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LOGISTICS ASPECTS OF CREATING TOUCHPOINTS IN THE CUSTOMER SERVICE PROCESS

ABSTRACT

Background: The author has made a multidimensional review of the determinants of companies' strategies for managing customer touchpoints, which are an integral part of the customer service process and are the subject of research by many authors around the world. The development of new forms of omni-channel sales affects changes in customer purchasing processes, therefore a customer-oriented company must take these changes into account in its customer service strategy. The chapter ends with the identification of new challenges for logistics, relating to the management of touchpoints with the customer, and resulting from the development of omnichannel sales and the indication of market conditions in this respect.

Methods: The chapter is based on the analysis of literature on customer service in enterprises. Selected key publications related to the management of touchpoints in the omni-channel strategy and the basic assumptions of its implementation were analysed. Challenges for the logistics strategy of customer service were identified on the basis of literature and market reports.

Results: The result of the work is the identification of "points of contact" in individual stages of the service process and new challenges in the area of logistics customer service related to the implementation of omni-channel trade strategy.

Conclusions: The analysis carried out allows us to conclude that the "points of contact" with the customer are now a key element of the company's strategy. This applies not only to communication strategies, but also to sales and customer service strategies. Through "points of contact" (the so-called moments of truth), the customer has the opportunity to verify previous promises made by the company. The management of "touchpoints" must be process-based and not functional. The "points of contact" analysed are present at all stages of the customer service process, both at pre-transactional, transactional and posttransactional stages. The development of omni-channel sales, noticeable in recent years in economic practice, causes an additional

increase in the number of "points of contact" and changes in their nature. In this context, new challenges are also faced by the logistics department. Logistics is responsible not only for the implementation of the customer order, but also for the pre-transactional stage, where there are "touchpoints" of information nature, mainly in terms of providing information about the availability of the product in individual sales channels, ensuring short delivery times and many others. In order to maintain its relative competitive advantage, the company must therefore actively manage the customer service process and meet the requirements resulting therefrom.

Keywords: customer touchpoint, multichannel sales, omnichannel sales, logistics customer service,

Introduction

Customer service creates opportunities to maintain long-term relationships and gain customer loyalty, which is an important prerequisite for the company's success. Loyalty, which manifests itself, among other things, in a reduced sensitivity to prices, is determined to a large extent by the quality of customer service. Disappointed customers spread negative opinions about the company, effectively discouraging potential buyers from using its offer. The development of the Internet gives a lot of opportunities to do so.

The set of instruments that shape customer loyalty includes the following: product range, brand image, price level, location and, above all, the quality of customer service. Professional service strengthens the effectiveness of other marketing instruments. At the same time, it is a tool that strongly binds the buyer to the company. Customer service through its specific nature is a very important element building the competitive advantage of the company, as it is to a large extent unique and thus difficult to imitate by competitors.

The key element of the customer service process is the so-called "touchpoints", i.e. various types of customer-company interaction points [Aichner, Gruber, 2017]. These points are by definition an element of the company's marketing and sales strategy. However, apart from marketing aspects, logistics aspects also play an important role in shaping them.

The aim of the chapter is to identify and analyze logistics aspects in shaping touchpoints, which are an integral part of the customer service process, as well as to identify the challenges faced by the logistics department in the company in this context.

Touchpoints in the customer service process

The concept of touchpoints has been used in business practice for many years, whereas in the professional literature on customer service there are relatively fewer studies on this subject. In the literature, "points of contact" are defined as all forms of interaction between the enterprise and the customer. Therefore, they contain cognitive, emotional, behavioural, sensory and social components [Lemon, Verhoef, 2016], [Verhoef, Parasuraman, Roggeveen, Tsiros, Schlesinger, 2009]. Each company, when contacting customers, uses different communication channels and touchpoints [Aichner, Gruber, 2017]. Some researchers claim [Halvorsrud, Kvale, Følstad 2016] that the synonym for "point of contact" is "moment of truth" [Carlzon 1989, Aichner 2012], a term that has been used for years in the marketing of services. Thus, it can be assumed that the "points of contact" analysed here are the key element of customer service.

