

# "SUSTAINABLE (CUSTOMER) REQUIREMENTS" LEARNING MODULE

NOTES FOR TRAINERS/TEACHERS



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### **NOTES FOR TRAINERS/TEACHERS**

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### **LEARNING MODULE CONTEXT**

The following learning module relating to the topic of "Sustainable (customer) requirements" is aligned to the contents of the occupational profile position "Marketing" in the general training plan for vocational education and training in the occupation of freight forwarding and logistics services clerk.

Requirements regarding forwarding and logistics services, particularly in the area of production, procurement and distribution, are identified and evaluated within the scope of the occupational profile position "Marketing". Example contents of this area include sales campaigns that are addressed in a target-oriented way, such as by branch, mode of transport or import/export. Other contents are customer questionnaires and customer satisfaction analyses, support for field staff and statistics relating to complaints or offers. Idea competitions and product innovations may also be addressed.

This occupational profile position further requires the product range of the company providing training to be compared with offers of the forwarding and logistics sector. Sample contents in this regard are range of services offered by the company providing training, the competitive situation and possible USPs of the trainee's own company.

In the following three sub-modules, which build upon one another, the focus is on sustainability-oriented action in marketing. The three sub-modules embrace the perspectives of "Company", "Customer" and "Future" and encompass a total of five learning tasks.

COMPANY	Be able to describe the service portfolio of the company and investigate it with regard to sustainable criteria.
CUSTOMER	Be able to identify customer requirements, particularly with regard to the relevance of the dimensions of sustainability.
FUTURE	Be able to develop service or process improvements in respect of sustainable business practices.

### **CONTENTS OF THE LEARNING MODULE**

In 2013, the consultancy firm Kienbaum investigated four hypotheses concerning the objectives, representation, firm establishment and value contribution of sustainability in companies and in their added value chains. The conclusion arrived at ran as follows:

"Many companies take sustainability much more seriously than simply producing a glossy report.

Nevertheless, supply chains are seldom structured in a way that is entirely holistic. This is frequently because many companies do not believe in a greater willingness to pay on the part of their customers."

Kienbaum 2013, p. 2

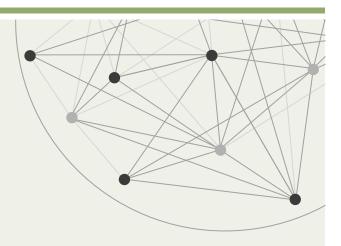
The supposition is that companies do not trust their customers enough in matters relating to sustainability or that they may not even know customers properly. What is the position in your company? Are you familiar with customer requirements regarding your services, including in relation to sustainable criteria? Do you communicate the sustainable characteristics of your service or of your company? Do you discuss sustainability-oriented product innovations?

Even if your customers are producers or service providers themselves, the attitude of the end consumer will still reflect on your service. One of the things identified by Kienbaum, for example, is that the transparency of delivery chains exerts a high degree of influence on the purchase decisions of consumers. The Sustainability Image Score (SIS) delivers an annual picture of further correlations between customer perceptions of the company and sustainable ways of doing business. In 2016, 9,000 participants were surveyed online regarding approximately two brands and the sustainability image these portrayed. A total of 106 companies in 16 sectors were considered. Perhaps even some of your own customers were included.

Over the past four years, the significance of sustainability for the image of a company has remained stable at between 13 and 15 per cent. 28 per cent of respondents stated that they had looked at the topic of sustainability

very closely. As many as 51 per cent revealed that they had taken a moderate degree of interest in the subject. Perception of sustainability is also reflected in customer loyalty. The factors influencing a company's sustainability image largely originate from the area of ecological sustainability, e.g. commitment to environmental protection topics or use of environmentally friendly technologies. However, social drivers such as charity involvement and the economic factor of the "fair player" also have a part to play. Many logistics services providers view the main significance of sustainability as being the reduction of emissions in order to save costs. But sustainability further encompasses questions relating to social responsibility and future-oriented business practices. According to the SIS, one absolute basic prerequisite for successful communication of sustainability is the authenticity which is produced by actual, product-relevant and honest sustainability management.

