



Nakhon Pathom Rajabhat University



Chapter 4

Customer Service in the Field of Logistics

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Outlines

- Definition of customer service in the field of Logistics
- Importance of customer service in the field of Logistics
- The influencing factors to customer service in the field of Logistics
- Level of customer service in the field of Logistics
- Customer service strategies in the field of Logistics to maximize customer satisfaction
- Exercises



Definition of customer service in the field of Logistics

Customer service is “concerned with moving goods and materials from one point to another and ensuring that they arrive safely and on time.”





Importance of customer service in the field of Logistics

Help in earning customer loyalty and maintaining a client

Maintaining a client results in an automatic increase in profits. A repeat customer is a customer who is loyal to the brand and hence spends more on the brand products and services.



Boost the brand image

Great client support boosts the brand image and makes it appear attractive in the market. The positive reviews of the customers and their positive feedback surveys about the brand products and services, and consequently about the business, boosts the overall gains and opportunities for the business.





Depend upon cheerful, sensitive, and positive customer care representatives

Customer care representative is the contact points between the brand and the customer. Hence the entire interaction of customer service depends upon the customer care representative. Naturally, an unhappy customer care representative will not provide good customer service.



 **Satisfied and happy customers are good advertisements for the brand**

Good, strong, and effective customer service ensures happy and satisfied customers and clients. This not only means a repeat clientele, but it also means a good advertisement for the brand.





✌ Great client assistance is a key factor in customer service that gives the brand the edge over rivals

Irrespective of the type of industry or business, it is imperative to stand apart and shine above all competition. To be better than all competition is what helps a business to thrive, and the clients need to know that they are with the best. This keeps the clients steadfast and gets them to regularly, without fail, interface with the brand image.

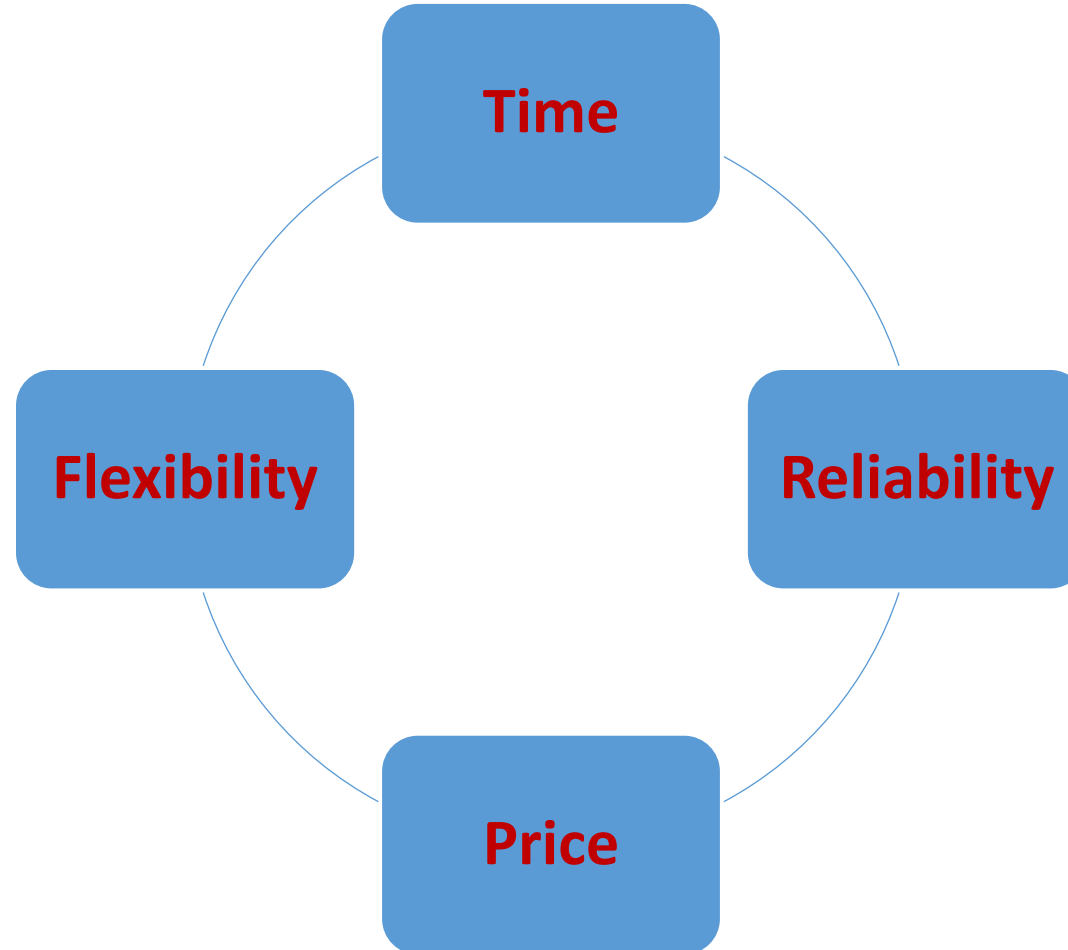


Long-term customer retention

Earning customer loyalty is the ultimate reward for a business. It translates into good profits. Great customer service experience ensures that customers will make the brand a part of their lifestyle and persona, and use the brand services and products regularly.



