

AN EVALUATION OF CUSTOMER SERVICE AND THE IMPACT OF EFFICIENCY ON NAMIBIA'S LOGISTICAL SECTOR: A STUDY INVOLVING SELECTED COURIER COMPANIES

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Abstract

Customers are important stakeholders in organisations and their satisfaction should be a priority to any company and its management. Customer service and satisfaction have been subjects of great interest to organisations and researchers alike. In recent years, organisations have been compelled to render more services in addition to the offers they provide. The quality of service has become an aspect of customer satisfaction. It has been proven by some researchers that service quality is related to customer expectation and satisfaction.

The purpose of this study was to determine the level of Customer Service amongst a selected number of courier companies in Windhoek, Namibia. Simple random sampling was used to select customers from five selected courier companies. Quantitative data were gathered using a self-administered satisfaction level and expectation questionnaire. Purposively sampled managers from the same companies provided qualitative data through interviews involving service providers' perspectives of customer service.

The study found that customer service has a myriad of meanings to customers. However, these are not always in congruence with those of service providers' results, yet it is a source of distinctive operational efficiency. Loyalty and repeat business can be enhanced through the relationship between service providers and customers. The findings imply that customer service and good relationships with service providers are two of the most important factors to customers and good levels of customer service are critical to the majority of the customers. Also, to provide total satisfaction to customers, the service sectors need to improve upon the factors that were given as reasons for satisfaction.

This study contributes to existing theories by confirming or adding value to the relationships that are involved in customer satisfaction and service quality. It provides results that could be useful to managers in business organisations for strategic planning.

Key Words: Customer Service; Courier Companies; Logistical Sector; Efficiency; Service Quality; Satisfaction

Introduction

The supply chain and logistic sector is critical to the Namibian economy. The country predominately imports consumer goods from South Africa. Over the years, demand for fast moving consumer goods has increased tremendously. Hence, shorter turnaround times provide a sustainable competitive advantage compared to others. With a shorter road connection, road transport has become the preferred mode of transport in the logistics sector.

Competition and distribution costs in the sector are reducing companies' profit margins. Companies, therefore, need to focus on other areas like customer service, differentiation and devise ways to increase efficiencies while lowering costs. This study evaluates customer service and its impact on efficiency in selected logistics companies in Windhoek, Namibia.

Research Objectives

The objectives of the study are as follows:

- To determine the current levels of customer service from customers' perspectives.
- To determine the customers' expectations of customer service.
- To establish companies' perspectives of customer service levels.
- To determine the impact of operational efficiency on current levels of customer service in selected courier companies.
- To make recommendations in order to improve service provision.

LITERATURE REVIEW

Customer Service

The average service provider in business is often unaware of what customer service means. In a broad sense, customer service is anything a company does for customers that enhances the experience of customers. Customer service can be defined as the totality of what an organisation does to add value to its products and services from the perspective of customers (Machando and Diggines, 2013:2).

Customers have wide-ranging ideas of what they expect from customer interactions with service providers and service providers must get to know its customers and strive for customer service excellence. As the ultimate goal of any business is customer satisfaction and loyalty, it is essential for a business to live up to its customers' perceptions and expectations of customer service (Machando and Diggines, 2013).

Lucas (2005:4) describes customer service as the ability of knowledgeable, capable and enthusiastic employees to deliver products and services to their internal and external customers in such a way that it satisfies identified and unidentified needs of customers, and, ultimately, results in positive word of mouth advertising and repeat business. It is the interaction that takes place between somebody from the company and the customer and that it is not limited to sales, for example, but links to all tasks and functions in a company (Fogli, 2006:4).

Customer service is the provision of services to customers before, during and after a purchase. Essentially, customer service is any back-up service that a company provides to customers to maintain their loyalty and to secure sales. It must be kept in mind that it is not the actual service that is of importance, but rather the perception that a customer has of the service (Brink and Berndt, 2008:56).

The role of customer service is to provide 'time and place utility' in the transfer of goods and services between buyer and seller. It follows that making the product or service 'available' is what, in essence, a company's distribution function business entails. 'Availability' is, in itself, a complex concept impacted upon by a galaxy of factors, which together constitute customer service (Christopher, 2005).

Looking at the above definitions of customer service from various authors, customer service involves meeting and exceeding the expectations of customers. In order to achieve this, a company has to determine what customers' expectations are. It is clear that providing excellent customer service is not something that can be done in an ad-hoc manner or be seen as a passing phase. It would be inefficient for a company just to focus on customer service for a short time and then consider it done. Providing excellent customer service needs to be a focal point for any company and must form an integral part of a company's total product offering, behaviour and business culture.

Achieving excellent customer service is a continuous process that never stops. Any company that has any business sense will continuously re-design, tweak and improve its customer service. In a similar way, a company's customers' expectations will also develop and evolve over time, making it essential that service delivery coincides with those expectations. Companies must continuously make an effort to also make sure that a company asks customers about their expectations and needs to ensure that they use this information as guidelines to improve and modify their business or service model accordingly.

Characteristics of Good Customer Service

To provide excellent service, an organisation needs to exceed customer expectations. The service providers themselves can often condition customers' expectations. An important factor in providing a good service, therefore, is always maintaining promises and not making commitments that the company cannot deliver. To provide excellent service, an organisation needs to 'under promise, over deliver'. As Tom Peters says, "we can no longer afford to merely satisfy the customer. To win today, you have to delight and astound your customers with products and services that exceed their expectations" (Cook, 2008).

Good customer service means different things to different people, but essentially it means treating customers the way in which they expect to be treated. By implication, this means that a business views customers as important and that it values their patronage and support. This means that sales staff should be prepared to go the extra mile for their customers. According to Lapshinoff (2001:138), a business that wants to develop a good relationship with its customers must provide quality customer service.

A company that looks after its customers and provides good service is illustrated in Figure 2.1. By providing good customer service, a company also builds credibility with customers, which should lead to loyal and trusting customers.

Figure 2.1 – Good Customer Service Attributes

Good service comes from actions that make customers experience with a company one that exceeds their expectations. It is the:

- Attitude,
- Care,
- Helpfulness,
- Responsiveness,
- Courtesy,
- Knowledge,
- Reliability,
- Concern,
- Enthusiasm, and
- Expertise

...that people bring to their jobs in the delivery of 'the stuff' for which they are responsible. Service quality requires the enthusiastic participation of every employee in every aspect of the service effort.

How to Provide Good Customer Service

In order to provide good to exceptional service, a company must do the following:

- **Make a great first impression:** Making an impression on customers requires a few simple things, such as a smile, a friendly, open demeanour, maintaining eye contact, being dressed in line with customer expectations and looking neat and presentable.
- **Project a positive attitude:** This involves focusing on a few of life's simple things, such as showing interest and being helpful, caring, trustworthy, reassuring and reliable can go a long way towards projecting a positive attitude. Being respectful and coming across as confident and open-minded further enhances these traits and customers tend to connect to such persons.
- **Communicate effectively:** One can only respond properly to customers' requests or questions by focusing and listening carefully, waiting for customers to complete their requests or questions and showing that one understands customers' needs. One should think before speaking and speak clearly using proper grammar and facial expressions that convey concern or solutions, depending on the situation.
- **Build and maintain relationships:** Build a rapport with customers as these relationships may well last for a long time to come. It is always best to ask a number of questions to ensure that one completely understand the needs of customers and to find the best solutions. Indeed, find the right solution for each particular customer, remember customers' names and faces and make each customer feel valued (Machando and Diggins, 2013).

The purpose of supply chain management and logistics is to provide customers with the level and quality of service that they require and to provide the services at the lowest cost to the total supply chain. In developing a market-driven logistics strategy, the aim is to achieve 'service excellence' in a consistent and cost-effective way (Christopher, 2005). It is evident

that good customer service stems from two areas, including conditioning customers' expectations and managing the experience.

When conditioning customers' expectations, companies should take care; avoid making promises or selling services that the company cannot deliver. Thus, when a promise is made, a company should take care to ensure that the service is delivered accordingly.

The other part of good customer service is the experience that the customer has with the company and its staff. That is, the human touch element as is often described. In other words, staff should be well presented, friendly, helpful and capable in their duties. Customers want to feel that they are important and understood and staff should ensure that customers are treated this way regardless of which staff is in contact with customers. Thus, it is important that all staff in a company have the basic principles of how customers should be treated.

Importance of Good Customer Service

From the definition of customer service and the importance of customers, it is clear that excellent customer service is vital to any organisation. Notwithstanding this, the delivery of excellent customer service in many respects is rare. In many businesses, the importance of customer service is mentioned, but very few know how to provide outstanding customer service (Harris, 2000:3).

Harris (2000:138) mentions that companies that provide excellent customer service experience a number of potential rewards of which the most beneficial are the following:

- The work of staff is more personally fulfilling.
- In some instances, customers act as co-producers of the product or services and assist in the provision of their own customer service.
- Companies gain unique competitive advantage.
- Companies note the challenges that customers experience and develop solutions to meet these challenges, thereby keeping the customers.
- Companies solve problems creatively in an effective and efficient manner.
- The employees, who provide customer service, as well as management, feel more positive about the role they play in the creation of positive exchanges between customers and organisation.
- Work environments are more pleasant and productive because the value of internal customers is stressed through organisational policies, procedures and culture.
- Businesses build up a more positive reputation in the market, and, in the process, earn the respect of customers and peers.
- Organisations accomplish profit goals more successfully because business philosophies and focus are geared to meeting the needs of customers.

Kamin (2006:2) indicates that the value of good customer service is very important to the survival of a business. According to him, it is a service world and the companies that will survive in the future are those already focusing on customer service as a priority in their total offerings. Delivering good service is no longer optional, but is fundamental to the success of an organisation. The importance of good service can no longer be ignored as competition is getting tougher every day.

Customers do not have to put up with the potential threat of rude service. On the other hand, people typically want the personal and human touch in business dealings. Without becoming too familiar, customers must feel 'part of the family' and should become a 'partner' rather

than just a 'user of a service'. The transport industry is entirely a 'service industry' and the value of a 'service' can only be 'measured' after the total complete service has been rendered, whereas in a 'product' selling business, the value can be established at the point of purchase. That is why customer service is much more essential in the transport industry and there is no substitute for caring. In customer service, this means caring about the whole customer experience, as shown in Figure 2.2.

Much has been written and talked about service, quality and excellence, that there is no escaping the fact those customers, in today's marketplace, are more demanding, not just in terms of product quality, but also of service. As more and more markets become, in effect, 'commodity' markets, where the customer perceives little technical difference between competing offers, there is a need to create the differential advantage through added value. Increasingly, a prime source of this added value is through customer service (Christopher, 2005).

Figure 2.2 – Importance of Customer Service

The following are reasons for the importance of customer service based on the research findings compiled by the Forum Corporation (1988) on the basis of the responses from more than 5 700 customers, employees and managers:

- Customers are five times more likely to switch vendors because of perceived service problems than because of price concerns or product quality issues.
- There is an inverse relationship between the elements of service quality that matter most to customers and those elements that companies perform best at.
- The highest employee turnover rates are associated with those companies possessing the lowest service quality.
- The bottom line in customer service is that customers want to feel cared about and respected, and that they are more likely to return if these conditions are met.
- If customers' problems are resolved in a satisfactory manner they are more likely to return to a business and to be more loyal.
- If satisfied with service, an average customer's lifetime with an organisation lasts approximately ten years.

