

AN ANALYSIS OF CUSTOMER SEGMENTATION TO IMPROVES SALES EFFICIENCY IN FREIGHT FORWARDING

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Abstract: This project analyzes the market potential of BRUHAT Logistics, a newly growing logistics company in Chennai. The study identifies numerous opportunities available for the company in the region. A survey was conducted among potential firms in Chennai to understand real-time opportunities and market demand. Through this analysis, key client needs and market opportunities were identified, highlighting strong correlations between consumer customs clearance, business approaches, delivery of B/L ratings, and cargo stuffing plans. Based on the findings, the study provides strategic recommendations to help BRUHAT Logistics strengthen its market presence in Chennai. Additionally, it offers insights for logistics startups to overcome challenges and capitalize on market opportunities more effectively.

I. INTRODUCTION

The logistics industry, once primarily a military concept, has evolved into a critical business function that forms the backbone of global supply chain operations. In recent decades, the complexities of international trade, the surge in global manufacturing, and the growing demands for efficient supply chain solutions have transformed logistics into a multifaceted, technology-driven industry. Today, logistics encompasses a wide range of activities, including transportation, warehousing, inventory management, and order fulfillment, all of which play a crucial role in ensuring seamless global trade.

This article focuses on BRUHAT Logistics, a rapidly growing international freight forwarding company based in Chennai, and explores how implementing customer segmentation can significantly enhance sales efficiency. As a strategic approach, customer segmentation involves dividing a company's customer base into distinct groups based on specific characteristics, needs, or behaviors. In the context of freight forwarding, this approach not only helps optimize marketing efforts and streamline operations but also fosters long-term customer loyalty and profitability in a highly competitive market like Chennai.

INDUSTRY OVERVIEW

The global logistics and freight forwarding market is a trillion-dollar industry that continues to expand due to the rise of e-commerce, increasing global trade volumes, and rapid advancements in technology. Innovations such as blockchain, the Internet of Things (IoT), artificial intelligence (AI), and machine learning are revolutionizing logistics management, enhancing transparency, and reducing operational costs. Companies are also embracing green logistics practices, integrating electric vehicles, and adopting carbon-neutral strategies to reduce their environmental footprint.

India's logistics sector, which contributes approximately 14% to the national GDP, is a vital component of the country's economic infrastructure. The Indian government has made significant strides in boosting this sector through initiatives like the National Logistics Policy, PM Gati Shakti, and the Digital India campaign. These policies aim to enhance multimodal connectivity, reduce logistics costs, and promote digital integration across the supply chain. Chennai, with its robust port infrastructure, strategic geographic location, and thriving industrial base, has emerged as a critical logistics hub in South India, supporting both domestic and international trade.

COMPANY PROFILE:

BRUHAT Logistics BRUHAT Logistics is a dynamic and rapidly expanding player in the international project forwarding space, offering comprehensive multimodal transportation solutions, including land, air, and sea freight. Specializing in project and oversized cargo, BRUHAT operates across multiple geographies, providing a wide array of services, including Global Forwarding, Chartering, Project & Heavy Lift Handling, NVOCC & Liner Agency, Customs Clearance, Turnkey Projects, and Digital Supply Chain Solutions.

The company's core philosophy emphasizes time efficiency, safety, cost optimization, and personalized service delivery, aligning closely with customer demands. BRUHAT's mission is to offer personalized and professional services, leveraging innovative supply chain solutions to create value for its clients. With a focus on reliability, speed, and flexibility, BRUHAT aims to become a leading player in the global logistics market.

II. REVIEW OF LITERATURE

R. Bhavani , Dr. G. Rajendran (2016) in their article, the study on the delivery system and pricing practices of logistics companies.

Appu , Balaji (2018) in their article, Optimizing Holistic Supplychain Management Practice: The main objective was to know whether the customer are satisfied with the existing range of service pattern of the Green Logistics companies in Chennai city.

