

ASSESSMENT OF SERVICE QUALITY OF J&T EXPRESS COURIERS SERVICE IN PASIR GUDANG

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ABSTRACT

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The demand for couriers' services has been exceptionally high over the last few years, with J&T Express being one of the popular courier services used by many e-commerce platforms. The rapid growth of e-commerce has led delivery companies such as Pos Laju, J&T Express, and DHL to focus on efficiency. The problem statement states that bad quality service will affect customers satisfaction and lead to complaints. A survey on customer purchases revealed that a lot of complaints are about the delivery not coming on time, the requested goods being damaged, and receiving negative reception feedback from employees. Good handling of parcel is as important as being fast and one of the keys of customer satisfaction for courier services. The researcher discussed the definition of the service quality and research model of the projects, including reliability, assurances, tangibility, empathy, and responsiveness. The method used for the research was quantitative, with convenience and random sampling methods. The purpose of this chapter is to answer the research questions and proof the hypothesis of this study. The conclusion for this study and recommendations for the company chosen is J&T Express and recommendations for future researcher to continue this research.

1.0 Introduction

In the era of modernization, everything can be bought with just tip of the finger and can be deliver into the front door. Any type of products from big and heavy material such as metal rod and logs until the small and light goods can be deliver no matter where it's from. The throbbing of excitement of waiting the parcels to deliver after making an order has been looking forward by every buyer in the world. The courier company who manages to successfully deliver all their service will be top of competitor on the logistics industries. This is because consumer satisfaction is connected to service quality. Transportation logistics is a noble duty because the customers were entrusting the goods which is parcels to courier services as intermediaries for deliver it as safe as possible. According to Gulc, A. (2017), The ability to adapt courier offerings to customer demands in order to obtain a competitive edge in the global market depends on understanding of changing clients' expectations. Malaysia also one of the country's which

depend on transportation logistics in daily basis because there's many industries that requires it especially for courier services such as J&T Express.

From the point of view of N., Ramya & Kowsalya, A. & Dharanipriya, K. (2019), service quality is a measure of how well a courier company delivers its services in comparison to its consumers' expectations. Clients use the services to meet certain expectation. Despite that, there's always risk of buying online which is the parcels were found broken during deliveries. According to Uvet H. (2020), Customers' wants and needs should be prioritized by any firm looking to gain a competitive advantage. Because of this, logistics companies cannot establish any kind of lasting connection without comprehending the basic causes of consumers' behavioral goals.

1.1 Background

The rapid growth of e-commerce was one of the responsible factors of increase the loads of demand of delivery industry. The increase of the demand leads the delivery companies such as PosLaju, J&T Express, and DHL company, to focus on efficiency to make sure all the parcels were delivers in time. One of the impacts of extreme efficiency is quality of the parcels are not guaranteed. This can be proof by there's many complaints can be seen by consumers because of the broken parcel in social media platforms such as Twitter, Facebook and even Shopee ratings. Additionally, it is important to take into account worldwide trends like the expansion of small and medium-sized businesses, the popularity of e-commerce, the expansion of exporters, the intensifying rivalry among operators, and the rising customer expectations. It's true that probably just partially the delivery companies at fault but there's way to increase the quality control of the parcels and decrease the chances of the parcels to be broken.

Other than that, there's a viral issue that occur at J&T Express in 2021 according to Mohd Izzat (2021) on the article on mStar newspaper which the employees throw the parcels into the delivery lorry harshly which may cause the goods in parcels were broken because probably its much efficient and faster that way. There's also a problem regarding the parcel were thrown into house when the owners were not home. This type of problems can scar and lower the reputation of the brands logistics company, and this will reduce the number of consumers which will impact the profits of the company. This sparks curiosity about is the problems were occurring in certain locations or its actually happening at all the franchise of J&T Express.

Seller sometimes forced to take responsibility and have to pay losses which cause by courier services cause these problems have to be taken seriously because it may happen again in the future. Because there's growing amount of e-commerce business nowadays, courier services have to step up their game to compete with each other to gain all the new clients which can increase their reputation and profits. That's why, courier services have to find a solution to close the gap of problems of broken parcel and keep the quality of services over the top all the time.

