



Research

Relationship Management in International Supply Chains involving Maritime Transport : The role of Logistics service quality, relationship quality and Switching Barriers in creating customer loyalty

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Abstract: The analysis in the report was directed towards analyzing the impact of logistics service quality, relationship quality and switching barriers on customer loyalty in maritime logistics. The analysis has been performed in the context of Pakistan and the data was collected from freight forwarders. The sample size that was collected for the research was 200 and the sampling technique that was used was convenience sampling. The statistical techniques that were used for the purpose of analysis were regression, correlation and reliability analysis. The findings that were obtained through the analysis were that service quality in the form of operational and relationship loyalty, relationship in the form of trust and commitment and the switching barriers such as cost, availability of alternatives affect the loyalty of the freight forwarders with the shipping companies in Pakistan. The findings of the research are expected to be significant for the shipping companies operating in Pakistan.

Keywords:

1. Introduction and Background of the Study

Bringing about improvements in the service quality of logistics is important in order to achieve significant competitive advantage mainly because of the competition in the global business environment (Kilibarda, Nikolicic and Andrejic, 2016). On the other hand, the quality of relationship also contributes towards enabling corporations achieving objectives related to customer loyalty and obtaining long-term competitive advantage. The efficiency of the logistics operations of a corporation contribute significantly towards developing effective and high quality

association with the customers (Yang and Sung, 2016). The findings with specific reference to the logistics operations in the maritime industry of Pakistan illustrate that improving the quality of logistics is of considerable significance in terms of timely delivery of orders and improving the overall goodwill of the operations (Sultan and Siddiqui, 2017). One of the challenges that are faced by the shippers in the carrier industry is concerned with dealing with the issue of switching barriers of the carriers or the freight forwarders. Identification of the switching barriers with respect to carriers or freight forwarders is important for the shippers as it helps them in the effective movement of their goods within the desired destination (Kundu and Sheu, 2019). Furthermore, it is stated by Iqbal and Siddiqui (2017), that the increase in the level of competition in the maritime industry has resulted in shippers in the need to obtain the services of the kind of carriers that can enable them to sustain competitive advantage within a particular industry.

The situation related to reduction of switching barriers can be considered as advantageous for the shipping companies for Pakistan as they can get hold of the carriers or the freight forwarders for a long period of time which facilitates them in effectively transporting their goods towards different destinations throughout Pakistan. Therefore, in the view of Grefen, Ludwig, Tata, Dijkman, Baracaldo, Wilbik and D'Hondt (2018), it is important for shipping companies to ensure that they are able to develop long-term association with their freight forwarders by means of delivering their products towards different destinations. Further analysis in relation to this topic with specific reference to Pakistan is illustrated from the fact the renowned freight forwarders that have significant presence in different countries have the capability to provide valuable and additional services to their customers i.e. shippers. This value is increased through development of collaboration between suppliers and the customers. The service provided by the freight forwarders in this respect result in reducing the rate of freight along with facilitating shippers in terms of obtaining updated information about the market and making sure that their product reaches towards the desired destination in a timely manner (Business Recorder, 2018).

Research Aim and Objectives

The aim of the current research is related to identifying the role of service quality of logistics, quality of relationship and the switching in terms of creating service loyalty in the maritime industry of Pakistan. Through this aim, the researcher intends to analyze the contribution of different aspects illustrated above in terms of improving the capability of the shipping companies

to maintain long-term association with the freight forwarders. In addition to that, the aim of the research has been developed keeping into consideration the importance of freight forwarders or the carriers for the shipping companies in Pakistan in terms of delivering their products towards the desired destinations in different areas of Pakistan. The objectives that have been developed for the research are as follows:

- To identify the concept of logistics service quality, relationship quality, switching barriers and loyalty of the customers
- To analyze the influence of logistics service quality, quality of relationship, switching barriers in terms of creating customer loyalty with the freight forwarders or carriers.
- To provide recommendations to the shipping companies in Pakistan regarding the ways in which they can improve the service quality of their logistics operations, relationship quality along with creating switching barriers for the freight forwarders in order to obtain their loyalty

The objectives that have been developed for the research are both generic as well as specific in nature and they are in accordance with the overall aim of the research. The first step in relation to achieving objectives of this particular research is concerned with the development of concept regarding different variables that have been identified for this research. Following that, the researcher would strive towards the accomplishment of specific objectives regarding identifying the impact between different variables of the research. In addition to that, suggestions will be directed towards the shipping companies in Pakistan in the light of the research findings regarding the ways in which they can improve their long-term association with the freight forwarders.

