provision of services in a timely manner, in an appropriate way and for less cost.

Supply chain is a stage that begins and ends with the customer, because all materials, products, full information and transactions flow through this circle. Supply chain management can be a very complex task, because of the actual reality.

Supply chain seeks to improve control and efficiency in the manufacturing and distribution, by building a strong relationship with suppliers and distributors, as a mechanism to enhance the competitiveness and achieve customer satisfaction (Najjar, 2010).

Supply chain is considered among the modern management methods, to meet the challenges in the technology and information era. This chain includes a complete range of functional activities, and is based on the development of accesses to achieve efficient integration of

suppliers with customers, where products are produced and distributed in the appropriate quantities. The concept of supply chain has several definitions:

(Sohal & al., 2010) defined supply chain management as "the activities related to the flow and transformation of raw materials to finished products, and their delivery to the final consumer, as well as the flow of information".

In the definition of (Ruddeg & al., 2002) for supply chain management, as a network of interlocking organizations going up and down, through various operations and activities, to provide value to the end consumer in the form of products and services.

In the definition of (Ross, 2010), the supply chain management is the continuous development of management philosophy, which tries to unify the combined production capacities, as well as human resources that are present inside and outside the organization, determine the significance of the supply channels in the context of competitive advantage, the synchronization of the client in the flow of products and services to the market, and finally the information needed to find excellence as the sole source of customer value. Many benefits overcome for the implementation of the supply chain management:

1. Work faster and more efficiently through the rapid distribution of documents.
2. Make quick decisions and reduce the time needed to reach the market.
3. Achieve a better contact.
4. Strengthen relationships with existing customers.

In the other hand, supply chain stems from the need to need to be applied effectively, and then, there are several issues that push the organizations to adopt supply chain management approach, namely:

1. The need to improve operations.
2. Raise external procurements levels.
3. Reduce transportation costs.
4. Increase the importance of e-commerce.
5. Increase the pressure of competition and the extent of globalization.
6. Complexity of supply chains and hence the need for an effective management of inventory. (Hassan, 2009)

**Table 1.** Source (Rifai, Mamdouh Abdel Aziz 2006: page 20-21)

Problem	Possible improvements	Benefits	Obstacles
Inventory size	Decrease inventory size, more demand, Incoming goods without being stored in warehouses	Reduce the cost of maintaining inventory	Increased demand costs. Increased supplier costs.
Supply periods	Cancel some intermediate stages Essential storage for product maturity	Speed of response	The possibility of futility The Probability of functions saturation
Number of parts	standard design	Keep some parts. Small-scale demand	less degree of diversification
Cost and quality	External purchase	Cost reduction Raise the quality degree Focus on operations	Inability to control
Susceptibility to change	less supply periods better forecast Reduction of the change in the product and service.	A greater capacity to match demand and supply	Less change

Table 1 lists the main benefits and obstacles and possible improvements of the supply chain management.

### 3. Literatur Review

#### 3.1. The Objectives of Supply Chain

The company's management of the supply chain requires a set of objectives involved in the completion of the company functions and the company involved in the supply chain, and leads to maximize the value of their products and services from the perspective of their customers. Therefore, the objectives of the supply chain of the company are divided into two important goals (Hassan, 2009):

##### 1. First goal:

Based on maximizing the value of the company's products and services from the perspective of its customers, through the following activities:

- Identify constantly the needs and desires of customers, the factors affecting these needs, and the reasons for customers' desire, preferences and needs change, in order to plan how to please them and satisfy their desires.
- A flexible communication systems that help with the information flow from the company to customers and vice versa.
- Develop systems that follow-up and implement the customers' requests within the supply chain, and work mainly on increasing the company's ability to produce, distribute and transfer products at the right place and time to customers.
- Plan to manage the reverse flows of products, from the customer to the company, such as sales returns and damaged products, at the same efficiency of transferring products, from the company to customers, and work to reduce these flows to a minimum.

