

A study on customer retention strategies for over dimensional cargo

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Abstract: Customer retention is a critical success factor in the logistics and transportation industry, particularly in the niche sector of Over Dimensional Cargo (ODC), which involves the movement of goods exceeding standard size and weight limits. This study explores effective customer retention strategies specifically tailored to ODC services, where logistical complexity, high operational costs, and specialized equipment demand a strong focus on relationship management and service excellence. The research investigates key factors influencing customer loyalty, including service reliability, pricing transparency, customized logistics solutions, communication effectiveness, and post-delivery support. Primary data collected from logistics providers and long-term ODC clients, along with secondary data from industry reports, provide insights into customer expectations and the role of value-added services in fostering loyalty. The study also examines the impact of technology integration, such as real-time tracking and automated customer service platforms, on client satisfaction. Findings indicate that consistent service quality, proactive problem resolution, and strategic customer engagement significantly enhance retention rates. The study concludes by offering a set of actionable recommendations for logistics companies to build sustainable customer relationships in the ODC segment, emphasizing the importance of trust, personalization, and continuous service innovation. These strategies can help firms gain a competitive edge in a challenging and dynamic market.

Keywords: Over Dimensional Cargo (ODC), Customer retention, Logistics, Service reliability, Customer loyalty, Value-added services, Technology integration, Client satisfaction, Relationship management, Transportation industry.

I. INTRODUCTION

Customer retention in the ODC sector is vital due to the high-value, complex nature of oversized cargo transport. To retain clients, companies must deliver consistent, reliable service and provide personalized logistics solutions tailored to each shipment. Utilizing real-time tracking technology and maintaining clear, proactive communication builds trust and transparency. Offering value-added services like permit assistance and route planning further enhances client satisfaction. Loyalty rewards, long-term contracts, and responsive feedback systems encourage repeat business. Investing in staff training and building a strong industry reputation also play key roles. Ultimately, a client-centric approach focused on reliability, customization, and trust is essential for long-term success in the ODC industry.

Over-Dimensional Cargo, also known as oversized or abnormal loads, refers to shipments that exceed the size and weight limits of standard transportation regulations. These cargoes pose unique challenges due to their exceptional dimensions and require careful planning and execution to ensure safe and efficient transportation. The transportation of ODC is vital in several industries, including construction, manufacturing, energy, and infrastructure development. Projects involving heavy machinery, large structures, and specialised equipment rely on the efficient handling and transportation of ODC to meet project deadlines and operational requirements.

CUSTOMER RETENTION

Research indicates that increasing customer retention rates by just 5% can boost profits by 25% to 95% (Bain & Company). For ODC providers, repeat business from long-term clients ensures steady cash flow, optimized resource utilization, and stronger industry reputation. Moreover, satisfied customers often act as brand advocates, referring new clients through word-of-mouth—a vital growth channel in this relationship-driven sector.

The Importance of Customer Retention in ODC Logistics

- Proactive Communication and Transparency
- Real-Time Visibility and Tracking
- GPS Tracking
- Digital Dashboards

- Automated Notifications
- Real-Time Issue Reporting

Building Trust and Strong Relationships

SCOPE OF THE STUDY

This study focuses on evaluating the critical role of service reliability in fostering customer loyalty within the Over Dimensional Cargo (ODC) logistics sector. It aims to provide a comprehensive understanding of how consistent and dependable service delivery influences long-term client relationships. The scope extends to examining the integration of advanced technologies, such as real-time tracking systems, and their impact on enhancing customer confidence and engagement. Furthermore, the study encompasses an analysis of value-added services, including insurance coverage, permit acquisition, and escort provisions, to assess their contribution to customer satisfaction and loyalty.