1.2 Problem Statement

As far as concern, the problem of broken parcel is not a new issue to every consumer of courier's service, but this issue was worrying because it's involving all the parties which is seller, courier service and consumers. Bad quality service will affect customers satisfaction which will lead to a lot of complaints and will affect business reputation. This kind of problems will hugely affect new business because every loss because of refund will affect the company greatly. This problem also affected on consumers who desperately need the goods only to find it broken after arrives. These problems were main focus for business to consumer services which were growing because of social media platforms and e-commerce platform such as Shopee, Lazada and business also been made in media social such as Instagram, Twitter and Facebook. Without Good quality service, how can consumers entrust their goods to be delivered safely. Without

trust, there's will be no bond or connection that will make the client to stay loyal to only one courier services. This is because seller or client have to follow consumer's demands, if consumers have a bad experience with the courier services company, the seller or client have to avoid that particular courier service company to ensure that their company still can be trusted by the consumers.

Based on research by Hua & Jing (2015), a survey on customer purchases discovered that a lot of complaints are about the delivery not coming on time, the requested goods being damaged, receiving negative reception feedback from employees, and so on. This sort of problem has a substantial negative impact on customers' shopping experiences. As a result, conducting research to identify a factor on logistics services that might affect consumer happiness has the potential to improve logistics service quality for a better experience and even drive better business practises.

As a consumer, it irritates researcher that researcher's parcels were in bad condition when arrived. It's understandable for the company to focus on efficiency and try to deliver everything on time but good handling of parcel is as important as being fast and also one of the keys of customer satisfaction for courier services. Other than that, some of the courier delivery doesn't notify their consumers beforehand also lead to problems such as parcel being thrown into the house because seems like there's no owner. It's probably more efficient that way but it shows the courier company were lack of manner and unprofessional which will affect the company's brand name.

1.3 Research Objective

The research was conduct with some objective in mind which is:

- I. To identify the level of perception of the J&T Express in Pasir Gudang area according to consumers.
- II. To identify factors that hinder customer satisfaction in J&T Express.
- III. To determine solutions to improve customer satisfaction in J&T Express.

1.4 Scope of Study

In this study, researcher will focus on consumer lives in Pasir Gudang, which mainly business owner that using J&T Express courier service. and specific age or position are not required in the data. Because of circumstances of researcher's study place in Pasir Gudang, it eases for researcher to collect data from J&T Express employee and customer and seller around the Pasir Gudang area. The researcher collection data doesn't limit with the physical business owner; it's also target the B2C (Business to consumer) owner in e-commerce platform that use J&T Express services in Pasir Gudang.

1.6 Significant of Study

This study will be beneficial and important to the residents of Pasir Gudang in terms of deciding which courier service to choose for delivering their products, particularly fragile items, to ensure that the probability of the goods being broken is minimal or reduced. It is expected that the current study will raise awareness of the importance of quality.

service among courier services companies, particularly those in the surrounding area, and that they will always be concerned with and try their best protect their brand name, both now and in the future, and that they will continue to develop their solution to completely close the gap on the problem identified in this research.

2.0 Research Methodology

2.1 Quantitative Data

Referring to Zoe (2015), In order to gather data pertinent to the current status of phenomena with regard to the variables or conditions in scenario, a descriptive investigation was undertaken for this study. According to Apuke, O. D. (2017), In order to obtain findings, the quantitative research approach works with quantifying and analysing variables. It entails the use of numerical data and statistical tools to analyse that data in order to provide answers to queries like who, how much, what, where, when, how many, and how. To achieve the research goals of this study, quantitative research was used to extrapolate the findings from the huge number of samples to the relevant population. Because the survey is carried out depending on the characteristics of the respondents, quantitative research is employed. The data will be gathered in a systematic format, and it will be statistically examined. The use of quantitative research is being done in this study to determine the degree of service quality dimensions that brings satisfaction to J&T Express customers.

2.2 Sampling

In accordance with Hamed Taherdoost (2016), The population is the whole collection of cases from which the researcher's sample is taken. Because researchers lack the resources and time to analyse the whole population, they use sampling techniques to decrease the number of instances. There's also other opinion from other researcher which is Samar Rahi (2017), he defines sampling as the process of choosing a subset of the population for study. The best way for researchers to gather precise data from the appropriate participants at the appropriate time and place is through sampling design. Researcher should have 382 sample sizes for Pasir Gudang population according to the Krejcie and Morgan table which revise by Rehman Bukhari, S. A. (2021).

