



CLIENT SATISFACTION TOWARDS TRANSPORTATION AND LOGISTICS SERVICES PROVIDERS, TAMIL NADU

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ABSTRACT

Background: The present study focuses on the client satisfaction towards the usage of logistics service providers. The client satisfaction is the similar terminology that's sounds customer satisfaction. The client satisfaction is a term frequently used in marketing, is a measure of how products and services supplied by a transportation and logistics services providers meet or surpass customer expectation.

Methodology: In this study, the researcher used descriptive research design. The primary data is collected using a structured questionnaire. The secondary was collected from journals, magazines, project reports, websites and etc. There are 299 registered transportation and logistics service providers in Tamil Nadu. The population of the study would be the customers (clients), who have approached these above companies for service. The population would be infinite. The sample size was confined from the Demorgan's table. From the Demorgan's table, the 384 samples are necessary for infinite population with 95 per cent of confidence level and 5 per cent of confidence interval. The researcher has issued 400 questionnaires and received around 391 questionnaires from customers of the transportation and logistics service providers. The remaining nine questionnaires from customers of the transportation and logistics service providers were biased.

Results: From the study it was found that the tracking and tracing of cargo as well as the transit time are the major factors considered while selecting the forwarder. Exporters also look for clearance and consolidation service provided by the forwarder. By focusing on these factors, the organization can retain existing customers as well as develop new ones.

KEYWORDS : Logistics, Service, Customers Expectation & Customers Satisfaction

INTRODUCTION

The present study focuses on the client satisfaction towards the usage of logistics service providers. The client satisfaction is the similar terminology that's sounds customer satisfaction. The client satisfaction is a term frequently used in marketing, is a measure of how products and services supplied by a transportation and logistics services providers meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals" (Tse & Wilton, 1988 & Fornell, (1992)). Customer's Satisfaction can be done by motivation research also by tracking studies. Motivation research helps in determining and Weakness of corporate satisfaction and loyalty programs, motivation research is usually an introductory step in developing an integrated customer satisfaction and loyalty system. Tracking studies may be conducted either by Telephone, Mail, Internet, and Interactive Voice response systems. Also, Employee satisfaction measurement is a crucial first step in most corporate satisfaction and loyalty programs. Employees are the contact points between the corporate brand and customers.

Aim of the Study

This study will help to understand the customer's preference and their needs expected from the transportation and logistics services providers. It helped to know about the satisfaction level of the customer's. This study helps in reduction damage of the customer's cargo and to avoid loss of customers. This evaluates various facts about the opinion of customers regarding the services and that of competitors. This study helps to improve the performance level of the transportation and logistics services providers and to compete among the competitors.

Problem Identification

Customer satisfaction is the main goals for the target Transportation and logistics services providers. Like other organization, it's important to be clear on exactly what's meant by the term. Customer satisfaction is the state of mind that

customers have about transportation and logistics services providers when their expectations have been met or exceeded over the lifetime of the product or service. Customers are always aiming to get maximum satisfaction from the products or services that they buy. Winning in today's marketplace entails the need to build customer relationship and not just building the products; building customer relationship means delivering superior value over competitors to the target customers. Whether an organization provides quality services or not will depend on the customers' feedback on the satisfaction they get from consuming the products, since higher levels of quality lead to higher levels of customer satisfaction. In this study the researcher finds satisfaction level of customers about various services provided by the transportation and logistics services providers.

Reviews

According to Wicks & Roethlein, (2009), consumer satisfaction can be framed by a breath-taking analysis and this analysis should be done just after any customer ends up its shopping, just to hit the nail right in the head. Organisations that trudge their guts out to fulfill their clients appreciate higher maintenance levels and more prominent benefit because of expanded clients' devotion Wicks & Roethlein, (2009). Hence, consumers satisfaction becomes mandatory in all the highways and byways of selling and buying. This can be a herculean task and one way to do this is by trying to know their expectations and perceptions of services offered by service providers. In this way, service quality could be assessed by avoiding all hocus-pocus and customer satisfaction can be evaluated.

