

THE IMPROVEMENT OF THE QUALITY OF LOGISTICS SERVICES IN GHANA (CASE STUDY ON ACHIEVERS LOGISTICS GHANA)

Kevin MBADIHE, Vytautas Magnus University, Agriculture Academy, Faculty of Bioeconomy Development, email: Kevin.chinonso.mbadihe@stud.vdu.lt

Summary

Improving the quality of logistics services is a needed effect that cannot be overemphasized. It encompasses all parts of the business plan and surveys. Using other people's work and the developed countries as a working tool will help a layman in reading and understanding what is needed for a Ghanaian logistics business to thrive more. The government has a big role to play in providing and maintaining the necessary infrastructures and facilities for the growth and charge-up of business and populace. The world evolves all the time and it will be nice to flow with the trends, and technology, have human understanding and interaction. There should be a major boost and growth in the Ghanaian logistics and business environment if all these aforementioned results and solutions are imbibed and integrated into the system.

Keywords: trends, innovations, customer services, digitalization, communication, technology.

Introduction

In recent times, it is obvious that services are at the heart of the modern economy. Like every other industry, the logistics industry follows international standards on quality improvement to ensure maximum customer satisfaction levels. The logistics industry has become very competitive and high-quality services are considered significant components that determine that (Aleksandra, 2017). For decades, logistics services have played a major part in facilitating the activities of most individuals and corporate entities. Hence, the improvement of the quality of logistics services is a necessity that cannot be overemphasized.

Research aim: to analyze and find ways to improve the quality of Logistics services in Ghana, using “Achievers Logistics Ghana” as a case study. My research will focus on the aforementioned company because of its vital and active role in the Ghanaian economy, especially in the logistics sector. In order to make an informed and thorough research on this topic, I intend to find real facts that regard the regulation of logistics services in Ghana, and how the quality of these services can be enhanced.

The **objective** of this research is to describe what factors can be applied to improve the quality of logistics services in Ghana. Hence, for a more optimal improvement of the quality of logistics services in Ghana, and keeping in mind the challenges faced by logistics companies, the core research question of this thesis is: How can the quality of logistics services be improved?

Research object and method

This study will analyze the quality of logistics services in Ghana compared to the western world, and find ways that can be implemented to improve the quality of logistics services in Ghana. In order to make an informed and thorough research on this topic, I will be making use of two research methods which are qualitative theory and comparative research methodology. The first approach to be used in this research is the qualitative theory. Under this theory, primary and secondary sources of business logistics are used for analysis. The sources will include textbooks, academic journals, articles, and other relevant publications. These sources were obtained mainly from library and online databases.

The second approach to be used in this article is the comparative research methodology. Using this approach, western/developed countries like the USA, Germany, UK, etc., will be analyzed. These countries have been chosen because of how far they have gone in digitalizing logistics processes in order to meet customer expectations.

Research results and discussions

In recent years, the logistics industry has become very competitive which is as a result of globalization. Consumers have become smarter and more demanding. The aim of any logistics company that wishes to survive the heat of this competition is customer satisfaction (Gargasas et al., 2019). That means offering the best quality to their customers. This summarizes the importance of quality in the logistics industry and the need to improve it in Ghana. Achievers Logistics needs to understand that quality is the most valued aspect of any business, which, when offered, differentiates a business from other businesses and maintains customer loyalty. One of the most popular strategies of contemporary enterprises is

the Improvement of quality. The ability of logistics companies to understand the demands of their customers and ensure that these demands are satisfied is becoming more significant (Ieva et al., 2014).

To be able to meet the needs of the market in the long-term, more companies have begun to realize the importance and role of customers. Logistics companies are shifting their focus from product-based competition to customer resource-based competition. Customer satisfaction has become a necessity for companies that want to succeed and remain relevant in the market (Audrius et al., 2019). The end goal of every logistics chain is customer satisfaction. Therefore, improving the quality of logistics services to meet up with customer needs is very important and also the background of this research. A good service quality of a logistics company is an important advantage in the modern competition (John et al., 2018). Creating value in logistics services in order to fill customer expectations has gotten more significant than ever.

