



KADIR HAS UNIVERSITY
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**THE EFFECT OF RELATIONSHIP MARKETING ON
CUSTOMER LOYALTY: AN INVESTIGATION IN THE
TRANSPORTATION SECTOR**

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MASTER'S THESIS

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ISTANBUL, APRIL, 2020

I, BARIŞ ARDA HACIOĞLU;

Hereby declare that this Master' thesis is my own original work and that due references have been appropriately provided on all supporting literature and resources.

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TABLE OF CONTENT

ACKNOWLEDGEMENT	i
TABLES LIST	iv
FIGURES LIST.....	v
ABSTRACT.....	vi
ÖZET	viii
INTRODUCTION	1
CHAPTER 1	3
LITERATURE REVIEW	3
1.1. SERVICE CONCEPT & SUGGESTIONS	3
1.2. NATURE AND CHARACTERISTICS OF A SERVICE.....	3
1.2.1. Intangibility:.....	3
1.2.2. Inseparability.....	3
1.2.3. Variability:	4
1.2.4. Perishability:	4
1.3. SERVICE QUALITY	4
1.3.1. Determinants of Service Quality:.....	5
1.4. SERVICE MARKETING MIX (4Ps).....	5
1.4.1. Product:	6
1.4.2. Price:	7
1.4.3. Promotion:.....	8
1.4.4. Place:.....	8
1.5. SERVICE MARKETING MIX (4Cs)	8
CHAPTER 2	10
LITERATURE REVIEW	10
2.1. RELATIONSHIP MARKETING	10
2.2. PURPOSE OF RELATIONSHIP MARKETING.....	11
2.3. THE ROLE OF SALESPERSON IN RELATIONSHIP MARKETING	12
2.4. TRADITIONAL MARKETING & RELATIONSHIP MARKETING	14
2.5. RELATIONSHIP MARKETING BENEFITS FOR COMPANY	15
2.6. RELATIONSHIP MARKETING BENEFITS FOR CUSTOMER	15
2.7. RELATIONSHIP MARKETING TACTICS.....	16

2.7.1. Trust:	16
2.7.2. Commitment:	17
2.7.3. Relationship Satisfaction:.....	17
2.7.4. Relationship Quality:	18
2.8. RELATIONSHIP MARKETING USING DIGITAL PLATFORMS	18
2.9. THE RESULTS OF RELATIONSHIP MARKETING	19
CHAPTER 3	20
LITERATURE REVIEW	20
3.1. CUSTOMER LOYALTY	20
3.2. TO BE CUSTOMER-ORIENTED	21
3.3. CONCEPT AND IMPORTANCE OF CUSTOMER LOYALTY	21
3.3.1. Brand Loyalty & Service Loyalty:.....	21
3.3.2. Customer Loyalty & Technological Challenges:.....	22
3.3.3. Customer Loyalty & Profitability:	22
3.3.4. Customer Loyalty & Social Norms.....	23
3.4. METHOD OF CUSTOMER LOYALTY	23
3.4.1. Behavioral Measurements:.....	23
3.4.2. Attitudinal Measurements:.....	24
3.4.3. Composite Measurements:.....	24
3.5. CRM AND DATA MINING STUDIES ON LOYALTY	24
CHAPTER 4	25
INTERNATIONAL TRANSPORTATION & LOGISTICS	25
4.1. DEFINITION AND SUGGESTIONS	25
4.2. THIRD-PARTY LOGISTICS SERVICE PROVIDERS	27
4.3. TYPES OF TRANSPORTATION	28
4.3.1. Highway Transportation:	28
4.3.2. Airways Transportation:.....	28
4.3.3. Railroad Transportation:	29
4.3.4. Maritime Transportation:	29
4.3.5. Intermodal Transportation:.....	29
4.3.6. Combined Transportation:	29
4.4. ISSUES	30
4.4.1. An economic view of the ongoing problems in the sector:.....	30
4.5. FUTURE OF THE TRANSPORTATION INDUSTRY	31
CHAPTER 5	32
RESEARCH METHODOLOGY	32

5.1. METHOD OF STUDY	32
5.2. METHODOLOGY.....	32
5.2.1. Ethical Aspect	33
CHAPTER 6	34
RESULTS & DISCUSSIONS.....	34
6.1. Customer-Focused Relational Mediators Contributing to Customer Loyalty.....	34
6.2. Other Factors Contributing to WOM & Customer Loyalty	45
CHAPTER 7	60
IMPLICATIONS	60
7.1. THEORETICAL IMPLICATIONS	60
7.1.1. Factors Contributing to WOM & Customer Loyalty	64
7.1.2. Other Factors Contributing to WOM & Customer Loyalty	66
7.2. MANAGERIAL IMPLICATIONS.....	67
SOURCES.....	70
APPENDIX.....	74
CURRICULUM VITAE	77

TABLES LIST

Table 1: Development of Service Marketing Mix.....	6
Table 2: The Difference between Traditional Marketing & Relationship Marketing.....	14
Table 4: Controllable Elements in the Logistics System	27
Table 5: What do you think would destroy your trust in the LSP?	36
Table 6: Do you feel committed to the LSP? What plays a key role, why?.....	39
Table 7: What factors do you believe contributes to your company's relationship satisfaction with the LSP?	41
Table 8: What factors do you believe contributes to the quality of your company's relationship with the LSP?	42
Table 9: Can you easily switch your logistics service provider?	43
Table 10: What types of risk do you consider in terms of your company's relationship with the LSP?	44
Table 11: What kind of benefits do you receive from the LSP in addition to your usual business?	46
Table 12: Do you think the LSP makes all necessary investments in its relationship with your company?	47
Table 13: Do you believe the LSP possesses necessary and sufficient capabilities in the logistics business?	49
Table 14: Do you experience conflict between the two companies? If so, what causes such conflict?.....	51
Table 15: Why do you think the LSP provides a better service than competing LSPs?	52
Table 16: Do you think the LSP has a positive brand image in the business environment?	57
Table 17: Do you believe you receive good value from being in a working relationship with the LSP? Why?	59
Table 18: Review of Construct Definitions, Aliases, and Representative Studies.....	63

FIGURES LIST

Figure 1: Theoretical Grounding to the Loyalty Construct.....	21
Figure 2: Using a simple tracking program and the importance of strategy	38
Figure 3: Preparing quotations for known customers in line with strategic goals	56
Figure 4: Relational Mediator Meta-Analytic Framework	60
Figure 5: Customer-Focused Antecedents	61
Figure 6: Seller-Focused Antecedents.....	61
Figure 7: Dyadic Antecedents.....	62



ABSTRACT

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Customer satisfaction and customer loyalty are essential concepts in today's business world, where gaining a competitive advantage is becoming increasingly hard, and sustainability becomes more complicated day by day. In addition to spending time with new customers, companies that can satisfy their existing customers and succeed in maintaining long term relations with them will exist determinedly in the market and continue to increase their profitability and maintain their existence.

Like most companies, one of the main objectives of logistics service providers is to implement the customer-focused approach at a high level and thus increase profitability with the concepts of satisfaction, loyalty, and word-of-mouth marketing. From a broad perspective, the job of shareholder companies is similar. Moving a load from point x to point y, but the main aim for the differentiation of a company is to understand the customer's desires and to make an effort to ensure its relationships with customers are long and reliable. Of course, gaining customer loyalty is not an easy task. In this respect, it is very crucial to understand customer's needs, to determine the right strategies, and to establish good relationships. As a result, the most modern concept of marketing is relationship marketing, and its techniques come into play.

In this thesis, an in-depth interview method was applied to companies receiving logistic support. Data were collected using a semi-structured interview method. The interview questionnaire was organized, and interviews lasted between 20 and 35 minutes. The researcher conducted all interviews. The questions were directed to 10 different import/export companies in Istanbul using third party logistics services. The aim was to find out the reasons that keep these companies loyal to their long-term logistics suppliers.

This study may create a competitive advantage for the logistics services providers that can internalize and implement the results of the research correctly.

Keywords: Relationship Marketing, Customer-Focus, Customer Satisfaction, Customer Loyalty, Third-Party Logistics Service Providers, International Transportation Sector



ÖZET

BARIS ARDA, HACIOGLU. İLETİŞİMSEL PAZARLAMA TAKTİKLERİNİN MÜŞTERİ SADAKATI ÜZERİNE ETKİSİ: NAKLİYE SEKTÖRÜNDE BİR ARAŞTIRMA, YÜKSEK LİSANS TEZİ, MASTER'S THESIS, İstanbul, 2020.

Günümüz iş dünyasında rekabetin üst düzey olduğu, sürdürülebilirliğin her geçen gün daha da zorlaştığı bu dönemde rekabet avantajı sağlamak için elbette ki en önemli iki kavram müşteri memnuniyeti ve müşteri sadakatidir. Yeni müşteriler kazanımına harcanan zamanın yanı sıra, mevcut müşterilerini memnun edebilen ve uzun solukla iş ilişkileri kurmayı başarabilen şirketler karlılıklarını arttırmaya ve varlıklarını sürdürmeye devam ederler.

Çoğu şirket gibi lojistik hizmet sağlayıcılarının da en önemli hedeflerinden biri müşteri odaklı yaklaşımların yüksek oranda uygulanması ve dolayısıyla memnuniyet ve sadakat kavramlarına ulaşmaktır. Sektöre geniş bir perspektiften bakıldığında pay sahibi şirketlerin yaptığı iş benzerdir. Bir yükü x noktasından y noktasına taşımak. Dolayısıyla şirketlerin farklılaşması için asıl kazanılması gereken kazanım müşteri isteklerini anlamak ve uzun ilişkiler kurmayı başarabilmektir. Tabii müşteri sadakati kazanmak kolay iş değildir. Müşteri isteklerini anlamak, doğru stratejiler belirlemek ve iyi ilişkiler kurmak hayati öneme sahiptir. İşte tam bu noktada en modern pazarlama kavramı "ilişkisel pazarlama" ve teknikleri devreye girmektedir.

Bu çalışma, amacı mevcut müşterilere odaklanıp onlardan sadık müşteriler yaratmak olan ilişkisel pazarlama tekniklerinin (güven, bağlılıklar, ilişki memnuniyeti ve ilişki kalitesi), 3. Parti lojistik destek alan firmalar perspektifinde memnuniyet ve sadakat yaratılması noktasında ne anlama geldiğini ortaya çıkarmak ve çıkan sonuçların sektöre ışık tutması beklentisiyle yazılmıştır.

Bu araştırma ışığında lojistik destek alan şirketlere derinlemesine mülakat metodu uygulanmıştır. Veriler yarı yapılandırılmış görüşme yöntemi ile toplanmıştır. Görüşme soru şablonları oluşturulmuş ve görüşmeler 20 dakika ile 35 dakika arasında sürmüştür.

Tüm görüşmeler arařtırmacı tarafından yapılmıřtır. Sorular İstanbul'da varlığını sürdüren, 3. parti lojistik hizmet alan 10 farklı ithalat/ ihracat firmasına yöneltildi ve uzun vadeli ilişkiler kurdukları lojistik tedarikçilere baėlılıklarına ortak sebepler arandı.

Bu çalıřma sonucunu doėru bir şekilde içselleřtiren ve uygulayabilen lojistik hizmet saėlayıcıları için rekabet avantajı saėlamaktadır.

Anahtar Kelimeler: İliřkisel Pazarlama, Müřteri Odaklılık, Müřteri Sadakati, Müřteri Memnuniyeti, Lojistik Hizmet, Uluslararası Tařımacılık Sektörü



INTRODUCTION

The marketing concept that can be defined as one of the main functions of the enterprises has been carried out with sales-oriented approaches for many years. Like the 1980s, the changing business conjecture forced businesses to prioritize service and customer-oriented approaches, and the concept of relational marketing emerged. When we look at today, we cannot ignore the fact that attracting and reaching new customers is not easy. Even field sales employees who are well-educated and well-experienced in their jobs have difficulties with regard to attracting new customers and making new appointments. For this reason, it is vital for companies to keep current clients long-term because the market is highly competitive to succeed as a company.

The minority of differences between experienced service quality and perceived service quality constructs the loyalty between service providers and clients. Additionally, the concept of loyalty is linked to the results of existing communication and service quality on both sides. Of course, every process creates value. This value should be based on customer-oriented structure, striving to be perfect and strategic relationships in the long run, and aims to benefit the customer. The concept of relationship marketing was introduced in 1983 by L Berry. According to him, relationship marketing means: "Attracting, maintaining and developing customer relationships in multi-service organizations and a robust strategy for today and tomorrow." RM is clearly defined as the struggle to create long-term customers and sustainable profit. Relationship marketing basically aims to provide continuity and higher profits by increasing the relationships/communication of businesses with their existing customers rather than gaining new ones.

In the first part of this research, literature review and concepts are examined under the service sector and related topics. In the second part of the research, the process of transition from traditional marketing to relationship marketing, and its reasons are examined, and the focus is on new marketing techniques. Thirdly, results such as customer, customer-oriented approaches, customer loyalty, and word of mouth communication are defined and emphasized. In the fourth chapter, the transportation sector, logistics support, and current problems are mentioned, and the aim is to introduce the transportation sector. The research is completed with the analysis of the results and

findings. As a research method, an in-depth interview was chosen to understand the ideas and experiences of the participants. The reason is to reach the concept of loyalty through these participants, where relationship marketing techniques are applied.



CHAPTER 1

LITERATURE REVIEW

1.1. SERVICE CONCEPT & SUGGESTIONS

The concept of service is a comprehensive concept defined by various researchers, and it is not easy to specify a precise definition. With the advances in technology and the transition to the easily accessible information age, communication among people strengthened, and the development of social-cultural values has enabled the development of the service sector. In general terms, service is a process to provide satisfaction and benefit to the person or company. For a better understanding of the service, it is necessary to mention its structure and some features. We can examine the structure and characteristics of the service under four main headings as intangibility, inseparability, variability, and perishability.

1.2. NATURE AND CHARACTERISTICS OF A SERVICE

1.2.1. Intangibility: “Service intangibility means that services cannot be seen, tasted, felt, heard, or smelled before they are bought” (Kotler & Armstrong, 2005, p. 257). “A pure service cannot be assessed using any of the physical senses. It is an abstraction that cannot be directly examined before it is purchased” (Palmer, 2001, p. 15). For example, before buying a product we see in the store, it is possible to touch, examine, and make a quality assessment. Although getting a service is complete uncertainty. Evaluating the service is possible by experiencing and evaluating that process. “Music is a metaphor that can be used for thinking about the intangibility of services. Whether it is rock and roll or classical, music is all about acts, processes, and experiences” (Schneider et al., 1997, p. 36).