II. REVIEW OF LITERATURE

Fader et al. (2018) found that even when aggregate retention rates are monotonically increasing, the individual-level churn probabilities are unlikely to be declining over time, as conventional wisdom would suggest. Osakwe & Anaza (2018) reveal the use of both traditional and digital marketing resources is associated with higher organizational performance, and customer retention efforts implemented by a firm, along with brand promotional tactics, increase not only firm profitability but also customer loyalty. Osakwe & Anaza (2018) also extend past findings by theoretically integrating firm size as a segmentation tool used to further evaluate the role of marketing resources on organizational performance and confirm that enterprise size is a significant moderator when explaining the relationship between customer retention orientation and e-brand promotion.

Li et al. (2018) reveal that uncertainty, identity attractiveness, and switching costs of omnichannel retailers partially mediate the effect of cross-channel integration (CCI) on customer retention while fully mediating the relationship between CCI and interest in alternatives, and also uncovered that customer showrooming strengthens the negative relationship between CCI and retailer uncertainty. Service quality and personalized attention is the most important factor followed by high cost of repair and time taken in servicing, according to industry experts, but from the customer's point of view, service quality and personalized attention are most important, followed by time taken in servicing and workshop timing (Kumar et al., 2017). Time taken in servicing, service quality and personalized attention, workshop timing and low customer awareness of warranty benefits are cause factors according to industry experts, but customer opinions are that careless attitude is also a cause group factor, not low customer awareness of warranty benefits (Kumar et al., 2017).

Ruiz Díaz (2017) found that in mobile phone market customer satisfaction influences strongly on customer loyalty, and in turn Loyalty is an important determinant of customer retention, similar asymmetrical results were found with regard to other economic, socioeconomic and geographical determinants of customer decisions, as well, an analogue effect is also observed in the relationship between customer satisfaction and loyalty, where only positive satisfaction assessments help to explain the loyalty of users.

Curras-Perez et al. (2017) confirm the role of satisfaction and website reputation as builders of online trust and, through that trust, as determinant factors in repurchase intention and perceived purchase risk moderates the relationship between trust and satisfaction, so that when perceived risk is greater, that relationship is more intense.

OBJECTIVE OF THE STUDY

Primary objective:

- ☐ To analyse the role of service reliability in enhancing customer loyalty in ODC Logistics.

Secondary Objectives:

- To examine how the integration of technology and real-time tracking enhances customer confidence and engagement.
- To analyze the effectiveness of value-added services (e.g., insurance, permits, escort services) in strengthening customer relationships.
- To understand the significance of regular client communication and feedback in customer retention strategies.
- To study the impact of workforce training and brand reputation on long-term client relationships in the ODC sector.
- To identify potential areas for improvement in current ODC logistics retention practices.

III. RESEARCH METHODOLOGY

RESEARCH MEANING:

According to Paul Felix Lazarsfeld “explains that research involves defining and redefining problems, formulating hypotheses, collecting and evaluating data, making deductions and research conclusions, and testing the conclusions to ensure they align with the formulation hypothesis. Research methodology is a specific method for data collection and analysis, systematically solving problems. Researchers must understand both research methods and techniques to conduct a study or investigation. The choice of research methodology depends on the nature of the research, questions, and goals.

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DATA COLLECTION METHOD:

The study employs both primary and secondary data collection methods to gain a comprehensive understanding of customer retention strategies in the Over Dimensional Cargo (ODC) segment at Bruhat Logistics

Primary Data:

This study was collected directly from the source through structured questionnaires and interviews. Questionnaires were distributed to clients who had availed Over Dimensional Cargo (ODC) services from Bruhat Logistics. These questionnaires were designed to capture insights on customer satisfaction, service quality, communication effectiveness, and reasons for repeat business or discontinuation. Additionally, semi-structured interviews were conducted with internal stakeholders including logistics managers, operations personnel, and customer service staff. These interviews provided in-depth qualitative data about current retention practices and challenges faced in maintaining long-term customer relationships.

Secondary Data:

Secondary data was obtained from both internal company records and external sources.

Internally, data was collected from Bruhat Logistics' customer relationship management (CRM) systems, service reports, and historical customer feedback logs.

