A STUDY ON SERVICE QUALITY EVALUATION TOWARDS AIR FREIGHT FORWARDING WITH SPECIAL REFERENCE TO UNITED FREIGHT SYSTEMS, TIRUPPUR

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ABSTRACT

Service quality evaluation allows companies to find out about customer opinion on different aspects of the service which have an influence on satisfaction levels (e.g. customer service, corporate image, etc.) The objective of the study is to analyse the service quality evaluation towards air freight forwarding with special reference to United Freight Systems, Tiruppur. The study based only on the opinion and expectation of consumer. Total number of sample taken for the study is 217 respondents. Convenience sampling techniques were used for the study. Primary data and secondary data have been used in the study. Simple percentage analysis, chi square analysis and correlation analysis have been applied in this study to reach the finding of the study. It is found that there is some significant relationship between the years of dealing and tangibles. It is suggested that the company must respond within the frame since to have reliability among the customers. It is concluded that the company must allocate resources and utilize the same for offering quality service as well as it must ensure for quality centric services.

1.INTRODUCTION

Freight forwarding is the planning and coordinating of the movement of commodities across international borders, on behalf of shippers. Other tasks involved include, but are not limited to: warehouse planning, supplying cargo insurance, and customs brokerage.

Freight forwarders are integral to the supply chain and act as intermediaries between the company who makes the shipment and the final destination of the goods. Although they do not carry out the shipments

themselves, they offer different modes, such as sea/ocean freight, rail freight, road transport, and air freight shipment. They often use multiple modes for the transport of a single shipment.

Freight forwarding consists of strategic logistics planning and execution for the international movement of goods, on behalf of shippers. Specifically, a freight forwarder will carry out freight rate negotiations, container tracking, customs documentation and freight consolidation, among other tasks.

For example – a freight forwarder might arrange to have the cargo moved from the plant to an airport by truck, flown to the destination city, and then moved from the airport to the customer's city by another truck.

Freight forwarders engaged in the transportation of cargo are often referred to as second party logistics (2PL) providers. They are typically involved in preparing and processing export-import and customs documentation. However, with evolving business models, they have begun performing activities pertaining to international shipments, including packaging, documentation, warehousing, inventory management, and value-added services (VAS). In this case, they may be referred to as third party logistics (3PL) providers.

Importing and exporting creates lucrative opportunities for businesses with the wherewithal to execute strategic logistics plans. But the logistics of international shipping is complicated, to say the least.

2. OBJECTIVES OF THE STUDY

➢ To understand the service quality in customer requirement

➢ To evaluate the service quality in technical measures

➢ To measure the service quality towards customer relationship management

➢ To measure the customers satisfaction in reliability of the concern

➢ To obtain suggestions from the respondents to enhance service quality in the company

3.RESEARCH METHODOLOGY

Sample size: The sample size for this research is 217.

Sample design: The sampling technique adopts for this research purpose is Convenience sampling.

LIMITATIONS OF THE STUDY

➢ The geographical area for the study is the Tiruppur only.

➢ Time and sample size is the main constraint.

➢ The employees provide data from their memory. The data furnished by the sample employees may not be accurate.

➢ The data are qualitative in nature which is collected from the employees.

➢ The population for the study was 217 only.

➢ The sample size for this study was small compared to the total employee's strength of the organization.

HYPOTHESIS

- Percentage analysis
- Chi-square test
- Correlation

4.REVIEW OF LITERATURE

Roslan et al., (2015) It is seen that researchers mostly use Servqual scale developed by Parasuraman, Berry & Zeithaml (1991) to measure cargo service quality. In this scale, the factors (dimensions) of service quality are reliability, responsiveness, assurance, tangibles, and empathy. However, this scale is criticized for the factor of expectations being insufficient in measuring service quality and for not having enough generalization to be applied in all services. It can be said that traditional supplier evaluation factors are not sufficient in today's competitive environment. Customers expect their demands to be met, and they can resort to alternative solutions when these demands are not met. For example, due to unsuccessful delivery, customers have started to prefer to get their products from delivery centers. Although there are many studies conducted in different cultures on the service quality of logistic activities, there are limited numbers of studies on cargo services. The concept of service quality has become a focus of attention in management literature over the past few years. The interpretation of quality has considerably changed over the decades, but its accurate definition is still lacking. Previously, quality meant compliance with requirements and standards, however, over the years meeting consumer demands, environmental, social and corporate expectations have gained importance as well.