1.2.2. Inseparability: “A major characteristic of services – They are produced and consumed at the same time and cannot be separated from their providers” (Kotler & Armstrong, 2005, p. 259). “Doctor cannot provide a service without the involvement of a patient. For services, marketing becomes a means of facilitating complex producer-

consumer interaction. The service of the ATM machine can only be realized if the producer and consumer interact” (Palmer, 2001, p. 16). Another point of view is “A simultaneous production and consumption process involving such factors as the presence of the customer, the customer’s role as co-producer, customer-to-employee, and customer-to-customer interactions are readily observable in many service environments and can form a critical distinguishing property between goods and many types of services” (Lovelock & Gummesson, 2004, p. 28). It is a concept that completely identifies with human existence. As a result, it is an employee providing the service, and it is not possible to separate the employee's interaction with the customer from the service. The existence of the relationship can be considered as a concept that adds value to the value of the service.

1.2.3. Variability: “A major characteristic of services – Their quality may greatly, depending on who provides them and when, where and how” (Kotler & Armstrong, 2005, p. 259). “The customer is usually involved in the production process for a service at the same time as they consume it, it can be difficult to carry out monitoring and control to ensure consistent standards. - The service must normally be produced in the presence of the customer without the possibility of intervening quality control” (Palmer, 2001, p. 18). The fact that concepts such as time, space, and people are not the same means that we cannot standardize service. For example, Starbucks is a brand that has a high-quality brand image and maybe the most delicious coffee in the universe. However, since different employees cannot be the same in terms of presentation and courtesy, it is not possible to get the same service in two different Starbucks stores in the same country.

1.2.4. Perishability: “It implies that services cannot be stored. ‘For example, because of rush-hour demand, public transportation companies have to own much more equipment than they would if demand were even throughout the day. Physical goods are produced, then stored, later sold, and still later consumed. In contrast, services are first sold, then produced and consumed at the same time” (Kotler & Armstrong, 2005, p. 259).

1.3. SERVICE QUALITY

“A common definition of service quality is that the service should correspond to the customer's expectations and satisfy their needs and requirements” (Edvardsson, 1998, p.

144). Service quality starts at the customer's thought and is measured by the quality of the experience at the end. "In service marketing, quality is the perceived level of performance of a service, but the major difficulty that measuring service quality can be much more difficult than measuring the quality of goods" (Palmer, 2001, p. 44). Providing excellent service quality is very important for the company to differentiate itself in the competitive service market. At the same time, a customer-oriented approach and consistent behavior are also critical. Service providers must consistently maintain their quality in the targeted market. "A service firm's ability to hang onto its customers depends on how consistently it delivers value to them" (Kotler & Armstrong, 2005, p. 263).

1.3.1 Determinants of Service Quality: One research in 1985 revealed ten dimensions that consumers use in forming expectations about and perceptions of services. The method of the article was an in-depth interview. These dimensions are reliability, access, responsiveness, competence, courtesy, communication, security, credibility, understanding/ knowing the customer, and tangibles (Parasuraman et al., 1985). The value of physical goods is the product itself. On the other hand, value for the service is an ongoing process, and the concepts such as communication, trust, relationship quality, and commitment formed during the service determine the value of the service.

1.4. SERVICE MARKETING MIX (4Ps)

The concept of the marketing mix was introduced into the literature by McCarthy in 1964. McCarthy identified four essential elements of product marketing as product, price, promotion, and place. McCarthy's 4P classification of the marketing mix instruments has aroused the curiosity of many article writers in the literature. "It was McCarthy who invented the holy quadruplet that referred to four key elements of the marketing faith—the so-called "four Ps" of product, price, promotion, and place. This way of dividing up and referring to the marketing decision variables has now become so enshrined in holy scriptures that it is written in tablets of stone" (Kent, 1986, p. 146).

Over time, Booms and Bitner in 1981 adapted McCarty's work to the concept of service marketing and added three more features add to the literature: target audience, physical possibilities, and process. In the following years, Judd in 1987, and Baumgartner's in 1991

work on the marketing mix also found remarkable and took place in the literature. Lastly, Möller interpreted the marketing mix as follows that the marketing mix has been hugely influential in informing the development of both marketing theory and practice (Möller, 2006). Existing works have still been accepting by many writers.

Table 1: Development of Service Marketing Mix

4Ps	5Ps	6Ps	7Ps	15 Ps
McCarthy 1960	Judd 1987	Kotler 1984	Booms & Bitner 1981	Baumgartner 1991
Product	Product	Product	Product	Product/ Service
Price	Price	Price	Price	Price
Promotion	Promotion	Promotion	Promotion	Promotion
Place	Place	Place	Place	Place
	People	Political Power	Participants	People
		Public Opinion	Physical Evidence	Politics
			Process	Public Relations
				Probe
				Partition
				Prioritize
				Position
				Profit
				Plan
				Performance
				Positive Implementations

Source: Gummesson (1994)

(Gummesson, 1994, p. 8)

1.4.1. Product: “Service products consist of (1) a core product that responds to the customer’s primarily needs and (2) an array of supplementary service elements that are mutually reinforcing value-added enhancements that help customers to use the core product more effectively” (Wirtz & Lovelock, 2011, p. 44). The concept of product in the service sector is service itself. All activities that do not result in a concrete product can be called service. “The market offering itself, specifically a tangible product, packaging, and a set of services that the buyer would acquire through the purchase” (Kotler, 1999, p. 32). Quality, brand value, service line, after-sales services represent the product concept in Philip Kotler's 4P. It would not be wrong to say that this is the most basic concept for service, but it is not easy to understand because it is not physical. In 2002, Peter Doyle

described the problems caused by the intangible features of the service as follows: “First, it is often difficult to understand the service that is being offered. Second, because the customers cannot check out service in advance, they do not know in detail what they are going to receive and how they are going to receive it” (Doyle, 2002, p. 354).

1.4.2. Price: “Price is the product along with other charges that are made for delivery, warranty, and so on” (Kotler, 1999, p. 32). When the price is considered in general terms, it plays an economic role, but its psychological role is also essential. For example, a service offered at a low price may create the perception that the service will be low in quality, or a high priced service can create the perception that the quality will be high. “Pricing typically is more complex in services than in manufacturing. Because there is no ownership of services, it is usually harder to determine the financial costs of creating a process or intangible real-time performance for a customer than it is to identify the labor, materials, machine time, storage and shipping costs associated with producing” (Wirtz & Lovelock, 2011, p. 160).

From a broad perspective, price is a concept that needs to remain competitive so that customers do not prefer another service. Moreover, the price may be the most critical factor in determining satisfaction because customers can prioritize reducing the price at a time when existing service is positively pleasing. “Price includes the price of the item and product assortments and lines, and the price changes and payment methods, the company can make a competitive price” (Tariq Khan, 2014, p. 96).

The most accurate approach for companies here should be to identify the target market, perform an accurate swot analysis, and determine competitive prices by creating the right strategies. Each person's purchasing power is different, and a willingness to pay may vary. “Pricing mix decisions include strategic and tactical decisions about the average level of prices to be charged, discount structures, terms of payment, and the extent to which price discrimination between different groups of customers is to take place” (Palmer, 2001, p. 11). “Customers can calculate whether a particular service is 'worth it.' They may go beyond just money and assess the outlays of their time and effort. Service marketers, therefore, must not only set prices that target customers are willing and able to pay but also understand - and seek to minimize, where possible - other burdensome outlays that customers incur in using the service” (Wirtz & Lovelock, 2011, p. 46).

1.4.3. Promotion: “The communication activities, such as advertising, sales promotion, direct mail, and publicity to inform, persuade, or remind the target market about the product's availability and benefits” (Kotler, 1999, p. 32). Suppose the quality of service has reached continuity. Target audience and price strategies have been determined, but if the target audience is not aware of this service, the chances of success are still very low. The necessary service must reach the customer with increasing awareness. It is possible to include many concepts such as advertising, telemarketing, personal sales, field sales, public relations in this section. Service promotion is also highly linked to employee performance. A well-trained staff can bring new customers to their companies through personal relationships. Moreover, with concepts such as telemarketing, personal sales, and field sales, information is gathered about the customers and the companies they work. After these data mining is analyzed, it becomes easier to determine the right strategies.

1.4.4. Place: “The arrangements to make the product readily available and accessible to the target market” (Kotler, 1999, p. 32). Delivering the required product or service on time is extremely important in marketing. Moreover, the correct coordination and communication ability created by using the technological and physical facilities that are obtained reveals the success of the service distribution. “Services are time-bound - They can only produce and sell when customers want to buy the service” (Doyle, 2002, p. 356). Kotler & Keller argued that a successful marketing channel ensures that the desired product is distributed in the desired amount to the desired channel to satisfy the desired consumer (Kotler et al., 2009).

1.5. SERVICE MARKETING MIX (4Cs)

The 4P approach, created by Jerome McCarthy and were reaching broad audiences by Philip Kotler's bestseller books, has been replaced by 4C in recent years with the transition from traditional marketing to relationship marketing. According to the new 4C approach, the new marketing mix is customer value, customer cost, customer convenience, and customer communication. According to this understanding, the product means that the customer preferences are essential, and the products in which customer can benefit. Price is considered as consumer cost. “The cost should not be seen only as of the money out of the customer's pocket. Factors such as frustrations, loss of time, and dissatisfaction are also included in the cost. Distribution is everything that makes it easy

for the consumer to buy a product. Easy to find the product, service, return terms, includes concepts such as” (Uyar, 2018, p. 56). Promotion is the development of mutual communication capacity that develops with innovation, new media applications, web sites, and smartphones in the hands of everyone and the communication ability that emerges with customer-oriented approaches.

To be successful, according to 4Cs, is possible with understanding relationship marketing.

- Obtaining a partner, not a customer
- Focusing on the existing customer's benefit and satisfaction
- Re-organizing the corporate culture
- Seizing the innovations and apply them correctly
- Increasing after-sales customer relations
- Creating face to face communication and data mining
- Identifying the right strategies from the data mining
- Rewarding loyal customers
- Environmentalism in the future
- Having a long-term vision

CHAPTER 2

LITERATURE REVIEW

2.1. RELATIONSHIP MARKETING

The phrase "relationship marketing" appeared in the literature for the first time in a 1983 paper by Leonard L Berry. L Berry defined relationship marketing as “attracting, maintaining, and enhancing customer relationships in multiservice organizations. Servicing and selling existing customers is viewed to be just as important to long- term marketing success as acquiring new customers. Good service is necessary to retain the relationship. Good selling is necessary to enhance it. The marketing mindset is that the attraction of new customers is merely the first step in the marketing process. Cementing the relationship, transforming indifferent customers into loyal ones, serving customers as clients - this is marketing too” (L. L. Berry, 2002, p. 61). It is said in the literature that L Berry is inspired by the propositions of Ryans and Wittink and Levitt. Ryans and Wittink suggested in a 1977 paper that many service firms pay inadequate attention to encouraging customer loyalty. Levitt emphasized in 1981 paper that the need for firms marketing intangible products to engage in constant reselling efforts (L. Berry, 1995). L Berry's paper was supported and trying to be developed for many years by many authors. Morgan and Hunt in 1994 define RM as “all marketing activities directed towards establishing, developing, and maintaining successful relational exchanges” (Morgan & Hunt, 1994, p. 34).

Some of other articles about RM as follows; “The relationship marketing perspective is based on the notion that on top of the value of products or services that are exchanged. For example, an on-going relationship may offer the customer security, a feeling of control and a sense of trust, minimized purchasing risks, and in the final analysis, reduced costs of being a customer” (Grönroos, 2004, p. 99). “A key goal of relationship marketing theory is the identification of key drivers that influence important outcomes for the firm and a better understanding of the causal relations between these drivers and outcomes” (Hennig-Thurau et al., 2002, p. 231).

2.2. PURPOSE OF RELATIONSHIP MARKETING

L Berry mentioned five primary factors in the same article and interpreted these factors as follows. “Developing a core service around which to build a customer relationship, customizing the relationship to the individual customer, augmenting the core service with extra benefits, pricing services to encourage customer loyalty, and marketing to employees so that they, in turn, will perform well for customers” (L. Berry, 1995, p. 236). Relationship marketing seeks to create new value for existing customers and sustain this value when repeat purchasing continues between client and service provider. It accepts the crucial role of individual customers in defining the value, not only as purchasers. Previously, companies identified this value as a "product." With RM, customer-valued priorities are easily understood and beneficial approaches create values on the customer. “RM is the on-going process of identifying and creating new value with individual customers and then sharing the benefits from this over a lifetime of an association. It involves the understanding, focusing and management of on-going collaboration between suppliers, and selected customers for mutual value creation and sharing through interdependence and organizational alignment” (Gordon, 1998, p. 9).

In modern times, marketing needs more than being easily accessible, producing quality products/ services and selling at a competitive price. RM requires that a company, as a consequence of its business strategy and customer focus, design its business processes, innovations, and employees in support of the value individual customers want. RM tries to communicate with customers and improve it. RM tries to establish a relationship of honesty, reliability, and sincerity and wants to be continuous. RM is a continuously cooperative effort between buyer and seller. It accepts the value of customers over their purchasing lifetimes must depend on each purchasing occasion. In recognizing lifetime value, RM seeks to bond progressively more tightly with customers. Marketing is the first step to attract new customers. Trying to establish a long-term relationship, enhancing communication between firms and providing different services to different customers is relationship marketing. Seeks to build an excellent chain of relationships within the organization to create the value customers want and between the organization and its primary stakeholders, including suppliers, distribution channel intermediaries, and shareholders. According to Gordon, with Relationship Marketing, the company now focuses on six areas: “Technology, individual customers, the scope of the business,

selecting and rejecting customers, a chain of relationships, and rethinking the 4Ps of marketing and using relationship managers to help companies build new value with others” (Gordon, 1998, p. 9). “Substantial research in the relationship marketing (RM) domain also has proposed multiple relational constructs and frameworks to better understand the nature of the buyer-seller relationship” (Zhang et al., 2016, p. 53).

As seen in the literature reviews, developing buyer-seller relations revealed the importance of RM, and different authors interpreted it from different perspectives. As a common point of articles; In addition to acquiring new customers, the concept of Relationship Marketing describes the necessity of focusing on existing customers, striving for long relationships, and building marketing strategies with these ideas. “As technological advances facilitate product imitation, companies have had to plan activities that will provide value and connect with customers while making innovations. It is a good idea to involve customers in the production process” (Uyar, 2018, p. 107).

“Born with Relationship marketing, a collaborative exchange involves very close personal, informational, and operational connections the parties develop to achieve long-term mutual goals. For example, collaborative relationships for important purchases emphasize operational linkages that integrate the operations of the buying and selling organizations and involve high levels of information exchange. Customer relationship management involves aligning customer strategy and business processes to improve customer loyalty and, eventually, corporate profitability. To that end, a customer strategy encompasses. (1) Acquiring the right customer, (2) crafting the right value proposition, (3) instituting the best processes, (4) motivating employees, and (5) learning to retain customers” (Speh & Hutt, 2014, p. 69).

2.3. THE ROLE OF SALESPERSON IN RELATIONSHIP MARKETING

Relationship marketing focuses on the idea that is maintaining and continuously improving inter-company relations to create strong profitability in the long-term. So this concept cannot be considered as an independent subject from the capabilities of the salesperson. Ethics, morality, ability, and sectorial information and more can be included in the title. A salesperson is the face of a company, and its attitudes and behavior will give an idea about the organization. In 1990, Crosby, Evans, and Cowles interpreted the

concept of service quality through the performance of salespersons and put forward the idea that they played a critical role in quality creation. In the same article, relationship quality; it cannot be considered separately with relational sales behaviors such as trust, satisfaction, ability to turn into sales, personnel expertise in sales, and intensive follow-up communication. These ideas will lead to high relational quality (Crosby et al., 1990).

