

# An AHP Model for Choosing Value Creation Factors in Logistics Service for the Logistics Customer

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**Abstract.** During the last decades, the role of logistics in organizations has been changed. Prahalad and Hamel (1990) and Stalk et al. (1992) realize that there has been an increasing attention directed towards logistics as a competitive weapon. Sustainable supply chain optimization does not require a choice between making economic sense and ensuring that environmental factors are addressed. It needs a fine balance between both. So that the logistics value creation can arrange. The service functions may benefit on the value creation through the organization network. The term Value Chain, a well known strategic concept developed by Porter (1985), enables one to establish how value is being added across enterprise. The value chain describes the full range of activities which are required to bring a product or service from conception, through the different phases of production delivery to final consumers, and final disposal after use. In this paper, a decision-support approach has been developed based on the analytic hierarchy process. AHP is an excellent approach that can be used in a multifactor decision making and especially when subjective and or intuitive consideration has to be incorporated. The main purpose of the study is to determine the ranking of Porter's value chain factors by logistics customers.