2. Literature Review

Logistics Service quality

The effectiveness of the quality of logistics operations and the services that are obtained through it refers to the ability of the logistics activities to fulfill corporate and strategic objectives. Therefore, the logistics operations of an organization play an instrumental role in terms of improving its strategic positioning within an organization (Sohn, Woo and Kim, 2017). One of the ways in which the performance of logistics can be maintained within the maritime industry is through operational logistics service quality. It is a kind of service quality which illustrates the extent to which the organization has been able to operate its operations without having to face

any major disruptions (Hu, Huang, Hou, Chen, and Bulysheva (2016). On the other hand, it is argued by Yuen and Thai (2017) that the quality of logistics operations in the shipping industry is largely dependent upon the convenience that they provide to the stakeholders such as the carriers in terms of reaching out towards their products. The objective of convenience can be achieved through improving the consistency of the logistics operations. Besides, it is suggested by Hu, Wang, Li, Zhang, Feng and Yang (2018), that the shipping companies should have the capability to bring about necessary customization within their operations to achieve the desired level of service quality.

Contrary to the operational service quality, the presence of relational service quality contributes significantly towards improving the overall service quality of logistics operations. The effectiveness of relational service for the shipping companies is largely dependent upon the ability of the personnel to develop close association with the freight forwarders (Ding, Lian, Chen, Liu, Zhong, Zhang and Zhou, 2019) Besides, it is stated by Dahlberg, Engevall and Göthe-Lundgren (2018), that the shippers should have the capability to interact with the freight forwarders through the effective process of information sharing.

Relationship Quality

One of the key objectives of performing operations for the corporations is to obtain satisfaction and trust of the customers through their performance. By doing so, it is expected that an organization can find itself in a position where it is able to obtain long-term commitment of the customer (Santouridis and Veraki, 2017). Similar situation can be illustrated through the findings of the literature in relation to maritime industry where the findings illustrate that it is imperative for the shippers to develop association with the carriers and the liners at the sea. By doing so, they can find themselves in a position to manage the operations at sea after the arrival of their products without having to encounter any major disruptions (Shin, Thai and Yuen, 2018). However, it is argued by Dubey, Altay and Blome (2019), that the development of trust and commitment as part of relationship quality takes considerable time and efforts in the maritime transportation. On the other hand, the analysis within the literature of Gil-Saura, Berenguer-Contró and Ruiz-Molina (2018), suggests that effective commitment with the freight forwarders need to be made considering the extent to which their activities are aligned with those of the shipping organizations.

Customer Loyalty

The analysis related to customer loyalty is mainly related to attitudinal loyalty which illustrates the desire of the customers to stay committed and loyal with a particular organization. In the view of Srivastava and Kaul (2016), attitudinal loyalty of the customers refers to their attachment and association with an organization. Therefore, increase in the level of attitudinal loyalty paves the way towards corporations managing a strong customer base and improve their market share in the long run. Nevertheless, it is argued by Ramaswami and Arunachalam (2016), that achieving objectives related to customer loyalty is largely dependent upon the attitude of the customers as well to stay committed with an organization for a considerable period of time.

On the other hand, it is stated by Cossío-Silva, Revilla-Camacho, Vega-Vázquez and Palacios-Florencio (2016), that behavioral loyalty of the customers are required to be achieved by the corporations mainly because it reflects the desire of the buyers to purchase the products or use the services of the organizations in the future. In this way, firms through obtaining behavioral loyalty can be able to secure increase in the volume of their revenue over a period of time on consistent basis. According to Umashankar, Bhagwat, and Kumar (2017), behavioral loyalty of the customers can be achieved through maintaining consistency of the performance in terms of product and service quality. On the other hand, it is suggested by Yao, Qiu and Wei (2019), that behavioral loyalty is achieved mainly through the development of close integration with the potential customers.

