

Factors Affecting the Transportation Service of CEVA Vehicle Logistics (Thailand) Company Limited

Weereya Jammintr¹, Chinnaso Visitnitikija²

^{1, 2}Master of Business Administration, Kasem Bundit University, Suan Luang, Bangkok, 10250

Email address: ¹weereya21@gmail.com

Abstract— The research on factors affecting the transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd. was conducted with the purpose to study factors affecting the service of CEVA Vehicle Logistics (Thailand) Co., Ltd. and customer satisfaction. This is a quantitative research done on 104 samples from ISUZU car dealers who use the service of CEVA Vehicle Logistics (Thailand) Co., Ltd. Data collection tool is questionnaire and data analysis tools are Frequency, Percentage, Mean, Standard Deviation, t-test, and One-Way ANOVA. The research revealed that most of the questionnaire respondents are male with Bachelor's degree education, working in officer position, and being customer of CEVA Vehicle Logistics (Thailand) Co., Ltd. for 5-10 years. Factors affecting its transportation service are generally in high level with the following details. For quality, the high level factors are officers communicating with customers and giving information in an easily understandable language; track and trace can be done through the use of communication device; and the works reach standard such as ISO and auditing. For Cost, the high level factors are extra transportation charge in urgent cases; reasonable charge when there is a change in delivery date; customers can claim if there is a mistake in transportation service; late charge is reasonable; and the service cost is suitable with the quality. For dependability, the high level factors are existing track and trace system to prevent cargo loss and insurance. For speed, the high level factors are delivery complete quantity of goods as agreed; delivery to the right place; and punctuality in delivery. Customers are highly satisfied with speed and the service of CEVA Vehicle Logistics (Thailand) Co., Ltd. Hypothesis test result indicated that demographic factors such as gender, education, work position, and number of years using the service of CEVA have effect on satisfaction with the service of CEVA Vehicle Logistics (Thailand) Co., Ltd. And speed has effect on customer satisfaction at a statistical significance level of 0.05. Recommendation from the study is CEVA Vehicle Logistics (Thailand) Co., Ltd. should pay attention to accident prevention training to avoid damages in product. It should also focus on punctual arrangement of the goods so that punctual delivery could be maintained. Further, CEVA Vehicle Logistics (Thailand) Co., Ltd. needs to adjust the fine resulting from goods damage which will help reducing cost of transportation to ISUZU car dealers to achieve positive significance with ISUZU car dealers.

I. INTRODUCTION

Transportation or movement of goods has long been important activity to human being since the past when goods were mostly from agricultural sector. Today in globalized era, trading is done in borderless manner where goods are sent to domestic and international markets. Further, in production process from the beginning to finishing the goods and distributing them to customers all need transportation. Transportation therefore can be regarded as one of necessary components for human's life and necessary for improvement of economic activities, society, administration, and national security as well as facilitating production, consumption, and expansion of related procedures. The price of goods that reach customers' hand included transportation costs in each step since moving raw materials to production sites, then as goods to the middlemen, retailers, until purchased by end customers. Therefore, any increase in transportation cost will affect price level of the goods which becomes burden to consumers (Narumon Boonkitti, 2003)

Development of transpiration in Thailand started since the time when water was the main mode of transportation to move agricultural products and to travel. Domestic transportation becomes more and more important since then until today. Some mode of transportation may become less important while some other fast modes of transportation are gaining

popularity. Transportation can be considered as important as production activities since it involves creation of place utility for products. It is a service that needs to interact with many parties who are expecting quality service. Whenever customers are not satisfied, they can change to use the service of other providers. On the other hand, if customers are happy with the service provided they will become repeat customers of the company. Results of providing quality service to customers are eventually the organization's profits which will help the organization to survive and grow. Therefore, apart from readiness in everything involves in serving transportation needs of customers that keep growing, transportation companies should improve their transportation system and quality of their service.

CEVA Vehicle Logistics (Thailand) Co., Ltd. is a private company running logistics business started in April 2008 being a supplier of TRI PETCH ISUZU SALES Co., Ltd. The responsibility is to transport ISUZU cars to 141 dealers countrywide with an objective to deliver the cars door to door to receivers speedily, safely, accurately, and punctually while customers can track and trace precisely where the goods are (CEVA, 2004). The company's service mission is to achieve customer satisfaction to gain repeat customers and reputation by customers spreading the word-of-mouth.