The writers mostly evaluated the external marketing processes in the literature. However, correcting and improving the process between the employee and the customer will only be possible by fixing the organization's interior marketing strategies. In the article written in 2004, internal relationship attitudes of salespeople, and the role of the concept of customer relations on these individuals were analyzed. In particular, the bilateral relations between the organization-employee and the supervisor-employee and the commitment to work motivation were addressed. Some potential issues involved in integrating customer feedback within organizations in this study be recommended (Bell et al., 2004).

Establishing the right organizational roof structure is also very valuable in terms of employee motivation and will lead the company to qualify success. “Strong relationships between the organization and the employee can improve both the employee's motivation toward their job and their willingness to provide better customer service” (Bell et al., 2004, p. 113).

2.4. TRADITIONAL MARKETING & RELATIONSHIP MARKETING

	Transaction Marketing	Relationship Marketing
Objective	To make a sale (sale is end result and measure of success) Customer needs satisfaction (customer buys values)	To create a customer (sale is beginning and relationship) Customer integration (interactive value generation)
Customer Understanding	Anonymous customer Independent buyer and seller	Well-known customer Interdependent buyer and seller
Marketers task and performance criteria	Assessment on the basis of products and prices Focus on gaining new customers	Assessment on the basis of problem-solving competence Focus on value enhancing of existing customers
Core aspects of exchange	Focus on products Sale as a conquest Discreet event (episodic perspective) Monologue to be aggregated customer base	Focus on service Sale as an agreement Continuing process (historic holistic perspective) Individualized dialogue

Table 2: The Difference between Traditional Marketing & Relationship Marketing

(Jiittner & Wehrli, 1994, p. 57)

Relationship marketing should be seen as an updated model of traditional marketing. In the classical marketing approach, the relationship with the consumer ends when the product is sold. However, the business in relationship marketing starts after the actual product is sold. The crucial thing is to establish long-term dominance over the customer. Besides, creating strategic, harmonious, and utilitarian relationships with consumers is considered as part of marketing. “Relationships, rather than simple transactions, provide the central focus in business marketing. By demonstrating superior skills in managing relationships with key customers as well as with alliance partners, business marketing firms can create a collaborative advantage” (Speh & Hutt, 2014, p. 69).

Over time, the customer - seller relationship has evolved into strong social relationships. It is believed that strong relationships that can be created increase the customer's loyalty to the business. In the article of Jiitner and Wehrli, it is believed that even if competing

companies offer a better price, it will not be accepted by the customers, and these customers will remain loyal customers (Jiittner & Wehrli, 1994).

2.5. RELATIONSHIP MARKETING BENEFITS FOR COMPANY

- Customers' profitability increases.
- Focusing on customer retention is less costly than trying to get new customers.
- Focusing on existing customers can increase their purchase and service frequency, which is reflected in the service provider.
- Focusing on improving existing relationships creates low-risk and satisfaction customers, and makes them ready to pay high prices.
- Customer-oriented strategies created and started with getting to know customers individually provide a long-term competitive advantage to companies.

Reichheld and Sasser have demonstrated across a variety of service industries that profits climb steeply when a company successfully lowers its customer defection rate. Based on an analysis of more than 100 companies in two dozen industries, the researchers found that the firms could improve the ratios of their profit from 25 percent to 85 percent by reducing customer defections by just 5 percent (Reichheld & Sasser, 1990).

2.6. RELATIONSHIP MARKETING BENEFITS FOR CUSTOMER

- A better relationship can increase the customer's purchase and service frequency.
- RM has psychological benefits. The risk perceived by the customer is reduced, and confidence makes them feel comfortable.
- Getting additional services, price reductions, and rewards arise from being a regular customer.
- Positive emotions provide social benefits for the customer.

“Relationship marketing allows service providers to become more knowledgeable about the customer's requirements and needs. Knowledge of the customer combined with social rapport built over a series of service encounters facilitates the tailoring or customizing of service to the customer's specifications” (L. L. Berry, 1995, p. 238).

2.7. RELATIONSHIP MARKETING TACTICS

2.7.1. Trust: Trust is a rapidly accepted value in the service industry. Genuinely though, values such as benefit and quality created for the customer due to the non-physical nature of the service concept cannot emerge without experiencing the service process, and the perceived high risk occurs. However, when looking at the literature, the idea of establishing trust infrastructure with solid foundations among the standard results of the authors supports the idea that perceived risks can be reduced, and that it can provide long term customer loyalty.

H Schurr and L Ozanne found an exciting result regarding confidence and interpreted as follows that “Specifically, high trust caused a more favorable attitude toward the current supplier and a more favorable attitude toward source loyalty than did low trust” (Schurr et al., 2019, p. 950). In the other article published in 1989 by Jon M Hawes, Kenneth E Mast, and John E Swan examined the importance of sales specialists in the process, their role in the processes, and the predictability of the trust environment. In their suggestion that “Trust is the binding force in most productive buyer/seller relationships. Without at least an adequate level of buyer trust, the stress associated with high degrees of perceived risk may be too great for a sales transaction to occur” (Hawes et al., 2019, p. 1).

As another point of view, Doney and Cannon introduced their sense of trust as follows, “Supplier firms must make significant investments to develop and maintain customer trust. For suppliers, the value of such efforts is most apparent when high levels of buyer trust lead to more favorable purchasing outcomes for the supplier. The results suggest that though the process of building customer trust is expensive, time-consuming, and complex, its outcome in terms of forging strong buyer-seller bonds and enhanced loyalty could be critically important to supplier firms” (Doney & Cannon, 2019, p. 48).

2.7.2. Commitment: In Anderson and Weitz's article, the definition of commitment is because of mutual commitment, and independent channel members work together to serve customer needs better, enhancing mutual profitability. Moreover, commitment to a relationship entails a desire to develop a stable relationship, a willingness to make short-term sacrifices to maintain the relationship, and confidence in the stability of the relationship. In summary, viewed more optimistically, relationships that have been harmonious reap lasting positive, as the parties attribute more commitment to each other and subsequently increase their own commitment to their relationship (E. Anderson et al., 2019). As another point of view, Morgan & Hunt stated that "Commitment and trust are "key" because they encourage marketers to (1) work at preserving relationship investments by cooperating with exchange partners, (2) resist attractive short-term alternatives in favor of the expected long-term benefits of staying with existing partners and (3) view potentially high-risk actions as being prudent because of the belief that their partners will not act opportunistically" (Morgan & Hunt, 1994, p. 22).

Meta-Analysis was made in the article "Fact Factors Influencing the Effectiveness of Relationship Marketing," written by Robert W. Palmatier in 2006. This article forms the basis of my research. In this article, the conventional definition of commitment is an enduring desire to maintain a valued relationship. It is concluded that the concept of commitment has four basic structures, and these are effective, behavioral, obligation, and normative commitment (Palmatier et al., 2006).

2.7.3. Relationship Satisfaction: "Satisfaction as a construct can be defined as a positive affective state resulting from the appraisal of all aspects of a firm's working relationship with another firm" (J. C. Anderson & Narus, 1984, p. 66). In another study in France, Caceres and Paparoidamis found that relationship satisfaction has been proven as a variable that mediates between service/ product quality and business loyalty concepts. The results indicate that perceptions of service/product performance can be viewed as antecedents to relationship satisfaction which, in turn, affects trust, commitment, and business loyalty (Caceres & Paparoidamis, 2007). Bejou and others wrote the following words on the subject. "From the customer's perspective, the determinants of relationship satisfaction are thought to include factors such as customer orientation, trust, length of relationship, expertise, and ethics. The underlying principle behind relationship marketing is that organizations can enhance customer satisfaction through a relationship

and in so doing can enhance their performance. For such benefits to accrue, relationships must be developed and managed to the customer's satisfaction. Relationship satisfaction is a multi-dimensional construct that has been conceptualized as a prerequisite for relationship quality" (Bejou et al., 1998, p. 170).

2.7.4. Relationship Quality: In literature reviews, the concept of relationship quality has been interpreted differently by different authors. However, the authors agree that the awareness of the intercompany concept will lead to long-term studies and, thus, customer loyalty. "Relationship quality is a higher-order construct comprised of a variety of positive relationship outcomes that reflect the overall strength of a relationship and the extent to which it meets the needs and expectations of the parties" (Smith, 1998, p. 4).

2.8. RELATIONSHIP MARKETING USING DIGITAL PLATFORMS

Keeping up with technology-related innovations are among the main causes of the emergence of relationship marketing. "In recent years, both the academic and the business sector have shown a heightened interest in trust within the context of the digital environment" (Beldad et al., 2010, p. 857). Considering the increasing importance of e-commerce and keeping up with the digital age has been a must for companies. Therefore, it is an inevitable consequence to establish and successfully manage a platform that required confidence, satisfaction, and quality. "Online trust is a belief that the online seller can be trusted. It is a feeling of confidence and security for online transactions" (Sahney et al., 2013, p. 280). Companies that offer well-developed online booking services, online stores, services on their digital platforms earn more in the long-term. These services probably are a pioneer in building customers' trust. Hence, companies that have grown to a large extent continue to increase their profitability while introducing the new digital age.

Another point of view that with the transition to the online age, companies can reach more customers' information at less cost. If we give an example from the article of Brunn et al.; Marketing professionals who want to reach the dimensions that encourage long-term online relationships evaluate their perceptions about relationship quality, effectively segment customers and improve the targeting of activities with the right marketing strategies (Brun et al., 2014). Additionally, Kozlenkova argues that the importance of

geographic expansion, the elimination of time problems, availability of global alternatives, and secure personal identification are four main advantages of online marketing (Kozlenkova et al., 2017).

2.9. THE RESULTS OF RELATIONSHIP MARKETING

Nowadays, it is vital for developing new service approaches to acquire customers. The innovative ideas of competing firms force the sector and make the situation significantly more demanding in terms of sustainability. Efforts on advertising, distribution, sales, and sales development are costly processes.

On the other hand, relationship marketing is a recently emerging, dynamic, and less costly perspective. It strives to strive for the long-term satisfaction of existing customers and focus on values that will benefit their development. It is believed that the benefits that can be created from this new perspective and the extra values provide to the customer stronger bonds between firms. Moreover, new customers brought in by loyal customers through word of mouth marketing do not need the marketing costs of businesses. As a result, companies that aware of the importance of relationship marketing gain better profit margins by focusing on long-term relationships. The overall aim is the notion that the concepts associated with relationship marketing play a significant role in creating customer loyalty.

CHAPTER 3

LITERATURE REVIEW

3.1. CUSTOMER LOYALTY

Customer loyalty can be explained as the tendency of a customer to repeat the product or service of their preferred brand and its continuity. “Customer loyalty means that a customer buys the same product or brand over and over again against all other variables and creates a strong bond with the brand” (Uyar, 2018, p. 84). Bowen & Chen argued that “Loyal customers are customers who hold favorable attitudes toward the company, commit to repurchase the product/service and recommend the product to others” (Bowen & Chen, 2001, p. 214).

“Dick and Basu developed the notion of relative attitude as a theoretical grounding to the loyalty construct. Relative attitude refers to a favorable attitude that is high compared to potential alternatives. They suggest that loyalty is evidenced both by a more favorable attitude towards a brand and repeat buying behavior. Low relative attitude with low repeat purchase indicates an absence of loyalty, while low relative attitude with high repeat purchase indicates spurious loyalty. Satisfaction with a service provider is seen as an antecedent of relative attitude because without satisfaction. Consumers will not hold a favorable attitude towards the service provider compared to other alternatives available” (Palmer, 2001, p. 126).

		Repeat Patronage		Attitudinal Differentiation	
		High	Low	No	Yes
Relative Attitude	High	Loyalty	Latent Loyalty	Strong	Lowest Relative Attitude
	Low	Spurious Loyalty	No Loyalty	Weak	Highest Relative Attitude

Figure 1: Theoretical Grounding to the Loyalty Construct

(Dick & Basu, 1994, p. 101)

3.2. TO BE CUSTOMER-ORIENTED

Growth in developing firms occurs with investments in sales and marketing. Companies pay in advertising and similar marketing costs. Together with the developing and changing competition market, the customers are the dominator in the market. In this case, it is right to show due care to customer-oriented approaches. Rationally the most valuable investment is investing in existing customers. The companies can create loyalty programs to protect existing customers, identify the right strategies, and create the right campaigns, and make the customer feel good. Moreover, establishing a long-term and customer-oriented relationship will bring customer loyalty and increase the profits of these companies.

To be customer-oriented means to act according to customer requests and demands in every process from production to sales and afterward. Customer focus should become the heart of the company, become a corporate culture, be included in the vision and mission, and employees should be trained with this understanding.

3.3. CONCEPT AND IMPORTANCE OF CUSTOMER LOYALTY

3.3.1. Brand Loyalty & Service Loyalty: “Brand loyalty is the degree of commitment that the brand has achieved among its customer base and beyond. It consists of the proximity, intimacy, and loyalty felt for the brand” (Kotler et al., 2006, p. 166). The articles written on the concept of customer loyalty in the literature reviews mostly interpreted the loyalty of consumers towards concrete products and brand loyalty. Nevertheless, writers who have tried to understand the concept of service loyalty and its components have created significant models. One example is an article from in 1996, the factors in the service sector that are thought to affect customer loyalty were examined, and 40 people were interviewed. The goal is to create a service model that is thought to affect customer loyalty. Bowen and Chen described the components of the model as satisfaction, switching cost, and personal inter-links. In their own words, “Service loyalty

is the degree to which a customer exhibits repeat purchasing behavior from a service provider, possesses a positive attitudinal disposition toward the provider, and considers using only this provider when a need for this service arises” (Gremler & Brown, 1996, p. 173).

3.3.2. Customer Loyalty & Technological Challenges: “Information and communication technologies certainly play a pivotal role in the manner in which service organizations conduct business. Those service organizations that are able to adapt and effectively use the technology tend to gain a competitive advantage in the export of e-services” (Javalgi et al., 2004, p. 568). Nowadays, with the innovations brought about by technology and improvement of usage, the efficiency of the companies has increased in almost every sector where they exist. For service providers who cannot keep up with this new world, the situation is not so heartwarming.

It would not be wrong to say that technological developments provide a favorable environment for companies to reconsider their relations with service providers. With the decrease in loyalty, it became difficult to retain the customer, and the essential way to achieve loyalty by establishing solid foundations became possible by breaking prices and seeking alternative ways. Briefly, the result has created ruthless competition for service providers, and also the existence of the competitive market reduces profit margins.

