THE INDIVIDUAL BARRIERS TO INTERNAL INTEGRATION OF MARKETING AND LOGISTICS

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ABSTRACT

Why has so much focus been placed on the topic of integration both within firms as well as across the supply chain? The answer is that the business world is recognizing the importance of integration as a means of achieving success in today's highly competitive environment. Short product life cycles, the implementation of supply chain processes and the increasingly global nature of competition require coordinated actions involving several business functions. Practitioners and academics alike are recognizing the benefits of integration both within and outside the firm, benefits that include better customer service, better management of inventory levels, higher forecast accuracy, and greater customer and employee satisfaction. Despite this recognized importance and increased, integration remains an illusive goal in today's competitive market for many companies. The division of labor into areas of functional expertise, while necessary to understand market and product complexity, has also created several challenges for the firm. Specifically, scholars have identified differences between functions as a potential barrier to the interdepartmental integration needed for efforts such as technology adoption and supply chain process implementation. While the functional differences between marketing and R&D has been studied by several scholars with respect to new product development the individual differences between the functions of marketing and logistics has received only limited attention. This paper seeks to fill this gap in the integration literature by proposing the application of a previously developed model of integration to the study the functional differences between logistics and marketing. Additionally, the proposed study extends the model as a method to understand the impact that functional differences has upon firm performance.

References available upon request.