From the background mentioned above, researcher is interested to study customers' satisfaction in transportation

service as well as problems and significant factors that affect CEVA Vehicle Logistics (Thailand) Co., Ltd.'s customers' decision to choose transportation companies. Findings will be used in planning for transportation service quality improvement to gain higher level of customer satisfaction.

Research Objectives.

1. To study factors affecting transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd.
2. To study customer satisfaction in transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd.

Conceptual Framework

Researcher applies the Sand Cone Model to the study of factors affecting transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd. as follows.

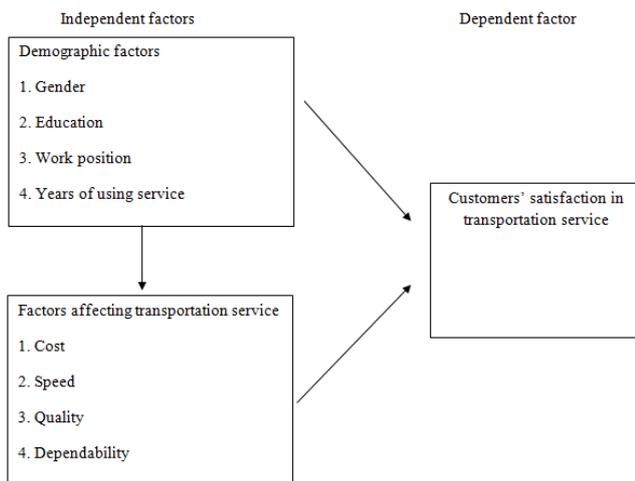


Fig. 1. Conceptual framework.

II. LITERATURE REVIEW

For the study of factors affecting transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd., researcher has reviewed concepts, theories, articles, and related literatures including the Sand Cone Model consisting of the followings.

1. Quality will result in customer satisfaction. Companies must product goods or provide service that is in accordance with customers' needs so that they can gain customer satisfaction. To achieve this, companies will have to study customers' needs and everyone in the company has to seriously cooperate and maintain quality standard.
2. Dependability means an ability to show the performance or capability to provide service as promised while maintaining quality, accuracy, and reliability. Examples are transporting the goods in complete condition, no damage to package or the goods, responsibility to replace or pick up the goods as scheduled in case of the goods having problem, and deliver the goods punctually as scheduled.
3. Speed refers to rapid, reliable, and on time transportation.
4. Cost is the expense incurred to acquire the goods or services which may be in the form of cash, other assets,

capital shares, service, or obligation. It includes the loss that can be financially measured and related to acquisition of goods or services.

Related Studies

Thanutra Chanthaket (2011). The study on customer satisfaction in quality of bus transportation by The Transport Co., Ltd. at Sara Buri province's bus terminal. It was found that age factor does not have effect on customer satisfaction.

Sinchai Unarun (2011) studied about relationship between quality of service to help waste elimination and effectiveness of land transportation: case study NML Co., Ltd. and concluded that dependability is a highly significant factor.

Chumporn Yaemot (2012: Abstract) conducted a research on quality of transportation service of Panthong Transport Co., Ltd. The research revealed that demographic factor of customers' employees do not have influence on their perception on service quality of Panthong Co., Ltd.

Chonthicha Kingchampa (2015: Abstract) studied about factors affecting customers' behavior in selecting transportation service in Wellgrow Industrial Estate, Chachoengsao province. The result showed high level of influence by service quality with an average value of 3.94

Phaiboon Rattawat (2008: Abstract). The research attempted to study factors influencing development of logistics management from 3PL (Third-party logistics) to 4PL (Fourth-party logistics) of logistics service providers in Bangkok area. It was found that factors related to the change from 3PL are in high level for overall and for each aspect.

Kanyanet Wongsa (2008) studied about service quality of Marine Office 3, Prachuap Khiri Khan Branch with an attempt to study and compare service quality of Marine Office3, Prachuap Khiri Khan Branch. The study found service quality with a high level of influence.