3.3.3. Customer Loyalty & Profitability: : In an article by Reichheld and Sasser found that if a company held only 5% of its current clients, the profits increased by 25% to 125% in the long-run. There is no need for allocating cost to expensive marketing strategies for loyal customers. Understanding, satisfying and delighting clients through effective communication is the affordable way of the current marketing strategies. Reducing operating costs is an economic convenience to get only by loyal customers. Thus, new customer acquisition will rise through powerful customer-relations, supported by Word of mouth marketing. In their own words, “Across a wide range of businesses, the pattern is the same: The longer the company keeps a customer, the more money it stands to make” (Reichheld & Sasser, 1990, p. 104). Palmer wrote in a similar article that the company that is focusing on existing customers would create better profit margins. “The simplest reason why firms seek to develop on-going relationships with their customers is that it is

generally much more profitable to retain existing customers than continually seeking to recruit new customers to replace lapsed ones” (Palmer, 2001, p. 115).

3.3.4. Customer Loyalty & Social Norms: “Customer loyalty is viewed as the strength of the relationship between an individual's relative attitude and repeat patronage. The relationship is seen as mediated by social norms and situational factors. Cognitive, affective, and conative antecedents of relative attitude are identified as contributing to loyalty, along with motivational, perceptual, and behavioral consequences” (Dick & Basu, 1994, p. 99). On-going research has examined the relationship between customer and supplier in terms of social loyalty and claims that there is a strong relationship between each other. Oliver's approach was as follows, “A consumer's willingness to rebuy or re-patronize cannot reach ultimate extremes until he or she is willing to adore and commit unflinchingly to a product or service. Beyond this, the necessary additional adhesion stems from the social bonding of a consumption community and the synergy between the two” (Oliver, 1999, p. 41).

Finally, in the RM article, L Berry addressed social norms and customer loyalty as follows. “Relationship marketing allows service providers to become more knowledgeable about the customer's requirements and needs. Knowledge of the customer combined with social rapport built over a series of service encounters facilitates the tailoring or customizing of service to the customer's specifications” (L. Berry, 1995, p. 238).

3.4. METHOD OF CUSTOMER LOYALTY

Although it is quite challenging to define customer loyalty, three different methods have been emphasized in general. These are behavioral measurements, attitudinal measurements, and composite measurements.

3.4.1. Behavioral Measurements: “The earliest approaches to loyalty measurement were based on consumers' behavior, often based on actual purchasing behavior or, in other cases, on reported purchasing behavior” (Oppermann, 2000, p. 79). Bowen & Chen, who wrote a fascinating article on the subject, commented as follows. “The behavioral measurements consider consistent, repetitious purchase behavior as an indicator of

loyalty. One problem with the behavioral approach is that repeat purchases are not always the result of a psychological commitment toward the brand” (Bowen & Chen, 2001, p. 213).

3.4.2. Attitudinal Measurements: “Attitudinal measurements use attitudinal data to reflect the emotional and psychological attachment inherent in loyalty. The attitudinal measurements are concerned with the sense of loyalty, engagement, and allegiance” (Bowen & Chen, 2001, p. 214). As another idea, Oppermann argued that “Proponents of attitudinal approaches argued that the behavior measures do not distinguish between intentionally loyal and spuriously loyal. The key point is that these spuriously loyal buyers lack any attachment to brand attributes, and they can be immediately captured by another brand that offers a better deal, a coupon, or enhanced point-of-purchase visibility through displays and other devices” (Oppermann, 1999, p. 79).

3.4.3. Composite Measurements: “Composite measurements of loyalty, combine the first two dimensions and measure loyalty by customers' product preferences, the propensity of brand-switching, frequency of purchase, recency of purchase and the total amount of purchase” (Bowen & Chen, 2001, p. 214) .

3.5. CRM AND DATA MINING STUDIES ON LOYALTY

“CRM is a strategic approach that is concerned with creating improved shareholder value through the development of appropriate relationships with key customers and customer segments” (Payne & Frow, 2005, p. 168). Successful customer relationships should continue not only at the time of sale but also after-sales. “CRM is important because it provides enhanced opportunities for using data better in order to understand customers and implement improved relationship marketing strategies” (Ryals & Payne, 2001, p. 3). Strategic data mining and CRM are vital for the service companies, and should primarily be the responsibility of the marketing team. In this way, more positive steps are taken towards the targeted audience.

CHAPTER 4

INTERNATIONAL TRANSPORTATION & LOGISTICS

4.1. DEFINITION AND SUGGESTIONS

Transportation definition is the transfer of the assets needed at a particular place and time from one place to another in the book of 'International Transportation and Logistics' (Demir, 2006). In this sector, where concepts such as cost, quality, time, and speed are so valuable, business to the business competition is increasing with the developing technology. In recent years, the international competitive environment has forced transport companies to have sufficient capacity to manage the logistics services as well as existing services. On the other hand, rapid globalization has transformed closed economic environments into opportunities for companies, and with this fascinating role, logistics companies have found themselves in serious competition to increase their competitiveness and firm profits in the sector.

Over time, companies changed their organizational structures and made good progress, and the expertise of those working in these firms increased. Communication-based structures such as rapid information flow, and honesty and trust have become more productive and more focused on customer-oriented approaches that help companies improve their service performance.

Controllable Elements in A Logistics System	
Customer Service	The "product" of logistics activities, customer service, relates to the effectiveness in creating time and place utility. The level of customer service provided by the supplier has a direct impact on total cost, market share, and profitability.
Order Processing	Order processing triggers the logistics process and directs activities necessary to deliver products to customers. Speed and accuracy of order processing affect costs and customer service levels.
Logistics Communication	Information exchanged in the distribution process guides the activities of the system. It is a vital link between the firm's logistics system and its customers.
Transportation	The physical movement of products from a source of supply through production to customers is the most significant cost area in logistics, and it involves selecting modes and specific carriers as well as routing.
Warehousing	Providing storage space serves as a buffer between production and use. Warehousing may be used to enhance service and to lower transportation costs.
Inventory Control	Inventory is used to make products available to customers and to ensure the correct mix of products is at the proper location at the right time.

Packaging	The role of packaging is to protect the product, to maintain product identity throughout the logistics process, and to create effective product density.
Materials Handling	Materials handling increases the speed of, and reduces the cost of, picking orders in the warehouse and moving products between storage and the transportation carriers. It is a cost-generating activity that must be controlled.
Production Planning	With logistics planning, production planning ensures that products are available for inventory in the correct assortment and quantity.
Plant and Warehouse Location	Strategic placement of plants and warehouses increases customer service and reduces the cost of transportation.

Table 3: Controllable Elements in the Logistics System

(Speh & Hutt, 2014, p. 345)

4.2. THIRD-PARTY LOGISTICS SERVICE PROVIDERS

It is important to briefly define what the first-party, and the second-party is for understanding mean in the definition of the third-party logistics service providers.

- First-Party: Manufacturer, retailer or consignor
- Second-Party: Company which the direct customer of the first-party. (Supplier)

“Third-party logistics is the use of an outside company to perform all or part of another company's materials management or product distribution; the outsourcing of all or part of a company's logistics function” (S. E. Leahy et al., 2019, p. 5). Today, companies tend to receive support from third-party service providers with issues such as shipping, storage,

stock control, palletizing, packaging, labeling, insurance, customs clearance, and internal distribution. On the other hand, logistics service providers whose aim is to provide the highest quality service are focused on creating a structure that aims to produce solutions with optimum delivery times and competitive costs. Moreover, the number of third-party providers companies continues to increase day by day.

In Speh & Hutt's article, "Third parties enable a manufacturer or distributor to concentrate on its core business while enjoying the expertise and specialization of a professional logistics company" (Speh & Hutt, 2014, p. 234). Leahy, Murphy, and Poist, describes the main reason for growth as shifting of business-to-business relations from a transactional focus to a relationship focus such as strategic alliances and partnerships. In the same article, other reasons that could cause outsourcing were shown as the desire to reduce transportation and administrative costs, improving customer service, focusing on necessary competencies, increasing productivity, and increasing communication capabilities. As a result, based on the expertise and resources offered by modern third-party providers, they have concluded that companies that receive services can gain a competitive advantage (S. Leahy et al., 1995).

4.3. TYPES OF TRANSPORTATION

4.3.1. Highway Transportation: Highway transportation is a widely preferred mode of transportation due to the richness of the alternatives it offers in terms of speed and flexibility. Moreover, highway transportation is handy because trucks can reach everywhere. It is possible to see different truck types, such as Standard trailer, Jumbo, and Frigo. 80 - 90 m³ species in volume.

4.3.2. Airways Transportation: Air transportation is a priority choice in terms of the need for fast deliveries and the transport of high-value products, but high costs can be a significant constraint to the choice. Although expensive tariffs weaken the demand for air transport, it is the fastest-growing mode of transport over the last decade.

Compared to road transport, it is much more prevalent in terms of transporting smaller volumes of cargo. It would not be wrong to show high-speed delivery as the reason for

this result. Although over time, cargo planes, which were made suitable for the transportation of large volumes of high-value goods, began to serve.

4.3.3. Railroad Transportation: Railway transportation could not find its actual value in our country. Considering the European Union's policies on transport, it is not thought to be at a sufficient level. It is a common type of transportation in Europe and North America. Globally, geographical barriers, political disagreements, and infrastructure problems of neighboring countries can be cited as reasons for the limited availability of this type of transport.

4.3.4. Maritime Transportation: “Population growth, increasing standard of living, rapid industrialization, exhaustion of local resources, road congestion, and elimination of trade barriers, all of these contribute to the continuing growth in maritime transportation” (Christiansen et al., 2007, p. 189). Container shipments are not as fast as road transports in terms of time, but in terms of price, they seem to be more suitable for customers than those requested for road transport. Not limited in volume. They are the leaders along with air transport for large volumes of cargo where intercity transport is not possible.

4.3.5. Intermodal Transportation: “Intermodal transportation may be defined as the transportation of a person or a load from its origin to its destination by a sequence of at least two transportation modes, the transfer from one mode to the next being performed at an intermodal terminal” (Crainic & Kim, 2007, p. 467). It consists of three main activities in general. These are collecting, transportation, and distribution. The first dimension of intermodal transportation is that loads with unreasonable amounts and to last over long distances are brought together in collection centers called intermodal terminals and made ready for long transport. As a second dimension is that it is usually a preference to cross long distances by ship and short distances by train or road. The third dimension of intermodal transportation is the process in which the cargoes are separated and organized according to their destination in the terminal areas where the prolonged transportation activity is completed.

4.3.6. Combined Transportation: Combined transport is also similar to intermodal transport in terms of applying at least two different transport types. Logistics activities such as transfer and handling are not needed, and the loaded truck is transported with

more than one type of transport to the destination. As a sub-term of combined transport, Ro-Ro should also be mentioned. Ro-Ro is the ship which process of loading the truck into the so-called Ro-Ro ships at the loading port, transporting to the target port, and unloading it at the destination port. Customs procedures are carried out at the port of destination, and the driver will continue to the unloading address.

These days, companies should be aware that they need to reduce environmental damage and air pollution, and it is a must increase the use of quieter and environmentally conscious Ro-Ro vessels. Being sensitive to the environment may give them a competitive advantage.

4.4. ISSUES

4.4.1. An economic view of the ongoing problems in the sector: The Turkish lira has been losing value against the foreign exchange rates for three years. For this reason, it becomes more costly to import products or taking raw materials to the country. The rising oil prices and fluctuating exchange rates are dangerous for the sector.

When we look at the logistics sector, a round-trip vehicle where the profit does not cover the cost is not profitable. This situation is contrary to the idea that the first rule of companies is to make a profit. Making a profit is not the purpose of a company but an essential condition for its survival. Logistic firms have to struggle more with each other to survive in the import market. The rapidly increasing competitive environment will decrease profit. Lack of imports will cause outgoing vehicles to wait for a long time in the place where they go, and for additional costs such as holding and storage will occur. The rising costs, such as gasoline, road crossing expenses, driver expenses, and domestic transportation expenses, make it difficult to make a profit. The costs of service providers may rise upward from these issues.

Moreover, increasing expenses are likely to be reflected in the freight prices paid by the customer. In addition to the existing problems, many other problems may lead to the prolongation of the transportation process, such as breakdowns in border crossings, traffic problems, public holidays, vehicle walking prohibitions, winter, and narrow streets. Such

negativities are not welcomed for customers who want to gain benefits. It is thought that these situations will affect their loyalty severely.

When we look at from in trade perspective by the most crucial concept is balance. It is imperative to find an equilibrium point between import-export, like supply-demand.

4.5. FUTURE OF THE TRANSPORTATION INDUSTRY

Better management of the existing infrastructure is as essential as creating innovation. With the advancement of technology, fully electric and automatic vehicles, perhaps a new type of vehicle, but the use of clean fuel will become widespread. Human-oriented and more cost-effective vehicles will occur.

It is changing air pollution laws also large direct companies to environmentally friendly transport types that are suitable for climate change. In one article written about 'the green imperative' by Menguc & Ozanne were mentioned that firms that develop the resources both to address the constraints imposed by the natural environment and to capture the opportunities offered by it are likely to yield to higher performance. Firms that support such entrepreneurship and have environmentally friendly products are likely to increase their profitability and market share. In this article, the authors aimed to propose a higher-level structure with natural environmental management (Menguc & Ozanne, 2005). In this context, it is on the agenda to prefer railway and ship transport types more. Road transportation use of the future seems to be entirely in the form of putting the trucks on the train wagon and so on. Of course, the necessary infrastructure will be created in order to prevent security weaknesses on the rails. In the sense of being sensitive to the environment, companies think that applying this type of transportation gives them a competitive advantage.

CHAPTER 5

RESEARCH METHODOLOGY

5.1. METHOD OF STUDY

As mentioned by Mugenda (1999), there are numerous research methods and approaches that can be integrated and adopted, however, selection of the method depends on the researcher. A qualitative method was applied in this study. Of course, statistic tells a lot, but it has been decided that the use of qualitative methods to touch and understand the customer. Data were collected through in-depth interviews. The most important difference with Survey is that the questions consist of open-ended questions and are managed by following the interview guide. However, although open-ended, the questions are asked in a systematic and structured manner (Böke, 2009). The right questions were asked, the conversations were examined, and remarkable answers were sought until the corresponding answers were obtained. All records were transcribed, and the existing answers were analyzed.

In this thesis, the definition of the service sector has been made, relationship marketing methods and customer loyalty concepts have been examined, and its accuracy has been questioned from the customer point of view. Finally, the discourse of customers in the sector about loyalty examined in-depth. A structure based on experiences, ideas, and personal motivations were created and reasons for the loyalty of the interviewed companies to their existing logistics partners were investigated. The customer results that could create competitive advantage were tried to be revealed.

5.2. METHODOLOGY

In this chapter, participants' responses to the interviews were analyzed, and the findings were discussed. The interpretative technique was used to infer meanings from the detailed answers provided by the interviewees. Responses to the same question were examined in all the interviews to draw a meaningful result about that particular question.

The type of method is searching the concept of customer loyalty in the structure of the research companies. Interview questions include elements of relationship marketing and other factors that can lead to customer loyalty. The aim is receiving in-depth information from the participants.

