

QUALITY STANDARDS AS THE CRITERIA FOR COOPERATION AND SELECTION OF TRANSPORT SERVICES SUPPLIERS

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Abstract

Effective and appropriate management of customer relations in transport and forwarding companies is only possible today with wide use of the latest quality standards, whose role is becoming more and more important every day. More and more customers require flexibility, speed of action and comprehensive service from forwarders, from transporting any quantity of goods of different sizes, from and to different countries, through customs clearance, warehousing and distribution of shipments all over Poland.

The article presents the results of surveys on cooperation in logistics channels and quality standards in the transport services market.

Keywords: Sales, quality, cooperation, transport, forwarding

1. INTRODUCTION

The economic freedom that we observe on the European market causes constant search for new sales strategies of transport and forwarding companies, which provide a permanent competitive advantage, being a characteristic of modern business.

The strategic behavior of companies is characterized by dynamism, which allows taking advantage of the changes taking place in the market environment. This in turn requires a high degree of flexibility from the company, which must react quickly to and effectively manage market developments. An example of gaining a competitive advantage is a unique patent, technology or professional service provision. It is not important what specifically gives the company a strategic advantage, it is important to have it and be able to use it consistently.

The situation of the transport and forwarding industry, especially small and medium-sized enterprises, has aroused a lot of concern among observers in recent years. Companies operating in an unstable and constantly changing environment were forced to react very flexibly to the changes that occurred and, above all, to be able to adapt to new, often unexpected and difficult to predict conditions of conducting business activity [1].

Competition, especially from companies from abroad, somehow forces domestic companies to behave like that. The new situation, understood as an activity on the EU market, is a difficult situation, requiring all entrepreneurs to know the market in detail and to decide which areas are capable of effectively meeting intense competition. How the customer evaluation influences the company's perception on the market is undisputed. It is the customers who build the company's image based on their own impressions and experiences. Good if their expectations are met and they strive for further cooperation by recommending services to other companies. Bad if expectations are not satisfied, which usually leads to the end of cooperation and unflattering opinion. It is worth noting that it is very easy to lose good reputation among customers, and it is very difficult to rebuild it, and this process can take a very long time. At the same time, it is worth noting that the quality of

services provided by transport companies improves processes within supply chains, as well as their activity through [2]:

- improving a company's market position, i.e. its competitiveness, which allows the company's further growth and enables it to increase its revenues and, consequently, generate greater profits,
- increasing customer satisfaction, who, as a result of impeccable service received, will undoubtedly continue cooperation with the company,
- increased sale of services, which is directly linked to improved competitiveness,
- better efficiency of a company which is driven and motivated by seeing the interest of persons purchasing its services.

All these factors can be treated as elements of the company's image. Whether or not they will be used to build a competitive advantage lies solely with the company. However, the most important thing is how management's approach to quality improvement is reflected in the performance of service activities [3]. Transport can contribute to basic, specific benefits by, among others, improving timeliness, which will result in a reduction in the stock of goods, an increase in the frequency of deliveries and at the same time a reduction in one-off deliveries [4]. However, there is no universal action, good for every company in all conditions. Companies that gain a competitive advantage have different routes to do so, sometimes using completely different practices[5].

The goal of the article is to present the results of surveys on cooperation in logistics channels and quality standards in the transport services market.

2. RESEARCH OF LOGISTICAL PROCESSES - FACTORS STIMULATING AND LIMITING FUNCTIONING OF TRANSPORT

Service-oriented nature of transport means that transport is an indispensable element of cooperation as part of logistic processes. The central point of interest for companies negotiating terms of logistic handling of cargo with their customers is their profit, but they also take the effectiveness of logistic processes into account [6]. A condition for smooth cooperation is the establishment of closer relations between business partners. The relations result from the partners' intention to achieve measurable benefits. Considering these premises, research was carried out on 222 companies operating in the food, construction and clothing industry, in both production and trade, evenly divided into small, medium and large enterprises, which cooperate with each other on different levels. Reasons for starting cooperation in a logistic channel are presented in **Table 1**.

Table 1 Basic reasons for starting cooperation in a logistic channel according to manufacturers-suppliers

No.	Specification	Total trial (N= 222)
1.	Possibility to sell large batches of own products	90.9 %
2.	Secured sale of products	74.0 %
3.	Secured/Safety of payment for sold goods	64.9 %
4.	Aiming at improving the company's image	62.3 %
5.	High effectiveness of promoting own products in a distribution channel	55.8 %
6.	Possibility to use new, original forms of promoting own products	15.6 %
7.	Possibility to sell a full portfolio of own products	13.0 %
8.	Obligation to obtain reliable information from the market	10.4 %
9.	Possibility to control price level in the channel	7.8 %
10.	Easy introduction of new products to the market	6.5 %
11.	Possibility to achieve high profitability of sales	6.5 %
12.	Possibility to perform a measurable evaluation of cooperation	5.2 %

Source: Own study

The main barrier to partnership relations in the cooperation of domestic suppliers of goods and services is usually the abuse of a dominant position by one party in order to force actions that the other party would not have agreed to in a different market situation.

Another problem are conflicts related to duties as part of a logistic channel, incurred costs and achieved benefits, which are a set of functions carried out in a proper sequence by channel participants (see **Table 2**).