Phuong Nguyen (2015) The purpose of this thesis is to evaluate the quality of sea freight services provided by Blue Water Shipping in Finland by finding out whether BWS's current services result in customer satisfaction or not. The evaluation is conducted by using the SERVQUAL model as the guideline for

generating the interview questions. The author approached this thesis topic in form of a case study, structured in a deductive frame together with a usage of both quantitative and qualitative data. Primary data was taken from semi-structured, indepth interviews and email surveys, which targeted to only Finnish clients of the case company. There were six companies participated in the research. The result shows that BWS's customers were relatively content with the services they had been provided. However, the quality of BWS's sea-freight services had not received a complete satisfaction from the customers so instant improvements were strongly required. Based on this result, the author was able to provide relevant suggestions for the company's future enhancement. Furthermore, this research could be considered as new way of applying the simplified SERVQUAL version with a combination of qualitative and quantitative data to evaluate the service quality.

5.PERCENTAGE ANALYSIS

TABLE NO: 4.1

YEARS OF DEALING

Years	No. of respondents	Percent
5-10 years	77	35.5
1-5 years	34	15.7
1-10 years	50	23.0
Above 10 years	56	25.8
Total	217	100.0

Source: Primary Data

INTERPRETATION: The above table shows that 35.5% of the respondents have 5-10years, 15.7% of the respondents have 1-5years, 23.0% of the respondents have 1-10years and 25.8% of the respondents have above 10 years dealing with the company.

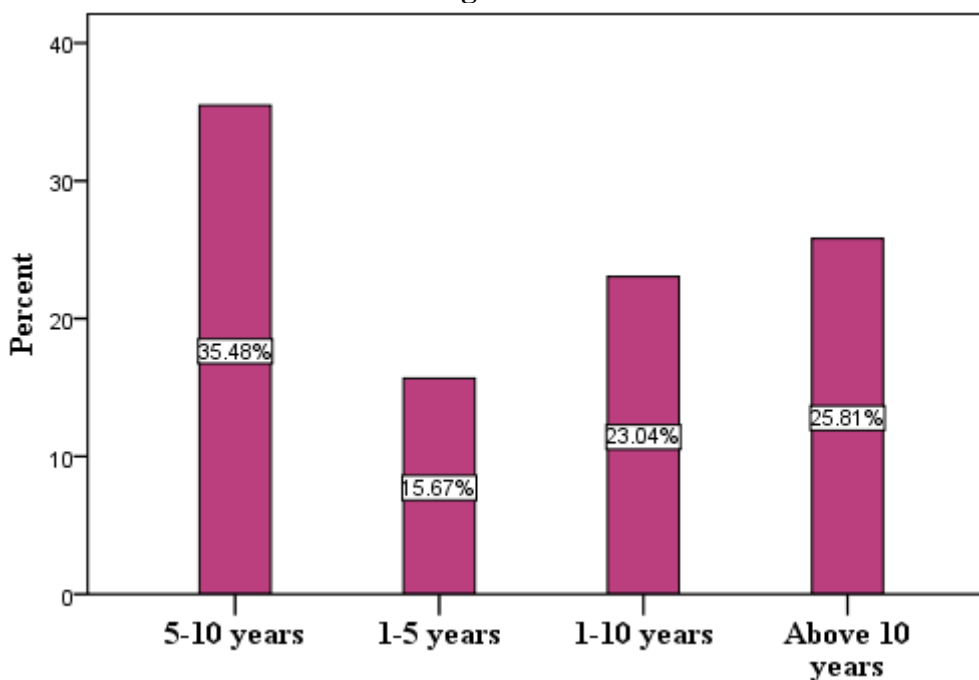The majority of the respondents have 5-10years dealing with the company.

