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FACTORS SHAPING LOGISTIC CUSTOMER SERVICE OF E-COMMERCE IN SELECTED EUROPEAN COUNTRIES

Justyna Majchrzak-Lepczyk (a)*, Anna Łupicka (b)

*Corresponding author

(a)University of Economics and Business in Poznan, Poznań 61-875, Poland, justyna.majchrzak-lepczyk@ue.poznan.pl

(b) University of Economics and Business in Poznan, Poznań 61-875, Poland Anna.Lupicka@ue.poznan.pl

Abstract

European e-commerce is growing year on year in both volume and the number of customers shopping. Innovation, technological progress, or the rate of changes determine the development of e-commerce. This market is constantly evolving, changing the purchasing behavior. What was valuable to customers a few years ago may not be important to them at the moment. The underlying idea of the presented considerations is the claim that when managing an enterprise, especially in e-commerce, it is necessary to emphasize the high quality of logistic customer service provided, which is one of the key factors of competitiveness. The aim of the article is to indicate the changing expectations of e-clients in relation to services provided in e-commerce on selected European markets. The main focus was put on Poland. The source basis of the study are literature sources and industry reports. The undertaken considerations made it possible to assess the key factors which, in the opinion of buyers, shape the competitive position of e-enterprises. Using the data based on the PastNord organization reports, which analyzes the dynamically developing e-commerce market, the key factors of logistics service were depicted. By analyzing the available data obtained as part of online interviews with e-clients from 12 European countries, differences in customer preferences were diagnosed. Meeting the highest standards regarding the time of completion, flexibility, reliability and punctuality of deliveries is the goal of today's e-businesses.

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1. The role of logistic customer service in e-commerce

Logistic service is not a new research area, however, market and economic changes are significantly changing its role. This increases the need for constant adaptation to existing trends, especially in the area of e-commerce. Turbulence of changes is a key challenge for logistics service (Xiao, Yong, Qinli, & Stokes, 2012), determining the need to create appropriate supply network structures in which independent entities compete and cooperate with each other in order to improve efficiency and effectiveness of goods flows, financial flows, copyright, patents and information based on the expectations of customers. Continuous analysis of factors shaping consumer choices is also necessary (Kułyk, Michałowska, & Kotylak, 2017).

The most important customer of logistic service is its end user; the one who indicates the place and time of receipt. The end user in the presented considerations is an individual consumer, satisfying their personal needs, making purchases in e-commerce.

Most frequently, logistic customer service is associated with the activity related to delivery, but before it occurs, a number of activities take place in the entire supply chain (Ying, Wang, Ray, Zhongb, & Huang, 2016). In the considerations discussed, it was assumed that logistic service is the effect of the logistic system of the enterprise and the supply chain, with a view to providing benefits of functional, economic and psychological nature (Kempny, 2008, p. 11). However, it should be emphasized that customer service must not be understood in a simple manner - it has many definitions in the literature. This fact results, among other things, from the different perception of service by various customer groups, which may include: producers, suppliers, vendors and customers.

Undoubtedly, modern information technologies, digitization and automation are rapidly changing business conditions. This, in turn, accelerates and facilitates many processes, especially in the dynamic area of developing electronic commerce.

2. Logistic service of electronic commerce in Europe

Recent years have brought a significant increase in the value and volume of e-commerce. It is estimated that in 2018-2020 the average annual increase will reach 20%, almost doubling the value of e-commerce (figure 01). It is worth noting that in 2016, the value of product purchases via the Internet was estimated at 8.7% of the global value of retail sales of goods, and in 2020 it is forecast to exceed 14.5%.

In the analyses of the factors influencing logistic customer service, Postnord¹ reports were used, which conducts regular research on e-commerce in selected European countries. The subject of the research included: the number of people who do e-shopping, the percentage of e-clients in the population, the number of people purchasing clothing, as well as the recipients using their right to return them and the average annual spending on online shopping.

It should be clearly emphasized that the countries discussed are characterized by a different stage of development of e-commerce. Also, the size of the population and the territorial area of the countries is different. For example, Italy, Spain and Poland are relatively large markets, however, they have not reached a very high level of online development compared to others. Great Britain and Germany stand out

¹ PostNord has been conducting research on e-commerce market in selected European countries since 2014, presenting them in the "E-commerce in Europe" reports. Research is carried out in the form of an online survey among consumers aged 15-79. The number of respondents is slightly different in individual countries, however, it is mostly a group of around 1000 respondents.

in this respect, where e-commerce is best developed. When analyzing the available data, the three most important factors related to the deliveries of the ordered products should be indicated. These are: cost, time and choice of place of delivery. According to the Pastnord report (2018), 268 million European consumers shop online. In 2018 they spent EUR 198 billion, an increase of EUR 17 billion compared to 2017.