##### 2. Second goal:

How the company manages its internal operations efficiently, so as to ensure the integration of all the parties of supply chain, by doing the following activities:

- set systems to control inventory, that are capable of alignment between customer orders and production capacity of the company.
- Company's eagerness to provide flexible production systems that allow ongoing responses to changes in customers' needs and desires.
- alteration of the company's view towards workers in the supply chain, from simply being companies that provide materials and production supplies, to being real partners able to renew the value of the company's products and services.
- The company confirms its commitment to engage customers and suppliers in the development of existing products, or new products to submit to the markets.

#### 3.2. Supply Chain Relationships

##### - The relationship with suppliers

Some companies are heading for the manufacture and purchase of production components and make management decisions concerning production and thus they are required to analyze several dimensions to be able to manufacture or to take such decisions such as costs related to the industry, the cost of supply, specifications and quality control. These are the methods: (Besterfield. H.A, 2005).

First, the supply source:

Some supplying sources are considered of the basic things that contribute to building relationships between companies and suppliers, both Hammoud and Fakhoury indicate to three forms of supply sources, namely: (Hammoud and Fakhoury, 2005):

1. The only Source: in the case of non-availability of alternatives to this source or owning supplier for the brand, so partnership is a natural result to deal with such situations.
2. Multiple sources: more than one supplying source ply are supplied, where suppliers quotas fit according to their performance in terms of price, quality and delivery of distinguished service.

Second: the choice of suppliers:

The decisions taken by the company concerning its desire to produce certain manufacturing components internally or purchase from an outside vendor.

These mechanisms lead the company to choose suppliers to deal with in the future. Strategic decisions are made through a transition phase where the company needs to make the right decision about selecting a supplier (quality, cost, technology, the environment, storage and public safety: (2004, Huang. C. Ling).

Third, supplier evaluation:

The success to choose among the sources of supply is one of the most important elements of efficiency in the completion of procurement activity in the company, because the right choice of the supply source has a major influence in achieving what is desired from quality, quantity, price and service, and in the efficient supplier's ability to meet all the obligations linked to these factors.

There are many factors that affect the process of evaluating suppliers and some of these factors are concrete and can be measured such as price, delivery dates, quantity and quality, others are intangible, descriptive that cannot be measured, such as reputation, prestige, style of management and organization. (Power, D. Samson, D & Simpson, 2005, D).

Supplier relationships:

Many companies try to build long-term relationships with suppliers based on transparency, balance and this relationship takes one of the following forms:

### 1. Negotiations:

It is an important stage in the process of selecting the supplier to deal with. Negotiations rely on strategy practiced by the company and take three forms: prices based on market and prices based on cost and competitive bidding (Heizer j. And B. Render, 2009)

### 2. Partnership:

A range of items if available, will constitute the partnership and convergence relationship between the company and the supplier, including trends, share success and mutual trust, in addition to the behavior and actions that the company is suppose to exercise in its quest to get to the partnership, which determine the extent of the relationship with suppliers, (Slack. & Lewis M.M, 2005)

### 3. Cooperation:

The company and the supplier work together hand in hand by helping each others at full energies and abilities, and the relations of cooperation are a long-term commitment of joint actions to improve the quality, technical and administrative support of the capacities of the supplier of the company as a dealer as well as the administrative and technological development (Levi D.S. & Kaminsky1 P. (2003). As it allows the supplier to obtain accurate and rational predictions for future demand.

In addition, the cooperation allows the company to carry out visits to suppliers' factories to be able to suggest some methods to improve procurement processes and give the freedom to work on the product (Johnson, P.F. properties Leenders, M.R. Flynn, A.E. & Fearon, H. E .2006).

### 3.3. The Relationship with Dealers

The importance of distributors depends on the company's type, and the item produced, the institutions in which distributors play an important role, such as insurance companies, car companies, major publishing companies, pharmaceutical companies, companies that produce different machines and others.

In general, the progress, development and the profits of the institution depends on the activity of distribution carried out by the various distributors.

The main importance of public relations with distributors is in keeping them always closely associated with the institution to see any change in the commodity produced or the service, introduce them to the benefits of goods and provide them with all means and methods to help them in the marketing and distribution of product or service.