Switching Barriers

It is one of the key objectives of any organization to increase the level and the intensity of the switching barriers of their customers so that they would find it difficult to think about switching to some other supplier. However, in order to increase the switching barriers of the customers, it is imperative that the organizations are able to provide a very high quality of service to the customers on consistent basis. This is because increase in the level of competition within an industry generally makes it difficult for the organizations to hold their customers for a very long period of time (Suárez-Álvarez, Río-Lanza, Vázquez-Casielles and Díaz-Martín, 2019). On the other hand, it is argued by Lin, Chou and Lin (2016), that the development of interpersonal relationship between the providers and the users contribute significantly towards increasing the level of switching barriers. Nevertheless, it is argued by Juliawan and Martini, (2018), that reduction of the switching barriers for the organization is largely dependent upon the presence of alternatives in the market. Availability of numerous and capable alternatives makes it difficult

for organizations to create high degree of switching barriers as in this kind of situations, customers would be highly inclined towards using alternative in search for some variety.

However, the intentions and the ability of the customers to make use of alternative products are largely dependent upon the cost associated with alternatives. Availability of alternatives at lower cost as compared to other products and services would certainly result in buyers being inclined towards using those alternatives provided that they offer impressive quality and user experience (Ghazali, Nguyen, Mutum and Mohd-Any, 2016). Furthermore, it is stated that the pricing strategies adopted by organizations play an instrumental role in terms of determining whether they can create competition for the existing firms and have the capability to attract customers on consistent basis.

Development of Hypotheses

Hypotheses for the research have been developed on the basis of the elements that have been discussed in the literature above and in the light of the aims and the objectives.

- H1: Logistics service quality has a positive influence on creating customer loyalty such as attitudinal and behavioral loyalty
- H1a: Operational logistics service
- H1b: Relational Logistics service
- H2: Relationship quality positively affects the ability of the shipping companies to increase loyalty of the freight forwarders.
- H2a: Influence of satisfaction
- H2b: Influence of Trust
- H2c: Significance of Commitment
- H3: Decline in switching barriers increases customer loyalty in the case of marine industry
- H3a: Switching Cost
- H3b: Attractiveness of Alternatives
- H3c: Interpersonal relationship

3. Methodology

Research Approach

The approach that has been applied in this research is deductive approach. This approach was applied through the use of numeric data for the purpose of testing hypotheses which assists in the

identification of relationship between the independent and the dependent variables. According to Zalaghi and Khazaei (2016), deductive approach in a research is based on testing the existing theory on the basis of the information that was obtained through observation. Besides, the application of deductive approach is generally made in order to identify the relationship between different variables in numeric researches in numerical researches. The application of deductive approach is largely concerned with the development of hypotheses and testing them through numerical data.

Research Design

The design that was considered as applicable for this particular study is explanatory research because of the fact that the research was a causal study in terms of identification of the cause and effect relationship between the variables. Keeping into view the nature and the objectives of the research regarding analyzing the impact between independent and the dependent variables, explanatory design was considered as appropriate for the present study. Consequently, this particular design was considered as appropriate and suitable for this research. The justification of using explanatory design for the research can be provided through the analysis of Stolz (2016), which states that explanatory design is applied on studies where the intention is to identify causal relationship between the variables. Besides, it is stated that explanatory researches are those that involve the use of numerical data in order to provide detailed explanation of the association between the variables and the extent to which one is affected by the other. However, it is argued by Reiter (2017), that one of the limitations of explanatory design is that it does not provide in-depth explanation about the reason of the impact between the constructs of a research.

Research Strategy

Survey strategy was used in this research where surveys were conducted through the use of questionnaire from the target respondents. Survey questionnaire that was developed for this research was based on the use of questions involving Likert Scale which was important in obtaining extensive data in a short span of time. In other words, it can be stated that performing survey was important because the researcher intended to reach out towards a sizable amount of respondents. The other benefit that was obtained through the use of Likert scale was that it provided respondents the opportunity to choose from variety of options. The options on the scale was 1=strongly disagree and 5=strongly agree. According to Coppock (2019), conducting surveys in a research benefits the researchers in terms of obtaining large volume of data in a

short period of time which increases the convenience of the process of data collection. Besides, it is generally viewed that conducting surveys in a research provides precise results as opposed to other strategies which provides researchers opportunity to derive meaningful findings and outcomes. Nevertheless, it is argued by Kılınç and Firat (2017), that outcomes obtained through surveys are limited in the sense that they do not highlight the real reason behind the opinion of the respondents regarding a certain issue. In addition to that, findings obtained through surveys do not provide analysis of the personality factors that can affect the kind of responses that are offered by the respondents. Besides, there is also a danger of the respondents not providing appropriate responses during surveys.