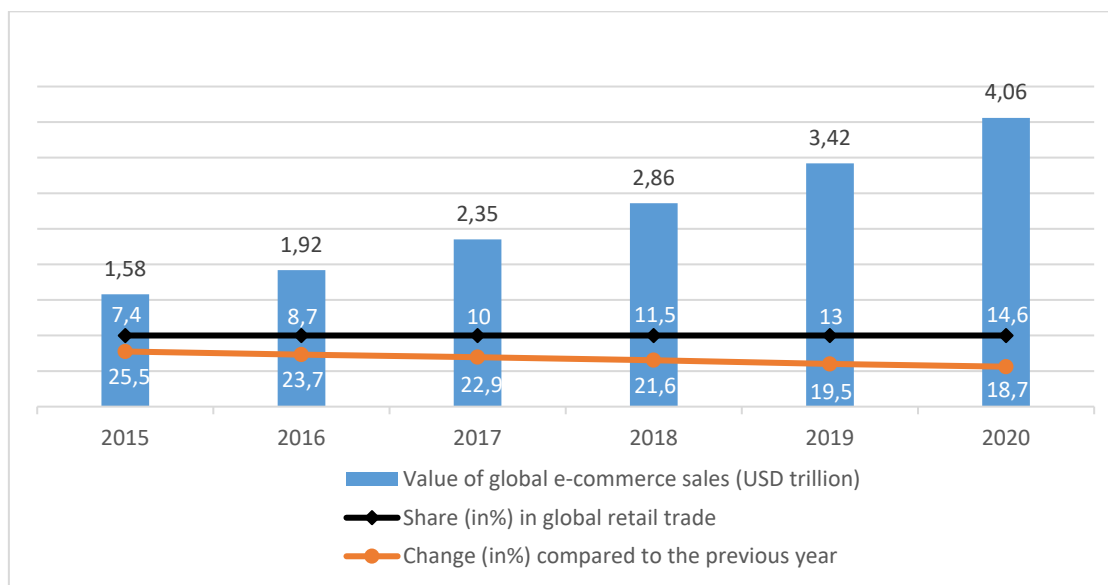


Figure 01. Value of global e-commerce sales in 2015-2020 Source: (Virgillito, 2017)

The largest e-commerce markets in Europe - Germany, Great Britain and France together account for over half of the total consumption of European countries. The greatest popularity of online shopping is enjoyed by the UK, as 93 percent of consumers aged 15 - 79 do shopping on the Internet. The largest percentage of online sales is generated by clothing and footwear, purchased by over half of Europeans. France, as one of the largest European economies, is characterized by slightly above the average in terms of the number of consumers of e-commerce and Internet penetration. The average annual expenditure is in line with the European average.

E-commerce in Poland began to develop relatively late, but in recent years it has recorded clear increases. Nevertheless, Poland is below the European average in terms of the number of e-clients, Internet penetration (71%) and average annual spending on online shopping (EUR 352). Italians spend slightly more than Poles do, spending EUR 396 on average for online shopping. In the three-year research perspective, however, this expenditure is increasing.

The highest amounts for e-shopping are spent by the English and Germans. Analyzing the cumulative values in table 01, it appears that the residents of Europe are more and more willing to make purchases on the Internet.

Table 01. Characteristics of the European e-commerce market

	Number of people making e-purchases (in millions) *			Percentage in the population			Percentage of people buying clothing			Average amount of expenditure per person per year (in euros)			Percentage of customers making returns		
	2016 year	2017 year	2018 year	2016 year	2017 year	2018 year	2016 year	2017 year	2018 year	2016 year	2017 year	2018 Year	2016 year	2017 year	2018 year
Great Britain	44,5	45,7	47,1	88	90	93	60	58	63	1118	874	942	41	43	40
Germany	57,6	57,7	58,3	87	87	88	61	59	60	676	647	670	46	51	53
France	40,2	40,2	42,5	80	80	84	47	49	53	516	470	584	32	35	45
Italy	28	29,1	29,4	58	60	61	31	35	36	341	373	396	19	37	43
Spain	26,4	27,2	30,9	72	74	84	40	42	54	435	468	538	22	34	43
Poland	19,6	21,7	21,8	64	71	71	36	43	44	226	344	352	17	29	32
Netherlands	11,9	12,1	12,3	89	90	91	49	55	55	454	489	565	39	46	52
Belgium	7,1	7,1	7,0	81	81	79	41	42	42	426	486	453	26	35	38