3.0 Result and Discussion

3.1 Research Objective 1: To identify the level of perception of the J&T Express in Pasir Gudang area according to consumers.

Indicators	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
Reliability	0.910	0.889	5
Assurance	0.944	0.959	5
Tangibles	0.815	0.777	5
Empathy	0.543	0.711	5
Responsiveness	0.890	0.896	5

Table 1: Service Quality Analysis Table

All measures, except for empathy, show excellent reliability, according to the study of the provided information. All three reliability markers—reliability, assurance, and responsiveness—are over 0.8, which implies a high degree of internal consistency. With a Cronbach's alpha score of 0.944, assurance, in particular, has the most significant rating, suggesting high internal consistency and solid reliability.

On the other hand, the empathy indicator has a poor level of dependability with a Cronbach's alpha of 0.543. This demonstrates that the empathy indicator's elements are weakly connected, which results in low internal consistency. The empathy indicator may not represent the construct it is meant to measure as a result.

Overall, these statistics giving researcher insight regarding the level of perception of consumers regarding J&T Express which were the service quality dimension were favourable to the consumers.

3.2 Research Objective 2: To identify factors that hinder customer satisfaction in J&T Express. Tables

Item Statistics				
Indicator	Mean	Std. Deviation	N	VD
Reliability:				
J&T Express is efficient and Fast handling of order	4.77	0.419	390	SA
J&T Express providing services as the Promises time.	4.76	0.440	390	SA
J&T Express providing services Maintaining error free records	3.83	0.480	390	S
The orders are not damaged when delivered	4.03	0.246	390	S
The delivery waiting time is short	4.77	0.426	390	SA
Assurances:				
I feel safe when making transactions With the deliveryman. COD	4.78	0.417	390	SA
The deliveryman is trustworthy.	4.77	0.438	390	SA
The deliveryman is polite and courteous.	4.77	0.420	390	SA
The delivery man employees in J&T Express are knowledgeable	3.84	0.495	390	S
Employees instill confidence in customers	2.91	0.657	390	N
Tangibles:				
The vehicles used by the deliveryman are in good condition	4.77	0.437	390	SA
The Employees deliverymen are Properly dressed.	4.77	0.426	390	SA
Visually appealing materials associated With services. Example wrapper	4.77	0.441	390	SA
Modern Equipment and facilities	4.04	0.211	390	S
Stores have a clean environment.	4.04	0.240	390	S
Empathy:				
Convenience business hour	3.31	0.550	390	N
Giving customers individual attention	4.03	0.218	390	A
Employees who deal with customers Patiently and in caring fashion	4.77	0.422	390	SA
Employees who understand the need The need of their customers	4.04	0.235	390	A
Employees can spark a connection With customers	2.91	0.631	390	N
Responsiveness:				
Keeping customers informed about When the service will be performed.	4.76	0.439	390	SA
Readiness to help customer inquiries.	3.84	0.495	390	A
Easy contact with the courier company	3.83	0.481	390	A
Prompt services to the customers	4.05	0.210	390	A
Efficient handling of returns	4.56	0.818	390	SA

Table 2: Service quality Indicator Statistics

I. Reliability

J&T Express based on customer feedback indicates a generally positive perception of the company. However, there is room for improvement in the company's errors free records, as customers expressed slightly lower satisfaction in that area.

II. Assurances

The evaluation of J&T Express based on customer feedback reveals a generally positive perception of the company's Cash on Delivery (COD) services. Customers generally feel secure during COD transactions, have confidence in the delivery personnel's trustworthiness, and perceive them to be courteous and pleasant. However, there is room for improvement in terms of the couriers' understanding of the services and the overall trust customers have in the company's staff.

III. Tangibles

Positive ratings for the condition of its delivery vehicles, the appearance of its delivery personnel, the aesthetic appeal of promotional materials, and the cleanliness of retail locations.

Customers perceive these aspects to be satisfactory, indicating a good reputation in these areas. However, there is room for improvement in terms of the modernity of facilities and equipment.

IV. Empathy

company's operating hours are generally perceived as convenient, although with some variation among customers. The staff members are seen as attentive and patient, showing personalized attention and understanding of customers' demands. However, there is room for improvement in establishing a stronger connection between staff members and customers. While the majority of respondents find the staff relatable, there is considerable variation in this aspect.