Research Methodology

Data collection was done by distributing questionnaires to 104 ISUZU car dealers countrywide who use the service of CEVA Vehicle Logistics (Thailand) Co., Ltd.

The questionnaire could be divided into 4 parts as follows. Part1 contains 4 demographic questions of the respondents including gender, education, work position, and number of years using the service of CEVA Vehicle Logistics (Thailand) Co., Ltd.

Part2 contains close-ended 5-level rating scale questions about factors affecting transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd. in 4 areas including Quality, Dependability, Speed, and Cost.

Part3 contains close-ended 5-level rating scale questions about satisfaction on transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd.

Part4 contains open-ended questions for the respondents to express their opinions and suggestions which are useful to the study.

Findings

The study indicated that most of the questionnaire respondents are male with Bachelor's degree graduation,

working in officer position, and using the service of CEVA Vehicle Logistics (Thailand) Co., Ltd. for 5-10 years. The result showed that factors affecting transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd. are at high level with the following details.

For quality, overall mean is in high level in the aspect of officers can communicate and give information to customers in an easily understandable language; track and trace can be done through the use of communication device; and the works reach standard such as ISO and auditing.

For cost, the high level factors are extra transportation charge in urgent cases; reasonable charge when there is a change in delivery date; customers can claim if there is a mistake in transportation service; late charge is reasonable; and the service cost is suitable with the quality.

For dependability, the high level factors are existing track and trace system to prevent cargo loss and the company has guarantee for transportation.

For speed, the high level factors are delivery complete quantity of goods as agreed; delivery to the right place; punctuality in delivery; and speed of the delivery service of CEVA Vehicle Logistics (Thailand) Co., Ltd.

III. CONCLUSION AND DISCUSSION

From the research on factors affecting the transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd., conclusion can be made as follows.

Factors that have influence on transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd. have high level of overall mean according to the following order: quality, cost, dependability, and speed. This finding resembles that of Sinchai Unarun (2011) who found opinion of the respondents on quality of land transportation service in generally high level of measurement for capability, accessibility, communication, dependability, and safety.

Quality is in high level of measurement for the following aspects: officers communicate with customers with the language that is easy to understand; track & trace can be done via communication devices; and there is a standard such as ISO and audit. This is similar to the study of Kanyanet Wongsas (2008) studied about service quality of Marine Office 3, Prachuap Khiri Khan Branch. The study found that service quality has a high level of influence.

Cost has a high level of influence in such aspects as extra transportation charge in urgent cases, reasonable charge when there is a change in delivery date, customers can claim if there is a mistake in transportation service, late charge is reasonable, and the service cost is suitable with the quality. This finding resembles that of Phaiboon Rattawat (2008) which attempted to study factors influencing development of logistics management from 3PL (Third-party logistics) to 4PL (Fourth-party logistics) of logistics service providers in Bangkok area. His study found that factors related to the change from 3PL are in high level of influence.

Dependability has high influence resulting from existing track and trace system to prevent cargo loss and insurance. The finding is similar to that of Sinchai Unarun (2011) who studies about relationship between quality of service to help waste elimination and effectiveness of land transportation: case study NML Co., Ltd. and concluded that dependability is a highly influencing factor.

Speed has high level of influence by elements such as delivery complete quantity of goods as agreed; delivery to the right place; and punctual delivery. The result resembles that of Chumporn Yaemot (2012) who conducted a research on quality of transportation service of Panthong Transport Co., Ltd. The research revealed that prompt response is a highly influencing factor.

ACKNOWLEDGEMENT

This independent study is part of Kasem Bundit University's MBA course curriculum. It was completed smoothly because of courtesy and assistance from many individuals. Researcher would like to thank Dr. Chinnaso Visitmitikija for his time, suggestions, and correction of mistakes. Researcher also feels grateful to Assist Prof Ing-on Tanphan for her advice about concepts and theories applied in this study and her valuable suggestions which make this research paper more meaningful.

