
RESEARCH ON SATISFACTION OF LOGISTICS SERVICES USERS

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Abstract: *Customer service, customer satisfaction and quality of service are constant challenges for logistics providers. Increasingly stringent market requirements and strong competition on the one hand, i.e., the complexity of logistics processes and activities on the other hand require constant measurement, monitoring and improvement of logistics services. The right measure of the quality of logistics service is the degree of customer satisfaction. Satisfied customers usually return to providers, while dissatisfied customers leave the provider and go to the competition trying to meet their own expectations. A lower level of customer satisfaction results in high costs for the company, which are reflected in lost income based on lost customers. Therefore, it is necessary to develop and apply various procedures, methods and measurements of customer satisfaction. In this paper a methodology for measuring customer satisfaction is proposed and is based on survey and complaints and appeals system.*

Keywords: *logistics, customer satisfaction, quality of service.*

1. INTRODUCTION

Modern market trends are initiating and generating increasingly stringent requirements for the quality of logistics services. The goal of any logistics system is to fully meet the expected demands of the market, and to create satisfied and loyal customers and thus ensure high market share, competitiveness and long-term profits. The right way to achieve this goal for logistics providers is to measure and assess the degree of customer satisfaction. In order to determine the degree of customer satisfaction, it is necessary to determine which attributes of the service fully meet the requirements and expectations of users. Logistics service as a product is significantly different and specific in relation to material products, which must be kept in mind when planning, modeling and improving quality. The question justifiably arises as to how the user sees the quality of logistics service and what exactly the quality of the service means for the user and in which way the user forms attitude and judgment about the quality of the logistics service. Service quality is not a function of a statistical measure, which includes physical defects of the product and management assessment, but rather the user's view of the service (Kilibarda,

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2020). The user evaluates certain quality of logistics service in different way. The degree of user satisfaction directly depends on the value of performance and it is necessary to know what are the ways of evaluating performance. Therefore, it is necessary to develop models for assessing customer satisfaction, both nationally and globally. Measurement results should be used in the process of creating and managing logistics services (Kilibarda and Manojlović, 2008, Gaudenzi et al., 2020).

This paper deals with methods of researching the satisfaction of logistics services users, in order to improve the quality of logistics services. After describing the problem, two ways of collecting data on customer satisfaction were discussed, followed by a SWOT analysis of the described approaches.

2. SATISFACTION OF LOGISTICS SERVICE USERS

Users are a key resource of any company, its most valuable assets and a prerequisite for survival in the market. For that reason, measuring the satisfaction of logistics service users is an imperative of modern market business. The degree of customer satisfaction is a key factor in retaining existing and conquering new markets. The formation of final customer satisfaction takes place in three phases:

- **Satisfaction of users before the realization of the service** - in the first phase, customer satisfaction is formed at the intersection of the expected level of service and the offered level of service.
- **Satisfaction of users during the realization of the service** - in the second phase, customer satisfaction is in the function of the user's expectations and realized service attributes.
- **Satisfaction of users after the realized service** - in the third phase, customer satisfaction is in the function of expectations and perceptions that the user has after the realized service.

The degree of customer satisfaction directly affects customer loyalty, which further leads to the possibility of developing a logistics partnership between the logistics provider and the customer. In addition, the degree of customer satisfaction is of great importance in the marketing and promotion of logistics services. Research has shown that the user, who is satisfied with the realized service, communicates his experience to an average of three friends, while the dissatisfied user introduces the problem to up to twenty people with whom he is in communication (Kilibarda, 2020).

There are many reasons for measuring customer satisfaction, but four most important reasons are (Gallemard, 2020):

- Customer dissatisfaction is costly,
- It's easier to retain customers than to acquire new ones,
- Customer dissatisfaction is detrimental to the brand image,
- Measuring customer satisfaction enables enhancement of the customer experience.

Regularly measuring customer satisfaction also serves to evaluate the impact of a company's efforts to improve customer satisfaction and customer relationships. If

satisfaction increases, it's clear that the company is moving in the right direction. The importance accorded to customer satisfaction translates into the implementation of strategies for improvement. But for them to work, these strategies must be focused on measurable objectives – thus on performance indicators. Some customer loyalty metrics are (Cleave, 2019; Gallemard, 2020):