Company: Whatever the self-image represented by your company with regard to sustainable thinking and action is, this will be reflected in its range of services. The Sustainability Index for Logistics Services Providers produced by the Fraunhofer Institute is a useful way of evaluating this range of services in terms of sustainability. In order to assess the sustainability of a logistics services provider, a distinction is drawn between two dimensions (concept and measures). Each of these dimensions contains several weighted criteria. These criteria extend beyond merely providing a gauge for the sustainability of the services themselves. They form a holistic concept in respect of sustainable activities within the company as a whole. This ensures that indication of the CO<sub>2</sub> emissions of a means of transport is not the only relevant factor. Choice of sub-contractors or sustainable internal use of resources are, for example, also of significance. Because isolated consideration of a service outside the context of the company is not a useful approach, the criteria catalogue drawn up by the Fraunhofer Institute provides starting points for an analysis of the whole company, including the services it offers.



"CON	CEPT" DIMENSION	"MEA	SURES DIMENSION"
23%	CO <sub>2</sub> measurement	20%	Vehicle fleet
20%	Strategy	18%	Real estate
20%	Measurement of consumption	16%	Conservation of resources
18%	Certificates	16%	Social aspects (internal)
12%	Sub-contractor links	10%	Transport
7%	Cooperation agreements / research	10%	Intralogistics/transhipment
		10%	Social aspects (external)

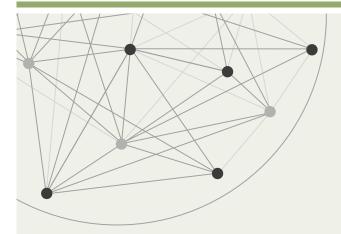
Figure 1: Dimensions and criteria of the Fraunhofer Sustainability Index for Logistics Services Providers

The report of the Fraunhofer Institute provides helpful examples for each of the criteria in order to facilitate individual categorisation. As part of the study, the logistics services provider market was also considered more closely in terms of sustainable activities. The market can accordingly be sub-divided into the categories of "doers", "pioneers", "observers" and "strategists". This may assist you in considering together which category your own company fits into and may provide you with an interesting summary view of the position of your company with regard to competitor firms.

The Guide to the German Sustainability Code (Deutscher Nachhaltigkeitskodex, DNK) produced by the Council for Sustainable Development (Rat für Nachhaltige Entwicklung, RNE) represents an alternative to the pragmatic and sector-specific analysis of logistics services providers carried out by the Fraunhofer Institute. The former is specially directed at small and mediumsized companies and aims to provide transparent reporting in respect of a company's sustainability management. In this case, 20 categories relating to sustainable ways of doing business are offered in the categories of "Strategy", "Process management", "Environment" and "Society" in order to strengthen the concept of sustainability in companies and in particular to make this apparent to the outside world. Another objective of the DNK is to help inform the decisions made by customers and investors, and this point is also outlined in the foreword to the DNK written by the present Chancellor Dr Angela Merkel.

**Customer:** The general training plan stipulates that your trainees should gain greater familiarity with customer requirements via customer questionnaires, via customer satisfaction analyses, by talking to members of staff with customer contact, by helping to support field staff or by analysing various statistics (e.g. complaints, offers). These instruments form part of professional marketing work. To be precise, they relate to market research. A differentiation is made between primary and secondary research. Whereas primary research involves new and individualised data collection, secondary research relates to the use of existing and freely accessible market studies. Your trainees will thus be carrying out primary research if they attempt to seek new answers for themselves. In order for this to take place, it is necessary to begin by defining the problems to be solved or the specific issues. The appropriate research method cannot be selected and prepared until this objective has been set. In the present case, sustainability-oriented issues relating to the existing service portfolio would be developed together with the trainees and then divided up into individual investigation hypotheses. At the end of the analysis, these hypotheses may be conformed or refuted.

**Future:** As the name suggests, market research focuses on the market and therefore ultimately on the customer. The aim of market research is to structure products and services in a way that meets the requirements of the customer. Sometimes, however, customers will adjust



the requirements they have of products and services on offer. One example of when this could happen is if innovations are launched on the market. Experts expect that the logistics market of 2025 will be much more cost-intensive, more competitive, more complex, more dynamic, more global, more networked, and more individual than is the case today. This development may present a challenge for your company, to which you can react in the form of innovations or adaptations.