The influencing factors to customer service in the field of Logistics





The influencing factors to customer service (con't)

Time : Time is an extremely important factor to create customer satisfaction. Not only for the logistics industry but for any industry, the shorter the time the customer receives the product, the more satisfied the customer will be.





The influencing factors to customer service (con't)

Reliability : For reliability, the brand will always be the most important factor for customers. If the brand of service that your company provides is more reliable. Customer service has the opportunity to satisfy larger customers.



The influencing factors to customer service (con't)



Price : The price competition has never cooled down in the market today. Especially when customers always like cheaper products. Or rather, there is a price that suits their needs.

If your customer service can provide the same items, same quality (or higher quality). But with cheaper prices, you will have a huge advantage.



The influencing factors to customer service (con't)

Flexibility : Flexibility is the ability to flexibly deliver products according to customers' needs. Currently, customers always want to use products that can solve their problems. Therefore, if possible, always customize the product so that it can best suit customer needs.



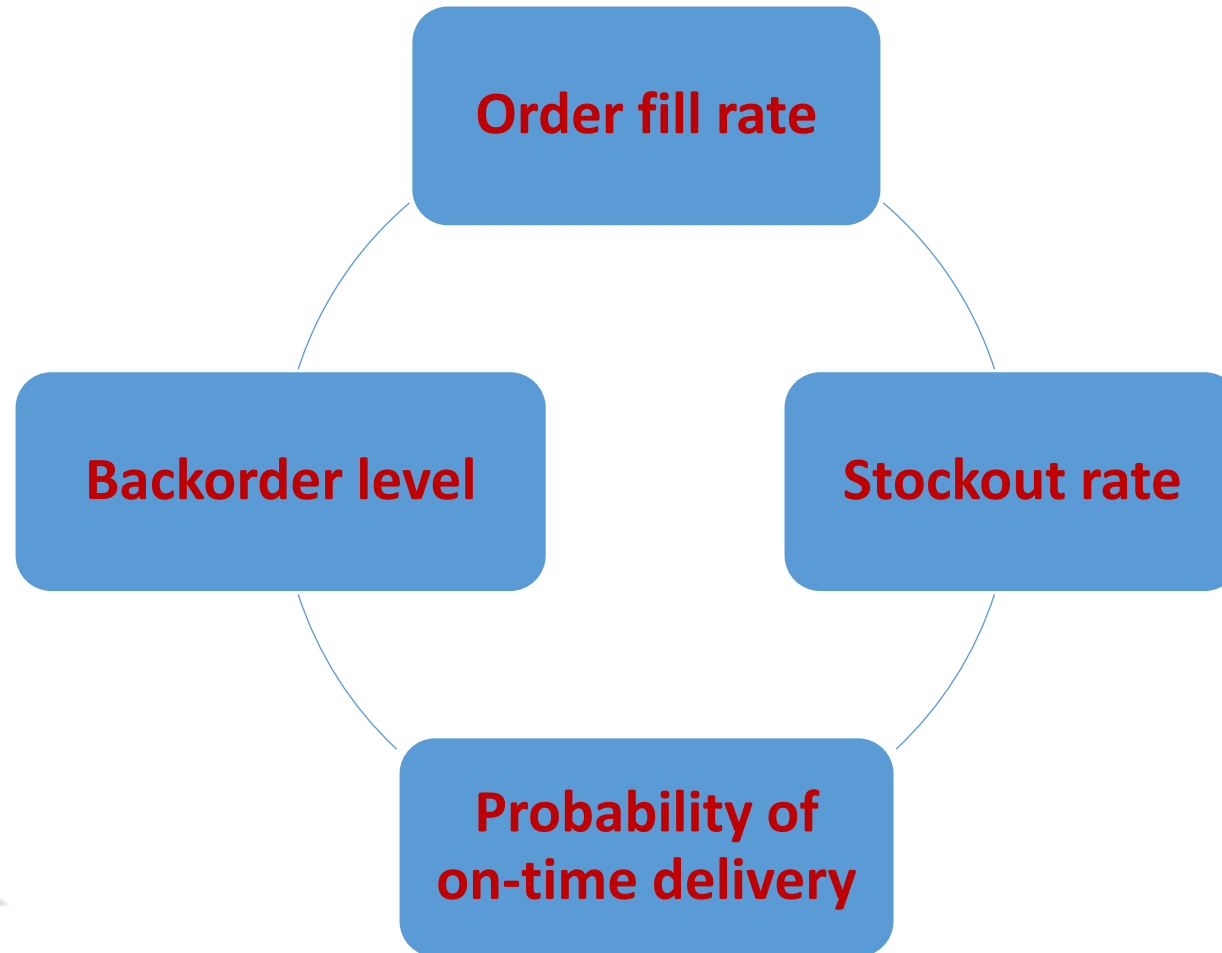
Definition of customer service level in the field of Logistics



Customer service level is the percentage of occasions the order is delivered as promised.