Sample Size and Technique

Identification of a suitable sample size was important as it is difficult to reach out towards entire population for the purpose of performing surveys. The size of the sample that was obtained was initially 225 where around 20 respondents did not fill out the questions properly. Therefore, the final sample size that was used for the purpose of analysis was 200. The population that was selected for the purpose of survey was freight forwarders at different ports and relevant destinations. The questionnaire was distributed amongst the freight forwarders while visiting their designated location along with the ethics form.

The sampling technique that was applied for the research was convenience sampling procedure. The major reason behind using this particular technique was that it provided researcher the opportunity to include those respondents in the process of survey that were readily available and willing to take part in the survey. In this way, the researcher was able to save the cost and the time that is generally incurred while completing the activity of survey. According to Rahi (2017), convenience sampling is used in researches because they provide opportunity to the researchers in terms of saving cost and time of conducting surveys.

Data Analysis

The analytical approach that was applied in this research is concerned with application of statistical techniques such as regression, correlation, demographic and descriptive analysis along with Cronbach alpha analysis. The combination of using all these techniques was important in order to extract in-depth and meaningful outcomes of this particular research. The fact that numerical data provides strong evidence regarding the possibility of the relationship between variables also motivated the researcher in terms of using these techniques which were also

helpful in terms of identifying the strength of the association between the independent and the dependent variables. Consequently, the data obtained through the application of these techniques facilitated the researcher in terms of completing the process of research in an effective manner. According to Harrison, Birks, Franklin and Mills (2017), the use of statistical techniques are important for conducting researches mainly because of the fact that they provide authentic and precise findings as opposed to secondary researches. However, it is argued by Maxwell (2016), that a limitation linked with the statistical researches is that they do not provide opportunity to the researchers to obtain detailed findings and develop in-depth reasoning regarding a particular research outcome.

The application of statistical technique was made through the use of SPSS which is a software especially designed for the purpose of analyzing the trend of association and relationship between the variables. However, proper knowledge and guidance should also be present with respect to effective application and presentation of statistical techniques.

4. Findings

Reliability Analysis

Cronbach's Alpha	N of Items
.873	32

Table 1 Reliability Analysis

Regarding the test of internal consistency of scales through the application of Cronbach Alpha, it is revealed that with the value of 0.8 the scales were highly consistent and therefore the outcomes achieved through it were able to be used for further analysis in the research.

Demographic Analysis

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1-2 years	58	29.0	29.0	29.0
3-4 years	45	22.5	22.5	51.5
5-6 years	48	24.0	24.0	75.5
More than 6 years	49	24.5	24.5	100.0
Total	200	100.0	100.0	

Table 2 Demographic Analysis

The demographic analysis regarding variables illustrated that majority of the freight forwarders that participated in the survey had the experience of 1-2 years. However, there were considerable number of respondents as well that had the experience of 3 to 6 years illustrating the fact that the respondents that participated in the survey belonged to diversified age groups.

Regression Analysis

The purpose of performing regression analysis was to obtain results after testing hypotheses in order to determine whether there exists a positive or any sort of relationship between the independent and the dependent variables.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.070	.074		.936	.350
	Operational_Logistics	.016	.019	.015	.860	.001
	Relational_Logistics	.067	.022	.061	3.050	.003
	Satisfaction	.019	.018	.016	1.064	.028
	Trust	.073	.031	.063	2.376	.018
	Commitment	.270	.101	.268	2.681	.008
	Switching_Cost	.142	.034	.421	4.201	.000
	Alternatives	.027	.042	.024	.639	.023
	Interpersonal_Relations	.725	.038	.730	18.920	.000

a. Dependent Variable: Attitudinal_Loyalty

Table 3 Relationship between independent variables and attitudinal loyalty

The first part of regression analysis was concerned with identifying the impact of all the independent variables on the dependent variable of attitudinal loyalty. The sig values that were obtained in this respect were all under the threshold value of .005 on the basis of which we can accept all the hypotheses.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.078	.184		.424	.672
	Operational_Logistics	.076	.047	.065	1.593	.013
	Relational_Logistics	.152	.055	.133	2.778	.003
	Satisfaction	.057	.043	.046	1.316	.030
	Trust	.158	.076	.131	2.067	.040
	Commitment	.573	.250	.548	2.290	.023
	Switching_Cost	.389	.084	1.112	4.640	.000
	Alternatives	.068	.105	.059	.653	.015
	Interpersonal_Relations	.132	.095	.128	1.387	.047