V. Responsiveness

feedback reveals positive aspects in terms of keeping customers informed, promptness of services, and effective handling of returns. Customers value the company's efforts to provide updates and appreciate the quick service and return management. However, there are areas for improvement, particularly in customer contact policies and staff willingness to assist with queries. Some customers feel that their questions should be better addressed and that contacting the company can be challenging.

3.3 Hypothesis Testing

Correlations		Realibilityqu estionaccurat elyperceived	Assurancequ estionaccurat elyperceived	Tangiblesque tionaccurate lyperceived	Empathyque stionaccurate lyperceived	Responsiven essquestiona ccurateperc eivedservice quality
Realibilityquestionacc uratelyperceived	Pearson Correlation	1	.733**	.917**	.462**	.722**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	390	390	390	390	390
Assurancequestionacc uratelyperceived	Pearson Correlation	.733**	1	.799**	.572**	.918**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	390	390	390	390	390
Tangiblesquestionacc uratelyperceived	Pearson Correlation	.917**	.799**	1	.504**	.800**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	390	390	390	390	390
Empathyquestionaccu ratelyperceived	Pearson Correlation	.462**	.572**	.504**	1	.579**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	390	390	390	390	390
Responsivenessquesti onaccuratelyperceived servicequality	Pearson Correlation	.722**	.918**	.800**	.579**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	390	390	390	390	390

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

H1: There is a significant relationship between reliability and perceived service quality.

Based on the analysis, there is a significant positive relationship between "Reliability question accurately perceived service quality" and "Tangibles question accurately perceived service quality" ($r = 0.917$, $p < 0.01$). Therefore, H1 is accepted, indicating a significant relationship between reliability and perceived service quality. This can conclude that respondents agree that reliability has an impact in perceived service quality.

H2: There is a significant relationship between assurance towards perceived service quality.

The analysis reveals a significant positive relationship between "Assurance question accurately perceived service quality" and all other variables: "Tangibles question accurately perceived service quality" ($r = 0.799$, $p < 0.01$), "Reliability question accurately perceived service quality" ($r = 0.733$, $p < 0.01$), "Empathy question accurately perceived service quality" ($r = 0.572$, $p < 0.01$), and "Responsiveness question accurately perceived service quality" ($r = 0.918$, $p < 0.01$). Therefore, H2 is accepted, indicating a significant relationship between assurance and perceived service quality. Researchers conclude that respondents agree that assurance has an impact on perceived service quality.

H3: There is a significant relationship between tangibles and perceived service quality.

The analysis shows a significant positive relationship between "Tangibles question accurately perceived service quality" and "Reliability question accurately perceived service quality" ($r = 0.917$, $p < 0.01$), "Assurance question accurately perceived service quality" ($r = 0.799$, $p < 0.01$), "Responsiveness question accurately perceived service quality" ($r = 0.800$, $p < 0.01$), and a moderate positive relationship with "Empathy question accurately perceived service quality" ($r = 0.504$, $p < 0.01$). Thus, H3 is accepted, indicating a significant relationship between tangibles and perceived service quality. The respondents agree that tangibles and perceived service quality have an connection.

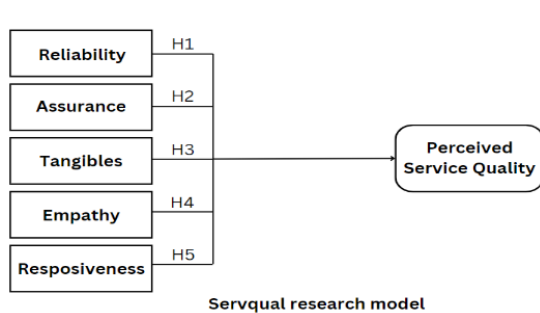
H4: There is a significant relationship between empathy and perceived service quality.

The analysis indicates a significant positive relationship between "Empathy question accurately perceived service quality" and "Assurance question accurately perceived service quality" ($r = 0.572$, $p < 0.01$), "Tangibles question accurately perceived service quality" ($r = 0.504$, $p < 0.01$), "Reliability question accurately perceived service quality" ($r = 0.462$, $p < 0.01$), and "Responsiveness question accurately perceived service quality" ($r = 0.579$, $p < 0.01$). Therefore, H4 is accepted, suggesting a significant relationship between empathy and perceived service quality. Researcher concludes that empathy is have a relationship with perceived service quality but not as strong compared to others.