At the same time, the very concept of customer service is sometimes defined in different ways. Other aspects of customer service are highlighted in logistics literature, while other aspects are highlighted in marketing literature. According to the broadest definition, customer service covers all spheres of contact between the supplier and the buyer, and includes both intangible and tangible elements. [Christopher, Peck, 2005]. According to the authors, in the field of logistics, customer service is defined in the context of activities and measures of their implementation. According to this concept, the company adopts a customer-oriented philosophy in the first stage. Then, the elements essential in the service are identified and their relative importance is determined, and standards and measures are defined, assessing the performance of individual elements of the service. Ultimately, in the final, third stage, the customer service process is defined, which will allow the execution and evaluation of individual service activities [Coyle, Bardi, Langley, 2002].

From the point of view of achieving the main objective of this chapter, it is necessary to move away from functional analysis of customer service and apply a process approach. The process approach to customer service involves analysing and managing customer service as a single process. This process belongs to the so-called basic processes, creating value [Homburg, Krohmer, 2006]. It is therefore necessary to define this process and the activities that it consists of.

In the customer service process, three stages can be distinguished: pre-transactional, transactional and finally posttransactional. Within the framework of particular stages, one can distinguish further activities undertaken within the process [Strojny 2012].

The pre-transactional phase in a broad sense begins when the company takes steps to prepare for the start of customer service, even before the start of business. These will be activities such as: creating customer service standards, conducting sales training, organizing call centers, etc. In narrow terms, however, the pre-transactional stage begins when a specific customer is identified and activities aimed at acquiring the customer are commenced.

The transactional stage is a phase that starts at the moment of placing an order by the customer and ends at the moment of delivery. This stage consists mainly of activities within the company, aimed at fulfilling the order placed by the customer.

The third and final third phase starts at the time of delivery and covers all activities undertaken by the company after the supply of the product or service to the customer. The question arises as to when this stage ends. The differences are due to the specificities of the sectors. The situation is different in a company from the FMCG sector, where the supplier is particularly interested in maintaining relations, building loyalty and continuity of supply, and in a machine tool manufacturer who sells to a given customer a specific machine prepared for a one-off order [Strojny 2017].

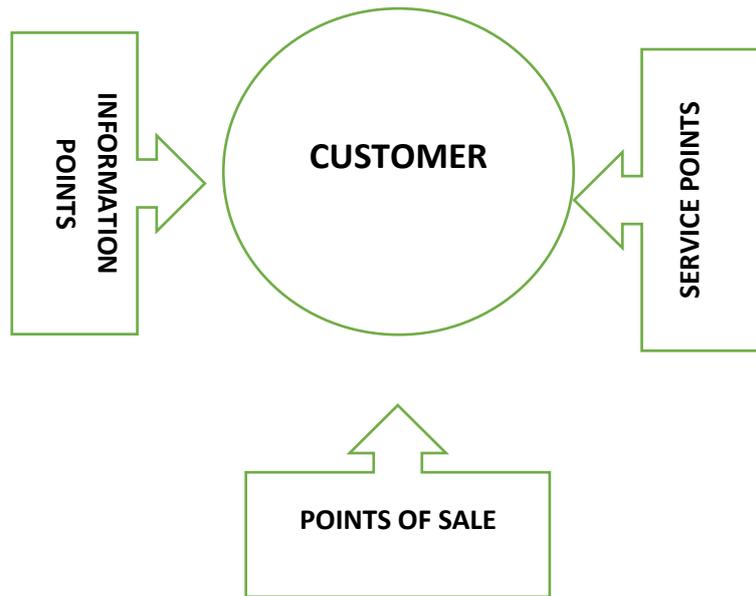
The proposed course of the customer service process is universal and can be used in virtually any company where the moment of placing an order and delivery of goods to the customer are separable. Therefore, it can be used in any company in the B2B sector and in Internet commerce. The process is also slightly different in the B2C sector, where the transactional stage is very reduced. However, this does not change the fact that regardless of the type of market, "points of contact" are a key element of the service process.

Management of touchpoints

In order to effectively and efficiently manage customer touchpoints, it is necessary to analyse them in detail beforehand. The touchpoints can be divided into three groups [Wirtz, 2013] according to their purpose of establishment. As can be seen from Figure 1, these are:

- Customer Information Points
- Customer Points of Sale
- Customer Service Points

Figure 1: Types of points of contact between the company and the customer.



Source: Own elaboration based on [Wirtz, 2013].