a. Dependent Variable: Behavioral_Loyalty

Table 4 Relationship between independent variables and behavioral loyalty

The second part of the analysis was concerned with analyzing the influence of all the independent variables on the dependent variable of behavioral loyalty. The sig values in relation to this particular dependent variable were also under 0.05 illustrating the fact that logistics service quality with respect to operational logistics and relational logistics, relationship quality in the form of satisfaction, trust and commitment and switching barriers in relation to switching cost, alternatives and interpersonal relations have a strong positive impact in terms of developing behavioral loyalty for the freight forwarders in Pakistan.

Correlation Analysis

Correlations

		Operational_Logistics	Relational_Logistics	Satisfaction	Trust	Commitment	Switching_Cost	Alternatives	Interpersonal_Relations	Attitudinal_Loyalty
Operational_Logistics	Pearson Correlation	1	.671**	.402**	.371**	.437**	.437**	.424**	.450**	.449**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Relational_Logistics	Pearson Correlation	.671**	1	.226**	.583**	.692**	.693**	.661**	.702**	.718**
	Sig. (2-tailed)	.000		.001	.000	.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Satisfaction	Pearson Correlation	.402**	.226**	1	.338**	.135	.133	.124	.119	.123
	Sig. (2-tailed)	.000	.001		.000	.057	.060	.081	.092	.082
	N	200	200	200	200	200	200	200	200	200
Trust	Pearson Correlation	.371**	.583**	.338**	1	.855**	.849**	.840**	.816**	.832**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Commitment	Pearson Correlation	.437**	.692**	.135	.855**	1	.993**	.937**	.941**	.947**
	Sig. (2-tailed)	.000	.000	.057	.000		.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Switching_Cost	Pearson Correlation	.437**	.693**	.133	.849**	.993**	1	.939**	.942**	.952**
	Sig. (2-tailed)	.000	.000	.060	.000	.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Alternatives	Pearson Correlation	.424**	.661**	.124	.840**	.937**	.939**	1	.928**	.930**
	Sig. (2-tailed)	.000	.000	.081	.000	.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Interpersonal_Relations	Pearson Correlation	.450**	.702**	.119	.816**	.941**	.942**	.928**	1	.982**
	Sig. (2-tailed)	.000	.000	.092	.000	.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Attitudinal_Loyalty	Pearson Correlation	.449**	.718**	.123	.832**	.947**	.952**	.930**	.982**	1
	Sig. (2-tailed)	.000	.000	.082	.000	.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

Table 5 Correlation Analysis regarding the dependent variable of attitudinal loyalty

The values of correlation that have been depicted in the above table are between 0.4 and 0.9 along with one value of 0.1 as well. The values under 0.4 illustrates that there is a mild positive relationship between the variables; whereas, the values between 0.5 and 0.9 depicts that there is a strong positive correlation between the variables. The interpretation in this respect can be provided through the fact that the presence of for examples trust significant encourages the freight forwarders to display loyalty with a particular shipping company in Pakistan.

Correlations

		Operational_Logistics	Relational_Logistics	Satisfaction	Trust	Commitment	Switching_Cost	Alternatives	Interpersonal_Relations	Behavioral_Loyalty
Operational_Logistics	Pearson Correlation	1	.671**	.402**	.371**	.437**	.437**	.424**	.450**	.383**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Relational_Logistics	Pearson Correlation	.671**	1	.226**	.583**	.692**	.693**	.661**	.702**	.675**
	Sig. (2-tailed)	.000		.001	.000	.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Satisfaction	Pearson Correlation	.402**	.226**	1	.338**	.135	.133	.124	.119	.099
	Sig. (2-tailed)	.000	.001		.000	.057	.060	.081	.092	.165
	N	200	200	200	200	200	200	200	200	200
Trust	Pearson Correlation	.371**	.583**	.338**	1	.855**	.849**	.840**	.816**	.799**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Commitment	Pearson Correlation	.437**	.692**	.135	.855**	1	.993**	.937**	.941**	.901**
	Sig. (2-tailed)	.000	.000	.057	.000		.000	.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Switching_Cost	Pearson Correlation	.437**	.693**	.133	.849**	.993**	1	.939**	.942**	.913**
	Sig. (2-tailed)	.000	.000	.060	.000	.000		.000	.000	.000
	N	200	200	200	200	200	200	200	200	200
Alternatives	Pearson Correlation	.424**	.661**	.124	.840**	.937**	.939**	1	.928**	.873**
	Sig. (2-tailed)	.000	.000	.081	.000	.000	.000		.000	.000
	N	200	200	200	200	200	200	200	200	200
Interpersonal_Relations	Pearson Correlation	.450**	.702**	.119	.816**	.941**	.942**	.928**	1	.880**
	Sig. (2-tailed)	.000	.000	.092	.000	.000	.000	.000		.000
	N	200	200	200	200	200	200	200	200	200
Behavioral_Loyalty	Pearson Correlation	.383**	.675**	.099	.799**	.901**	.913**	.873**	.880**	1
	Sig. (2-tailed)	.000	.000	.165	.000	.000	.000	.000	.000	
	N	200	200	200	200	200	200	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