- CSAT score (Customer Satisfaction Score) - measures global customer satisfaction. It is the most intuitive indicator of customer satisfaction, but it only measures the emotional dimension of satisfaction. CSAT is measured through customer feedback.
- NPS (Net Promoter Score) - measures the affective and behavioral dimensions of customer satisfaction and customer loyalty. It evaluates the likelihood of customers to recommend the brand or its products whilst at the same time provides a general idea of customer loyalty towards a brand.
- CES (Customer Effort Score) - it measures the level of effort the customer must exert to obtain satisfaction for his request. A lower average note means that the customer easily obtained a satisfactory response.
- CHI (Customer Happiness Index) - measures three metrics that help determine how likely a customer is to abandoning a service and seeking it elsewhere. It was developed to maximize customer engagement and minimize churn.
- SERVQUAL - one of the most widely used methods for evaluating the personal elements of customer service quality. It's based on RATER scale (Reliability, Assurance, Tangibles, Empathy, Responsiveness).

It is important to establish the right data collection and analysis to make the necessary improvements (Cleave, 2019). While there are many ways to measure customer satisfaction, some of the methods used to collect data will be introduced below.

3. METHODOLOGY FOR MEASURING CUSTOMER SATISFACTION

Due to a number of specifics that accompany the process of providing and using services, measuring customer satisfaction is not a simple and easy task. It is necessary to use and develop methodologically designed and tested approaches. One of the most important activities in increasing customer satisfaction is to provide timely and reliable information related to the degree of satisfaction and causes of customer dissatisfaction. Collecting customer satisfaction data is a necessary step in trying to understand where a company can make improvements. Information on customer satisfaction can be collected through a questionnaire, complaints system, remarks and suggestions, live chats, social media, focus groups, analysis of lost customers, etc. (Kilibarda and Manojlović, 2008).

In the following part of the paper, two methods of researching customer satisfaction, which were used in this paper, are described. The first method is to measure customer satisfaction using a questionnaire, while the second method is to measure customer satisfaction based on complaints and appeals.

3.1 Survey questionnaire

The survey questionnaire is the most commonly used instrument for collecting primary data. Without primary data, it is not possible to determine the input values and make a valid analysis of phenomena and patterns in the logistics market. The success of any research depends on the quality of the questionnaire. The aim of the survey questionnaire is to determine the degree of customer satisfaction in cooperation with the company, according to different attributes of the logistics service.

At the very beginning of the survey research, it is necessary to do market segmentation. The purpose of market segmentation is to make it easier to spot differences between individual segments and to better understand the specifics of the requirements of each segment. Market segmentation can be done based on several criteria. For the purposes of this research, users of logistics services of the company "Milsped" are divided into 2 segments according to the number of services and the number of orders.

The first market segment is represented by corporate clients. These are clients who use a large number of services of the company "Milsped", who have a large number of orders on a monthly basis and generally have long-term cooperation with the company. The second market segment is represented by standard clients. This group of clients includes operations clients and sales clients. These are clients who use fewer company services and have fewer accounts on a monthly basis. Market segmentation defines what data, when, how and from whom it is collected.

Survey questionnaire for corporate clients

At the beginning of the research, it is necessary to choose a representative sample. There are 2 basic groups of samples in marketing and statistical research: random and intentional samples. Taking into account the homogeneity of corporate clients, a deliberate thoughtful sample was chosen for this segment. This sample is based on the previous judgment of experts. The Customer Care Department of the Milsped Management Company forms a sample by selecting typical clients for each activity. The size of the sample depends on the number of clients, as well as the cost and difficulty of sampling (Veljković and Marinković, 2010). Since there are fewer corporate clients than standard clients, the sample size of this segment will be smaller.

As corporate clients generally have long-term cooperation with the company, the survey is conducted once a year. The most suitable period for data collection is September. The budgeting of the company for the next year is being done in October, so this period is the best for determining customer satisfaction in order to allocate funds for possible future investments and possible corrective actions. The survey is conducted through a personal interview, direct contact between interviewers and respondents. In a personal interview, the choice of interviewers is very important. The interviewer must be well trained and it is desirable to have previous experience. It is necessary that the interviewer is not employed by the company, in order to avoid subjectivity in the survey and achieve neutrality of the interviewer. It is important to choose the right person to be interviewed by the interviewer, in order to get valid answers.

The survey questionnaire for corporate clients covers the attributes of the logistics service that are considered a priority for this group of clients. These are completeness of the logistics service, accuracy of the implementation of the logistics service, reliability,

flexibility, complaints in the implementation of logistics services, level of information and attitude towards the client. Table 1 shows a survey questionnaire for corporate clients.