Quality in logistics services is determined by three processes which are: demand, supply, and customers' after-sales perception of services. Demand process deals with the adaptation of service models to the current demand-driven supply chain in order to have a competitive advantage. Based on that, Achievers Logistics need to implement a forecasting model which will help to predict demand capacity. Supply process explains the importance of the efficient delivery of goods and services to customers. It was noted that in logistics, supply comes with a lot of challenges because the quality in logistics lies in satisfying customers' demands (Cui et al., 2018). To achieve an effective supply, Achievers Logistics should increase the overall value of each delivery, which is identified by customer satisfaction. The last process is customers' after-sales perception of services, which is the outcome of all logistics activities. It was also noted that the gap that exists between a customer's expectation prior and post service consumption has an effect on customer's satisfaction or dissatisfaction (Hafez et al., 2021). In simple terms, customer's satisfaction is one of the major factors that affect the quality of logistics services in Ghana.

In Ghana, the development of logistics quality has become a way companies have found to tackle the challenges associated with customer satisfaction. Consumers want a combination of efficiency in logistics processes, costs, and speed. According to S. Limbourg, and M. Cools (2016), using the SERVQUAL model, there are five key factors to measure the quality of logistics services. These factors are: tangibles, responsiveness, reliability, assurance, and empathy.

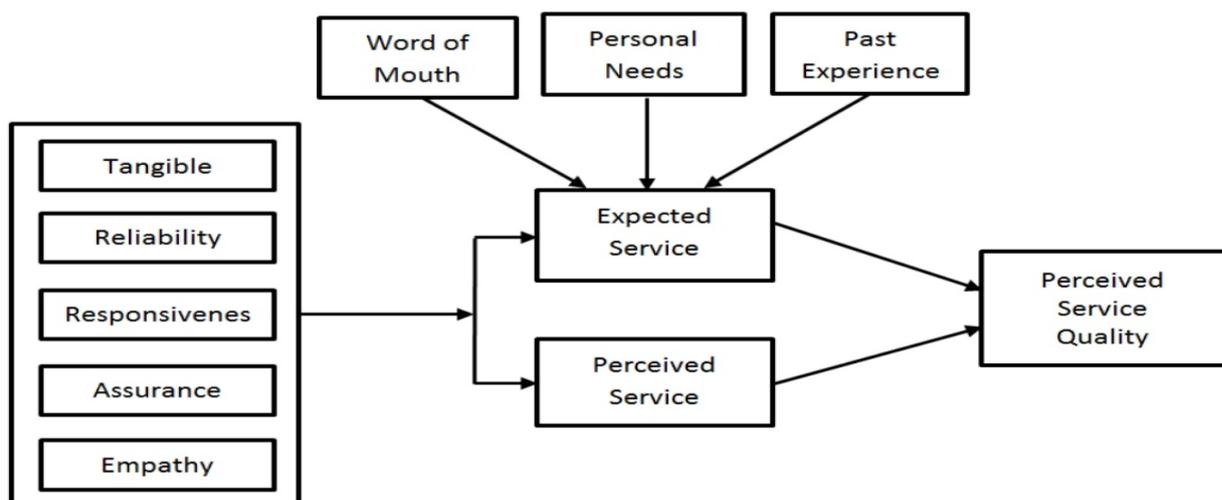


Figure 1. SERVQUAL model (<http://shorturl.at/lovH3>)

The SERVQUAL model helps bridge the gap that exists between customer expectations and needs. The components of tangibles are calculated via many factors like customers' feedback. Technological advancement has made it possible and easier for customers to write a review of their experience with a company's service quality on their website or app. Assessments show that customers surely have great anticipation of the quality of these services. Responsiveness is measured by communication between logistics personnel and customers. This can be via web chat, email, phone call, etc. The response from customers determines if the quality of logistics services is good or bad. Responsiveness is the willingness to help customers and provide timely services (Gulc, 2017). Empathy deals with compatibility. This factor helps to find out the kind of relationship that logistics personnel create with customers, like care and attention. A sense of empathy towards the customers is an additional value. Assurance involves having a respectable acquaintance about logistics service quality and the necessary skill to handle user data so that customers can have a better understanding of it. Communication also plays an important role in this factor. Reliability is the ability to perform the promised service accurately and dependable (Gulc, 2017). This factor enables a company to review its performance and enhance its growth.