Table 6 Correlation Analysis regarding the dependent variable of behaviora loyalty

The values of correlation that have been demonstrated in the above table are ranging between 0.3 and 0.9 illustrating the fact that there is a mild as well as positive relationship between different independent variables and the dependent variable of behavioral loyalty.

5. Discussion

The findings that were obtained through the statistical analysis demonstrated that the scales used for the purpose of analysis were highly reliable and therefore the researcher was able to perform extensive research on its basis. The analysis regarding descriptive statistics revealed that majority of the freight forwarders provided a positive responses regarding the questions that were asked from them during the survey. The generic findings and the analyses that were performed through the literature review demonstrated that the factors such as logistics service operations, quality of relationship along with switching barriers play an important role in terms of achieving objectives related to customer loyalty. Besides, it was demonstrated that it is also important for the organizations to reduce the intensity of the switching barriers in order to make sure that they are able to obtain the loyalty of the customers along with developing association with them for a long period of time.

In relation to service quality of logistics, the respondents were of the opinion that the shipping company with which they are associated is capable of performing service in a short transit time along with the fact that it financially very much stable. In addition to that, positive responses were also reported regarding the reliability, availability and reputation of the shipping companies. The combination of these factors was identified as instrumental in terms of improving operational logistics service quality. This was mainly because of the fact that the freight forwarders or the carriers generally prefer to remain associated with those shipping companies that are able to provide high quality and effective service in a reliable manner as part of operational logistics service which would result in increasing their overall convenience. According to Sohn, Woo and Kim (2017), the element of convenience plays an instrumental role in terms of improving the service and operational logistics performance. However, it is argued by Santouridis and Veraki (2017), that providing effective operational logistics service is largely dependent upon the capability of the shipping companies to provide consistent services in this respect.

Regarding the element of service quality, the respondents were also of the opinion that relational logistics is something which the freight forwarders also prefer largely mainly because of the involvement of the logistic personnel in terms of interacting effectively with them. Therefore, in the opinion of the respondents, the interaction with the shipping companies on consistent basis is something which motivates them to do business with these companies in the long run. In the view of Hu, Wang, Li, Zhang, Feng and Yang (2018), development of effective interaction with the customers paves the way for the organizations to develop long-term association with them. However, it is argued by Dahlberg, Engevall and Göthe-Lundgren (2018), that the behavior and the attitude of the customers also play an instrumental role in terms of determining the extent of the association that they are able to develop with an organization.

Regarding the variable of relationship quality, it was revealed that there are three major factors that contribute in this regard such as satisfaction, trust and commitment. The respondents that were part of the process of survey reported that they are primarily satisfied with the overall performance of their shipping companies which makes them feel that they have made a right choice. Regarding the element of trust, the respondents were of the opinion that the shipping company with which they are associated is trustworthy and has high integrity resulting in the development of trust. The presence of these factors therefore contributed towards respondents

displaying effective commitment with the shipping companies and showing their desire to remain associated with them for a considerable period of time. According to Dubey, Altay and Blome (2019), the quality of relationship between the service providers and the customers contribute immensely towards achieving objectives related to customer loyalty.