III. RESEARCH PURPOSE AND METHODOLOGY

The primary goal of this study was to analyze how customer segmentation can improve sales efficiency for BRUHAT Logistics in Chennai. Secondary objectives included identifying high-potential commodities, preferred transportation modes, and operational patterns to help optimize service delivery. The study also aimed to explore how segmentation strategies could reduce operational costs, improve customer retention, and enhance overall customer satisfaction.

A descriptive research design was adopted for this study, utilizing stratified random sampling to ensure diverse representation. Data was collected from 123 clients through structured questionnaires, capturing insights on commodity types, transportation preferences, and service expectations. Analytical tools such as Frequency Analysis, Chi-Square Test, Regression Analysis, and Fishbone Diagram were used to interpret the data. This comprehensive approach provided a detailed understanding of customer behavior, logistics trends, and potential areas for operational improvement.

KEY FINDINGS

The frequency analysis revealed a diverse mix of commodities handled by BRUHAT Logistics, with the most prominent categories being Automobiles (38%), Agro Products (27%), and Machinery (15%). Preferred freight modes included Road (30%), Air (25%), Rail (24%), and Sea (20%). Additionally, 68% of clients required customs clearance services, highlighting the importance of efficient documentation and regulatory support.

The chi-square test identified significant associations between customer demographics and service preferences, indicating that specific customer segments have distinct needs and expectations. For instance, clients in the automotive sector prioritized speed and cost-efficiency, while those in the agriculture sector emphasized reliability and temperature-controlled shipping.

Regression analysis showed a strong but marginally significant positive relationship between segmentation and improved sales efficiency ($R^2 = 0.82$, $p \approx 0.091$), suggesting that targeted marketing and tailored service offerings can enhance overall profitability. The Fishbone analysis highlighted several operational inefficiencies, including outdated technology, manual trading cycles, and slow customs processes, which hinder seamless service delivery.

Fishbone Analysis shows to enhance logistics performance, Bruhat Logistics should align operations with common trading cycles and adopt automated regulatory systems to eliminate manual inefficiencies. Investing in integrated technology platforms like RFID and digital documentation will streamline inventory and tracking. Establishing dedicated CHA teams will accelerate customs clearance and reduce shipment delays. Emphasis on multimodal transport—especially air and sea—will ease the overdependence on roadways. Targeting sector-specific needs in the automobile and agro sectors can improve customer satisfaction. Lastly, automation and advanced analytics will enhance visibility and operational efficiency across the supply chain.

RECOMMENDATIONS

To enhance sales efficiency and customer satisfaction, BRUHAT Logistics should consider implementing the following strategies:

- Segment clients based on commodity type, geographic region, and shipping frequency to offer more personalized solutions.
- Optimize freight solutions through multimodal logistics to reduce transit times and costs.
- Invest in advanced digital infrastructure, including real-time data tracking, automated billing, and predictive analytics, to streamline operations.
- Increase the availability of specialized containers, such as Open Top and Flat Rack containers, to cater to project cargo and oversized shipments.
- Develop a dedicated Customs House Agent (CHA) team to expedite clearance times and improve client experiences.
- Implement automation tools like RFID and IoT for inventory management and real-time shipment tracking.

IV. CONCLUSION

The research underscores the critical role of customer segmentation in the freight forwarding industry. By understanding client profiles, shipment preferences, and operational needs, BRUHAT Logistics can streamline its processes, reduce inefficiencies, and improve customer retention. This, in turn, will strengthen its position as a leading logistics player in Chennai and beyond. Future Scope As the logistics sector continues to evolve with digital transformation, future studies can explore the impact of cutting-edge technologies like AI, blockchain, and machine learning on customer service levels. Additionally, expanding customer segmentation beyond geographic or commodity-based models into behavioral or profitability-based classifications could unlock further growth potential. With the continued rise of e-commerce, understanding its influence on freight forwarding strategies will also offer valuable insights for long-term success.