# SERVICES OF LOGISTICS SERVICE PROVIDERS AFFECTING ONLINE BUSINESS PERFORMANCE

**Bundit Phrapratanporn** 

Graduate School, Suan Sunandha Rajabhat University, E-Mail: bundit.ph@ssru.ac.th

## ABSTRACT

The purpose of this study is to investigate the value of logistics service providers in influencing the purchasing decisions of clients who buy consumer items online. The research model is quantitative. A sample consisted of 400 online product purchasers from fan pages who had at least one online buying transaction in the previous six months. The data were analyzed using multiple regression. The results have shown that social and environmental developments factor, privacy and security of customer, high efficient information and staff quality respectively are outstanding activities that will influence online business performance.

Keyword : Logistics services, Business operations, Online business

# **INTRODUCTION**

Businesses that offer things through internet platforms must employ delivery services. In order to get items to customers securely, swiftly, and precisely. As a result, the quality of service provided by the product delivery business is a standout feature of the company's online sales. If such activities are favorable, consumers will be satisfied. Customer happiness is thus a motivating factor for both companies to enhance sales. Increased market share and growth From past research, it has been found that the service delivery model of the delivery service provider business will affect the success of the delivery business, including: Staff Quality, Service Convenience, High Efficient Information Management, Corporate Image, Delivery, Social Development and Environmental Development (Nualkaw, Wararatchai, Sommanawat & Aunyawong, 2021). Nowadays, businesspeople are more concerned with social and environmental issues because these concerns will have an impact on the business's performance. Delivery enterprises, in particular, must pay close attention to social and environmental issues since their use of automobiles to carry goods directly contributes to increased air pollution. (Phrapratanporn, Sukpun & Wararatchai, 2023).

The majority of delivery firms prioritize customer service excellence. In addition, marketing initiatives should focus on developing consumer connections because it will lead to great customer satisfaction, such as developing confidence in offering services. Maintaining positive ties with customers in order for clients to obtain services that provide optimum benefits, giving priority to after-sales service (Chaitorn, Boonmalert and Phootho, 2023). Furthermore, in today's world, client private information is discovered to be insecure. If the shipping service provider is aware of such issues, they can be trusted, confident and committed. This is useful to the operations of freight forwarding service providers and helps their firms to expand further. (Udomdet, Erawan & Khankaew, 2022).

Therefore, logistics transportation service providers must adapt their business models to meet new demands. To transport products and services to consumers in a flexible, fast, lowcost, and accurate manner while lowering operating losses as well as caring for consumers and keeping them with the firm for a long period in order for the company to achieve longterm business success. The study, this, aims to determine the service model of logistics service firms, which includes Staff Quality, Service Convenience, High Efficient Information

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Management, Corporate Image, Delivery, Social Development and Environmental Development, Customer Relationship Management and Privacy and Security Affecting Online Business Performance.

# **OBJECTIVE**

1. study is to investigate the value of logistics service providers in influencing the purchasing decisions of clients who buy consumer items online. The research model is quantitative.

# LITERATURE REVIEW

**Table 1.** Summary of literature review

Researchers	Nualkaw, Wararatchai, Sommanawat & Aunyawong, (2021)	Phrapratanporn, Sukpun & Wararatchai, (2023)	Chaitorn, Boonmalert and Phootho, (2023)	Udomdet, Erawan & Khankaew, (2022)	Phrapratanporn, Thanitnan, Thanitnan, Rungsawanpho, Aunyawong, & Kochakasettrin, (2022)
Staff Quality Service	v				×
Convenience	$\checkmark$				
High Efficient Information Management	$\checkmark$				$\checkmark$
Corporate Image	$\checkmark$				
Delivery	$\checkmark$				
Social and Environmental Development	$\checkmark$	$\checkmark$			
Customer Relationship Management			$\checkmark$		$\checkmark$
Privacy and Security				$\checkmark$	

H1: Staff quality affects online business performance.

H2: Service convenience affects online business performance.

H3: High efficient information management affects online business performance.

