



Assessment of Quality of Service Provided to Private Consignors



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ABSTRACT

According to experts, the volume of groupage cargo transportation market in Russia in 2019 ranged from 180 to 200 billion rubles. This segment of cargo transportation is developing in a continuous mode: there are more and more new delivery schemes balancing in the corridor of «price–time–service» parameters.

The principle of customer focus affects formation of standards for interaction of shippers with customers at various stages of service delivery. This requires identification and assessment of customer needs and their satisfaction.

The article analyzes a model of customer-oriented behavior of a transport and logistics company in a market environment. The RZD-Express service provided by JSC Russian Railways was chosen as the object of the study, the subject of the study is transportation of groupage cargo under contracts with private individuals – shippers. The choice of transport services for transportation of groupage cargo of private individuals as the subject of research was reasoned. This choice allows to overcome the problem of information confidentiality, organize a survey via the Internet, and provide feedback to form

objective assessment of the company's customer focus. The objective of this article is development of an author's methodology for analyzing quality of provision of services for transportation of goods to individuals from a customer-oriented perspective. In the process of achieving this objective, the author used methods of questioning and analysis of data. The following tasks were set and solved: substantiation of the need to develop a special methodology for analyzing quality of research services; development of the author's system of quality criteria; assessment on their basis by consumers using a questionnaire of the quality of these services, identification of bottlenecks and formulation of recommendations to improve quality of transport customer service.

The system of criteria for assessing quality of transportation, developed by the author, is formed with a focus on customer-oriented parameters, it can be used to assess quality of transport and logistics services by carriers of any mode of transport, the basic criteria can be expanded, subcriteria will be highlighted within each of them, which will allow for analysis in more detail following proposed main guidelines.

Keywords: transport, quality of transport services, quality criteria, cargo transportation, customer focus, groupage cargo.

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The need for a customer-oriented approach in transportation

According to various estimates, the volume of groupage cargo transportation market in Russia in 2019 ranged from 180 to 200 billion rubles [1]. This segment of cargo transportation is developing in a continuous mode: there are more and more new delivery schemes balancing in the corridor of «price—time—service» parameters.

If in Europe the classic delivery of groupage cargo involves the use of terminal lines (consolidation/deconsolidation of goods in warehouses) of carriers [2], then in Russia, due to the length of the territory and the wider geography of transportation, a more complex integrated approach to solving the issue of optimizing delivery of groupage cargo is required.

In Europe, the demand for this type of service encourages large and medium-sized companies to organize their own delivery lines for groupage cargo, ensuring complete transparency of movement of goods, the ability to control timing and cost of delivery [2]. At the same time, road transport is mainly involved in transportation, which entails multi-kilometer traffic jams on European routes, cargo delays. And the main problem of companies is violation of delivery terms, which reduces quality of the services provided.

In Russia, the range of tasks facing transport and logistics companies includes several segments:

- development of new products. A powerful driver for urgently solving these problems is the growth of groupage shipments from China to the Russian Federation and Europe, the growth of online commerce, and the increase in the number of goods in the LCL segment. This requires not only updating the product line, but also making large-scale business decisions that change the balance of power in the fight for the customer in the market as a whole. In an interview [3], the head of RZD-Logistics, V. Valentik, stated the possibility of «acquiring various logistics assets, including through M&A transactions», which indicates the company's readiness to invest in developing its client base in the Russian Federation and abroad, and also expand their own competencies. In the same interview, such major market leaders as DHL Express Russia, UTLK ERA, Major Cargo Service (operating division of Major Group of Companies), Altrans + and others also stated their desire to develop the delivery of groupage cargo;

- development of existing services—eliminating the causes of delays, loss damage, shortage of cargo;
- increasing flexibility and customer focus of cargo companies in the fight for the client in a highly competitive market.

The model of customer-focused behaviour in the market is as follows (Pic. 1).

The principle of customer orientation affects formation of standards for interaction of cargo carriers with customers at various stages of service delivery. This requires identification and assessment of customer needs and their satisfaction.

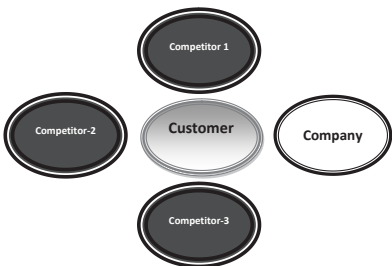
In the framework of this article, we will focus on assessment and analysis of the customer focus of JSC Russian Railways when providing services for transportation of groupage cargo using the service called RZD-express.

Methods of analysis of quality of groupage cargo transportation services

The author of the article has set *the objective* of developing a methodology for assessing quality of this type of service, analyzing it based on it, identifying bottlenecks and making recommendations for improving the customer focus of JSC Russian Railways. A detailed analysis of quality criteria, which received the lowest rating, involves writing a series of articles where a separate study will be devoted to each identified problem.