Before starting to interview, the participants were asked to introduce themselves and give brief information about their firms. The primary purpose of this introduction is to identify the personal and firms characteristics of the representatives. There are ten participants, and the participants were informed about questions before answering the questions. Participants are business development specialists, procurement department employees, and logistics support department employees as job positions in their companies. On the other hand, the characteristic features of the companies are that they are all receiving third-party logistics services. These companies have offices and storages in different regions of Istanbul. The companies have been in existence for at least five years in the sector. Interviews were conducted through questions form in the appendix. During the interviews, no time-limiting restrictions were imposed on the participants. All interviews lasted between 25 minutes and 40 minutes.

5.2.1 Ethical Aspect

Throughout the research process, the privacy of the participants was preserved, and ethical rules were considered. Information collected and records received during the data collection process will only be considered for research purposes. The thesis has been approved by the Human research ethics committee.

CHAPTER 6

RESULTS & DISCUSSIONS

6.1. Customer-Focused Relational Mediators Contributing to Customer Loyalty

WHAT DOES TRUST MEAN TO YOUR COMPANY? EXPLAIN.

In the interviews, all of the participants started their speech with the importance of trust. It is not possible to think of a trustless relationship in business, so it is not wrong to say confidence is a must for loyalty.

When we look at the third participant comment, the participant declared that maintaining trust between firms is not easy in the long-term but vital. We can emphasize the importance of RM's long-term sustainable approaches. The presence of a sense of trust will positively affect loyalty.

The fifth participant expressed the importance of a well-established organization. The participant argued that strategies should be company-oriented. This interpretation does not deny the existence of confidence.

Participants' comments are as follows:

- “Trust is perfect for a good commercial or individual relationship. If both sides trust each other, it means the relationship goes very well.” (P #7)
- “No company can be trusted for three years these days. The companies we trust have been sinking very quickly in the last three years. Although providing trust is crucial, trusting a firm in the long-run is so hard today.” (P #3)
- “As Turkish people, we are friendly, and we are building trust relationships with employees. However, employees who are working in institutions can change over time, and this situation may cause the alienation of the company.” (P #5)

DO YOU THINK TRUST BETWEEN THE TWO COMPANIES CONTRIBUTES TO YOUR LOYALTY TO THE LSP? WHY? PLEASE EXPLAIN.

One of the reasons why service providers are considered sufficient is their service-performance. If a B2B relationship is new, it is preferable to have the interviews done via mail. If the negativity occurs, employees can keep their firm on the safe side, whereas employees who have been working together for a long time tend to trust each other. In this way, processes are completed faster, efficiency increases, and the risk will reduce.

For this reason, service-performance will yield, better results in a relationship based on trust structure. Both companies must trust each other to establish a long-term and trusting business relationship. These details will lead companies to loyalty consistently.

WHAT DO YOU THINK WOULD DESTROY YOUR TRUST IN THE LSP?

The number one frequent and common reason what destroys trust is product damages due to insufficient safety because this situation creates extra costs.

Participants' comments are as follows:

- “The service provider firm will destroy my trust if he does something that spoils my job.” (P #4)
- “Damage to the product, failure to ensure safety will ruin my trust.” (P #8)
- “If the service provider firm cannot prevent the damage to the product, and this situation affects me badly in a financial manner, my trust will be destroyed.” (P #1)

The second most common cause that can destroy trust is a failure to fulfil promises (delay the delivery time, so on).

The third most common cause is to tell lies and to give false information.

- “A promise that is not fulfilled in time and price-related issues can destroy my confidence.” (P #4)
- “What they have told me, and what they have done, I am trying to compare these two thoughts. If these are not in balance, my confidence tends to be destroyed.” (P #5)
- “If the service provider firm is giving me false information and lying, I can never trust as before.” (P #7)

As the most common answer, 'product damage' refers to the economic sanctions. Therefore, it is necessary to read the effect of trust on loyalty financially first.

Fluctuating exchange rate and depreciation of the domestic currency against foreign currencies have resulted in higher costs to the firms and have created balance disorders in the market. The unprepared companies have been brought to the point of sinking gradually in the last decade. These kinds of economic problems are continuing to turn the customers' confidence upside-down. It also destroys the feeling of loyalty.

What do you think would destroy your trust in the LSP?
Product damage (financial losses/ sanctions) (economic effect)
Failure to fulfill promises (relationship effect)
Lying, giving false information (ethic-relationship effect)
Price-related inaccuracies, financial losses
Not having sufficient skills in customs
Delay of delivery time

Table 4: What do you think would destroy your trust in the LSP?

WHAT DOES RELATIONSHIP COMMITMENT MEAN TO YOUR COMPANY? EXPLAIN. DO YOU FEEL COMMITTED TO THE LSP? WHY?

All participants answered that they felt committed to their transportation partners.

Participants' comments are as follows:

- “I feel commitment, but it is not an emotional commitment, it is an ethical commitment. When I am getting services from one company, I do not give a chance to other firms.” (P #3) - The existence of socio-cultural and ethical approaches support loyalty.
- “I give all of the authority to the service firm that I feel committed. Maybe, I am faithful, or I am not open to new alternatives.” (P #4) - It would not be wrong to say that it has a structure that does not like taking risks. We see that this personality characteristics persuaded the employee to remain loyal.
- “As a service provider, if the firm realizes its commitments in time, the partnership will continue constantly.” (P #3) - The approach that aims to bring together the concepts of continuity and long-term approaches is RM.

WHAT DOES THE LSP DO TO SUSTAIN AND MAINTAIN YOUR COMPANY'S COMMITMENT TO THE LSP? DO YOU THINK RELATIONSHIP COMMITMENT PLAYS A KEY ROLE IN YOUR LOYALTY TO THE LSP? WHY? PLEASE EXPLAIN.

Considering the answers given by the participants, company that receiving logistics support needs to feel comfortable, safe and satisfied. The solution to the problems is to be customer-focused and to understand customer demands. A logistics service provider which correctly strategically analyzes its client firms has ensured sustainable loyalty.

- “I am contacting my receiver customer at the end of the transportation process. If my customer is satisfied with the logistics service, I will be pleased with the logistics firm.” (P #8)

Skilled employees can differentiate their companies. Sales specialist makes appointments, introduces their company and tries to get to know their customer. With their ability to communicate, they always focus on keeping communication between companies alive. Although, operations specialists are in close contact with customers regarding the provision of daily information and service.

The notes taken during the conversations are vital. The information obtained is accurately recorded, updated, and long-term profiles of customers are revealed. In this way, correct targets and strategies are determined. A logistics service company, which ensures the satisfaction of its current customer, also creates obstacles for its competitors. This logistics firm has achieved the competence to protect the loyalty of this customer with its strategic customer-focused approach.

Customer data can be constituted as a simple excel study as follows:

W/	FIRM	WORK	COSTUMER	TYPE	EX/ IMP	COUNTRY	AREA	ESTIMATED TURNOVER	LOADING FREQUENCY	RIVALS
Arda	AKTAŞ KONFEKSİYON	Spot	Potential	Seaway	IMP	ITALY	CUNEO	6.000 €	1-2 times a year	Galata Logistics
Arda	AKTAŞ KONFEKSİYON	Spot	Potential	Seaway	EX	ITALY	CUNEO	3.000 €	1-2 times a year	Galata Logistics
Arda	AKTAŞ KONFEKSİYON	Spot	Potential	Highway	IMP	FRANCE	-	1.500 €	1-2 times a year	Vip Logistics
Arda	AKTAŞ KONFEKSİYON	Spot	Potential	Seaway	IMP	ITALY	84	1.500 €	1-2 times a year	Galata Logistics
Arda	ALBOGAZ METAL	Yearly	Current	Highway	EX	-	4585-322	6.000 €	Once in a month	-
Arda	ALBOGAZ METAL	Yearly	Current	Seaway	EX	ITALY	6038	3.600 €	Every two months	-
Arda	ALCE ELEKTRİK	Spot	Target	Highway	EX	SPAIN	PARIS	75.000 €	Once in a month	Mars Logistics
Arda	ALCE ELEKTRİK	Spot	Target	Highway	EX	FRANCE	PARIS	40.000 €	1-2 times a month	Fercam Logistics
Arda	ALCE ELEKTRİK	Spot	Target	Highway	IMP	GERMANY	DUISBURG	200.000 €	1-2 times a month	Fercam Logistics
Arda	ALDEM ÇELİK	Spot	Target	Highway	EX	FRANCE	50444	95.000 €	1-2 times a month	Gebroder Weiss

Figure 2: Using a simple tracking program and the importance of strategy

Strategic data and CRM and data mining workings should be primarily notable. In this way, more positive steps are taken towards the targeted audience. Recording the correct customer data creates an enormous customer pool for the company in the long run, which strengthens the company's position in the industry. The company may be differentiated with this way.

As an example, assume that the logistics truck must go to Germany immediately. Employees can use a secure filtering method via Excel and find relative clients quickly. Customers who work in Germany are studied, and current offers can be received. Thus, the vehicle can be a timely departure. This mean is satisfying other customers in the same truck. As a result of this value created, customers whose loads have transported will be satisfied, and this situation keeps them remain loyal.

Customers who tend to trust the employee will continue to work with the employee when this employee leaves the company. This situation is a loss for the logistics company. The continuity of the company should be prioritized rather than the employee. Similarly, the participants' answers show that logistics customers want to learn primarily the capabilities of the company rather than the field sales officers. With strategic approaches should be prioritized organization rather than the employee. Such approaches create commitments and make customers connected to the organization. These kind of strategic thoughts are examples of the commitment approaches of the logistics firms.

Do you feel committed to the LSP? What plays a key role, why?
Having a good partnership, disliking to take risks
Trust, promises
Satisfaction in terms of relationship and work

Table 5: Do you feel committed to the LSP? What plays a key role, why?

WHAT DOES RELATIONSHIP SATISFACTION MEAN TO YOUR COMPANY? EXPLAIN. IS YOUR COMPANY SATISFIED WITH ITS RELATIONSHIP WITH THE LSP?

The participants agreed that communication between a company and a logistics service provider should be perfect.

Participants' comments are as follows:

- “If relationship is good in business, the trade will be perfect.” (P #7)

The eighth participant made the following comment not to underestimate the importance of communication, but to glorify the importance of the service.

- “Directing the product without any problem is more important than giving information.” (P #8)

The most mentioned criterion is accuracy. It is the number one requirement for communication satisfaction. The participants said they wanted to make sure they were informed correctly.

- “I give a load and want to follow the truck. What is the estimated time of arrival, what the position of the vehicle? If there is a problem, I would like to be informed in advance, and I would like to know the taken precautions.” (P #5)
- “Communication satisfaction is possible with promises. In order to be faithful, the promises made must be fulfilled.” (P #2)

The second most common answer about the relationship satisfaction is accessibility and rapid responses from via e-mails or phone calls. Moreover, this feature provides a competitive advantage for the logistics service companies that can provide this service.

- “When I call, I need to get answers as soon as possible. It is important to request a faster price offer, and most importantly, I want to reach the person I am looking for.” (P #4)

- “My customer called me and told me that the delivery address has changed. Therefore, I extremely need to talk with my logistics support provider, and I could not reach them, it would not good.” (P #2)

The third most common answer is that the service provider firm should be a skilled consultant.

- “The transport firm should be a bridge between my customers and me. This bridge should be excellent, should be a good consultant.” (P #1)

What factors do you believe contributes to your company's relationship satisfaction with the LSP?
Truthfulness, honesty
Accessibility, Capability of answers transfers quickly
Consulting ability of logistics company

Table 6: What factors do you believe contributes to your company's relationship satisfaction with the LSP?

WHAT DOES RELATIONSHIP QUALITY MEAN TO YOUR COMPANY? EXPLAIN. IS YOUR COMPANY IN A QUALITY RELATIONSHIP WITH THE LSP? WHAT FACTORS DO YOU BELIEVE CONTRIBUTES TO THE QUALITY OF YOUR COMPANY’S RELATIONSHIP WITH THE LSP?

Relational satisfaction and relational quality are not the same concepts, but they were equally remarkable by the participants.

Almost all of the participants indicated that the most important quality indicator for the companies is the ability to provide service 24/7. Customers expect the absolute best service partner because they have the luxury of choosing the company from which they can get better service. So, the majority believes that the quality of the relationship can be increased with higher and expanded service alternatives. How good the quality is can be explained by how high this ability is on a sloping curve.

With the introduction of technology into our lives, leading companies succeeded to adapt to the digital age very quickly and have provided themselves with a competitive advantage. In addition, these companies have continued to enhance their customer-oriented digital service quality day by day.

Participants' comments are as follows:

- “The time difference is too much in between Turkey and Uruguay. The customer in Uruguay may online at night time and wants to solve the problem in a few hours. If someone from my logistics support firm tries to answer even at home, it is precious in business and partnership.” (P #1)

The second topic most frequently mentioned by the participants was the desire to have professional approaches in the business relationship.

- “Dialog quality, correspondence quality, call back, feedback, timely answer, proper answer, quick answer, the correct written language. In other words, professional answers are distinguished.” (P #4)
- “Communication, information flow, quick response are vital.” (P #7)

As the third most important issue, it would not be wrong to show employee quality.

- “If both sides have professional workers so that excellent job quality will occur. Otherwise, work is not well, and there is no possibility of working together, there would no maintain business and loyalty.” (P #3)

What factors do you believe contributes to the quality of your company's relationship with the LSP?
7/24 accessible communication services
Professionalism in business relations
The existence of skilled employees

Table 7: What factors do you believe contributes to the quality of your company's relationship with the LSP?

DO YOU THINK IT IS EASY TO DESTROY THIS LOYALTY? CAN YOU EASY SWITCH YOUR LOGISTICS SERVICE PROVIDER?

Most participants mentioned that it was not is not easy to change the current service provider. On the other hand, each participant added that if they have to change, they will do. The results related to why it is not easy to destroy this loyalty were analyzed. The most crucial reason is that employees avoid taking risks on behalf of their companies. A person who will try with a new logistics company accepts the risk and tries to avoid it — the obscurity of the alienating accepted as the most fearful risk. Common other reasons are that the process has hugely challenging to trust someone new, and the customer thinks the process is costly and risky.

Participants’ comments are as follows:

- “I do not think it is easy to change the current logistics firm, and I will not do that. They know our company priorities.” (P #4)
- “If the service provider firm knows us better, this more useful for us. So it is not easy to start from zero.” (P #7)
- “I committed! I do not want to alter, we have trust with each other.” (P #6)
- “It took time to find the people that I trust, but if I have trouble, I will look for other firms.” (P #1)
- “It is not easy in terms of cost.” (P #5)

Can you easily switch your logistics service provider?
No - Working together in the past is vital for efficiency, and I prefer not to take risks.
No - Building trust is not easy
No - Working with a new logistics support firm is costly

Table 8: Can you easily switch your logistics service provider?

WHAT DOES RISK MEAN TO YOUR COMPANY IN TERMS OF YOUR COMPANY’S RELATIONSHIP WITH THE LOGISTICS SERVICE PROVIDER? WHAT TYPES OF RISK DO YOU CONSIDER IN TERMS OF YOUR COMPANY’S RELATIONSHIP WITH THE LSP?