Perhaps the most critical factor that was analyzed through the statistical findings was related to switching barriers which reflected the threat for the shipping companies in terms of improving their performance to achieve objectives related to customer loyalty. The three variables that were analyzed as important related to the main variable of switching barriers include switching cost, attractiveness of the alternatives along with interpersonal relationships. Regarding the variable of cost, the respondents were found to be facing difficulties in terms of switching from one shipping company to another mainly because of the fact that they believe the cost that will be incurred in this respect would be on the higher side. Therefore, cost was identified as one of the major switching barriers that can be worked upon by the shipping companies to remain associated with a particular freight forwarder. In the view of Suárez-Álvarez, Río-Lanza, Vázquez-Casielles and Díaz-Martín (2019), cost is one of the major factors that have the ability to provide opportunity to an organization in terms of remaining associated with the customers for a long period of time. However, regarding the sub-variable of alternatives, it was revealed that the freight forwarders would not might going towards a better alternative in case the opportunity arise to do so. The tendency of the freight forwarders to choose alternatives is a sign that the shipping companies need to improve their performance with respect to improving the service quality of their logistics operations along with developing effective relationship with them. Failure to do so can result in shipping companies in Pakistan not being able to obtain the services of right kind of freight forwarders resulting in them facing difficulties and challenges in terms of reaching out towards their customers in a large market of Pakistan. Nevertheless, the respondents were of the opinion that the shipping companies have been generally able to establish strong interpersonal relationships with them resulting in encouraging them to stay committed with them for a long period of time. According to Juliawan and Martini, (2018), establishing proper interaction with the customers makes it difficult for them to switch from one service provider to the other.

6. Concluding Remarks

The conclusion that was derived through the research was that it is important for the shipping companies in Pakistan to bring about consistent improvements within their logistics

performance, quality of relationship in order to reduce the switching barriers for the freight forwarders. Reduction of these barriers is important as they facilitate the development of long-term association between the shipping companies and the freight forwarders and carriers which ultimately benefits the shipping companies. Therefore, lack of development of long-term association can ultimately result in shippers in Pakistan being finding it difficult to explore the market and take their products to the desired destinations. In addition to that, there are some other aspects as well which are considered as important for this research the brief illustration of which is provided below

Limitations of the Research

One of the limitations or shortcomings of this research was concerned with the time that the researcher had of completing this research. There was a limited time period where all the activities related to the research were required to be carried out.

The other limitation which was important was concerned with the fact that the research was purely based on the use of quantitative data which did not provide detailed and in-depth understanding regarding the issues that were relevant with the responses that were provided by the freight forwarders.

The other major limitation of this research is that it did not include the view point of the shipping companies and what motivates them to remain associated with the carriers or the freight forwarders for a long period of time.

Besides, it can be stated that the findings of the research were limited in the sense that it did not take into consideration the impact of reputation of the shipping companies in terms of creating customers barriers for the carriers or the freight forwarders regarding provided their services to new service providers. This is because of the fact that the strong brand name and the reputation of a particular shipping company can have a significant influence on the ways in which freight forwarders deal with them in the long run.

Recommendations

Considering the need to develop long-term association with freight forwarders, it is suggested to the shipping companies to ensure that they are aware of the challenges that are faced by the carriers on consistent basis. Eradicating these challenges can be considered as important because they can motivate the carriers to remain associated with the shipping companies for a long period of time

It is further recommended to the decision makers of the shipping companies that they should bring about improvements within shipping activities throughout the process of logistics. The rationale behind the application of this particular suggestion is that it can result in increasing the overall goodwill of the shippers which would subsequently lead towards improving their capability to attract capable freight forwarders on consistent basis

Keeping into view the importance of freight forwarders for the shippers, it is recommended that effective level of communication is being carried out with these freight forwarders on consistent basis. The rationale behind this particular suggestion is that it can assist in terms of obtaining their satisfaction and loyalty for a considerable degree of time

Future Areas of Research

The researchers while conducting researches in the future in relation to the chosen topic should conduct further researches and analysis about the ways in which long-term association with freight forwarders can be developed in the long run

The other area of research that can be explored in the future is regarding analysis of the challenges that the organizations can face in terms of managing the satisfaction of the freight forwarders. Conducting extensive research in this regard can be useful in terms of highlighting the steps needed to be taken by the shipping companies to improve their association with the shipping companies

Identification of the methods needed to improve logistics service quality with specific reference to maritime industry is another area that can be explored in the future. Obtaining detailed analysis in this regard can be helpful in terms of providing knowledge to the logistics companies regarding the ways in which they can improve the effectiveness of their operations.

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Dedication

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Conflicts of Interest

There are no conflicts to declare.



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