Observing the tendency related to returning merchandise, one can conclude that consumers are aware of their rights and benefit from the opportunity offered to them to return the purchased product. In 2018, 32% Poles took advantage of this right. The most returns in Europe are made on stable markets: German (53%) and Dutch (52%). Thus, clear and transparent procedures related to withdrawal from the contract are beginning to play a very important role in helping the consumer make a rational purchasing decision.

3. Factors shaping the quality of logistics services

Logistic customer service is shaped by many activities that boil down to the skills and ability to meet the expectations of buyers. The attempts to define the factors affecting customer satisfaction that make purchases in e-commerce are the subject of many studies (Hu, Huang, Hou, Chen, & Bulysheva, 2016; Jiang, Jun, & Yang, 2016; Zhang, Huang, Yan, & Wang, 2015; Iwińska- Knop, 2015), but not in such a context as the considerations presented in the study. The quoted data cover years 2016-2018 and they clearly indicate that there are differences in the preferences and expectations of e-clients on the European market, which is worth looking into.

By pointing out the characteristics that shaped the European e-commerce market, selected factors were analyzed and presented cyclically in the reports. These are: price, delivery speed, the possibility to change the date and time of delivery, the clarity of return procedures, the percentage of people making returns and the number of people e-shopping from mobile devices.

In none of the analyzed European markets the price is indicated as the most important factor determining the willingness to make e-purchases. This factor came second or later, and what is interesting - in Poland it took the last position among the indicated options. The other European countries do not

indicate the price as the least important while e-shopping. This is a clear trend in e-commerce. The amount that should be paid for a given product is not the main distinguishing feature of e-purchases, because there are other key aspects the analysis will demonstrate.

In four countries: Great Britain, Germany, Italy and Belgium, the most important for e-customers are transparent and clear return procedures and the possibility of changing the date or time of delivery. In France the most important are clear return procedures, as well as the possibility to change the date and / or time of delivery. In Spain and in Poland, the two factors appear in reverse order: customers first point to possible changes in the date / time of delivery, then clear return procedures. In the Netherlands the first place is taken by possible changes to the date / time of delivery followed by clear return procedures, then comes a fast delivery (table 02). There are increasing requirements among European consumers, especially in terms of conditions that guarantee fast and convenient delivery. In 2018 people who made e-purchases declared their desire to receive the goods within a maximum of 3 days from the date of placing the order. 41% of customers in the UK are interested in such services, while in Poland as many as 52% report such a need. This is a much larger percentage of demanding customers than in other European countries. The majority of clients in Germany or Belgium have less high expectations. Thus, Poles stand out from other countries, as they usually expect the shortest possible delivery time, accepting its higher costs. It should be noted that the tendency of Polish clients to pay for fast delivery is greater than that of customers in the most developed British (41%) and German (28%) e-markets. Among Belgians, it is less than one in seven buyers. As for options for changing the delivery date after shipping the product, it is more important in Poland and in Southern Europe than in other countries.

There is a clear interest in mobile devices, mainly in Spain (71%), Italy (66%) and the United Kingdom (65%). The smallest desire to use mobile devices is reported in Belgium (46%) and in Poland (53%), which, of course, do not disqualify these countries. The structure of the Polish market and its development is different from the already established e-commerce markets, progress is slower, although very intensively in recent years. In three consecutive years' analysis there is a clear interest in the use of mobile devices for shopping purposes. The need to support and initiate purchasing processes on mobile devices is also the subject of research and forecasts (PwC 2017). Changes related to the mindset of customers are called 'mobile mind shift' (Schadler, Bernoff, & Ask, 2014), because it boils down to the expectation that we will get what we want right when the need arises. This may explain the willingness to incur the higher costs indicated earlier in order to obtain a quick delivery. The mobile devices used by customers on a daily basis guarantee almost constant access to being online. This determines the need to create new solutions, or dedicated applications which are gaining more and more popularity, especially among young people. It can be argued that mobility determines the need for speed. Electronic equipment, which customers use, makes the flow of information immediate, the only condition is access to the Internet. Nowadays, almost everyone uses a smartphone on a daily basis. Thus, the customer making a mobile purchase is more demanding in terms of speed and timeliness of deliveries than the one who uses a computer or laptop. The use of mobile devices increases each year in each of the examined European countries (table 2), probably because the time factor in logistics services is so important. Observing the growing tendency of both the interest in electronic purchases and making the purchase by means of mobile devices, one should expect increasing pressure from the buyers for timely and fast delivery of the ordered products.