Source: (Kamin, 2006).

Customer care results in high levels of customer satisfaction, which can lead to long-term 'buying' relationships between suppliers and customers (Atkinson, 2011). Increasingly, global competitiveness in all occupations requires organisations to be more effective in all areas of management, but particularly in terms of sales, marketing and customer service. The competitive system is Darwinian in nature – only those that make a profit survive. Profitability relies on customers' willingness to pay for goods and services, which in turn relies on customers finding those goods and services of value. In all markets, there is a drive

for efficiency and effectiveness within an organisation and more value for money from the customers.

Organisations face a climate of increasing complexity and change, the roots of which are well and widely documented, but can be summarised in three main areas:

1. Intensifying competition,
2. Technological innovation, and
3. Continuous improvement.

Succeeding, therefore, means never losing sight of customers changing needs (Whalley, 2013). The importance of good customer service is something that cannot be overlooked and good customer service is vital to building loyal and lasting relationships with customers. Thus, it becomes unavoidable for companies if they want to survive in this very competitive age.

Good customer service is also important for gaining the loyalty of customers and increasing the possibility of maintaining a long-term relationship with customers to ensure the profitability of a company. Thus, the effort of continuously providing good service never goes to waste and provides rewards in many ways, not just externally, but also internally.

Customer Satisfaction

Ultimately, the goal of a service provider is to ensure that customers are satisfied. A customer will only be satisfied if his or her needs and expectations are met. Satisfaction is, therefore, the difference between a customer's perception of the delivered service and the level of expected service. Perception is a customer's personal interpretation of whether the service they received was acceptable or unacceptable.

Machando and Diggines (2013:148) provide a more formal definition of satisfaction, suggesting that satisfaction is the consumer's fulfilment response. It is judgment of whether a product or service feature, or the product itself, provided (or is providing) a pleasurable level of consumption-related fulfilment, including levels of under or over fulfilment. This implies that if a customer is happy with the product or service that is delivered, then he or she is satisfied.

Dissatisfaction

Dissatisfaction occurs when actual product performance does not meet customers' expectations. Marketing communications by a marketer that set expectations too high will inevitably lead to many dissatisfied customers. Dissatisfaction is a consumer's fulfilment response. It is a judgement that a product or service feature, or product or service itself, provided (or is providing) an unpleasant level of consumption-related fulfilment, including levels of under or over fulfilment. Every provider needs to avoid customer dissatisfaction (Machando and Diggines, 2013).

Managing Customer Expectations

Customers have certain expectations that must be met when buying a product. Expectations are personal visions of the outcome of an experience and may be positive or negative. These expectations are based on a customer's perceptions. It is essential for businesses to recognise that customers have different levels of expectations. There are two basic levels: primary expectations, which are a customer's most basic requirements for an interaction, and

secondary expectations, which are based on previous experiences that serve as enhancements to primary expectations.

Customer expectations are not static but change all the time. In fact, they can change by the day or even by the hour depending on the product or service. In almost every market, the customer has become more demanding, knowledgeable and sophisticated. Customers have higher expectations and more choices than ever before. This means that marketers have to listen more closely to customers than ever before.

Companies must also anticipate needs and solve problems before they arise, provide services that impress customers and offer responses to mistakes that more than make up for the original error. Competitors have not only been meeting these arising expectations, but also shaping them with higher standards of performance and value.

The cycle repeats itself, with customers asking for more and receiving it. Hence, there is no reason why customers should buy one organisation's offerings unless it is in some way better at serving customer needs than competing organisations. Understanding customers' expectations and perceptions is, therefore, crucial to the survival of a business and needs to be managed by companies. In essence, customer service is about expectations (Machando and Diggins, 2013).

The characteristics of today's customers are rather different from those that pertained when many of the current business models were developed. Customers are much more educated as consumers. Customers have easy access to information via digital sources, they are more aware of their rights and have multiple choices of where and how to obtain goods and services to fulfil their wants and needs. Customers, therefore, are not only much more questioning than before, they are also much more aspirational. They compromise much less readily and will often go to great lengths to improve their physical and personal circumstances. Indeed, in most cases, if one considers Maslow's hierarchy of needs (1943), today's customers might be best viewed as self-actualising. This is why contemporary customers are referred to as sophisticated – it doesn't mean they eat at expensive restaurants, for example – it means they are informed and aware, which means one needs to treat them as such (Whalley, 2013).

In many instances, expectations are closely linked to the price that customers pay for a product. When it comes to service, expectations can become blurred. When customers begin a relationship with a company, they already have a specific set of expectations. These expectations are based on their perceptions of the staff, the company and the industry. They are formed through past personal experience and the experience of other people with whom customers interact.

When it comes to service, specifically, Barry (1995) indicates what is important to customers. He uncovered five primary dimensions to service that affect customers' perceptions of the service they have received. These are:

- Reliability: Customers want service to be performed well and when the company says they will perform them.
- Responsiveness: Customers want their needs met with speed and initiative. This also means that they want their queries answered.
- Assurance: Customers want service providers to be knowledgeable, courteous and trustworthy.

- Empathy: Customers want care and concern and desire to be treated as individuals.
- Tangibles: Customers care about the tangible product, or the service, and the physical appearance of the facilities and people (Machando and Diggins, 2013).

In current society, customers are more demanding and have higher expectations to be met, as they have a lot more options than before. Thus, it is important for companies to manage customers' expectations by not advertising or marketing information that would create the wrong expectations within the customer, which enables a company to better meet customers' expectations.

Consequences of Poor Customer Service

In the prevailing global business climate, it is easy to lose a customer. This is exacerbated if a company provides unsatisfactory service. When a business neglects its customers' concerns, treats them disrespectfully and fails to deliver promises, customers will leave the business for another. When customers decide to change their supplier, there are the following consequences:

- The business loses the income that the relationship generated. The loss of one client may seem insignificant, but over time the effects can be damaging.
- The reputation of a business may suffer, as customers will share their negative experiences with friends and family.
- There is a loss of future business.
- There are high levels of complaints.
- Employees become unhappy due to a bad atmosphere surrounding the business.

The company needs to be aware of the fact that there is a cost associated with poor service, which is given in Figure 2.4 below. The loss of a customer and the sale must not be looked at in isolation, as there is a cumulative cost involved, which is much more than the cost of one lost sale. If a customer leaves and decides not to return, future sales (or potential sales) are also lost.

Figure 2.4 – Impact of Bad Customer Service

The research firm TARP has conducted various studies to determine the impact of bad customer service. The research revealed the following:

- It will cost an organisation at least five times more to acquire a new customer than it will to keep an existing one.
- At least 50% of customers who experience problems will not complain or contact the organisation for help – they will simply go elsewhere.
- Customers who are dissatisfied will tell as many as 16 friends about a negative experience with an organisation.
- The average business loses 10% to 15% of its customers per year because of bad service.

Source: Lucas (2005:324).

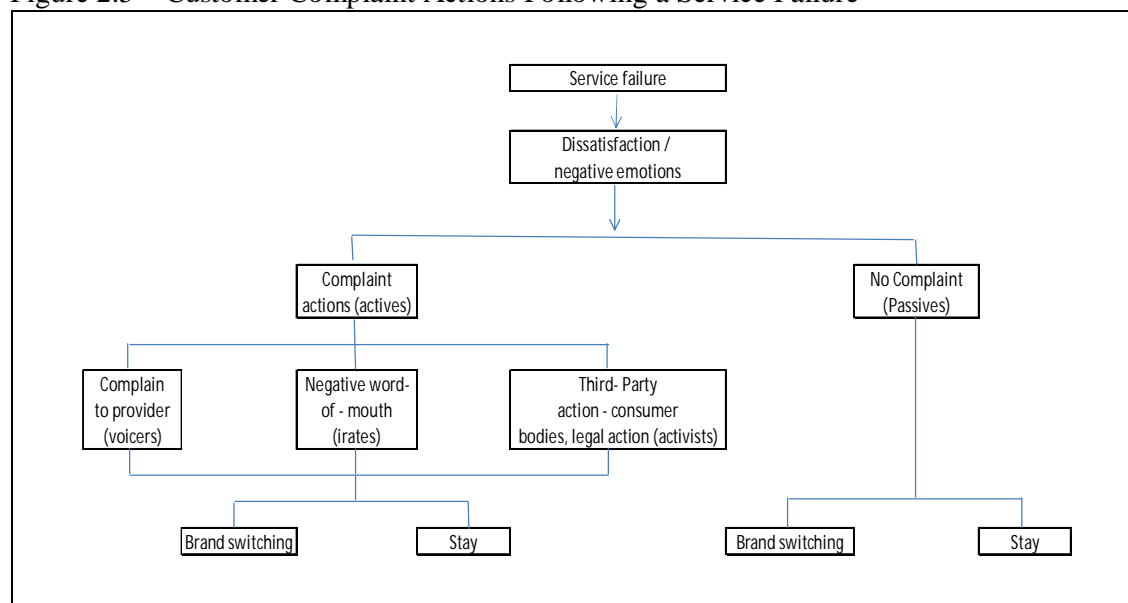
If, for example, a person eats at a particular restaurant twice monthly with his wife and the bill is usually R450.00, sales of approximately R900.00 per month are gained. If the customer, one night, complains that the food that was not prepared to his satisfaction and the waiter or manager handles the complaint incorrectly, this may lead to the customer not returning to the restaurant. The net effect over a five-year period will be:

$R900.00 \text{ per month} \times 12 \text{ months} \times 5 \text{ years} = R54\,000.00 \text{ over this period.}$

Add to this the number of people that the customer will tell and dissuade from going to this restaurant and the figure becomes much higher. It is, therefore, imperative that companies manage the experience of customers to ensure that bad service does not lead to a loss of revenue.

All types of failures can cause negative feelings and complaints from customers. If an organisation fails to address these complaints, dissatisfied customers have recourse to a number of options, as shown in Figure 2.5.

Figure 2.5 – Customer Complaint Actions Following a Service Failure



Source: Zeithaml et al. (2009:215).

It is important to note that it is not always possible to respond to a service failure because the organisation may not realise that a service failure has occurred. That is, a customer may say or do nothing (Machando and Diggins, 2013).

Customers' tend to talk more about bad experiences than good experiences, and, once a customer is lost due to bad service, it will be a lot harder to change the perception of that customer. Thus, all efforts should be made to avoid service failures in the first place, but, as this is not a perfect world, service failures will occur. However, companies need to be proactive and ensure that these issues are resolved or addressed before customers go to the extent of leaving the company.

Thus, companies need to put a recovery plan in place to be able to deal with service failures fast and effectively to minimise the damage caused. Companies should rather use the opportunity to impress the customer with the effective recovery process and prove that the company does indeed value the customer.