Supply chain efficiency plays a great role and has a significant impact on the quality of logistics services. Effective and efficient transportation improves the supply chain via several means such as time and waste reduction. Being able to provide high-quality logistics service plays a significant role in effective supply chain management

(Jamkhaneh, Tortorella, 2022). Some of the best strategies that can be considered to increase supply chain efficiency, which Achievers Logistics needs to implement are: embrace technology, utilise demand planning, have a supply chain council, develop a healthy supplier relationship, improve distribution network, and monitor your progress.

The recent technological developments have brought new trends that their relevance intersects with the logistics industry (Choi, Song, 2018). These trends are dependent on some notable changes driven by the implementation of innovations that are technology-driven in business processes. Startups with newer innovations for the global logistics problems continue to pop up daily. Automation in logistics processes brings out efficiency in the workflow as well as an increase in productivity that is very significant. In recent years, the logistics industry has become the most developed segment offering space for innovation as well as continuous process improvement in companies as well as supply chain management (Restuputri et al., 2020). The future of logistics is being shaped by these emerging trends. Achievers Logistics must stay plugged into relevant and emerging trends to remain competitive in the industry.

Achievers Logistics should prioritise the improvement of the quality of their logistics services. This can be done by adopting some of the latest trends in the logistics industry. Some of the new trends are as follows:

- blockchain,
- artificial intelligence,
- multimodal logistics,
- last mile delivery solutions,
- green logistics,
- automated vehicles, and
- cloud computing.

According to L. Ghiri et al., (2021), blockchain is one of the latest concepts in the logistics industry, which brings transparency of transactions to the logistics process. Artificial intelligence is a trending concept that permits logistics companies to utilise data daily, by making available the power to analyse huge amounts of data. Last mile delivery is a defining service in logistics, which relates directly to customer satisfaction (Demir et al., 2022). Green logistics aims at environmental sustainability. Automated vehicles are safer to be operated and it reduces operational costs and increases delivery efficiency (Baum, Strubelt, 2019). Cloud computing raises the efficiency level of logistics operations, automates and also provides a complete solution for the logistics business (Niharika, Ritu Dr., 2015). Achievers Logistics needs to extensively implement these trends in order to improve the quality of their logistics services.

The advancement of technology is massively changing the global business pattern. Improved technology has increased productivity in the logistics sector, whereby it has minimised errors and costs. Digitalization has made it easier and less stressful to have almost everything at our fingertips (Lachvajderova et al., 2022). Technology has been helpful to how logistics companies operate by making them work smarter and faster, not harder. Autonomous vehicles as well as drones have the capacity to totally overhaul last-mile deliveries. Tracking system has made it easier and more convenient for customers to place an order and monitor the whole delivery process. The transformational phase of automation and digitalization has positively impacted the logistics industry and Achievers Logistics must adapt to these changes to remain relevant.

Table 1. Comparison of factors that affect the quality of logistics services in USA, UK, and Germany, to Ghana (Source: author)

UK, USA, GERMANY.	GHANA
Usage of advanced technologies like AI, blockchain etc., is very high.	Advanced technologies are rarely used because they are still new in the market.
E-commerce is the order of the day.	Majority of consumers are still reluctant to shop online due to poor logistics and customer service.
Route optimization software is used by most companies to improve efficiency.	Manual routing is still in use.
The logistics industry is very competitive due to the high number of logistics companies.	The market is not competitive because there are few players in the industry.
Improved customer service.	Customer service quality is too poor.