The criteria catalogue mentioned above can serve as a self-assessment instrument within this context but can also be used as an inspiration for company changes. Sustainable product or service innovations which afford you the opportunity to gain an edge over your competitors may be one possible outcome of change processes of this nature. Against this background, it is useful to give timely thought to possible product or services innovations by your company.

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# SUMMARY OF THE "COMPANY" LEARNING SUB-MODULE

Classification under training regulation: Marketing

**Topic:** Sustainable (customer) requirements

Type of learning task: Basic learning task and connecting learning task

**Learning venues:** Workplace and company or study space

Learning arrangements: Individual work and pairs or group work

**Target competencies:** - The trainees analyse the service portfolio of their own company.

- The trainees review the service portfolio of their own company based on criteria

relating to its sustainable alignment.

**Brief description and sub-module context:** 

The trainees begin by developing an overview of the composition of their company's service portfolio. They also look at the Fraunhofer Sustainability Index for Logistics Services Providers. On the basis of this information and further research, the trainees consider the service portfolio of their company from a sustainability-oriented perspective in order to find out how sustainable their company's services are. They use the information obtained to draw up a sustainability index of their own company complete with comments and then present this to company management.

This sub-module serves as the basis for the tackling of further sub-modules on the topic of "Sustainable (customer) requirements". These focus on customers and their

needs and on the future prospects of the service portfolio.

Contents and tasks:

- Structured consideration of the service portfolio of the company
- Consideration of the Sustainability Index for Logistics Services Providers produced by the Fraunhofer Working Group for Supply Chain Services (SCS)
- Analysis of the service portfolio of the company with regard to sustainability criteria
- Evaluation of results and preparation of a sustainability index for the trainees' own company
- Visualisation of and commentary on the sustainability index of the company

Materials required: - PC

- A3 paper may be needed
- Flip chart paper may be needed
- Flip chart markers may be needed

### LEARNING PHASES

### SEQUENCE OF ACTIVITIES FOR LEARNERS

### **EXPLANATION OF LEARNING METHODS AND TECHNIQUES**

### NOTES ON RESOURCES



### THE INTRODUCTORY PHASE AS WELL AS THE ANALYSIS AND DEVELOPMENT PHASE ARE WELL-SUITED TO BE WORKED ON INDIVIDUALLY

# NTRODUCTORY PHASE

Before the trainees can investigate the sustainability alignment of their company, they will first need to know which services the company offers and the production factors of which these are composed. Trainees firstly work individually in order to research this. They then use a mind map to structure their results.

Trainees are given tips on how to stipulate search terms, how to check the quality of a source and how to secure information within the scope of conducting research (see Note 1)\*.

Trainees are provided with tips on how to structure and develop a mind map (see Note 2)\*.

It would be useful for trainees to have access to their PCs in order to carry out research. They can conduct internal research by looking for data relating to the services of their company on company drives or on the company Intranet. They can also pursue external research by using the Internet to shed light on the public image of their company with regard to service provision.

# **ANALYSIS AND DEVELOPMENT PHASE**

Once the trainees have considered the service provision of their company in detail, they move on to familiarise themselves with the Fraunhofer Sustainability Index. They use the index to check the sustainable alignment of the services structured in their mind map. They formulate three sentences in their own words to summarise a text extract on the topic of sustainability at logistics services providers and write this above their mind map. They subsequently analyse the service portfolio of their company on the basis of the criteria catalogue in the Fraunhofer Sustainability Index by developing a key question for each criterion and then using these key questions to hold discussions with their colleagues. Finally, the trainees add the results of their analysis to their mind map (see Materials 1-3)\*.

Trainees are provided with tips on how to deal with the topics, the target groups, the structuring, unknown terms, the core statement, the intention, and their own assessment of texts (see Note 3)\*.

The Fraunhofer Sustainability Index for Logistics Services Providers helps raise transparency of the logistics services market with regard to the sustainable alignment of transport and logistics services. It provides criteria via which a company can analyse its own services. Because the Sustainability Index can also serve as a guide for potential customers, there is also an opportunity to use the results of the internal analysis in an effective public way to acquire new clients.