Customer Retention

What impact does the service surround have on customers? One of the classic definitions of marketing is that it is concerned with 'getting and keeping customers'. In practice, most organisations' marketing efforts focus on obtaining customers rather than on the retaining them. Thus, examination of a typical marketing plan will likely show a bias towards increasing market share rather than towards customer retention.

Whilst new customers are always welcome in any business, an existing customer can provide a higher profit contribution and has the potential to grow in terms of the value and frequency of purchases. The importance of customer retention is underlined by the concept of the 'lifetime value' of a customer. The lifetime value of a customer is calculated as follows:

Figure 2.6 – Lifetime Value

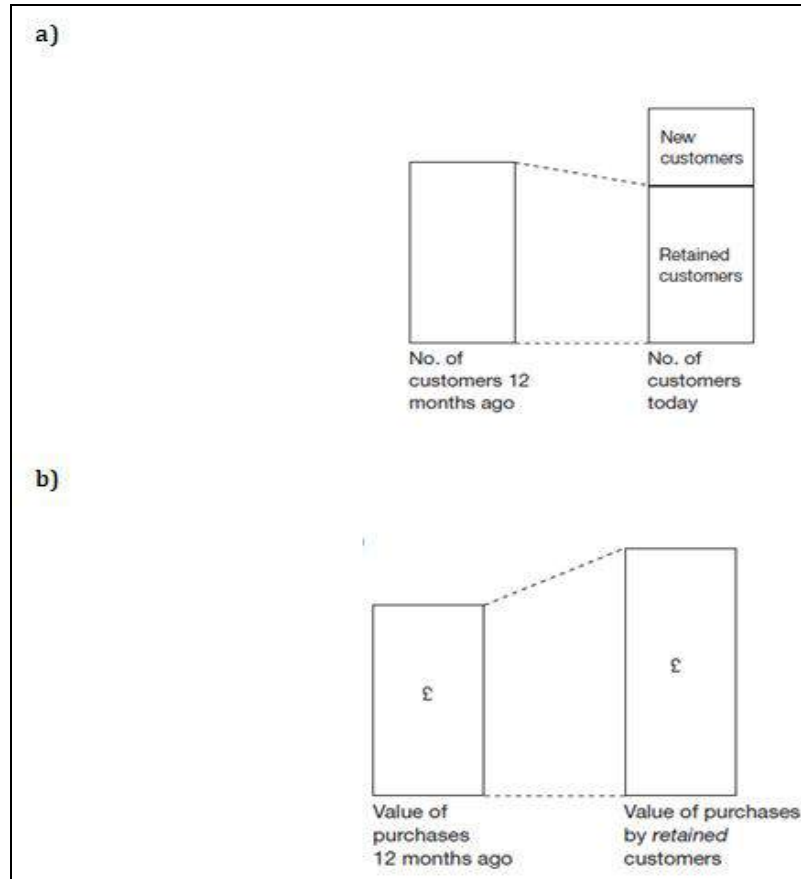
$\text{Lifetime value} = \text{Average transaction value} \times \text{Yearly frequency of purchase} \times \text{Customer 'life expectancy'}$
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Source: Christopher (2005:54).

Clearly, if companies can persuade customers to remain loyal to a supplier, their lifetime value may increase significantly. A further benefit comes from the fact that the longer customers stay with a company, the more profitable companies become. A study by consulting company Bain and Co5 found that higher customer retention rates correlated strongly with profitability. The reasons for this are that a retained customer typically costs less to sell to and to service. Additionally, as the relationship develops there is a greater propensity for customers to give a greater part of their business to a supplier whom they are prepared to treat as a partner. This is the idea of 'share of wallet', whereby the goal is to increase a company's share of customers' total expenditure. Furthermore, satisfied customers tell others, and, thus, increase the chance that further business from new customers is generated through this source.

A simple measure of customer retention is to ask the question about how many customers that a company had 12 months ago it still has today. This measure is a real test of customer retention. It can be extended to include the value of purchases made by the retained customer base to assess how successful the company has been in increasing the level of purchasing from these accounts (see Figure 2.7).

Figure 2.7 – Customer Retention Indicators



Source: Christopher (2005:55).

A prime objective of any customer service strategy should be to enhance customer retention. Whilst customer service obviously also plays a role in winning new customers, it is perhaps the most potent weapon in the marketing armoury for retaining customers. There is an emerging new focus in marketing and logistics on the creation of 'relationships' with customers. The principle behind 'relationship marketing' is that the organisation should consciously strive to develop marketing strategies to maintain and strengthen customer loyalty (Christopher, 2005).

The typical mistake that many businesses make is to give good service in the beginning and then to neglect customers and think that they will stay with the company. There are many reasons why customers or clients may leave a company, but the ones that appear most often are as follows:

- They left because the pricing was too high or unfair.
- They had an unresolved complaint.
- They took a competitor's offer.
- They left because they felt the company did not care about them.

It is common practice in business to focus primarily on new customers rather than looking after existing customers. It would be effective to look at the following statistics before only focusing on new customers:

- Repeat customers spend 33% more than new customers.

- Referrals among repeat customers are 107% greater than non-customers.
- It costs six times more to sell something to a prospective client than to sell that same product to existing customers.

Customers should be considered a component of the marketing strategy of a company. In fact, they are strategic partners. While a growing business constantly needs to capture new customers, the focus and priority should be on pleasing its existing customer base. Companies that do not nurture their customers will ultimately fail. For this reason, customers are deemed integral parts of the marketing strategy of any company (Machando and Diggins, 2013).

The only source of sustainable competitive advantage is the history of a successful relationship with the customer. Approaches began to focus on the value of a customer, from which stemmed the concept of viewing a customer for their lifetime value, which represents all the purchases they would make in their lifetime as opposed to a string of unrelated single sales.

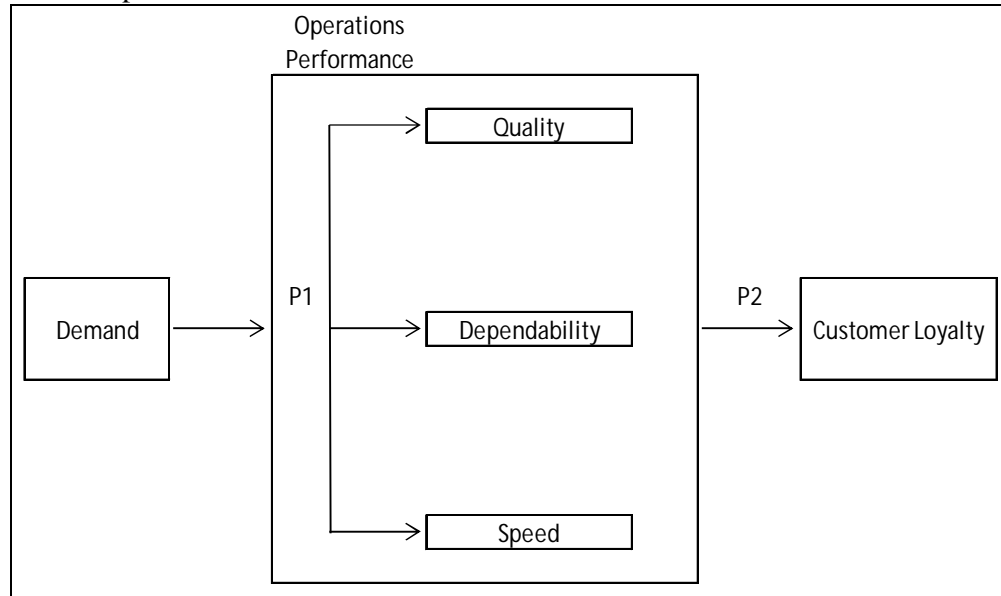
Companies have begun to start thinking about a new measure – one that reflects the value of their customer relationships and the contribution it makes to future growth prospects. The new measurement of value that has been, and continues to be developed is ‘customer equity’ (Whalley, 2013).

When companies focus on retaining and servicing existing customers, they will have greater benefits than spending resources to focus on finding new customers. The benefit of retained customers is that they become a company’s partner in acquiring new business through references and positive word of mouth marketing. Faster growth in adding subscribers and services.

Process improvement is often possible in virtually every area of a business, from resource development and supply chain management to service management and customer operations. Depending on the gap between current and best practices, service providers can look to improve in three ways:

- Process Harmonisation: Ensuring process consistency and efficiency across the organisation.
- Process Optimisation: Enhancing existing processes to ensure maximum efficiency and effectiveness.
- Process Transformation: Transforming existing processes and designing new processes to support dramatic performance improvement (Amdocs, 2009).

Figure 2.8 – Operations Performance



Source: Von Bertalanffy (1968).

In the Figure 2.8, operations performance of service delivery comprises three critical performance factors, which are quality, dependability, and speed. Consistent quality, dependability of delivery and prompt delivery (speed) are critical operations performance factors in service delivery systems.

These operations elements are under a constraining factor, which, in this context, is represented by 'demand'. The element 'demand' in the framework refers to customer orders, which typically represents the demand from the external environment for a service operation. The first proposition (P1) takes into account a primary systemic notion that a system is a set of parts or elements that work with each other to form a whole. It comprises complex interactions between its constituent parts. One implication of this fundamental notion is that the understanding of the parts of a system is not sufficient for the understanding of the whole (Von Bertalanffy, 1968). According to Von Bertalanffy (1968), the interaction between elements makes each system unique. Thus, to completely understand a system, it is necessary to analyse the relationships between its parts. In order to apply these concepts to the context of this study, it was established that in a service delivery system different activities are grouped together to perform specific operation processes.

Although specific processes have particular objectives, they are all components or elements of the same service delivery system. Once services are requested, a series of organisational processes are set into motion so that customers can promptly receive their orders. Therefore, the overall performance of the delivery system, as a whole, results from the specific performance of its constituent processes.

RESEARCH METHODOLOGY

Introduction

Research methodology is the approach taken to acquire the information for a study (McNabb, 2010:13). This chapter presents an overview of the methods, strategies and approaches that were used in conducting this research. It outlines the type of research and the rationale for

choosing the methodology for this particular research. It elaborates on the research philosophy and strategy, defines and describes the target population, sampling, research instrument, pilot study, administration and collection of the questionnaire, data analysis, validity and reliability, limitations, bias and ethical considerations.

A population is a group of elements or cases, whether individuals, objects, or events, that conforms to specific criteria and to which one intends to generalise the results of the research (McMillan and Schumacher, 2006:119). This study's population consisted of five courier companies and customers from each company within Windhoek, Namibia.

Table 3.1 – Target Population

Number	Description	Size of company	Targeted Employee	Customers
1	Company A	Small	Manager	30
2	Company B	Large	Sales Manager	150
3	Company C	Medium	Manager	60
4	Company D	Large	Sales Manager	160
5	Company E	Small	Manager	35

Key: Large company = 150 – 500 employees; Medium company = 100 – 150 employees; Small company = 50 – 100 employees.

Limitations of the Research

This study was limited to evaluating the expectations and experiences of customers in the central region of Namibia. In fact, considering resources and time constraints, the research was limited to one town in Central Namibia, Windhoek, which is also the main hub. Therefore, it cannot be representative of the whole of the Namibian population experiences. Some of the limitations originated from the tool used in the study.