Public relations can contact distributors in several ways such as newspapers, professional magazines, exhibitions, radio and television, training programs by the Foundation to assist the distributors to increase their ability to persuade, brochures and catalogs sent to distributors and reports sent by distributors and agents to the organization to inform about the status of the distribution, sale and obstacles encountered.

Successful relationship with distributors leads in most

cases, to increase their association with the institution and what it produces or provides and increase the effort in distribution and improving the effort..... (www.Dubai publishing Development.com)

### 3.4. Relationship with Customers

As a result of global competitive pressures, modern businesses looked for new ways to generate value for customers, and to establish a positive relationship with them, as modern companies started to look at the customer as a true partner and work to develop long-term relationships with him, which will assist the company in achieving a competitive advantage that cannot be imitated by competitors, we emphasize the importance of attracting and retaining customers, focus on developing a close and long-term relationships with existing customers, and to provide high class and deluxe products and services to satisfy customers' needs and desires, to reach their level of satisfaction. Juscus V.1 Grigaite V.1 (2011)

The company relies on formulating or building a relationship with the customer on the Simple and smart rationale at the same time, if you know anything about customers you will be able to sell and meet their needs efficiently.

This knowledge focus on the fact that customer service is a key element of customer relationship management (Tanoury M. D. 2000), and the knowledge uses in identifying the required needs and requirements the change in products and services to suit the demands of customers and their expectations.

In order to achieve competitive advantage, it is necessary for the company to be able to add continuously the value to its customers and the researchers "Carr & Pearson" defined the market orientation as the organization's state that helps in creating needed behaviors to generate an deliver superior value to customers, and thus achieve the superior investor performance of the company. Carr1 A.S.1 Pearson1 J.N.1 2009

### 3.5. Building and Managing Supply Chain Relationships

The process of supplying and choosing suppliers, represent interdependent relationships, which form a complete cycle that begins with identifying and describing the supplies needs of companies, then determining the supply sources and their terms, choosing the supplier, preparing, sending and following up orders, then receiving, examining and auditing financial claims and payment of dues, and finally giving restrictions and relationships with suppliers.

In order for this relationship to succeed, it must be established in an atmosphere of trust, loyalty, mutual respect, commitment, and knowing the capabilities of each party, in terms of areas of strength, weakness and solve common problems and common education, as well as the joint efforts of the measurement and evaluation. (Johnson et al., 2006)

### 3.6. Customer Service

The company's expertise plays an important role in the correct identification of the quality of the client. It is not expected from others to tell the company about the type of client you are dealing with, the above does not mean the inevitable failure of the new institution due to lack of experience; in this situation it can develop the skills to deal with different types of customers through training. (Customer service, 2014)

Success in dealing with customers requires the following:

- Identify the client.
- Study each client's personality individually.
- Deal with high-profile clients for some categories.
- Face difficulties in understanding the client's personality.
- Identify the customers' incentive. (Marketing forum, 2014)

When we take a look at some broader perspectives as given below, we can easily determine why a Customer Relationship Management (CRM) system is always important for an organization.

First, a CRM system consists of a historical view and an analysis of all the acquired customers or potential customers. This helps in reducing the time of searching for new customers, correlating customers and to foresee the customer's needs effectively as well as to increase business.

Second, a CRM contains each customer's details, hence it is very easy to track a customer accordingly it can be used to determine which customer is profitable or not.

Third, in CRM system, customers are grouped according to different aspects such as their type of business or their physical location and are allocated to different customer managers often called account managers. This helps in focusing and concentrating on each customer separately.

Fourth, CRM system is not only used to deal with the existing customers but is also useful in acquiring new customers. The process starts with identifying a customer and maintaining all the corresponding details into the CRM system, which is also called an 'Opportunity of Business'. Then the Sales and Field representatives try to get the business out of these customers by sophisticatedly following up with them and converting them into a winning deal. This is efficient and easy to be applied.

Fifth, the most important factor is that the CRM is a low-cost system.

The advantage of decently implementing a CRM system is that it doesn't need a lot of paper and manual work. Thus, it requires less staff to manage and less resource to deal with. The technologies used in implementing a CRM system are also very cheap comparing to the traditional way of business.