RZD-Express service was chosen as the object of the study, the subject of the study is transportation of groupage cargo under contracts with individuals: this helps to overcome the problem of information confidentiality, organize a survey via the Internet, and provide feedback to form an objective estimate of the company's customer focus.

The author of the article conducted a monographic study, reviewed the methods of analysis of quality of transport services proposed by such authors as V. Barabino, E. Deiana, E. Nathanail, R. Tilocca, A. M. Asaliev, N. B. Zavyalova, O. V. Saginova, I. V. Spirin, M. P. Gorodon, A. S. Zvereva, A. D. Molo-



Pic. 1. Customer-focused market (author's picture).



kovich, M. O. Suraeva, L. V. Eichler, Yu. I. Sokolov, I. M. Lavrov, A. S. Strinkovskaya, S. D. Ilyenkov, and others, as well as quality assessment criteria presented in the Single Customer Focus Policy of Russian Railways Holding Company [4–6].

To assess quality of transport services, these authors propose to calculate the quality index of transport services for cargo owners, which is determined as the arithmetic average based on the results of marketing research, to evaluate production and consumer quality of transport services using a system of coefficients and quality criteria, and to calculate the integral indicator of quality of transport services based on management data reporting.

For a number of reasons, the use of these methods to assess quality of transportation of groupage cargo under contracts with private shippers from the perspective of customer focus in full is impossible:

1) they contain indicators whose assessment for a private person is difficult due to low awareness and lack of special knowledge («availability of cars of the required type», «technical condition of cars», «supply of cars for loading/unloading on schedule», «high level of compliance with schedule of supply and removal of cars from non-public tracks», «completeness of satisfaction of demand for transportation», etc.);

2) quality indicators are mainly aimed at assessing production quality, which is not always obvious to the customer and affects the internal processes of the company more (degree of use, suitability, renewal and age of rolling stock, load rating, average travel distance, rolling stock unit productivity, etc.);

3) quality criteria duplicate each other within the same methodology (for example, in the Single Customer Focus Policy of Russian Railways Holding Company there are simultaneously such quality criteria as «Willingness to agree on special financial conditions of transportation» and «Pricing flexibility» [7]);

4) the criteria presented in the methods are insufficient to assess the requests of individuals and their degree of satisfaction.

Separately, it should be noted that existing methods do not pay attention to such an important area of studying consumers' opinions as estimate of significance of certain quality criteria for them, as opposed to just receiving feedback in the form of estimate of the criteria proposed in the questionnaire.

Stages of analysis and criteria for assessing quality of services

The study allows us to offer our own methodology for assessing quality of transport services for individual shippers (private consignors).

The method includes:

- criteria for assessing quality of services, adapted for individuals;
- interpretation and justification of criteria;
- ten-point scale for ranking the significance of criteria;
- a questionnaire for interviewing private consignors who used the RZD-Express service.

The proposed system of criteria is presented in Table 1. It most closely reflects consumer assessment of quality of services provided. This system can be used as a basis for formation of a list of questions for conducting a survey of shippers. The criteria are formulated in such a way as to, on the one hand, make them understandable to respondents who are individuals, and on the other hand, to allow assessment of quality of the service provided and to identify the composition of problems that need to be addressed from the point of view of consumers.

The author's methodology contains unique criteria that are absent in the above-mentioned methods and in the Single Customer Focus Policy of Russian Railways Holding Company, namely:

1) The possibility to remotely place an order for services on the carrier's website — in an era of total time saving, increasing the value of speed of processing services provided by development of remote services, is of particular importance [8]. The ability to design a turnkey service without leaving your home makes it attractive for a customer. Obtaining a high client rating by this criterion will allow us to formulate the conclusion that its order and documentation through the website does not cause difficulties and meets client expectations. In turn, a low score will serve as an indicator of the need to improve the mechanism for ordering services online.

2) Effective loyalty program — it is aimed at maintaining the existing customer base, due to availability of special offers, discounts, bonuses. In addition, such a program will attract potential customers, including those now served by other operators. A company can get a high score according to this criterion if the cargo carrier on a regular basis not only organizes various promotions, but also effectively ensures transparency of information about them and its availability to an

Table 1

**Criteria of assessment by individual shippers of customer focus of JSC Russian Railways
(author's development)**

Indicators of service quality	Indicators of service reliability	Financial indicators	Flexibility and ease of execution
Satisfaction with quality of services provided (geography of delivery, work schedule, convenient location, speed of delivery/acceptance of cargo, etc.)	Compliance with delivery time	Fair cost of services	Transparency of the mechanism of costing of services
Completeness of the list of additional services at the stages of preparation and provision of services	Ensuring safety of goods transported	Business reputation of a cargo carrier in the market	Possibility to remotely place an order for services through the website
Staff qualification level, friendly attitude towards the customer	Efficiency in solving customer problems	Effective customer loyalty program	Possibility of negotiating individual terms of transportation

unlimited number of customers. A low rating, on the contrary, will be evidence of either the absence of such programs, or their inefficiency, or consumer ignorance about them.