The first group is made up of information points. These are places where the customer collects information about the company and its offer. These points include mainly company promotion instruments such as: advertising both in traditional communication channels and in Internet channels, PR activities, sales promotion instruments, fairs, conferences and other networking events. These points are extremely important in shaping the customer's expectations related to the company's offer and the entire service process. These expectations will then be verified in the further service process and if they are not met, they will contribute to the creation of an out-of-purchase discord.

The second group consists of sales points, i.e. places where the customer makes a purchase transaction. At the same time, these points also serve as information points, but their main purpose is to organize sales. They have a very large impact on the customer's purchasing decision and the formation of the aforementioned out-of-purchase discord. Points of sale are very diverse. The process of service and sales in a stationary store is different, as is the case with online sales. The basic points of sale are: stationary and online shop, direct sales, telephone or TV sales and catalogue sales.

Finally, the third group is made up of customer service points. These are points through which previously placed Internet orders are realized and activities in the field of so-called after-

sales service are realized, e.g. related to handling complaints or returns. They may be of both direct and interpersonal nature, as well as remote service via telephone or the company's website.

An in-depth analysis of the touchpoints allows us to conclude that the different types of touchpoints relate to the stages of the customer service process. A detailed description of the touchpoints depending on the stage of the service process is presented in Table 1.

Table 1: Customer Touchpoints and Customer Service Process Stage.

STAGE OF THE SERVICE PROCESS	TYPE OF CONTACT POINT	NAME OF THE CONTACT POINT
Pretransactional stage	Customer information points (CIP)	Advertising
		PR
		Company's website
		Internet marketing
		Internet search engines
		Direct marketing
		Sales promotion
		Fairs and exhibitions
		Conferences and networking
Transactional stage	Customer points of sale (CPO)	Stationary store
		Online shop
		Direct sale
		Sale by telephone / TV
		Catalogue sale
Posttransactional stage	Customer service points (CSP)	Access points
		Stationary customer service points (returns and complaints)
		Website

		Call center
		Shipping company

Source: Own elaboration.

At the pre-transaction stage, there are information points of contact. It results from the essence of this stage, which is from the point of view of the customer to search for information and analyze offers, and from the point of view of the company to provide information and acquire the customer.

Then, in the case of the transactional stage of customer service, there are the so-called points of sale, which are an emanation of the sales channels used by the company. These points also perform information functions at the same time, but their main purpose is to sell a product or service.

Finally, at the posttransactional stage, which is linked to the execution of the transaction, the so-called 'service points' described above are present.

The described process has a model character. However, in practice, the service processes are different and must take into account the specificity of individual enterprises. Slightly different are the points of contact in the case of manufacturing companies, and different in the case of a trading company. Apart from that, the differences also depend on the adopted sales strategy. "Touchpoints" in case of a company selling through traditional sales channels are different than in case of a company selling its products or services exclusively via the Internet. This is not the case for a multichannel company.

It is the development of multichannel sales that has radically changed the management of the entire customer service process, including "points of contact". Multichannel sales (multichannel) is a strategy in which, in addition to sales through traditional channels, the company also uses its own online channel (shop). Multichannel sales therefore use both traditional and electronic sales channels. During the purchase process, the customer usually moves in one channel, without being able to switch to another channel. Possible returns are only possible through the same channel as the customer's previous purchase. From the company's point of view, IT systems, processes and data are analysed in one channel [Fost 2014].

The dominant approach has now become the omnichannel strategy. It means full integration of sales and communication channels. The company enables customers to contact

and buy in whatever form is most convenient for them at the moment. In this case, the customer can change sales channels as part of the purchasing process, or even use several channels in parallel. Possible returns are also made in the most convenient form for the customer. [Heinemann 2013] What distinguishes omni-channel sales from other forms of multichannel sales is the full integration of all communication, distribution and sales channels, or more broadly all channels and interfaces between the company and the customer. [Scheffler, Glass, Schmidt 2014].

However, such a comprehensive approach requires integrated management of IT systems, data and processes in the enterprise. The omnichannel strategy is therefore the most comprehensive strategy, but at the same time it requires the largest investments. It exemplifies the marketing philosophy. It is the client who decides about the place, time and form of contact with the company, place, time and form of purchase, place, time and form of delivery and possible return [Strojny, Chromińska 2016].

The role of logistics in the management of touchpoints.