Finally, all the details in CRM system are kept centralized and will be available anytime on fingertips, which reduce the process time and increases productivity.

In today's commercial world, the process of dealing with existing customers and trying to get more customers is predominant and considered as a dilemma. Installing a CRM

system can definitely improve the situation and help in challenging the new ways of marketing and business in an efficient manner. Hence, in the era of business every organization should have a perfect CRM system to cope up with all the business needs. (Vijayaragavan, 2014)

This year, as well as last year, two major trends are benefiting from Supply Chain Management operations. The Customer service focus & Information technology Successful organizations must be effective in both of these areas, so the importance of Supply Chain Management and the tools available to do the right job will continue to expand. (Zig, 2000)

### 3.7. The Relationship between Customer Management and Supply Chain Management

The need for long-term relationships between customers and suppliers has been suggested by the literature. According to Bullington (2005), the literature of supply chain management suggests the marriage with customer supplier relationships. They aim to apply results of research on successful families to supply chain management in order to improve the critical business relationships. Their research, based on surveys and interviews on more than 6,000 successful families over 20 years, summarized six characteristics of successful families in order to construct the basis of a model of a successful supply chain relationship. They compared the proposed model of successful supply chain relationships with the existing literature and identified the support. The model is identified to be weak explicitly in emphasizing supplier performance. The authors suggested SCR model that provides three potential contributions to the literature on supply chain relationships including detailed conceptual framework (a successful family) for customer-supplier relationships, the additional element of a principles-centered relationship and emphasizing on appreciation or positive feedback more than the previous research.

Engelseth and Felzensztein in 2012 explore how responsiveness in a supply network may be approached from a combined relationship marketing (RM) and supply chain management (SCM) perspectives by employing a case study of the upstream part of an integrated supply network. They suggested developing responsiveness to generate technically the value through the supply network by product transformations and to know what the end-user perceives as value. As they define, SCM is useful to generate value through technical product-transforming processes and RM helps customer perceive value in the context of business relationships. They propose intertwining SCM and RM competencies to achieve responsive product supply from both end-user and multi-tier supply network perspectives. They suggest this approach as useful in both strategic planning of a company's role in a wider supply chain setting and planning of cross-functional teamwork in operations. (Ozlen et al., 2013)

## 4. Statistical Analysis

### 4.1. The Study Methodology

The researcher conducted on the practical side, a set of scientific steps to achieve the objectives of the research, to answer the questions raised and test hypotheses.

The researcher started by collecting data through a questionnaire distributed on professors and experts, where it was ascertained that the questionnaire reflects assumptions that were developed by researcher and serves the research accurately.

The researcher began collecting data by distributing the questionnaire on the target population, from north to south through the center of Lebanon, targeting the majority of the toy companies in Lebanon.

The process of collecting data took more than a month and a half, because the researcher was checking every questionnaire personally and answering the questions of the interviewees.

The researcher excluded the questionnaires that didn't into account the scientific conditions, in order to get an accurate and valid data that will reflected positively on the analysis process of this data.

The study population consists of employees working in toy companies in Lebanon, and their customers. (60) Questionnaires were distributed, (56) were answered; i.e., the response rate was 93.3%. After examining the questionnaires, none was ruled out because they required conditions and, therefore, (56) questionnaires were analyzed, i.e. the same percentage 93.3%.

The study tool consistency was checked by applying Alpha Cronbach.

### 4.2. Reliability Test

#### Alpha - Cronbach's:

The alpha Cronbach coefficient was calculated to measure the consistency, where Cronbach's alpha value of the questionnaire was 0.99 and this indicates that the questionnaire has a high factor of consistency, and the results are shown in Table (2).

**Table 2.** Illustrates the A-Cronbach's coefficient measures the consistency of the questionnaire

Axis	Number of paragraphs	Cronbach's alpha coefficient
1 <sup>st</sup> : supply chain management	30	0.97
2 <sup>nd</sup> : customer service	15	0.97
3 <sup>rd</sup> : questionnaire of customer satisfaction	15	0.96
All the paragraphs of the questionnaire	60	0.99

The following tables show the sample distribution of the three groups based on demographics.