The delimitations of a study are those characteristics that limit the scope of the inquiry and define boundaries for the study (Ledez, 2008:120). This study examined only a few factors taken from theories and literature regarding the influence of customers' perceptions towards transport service providers. Furthermore, the delimitations of this study were also related to the use of a singular research design as opposed to triangulation. The research instrument and the number of test items were also limited.

RESULTS, DISCUSSION AND INTERPRETATION OF FINDINGS

Presentation of Findings and Interpretation

In this section, the findings are presented according to each participating company. However, pseudo names are used to ensure that they remain anonymous. All participating companies were renamed with alphabetical letters starting at A and ending at E and the 'total of companies' represents all the data together for a more generalised view of the industry.

Response Rate

Forty-four (88%) out of fifty sampled customers took part in the survey and five (100%) out of five service providers participated. The questionnaires were delivered to them via email and hand delivery.

Table 4.1 – Customer Questionnaire Response Rate

Details	Number of questionnaires	Percentage Represented
Questionnaires sent	50	100%
Returned	44	88%
Not returned	6	12%

Table 4.2 – Service Provider Questionnaire Response Rate

Details	Number of questionnaires	Percentage Represented
Questionnaires sent	5	100%
Returned	5	100%
Not returned	0	0%

Customer Service

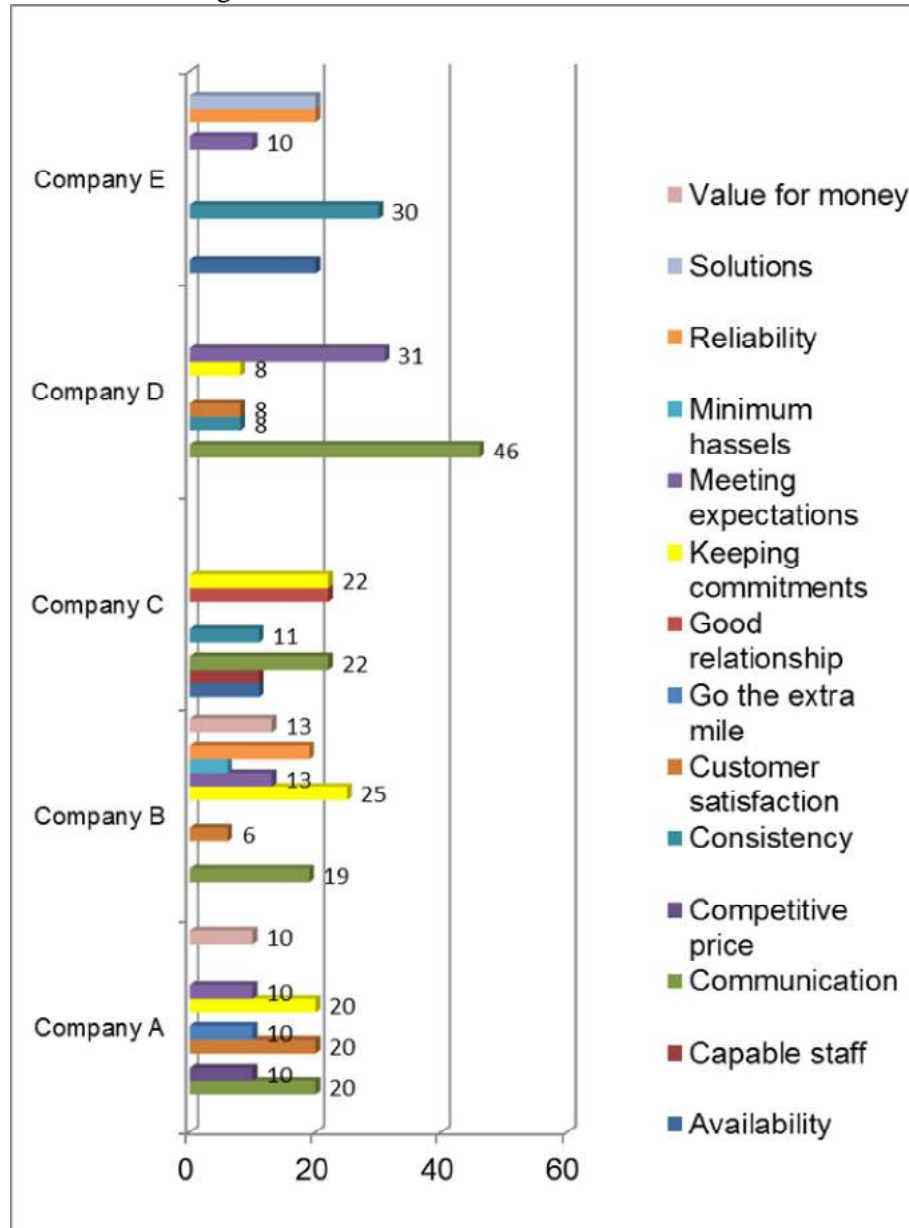
Table 4.3 – Understanding of Customer Service

Question	Answer	Company A %	Company B %	Company C %	Company D %	Company E %
1. What do you understand as customer service?	Availability			11		20
	Capable staff			11		
	Communication	20	19	22	46	
	Competitive price	10				
	Consistency			11	8	30
	Customer satisfaction	20	6		8	
	Go the extra mile	10				
	Good relationship			22		
	Keeping commitments	20	25	22	8	
	Meeting expectations	10	13		31	10
	Minimum hassles		6			
	Reliability		19			20
	Solutions					20
	Value for money	10	13			

As summarised in Figure 4.1 and Table 4.3, the customers from companies A, B, C, D and E understood customer service as:

- Going the extra mile,
- Competitive rates,
- Good service,
- Communication,
- Keeping to commitments,
- Value for money,
- Meeting customer expectations,
- Minimum hassles,
- Customer satisfaction,
- Good relationship,
- Long relationship,
- Availability,
- Capable staff,
- Consistency,
- Customer satisfaction,
- Solutions, and
- Reliability.

Figure 4.1 – Understanding of Customer Service



Customers have varying ideas and opinions about what customer service is. Thus, it is important for each company to know its customers and what their expectations and needs are. As stated by Machando and Dignes (2013) “customers have wide-ranging ideas of what they expect from customer interaction and so the service provider must get to know its customers.”

Factors that had highest frequencies were communication (46%), meeting customer expectations (31%), consistency (30%) and keeping to commitments (25%).

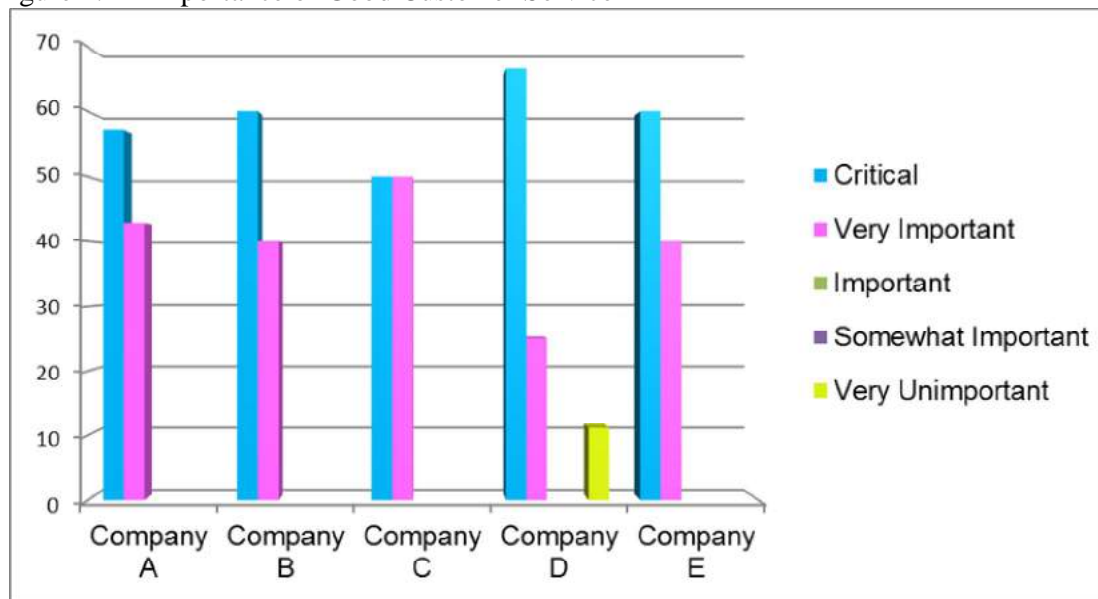
Even though customer needs or expectations cannot be generalised, there are a few things that can be generalised, which include friendliness, enthusiasm, helpfulness, professionalism, reliability and courtesy from staff when interacting with customers (Miller and Miller, 2007:6). Employees should have the required product or service knowledge and expertise in order to effectively address or respond to the needs of the client (Foss, 2002).

The above can be seen as basic concepts of customer service or expectations. There are additional elements that need to be addressed, as companies still need to determine what their customer's needs or expectations are as these may differ extensively between people. Management plays a key role in this, as these needs to be managed from the top down and it should be a culture that is practised by all staff.

Table 4.4 – Importance of Good Customer Service

Question	Answer	Company A %	Company B %	Company C %	Company D %	Company E %
2. How important is good customer service you?	Critical	57	60	50	67	60
	Very Important	43	40	50	25	40
	Important					
	Somewhat Important					
	Very Unimportant				11	

Figure 4.2 – Importance of Good Customer Service



The study found that the majority of customers (ranging from 50% to 67%) from all the five companies rated the importance of good customer service as critical. Specifically, the ratings were as follows: Company A (57%), Company B (60%), Company C (50%), Company D (67%) and Company E (60%). The percentage of customers that said it was 'very important' were Company A (43%), Company B (40%), Company C (50%), Company D (25%) and Company E (40%). However, 11% of Company D's customers said it was 'very unimportant' (see Table 4.4 and Figure 4.2).

