

## **Impact of Customer Orientation Practices in Supply Chain, on Supply Chain Performance**

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The study presents a conceptual model that links customer orientation practices and supply chain performance.

Rising competitiveness has motivated businesses to seek innovative and effective methods to build competitiveness across all value enhancing activities of its operations. Recent research have highlighted that “Companies do not compete; supply chains do”, leading the companies to seek means of achieving sustainable business success through collaborative supply chains. Further, identifying and satisfying, or rather going beyond satisfying customers’ expectations is essential for sustaining business performance.

Linking these two important notions; supply chain focus and customer orientation, this study presents a model that enables assessing how the use of customer orientation practices, affects supply chain performance. Several models on customer orientation and on supply chain performance measurement were analyzed and subsequently combined and adjusted to suit the specific requirement. Expert opinion was used in the process of refining the proposed model.

The presented model categorizes customer orientation practices in supply chain in to three main categories as information sharing practices, operational practices and customer service practices. Under each of these there are several sub categories of practices defined. This multi-tier categorization allows specifically identifying which type of practices impacts the most or least on supply chain performance in the context of a particular supply chain, or a particular industry. Hence the use of the model is twofold, as it enables ascertaining if there is a significant impact of using customer orientation practices, on supply chain performance in a certain firm or industry, as well as identifying best practices of customer orientation in that context. Therefore it is capable of providing guidance in implementing customer orientation practices in supply chains, and thus effectively enhancing supply chain performance.

*Key words: Supply Chain, Customer Orientation, Supply Chain Performance*