

# Why customer service needed in globalization of logistics research paper

[Business](#), [Company](#)



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Incorporate customer service and the supply chain customer service issues must be responded to if the supply chain has to function efficiently and at a high efficiency. It avoids disruptions in the supply chain because customers directly influence demand. Consequently, customer service should be seen as a constituent of the supply chain and managers must allocate due importance to it. Just like within the supply chain, customer service should be prophylactic, not irritable (Langevin, 2005). A service-oriented architecture integrates business service mechanisms to balance demand and supply and augment inventory levels and customer service. Integrating this with cooperative implementation can help to linking customer service and worldwide trading linkages to deliver the best probable customer experience. This will ensure that the company responds to market and operational changes (Tyndall, 2008).

Organizations must ensure that their service systems or distribution chains are very efficient to meet the customers demand and urgency (Langevin, 2005). Customer needs, preferences and tastes are consequently changing and customers specify the kind of products that they want.

Organizations must embrace individualization and diligently work with the

customers to produce products or services that are customer tailored since failure to meet the customers' specifications will result to losses (Tyndall, 2008). However, customization makes it unmanageable to retain bulky stocks for various industries.

Every day, fresh products come up and the hazard to stay with inoperable and outmoded stock is very big. However, companies must maintain a sufficient stock since without that, they cannot offer good logistic services to their clients and at no point will their clients be satisfied. The customer's demand is of utter importance and every company must take this into consideration. The issues that arises due to customization can be partly solved by the implementation of value added logistics which will help companies keep at pace with the contemporary briskly changing business world (Langevin, 2005). Global logistic technologies must be embraced by all companies to ensure that information adequately flows and that the variability and diversity of customers is effectively handled to attain world class logistic services that will be a major boost to the supply chain and enhance customer-company relationships (Gale, & Wood, 2004).

Reverse Logistics as a customer service practice an effective reverse logistics is an important component in the supply chain. The logistic program must entail product returns and any other after-market supply chain matters. The simplicity with which a customer obtains returns toughens their long-term association with a business. The inventory cost should also be reduced so as to increase profitability to the business but not at the expense of distressed or excruciated customers. Operational efficiency and accuracy must also be incorporated into the reverse logistics system to increase the degree and

possibility of the system in handling both business' and clients' needs (Langevin, 2005). Companies should spend money to develop reversed logistics as this helps in inaugurating customer service best practices throughout a product's life cycle, minimize expenses and increases sales revenue as well.

Perfection comes when there is zero or immaterial waste in the system. This means that the entire logistics industry has to use continuous enhancement initiatives and dramatic modernizations to enhance customer involvement so that customers get the accurate services that they want, with no delay, at a rational price and with zero waste (Gale, & Wood, 2004). It might take quite a long time to attain this level of perfection but it can gradually be done by continuously eliminating wastes. Everyone in the logistics industry should be encouraged to improve through passive and enforced improvement initiatives. This goes beyond reduction of wastes in the system to new inventions and innovations (Tyndall, 2008). By developing this kind of innovative environment and continuous improvement, the logistics industry will remain competitive by driving down costs while offering innovative services and service delivery methods to its clients.

### **Customer service as a cost reduction Scheme**

Customer service management is one of the supply chain functions that for a long time have been ignored while utter attention is allocated to the other functions. A business should know how customer service and the supply chain are interrelated as this offers an opportunity to increase the sales and reduce costs associated with sales (Langevin, 2005). Forming an affirmative

customer experiences across all stages of a product's life cycle (introduction, growth, maturity and decline) drives advanced gratification among existing customers, which builds customer loyalty.

The marketing and customer service departments are coming close to each other and establish a close working relationship with the main aim of leveraging costs. The value of loyal customers cannot be underestimated and the logistics industry has understood this quite well (Gale, & Wood, 2004). They buy more, are cheaper to serve, buy more often, are more profitable than newly acquired customers and their retention rates is also higher.

Two methods that are generally used to impact customer devotion are conscripting the right kind of customers and handling them very well once acquired. It is customers who guarantee logistic companies permanency. It therefore calls that they improve customer service and customer loyalty by establishing a close association between the marketing and customer service departments to ensure that customers are served excellently and at lower, affordable costs (Gale, & Wood, 2004). Good customer care should be established by empowering customer contact personnel with information and authority to act on behalf of the customer and having the customers' interests at heart rather than having their own interests. This is a diversification of operations and this can be a major leverage strategy but calls for good communication between the company's management and its agents (Tyndall, 2008). This will make the customer feel confident in the agents as they will perceive them as people who can understand and solve their problems the first time they come into contact with them.

## **Stipulate value from the clients' point of view**

The nature of demand is of utter importance in specifying customer value to ensure that it accurately matches the needs, tastes and preferences of the customers (Tyndall, 2008). Generally, the value of customer is to have their problems solved with as little cost, time and inconveniences to them as possible.

Organizations have to create contact centers that understand who their customers are and eventually comprehend what they consider best and actually what they want to obtain from the company as this can be a major strategy in retaining customers and building a strong customer base. If this is done, the contact centers will have put customers at the center of their lean innovativeness (Langevin, 2005). It is of great importance to understand customers' perception of added value will lead to a transformation of organizations and the entire logistics industry and this will ultimately increase the quality of service from the customers perception and consequently, sales will increase since the customers will feel that they are actually understood by the organization.

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