Table 2 Obstacles in establishing business relations according to domestic suppliers

No.	Specification	Total trial (N= 222)
1.	Abusing dominant position in order to force actions which would not be taken in other case	81.8 %
2.	Distribution of actions, costs and benefits which is contrary to the idea professed by domestic suppliers	76.6 %
3.	Incompatibility of cooperation goals	75.3 %
4.	Disturbances in market information flow	23.4 %
5.	Disagreement on the size of single batches of goods and frequency of their deliveries	20.8 %
6.	Modifications of contractual terms	13.0 %
7.	Cultural differences in the approach to business	6.5 %

Source: Own study

The economic freedom that we observe on the European market causes constant search for new sales strategies of transport, forwarding and logistics companies, which provide a permanent competitive advantage, being a characteristic of modern business [7]. The strategic behavior of companies is characterized by dynamism, which allows taking advantage of the changes taking place in the market environment [8]. This in turn requires a high degree of flexibility from the company, which must react quickly to and effectively manage market developments. An example of gaining a competitive advantage is a unique patent, technology or professional service provision. It is not important what specifically gives the company a strategic advantage, it is important to have it and be able to use it consistently. Oftentimes, such an advantage is given by the quality of the services provided, which is difficult to maintain due to the fact that the purchaser no longer carries out quality control of the goods received, but more and more often applies the principles of delivery on time, thus ensuring total quality becomes a necessity [9]. Such quality is guaranteed by the companies, which are obliged to deliver the raw material in a specified time to the customer, as well as to collect it from the supplier also within a certain period of time. If the time limits of this transfer are not observed, the consequence is that the recipient resigns from the supplier's services, which in Polish conditions means a decrease in the producer's exports, i. e. a decrease in financial revenues, as well as the need to search for other system solutions, which in practice may eliminate logistics and transport companies [10].

Effective management of transport processes must be adapted in its methods and tools to the market conditions [11].

In a developed market economy, the dominant criterion for the choice of carrier and means of transport is most often the high quality of service provided and the degree to which market standards of customer service are met [12]. Given the situation on the transport services market, a study was carried out to identify quality criteria that have a decisive impact on the sales of services. The most important criteria for selecting suppliers according to the importance of the company were:

- Delivery of supplies within the agreed time limit
- Delivery of goods with no damage to cargo.
- Easy telephone and electronic communication possibilities.

- Competence of staff - efficiency and flexibility of their operations.
- Treatment of discrepancies and complaints.
- Prices of services.
- Advertising.
- Employee friendliness and customer care.
- Modern rolling stock.
- Scope of operations and continuous development.
- Track & Trace.
- Certificates held.

The analysis carried out allowed to create a hierarchy of quality criteria, which are taken into account when making a decision concerning the cooperation with a specific forwarding or shipping company. The safety of the cargo entrusted to the company turned out to be the most important for customers. All companies in the industry should be prepared to ensure it.

This requires special attention at each stage of the order execution and excellent cooperation between the various links providing the service, as well as a very good flow of information (e. g. information on whether the goods transported on pallets can be stacked or not).

Timely delivery is just as important. It is worth noting here a special situation, namely services provided to manufacturing companies. They expect an ongoing supply of products, which are then delivered to the production lines and any delays can result in huge losses due to production stoppages [13].

The other criteria analyzed to a smaller or larger extent encourage customers to cooperate with a specific company. However, there is no doubt that despite the fact that the force of their influence is different - from very large to low - it is worth pursuing all the above mentioned criteria. Only then is the company able to comprehensively satisfy customers' expectations, which may result in gaining more and more of them and ultimately in achieving or maintaining a competitive advantage in the sector.

The measurement of work results in terms of transport management in logistic channels relies on the following criteria: smooth operational management and ability to achieve company objectives in terms of service quality, work efficiency and other results, such as the ability to solve and diagnose problems related to business operations, implementing innovative solutions and the ability to create and manage relations between entities active in distribution channels.

No author has so far managed to formulate a practical methodology serving the assessment of relations occurring in logistic channels, from the perspective of transport. Thus, there is a need to study the methods of measuring transport operations and the measures and indicators assessing logistic systems and processes in terms of their mutual relations. Material flow volumes in logistic channels depend on decisions taken on the basis of current demand. Thus, it is essential to build a suitable model which will in a general manner sketch a structure of a physical system serving the flow of materials and information, significant stages and places of processing, interconnected by flows of materials, information and decisions. An effective IT system, which will not only help to build the model, but also allow transforming information accompanying material flows, should be used for this purpose [14].

3. CONCLUSION

Transportation is not only the executor of transport processes, but also the basic element of constructing a specific supplier-consumer relationship. It is not possible to develop transport services in modern economic conditions without sufficient knowledge of the quality requirements defined by the purchaser. Transport can contribute to basic, specific benefits by, among others, improving timeliness, which will result in a reduction in the stock of goods, an increase in the frequency of deliveries and at the same time a reduction in one-off delivery volumes.

However, there is no universal action, good for every company in all conditions. Companies that gain a competitive advantage have different routes to do so, sometimes using completely different practices.

According to the research, it is the customer who decides about the quality criteria of transport services and the demand for this service depends on them. The functioning of transport and forwarding companies in the current conditions and increasingly intensifying competitive struggle forces them to constantly monitor market requirements, which will enable them to survive on the market.

According to the research, it is the customer who decides about the quality criteria of transport services and the demand for this service depends on them. The functioning of transport and forwarding companies in the current conditions and increasingly intensifying competitive struggle forces them to constantly monitor market requirements, which will enable them to survive on the market. The variability and complexity of the modern distribution market necessitates searching for different ways of effective use of transport potential. The success of the company on the market is increasingly determined by the high productivity of the means of transport used, the quality of services offered, low operating costs and the ability to adapt to the changing environment constantly and quickly.

Studying relations between entities in logistic channels, in the context of transport, has always been an important element of service companies' operations. With the growth in economic terms and the growth of trading, the relation has gained on significance even more. Large companies apply modern solutions with the intention to improve the quality of their services and their financial results.

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