According to the participants, there is always a risk. In this sense, trust, honesty, and sincerity are the most wanted features. Relationships without sincerity feelings always carry a high risk. The second significant risk factor is unfulfilled promises.

Participants’ comments are as follows:

- “If we rely on our logistics service provider and follow their requests, but if they abuse this situation and are not sincere, there may occur a huge risk for both sides.” (P #3)
- “The promises may not be unfulfilled for some reason, but I can only understand this if my logistics partner is honest.” (P #7)
- “It is essential how much the logistics company takes responsibility on for are crucial in case of an accident.” (P #1)

The third most common risk factor is that the information given is incorrect. Pure data is important for the participants. Inaccurate information can affect the whole process.

- “It was the loading day at the port, and everything was ready. But suddenly we heard that our logistics firm went bankrupt. Extra storage expenses and some other costs occurred. It was terrible.” (P #3)

What types of risk do you consider in terms of your company’s relationship with the LSP?
Dishonesty and insincerity
Failure to fulfill promises
Inaccurate and unreliable information

Table 9: What types of risk do you consider in terms of your company’s relationship with the LSP?

KEEPING IN MIND THE TYPES OF RISK YOU HAVE LISTED ABOVE, WHAT DOES YOUR COMPANY DO TO MAINTAIN YOUR LOYALTY TO THE LOGISTICS SERVICE PROVIDER?

KEEPING IN MIND THE TYPES OF RISK YOU HAVE LISTED ABOVE, WHAT DOES THE LOGISTICS SERVICE PROVIDER DO TO MAINTAIN YOUR LOYALTY?

Having a better relationship with focusing on relationship marketing would reduce the risk perceived that the customers. In other words, the more the participants ignore the problems, and the less they feel, the more they remain loyal. Every participant, without exception, admitted that this idea was correct.

Participants' comments are as follows:

- “Creating a more trouble-free business relationship and communication ability with your logistics partner means the rising the rate of ignoring the problems you may have.” (P #5)
- “When more I trust, less I feel the problems.” (P #4)

6.2. Other Factors Contributing to WOM & Customer Loyalty

WHAT KIND OF BENEFITS DO YOU RECEIVE FROM THE LSP IN ADDITION TO YOUR USUAL BUSINESS? HOW DO YOU THINK SUCH BENEFITS INFLUENCE YOUR RELATIONSHIP WITH THE LSP?

Establishing a business partnership, creating a strong bond in line with the responses of the participants benefits companies and builds long-term loyalty. More than half of the participants are satisfied by the logistics service provider for the following reasons, and the cooperation strengthens.

- “We are learning information about the trend in trade demand between Turkey and Russia from our service provider. In that way, we definitely can make the right moves.” (P #3)

The second most common benefits are financial gain, such as extra discounts in terms of price.

- “It is reasonable for my existing logistics service firm takes the goods which above ten cubic meters from my warehouse, and not to charge a fee from this service. That is nice.” (P #7)
- “My current logistics firm does not charge a customs fee of € 75 on a heavy load. It is a benefit for us, and such gestures strengthen the relationship.” (P #6)

Third, to support the creation of long-term plans by exchanging information.

- “I have worked with my forwarder for such a long time because I know they are trying to benefit my business.” (P #5)

What kind of benefits do you receive from the LSP in addition to your usual business?
To have a good consulting experience
To obtain more competitive price-performance
Focusing on more successful ideas and investments with information exchange

Table 10: What kind of benefits do you receive from the LSP in addition to your usual business?

DO YOU THINK THE LSP MAKES ALL NECESSARY INVESTMENTS IN ITS RELATIONSHIP WITH YOUR COMPANY? IF SO, PLEASE EXPLAIN.

Participants’ comments are as follows:

The participants believe that long-term logistics service providers are trying to make all the necessary investments. In their thought, the investment made in the relationship is primarily the realization of the promises made. Fulfilling the promises given by logistics service providers are welcomed. As an example, the loads which to be delivered at the promised duration is always well-received by the customer and gives customer confidence.

- “It is vital that a logistics service provider fulfills its given promises.” (P #9)

The most frequent second answer is the presence of trust. In other words, the commitment of one party is the reason for investment for the other one.

- “Our existing logistics service provider bought three more Belgravia type ships with our commitments, and they carry our loads only with these ships. They made such an investment to be sufficient. We've been working for three years.” (P #3)

The third most commonly comment is about investment in the relationship regarding promises about payments.

- “Logistics firm provides a promise of 60 days maturity for the payment, we are working for the first time.” (P #8)

The emphasis on 'fulfilling the given promises' made reminded how vital the concept of trust is. Realizing promises positively affects confidence, and loyalty will maintain between firms.

Do you think the LSP makes all necessary investments in its relationship with your company?
Fulfilling the given promises
Building trust and maintaining
Price discounts, promotions and the things about the price

Table 11: Do you think the LSP makes all necessary investments in its relationship with your company?

DO YOU BELIEVE THE LSP POSSESSES NECESSARY AND SUFFICIENT CAPABILITIES IN THE LOGISTICS BUSINESS? WHAT MAKES YOU BELIEVE SO?

The most common answer to this question was the service-performance. Customers decide the capability of companies providing logistics services by analyzing the services received.

Participants' comments are as follows:

- "Service is significant. As a logistics firm to be a larger or smaller company does not mean anything." (P #5)

The second most frequently mentioned capabilities indicator is the recognition and brand value of the logistics support company. As a logistics company, the dominant firm can employ many employees and maintain the existence in the sector for years means to be capable. Regardless of the financial progress of such a company, customers will prefer to trust easier.

- "Company has many trucks and many employees in Turkey. Such reason shows how high its working capacity is." (P #2)

The third most common answer is price-performance. Price-performance is a thought that convinces the customers that the company has sufficient capabilities. Also, the most competitive price for transportation service between the two countries is a reason to believe that the logistics service provider that provides that price is capable and experienced on that line.

- "Some service provider's price-performance has reasonable, these logistics partners are quite talented." (P #4)

Do you believe the LSP possesses necessary and sufficient capabilities in the logistics business?
Service-performance
Company recognition and brand value
Price-performance

Table 12: Do you believe the LSP possesses necessary and sufficient capabilities in the logistics business?

WHAT IS THE LEVEL OF COMMUNICATION BETWEEN THE TWO COMPANIES? HOW IMPORTANT ROLE DO YOU BELIEVE COMMUNICATION PLAYS IN YOUR RELATIONSHIP WITH THE LSP?

Almost every participant emphasized the importance of communication and added. The customers want to be informed as a service day by day.

Some participants' comments are as follows:

- “Communication between the two companies is vital. It is a service and hence a process. As a customer, we must establish an excellent communication network between my company, the receiving customer, and the logistics support provider.” (P #6)
- “99% of communication plays a role in the future of the relationship. A good relationship is equivalent to hypnosis the other. There is nothing that cannot be achieved by establishing good relationships.” (P #1)

HOW FREQUENTLY THE PERSONNEL AND MANAGERS OF THE TWO COMPANIES COMMUNICATE ABOUT BUSINESS RELATED MATTERS?

Participants think that the communication frequency about business-related matters occurs spontaneously. It is not possible to mention a specific rate. There can be communicated in the daily exchange of information between two personnel on both sides. Dialogues between both parties are developed to provide a smooth process. Although, the managers come together with a length less frequent. These meetings often solve problems. Managers come together to develop a business or resolve a significant issue.

DO YOU EXPERIENCE A CONFLICT BETWEEN THE TWO COMPANIES? IF SO, WHAT CAUSES SUCH CONFLICT?

Participants are aware of the fact that negativities can frequently arise in this sector in terms of operation. The vast majority of participants stated that it is crucial to approach the solution logically. The logistics support provider, who can solve the problem, will be the best firm in the market.

Participants' comments are as follows:

The most common response to how conflict occurs is the lack of communication. A developing company needs to be brought together potential and talented employees, especially when creating the sales and marketing department. People working in the sales and marketing department of companies should choose carefully. These employees are expected to have high communication power.

- “We had many problems with the old logistics service company. None of them was as bad as staying without dialogue. You do not get answers; you do not know where the burden is, you do not know what's going to happen.” (P #6)

The second most popular answer is the conflicts caused by not to fulfill given promises by the logistics service provider. It is irreversible and unacceptable because it is contrary to honesty. The confidence may never come back about this conflict situation.

- “Promises cannot be fulfilled for some reason, but I can only understand this if my logistics partner is honest.” (P #7)

The third most common answer is that the logistic support provider is inadequate in solving the problem or that a problem is recurring.

- “I had a problem and it was resolved. If I live the same problem next time, it is unacceptable.” (P #5)

Do you experience conflict between the two companies? If so, what causes such conflict?
Lack of communication
Disputes caused by failure to fulfill the given promises
Inadequate logistic service provider in case of a negative situation

Table 13: Do you experience conflict between the two companies? If so, what causes such conflict?

DO YOU THINK THE SERVICE QUALITY OF THE LSP IS A DIFFERENTIATING FACTOR FOR YOUR COMPANY TO STAY IN THE RELATIONSHIP WITH THE LSP? IF SO, WHY DO YOU THINK THE LSP PROVIDES A BETTER SERVICE THAN COMPETING LSPS?

All customers want to be informed day by day in terms of the situation of the loads. Most of the participants emphasized that communication should be via e-mail. Participants' comments revealed information that should be shared in perfect business relationships.

As logistics service business easily accessible keywords are as follows:

Focusing on capability, delivery reliability, protecting physical conditions of the product, instructions related to the freight, invoice, and other necessary information, current account information, other maturity, and payment information, billing, pricing, other price-related issues, vehicle locations, storage, handling customs-related issues, delivery dates, delivery CMR, consultancy service, adding values, providing benefits and so on.

- “We try the service support firm for three months, if we do not receive good service, there is no point in working.” (P #3)

The experience is the most popular reason why customers believe that their logistics firm provides enough excellent service. The vast of participants have given a chance to different logistics firms until the day they think they have received excellent service. In this way, the logistics firms which provide better services were recognized.

The second most common answer is trust. Customers believe that their current logistics firm provides the best service because of its dedication and confidence to the shipping company they work with.

The third most common answer is recognizing each other. The companies providing logistics service are interested in the daily requests of their customer and know the demands of the receiving customer and different needs. At the end of the process, they have a lot of knowledge and experience, so more effective and productive relationships occur. In this way, the new logistics companies cannot provide better service performance in the first try. An effective and efficient partnership becomes a barrier for all other service provider logistics companies.

Why do you think the LSP provides a better service than competing LSPs?
Having bad past experiences
Presence of trust
Meeting the daily demands and needs creates a sense of belonging

Table 14: Why do you think the LSP provides a better service than competing LSPs?

WHAT IS THE EFFECT OF PRICE PERCEPTION ON YOUR LOYALTY TO THE LSP?

A competitive price is a must by participants. Over time, the participants learned that different logistics support companies have different main lines. So, it is very likely that the logistics company that can provide a reasonable price in one line may not give a good price on the other front. So, companies tend to work with 2-3 logistics service provider firms at the same time. The primary purpose is to get a better price.

- “A, B and C Company, of course, all three of them are companies that I am satisfied with and prefer. The prices that the freight companies give at different times even for the cargo going to the same city are not the same. For this reason, I can wait for all three companies until getting better pricing.” (P #1)

On the other hand, the majority of participants added that the service performance could not separate from the price performance. Moreover, the participants stated that the performance of both should be equally good at the same time. As an example, the ninth participant preferred the better price-performance, and the fifth participant preferred the better service-performance at the forefront. After analyzed the explanations, it may be unique to make judgments about the participant's attitudes in business life.

The importance of the strategic approach comes from the fact that trading companies want to be well known by their logistics service partner. For this reason, it is inevitable that the logistics company, which correctly analyzes the vision and missions of the companies and the characteristics of the employees, reaches the long-term profit and sustainability goals quickly. As an example of a strategic approach, in order to get to know the responsible employees working in essential trading companies, it may be unique to make judgments about the participant's attitudes in business life.

Strategically, it can be possible to separate the employees into two sides as those who care about the best service-performance and care about the best price-performance.

Its main features are listed as follows:

- **CUSTOMER WHO CARES ABOUT THE PRICE-PERFORMANCE**

The main aim of this person is the profitability of the company. The logic of seeking the best price can also be the result of the stuck economy, declining export capacity, or increasing exchange rates making raw material purchasing capacity difficult.

Also, reducing the cost of logistics expenses will be welcome by the manager of the company. On the other hand, delivering the loads to the logistics service provider where it gets the best price will undoubtedly increase the risk. Increased risks should also be considered as a result of preference. The definition of the competitive price may vary from customer to customer. For some customers, whoever submits the lowest bid shall have the business. The companies that evaluate the logistics activities from this perspective are too many to be underestimated. Perhaps, the other firm that charged higher

prices can guarantee to serve the relation better, but this is not important for this kind of customer.

In these circumstances, the cost of searching for customer satisfaction will increase. Moreover, it can be considered challenging to acquire innovations about service performance because the companies that have differentiated themselves with innovations request higher prices for transportation service.

Another view is that the logistics service providers' costs can rise rapidly because of external reasons like gasoline expenses or import costs, so on. These kinds of results can easily affect the customers too, and it can cause trouble for them. It should not be forgotten that for these reasons, the company which has preferred the lowest price will be likely to conflict with the company from which it receives logistics support. As a result, the customers who care about the price more than service do not tend to be loyal.

It can be possible to enhance secure communications and the right strategies with highly coordinated relationships. People act with their emotions. For a company to connect to the partner firm with strong emotions, this is only possible with perfect communication - so the successful approach should be customer-focused relationship marketing. The loyalty of this type of customer is in question if there are not more competitive prices in the market. Strategically, logistics companies also need these types of customers.

○ **CUSTOMER WHO CARES ABOUT THE SERVICE-PERFORMANCE**

This person in charge is a technical buyer. The most important thing for this person is that he is not involved in the transport process and trusts the existing transport company. Therefore, this kind of employee entrusts this service process to the logistics firm that can do better.

It is not very easy to gain their loyalty. They are highly committed to the service-performance. They do not like to take risks. They do not give a chance to every caller who tries to reach them. Providing service close to the customer's perceived service

performance increases their loyalty to the current logistics firm, and the customer may seem more willing to build long-term relationships.

Of course, the price and company profitability concepts are important for this person. However, they can stand behind the risks that may occur in the awareness of their responsibilities and can look at the sector from a broad perspective and can establish long-term relationships. This person well knows the sector and the problems that may occur during the transportation process - so they prefer to choose the logistics firm that can find the solution to the current problems.

They act independently of the price. They can even choose the company that offers above 10 €, 50 €, and 100 € from the best price as freight for their existing loads. Thus, this person will be able to concentrate more easily on his / her job. Finally, it is inevitable that they will be a reliable company, and establishing long-term relationships with the logistics firm is very beneficial in terms of company profitability and sustainability. This relation creates a win-win strategy, and both partners win together in the long term.