Figure 1

TABLE NO: 4.2

AMOUNT OF MONTHLY

Age	No. of respondents	Percent
10,000 – 30,000	64	29.5
40,000 – 60,000	123	56.7
70,000 – 90,000	20	9.2
Above 1,00,000	10	4.6
Total	217	100.0

Source: Primary Data

INTERPRETATION: The above table shows that 29.5% of respondents have below Rs.10,000 – 30,000, 56.7% of the respondents have Rs.40, 000 - 60,000, 9.2% of the respondents have Rs.70,000 - 90,000 and 4.6% of the respondents have above Rs.1,00,000 as their monthly amount.

Thus the majority of the respondents have Rs.40,000-60,000 as their monthly amount..
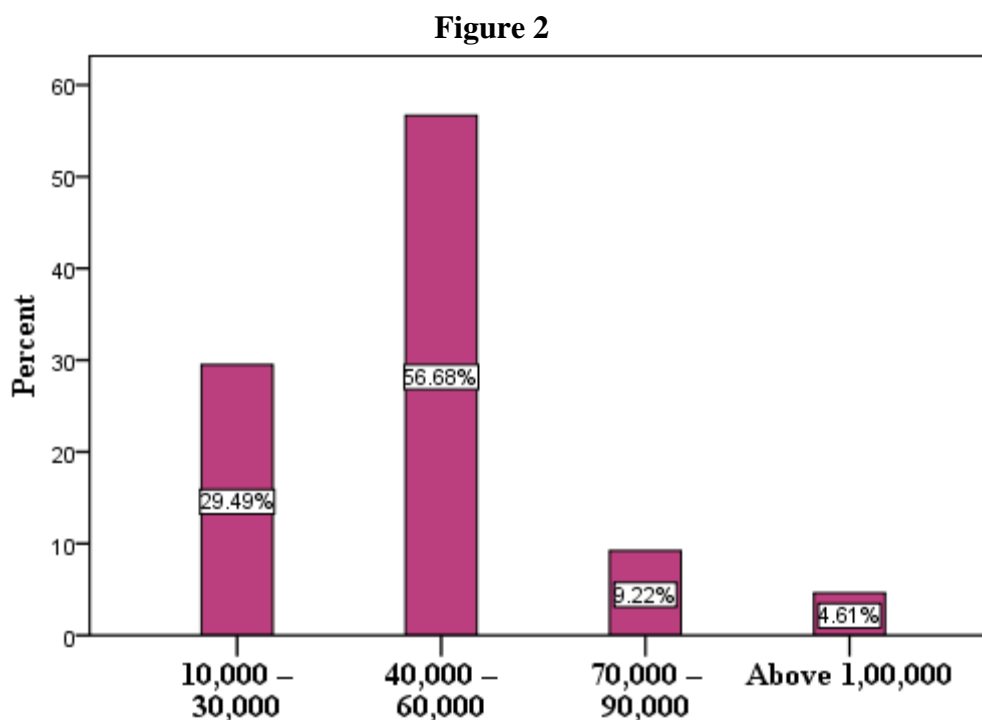
Figure 2

TABLE NO: 4.3

TRANSACTION PER MONTH

Years	No. of respondents	Percent
Daily	57	26.3
3 months	87	40.1
1 year	73	33.6
Total	217	100.0

Source: Primary Data

INTERPRETATION: The above table shows that 26.3% of the respondents said that daily, 40.1% of the respondents said that 3 months and 33.6% of the respondents said that 1 year as their transaction per month.