The growing awareness of consumers, which translates into more frequent use of returns, means that many e-businesses have understood the importance of offering convenient solutions in this area. Free returns are also important for customers, giving them a sense of greater security from the transaction. The Germans and the Dutch return the most goods, as more than half of their Internet consumers have returned at least one product over the last year. In Spain, almost four out of ten people use this right. Clothing and footwear are the category that is most often returned. This is surely a clearly evolving trend, because consumers order a larger number of clothes in different sizes or colors to try them on at home and make the most appropriate choice. Therefore, it is difficult for e-businesses to estimate the predictability of returns. Thus, transparent information about them is now a necessity, also from the perspective of the quality of logistic services provided. This need is observed especially among Italian consumers who are the most demanding in this respect.

European buyers expect transparency and clarity of information about the conditions of purchase, delivery, returns, but also expect that the service of the online store will be provided at a high level. This may be manifested, for example, in the form of a quick response to the questions asked.

Table 02. Factors shaping logistic customer service of e-commerce in selected European countries (in%)

Country	Price as a decisive purchase criterion			Delivery speed max. three days			Will to pay for a quick delivery			Option to change the date / time of delivery			Clear return procedure			Using mobile devices to buy		
	2016 year	2017 year	2018 year	2016 year	2017 year	2018 year	2016 year	2017 year	2018 year	2016 year	2017 year	2018 year	2016 year	2017 year	2018 year	2016 year	2017 year	2018 year
Great Britain	43	44	42	41	40	41	42	34	41	43	35	38	52	48	46	59	57	65
Germany	34	40	37	39	39	37	27	23	28	31	34	40	50	51	51	44	40	56
France	42	40	41	41	41	42	20	24	31	45	50	52	57	51	54	33	36	57
Italy	54	53	53	43	39	42	30	30	37	52	50	59	65	62	67	29	46	66
Spain	49	51	51	42	39	47	32	28	38	60	60	67	57	56	60	43	53	71
Poland	43	37	39	56	51	52	44	43	46	69	70	71	57	52	50	27	46	53
Netherlands	42	41	38	46	41	39	17	17	24	51	51	55	50	51	46	40	39	58
Belgium	47	44	42	41	39	37	15	13	14	25	25	27	55	50	50	27	33	46

These requirements vary in different countries - the highest of them are from the residents of Great Britain. Perhaps this is the reason why, in terms of e-commerce, this market is the most developed in the world. It is customers' shopping experience, greater interest in e-shopping that determine the growth of e-sales. Customers are becoming more demanding in terms of delivery, as they consider its speed as a key factor in customer satisfaction. The possibility of choosing the method, date and place of delivery of ordered products is important for all European consumers.

4. Conclusion and Discussions

The article presents the role of logistic customer service with the focus on the factors that shape its quality in e-commerce. There are clear differences in the perception of the importance of the level of quality of logistics services in European countries, as illustrated in the study. The most important for the surveyed is the delivery time - from the moment of placing the order to receiving the parcel. The road to success in e-commerce is, therefore, not straight and can be paved with hardship when choosing the right strategic direction and surviving in increasingly difficult competitive conditions (Ansoff, Kipley, Lewis, Helm-Stevens, & Ansoff, 2018; Chaffey, 2015; Yu, Wang, Xin, Zhong, & Huang, 2017).

Mobile purchases are becoming an important factor in the strong progress of e-sales. In Europe many consumers use a mobile device to make a purchase. Interest in mobile purchases in Europe is increasing, but customer mobility is diverse. It should be assumed that with the increasing availability of mobile devices and the increasing access to the Internet, these differences will be leveling off, thus fostering the development of e-commerce in various countries.

Identified factors improving the quality of logistic service for online stores in Europe (Figure 02).



Figure 02. Factors that increase the quality of logistic service for online stores Source: Own study

Mobile technologies are a kind of catalyst thanks which facilitate the development of the e-commerce supply network and improve business processes while meeting the needs of today's consumers at the same time. This, however, determines the need for constant research and observation of trends. Only in this way is it possible to shape the offer that e-clients expect. Thus, the presented research results may constitute a kind of signpost of company behavior and strategic actions taken in e-commerce.

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