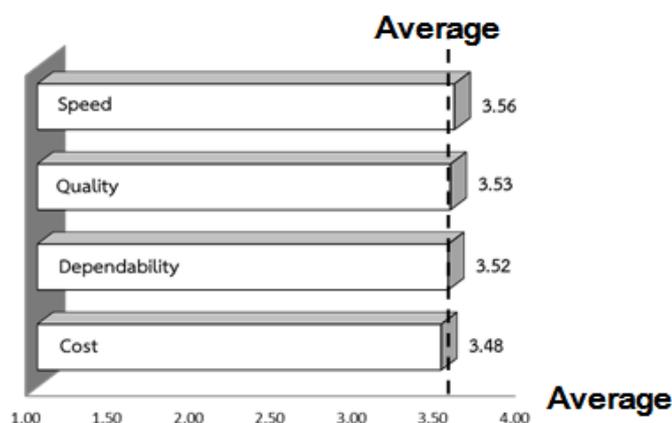


Fig. 2. Overview of factors in all 4 aspects which have influences on transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd.

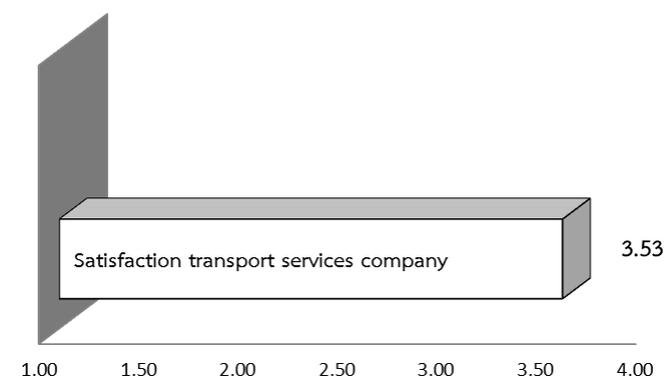


Fig. 3. Overview of satisfaction in transportation service of CEVA Vehicle Logistics (Thailand) Co., Ltd.

This accomplishment owes special thanks to managements, supervisors, and officers in CEVA Vehicle Logistics (Thailand) Co., Ltd. and ISUZU car dealers who answered the research questionnaires which are the main source of data for this study. Benefits from the study shall be applied for development and quality improvement in the future.

Finally, researcher feels immensely grateful to parents and Police Senior Sergeant Major Wuttipong Sasorn for their support and encouragement in studying MBA course. Researcher would like to dedicate all the benefits and usefulness resulting from this research to all people hereby mentioned.

REFERENCES

- [1] C. Kingchampa, "The research about factors affecting customers' behavior in selecting transportation service in Wellgrow Industrial Estate, Chachoengsao Province," MBA, Logistics Management Major: Sripratum University, Chonburi Campus ,2015.
- [2] C. Yaemot, "The research on quality of transportation service of panthong transport co. ltd.," MBA, Logistics Management Major 2012.
- [3] N. Boonkitti, "The study of quality improvement approach to domestic logistics service: case study regent forwarding express co., ltd.," Burapha University. General Administration Major, 2003.
- [4] P. Rattawat, "The Research about Factors Influencing Development of Logistics Management from 3PL (Third-Party Logistics) to 4PL (Fourth-Party Logistics) of Logistics Service Providers in Bangkok Area," MBA, Phranakhon Rajabhat University, 2008.
- [5] S. Unarun, "The research on relationship between quality of service to help waste elimination and effectiveness of land transportation : Case study NML Co., Ltd.," Master of Management science, Logistics and Supply Chain Management Major. Graduate School, Dhurakij Pundit University, 2011.
- [6] T. Sorat, "The research on logistics management (Warehousing) to enhance competitiveness of unigro international co., ltd.," Graduate School of Commerce, Burapha University, pp. 247-253, 2010.
- [7] T. Chanthaket, "The Study on Customer Satisfaction in Quality of Bus Transportation by the Transport Co., Ltd. at Sara Buri Province's Bus Terminal: Independent study. Rajamangala University of Technology Thanyaburi, 2011.
- [8] W. Jitphakdirat et al., "The research on quality of logistics service in Indonesia," *Research and Development Journal*, King Mongkut's University of Technology. 37th Year, vol. 1, 2014
- [9] K. Aphipratchayasakul, *Logistics and Supply Chain Management*, 2nd edition, Nonthaburi: C.Y. System Printing, 2007.