

ANALYZING THE SERVICE QUALITY PROVIDED BY FREIGHT FORWARDING

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Abstract: Freight forwarders play a vital role in global logistics by coordinating the movement of goods across international borders. The quality of service they provide directly influences supply chain efficiency, customer satisfaction, and business competitiveness. Key aspects of service quality in freight forwarding include reliability, timeliness, cost-effectiveness, transparency, customer support, and regulatory compliance. Reliable freight forwarders ensure goods are delivered safely and on time, minimizing disruptions and financial losses. Efficient use of technology, such as tracking systems and digital documentation, enhances transparency and communication, allowing clients to monitor their shipments in real time.

Cost-effectiveness is achieved through optimized routing and strong carrier relationships, while excellent customer service ensures tailored logistics solutions and responsive support. Compliance with international trade regulations and effective risk management further add to the quality of service. In an increasingly digital and competitive landscape, freight forwarders that adopt innovative technologies like AI, IoT, and blockchain gain a strategic advantage by improving efficiency and accuracy. Ultimately, high service quality in freight forwarding not only enhances customer satisfaction but also contributes to smoother global trade operations. Continuous improvement and adaptability are essential for freight forwarders to meet evolving market demands and maintain a competitive edge.

Keywords: Reliability, Timeliness, Cost-effectiveness, Transparency & Compliance.

I. INTRODUCTION

The project focuses on evaluating the service quality of freight forwarders, particularly Portlinks INC, in ensuring smooth export-import procedures and customer satisfaction. Freight forwarders play a vital role in facilitating international trade by managing logistics, documentation, and customs clearance. Service quality encompasses timely delivery, accurate documentation, efficient communication, and problem-solving skills. Understanding customer expectations and building long-term relationships are crucial for freight forwarders. Proper documentation is essential for customs clearance, and freight forwarders help streamline this process.

Documentation facilitates the smooth flow of goods and payments across borders. Accurate and timely documentation is critical to avoid delays, fines, and penalties. Freight forwarders must work with reputable carriers and utilize real-time tracking systems to ensure reliability. Flexibility and customized services also contribute to customer satisfaction. The study aims to determine customer satisfaction with Portlinks INC's service quality and identify areas for improvement. Effective communication, proactive query handling, and team training are essential strategies for enhancing customer service.

By leveraging technology and focusing on operational excellence, freight forwarders can improve customer satisfaction and loyalty. The importance of proper documentation cannot be overstated, and freight forwarders play a vital role in ensuring compliance with international trade regulations. Overall, the study highlights the significance of service quality in freight forwarding and its impact on customer satisfaction. By understanding customer needs and delivering quality services, freight forwarders can build trust and loyalty with their clients.

NEED FOR THE STUDY

This study evaluates service quality dimensions in freight forwarding, including reliability, responsiveness, and empathy. It examines customer perceptions and satisfaction levels for domestic and international services. The research focuses on a specific region or company, gathering insights from logistics managers, customers, and operational staff. A comparative analysis between expected and perceived service quality is conducted.

The study also explores the impact of technology on service delivery. Practical recommendations will be provided to improve service quality and refine operational strategies. The goal is to enhance customer relationship management and overall service experience. The study aims to provide actionable insights for freight forwarding companies. By identifying areas for improvement, companies can optimize their services and better meet customer needs. The findings will contribute to the development of more effective service quality management practices.

II. OBJECTIVES OF THE STUDY

- ❖ To Evaluate the impact of logistics service quality provided by freight forwarders.
- ❖ Assess key factors influencing customer satisfaction, such as timeliness, reliability, and documentation accuracy.
- ❖ To Identify client requirements and technical parameters for assessing logistics service quality.
- ❖ To Determine key performance indicators (KPIs) relevant to evaluating service quality in freight forwarding.

III. RESEARCH METHODOLOGY

The research design refers to the overall plan for conducting the research. It includes the type of research, the research questions, the data collection methods, and the data analysis techniques. The research design should be carefully planned and tailored to the specific research question being addressed.

It outlines the structure, framework, and procedures for collecting and analysing data to address research questions or objectives effectively. Research design encompasses various elements, including the type of research (e.g., qualitative, quantitative, mixed-methods), the selection of research participants, the sampling strategy, the data collection methods, and the data analysis techniques. A well-defined research design ensures that the study is conducted systematically, rigorously, and in accordance with the goals of the research, allowing researchers to generate meaningful findings and draw valid conclusions.

DATA COLLECTION

A methodology or technique used to collect data for analysis or research is called a data collecting method. It entails gathering data from a variety of sources or directly from people or organisations that are pertinent to the subject of the study. The type of data needed, the goals of the study, and the nature of the research all influence the choice of data gathering techniques. Every technique for gathering data has advantages, disadvantages, and applicability for various study settings. Based on their research goals, the nature of the research questions, the study population's characteristics, and pragmatic factors like time, money, and participant accessibility, researchers choose the best approach, or combination of approaches.

DATA ANALYSIS TOOLS

The gathered data was processed and analysed using SPSS (Statistical Package for the Social Sciences) software. Statistical instruments used include the following:

Correlation analysis: measures the strength and direction of the relationship between two or more variables.