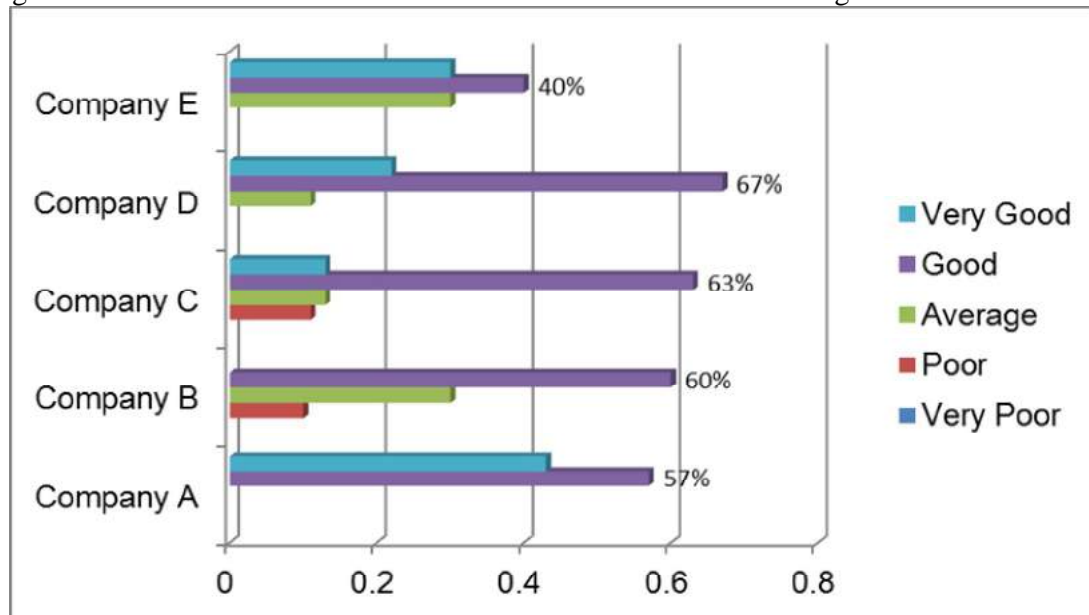
It can be deduced that good customer service is critical to the majority of customers. According to Kamin (2006:2), the value of good customer service is critical to the survival of a business. With changing customer expectations, competitors consider customer service as an important competitive weapon to distinguish their product(s) from competitors' offerings, thereby successfully differentiating their sales efforts (Brendt and Tait, 2013). Good customer service differentiates successful companies from those that are not.

Table 4.5 – How Good is the Current Service Providers Understanding of Customer Service

Question	Answer	Company A %	Company B %	Company C %	Company D %	Company E %
3. How good do you think your current service providers understanding of customer service is?	Very Poor					
	Poor		10	13		
	Average		30	13	11	30
	Good	57	60	63	67	40
	Very Good	43		13	22	30

From Table 4.5 and Figure 4.3 respondents that said 'their service providers understanding of customer service' was very good were as follows: Company A, (43%), Company C (13%), Company D (22%) and Company E (30%). The percentage of customers that said it was 'good' were Company A (57%), Company B (60%), Company C (63%), Company D (67%) and Company E (40%). The customers that said it was average were Company B (30%), Company C (13%), Company D (11%) and Company E (30%). There were customers that did, however, feel it was poor, which were from Company B (10%) and Company C (13%).

Figure 4.3 – How Good is the Current Service Providers Understanding of Customer Service



Based on the findings, it can be deduced that companies generally have a good understanding of customer service, although the level of understanding differed from company to company as it seemed to vary between customers. The link between customer experience and the value proposition is that if a customer is satisfied with an organisation's value proposition, the customer's organisational experience will generally be a positive one (Machando and Diggins, 2013:162).

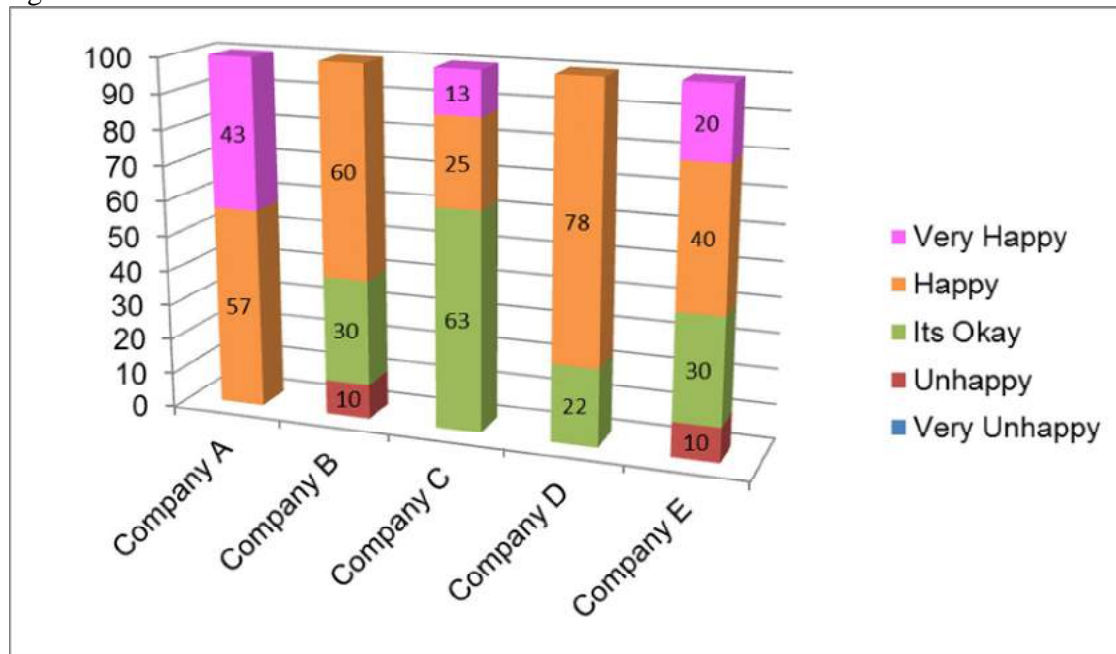
Table 4.6 – Satisfaction with Service Provider

Question	Answer	Company A %	Company B %	Company C %	Company D %	Company E %
4. How happy are you with your current service provider?	Very Unhappy					
	Unhappy		10			10
	Its Okay		30	63	22	30
	Happy	57	60	25	78	40
	Very Happy	43		13		20

Table 4.6 and Figure 4.4 show customers' ratings with regard to service provision. Customers' ratings for 'very happy' were as follows: Company A (43%), Company C (13%) and Company E (20%). The percentage of customers that said 'happy' were Company A

(57%), Company B (60%), Company C (25%), Company D (78%) and Company E (40%). The customers' that said 'it's okay' were Company B (30%), Company C (63%), Company D (22%) and Company E (30%). There were customers that said they were 'unhappy', which were aligned to Company B (10%) and Company E (10%).

Figure 4.4 – Satisfaction with Service Provider



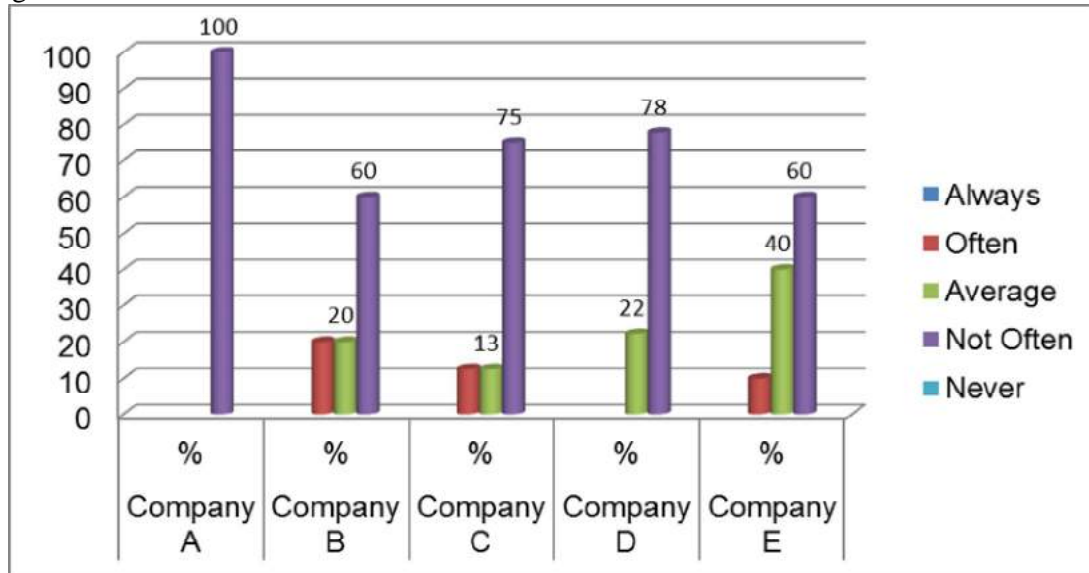
The finding reveals that that the majority of customers are happy or very happy with their current service provider. The extent of satisfaction is determined by comparing the value of the product or service delivered with customers' expectations of that product (company) or service (Machando and Diggins, 2013).

According to Machando and Diggins (2013), "ultimately the goal of the service provider is to ensure satisfied customers. A customer will only be satisfied if his or needs and expectations are met." Satisfaction is the consumer's fulfilment response. It is a judgement that a product or service feature, or the product or service itself provides a pleasurable level of consumption-related fulfilment, including levels of under or over-fulfilment (Oliver, 1997:13). Thus, the majority of the customers are satisfied with their current service providers, meaning that their expectations have been met and create a feeling of fulfilment.

Table 4.7 – Failures from Service Providers

Question	Answer	Company A %	Company B %	Company C %	Company D %	Company E %
5. How often do you experience service failures from your current service provider?	Always	100	20	13	78	10
	Often		20	13		40
	Average		60	75		60
	Not Often					
	Never					

Figure 4.5 – Failures from Service Providers



The findings indicate that, in Company A, all the (100%) customers said they did not experience service failures, whereas in Company B (60%), Company C (75%), Company D (78%) and Company E (60%) the customers had some level of service provider failure. The percentage of customers' that said 'average' was from Company B (20%), Company C (13%), Company D (22%) and Company E (40%). Lastly, customers' that said 'often' were Company B (20%), Company C (13%) and Company E (10%), as presented in Figure 4.5.

From Figure 4.5, the majority of customers' reported that service failures do not occur often. Service failures are something that can never be completely avoided. According to Machando and Diggines (2013:50), "although most organisations strive to prevent service failures, their occurrence is not the end of the world. It all depends how an organisation addresses the problem of a service failure. Any astute organisation realises that managing service recovery is as important as rendering superior service in the first place."

The aim is to determine the type of service failures that customers experience, identify these customers are and what actions and avenues, if any, they follow to reduce their dissatisfaction. Only once this information has been collected will the organisation be in a position to address the failures through service recovery (Machando and Diggines, 2013:50). However, any service failure has a cost implication and this will, in the end, affect the company's profitability. "The company needs to be aware of the fact that there is a cost associated with bad service and this has to be taken into account" (Lucas, 2005). Repeated service failures tend to build a bad reputation for the company and discourage trust from the customers. These are all damaging effects to companies that could have serious consequences. Therefore, companies need to have service recovery plans so that service failures are addressed quickly and turned around to recover the customer.