Thus the majority of the respondents said that 3 months as their transaction per month.
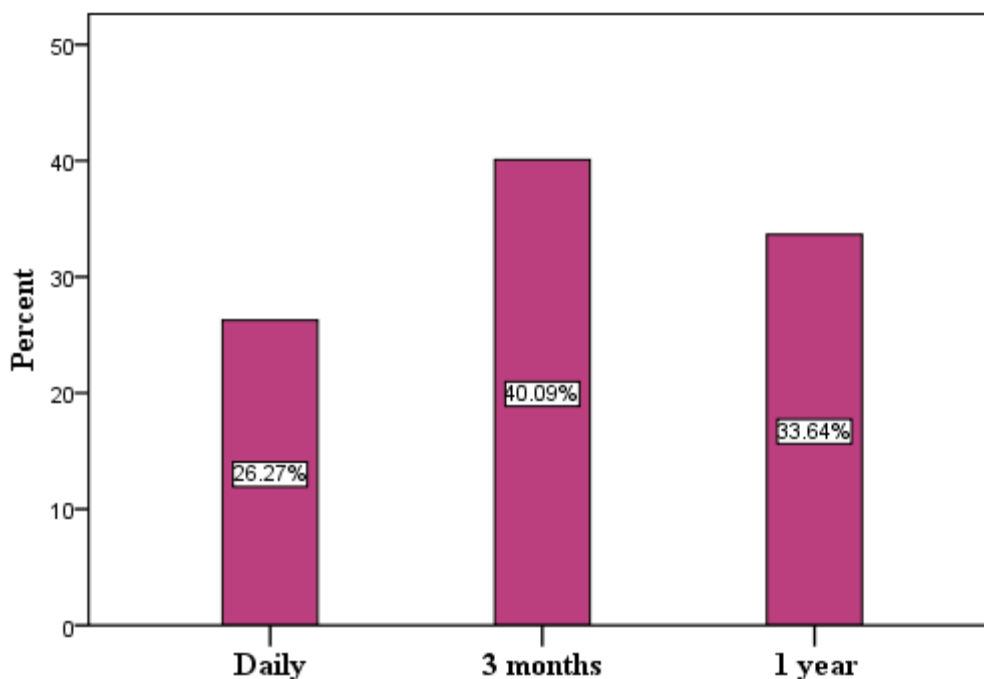
Figure 3

TABLE NO: 4.4
UP TO DATE EQUIPMENT

Years	No. of respondents	Percent
Highly satisfied	126	58.1
Satisfied	14	6.5
Neither satisfied nor dissatisfied	23	10.6
Dissatisfied	36	16.6
Highly dissatisfied	18	8.3
Total	217	100.0

Source: Primary Data

INTERPRETATION: The above table shows that 58.1% of respondents arehighly satisfied, 6.5% of the respondents are satisfied, 10.6% of the respondents are neither satisfied nor dissatisfied, 16.6% of the

respondents are dissatisfied and 8.3% of the respondents are highly dissatisfied towards the up to date equipment.Thus the majority of the respondents are highly satisfied towardsup to date equipment.