H5: There is a significant relationship between responsiveness and perceived service quality.

Based on the analysis, there is a significant positive relationship between "Responsiveness question accurately perceived service quality" and "Assurance question accurately perceived service quality" ($r = 0.918$, $p < 0.01$), "Tangibles question accurately perceived service quality" ($r = 0.800$, $p < 0.01$), and "Reliability question accurately perceived service quality" ($r = 0.722$, $p < 0.01$). Thus, H5 is accepted, indicating a significant relationship between responsiveness and perceived service quality.

3.4 Service Quality Model



Based on results and findings, researchers concluded that conceptual frameworks were valid for this research. All of the results show positive for each of the independent variables. Even the lowest variable which is empathy shows positive record in the findings.

4.0 Conclusion and Recommendation

4.1 Summary of the Research

This study's primary goal is to thoroughly examine and assess the degree of consumer perception of J&T Express in the Pasir Gudang area. This comprises determining the many aspects of J&T Express services that hinder client happiness. The research also offers specific recommendations that may be implemented to raise and maximize customer satisfaction at J&T Express. By focusing on these essential elements, the study hopes to offer insightful analysis and practical suggestions for enhancing J&T Express's overall performance in meeting consumer expectations.

4.2 Recommendations

Recommendations and suggestions for this study can be considered to explore solutions aimed at improving customer satisfaction in J&T Express which related with the research question 3.

4.2.1 Introducing Premium Options

The introduction of premium security add-ons for J&T Express packages can significantly improve customers' perceived level of service. J&T Express responds to customer concerns, reduces loss and damage, improves overall customer experience, gains competitive advantage, and builds brand reputation by prioritizing the security and safety of shipments. By giving these upscale choices, J&T Express demonstrates its dedication to supplying top-notch customer service and ensuring its clients' needs are always put first. By introducing premium options, this can increase assurances for the consumers which were one of the important dimensions of service quality. Premium option can be executed by adding insurances for any damage for consumers parcels, increase bubble wrapping to ensure its safe and add another layer of box for the parcel of the consumers in decrease the chance of the parcels to damages during the delivery.

4.2.2 Set an Employees Manual Standard for the Employees.

Setting a clear standard for employees will provide guidelines for consistent performance and align with the dimensions of service quality: reliability, assurances, tangibles, empathy, and responsiveness. This initiative will improve customer satisfaction and strengthen J&T Express' position to monopolize in the logistics industry. Setting a standard for staff members enables dependable and consistent service delivery. Employees can understand their role in offering consumers trustworthy services when there are well-stated goals and performance criteria.

Customers will have more faith and confidence in J&T Express' operations due to consistent on-time deliveries, precise tracking data, and adherence to safety regulations. A standard bar for employees reinforces assurances by emphasizing the importance of competence, security, and trustworthiness. Training programs can be implemented to enhance employees' skills and knowledge, enabling them to handle customer inquiries and concerns with professionalism and expertise. Additionally, emphasizing the significance of security protocols and data privacy reinforces the trustworthiness of J&T Express as a logistics provider. Setting a standard bar for employees can also focus on fostering empathy and customer-centricity. Training programs can include modules on active listening, effective communication, and problem-solving skills to enable employees to understand and address customers' individual needs. Encouraging employees to empathize with customers' concerns will create a more personalized service experience, enhancing customer satisfaction and loyalty. Based on the findings, this method heavily recommends ensuring that it can improve perceived service quality to the consumers.

4.3 Conclusion

In conclusion, J&T Express has a lot of potential to stay ahead in the field by improving their weakness and strengthen their advantages. Majority of the respondent were giving positive respond in the survey which shown that they are still happy to use J&T Express services. J&T Express could be the pioneer for new standard of delivery services if they implement the positive upgrade such as the recommendation in Chapter 5. Logistics services is one of the most important fields in today's society, Company that provides these services has to be responsible to take a step into the next level so that couriers services industry can continuously evolve into better version of the past. Other than increasing efficiency, perceived service quality also has to be prioritized so that customers can stay loyal with the courier's service company. In this thesis, we can see which part that should be improve by J&T Express in Pasir Gudang to make their customers stay loyal and can be used as a guideline for them to improve their company to suit customers' demands. This may seem insignificant, but customers satisfaction is a priority to ensure that the demand for the courier's services company were needed for customers in this competitive world.

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