

Independent Study Title	Activity-Based Costing Applicable For Inland Transportation Cost Analysis
Independent Study Credits	3
Candidate	Mr. Thanapatr Nawaratsukcharat
Independent Study Advisor	Lect.Tippawan Pinvanichkul Ph.D.
Program	Master of Science
Field of Study	Logistics Management
Faculty	Graduate School of Management and Innovation
B.E.	2549

### Abstract

This independent study aims at applying Activity-Based Costing Theory to study and analyze the inland transportation-related activities and costs as well as a business performance in terms of profit and loss, in a third party logistics company so called “3PL” who’s costing and pricing are always laying out on “Traditional Accounting Method”.

The study specifically emphasizes on one of its current automotive manufacturing customers whose requirements are unique among the other customers in the particular field.

In addition, the study also points out the differences in costs comparison that are computed in a certain period of time by between “Traditional Accounting Method” and “Activity-Based Costing Method”. Obviously, the particular differences would draw the management’s attention in an urgency sense to verify if the findings derived from Activity-Based Costing is more reliable and realistic than Traditional Accounting’s ones. Such findings are quite meaningful to the management as it is considered powerful towards the success of the organization.

Furthermore, one of the outstanding advantages that the management can take from the Activity-Based Costing Method is the directive information of which the management can analyze the information down to the activity level in consistent with Activity-based Management while the Traditional Accounting Method cannot even identify one.

However, such information may become useless if there is some error or distortion in a raw-data collection stage. As a result, the outcome will be inaccurate as a consequence of such error or distortion. This also implies a disadvantage that Activity-Based Costing Method may have in respect of the accuracy of raw-data collection.

**Keywords :** Activity-Based Costing / Inland Transportation Cost / Transportation Cost Analysis