Percentage Analysis: To understand the demographic distribution of variables and key operational practices.

IV. REVIEW OF LITERATURE

Nazlican gozacan and Cism lafci (2020).The study highlights the growing importance of performance in the logistics industry, focusing on the efficient flow and storage of goods, services, and information from origin to consumption. Logistics management plays a vital role in meeting customer requirements. Key performance indicators (KPIs) are used to monitor performance, with 116 KPIs observed in a literature review.

Dr. Ali mohamed abbas kamali (2018).This paper discusses strategies to improve On Time Delivery (OTD) for Bahraini companies to gain a competitive advantage. It analyzes efficient methods based on international concepts and literature. On-time delivery is crucial for business sustainability and customer trust, ultimately boosting profits. KPIs are used to assess on-time delivery, ensuring orders are shipped on time.

Dr. Mike iravo and Dr. George ochiri (2016) Lead time is a crucial parameter in the supply chain, affecting all partners and accounting for at least half of logistics success. With technological advancements, organizations are focusing on strategies like high customer service, lower costs, and managed lead times to gain a competitive advantage. This study used a cross-sectional descriptive survey and inferential statistics to establish the relationship between independent variables and dependent variables

Leonard I berry, et al (1990). Customers are the sole judge of service quality. Customers access service by comparing the service they receive with the service they desire. A company can achieve a strong reputation for quality service only when it consistently meets customer service expectations. Five service imperatives are: define the service role, compete for talent, emphasize service terms, go for reliability, be grate at problem resolution. The 5 service improvement imperatives apply whether a company is small or large, new or old, a pure service organization or a manufacturer that supplies products support service.

.H.HUNG, M.L.HUNG, K.S.CHEN (2010).The service industry faces challenges in achieving excellent service quality and high customer satisfaction. Customer perception and expectation determine performance. This paper defines satisfaction and expectation indexes based on beta distribution parameters, providing unbiased estimators. A standardized Service Quality Performance Matrix helps managers improve service quality by identifying key elements.

CONCEPTUAL FRAMEWORK

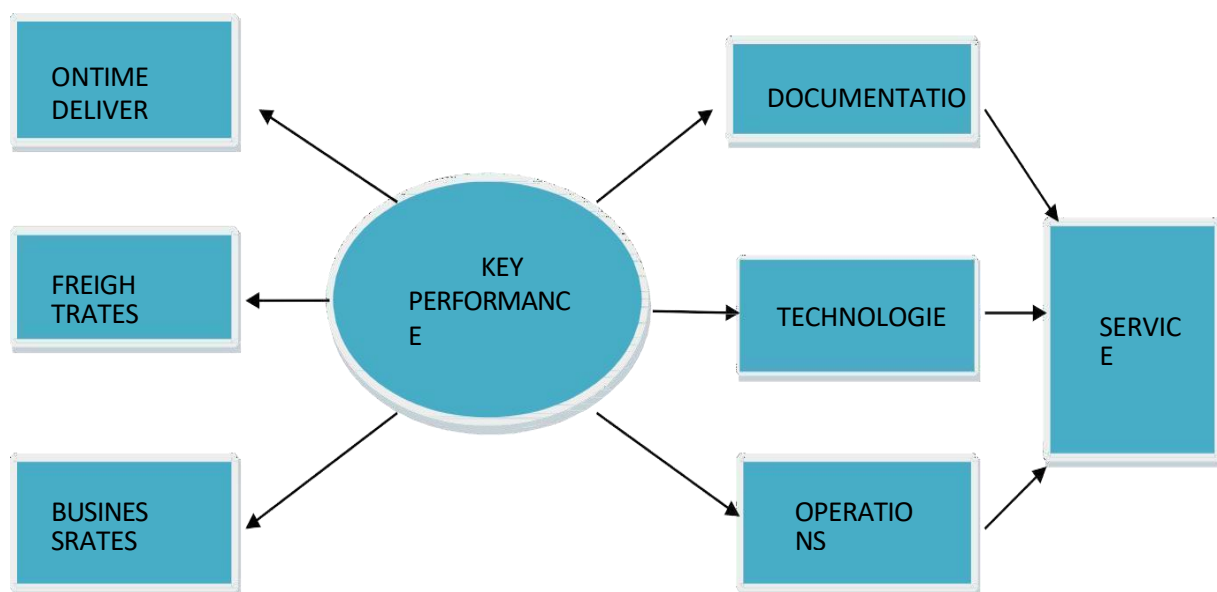


Chart 1. Conceptual framework of Service Quality

V. SIGNIFICANCE OF THE STUDY

The significance of this study lies in its comprehensive evaluation of service quality within the freight forwarding industry, focusing on critical dimensions such as reliability, responsiveness, and empathy. By analyzing customer perceptions and satisfaction levels for both domestic and international services, the research aims to identify gaps between expected and perceived service quality. This analysis is crucial for freight forwarding companies to enhance their service delivery and meet customer expectations effectively.