Table 4.8 – Customer Service or Price

Question	Answer	Company A %	Company B %	Company C %	Company D %	Company E %
6. Which is more important in your opinion customer service or price?	Customer Service Price	100	100	75 25	89 11	80 20

Figure 4.6 – Customer Service or Price

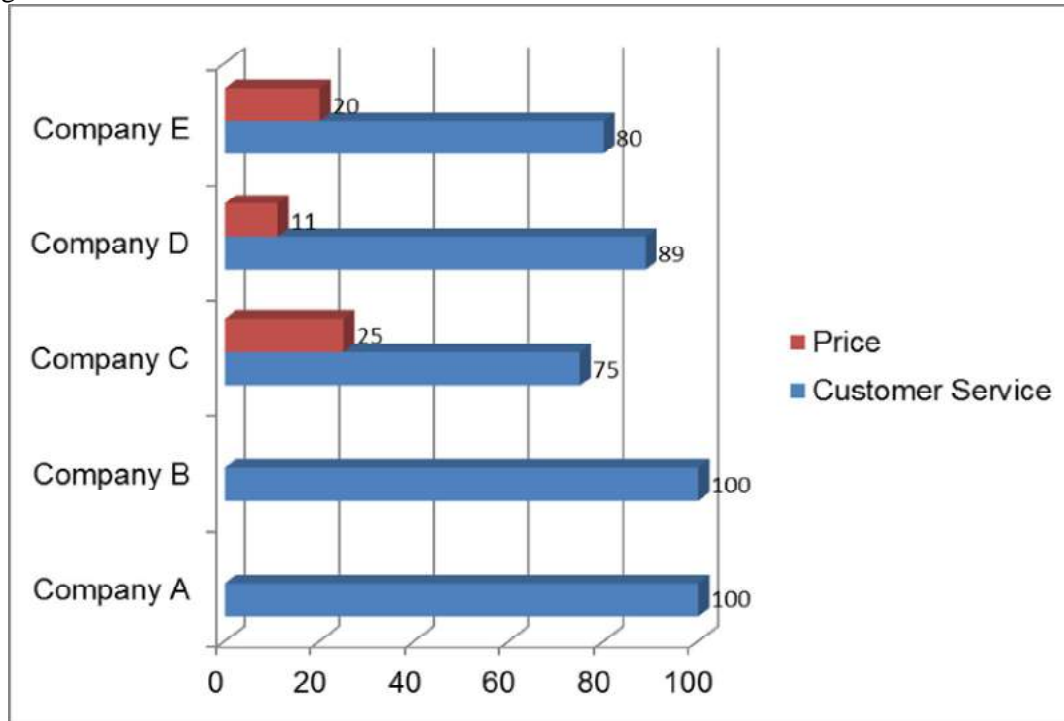


Table 4.8 and Figure 4.6 illustrate that the majority of respondents considered customer service as more important than price. In Company A, 100% of the respondents considered customer service as more important than price whereas in Company B it was 100%, Company C 75%, Company D 89% and Company E 80%. The percentage of customers that said 'price' was Company C (25%), Company D (11%) and Company E (20%).

This seems to suggest that service is more important to the majority of customers than price. Figure 4.6 clearly indicates that customer service is more important than price. Thus, with the very competitive markets and business environment currently experienced, companies will not be able to survive on the price factor alone and product and service offerings have become very much alike.

“Service is important to customers and therefore also important to the business and its growth. It is not a ‘nice to have’, but rather an essential element of the total product offering and customer experience” (Machando and Diggines, 2013:7). Almost every company can offer the same product or service to give them advantage over the other ten or fifteen competitors offering the same product, possibly even at a cheaper price. Companies, therefore, have to differentiate themselves from other competitors to ensure that customers would rather want to buy from them. The only way this can be done is by the level of service that is given to the customer. In other words, managing customers’ experiences.

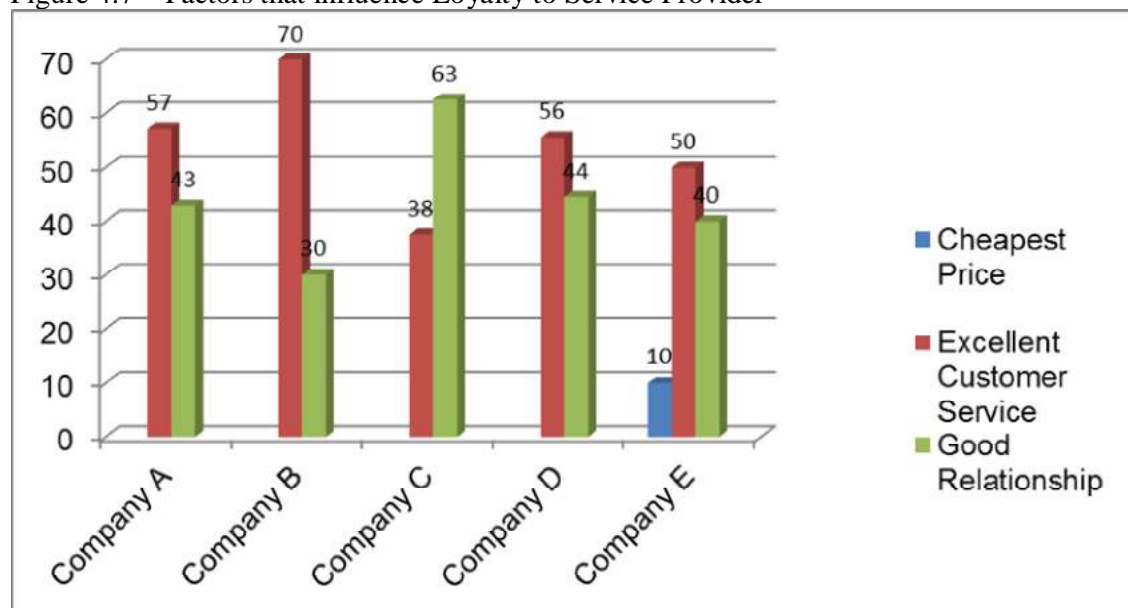
Once companies are able to manage the customer experience in an efficient and effective way, they will become more profitable as they will have the benefit of returning customers and repeated sales, thus securing the ‘life time value’ of the customer.

Table 4.9 – Factor that influence Loyalty to Service Provider

Question	Answer	Company A %	Company B %	Company C %	Company D %	Company E %
7. What is most important to you as a client to ensure long-term loyalty to your service provider?	Cheapest Price					10
	Excellent Customer Service	57	70	38	56	50
	Good Relationship with Service Provider	43	30	63	44	40

From Table 4.9 and Figure 4.7, the percentage of customers' that said they had received 'excellent customer service' (and may contribute to ensuring long-term loyalty) were as follows: Company A (57%), Company B (70%), Company C (38%), Company D (56%) and Company E (50%). The customers' that said a 'good relationship' is most important were from Company A (43%), Company B (30%), Company C (63%), Company D (44%) and Company E (40%). The customers that said 'price' was most important were Company E customers (10%).

Figure 4.7 – Factors that influence Loyalty to Service Provider



In Figure 4.7, excellent customer service has proven to be the most important to ensure long-term loyalty from customers. Long-term loyalty should be the aim of any business, as this will allow them to reach a point of profitability.

Ten percent of the customers from Company E, however, reported that they would remain loyal to a company that had cheaper prices. This is contradictory, as it suggests that the customer will only remain loyal as long as they get the cheapest price from the service provider. With this in mind, should another company (service provider) approach them with a cheaper price they may be likely to change service providers and remain loyal until they receive cheaper offers. In actuality, cheaper prices will not guarantee loyalty.

According to Machando and Diggins (2013), while a growing business needs to constantly capture new customers, the focus and priority should be on pleasing its existing customer base. Companies that do not nurture their customers will ultimately fail. For this reason, customers must be an integral part of the marketing strategy of a company.

There is, however, a recent shift into a new direction and focus. Customers have recently started to focus more on having good relationships with their service providers (as seen in

Figure 4.7). Almost half of all customers said a good relationship would ensure long-term loyalty. Indeed, “more and more organisations are beginning to understand the importance of customer relationships” (Agnihotri and Rapp, 2010:56).

According to Buhler et al. (2010:18), “managing relationships with customers has become the core of marketing. Goods and services are no longer sufficient to differentiate organisations from their competitors and are therefore adopting a customer relationship marketing approach to differentiate themselves.”

“Loyal customers have an emotional connection with the retailer. Their reasons for continuing to patronise the retailer go beyond the convenience of the retailer’s store or the low prices and specific brands offered. They feel such goodwill toward the retailer that they will encourage their friends and family to buy from it” (Levy, 2009). Thus, it can be said that many customers believe that with a good relationship, excellent customer service and competitive rates will be a given, and, therefore, the focus is moving more in the direction of building relationships between customers and service providers.

Table 4.10 – Department in need of Improvement

Question	Answer	Company A %	Company B %	Company C %	Company D %	Company E %
8. Which department of the current service provider needs to improve their customer service levels?	Marketing/Sales/Rep		20	38		40
	Customer Service Desk	86	60	50	67	20
	Operations	14	10		22	40
	Accounts/Admin		10	13	11	
	Management					

The majority of customers from all the companies indicated the need for the operations department to improve service delivery. Specifically, responses endorsing operations were Company A (86%), Company B (60%), Company C (50%), Company D (67%) and Company E (20%), as shown in Table 4.10 and Figure 4.8. The percentage of customers that identified the customer service desk was 20% in Company B, 38% in Company C and 40% in Company E. The customers that said ‘accounts/admin’ were Company A (14%), Company B (10%), Company D (22%) and Company E (40%). There were also customers that said ‘management’, which were from Company B (10%), Company C (13%) and Company D (11%).

Figure 4.8 – Department in need of Improvement

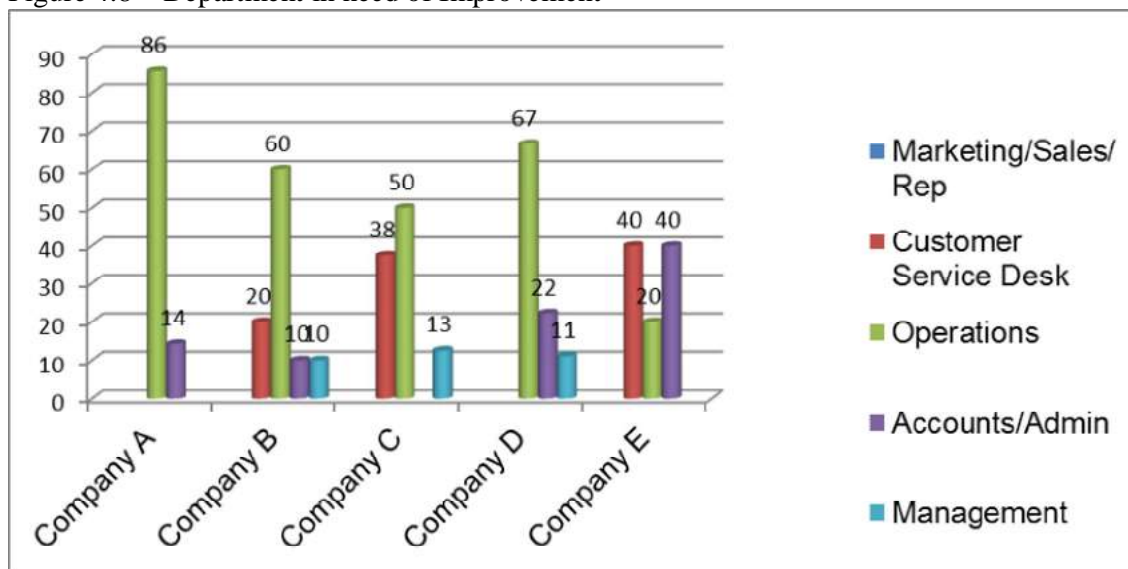


Figure 4.8 indicates that there are areas within the above companies that need to improve their customer service levels. These departments should have the least problems, as they are the first and last point of contact with the customers. The customer service desk is the first point of contact, and, therefore, creates the first impression of a company. When the first point of contact creates a negative feeling it creates a negative expectation with the customers. The first impression with a customer is critically important.