LTL PRICE OFFER						
From	Zone	Destination	Destination postcode	LD Price	LTL Request	LTL TT
TR	54	FR	27;37;38;42;59;60;67;76;77	150 €	18 €	10
TR	54	FR	17;44;85	150 €	19 €	10
TR	54	FR	84	150 €	16 €	9
TR	54	ES	08;43	150 €	17 €	10
TR	54	ES	03;46	150 €	19 €	10
TR	54	ES	24	150 €	19 €	10
TR	54	ES	20;26;31;34;50	150 €	19 €	10
TR	54	ES	15;36	150 €	20 €	11

FTL PRICE OFFER									
From	Zone	Destination	Destination postcode	FTL	EXPRESS	ULTRAEXPRESS	FTL TT	EXPR. TT	UEXPR. TT
TR	54	FR	17;44;85	3.750 €	600 €	1.100 €	9	7	6
TR	54	FR	37	3.650 €	600 €	1.100 €	9	7	6
TR	54	FR	60;77	3.450 €	600 €	1.100 €	8	6	5
TR	54	FR	59;84	3.500 €	600 €	1.100 €	9	7	6
TR	54	FR	42	3.400 €	600 €	1.100 €	9	7	6
TR	54	FR	27	3.600 €	600 €	1.100 €	9	7	6
TR	54	FR	67	3.300 €	600 €	1.100 €	9	7	6
TR	54	ES	08	3.450 €	600 €	1.100 €	9	7	5
TR	54	ES	50;43	3.600 €	600 €	1.100 €	9	7	5
TR	54	ES	36;24	3.900 €	600 €	1.100 €	9	7	5
TR	54	ES	34;03	3.700 €	600 €	1.100 €	9	7	5

Figure 3: Preparing quotations for known customers in line with strategic goals

DO YOU THINK THE LSP HAS A POSITIVE BRAND IMAGE IN THE BUSINESS ENVIRONMENT?

Customers receiving third party logistics support tend to prefer companies that provide boutique logistics services. Being a high-brand logistic service provider or boutique service provider firm is not an essential criterion for the positive brand image. Past experiences are important in the sector. All these ideas emerged from the joint statements of the participants. Companies with high-brand recognition have great numbers of workloads to do and cannot exercise due care. This kind of company employs more and more staff, and it can be hard to reach a related employee as a third-party customer. Lack of communication can occur, and this situation may create a conflict.

The thoughts that the participants attach importance to and that form the positive brand image are listed below.

The most notable answer is the idea that caring about the future of the industry will create brand loyalty. Logistics companies that offer environmentalist approaches manage to create competitive advantage through word of mouth marketing.

- “I want to work with a logistics company as it prefers a sensitive advertisement film to protect the environment. I expect the right time for this in the name of my company.” (P #10)

Another issue that the participants attached great importance is other company references.

- “If my friends in the industry give good references for a logistics service provider firm, that firm has a good positive brand image for me.” (P #2)

Only one participant stated that having a better brand name service provider would create a positive image.

- “As a company, we are looking at our last ten orders and analyzing them. If we have the least problem and receiving the best prices, that firm will have a better positive brand image for us.” (P #1)

Other issues that the participants attach importance for the positive brand image are the fulfilment of promises, satisfaction, quality of work, and damage-free delivery of goods.

Do you think the LSP has a positive brand image in the business environment?
Green imperative (ecology & ethics approaches)
High satisfaction of price and service performances
Other customer references
Problem solving capability
Quality of work
Fulfill of promises

Table 15: Do you think the LSP has a positive brand image in the business environment?

DO YOU BELIEVE YOU RECEIVE GOOD VALUE FROM BEING IN A WORKING RELATIONSHIP WITH THE LSP? WHY?

The participants acknowledged that they have a good value from moving together with the existing logistics service providers. As the most common idea, transferring transport and logistics responsibilities to logistics support firms enable the companies to progress more efficiently in their own best interests.

The importance of the strategic approach comes from the fact that trading companies want to be well known by their logistics service partner. For this reason, it is inevitable that the logistics company, which correctly analyzes the vision and missions of the companies and the characteristics of the employees, reaches the long-term profit and sustainability goals quickly. The benefits that can be created from this new perspective and the extra values provided to the customer create stronger bonds between firms, and this situation supports the loyalty concept.

Participants' comments are as follows:

- "I know that the service provider firm will provide the logistics processes at the promised time. So, it is their basic business." (P #2)
- "As a company, we offer services, including transportation. When I receive positive feedback from our customers, this situation reinforces my company image in my client's eyes. So, the value that the service provider adds with quality service is significant at this point." (P #4)

The second most common benefit is to have an affordable price. The competition among the logistics firms is decreasing the price. In this way, so my company can reach more profitable digits in the long-term.

- "I try to make long-term agreements with the logistics firms, so, in this way, my company loses less money." (P #6)

The third most common answer is for the logistics service provider to take on possible negatives. Such a situation is welcome by the company that receives third-party logistics services.

- “I do not want to confront the importer firm that I am working within a negative situation. I sometimes demand it from my logistics partner.” (P #4)

Do you believe you receive good value from being in a working relationship with the LSP? Why?
Creating productivity with partnership
Providing a more affordable price
Understand possible negatives and assisting

Table 16: Do you believe you receive good value from being in a working relationship with the LSP? Why?

CHAPTER 7

IMPLICATIONS

7.1. THEORETICAL IMPLICATIONS

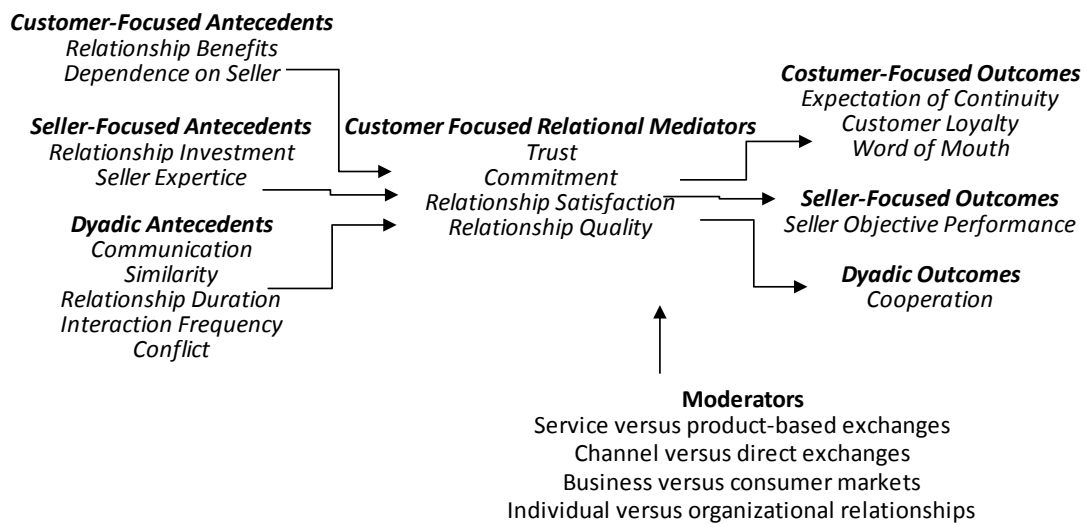


Figure 4: Relational Mediator Meta-Analytic Framework

(Palmatier et al., 2006, p. 137)

The above chart is a Meta-Analytical study examining RM results. It is prepared to help researchers to develop the effectiveness of their efforts. In the article, the authors conducted empirical research on relational marketing and presented it in a meta-analytical framework. The authors tried to highlight four topics in this article. (1) Which RM strategies are most effective for building customer relationships? (2) What results are obtained from customer relations studies? (3) Which moderators are most effective in affecting relationship-result links? (4) How does the RM strategy → mediator → result link differ between different mediators? (Palmatier et al., 2006)

This thesis has been prepared based on the scheme as an example above. The inputs (antecedents) have been built considering the answers were given by participants that receiving third party logistics support. Similar results have been searched to reach through using similar mediators.