Table 1. Survey questionnaire for corporate clients

Questionnaire for corporate clients						
No.	The question	The answer				
1	How would you rate the relationship with your Key Account Manager?	1	2	3	4	5
2	Do you have the right information about the realization of the service at all times?	Yes				
		No				
3	The quality of Milsped's services in the last two years is:	It got better				
		It's the same				
		Worse than before				
		I don't know, we haven't worked together for so long				
4	How does Milsped meet the additional requirements that were not covered by the offer / contract?	Very fast and efficient				
		Meets at high cost / in the long run				
		Not fulfilling				
5	How often are goods damaged during the realization of services in Milsped?	Never				
		Rarely				
		Frequently				
6	Did Milsped offer you a better solution than requested?	Yes, it often happens				
		Yes, it happened				
		It didn't happen				
7	Do you consider Milsped a reliable partner?	Yes				
		No				

Survey questionnaire for standard clients

Considering the heterogeneity of this group of clients, the representative sample for this market segment is a random sample with a constraint. The selection is made on a random basis but based on previous data analysis. First, the clients are grouped according to the activity, and then from homogeneous sets, each standard client has an equal probability of being selected into a representative sample. For this group of clients, the survey is conducted via the web. After the realized service, the generated e-mail is sent to the client via the Reply option. Web surveying is characterized by low costs, high speed of implementation, and easy evaluation of responses. The number of questions in this survey is higher than in the survey for corporate clients due to the way the survey is distributed.

Attributes of logistics service that create customer satisfaction differ between individual activities. The same survey questionnaire is forwarded to all standard clients, but when processing the answers, questions are evaluated differently depending on the priority attributes for the client's activity. Attribute weighting is done by the Quality Department. The attributes covered by the questionnaire are: completeness of the logistics service,

accuracy of the logistics service, reliability, flexibility, complaints in the implementation of logistics services, customer relationship, and goods damage. Table 2 shows a survey questionnaire for standard clients.

Table 2. Survey questionnaire for standard clients

Questionnaire for standard clients						
No	The question	The answer				
1	With its range of services, does Milsped meet all the needs necessary for your business?	Yes				
		No				
2	If your answer to the previous question is "No", what services do you lack in cooperation with Milsped?					
3	How do you assess the attitude of employees towards the client?	1	2	3	4	5
4	How does Milsped meet the additional requirements that were not covered by the offer / contract?	Very fast and efficient				
		Meets at high cost / in the long run				
		Not fulfilling				
5	Evaluate compliance with the defined deadlines for the realization of the service	1	2	3	4	5
6	How often are goods damaged during the realization of services by Milsped?	Never				
		Rarely				
		Frequently				
7	In your experience, does Milsped respond promptly to comments / complaints?	Yes				
		No				
		I have no experience				
8	How do you assess the position of Milsped on the market in relation to the competition?	1	2	3	4	5
9	Did the cooperation with Milsped live up to your expectations?	Yes, all expectations have been exceeded				
		Yes, the agreed requirements have been met				
		No, it was below the expected level				

3.2 Complaints and appeals system

A complaint can be from a client, partner, or third party on the quality of service, the process of realization of the service, or the employee. However, not every complaint is justified, but it needs to be recorded and reviewed. Just solving the problem is more important than determining who is right. Only 4% of dissatisfied customers protest loudly, and the remaining 96% are silent and do not file complaints or eventually leave the company (Kilibarda, 2020). Whether the client will file a complaint depends on a

number of factors such as: the degree of dissatisfaction, the importance of the service, lost profits, damage, costs, etc.

The behavior of users after the realized service is of special importance for the company. It is necessary for the company to enable and encourage complaints because that is how valuable information can be collected. The voice of the complaining user can significantly contribute to improving the quality of service and customer satisfaction. Dissatisfied users may find themselves in one of three typical situations:

- The user protests loudly and verbally expresses dissatisfaction,
- The user does not file a complaint but leaves the company,
- The user spreads negative verbal propaganda that can cause significant damage to the company.

It is necessary for the company to develop and establish an efficient system for receiving, processing and resolving complaints and appeals. The procedure for dealing with complaints includes several steps:

- Receipt and records,
- Processing,
- Analysis,
- The solution,
- Verification,
- Sending solutions.

Ways to report complaints can be by e-mail, via contact phone, direct arrival to the company, but also via the site. Milsped has developed a JIRA application for reporting non-conformities and complaints (Milsped, 2022). Managing customer complaints is a very complex and important process in any company. Complaints can be made in writing or orally. Written complaints are received and resolved by the Sector for Quality Management and Standardization, while oral complaints are mostly submitted directly to transport planners, who also resolve them. The complaint processing process includes five key steps:

1. Receipt and records of complaints,
2. Complaint report,
3. Detailed analysis in order to discover the basic causes of the complaint,
4. Additional analysis in order to implement the solution,
5. Preventing recurrence of complaints.