Figure 4
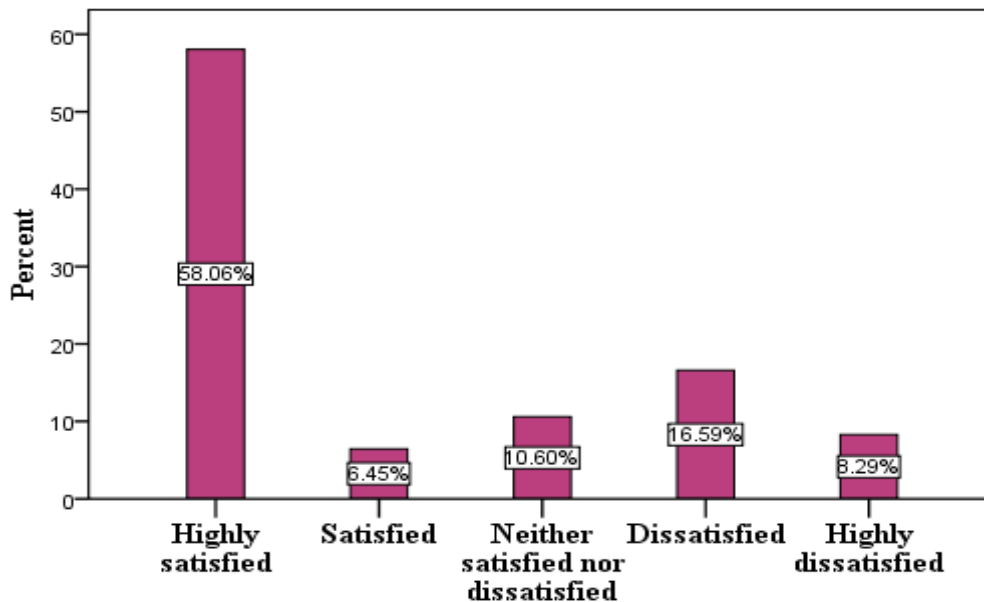
6.TESTING OF HYPOTHESIS

CHI-SQUARE ANALYSIS

Null hypothesis (Ho):

There is no significant relationship between the years of dealing and tangibles

Alternative hypothesis (H1):

There is some significant relationship between the years of dealing and tangibles.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
YEARS OF DEALING AND TANGIBLES	217	100.0%	0	.0%	217	100.0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	134.985[a]	30	.000
Likelihood Ratio	148.783	30	.000
Linear-by-Linear Association	38.314	1	.000
N of Valid Cases	217		

a. 23 cells (52.3%) have expected count less than 5. The minimum expected count is .47.

INTERPRETATION:

As per the above table, it is inferred that the P value is 0.000; it is significant to 5% (0.05) significant level. The minimum expected count is 0.47. Thus alternativehypothesis is accepted and it is found that there is somesignificant relationship between the years of dealing and tangibles.

CORRELATION ANALYSIS

RELATIONSHIP BETWEEN THE AMOUNT OF MONTHLY AND RELIABILITY

		AMOUNT OF MONTHLY	RELIABILITY
AMOUNT OF MONTHLY	Pearson Correlation	1	-.252[**]
	Sig. (2-tailed)		.000
	N	217	217
RELIABILITY	Pearson Correlation	-.252[**]	1
	Sig. (2-tailed)	.000	
	N	217	217
**. Correlation is significant at the 0.01 level (2-tailed).			

INTERPRETATION:

The above table indicates that out of 217 respondents, co-efficient of correlation between the amount of monthly and reliabilityis.-182. It is below 1. So there is negative relationship between the amount of monthly and reliability.

SUGGESTIONS

➤ The company must have uptodate equipment in order to provide quality service for the customers.

➤ The company must ensure for its visually appealing facilities.

➤ The employees of the company must well dressed to have the best perception from the customers.

➤ There must be consistent facilities with the industry to long survival in the competitive circumstances.

➤ The company must respond within the frame since to have reliability among the customers.

➢ The company must offer reassuring when problems arise for the customers.

➢ The company must reliable dependability with its supply chain partners.

➢ The company must offer service delivery at promised time to assist customers.

➢ There must be accurate records to maintain to offer quality service for its customers.

➢ The staff must inform customers regarding if there is any failure to offer service at the promised time.

➢ The employees of the company must be insisted to willing to help for the customers.

➢ There must be trustworthy employees in the company to have long term customer relationship.

➢ The firm has to provide individual attention for the customers. The employees must understand the customer needs to help for them.

➢ The firm must operate at convenient hours for the customers.

CONCLUSION

Service quality and customer satisfaction are important aspects of business since a company's growth is largely dependent on how well it maintains its customers through service and how well they keep their customers satisfied. Freight forwarders are an integral part of the supply chain and act as intermediaries between the company that makes the shipment and the final destination of the goods. It is the coordination and shipment of goods from one place to another via single or multiple carriers via air, marine, rail, or highway. Since the customers depends its timely services, the freight forwarding company plays major role for the business. In order to survive in the industry, the company needs to show differentiation in its services as well the service must be a quality one. The company in the study must be concentrated to train their employees to offer excellent services to the customers. It must ensure its delivery at the promised time. It is concluded that the company must allocate resources and utilize the same for offering quality service as well as it must ensure for quality centric services.

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