Furthermore, the study delves into the impact of technology on service delivery, recognizing its role in improving efficiency and customer satisfaction. By gathering insights from logistics managers, customers, and operational staff, the research provides a holistic view of the service quality landscape. The practical recommendations derived from this study are intended to refine operational strategies, enhance customer relationship management, and ultimately contribute to the development of more effective service quality management practices in the freight forwarding sector.

VI. METHODOLOGY

The research methodology for this study is designed to explore the role of analysing the service quality provided by freight forwardedeing within the international market. Given the complexity of global trade regulations, accurate and timely documentation is critical for the successful movement of goods across borders. This research will focus on examining the importance of various types of freight forwarding documents, such as commercial invoices, bills of lading, packing lists, and certificates of origin, and how they influence the customs clearance process.

PERCENTAGE ANALYSIS

❖ The majority of respondents (43.9%) are from the **logistics** industry, followed by **retail** (22%) and **trading** (19.5%). This highlights that most feedback comes from logistics professionals, making the data highly relevant for service quality assessment in freight forwarding.

❖ **85.4%** of respondents are aged **20–30**, indicating a **young and possibly tech-savvy** workforce. This demographic may influence the demand for digital and automated solutions in freight services.

❖ **58.5%** have **less than 1 year** of experience, showing that the majority are **new entrants** in the logistics/freight sector.

❖ **61%** handle **both import and export**, implying that service quality assessments must consider the full spectrum of international trade.

Freight forwarders must ensure consistency across import-export processes.

❖ **Multimodal shipment** is the most used mode at **36.6%**, followed by **road** at **34.1%**. Indicates that integration across different transport modes is crucial for service quality.

❖ A combined **44%** rated tracking as **advanced or optimized**, while **36.6%** say it's still **developing**. There is scope to enhance **real-time tracking** for improved customer experience.

❖ Only **31.7%** are **satisfied or very satisfied**, while **56.1%** remain **neutral**. Suggests potential improvement in digital platform performance and usability.

❖ **46.3%** reported **minimal integration** with internal logistics or ERP systems. Highlights a gap that could lead to inefficiencies and calls for better digital infrastructure.

❖ **39%** cite **language/localization issues** and **36.6%** lack **analytics/reports**. Indicates two major technical challenges affecting operational efficiency and decision-making.

❖ **34.1%** reported **increased costs**, and **29.3%** experienced **shipment delays** or **internal process delays** due to technical issues.

Reinforces the importance of **technical reliability** in maintaining service quality.

CORRELATION ANALYSIS

| Correlations | | | | | | | |
|-----------------------|-----------------|---------------|------------|-----------|-----------------------|-------------------|----------------------|
| | Service Quality | Documentation | Technology | Operation | KPI_ On Time Delivery | KPI_ Freight rate | KPI_ Business rating |
| Service Quality | 1 | .635 | .487 | .488 | .571 | .264 | .385 |
| Documentation | | 1 | .342 | .264 | .426 | .448 | .285 |
| Technology | | | 1 | .044 | .385 | .329 | .136 |
| Operation | | | | 1 | .268 | .269 | .584 |
| KPI_ On Time Delivery | | | | | 1 | .259 | .280 |
| KPI_ Freight rate | | | | | | 1 | .276 |
| KPI_ Business rating | | | | | | | 1 |

Correlation analysis is a statistical method used to evaluate the strength and direction of the relationship between two or more variables. Researchers and analysts can use it to determine whether a change in one variable correlates with a change in another. Pearson's correlation coefficient, which indicates positive or negative connections, is the most often used metric. Its values range from -1 to +1. If the value is near 0, there is no correlation

VII. DISCUSSION

The findings of this comprehensive study on enhancing its service quality by focusing on several critical areas. Implementing best practices in cargo handling within and outside port premises is crucial. This includes proper packaging, secure loading, and regular staff training to prevent cargo damage and loss, thereby ensuring the safety and integrity of shipments. Offering integrated services such as warehousing and owning transportation fleets can provide clients with end-to-end logistics solutions. This not only improves operational efficiency but also enhances customer satisfaction by reducing reliance on third-party providers. Assigning a dedicated staff member to each customer can minimize miscommunication and foster stronger client relationships. Personalized support ensures that customer queries and concerns are addressed promptly and effectively. Enhancing the accuracy and efficiency of documentation processes is vital. Implementing automated document management systems can reduce errors, expedite processing times, and ensure compliance with international trade regulations. Improving communication channels with clients helps in understanding their specific needs and preferences.

VIII. CONCLUSION

In conclusion, The project provided an invaluable opportunity to gain practical insights into the service quality offered by freight forwarders, particularly within import and export operations. Collaborating with PORTLINKS INC allowed for a comprehensive understanding of various departmental functions and the importance of cohesive interdepartmental coordination to achieve organizational objectives. This hands-on experience bridged the gap between theoretical knowledge and real-world application, especially in areas like documentation management and client relations. Observing the flow of information within the organization highlighted the significance of timely and accurate communication in maintaining service quality. The study also emphasized the role of performance management systems that align with strategic objectives and stakeholder expectations.

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