Giese & Cote, (2000) mention that there is no standardize definition of customer satisfaction and gave the following definition, "customer satisfaction is identified by a reaction (cognitive or affective) that pertains to a particular aim (i.e. a purchase experience and/or the associated product) and occurs at a specific time (i.e. postpurchase, post-consumption)". This definition clarifies that the consumer's satisfaction sink in from consumer's shopping experience in the general mart and this is supported by Cicerone et al.,

(2009) and Sureshchander et al., (2002) who believe customers' level of satisfaction is the measurement of their overall experiences at all of their exposure points with a supplier organization. A passionate study by Huddleston et al., (2008) declared that if the shopping experience rejoices the consumer, then satisfaction is slated to result. This clearly emphasizes that standard goods are a stepping stone while carrying out purchase and this relates to general stores that offer variegated products with contrasting qualities.

Oliver (1997) has simplified satisfaction as the customer's fulfillment. It is a conclusion that a product or service feature, or the product or service itself, provided (or is providing) a level of consumption-related fulfillment, including levels of under- or over-fulfillment. Need fulfillment is a process giving rise to the satisfaction responses. Any gaps lead to disconfirmation; i.e., Positive disconfirmations increases or maintain satisfaction and negative disconfirmation create dissatisfaction.

According to Senyszyn (1995) "Consumer need is a state of indispensability of products possession or use, being a result of achieved level of development of the human environment and his requirements as a bio-psycho-social structure". All the consumption needs refer to with the products of human Labour. Another definition says, that the need is a potential or actual condition of the absence of something, what is necessary to keep a person alive and allows him for individual development, gaining and maintain a certain social status, etc. Needs provide a discomfort associated with the lack of satisfaction caused by shortage of tangible or intangible values in the certain situation. There are few fundamental human needs but human desires have unlimited character. Although people have limited resources, so they choose the products which provide good value for money.

OBJECTIVES

- To find out the satisfaction level of the services provided by Logistics Service Providers in Tamil Nadu

Research Design and Methodology

In this study, the researcher used descriptive research design. The primary data is collected using a structured questionnaire. The secondary was collected from journals, magazines, project reports, websites and etc. There are 299 registered transportation and logistics service providers in Tamil Nadu. The population of the study would be the customers (clients), who have approached these above companies for service. The population would be infinite. The sample size was confined from the Demorgan's table. From the Demorgan's table, the 384 samples are necessary for infinite population with 95 per cent of confidence level and 5 per cent of confidence interval. The researcher has issued 400 questionnaires and received around 391 questionnaires from customers of the transportation and logistics service providers. The remaining nine questionnaires from customers of the transportation and logistics service providers were biased. The formula used for these calculations was

$$n = \frac{X^2 * N * P * (1 - P)}{[ME^2 * (N - 1)] + [X^2 * P * (1 - P)]}$$

Where; *N* → Sample Size, *X²* → Chi-Square for the specified Confidence Level at one Degree of Freedom, *N* → Population Size, *P* → Population Proportion (0.50 for this Table), *ME* → Desired Margin of Error (Expressed as a Proportion)

In the current research the investigator has adopted randomised sampling technique. The Cronbach's alpha values are greater than 0.8, suggesting that the items have relatively high internal consistency. (Note that a reliability coefficient of .80 or higher considered "good" in most social

science research situations). The data collected have been organized, classified and analyzed using a wide range of appropriate statistical tools like Frequency Distribution ("Reason for Selecting"), Measures of Central Tendency & Dispersion ("Satisfaction") and Chi Squire Analysis ("Satisfaction" Vs "Reason for Selecting").

Analysis and Interpretation
Frequency Distribution

Table 1.Reason for Selecting Transportation and Logistics Services Providers

Reasons (Categories)	Frequency	Percent	Rank
Accuracy	74	18.9	3
Quality	87	22.3	2
Price	182	46.5	1
Speed	48	12.3	4
Total	391	100.0	

Primary Data

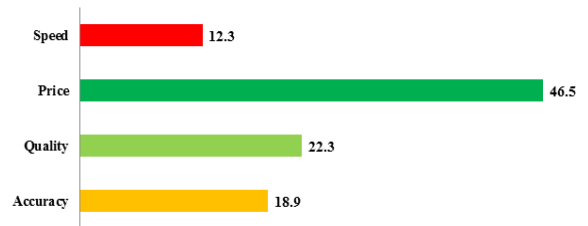


Figure 1. Reason for Selecting Transportation and Logistics Services Providers

From the table its clear that the respondents say that the priority reason for selecting the transportation and logistics is the "Price" with 46.5 per cent. Then the next priority reason for selecting the transportation and logistics is the "Quality" with 22.3 per cent. Then the next priority reason for selecting the transportation and logistics is the "Accuracy" with 18.9 per cent. And finally the next priority reason for selecting the transportation and logistics is the "Speed" with 12.3 per cent.