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### THE PRESENTATION AND REFLECTION PHASE IS WELL-SUITED TO BE WORKED ON IN PAIRS OR GROUPS

# PRESENTATION AND REFLECTION PHASE

After the trainees have considered the service provision of their company with regard to sustainable alignment, they come together with the other trainees from their company to present, summarise and discuss the results. The trainees then visualise the work they have produced during the tasks in such a way that they can present them to company management if required.

The trainees are provided with possible discussion questions, which they can use to reflect upon information procurement, the criteria, the mind maps, the sustainability index developed, and possible internal company needs for improvement (see Note 5)\*.

<sup>\*</sup> see Notes for Trainees/Students

# SUMMARY OF THE "CUSTOMERS" LEARNING SUB-MODULE

Classification under training regulation: Marketing

**Topic:** Sustainable (customer) requirements

Type of learning task: Basic learning task and connecting learning task

**Learning venues:** Workplace and company or study space

Learning arrangements: Individual work and pairs or group work

Target competencies: - The trainees identify (sustainable) requirements of customers for forwarding and

logistics services.

- Using the "magic triangle" model, the trainees discuss the (sustainable)

requirements customers have of their own company.

Brief description and sub-module context:

The trainees look at customers of the company. They begin by evaluating customers against the background of the "magic triangle" and then formulate a question that will enable them to find out the extent of the importance that their own customers place on sustainable logistics services. The trainees respond to this question in consultation with their trainer and with the assistance of a method that they have selected themselves. The trainees may, for example, evaluate past customer requirements and offers, conduct a customer survey, or hold a discussion with the Sales Department. They conclude by discussing and evaluating their results with regard to the previous assessment and possible impacts on the company.

This sub-module serves as an additional basis for the tackling of a further sub-module on the topic of "Sustainable (customer) requirements". It brings together the contents of the previous sub-module relating to the service portfolio of the trainees' own company and the (sustainable) requirements of its customers. These foundations are then used to develop a future perspective.

Contents and tasks:

- Evaluation of the customer on the basis of the "magic triangle" (costs, time, quality)
- Identification of customer requirements (particularly with regard to sustainability)
  - Analysis of customer data
  - Implementation of customer surveys
  - Conducting of a discussion with Sales
- Discussion and visualisation of results

Materials required:

- Flip chart paper
- Flip chart marker

#### LEARNING **SEQUENCE OF ACTIVITIES EXPLANATION OF LEARNING NOTES ON PHASES** METHODS AND TECHNIQUES **RESOURCES FOR LEARNERS** THE INTRODUCTORY PHASE IS WELL-SUITED TO BE WORKED ON INDIVIDUALLY Before the trainees can address the question of how Trainees are given tips on how to The depiction of the "magic triangle" important the criterion of sustainability is to their customers conduct a brainstorming session (see Material 1) supports the when sourcing products and services, they will need to (see Note 1)\*. trainees in conducting their begin by conducting an individual evaluation of their brainstorming and in sorting customers from their own personal perspective. First of all, INTRODUCTORY PHASE their ideas. the trainees collect examples of the three dimensions of time, costs and quality (see "magic triangle", Material 1)\* in order to gain an impression of the area of conflict which prevails between these three dimensions. The trainees then address the following key questions: - Which dimension is the most important to the customers? - How can the prioritisation of the customers be identified? - Under which dimension can sustainable factors be localised? They then visualise their considerations. THE ANALYSIS AND DEVELOPMENT PHASE AS WELL AS THE PRESENTATION AND REFLECTION PHASE ARE WELL-SUITED TO BE **WORKED ON IN PAIRS OR GROUPS** Once the trainees have considered their customers Trainees are provided with tips on Flip chart paper and flip chart individually from their own personal perspective, they how to formulate a question in the markers should be made available to the trainees compare their assessments with those of the other trainees form of example questions **JEVELOPMENT PHASE** and arrive at a joint evaluation. During this phase, they also (see Note 2)\*. during this phase. **ANALYSIS AND** reach agreement regarding the question of whether their customers would be prepared to accept higher costs for They also receive hints on how to sustainable services. choose a method (see Note 3)\*. The trainees then formulate a joint key question regarding sustainable customer requirements, which they answer using a method they have chosen themselves (e.g. sales discussion, customer survey, etc.). Once the trainees have gained an impression of the The trainees are provided with Flip chart paper and flip chart sustainable requirements of customers in respect of their suitable reflective questions to markers should be made services, they discuss their results and identify possible conduct the discussion available to the trainees consequences. during this phase. (see Note 4)\*. RESENTATION AND **REFLECTION PHASE** They once again deploy the "magic triangle" to address the following questions: - Which dimension is really the most important to the customers? - Does it make sense to provide the customers with a sustainable offer? The trainees finish by visualising their results with a view to presenting these to you, to another department or to company management.