Parameters of customer service level in the field of Logistics





Parameters of customer service level (con't)

Order fill rate : It measures orders from the company stock at any given point. That does not deal with manufacturing and generation of products and entirely depends upon the inventory on hand.





Parameters of customer service level (con't)

Stockout rate : A company does lose out on a substantial number of orders during a stockout. These are never regained back. The better designed a company's service level optimization is, the less it faces stockout.





Parameters of customer service level (con't)

Probability of on-time delivery : This is an important parameter and is directly proportional to a company's service level. Developing a good and promising image among competitors takes a long way.

A good customer service plan is like the radar and must be drawn out well ahead of the business.

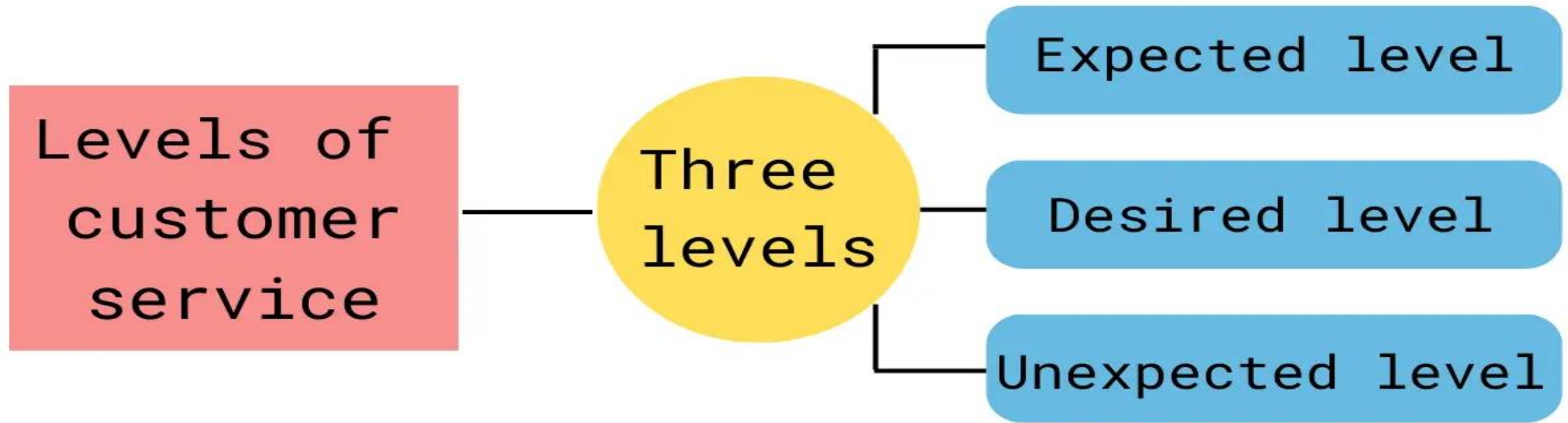


Parameters of customer service level (con't)

Backorder level : It is the measure of orders waiting to be filled. A company does best when it has a minimum number of back-order levels to be cleared.



Level of customer service in the field of Logistics



Level of customer service in field of Logistics (con't)



- **Expected level** : The vendor provides customer service at the minimum quality level.
- **Desired level** : It means the vendor provides service as per the customer's wishes, and he reaches the desired level most of the time.
- **Unexpected level:** It means the vendor provides service beyond the customer's expectation in a good way.



Customer service strategies in the field of Logistics to maximize customer satisfaction

- **Invest in your employees' learning**
- **Reduce customer touch point with your team**
- **Consolidated communication**
- **Through & speedy communication**

Customer service strategies (con't)



Invest in your employees' learning : Companies have to continuously focus on growing their employees in terms of their skills and knowledge while ensuring that they are up to speed with the upcoming trends and changes. Continually improving customer service representatives will help your business to grow by enhancing customer service.

Customer service strategies (con't)



Reduce customer touch points with your team : Your customer service team must be able to solve problems before the problem reaches your customers. As customer service has to connect with various departments, quick and effective internal communication is recommended in real-time for a speedy solution of issues. Your customers simply want to feel confident and secure knowing that you can cater to their problems.

Customer service strategies (con't)



Consolidated communication : Companies adopt shared inbox software that allows them to unify their communication from different channels into a single platform, thus ensuring that no loss of information or wastage of time occurs.



Customer service strategies (con't)



Through & speedy communication : You want to communicate with your customers as quickly as possible while ensuring that you're as thorough as possible. The goal is to provide them with all of the details that you have.

Effective communication in customer service is comprised of three primary factors i.e. Speed, Consistency, and Honesty.

Exercises Chapter 4



Question 1 : What is the meaning of customer service in the field of Logistics ?

Question 2 : What is the importance of customer service in the field of Logistics?

Question 3 : What are the influencing factors to customer service in the field of Logistics ?

Question 4 : What are the three levels of customer service in the field of Logistics ?

Question 5 : What are the customer service strategies in the field of Logistics to maximize customer satisfaction?



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