### 4.3. Descriptive Statistic Analysis

The members of the study sample are 100% of male, which shows that the toy companies society consists mostly of male.

7.1% of the study sample are (25 to less than 35 years old), while 32.1% are between (35 to less than 45 years).

35.8% range between (45 to less than 55 years), while 25% are (older than 55 years), which shows that the study sample consists of different age groups.

28.6% of the study sample have an intermediate diploma, 53.6% have bachelor degree, and 17.9% have Graduate degrees, this shows the high level of education of the study sample, due to the nature of the companies' work.

7.1% of the study sample have (less than 5 years) of experience, 10.7% have (10 to less than 15 years) of experience, while 82.2% have (More than 15 years) of experience, this shows that the study sample consists of people with different experiences and reflects the availability of practical experience in the company then increases the efficiency and effectiveness of work and workers, which would result in successful management and leadership for these companies.

### 4.4. Hypothesis Testing

The first major hypothesis: There is no trace of a relationship variable with suppliers on customer service.

To test this hypothesis, a simple regression test was used to study the effect of the relationship with suppliers on customer service; it is illustrated in the following table:

**Table 3.** Shows the result of simple regression method to determine the impact of the relationship with suppliers on Customer Service

Axis	Coefficient value	Value T	Potential Value
Fixed amount	0.800	9.202	0.000
Relationship with suppliers	0.929	40.928	0.000

Based on the results shown in the table (4) the simple regression method was used to see the effect of the relationship with suppliers on customer service.

It was shown that the potential value of the variable relationship with suppliers is equal to 0.000, which shows that the relationship with suppliers is an influential variable on customer service.

Moreover, the correlation coefficient between the relationship with suppliers and customer service is equal to ( $R = 0.98$ ) which indicates the presence of extrusive strong correlation between them, and the coefficient of determination is equal to 0.97, meaning that the relationship variable with suppliers explained 97% of the change in the degree of customer service and the rest is due to other factors.

The researchers attribute the impact of the relationship with suppliers on customer service to the importance of the continuity of the relationship with the supplier in contributing to the success of the company and for the

relationship to be based on trust and commitment where profits and common benefits between the parties are obtained, through the provision of goods, supplied to the company at the right time and the right price and when needed. the company can also get information from suppliers about the market situation, conditions of offer and demand, price trends and consumption as well as the speed of orders' execution in a timely manner where the good customer service is mainly based on the knowledge of the needs and expectations of customers in the beginning as well as understanding and meeting their needs as soon as possible through good relationship with suppliers.

Since most operating gaming companies in Lebanon neglect the relationship with suppliers because they are not aware of the prominent role to manage the relationship effectively to customer service and to achieve satisfaction, which dates back to the company in case large benefits to the levels and this has become clear from the test the first hypothesis results.

The second major hypothesis: There is no significant relationship variable between dealers and distributors on customer service.

To test this hypothesis, the simple regression test was used to study the effect of the relationship with dealers and distributors on customer service, which is illustrated in the following table:

**Table 4.** Shows the result of simple regression method to determine the impact of relationship with dealers and distributors on customer service

Axis	Coefficient value	Value T	Potential Value
Fixed amount	-0.133	-0.714	0.478
Relationship with dealers and distributors	1.080	23.935	0.000

Through the results shown in the table (4) the simple regression method was used to see the relationship impact with brokers and distributors on customer service.

It has been shown that the potential value of the variable relationship with dealers and distributors is 0.000, which indicates that the relationship with dealers and distributors is an influential variable on customer service. It was found that the correlation coefficient between the relationship with dealers, distributors and customers is equal to ( $R = 0.95$ ) which indicates the presence of an extrusive strong correlation between them, and the coefficient of determination is equal to 0.91, meaning that the relationship variable with dealers and distributors is 91 percent of the variation in the degree of customer service and the rest is due to other factors.