Operations departments are the last point of direct contact between a company and customer. It is where the final and lasting impression is presented to a customer. With low customer focus and service levels, there is a big possibility that productivity and efficiency levels will also be low, thus causing lower profitability levels for the company.

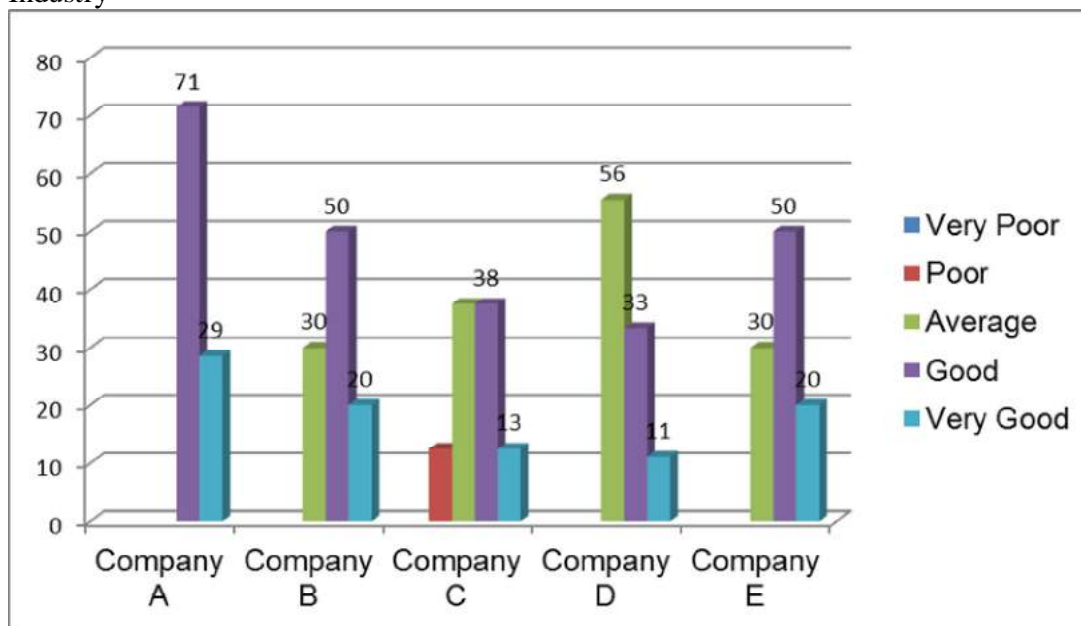
According to Enterprise (2014), “in order to attain operational efficiency a company needs to minimize redundancy and waste while leveraging the resources that contribute most to its success and utilizing the best of its work force, technology and business processes. The reduced internal costs that result from operational efficiency enable a company to achieve higher profit margins or be more successful in highly competitive markets.”

Companies need to focus on stream lining processes to ensure a faster and more effective flow of the products or services. Operational efficiency will ultimately contribute to customer service levels.

Table 4.11 – Comparison of Customer Service Levels / Standards to other Companies in the Industry

Question	Answer	Company A %	Company B %	Company C %	Company D %	Company E %
9. How do you think your current service providers customer service levels / standards compare to other companies in the industry within Namibia?	Very Poor					
	Poor			13		
	Average		30	38	56	30
	Good	71	50	38	33	50
	Very Good	29	20	13	11	20

Figure 4.9 – Comparison of Customer Service Levels / Standards to other Companies in the Industry



From Table 4.11 and Figure 4.9, the percentage of customers that said the service providers compared 'very good' to other competitors were as follows: Company A (29%), Company B (20%), Company C (13%), Company D (11%) and Company E (20%). The percentage of customers that said 'good' were Company A (71%), Company B (50%), Company C (38%), Company D (33%) and Company E (50%). The customers that said 'average' were aligned to Company B (30%), Company C (38%), Company D (56%) and Company E (30%). There were customers that said 'poor', which were from Company C (13%).

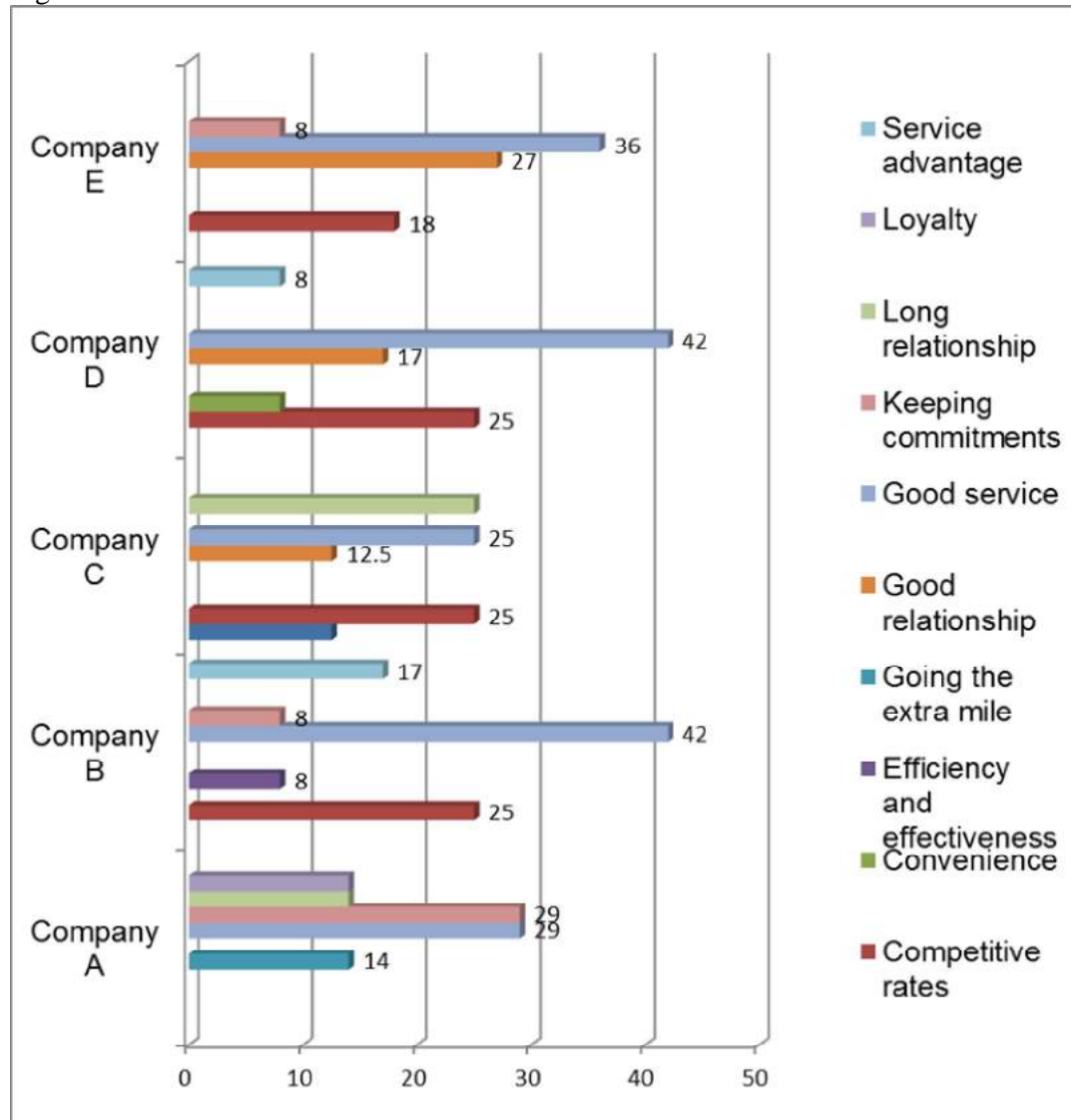
In Figure 4.9, the majority of companies' service levels compare favourably to competitors in the market. However, customers from Company C and D said that they compare 'average' to competitors in the market. Some sources (for example, Brendt, and Tait, 2013:131) mention that companies should build relationships with competitors. The idea may prevent competitors from competing for each other's customers at cut-throat prices and avoid damaging the industry.

This conflict has the potential of undermining the entire industry, as the confidence of customers can be shaken and the profits in the industry may suffer (Du Plessis, et al., 2001:288). "If an industry is unregulated, cut-throat price competition may take place, resulting in bankruptcies among smaller organisations (Gummesson, 2002). On the other hand, healthy competition is always welcome to motivate companies to improve their service levels and efficiencies, thus having the rewards of a more profitable organisation.

Table 4.12 – Reasons for Choice of Current Service Provider

Question	Answer	Company A %	Company B %	Company C %	Company D %	Company E %
10. What is the reason that you are using your current service provider?	Availability			12.5		
	Competitive rates		25	25	25	18
	Convenience				8	
	Efficiency and effectiveness		8			
	Going the extra mile	14				
	Good relationship			12.5	17	27
	Good service	29	42	25	42	36
	Keeping commitments	29	8			8
	Long relationship	14		25		
	Loyalty	14				
	Service advantage		17		8	

Figure 4.10 – Reasons for Choice of Current Service Provider



When customers were asked to state in their own words why they were using their current service providers, the following points came up the most frequently:

- Going the extra mile,
- Loyalty,
- Good service,

- Keeping commitments,
- Service advantage,
- Efficiency and effectiveness,
- Good relationship,
- Long relationship,
- Competitive rates,
- Availability, and
- Convenience.

This, however, indicates that the various companies seem to be very competitive with their service delivery in the market and good relationships that their service seems to be satisfactory. Looking at Figure 4.10, and with the majority of companies delivering good service with competitive rates and good relationships, it would be appropriate to conclude that good customer service has already become a focus point in the industry.

It is, therefore, the customers' perceptions of performance that count, rather than the reality of performance. Indeed, it can be argued that as far as service quality is concerned, 'perceptions are reality' (Brink, 2008:61). When looking at the reasons participants' gave for using the various companies, one could state that in the majority of cases the customers' expectations were met and their needs satisfied to some extent.