H4: Corporate image affects online business performance.

H5: Delivery affects online business performance.

H6: Social and Environmental development affects online business performance.

H7: Customer Relationship Management affects online business performance.

H8: Privacy and Security affects online business performance.

### METHODOLOGY

This research is quantitative research. Populations are people who have had more than one experience of purchasing groceries online in a period of no more than 6 months because these populations have the ability to remember their online shopping experiences well (Roche, 2014) and are expected to continue to be online shoppers. Therefore, it should be a population that has quality in research, but the exact population size is unknown. The sample size of 400 was determined according to Cochran (1977). The authors therefore chose non-probability randomization. Nonprobability sampling was performed using a simple purposive sampling method, which was a sample selection that the researcher considered from a group of online sellers because it is appropriate for the population studied. For research instrument, the questionnaire was checked its Content Validity by 3 experts, it was found that the whole questionnaire had a validity value (IOC) in the range of 0.67-1.00 which passed a threshold of 0.50 or higher, along with revised questions according to the advice of experts to make the questions more quality. Next, the revised questionnaire was tested with a sample of 30 similar samples to find reliability. It was found that this questionnaire had Cronbach's alpha value of 0.868. It could be considered that the questionnaire had a high level of confidence. After that, the questionnaire was taken to collect real samples with the sample group until the required numbers of questionnaires were obtained by focusing on understanding the survey participants to comprehend the content of the questionnaire to prevent misunderstandings in questions. This may cause the questionnaire to not have the desired quality. Then, the data were analyzed by using descriptive statistics such as frequency, percentage, and inferential statistical analysis, including multiple regression to test the effects of variables.

Online Business Performance	Standardized Coefficients	t	Sig.	Collinearity Statistics		Hypothesis Testing
r er tot mance	Beta			Tolerance	VIF	Results
Staff Quality	.152	2.641**	.014	.786	1.924	Accept H <sub>1</sub>
Service Convenience	.049	.874	.382	.493	2.029	Reject H <sub>2</sub>
High Efficient Information	.231	4.196**	.029	.502	1.992	Accept H <sub>3</sub>
Corporate Image	069	-1.362	.174	.586	1.707	Reject H <sub>4</sub>
Delivery	.080	1.527	.127	.549	1.821	Reject H <sub>5</sub>
Social & Environmental	.367	2.685*	.000	.546	1.832	Accept H <sub>6</sub>
Customer Relationship	089	-1.842	0.192	.594	1.824	Reject H7
Privacy and Security	.232	4.416**	.035	.532	2.592	Accept H8

### Table 2. Results of regression

R= .508,  $R^2$  = 0.696, SEE= 0.499, Durbin-Watson = 1.945, \*P < 0.01, \*\*P < 0.05

### **CONCLUSION AND DISCUSSION**

The results showed that social and environmental developments factor, privacy and security of customer, high efficient information and staff quality respectively are outstanding activities that will influence online business performance. This might be because people are worried about both environmental problems and the security of their personal information. Phrapratanporn, Thanitnan, Thanitnan, Rungsawanpho, Aunyawong, & Kochakasettrin, 2022 Furthermore, this is due to consumers' preferences for comfort and excellent service from a courier, as well as the usage of extremely efficient communication technologies. For online merchants who have a delivery team or use a courier service with logistics service providers, the faster their delivery service, the more active their counterparts are and the more popular they are with consumers. This is consistent with past research that the success of transportation services is influenced by high performance information management factors, service convenience, operations with social and environmental developments. (Nualkaw, et al. 2021) Another activity that demands careful attention to clients is safety and privacy, since they may have difficulty living a life that is endangered by criminals. (Udomdet, Erawan & Khankaew, 2022)

Further study should focus on service value in a different perspective according to the changing era, such as the value of service provided to customers in the context of the digital economy, which is a new economy driven by digital technology and innovation. These will be the core driving force for the Thai economy in the next 10- 20 years from now. It may be studied in conjunction with the success of the freight forwarder and the business success of the e-commerce seller in the same model. In order to know the results of the online business.

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