Measures of Central tendency and Dispersion

Table 2.Level of Satisfaction

Measuring Question / Items	Mean Rank	N	Mean	Sd
Pickup & Delivery services	7	391	2.81	.788
Drivers Attitude	3	391	3.05	.734
Freight Charges	2	391	3.13	.940
Shipment	5	391	3.00	.793
Cargo Handling	4	391	3.03	.418
Service Provided	6	391	2.92	.822
Responsiveness	1	391	3.39	.099
Mean Score		391	3.05	0.656

Primary Data

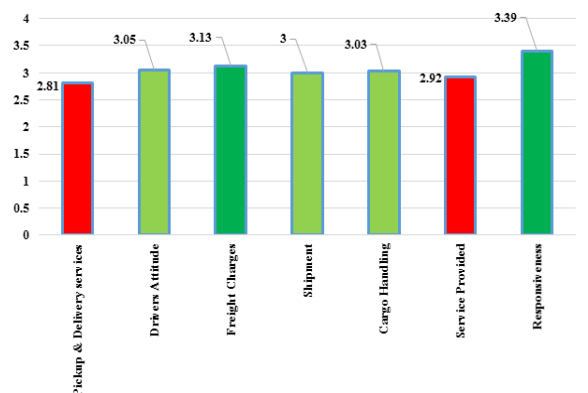


Figure 2. Level of Satisfaction

The mean value for the “Level of Satisfaction” ranges from 3.39 to 2.81. The respondents agree with the statements like to the “Responsiveness”, “Freight Charges”, “Drivers Attitude”, “Cargo Handling” and “Shipment”, whereas they have a moderate feel towards the statements like “Pickup & Delivery services” and “Service Provided”.

Chi Square Analysis

H0: To find the significant Association between the opinion on “Satisfaction” given by different categories of “Reason for Selecting Transportation and Logistics Services Providers”.

Chi-Square Tests	Value	df	Sig.
Pearson Chi-Square	26.271	12	0.001
Likelihood Ratio	26.651	12	0.025
Linear-by-Linear Association	1.267	1	0.132
N of Valid Cases	391		

The significance value Clearly shows that there is significant association between the opinion on “satisfaction” given by different categories of “reason for selecting transportation and logistics services providers”.

Suggestions

Customer visits are vital, as this will create a good relationship and bring in more business to the transportation and logistics services providers. The transportation and logistics services providers can change its communication method i.e. they can communicate to the customers on daily basis to avoid the gap on product delivery. The transportation and logistics services providers can collect feedback from its customers regularly, which may help them to improve in the setback areas on the approach where there is a need for change. Transportation and logistics services providers need to increase marketing executive team, to start some sales promotion activity for better attraction in customer's memory and to concentrate on advertisement and the transportation and logistics services providers needs to focus on transportation service.

CONCLUSION

The main objective of the study was to make a complete study over the customer service activities and also how they are handle customers. In this cut throat competitive environment understanding customer expectations and preference are essential for providing customer satisfaction, which is turn is crucial for the survival for any organization. This study helps to understand the customer preference while selecting freight forwarders. The important found to be considered by the exporter while selecting a freight forwarder includes: number of years and operation volume of business handling, financial stability, Freight rate allowed Credit period, turnaround time, service quality Clearance service, network of overseas agent, tracking and tracing of cargo, consolidation and Value-added service. Most of the respondents consider service quality also the rate structure offer is a considering factor. From this study it was found that the service quality, the tracking and tracing of cargo as well as the transit time are the major factors considered while selecting the forwarder. Exporters also look for clearance and consolidation service provided by the forwarder. By focusing on these factors, the organization can retain existing customers as well as develop new ones.

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