<sup>\*</sup> see Notes for Trainees/Students

### SUMMARY OF THE "FUTURE" LEARNING SUB-MODULE

Classification under training regulation: Marketing

**Topic:** Sustainable (customer) requirements

Type of learning task: Link-up learning task

**Learning venues:** Company or classroom

Learning arrangements: Pairs or group work

Target competencies: - The trainees discuss similarities and differences between the (sustainable) service

portfolio of their own company and the (sustainable) requirements of the customers.

- The trainees develop approaches to improve services and processes with regard to

sustainable business operations.

**Brief description and sub-module context:** 

The trainees use the findings which have emerged from the learning sub-modules relating to the perspectives of the "Company" and the "Customer" to derive operational service and process improvements. This involves bringing together the service portfolio of their own company and the customer perspective previously identified and developing these further in the direction of sustainability-oriented future ideas. The focus of this process is not merely to develop ideas that are capable of direct implementation. The point is that trainees should be encouraged to use a method that is conducive to creativity to develop unusual and innovative ideas for the future.

This sub-module forms the conclusion of the learning sub-module relating to the topic of "Sustainable (customer) requirements". It serves as a summarising collection of future ideas, which should be forwarded to the relevant departments of the company

for further use.

Contents and tasks: - Sustainability index of the company

Customer requirements (particularly with regard to sustainability)Future-looking development of unusual and innovative ideas

- Presentation of results and further development

Materials required: - Flip chart paper

- Flip chart marker - Stickers if needed

LEARNING PHASES	SEQUENCE OF ACTIVITIES FOR LEARNERS	EXPLANATION OF LEARNING METHODS AND TECHNIQUES	NOTES ON Resources				
23	ALL LEARNING PHASES ARE WELL-SUITED TO BE WORKED ON IN PAIRS OR GROUPS						
INTRODUCTORY PHASE	Before trainees are able to develop a future-oriented idea relating to service or process improvement, they will need to look once more at their findings from the "Company" and "Customer" sub-modules and visualise these on flip chart paper. The trainees then hang up the two flip chart sheets next to each other.		Flip chart paper and flip chart markers should be made available to the trainees during this phase.				
ANALYSIS AND DEVELOPMENT PHASE	Once the trainees have again looked closely at their findings from the previous sub-modules, they go on to establish links between the two perspectives and use these to develop a future-oriented idea for service or process improvement with regard to doing business in a sustainable way.  For this purpose, the trainees highlight commonalities and differences between the existing (sustainable) service portfolio of the company and the (sustainable) customer requirements.  The trainees choose one difference from this collection and formulate the problem that lies behind it. The aim then is that they use the 635 method to find a realistic solution to this problem.	The trainees are provided with instructions on how to conduct the 635 method (see Note 1)*.					
PRESENTATION AND REFLECTION PHASE	After the trainees have carried out the 635 method, they agree on ideas and work together on the further development of these with the possible idea of presenting them to company management.  They firstly present the ideas they have developed in a plenary session, provide one another with critical feedback and use a combination of illustration and text ("Graf-Iz method") to visualise selected ideas.	The trainees receive tips on the formulation of feedback (see Note 2)*, on the selection of ideas (see Note 3)* and on the setting out of ideas in a specific form (see Note 3)*.	Flip chart paper and flip chart markers should be made available to the trainees during this phase.				

<sup>\*</sup> see Notes for Trainees/Students

### **IMPRINT**

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