Customer service has an undisputable essential role to play in the logistics industry. High-quality customer service enables proactive logistics solutions and is also a useful competence that customers consider when choosing to use the services of any logistics company. If Achievers Logistics desires to be at the top of the competition, it needs to prioritise customer satisfaction. A satisfied customer adds value to the brand (Lech, 2015). Obviously, high-quality customer service helps to close more deals through referrals. A quality customer service helps to retain customers because most customers wish to have an effortless experience in their dealings with logistics companies. Achievers Logistics should aim at creating a long-term mutually beneficial customer relationship. There are several ways by which Achievers Logistics can improve the quality of their customer service which include: prompt communication, multi communication channels, builds a continual learning process for employees, reduction of customer touch points, and consolidated communication.

Route optimization is very necessary for an efficient movement of goods. In the logistics industry, route optimization is useful in enhancing overall efficiency and productivity. Route optimization is quite different from route planning, even though they go hand in hand. Digitalization has greatly affected the logistics industry and customers'

expectations. Clients expect that deliveries should be transparent, fast and reliable; and effective route planning and optimization is the solution to these expectations. Routing is an important process of logistics systems, whose aim is to create the most effective route by minimising the travelled distance as well as time needed to reach a certain point. By minimising expenses, increasing operational efficiencies, and rendering better service to customers, route optimization helps logistics companies to maximize their potential. Achievers Logistics still lacks the necessary technologies to optimize route planning, which is why they still use manual planning.

Transport routes are optimized by planning external and internal transshipment points, thereby reducing freight costs. Route optimization can also be efficiently performed through outsourcing. Using the services of an outsourced provider saves time, improves productivity, and also reduces costs. Achievers Logistics will earn more savings if they should optimize the destination their drivers go through more and more. In Ghana, majority of the logistics companies are facing challenges in finding efficient routes to optimize their delivery operations. The delivery business model has been revolutionised by routing software, which takes all the guesswork out of the delivery plan. There are a lot of ways by which delivery route planning can be optimized which include: account for stops in your travel time calculations, monitor drivers' availability and requirements by location, optimize delivery routes based on fleet vehicle capacity, use the right mode of transportation for the area, and decrease miss-deliveries and re-deliveries.

Route optimization is beneficial to the logistics industry in a lot of ways. Route optimization uses the most sophisticated AI to determine the most efficient and shortest route to all destinations. Some of the advantages of route optimization are as follows: it saves time, it improves customer experience, it increases visibility, it reduces fuel consumption, it reduces human error, and it minimizes maintenance costs. If Achievers Logistics should make use of the appropriate route optimization software, it has the capacity to increase the company's order by up to 100 percent without fleet expansion. It is very necessary for Achievers Logistics to improve their overall delivery process which undoubtedly leads to a better user experience.

Conclusions

1. In order to improve the quality of logistics services in Ghana, it will really be a welcomed growth and development for the entire Logistics services in Ghana if they will imbibe the new trends in the logistics sphere like their counterparts in the western world. They shouldn't base all their activities in the same old patterns, instead, let them come out and try something new, as written in the body of the article. Their counterparts in the western world have already proven the efficacy of the aforementioned trends and improve on their tangibility, responsiveness, empathy, assurance, and reliability in relation to their environment and mode of operation.

2. Technology is one of the major factors that affect the quality of logistics services in Ghana. The logistics industry should embrace technology and recent innovations for efficiency and better results. This will help to satisfy their customers more; happy customers grow the business.

3. Service quality is very important in the logistics industry because customer satisfaction is the goal of every logistics company. Logistics companies should prioritize their customers in whatever decisions they are making, improving on their customer communication and interactions. The first and last impression on the customer matters, that's why they should care about all their modes of customer service, care and representation.

4. The significance of this research is that it would contribute to literature on how an improved service quality will address the inadequacies in Ghana's logistics industry and contribute to economic growth. The findings of this research would also fill in the knowledge gap with regard to logistics processes and customer satisfaction which hitherto appear to be lacking in Ghana. A thorough analysis of the challenges hindering the improvement of the quality of logistics services would provide useful options on how Ghana may solve and put these problems to a stop. This thesis will further contribute to economic scholarship for any individual or entity interested in conducting further research on improving the quality of logistics services in Ghana.

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