Sampling Techniques:

1. Purposive Sampling (Judgmental Sampling):
 - o Targets a specific group of people with relevant experience.
 - o Ideal for selecting clients who have used ODC services from Bruhat Logistics.
 - o Ensures data comes from respondents who can provide meaningful insights.
2. Convenience Sampling:
 - o Involves selecting participants who are easily accessible and available.
 - o Useful for collecting data from internal staff like logistics managers and service executives.
3. Stratified Sampling:
 - o If multiple client types (e.g., manufacturing, construction, energy) are involved, stratified sampling ensures representation from each sector.
 - o Helps analyze differences in customer expectations across industries.

DATA ANALYSIS TOOLS

Graphs and Charts (Bar, Pie, Line)

- o Visual tools used to present data in a more understandable and engaging way.
- o Helps stakeholders quickly interpret customer feedback trends and retention performance.

Mean and Standard Deviation

- o The mean is used to find the average score for service quality, customer satisfaction, and likelihood of repeat business.
- o Standard deviation shows how varied the responses are, indicating the consistency of customer experiences.

Percentage Analysis

- o Helps to understand the proportion of customers who are satisfied, neutral, or dissatisfied.
- o Useful for summarizing feedback on different service parameters like delivery time, safety, and communication.

SWOT Analysis

A qualitative tool to identify the Strengths, Weaknesses, Opportunities, and Threats in Bruhat Logistics' current customer retention approach.

Helps in strategic planning for improving long-term customer loyalty.

FINDINGS

- **High Willingness to Consider Alternatives:** Over 80% of respondents are open to using alternative transport modes like rail or sea to reduce costs.
- **Cost Transparency is Crucial:** Most participants cited lack of clarity around additional charges (permits, escorts) as a major pain point.
- **Damage During Transit is Common:** 58% of respondents experienced minor or major damage to their cargo, affecting overall satisfaction and trust.
- **Seasonal Delays Are Expected:** 74% believe that transport duration is longer during peak seasons, affecting planning and expectations.
- **Communication is Inconsistent:** While 60% were satisfied with communication, 30% remained neutral, suggesting room for better information flow during transit.
- **Timeliness Affects Loyalty:** A significant portion of customers link delays to extra charges and reduced satisfaction, impacting repeat business.
- **Balance Between Speed and Cost:** 58% of respondents manage cargo transport by balancing time and cost, rather than always prioritizing speed.
- **Permits and Documentation Are Well-Handled:** 78% confirmed that documentation and clearances were provided on time—indicating strength in regulatory compliance.
- **Storage & Staging Facilities Need Improvement:** Only 26% rated storage areas as excellent, while 50% felt they could be better organized.
- **Professionalism of Staff Influences Trust:** While 29% rated staff as highly professional, 16% noticed unprofessional conduct—highlighting an area for training and improvement.

SUGGESTIONS

1. **Strengthen Handling Procedures:** Invest in training staff and upgrading equipment to reduce cargo damage.
2. **Enhance Communication:** Ensure regular updates during transit to improve customer confidence.
3. **Improve Storage Conditions:** Standardize and organize staging areas for better safety and operational flow.
4. **Review Documentation Processes:** Make terms and instructions simpler and more transparent for clients.
5. **Introduce Alternative Transport Options:** Promote multimodal solutions (like rail or sea) where feasible to reduce costs.
6. **Implement Customer Feedback Loops:** Regular survey and feedback mechanisms can help identify pain points early.
7. **Increase Permit Processing Efficiency:** Digitize and streamline regulatory compliance to eliminate delays.

IV. CONCLUSION

The study reveals that while Bruhat Logistics has several strengths in permit handling and communication, there are clear challenges in cargo safety, equipment reliability, and overall customer satisfaction. To retain clients in the over-dimensional cargo segment, the company must focus on minimizing damage risks, optimizing operational processes, and offering flexible, cost-effective transport alternatives. The over-dimensional cargo segment depends heavily on cost transparency, communication, safety, and operational reliability. While customers are open to flexible transport modes, persistent issues like damages, seasonal delays, and unclear cost components can erode trust.

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