

ABSTRACT



Last few years many of the researched going through the researches on outsourcing. But the outsourcings of FMCG are not convenient for findings. The purpose of this research is to examine the extent that FMCG companies in Sri Lanka outsourced third party logistic providers. The Fast Moving Consumer Goods (FMCG) sector is most highly contributor to the economic sector by increasing GDP growth rate. This contributes to the large part of the consumer budget in all countries. Currently Sri Lankan FMCG industry has more than 2million employees in downstream activities.

This study based on questionnaire because of unavailability of secondary data. The results revealed that the most frequent sectors that outsourcing. And also company vice identification to factors that involving to take outsourcing decision. The main reason for outsourced the functions is, to math with the competitors by overtaking innovations and cost reduction in very short time period.

Analysis was undertaken by using SPSS software, and main tool that used is Cronbatch alpha and keisorwillom analysis for testing hypothesis. This study provides evidence of the factors that determine the outsourcing decision on FMCG industry in Sri Lankan market. The recommendations and conclusions are also provide more depth understand and guideline to maximise outsourcing benefits.

Key words: outsourcing, FMCG, Sri Lankan, vendors, 3PL