The researchers attribute the impact of the relationship with dealers and distributors on customer service to the importance of transparency of information and its high availability between dealer, distributors and the company, and the need for a long-term joint cooperation relations, as the good performance of the supply chain is also linked to maintaining strong relationships with dealers and

distributors and building relationships based on trust, honesty and commitment to maintain a good level of performance for the supply, and that the solution to the problems between the company, dealers and distributors must be common to participate in the success and achievements. In its absence, the relationship will go towards sharpness causing a loss of target market share for both sides, as a result of the negative impact on customer service, which will be reflected on the profit, for both the company and dealers.

The third main **hypothesis**: There is no relationship between customer satisfaction and the performance of toy companies in Lebanon.

To answer this hypothesis, the Pearson coefficient correlation was found to examine the relationship between customer satisfaction and the performance of toy companies in Lebanon, and the results related to this hypothesis are illustrated in the following table:

**Table 5.** Shows the results of the Pearson coefficient correlation to study the relationship between customer satisfaction and the performance of toy companies in Lebanon

customer satisfaction	performance of toy companies in Lebanon	
	correlation coefficient	Potential value
	0.97	0.000

\* Statistically significant correlation

The results in Table (5) showed that there is a positive correlation statistically significant between customer satisfaction and the performance of toy companies in Lebanon, where the value was ( $R = 0.97$ ,  $p\text{-value} < 0.05$ ), which shows that the higher the toy companies perform, the more it leads to an increase in customer satisfaction.

The researchers attribute this result because the toy companies are highly performing when it comes to their employees, and because the employees of these companies are doing their best at work through their relationship with customers in providing the service, which means when the company takes job satisfaction measures, it increases loyalty and customer satisfaction through increasing job satisfaction, and workers satisfaction reflects on their behavior toward customers, and the company carries a high level of performance in general through the services it provides to customers in terms of quality and quality and ideal followed ways in submission and thus satisfy the needs and desires of customers which leads to customer satisfaction.

The Fourth main hypothesis: There are no differences between the average responses of the interviewees about the impact of supply chain management on customer service due to personal variables (age, educational qualification, and years of service).

## 5. Conclusions and Recommendations

### 5.1. Conclusions

The successful management of the supply chain in terms



of relations with its elements, integration and interdependence of its operations, achieves dramatic improvements in the overall measures performance, which include cost, quality and speed of service, and thus, achieve customer service as a mechanism leading to an increased market share, i.e. profits.

The researchers recommend the importance of developing plans to control the processes that take place within the supply chain, and work continuously to modernize and develop the strategic objectives of this chain, because of its great importance in the effective and successful management of its components.

Address the issues of supply and demand in the relationship with suppliers and customers; this makes the supply chain management process more effective in terms of ease and accuracy.

Supply chain management relationships with the company have a deep impact on customer service in all aspects, and the quality of this service can only be achieved through the successful effective management of chain elements in the way that achieves the customer's satisfaction.

## 5.2. Recommendations

- ◆ Due to the fact that this group represents the starting point of the supply chain's material flow, we must manage the relationship between the supply chain and the rest of the elements of the chain because of their pivotal role in the success of supply chain management. The researchers recommend using the vertical exchange of information technology as a basis for dealing with suppliers.
- ◆ Focus on the importance of using modern technological means, i.e. Internet and e-mail during the process of sharing demand information from suppliers, with a focus on the integration and coordination with regard to this category from supply chain with the rest of the elements and categories.

Focus on the fact that the nature of the information exchanged between suppliers and the company is transparent, meaning that is clear and honesty, which is critical and avoids the company the demand's distortion caused by the lack of transparency in dealing with the supplier.

- ◆ The results of the study showed that the integration of the supply chain, continuity and success, mainly depends on the strength of the relationship with the supplier on the long term; the more the relationship with the supplier was solid and long-term, the more the integration of the supply chain is increased.
- ◆ Using the alliance networks strategy in the relationship with suppliers, which will strengthen the

relationship between the supplier and the company in the way the supplier's interest is linked to the interests of the company.

- ◆ The use of modeling and strong structure, in the relationship between both suppliers, dealers and distributors in the transfer of information process, makes the provision of the service and the item to the customer faster and more effective.

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