COSTUMER-FOCUSED ANTECEDENTS

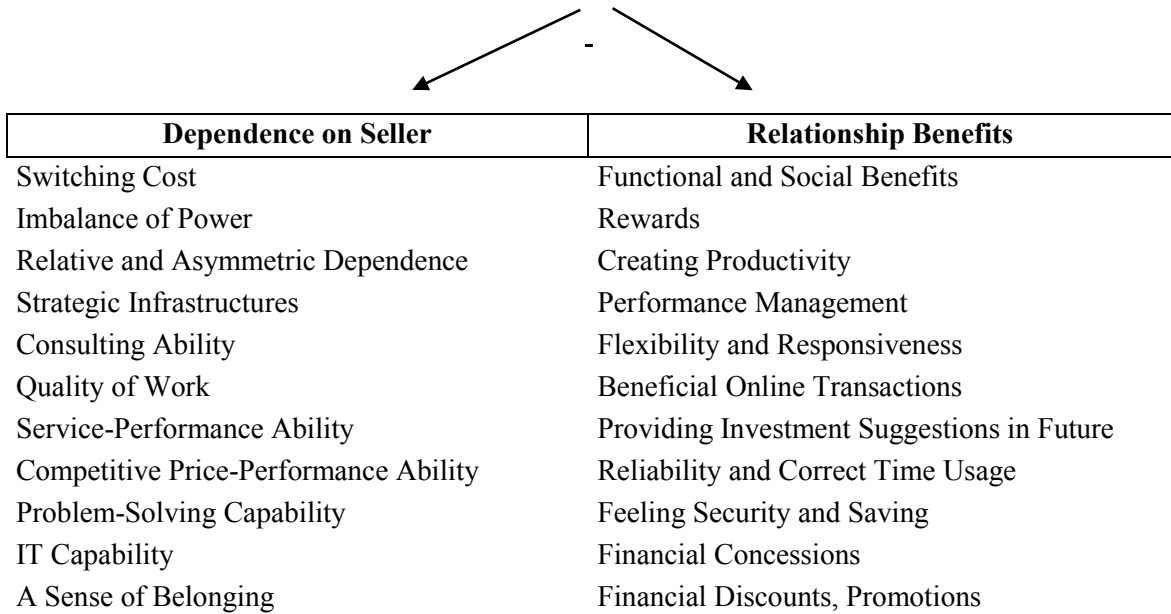


Figure 5: Customer-Focused Antecedents

SELLER-FOCUSED ANTECEDENTS

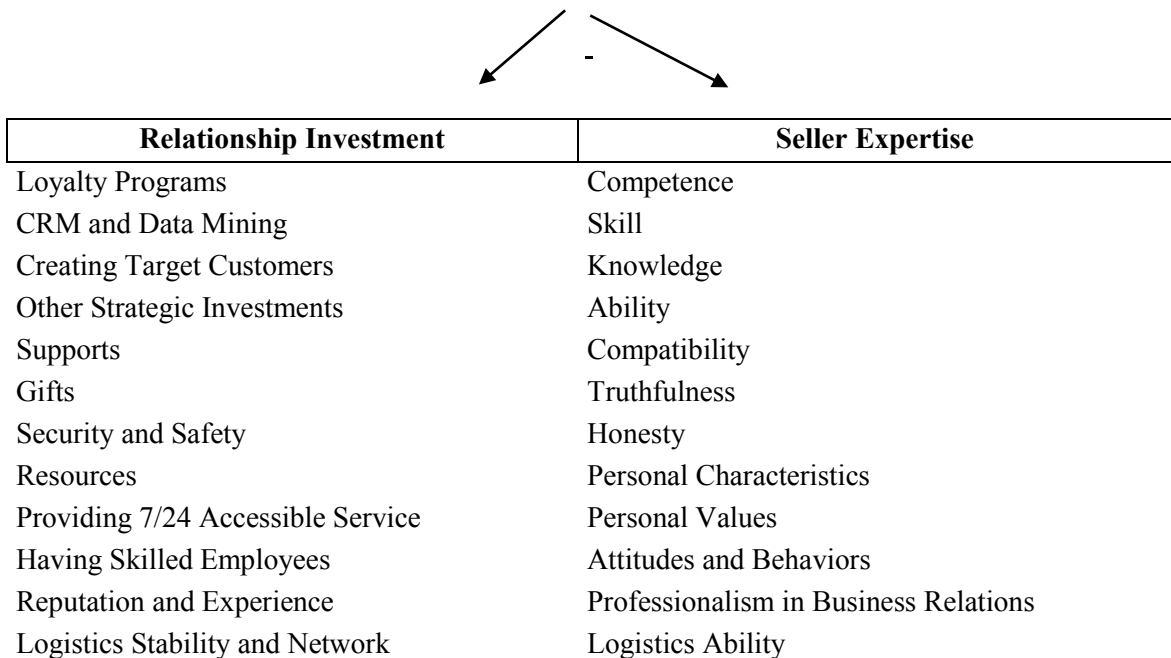


Figure 6: Seller-Focused Antecedents

DYADIC ANTECEDENTS

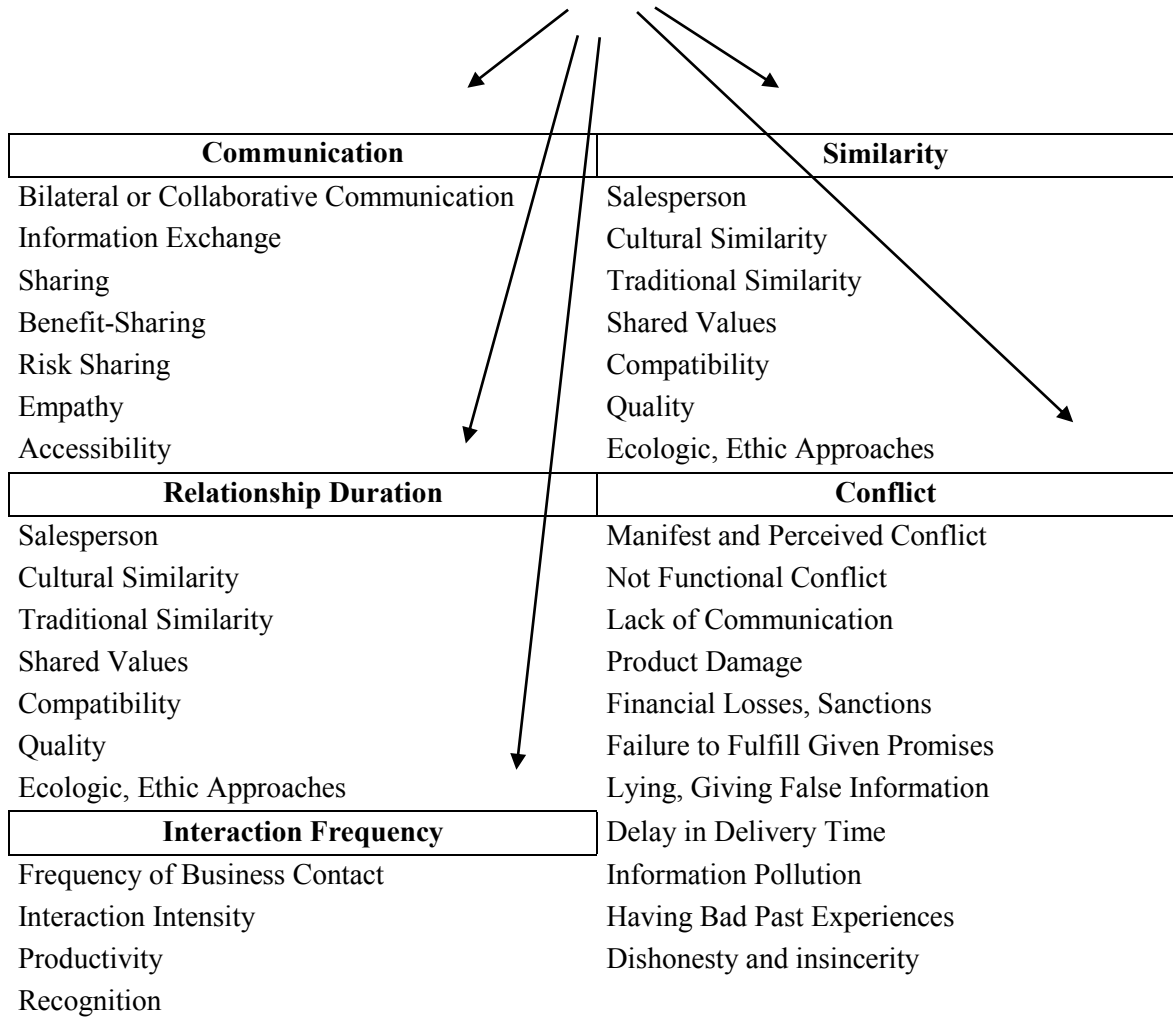


Figure 7: Dyadic Antecedents

CONSTRUCTS	DEFINITIONS	COMMON ALIASES	REPRESENTATIVE PAPERS
Expectation of continuity	Customer's intention to maintain the relationship in the future, which captures the likelihood of continued purchases from the seller	Purchase intentions, likelihood to leave (reverse), and relationship continuity	Crosby, Evans, and Cowles 1990; Doney and Cannon 1997
Word of mouth	Likelihood of a customer positively referring the seller to another potential customer	Referrals and customer referrals	Hennig-Thurau, Gwinner, and Gremler 2002; Reynolds and Beatty 1999
Customer loyalty	Composite or multidimensional construct combining different groupings of intentions, attitudes, and seller performance indicators	Behavioral loyalty and loyalty	De Wulf, Odekerken-Schröder, and Iacobucci 2001; Hennig-Thurau, Gwinner, and Gremler 2002; Sirdeshmukh, Singh, and Sabol 2002
Seller objective performance	Actual seller performance enhancements including sales, share of wallet, profit performance, and other measurable changes to the seller's business	Sales, share, sales effectiveness, profit, and sales performance	Reynolds and Beatty 1999; Siguaw, Simpson, and Baker 1998
Cooperation	Coordinated and complementary actions between exchange partners to achieve mutual goals	Coordination and joint actions	Anderson and Narus 1990; Morgan and Hunt 1994

Table 17: Review of Construct Definitions, Aliases, and Representative Studies

(Palmatier et al., 2006, p. 139)

In this article, it has been revealed that the greatest combined effect of cooperation on binary results is relational mediators. The largest combined influence on the dyadic outcomes of cooperation, followed by WOM. The authors argued that high-level customer collaboration has a positive impact on strengthening B2B relationship communication. Additionally, the effect of relational intermediaries on continuity and customer loyalty is stated as the most important indicator of intense loyalty. Seller objective performance is effective but has the least affected by the relational mediators. (Palmatier et al., 2006)

7.1.1. Factors Contributing to WOM & Customer Loyalty

DO YOU FEEL LOYAL TO YOUR LOGISTICS SERVICE PROVIDER (LSP)?

WHAT ARE THE REASONS FOR YOUR COMPANY TO BECOME LOYAL TO YOUR LSP?

In the interviews, all of the participants began their speech by emphasizing the importance of trust. It is unthinkable to build an insecure relationship in business, so it won't be wrong to say that confidence is a must for loyalty. (TRUST)

Employees, who have been working together for a long time, tend to trust each other more than they trust new ones. In this way, processes are completed faster, perceived risks reduce, and efficiency increases. We can emphasize the importance of RM's long-term sustainable approaches. The presence of a sense of trust will positively affect loyalty. (TRUST)

Fluctuation in the exchange rate or depreciation in domestic currency forces customers' trust-oriented approaches to turn upside-down. This kind of financial loss can also cause the destruction of the feeling of loyalty. (TRUST)

Customers who tend to trust an employee can sustain working with the employee if/ when the employee quits the job. This situation is a loss for the logistics company. Loyalty to the firm has to be the priority for long-run success. (TRUST)

What do the participants see as necessary investments: the emphasis on "fulfilling the given promises" is a reminder of how vital the concept of trust is. As a result, fulfilled promises will positively affect the confidence, and loyalty will maintain between firms. (TRUST)

Trust has a positive impact on customer loyalty in the online market. Customers who do not trust online services on the website will not be committed to this e-commerce website even if they are satisfied with the products/ services offered. (TRUST)

Most of the participants mentioned that they do not search for an alternate logistics company when they receive satisfactory service. They tend to entrust the job in normal conditions in the long-term to that logistics firm. (COMMITMENT)

Two participants said that they were working with mostly the EXW transportation type. Even if they do not always need for the transporter firms, they usually prefer to trust the companies that they have worked with before. For the companies that trade less frequently, past performance is mnemonic. (COMMITMENT)

A logistics service provider, that correctly and strategically analyzes its clients, provides sustainable loyalty in the long run. These strategies are organized to make the customer feel valued and satisfied. (COMMITMENT)

A logistics service provider that ensures the satisfaction of its current clients, builds obstacles for its rivals in the market. (COMMITMENT)

“Dependence is not an effective relationship-building strategy but can improve performance in other ways, possibly by increasing switching costs and barriers to exit.” (Palmatier et al., 2006, p. 150) (COMMITMENT)

If both sides have professional workers, excellent job quality will occur. Otherwise, the work will not be done well, and it will be hard to talk about loyalty. (SATISFACTION)

“No single relational mediator captures the full essence or depth of a customer–seller relationship; the findings support a multidimensional perspective of relationships.” (Palmatier et al., 2006, p. 150) (SATISFACTION)

The participants want to feel the closer attention of their current transportation firm. - The main reason is that the participants want to be recognized by their service providers at the highest level. This level of recognition enhances the quality of the business. (QUALITY)

Being unlimited in service, and adequacy of innovations and online services increases customer loyalty. (QUALITY)

For relationship marketers, online contexts create both challenges and opportunities. Well-developed online services on digital platforms are a pioneer quality indicator in building customer satisfaction. (QUALITY)

In digital marketing satisfaction, a lack of interpersonal interactions can prevent customer loyalty in global competition. Therefore, the risks that may occur due to the lack of physical contact, should be minimized. (QUALITY)

7.1.2. Other Factors Contributing to WOM & Customer Loyalty

There can be communication in the daily exchange of information between two personnel on both sides. Although, the managers meet less frequently, creating a well-organized relationship is a must to succeed in business. (COMMUNICATION)

Having a better communication relationship between firms would reduce the perceived risk. Customer who feels they have fewer problems is more likely to remain loyal. (RISK & CONFLICT)

Relationships without sincerity feelings always carry a high risk to destroy all relationships over time. (RISK & CONFLICT)

A conflict that may arise from a lack of communication can lead to enormous problems. Issues caused by a failure to fulfill given promises and inadequate logistic service provider firms, in the case of a negative situation, are other frequent conflict causes. Trust disappears, and it cannot be talked about within the concept of loyalty. (RISK & CONFLICT)

“The negative impact of conflict is more extensive in magnitude than the positive effect of any other RM strategy. All proactive RM efforts may be wasted if customer conflict is left unresolved.” (Palmatier et al., 2006, p. 150) (RISK & CONFLICT)

Benefits such as consultancy and price reductions on logistics and transportation-related issues for companies receiving third-party logistics support the long-term business relationship. (BENEFITS)

A competitive price is the first must in all circumstances. (PRICE PERCEPTION)

A logistics company that offers the environmentalist approach creates a competitive advantage via word of mouth marketing. (BRAND IMAGE)

Being a high-end brand logistics service provider or boutique service provider is not an essential criterion for the positive brand image. The concept of loyalty appears when past experiences are worth remembering. (BRAND IMAGE)

Transferring transport and logistics responsibilities to logistics service provider firms enable the third-party firms to progress more efficiently in their own best interests. Service providers should focus on client retention. It is a complex idea, but it will be highly profitable for the company in the long-run business. (CUSTOMER-FOCUSED)

Extra values provided to the customer create stronger bonds between firms, and this situation supports the concept of loyalty. (EXTRA VALUE)

“Relationship investment has a large, direct effect on seller objective performance, which implies that additional mediated pathways may explain the impact of RM on performance.” (Palmatier et al., 2006, p. 136) (NECESSARY INVESTMENT)

7.2. MANAGERIAL IMPLICATIONS

In today's world, which is becoming more and more globalized day by day, the importance of the transportation sector for trade and service is as crucial as the environment and energy, industry, agriculture, and similar sectors. In this conjecture, the logistics and transportation industry, which is one of the essential links in the supply chain, has importance for global or local companies that are competing to achieve sustainability in the market. Over time, these companies have started to become aware of customer-focused approaches. They blended technology and innovations with the right strategies and started to present the concept of customer-focus as company visions.

In line with the findings and inferences obtained as a result of the research carried out in this direction, the following suggestions are made to the employees and managers of the transportation companies:

- Building trust is not an easy task. Trust is indispensable in human relations, including business relations. Even if there is no conflict in a B2B relationship, the existence of a bit of doubt creates a lack of confidence.
- When deep loyalty is achieved, logistics firms should not stop maintaining their discipline and business stability.
- The person in the executive position is expected to have leadership features and a charismatic appearance. This person must establish the organization and identify the team leaders. There should be weekly meetings. In these meetings, expectations and goals should be revealed daily, weekly, and monthly.
- Highly motivated employees have an essential role in the growth and innovation factor, and they create a better working atmosphere and higher turnover in the long-run.
- Communication skills of persons must be questioned in recruitment.
- It is not correct for field sales experts to go on the field for marketing without internalizing the company's dynamics.
- In line with the opinions of the participants, it has been revealed that third-party firms want to learn the competencies of the logistics firm rather than field sales experts' personal abilities.
- Customer requests acquired by the organization employees daily should be recorded in the common usage program. In this way, the company that provides logistics services will maintain its healthy structure even if the employee leaves the job.
- Information that customer needs in a daily routine should be provided on time.
- The information that the participants want to obtain in a good business relationship from the logistics service provider is stated as follows: Focusing on capability, delivery reliability, protecting physical conditions of the product,

instructions related to the freight, invoice, and other necessary information, current account information, other maturities, and payment information, billing, pricing, other price-related issues, vehicle locations, storage, handling customs-related issues, delivery dates, delivery CMR, consultancy service, adding values, providing benefits and so on.

- Annual plans and target clients should be determined by considering the information about the customers acquired during the meetings.
- Feedback on managers, business capacity, satisfaction, etc. should be received, and customer-focused approaches that would benefit existing customers should continue as long as repeat purchases continue.
- A company that provides logistics services needs to harness their energy primarily for their clients instead of for the competitors. They need to start to pay attention to their customers rather than their competitors. If the company stays focused on customers whatever the external distraction is, the response will be satisfying and delighting them.
- “Protect the environment” approaches can enhance brand image. Infrastructures of combined transports such as multi-modal, intermodal should be supported, and the reasons should be explained to the customers.
- Finally, each individual should be aware of the importance of leaving a livable world for the next generations.
- As a company, approaches that protect ecological processes and sustainable energy, natural resources, and avoiding economic waste are vital for future scenarios and implications.

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APPENDIX

Company Information

Year of Establishment

Sector

Number of Full-Time Employees

Company Name (to be kept confidential)

Interviewee's Profile

Age

Gender

Education

Firm Experience/ Total Work Experience

Customer Loyalty

Do you feel loyal to your logistics service provider (LSP)? Why or why not? Please explain.

What are the reasons for your company to become loyal to your LSP?

Trust

What does trust mean to your company? Explain.

Do you think trust between the two companies contributes to your loyalty to the LSP? Why? Please explain.

What does your company do to sustain and maintain trust between the two companies?

What does the LSP do to sustain and maintain trust between the two companies?

What do you think would destroy your trust in the LSP?

Relationship Commitment

What does relationship commitment mean to your company? Explain.

Do you feel committed to the LSP? Why?

Do you think relationship commitment plays a key role in your loyalty to the LSP? Why? Please explain.

What does the LSP do to sustain and maintain your company's commitment to the LSP?

What do you think would destroy your trust in the LSP?

Relationship Satisfaction

What does relationship satisfaction mean to your company? Explain.

Is your company satisfied with its relationship with the LSP?

What factors do you believe contribute to your company's relationship satisfaction with the LSP?

What does the LSP do to sustain and maintain your company's relationship satisfaction with the LSP?

Relationship Quality

What does relationship quality mean to your company? Explain.

Is your company in a quality relationship with the LSP?

What factors do you believe contribute to the quality of your company's relationship with the LSP?

What does the LSP do to sustain and maintain your company's relationship satisfaction with the LSP?

Factors Contributing to Customer Loyalty

What does risk mean to your company in terms of your company's relationship with the logistics service provider? Please explain.

Keeping in mind the types of risk you have listed above, what does the logistics service provider do to maintain your loyalty?

What kind of benefits do you receive from the LSP in addition to your usual business?

How do you think such benefits influence your relationship with the LSP?

Do you feel dependent on the LSP? If so, what are the reasons for such dependence in your relationship with the LSP?

Do you think the LSP makes all necessary investments in its relationship with your company? If so, please explain.

Do you believe the LSP possesses necessary and sufficient capabilities in the logistics business? What makes you believe so?

What is the level of communication between the two companies? How important a role do you believe communication plays in your relationship with the LSP?

How frequently the personnel and managers of the two companies communicate about business related matters?

Do you experience conflict between the two companies? If so, what causes such conflict?

Do you think the service quality of the LSP is a differentiating factor for your company to stay in the relationship with the LSP? If so, why do you think the LSP provides a better service than competing LSPs?

What is the effect of price perception on your loyalty to the LSP?

Do you think the LSP has a positive brand image in the business environment?

Do you believe you receive good value from being in a working relationship with the LSP? Why?



CURRICULUM VITAE

Personal Detail

Name and Surname : BARIŞ ARDA HACIOĞLU
Place of Birth / Date : Istanbul/ 20.08.1991

Education

Undergraduate : KADIR HAS UNIVERSITY
International Trade and Finance
Graduate School : KADIR HAS UNIVERSITY
Business Administration (With Thesis)

Language Skills : ENGLISH

Work Experience

(2018 –2020) : YILDIRIMLAR GROUP
Sales/ Marketing Manager
(2017-2019) : KADIR HAS UNIVERSITY
Assistant – Corporate Communication
(2016) : HANS GROHE SE
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