When analyzing complaints, important information is: what is the subject of the complaint, how the non-compliance was reported, what specific requirements were agreed, when the non-compliance occurred, all data on the subcontractor, and whether the data was submitted on time. When analyzing complaints, companies pay the most attention to complaints and grievances that create financial damage. However, it is necessary to take into account every complaint and reclamation because each can have an impact on customer satisfaction. All data must be documented.

Based on properly collected, processed and analyzed data on customer complaints, the most common errors in the logistics system are determined. Method 8D describes the process that leads through certain phases in order to methodically resolve the complaint and determine the causes of the error. Based on the determined cause, a corrective activity or corrective measure is carried out. The Sector for Quality Management and Standardization, in cooperation with the applicant, performs triage, review, determines the causes, defines corrective measures, implements them and reviews them. The essence is that the logistics system, through quality assurance and control, reduces the number of complaints or completely eliminates them, but also when they occur, to effectively resolve them and use them in the process of quality improvement.

4. SWOT ANALYSIS

SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) allows to easily see the threats and opportunities of the market and environment on the one hand, and the strengths and weaknesses of a particular system, company or individual on the other hand. The SWOT analysis precedes any action of the company, which makes it convenient when deciding on the implementation of new policy strategies, identifying possible areas that should be changed and possibly redirecting existing plans (Kilibarda, 2020). Table 3 shows a comparative SWOT analysis of the survey questionnaire and the complaints and appeals system.

Table 3. Comparative SWOT analysis

STRENGTHS (S)	WEAKNESSES (W)
<u>A survey:</u> + Includes a number of customer satisfaction parameters + User comprehensiveness	<u>A survey:</u> - Small response - Higher data collection costs - Questionable sincerity of the respondents - Additional engagement of resources - Low flexibility
<u>Complaint:</u> + Indicates specific errors + Higher data processing speed	<u>Complaint:</u> - A small number of clients file a complaint - Low reliability
OPPORTUNITIES (O)	THREATS (T)
<u>A survey:</u> + Continuous monitoring and measurement of customer satisfaction + Preventive monitoring of customer satisfaction	<u>A survey:</u> - Creating a distorted image due to false user responses - Determining causal relationships is subject to subjective interpretation
<u>Complaint:</u> + Quick response to complaints and employee commitment increases customer satisfaction	<u>Complaint:</u> - Departure of the client from the company without filing a complaint

SWOT analysis found that the greatest strength of the survey is the continuous examination of a large number of service parameters and the possibility of preventive care for the user. The weakness of the survey is that it requires the engagement of additional resources, but the company must be ready to invest additional funds in order to create loyal and satisfied users because that is a guarantee for the company's profitability. The biggest weakness of the complaints and appeals system is that it deals with the consequences of the problem and not the causes. Also, a small number of users who file a complaint are a threat. On the other hand, the strength of the system of complaints and appeals is that it indicates a specific problem. It can be concluded that the best methodology to use is a hybrid approach for collecting data on customer satisfaction, which would mean that the company uses the survey questionnaire as a preventive tool and the system of complaints and appeals as a corrective tool.

5. CONCLUSION

Marketing efforts of companies must be focused on users, with the basic goal of delivering value that will satisfy their requirements and desires. Satisfaction of users, therefore, appears as a prerequisite for the successful cooperation in a highly competitive environment of modern business. In order to know how customers react and how satisfied they are with the company's services, it is necessary to conduct appropriate customer satisfaction surveys. The importance of measuring and monitoring satisfaction is emphasized due to the fact that it influences the intentions and future behavior of users and is an important step towards creating loyal customers. Researching and measuring customer satisfaction is a process that carries a number of challenges and problems because satisfaction is a complex variable that includes the subjective perception of users about the quality of service.

This paper is focused on research methods for measuring customer satisfaction. The method of the questionnaire and the method of complaints and appeals were processed. Each of these methods has its advantages and disadvantages. The SWOT analysis found that it is desirable to encourage the distribution of the questionnaire through a personal interview, due to greater flexibility and reliability. It was also determined that the company must encourage the user to submit complaints in case of dissatisfaction and to make efforts to resolve each complaint as soon as possible. Based on the collected data, further measurements and assessments of customer satisfaction are performed. Continuous monitoring of customer satisfaction can be a significant indicator of the company in which direction and in what way to strengthen/develop long-term customer relationships.

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