Table 4.13 – Service Provider’s Responses to the Questionnaire

Question	Company A Response	Company B Response	Company C Response	Company D Response	Company E Response
1. What do you understand as customer service?	Going the extra mile and exceeding the customers expectations	Measure of satisfaction after and during service delivery	Ability to identify the needs of your customer and to satisfy those needs	Meeting the clients expectations during & after service delivery	Consistency Communication
2. How important is good customer service you?	Critical	Very Important	Critical	Very Important	Critical
3. How good do you think your current service providers understanding of customer service is?	Good	Good	Very Good	Good	Good
4. How happy are you with your current service provider?	Happy	Its Okay	Happy	Its Okay	Happy
5. How often do you experience service failures from your current service provider?	Not Often	Average	Not Often	Average	Not Often
6. Which is more important in your opinion customer service or price?	Customer Service	Customer Service	Customer Service	Customer Service	Customer Service
7. What is most important to you as a client to ensure long-term loyalty to your service provider?	Excellent Customer Service	Good Relationship	Excellent Customer Service	Good Relationship	Excellent Customer Service
8. Which department of the current service provider needs to improve their customer service levels?	Operations	Operations	Operations	Customer Service Desk	Operations
9. How do you think your current service providers customer service levels / standards compare to other companies in the industry within Namibia?	Good	Good	Very Good	Good	Good
10. What is the reason that you are using your current service provider?	Good Service Good Relationship	Long-term relationships Professional approach Long standing Namibian company Size	Ability to perform to their expectations customized and innovative solutions	Competitive rates Long-term relationships	Value for money Good service

Looking at Table 4.13, it indicates that the companies’ seem to be aware of their customers’ experiences when dealing with them. It also indicates that these companies are also aware of the perceptions that the customers have. Therefore, this indicates that there is a realistic understanding of current service levels, the customers’ expectations and their levels of satisfaction.

Discussion

From the above findings, it is clear that the industry is dominantly service oriented. Customer expectations or interpretations of good service vary widely, and, thus, emphasises that service providers need to get to know their customers through building relationships and obtaining

the needed information of what customers' expectations and needs are in order to retain customers in the long-term. All customers have certain individual expectations that must be met by companies.

Conclusion

In conclusion, the five courier companies have a good understanding of what customers experience when dealing with their companies. They are also aware of the areas of their businesses that need the most attention to improve their levels of service. In general, these five companies also compare well to competitors in the industry. However, there is definitely room for improvement in operational areas of the businesses and in the management of the relationships with their customers.

Despite the fact that these companies are aware of most of the problems in their businesses, these have yet to be corrected. This could mean that they only found out about the problems recently or that they do not know how to correct these problems. Once companies are aware of problems, they have the choice to correct them. In cases where companies are not aware of any problems, this may complicate the situation, as they would not see the need for correcting areas or functions.

CONCLUSIONS AND RECOMMENDATIONS

Findings from the Study

This section presents both the literature reviewed and the primary findings.

Findings from the Literature Review

Customer Service

- Customer service has a variety of different meanings to different customers, and, therefore, not all customers will define customer service the same. Customers have wide-ranging ideas of what they expect from customer interaction and the service provider must get to know its customers (Machando and Diggines, 2013:2).
- Customer service includes all interaction with a customer or a potential customer that takes place during the process of purchase or after purchase. "In a broad sense, customer service is anything we do for customers that enhances the experience of the customers" (Harris, 2000:2).

Customers' Perceptions of Customer Service

- Good customer service involves going the extra mile, and, thus, exceeding the customers' expectations. "Good customer service means different things to different people, but essentially it means treating customers the way in which they expect to be treated" (Machando and Diggines, 2013).

Service Providers' Perception of Customer Service

- Good to exceptional services achieved through:
 - Making a great first impression,
 - Projecting a positive attitude,
 - Communicating effectively, and
 - Building and maintaining relationships (Evenson, 2007).
- Good customer service enhances business survival (Kamin, 2006), leads to long-term 'buying' relationships between suppliers and customers (Atkinson, 2011) and other potential rewards (Harris, 2000:138).

Customers' Expectation of Customer Service

- Customers have expectations that are an anticipation of future consequences based on prior experience, current circumstances or other sources of information (Oliver, 1997:38).
- Understanding customer's expectations and perceptions is, therefore, crucial to the survival of a business and requires management by companies (Machando and Diggines, 2013).

Customer Retention Strategies for Improving Customer Service

- The principle behind 'relationship marketing' is that an organisation should consciously strive to develop marketing strategies to maintain and strengthen customer loyalty (Christopher, 2002).
- It is common practice in business to focus primarily on new customers rather than looking after existing customers. It would be prudent to look at the following statistics before only focusing on new customers:
 - Repeat customers spend 33% more than new customers,
 - Referrals among repeat customers are 107% greater than non-customers, and
 - It costs six times more to sell something to a prospect than to sell that same product to existing customer (Lake, 2011).
- The new measurement of value that has been, and continues to be developed is 'customer equity' (Whalley, 2013).
- In the prevailing global business climate, it is easy to lose a customer and even easier if customers receive poor service (Machando and Diggines, 2013:13).

Impact of Operational Efficiency on Customer Service

- Previous research has shown that operations problems emerge due to an imbalance between demand and delivery capacity (Bielen, 2007).
- Companies need to be aware of the fact that there is a cost associated with bad service, which companies should take into account (Lucas, 2005).
- In order to obtain operational efficiency, a company needs to minimise redundancy and waste while leveraging the resources that contribute most to its success and utilising the best work force, technology and business processes (Enterprise, 2014).

Findings from the Primary Research

The findings from the study are presented as they relate to the research questions and objectives.

Customers' Perceptions of Customer Service

- Customers (66%) are generally happy and satisfied with the current service levels, and, thus, indicated that they receive a high level or acceptable level of service.
- With consideration to how often customers experience service failures, 73% of participants said that they experienced service failures rarely or 'not often'.
- Thus, 73% of the participants who does not experience service failures would contribute to the 66% who said that they receive a high level or acceptable level of service.
- This would indicate that there might be other reasons or problems affecting the level of service obtained.

Customers' Expectation of Customer Service

- The assumption can be made that what the customers' answered in this part is subconsciously what they expect from companies:
 - Going the extra mile,
 - Competitive rates,
 - Good service,
 - Communication,
 - Keeping to commitments,
 - Value for money,
 - Meeting customer expectations,
 - Minimum hassles,
 - Customer satisfaction,
 - Good relationship,
 - Long relationship,
 - Availability,
 - Capable staff,
 - Consistency,
 - Customer satisfaction,
 - Solutions, and
 - Reliability.
- The top 10 or the most frequently occurring responses were communication, keeping commitments, meeting expectations, reliability, and consistency, and customer satisfaction, value for money, availability, competitive rates and good relationship. Thus, these are the ten primary expectations of customers.
- In question 7, 55% of the customers' reported excellent service and 43% said a good relationship with the service provider would ensure long-term loyalty.
- Contributing to their expectations, customers also need excellent customer service and good relationships with their service providers. By meeting the customers' needs or expectations, the reward would be that loyalty and long-term relationships are developed and sustained.

Service Providers' Perceptions of Customer Service

- Looking at the service provider questionnaire, question 4 gives an indication that 60% of service providers reported 'happy' relating to the question of how happy they think their customers are.
- However, when considering question 5 of the questionnaire, 60% said their customers do not experience service failures often.

Impact of Operational Efficiency on Customer Service

- Looking at question 8, 20% said the customer service desk and 55% said that the operations need their level of customer service to improve.
- This, however, indicates that these departments do not operate at an efficiency level that benefits the company or transporter as a whole. Thus, if these departments operated or functioned in the most efficient and effective way, there would not be any complaints regarding the customer service levels received from these departments?
- Therefore, with 55% of the participants' stated operations is a problem in that the transporters do not run their operational department to the maximum efficiency, which ultimately causes problems.

Customer Retention Strategies for Improving Customer Service

From the findings in chapter 4, it is clear that there is certainly room for improvement within the various companies who participated in the study and the industry as a whole.

- For the companies who participated, they should begin with a survey focusing specifically on their businesses and their business model internally and externally, which will give them as much information as possible.
- They could consider hiring a company who specifically do these types of surveys. As part of this, the management of the various companies must become involved, as the success of any changes or improvements will depend on them.
- The companies should also look at their current business model to determine which areas or departments in the company are not currently working as they should, and, thus, make an effort to correct these. If the managers do not have the experience or the knowledge to do so, they should seek the support of a business consultant.
- All staff should be sent for customer service training and building relationships with customers or they could consider in-house training for a more cost effective option. However, in-house training is only suggested if they have capable people who really understand customer service. It is normally better to get this from an independent party, as they may be more objective.

Conclusions

This study evaluated the current customer service levels and the impact efficiency has on Namibia's logistics sector. The study also determined the mind-set of customers and their definition of customer service, thus determining the general state of customer service.

- It was determined that 66% of participants said that they were happy with their current service provider and the level of service that they received.
- Therefore, 35% of all participants indicated that the service levels from their service providers could improve. When making a general conclusion, current customer services levels seem to be good.
- The impact of efficiency on the logistics sector seems to be in need of some attention, with 55% of the participants' saying that the operations departments of the various companies could improve their customer service levels.
- This indicates that there is a lot of money and time wasted due to operational issues in the companies, and, thus, could cause companies to generate lower profits.
- Customers need companies to focus on delivering excellent customer service and building good relationships with them for cultivating loyalty towards the service providers.
- The state of general customer service levels seem to be acceptable, with 62% of participants indicating that their service providers compared good or very good to other competitors in the market.
- This indicates that, generally, customer service levels seem to be good, although operational efficiencies seem to have a serious problem.

Recommendations

One of the objectives of this study was to recommend strategies for improvement that will enhance market share of logistics companies in Namibia. Based on the findings of this research, the logistics sector or companies are recommended to:

- Improve Customer Service: Starting with staff, one wants employees who work hard and are concerned about the quality of the product and service provided.

- Cater to the Clientele: The customers' mood is important; if one is a courier company, a customer is probably dealing with some sort of emergency or urgency.
- Act on the Customer's Terms: Interact with customers in the way that they see fit.
- React before the Customer Realises Anything is wrong: Tremendous loyalty will be gained by solving a problem before the customer voices a complaint. Staff should follow-up with customers about their experiences.
- Key staff members must be responsible for the implementation of the improvement plan, thus taking the pressure of management to do this alone.
- Improvements efforts should be a continuous process as markets and customer expectations continuously change.
- With consideration to the above, the success of any improvements, however, has to start at a management level and have to be driven and support from a management level.
- Short-term goals need to be emphasised and a lack of commitment from top management and a lack of training are seen as the main barriers to businesses achieving higher levels of customer care.
- Evidence shows that service excellence is a critical success factor in a company's long-term survival if senior management demonstrate their involvement in terms of time, money, effort, commitment, persistence and visibility (Cook, 2008:9).

Areas for Further Research

This study had limitations and delimitations. The following areas are suggested for further research:

- A similar study could be extended to the entire Namibian population.
- Factors influencing consumer behaviour could be included in an investigation.
- A more detailed questionnaire could be included.
- More in-depth research can be conducted on customer expectations and satisfaction.
- The statistical analysis could be extended to consider some of the more complex relationships emerging from the model.

Conclusion

The primary findings assisted the researcher in answering the research questions formulated for this study. The study concluded that current customer service levels in the transport and courier industry within Namibia seem to be in a stable and good state. However, there are areas that require urgent attention. Attending to these areas will not only benefit the customers but the companies as well and the industry in the long-term. Focusing on new approaches to business and service delivery may allow companies to identify gaps in the market, and, thus, give them an advantage over competitors.

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Kindly note that the entire bibliography is cited and the references used in this article are contained in the full bibliography cited.

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