3) Transparency of the mechanism of costing is a criterion that illustrates the opinion of the consumer about how freely it is possible to track the pricing of services taking into account changes in various parameters included in the additional services section. The interpretation of high assessment of this criterion is as follows: the client as a whole understands the mechanism of costing of its services, the components of this cost, the service has a high degree of freedom in terms of varying these components. In turn, a low rating is a sign of vagueness in the understanding by the client of the pricing process.

To assess the quality of transport services, we consider it necessary, within the framework of the survey, to further rank the significance of the criteria in the questionnaire using a ten-point scale, in which 0 points are assigned to the criterion in case of absolute insignificance for the client, and 10 points are assigned to those to which the client pays special attention when choosing a cargo carrier.

The developed system of criteria was the basis for the questionnaire posted on the Internet using the Google-table service. The survey was conducted among 135 respondents from individuals who used the RZD-Express service as shippers for the period September–November 2019. The survey results can be seen in Pic. 2.

Conclusions and suggestions

According to the results of the survey, the criterion «Financial stability of the cargo carrier» was highly rated, which, according to the respondents, is 75 points out of 100,

with a high significance of 8 points. The result of assessment obtained by the researcher according to this criterion can be considered quite natural, since the company RZD-Logistics is rightfully considered one of the leaders in the transport and logistics market, which has proven its worth to consumers over more than ten years of its existence. The net profit of the organization has increased by almost 20 % over the past two years.

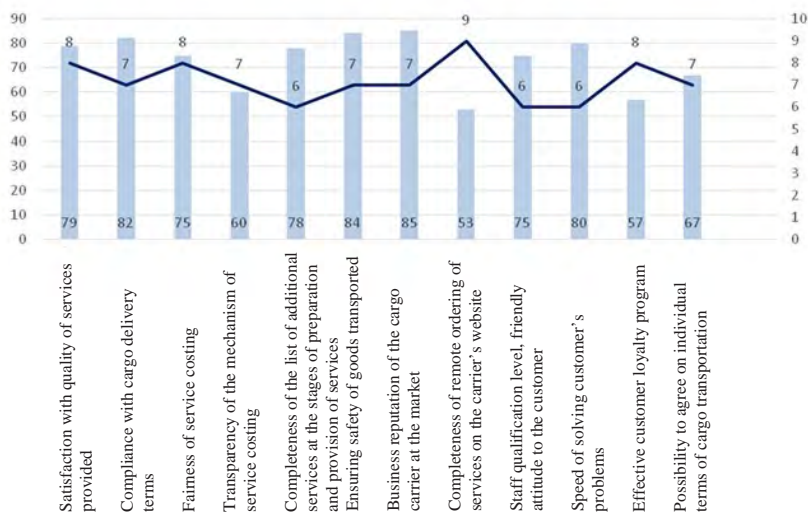
As can be seen in the picture, the criterion «Safety of goods transported» received a high rating of 84 points, with its significance of 7 points. Such an estimate is also a natural consequence of the company's policy in the field of tracking and control of cargo safety at all stages of transportation, which is mentioned in the annual report of JSC RZD-Logistics [9].

According to the results of the questionnaire, it became possible to identify a number of «bottlenecks» that require a more detailed analysis. Among them, first of all, attention should be paid to a rather low assessment by consumers of «possibility of remote ordering services through the website», which amounted to only 53 points, with a high significance of 9 points. The obtained result for the researcher serves as an indisputable signal about the need for a detailed analysis of the mechanism for providing services to consumers on the website of RZD-Logistics, comparing this mechanism with the most successful examples of the transport and logistics market, and developing a set of recommendations for modernizing the website.

The criterion «Effective customer loyalty program» (57 points) received a low rating of respondents, with a significance of 8 points. The



Pic. 2. The results of the survey among respondents (compiled by the author based on the results of the survey).



obtained result indicates the need to revise the discount program provided to individual shippers, to consider the possibility of introducing a bonus program, a system for notifying customers about existing promotions and discounts.

Summarizing the study, we note that the methodology proposed in it for assessing quality of transport services for individual shippers allows the cargo carrier to analyze its strengths and weaknesses, see its activities through the eyes of the customer from the point of view of his satisfaction and adequately choose ways to increase quality of the services provided.

The proposed system of criteria for assessing quality of transportation is formed with a focus on customer-focused parameters, it can be used to assess quality of transport and logistics services by a carrier using any mode of transport, the system of basic criteria can be expanded, identification of subcriteria inside basic criteria will allow for more detailed analysis following main guidelines.

The author has set the task to conduct and publish an in-depth analysis of the nature of the identified bottlenecks in order to develop possible ways to address them and increase the level of customer focus of JSC Russian Railways.

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