The problem remains the efficient management of the described touchpoints. Very different functional departments are involved in the service process. The degree of involvement of these departments is different. However, the biggest challenges are faced by departments directly involved in the customer service process, such as marketing, sales and logistics. From the point of view of achieving the goal of this study, the question arises what challenges are faced by logistics in this context. These tasks have recently undergone significant changes, mainly due to the previously described development of multi-channel trade. In case of traditional sales channels, the role of logistics boiled down to planning and executing deliveries to the retail outlet and ensuring the availability of goods in the store. Meanwhile, the development of multi-channel sales, especially Internet sales, causes the importance of the information management function to grow.

The challenges facing logistics in managing these interfaces are set out in Table 2. As can be seen from the table for information interfaces, the following tasks are performed by the company's logistics department:

- providing product information in search engines
- ensuring product availability in supported channels
- providing information on availability
- providing information on the delivery time

- providing information about the possibility of return and complaint
- ensuring full integration of the customer database

It should be stressed that the management of these interfaces is primarily the responsibility of the marketing and sales departments, but the key information for the customer comes from the logistics department.

The second group of touchpoints is made up of sales points. They are related to the transactional stage of the client's process and concern the execution of the transaction. At this stage of service, the most important role is played by the sales department. However, also at this stage, the logistics department faces very important challenges. These challenges concern mainly the transaction execution. These challenges include:

- ensuring product availability in supported channels
- providing information on availability
- ensuring a short delivery period
- execution of deliveries on the declared date

Table 2: Key challenges for logistics in contact point management

TYPE OF CONTACT POINT	NAME OF THE CONTACT POINT	KEY CHALLENGES FOR THE LOGISTICS DEPARTMENT
Customer information points (CIP)	Advertising	<ul style="list-style-type: none"> • providing product information in search engines • ensuring product availability in supported channels • providing information on availability • providing information on the delivery time • providing information about the possibility of return and complaint • ensuring full integration of the customer database
	PR	
	Company's website	
	Internet marketing	
	Internet search engines	
	Direct marketing	
	Sales promotion	
	Fairs and exhibitions	
	Conferences and networking	
Customer point	Stationary store	<ul style="list-style-type: none"> • ensuring product availability in supported channels • providing information on availability

	Online shop	<ul style="list-style-type: none"> ensuring a short delivery period execution of deliveries on the declared date
	Direct sale	
	Sale by telephone / TV	
	Catalogue sale	
Customer service points (CSP)	Access points	<ul style="list-style-type: none"> ensuring the possibility of return in any form, regardless of the sales channel quick and timely realization of returns and complaints ensuring professional service on the part of the shipping company
	Stationary customer service points (returns and complaints)	
	Website	
	Call center	
	Shipping company	

Source: Own elaboration.

The logistics department is also faced with challenges related to the implementation of posttransactional activities where there are "service-oriented touchpoints". In this case, there are activities related to after-sales service. The most important of these are:

- ensuring the possibility of return in any form, regardless of the sales channel
- quick and timely realization of returns and complaints
- ensuring professional service on the part of the shipping company

Conditions for the management of touchpoints

In order to meet the requirements indicated in Table 2, the company must take specific measures. Taking into account current market trends, it can be assumed that the conditions for efficient and effective management of touchpoints are:

1. Process management of customer service
2. Integrated customer communication
3. IT system adapted to the needs of the company.
4. Monitoring of customer service processes.
5. Automation and robotization of the service process.
6. Competence of personnel.

Re. 1. Process management of customer service. Only customer service management as a process can meet customer needs. In the case of a process approach, the focus of the company is on the customer, and not on achieving the goals of a given department, as is the case with a functional approach.

Re. 2. Integrated customer communication. Consistent communication with the client is of key importance in the management of touchpoints, especially at the pre-transactional and transactional stages. When a company communicates with a client through different communication channels, which are also touchpoints, it must communicate a consistent message to the client in the form of the same information. This requires very good coordination between functional departments, because as already indicated at the same stage of the service process, the customer receives information from various functional departments, such as marketing and logistics.

Re.3. IT system adapted to the needs of the company. The key factor conditioning effective customer service is now the IT system at the disposal of the company. Such a system must have not only an extensive CRM module, used to manage relations with customers. It must have functionalities necessary in the service process, allowing to satisfy emerging information needs.

Re.4. Monitoring of customer service processes. The development of technology allows for more and more accurate monitoring of the service process and its quality, through observation and analysis of customer behavior, but also processes of tracking products, etc. This allows for better profiling of the customer and personalisation of the offer.

Re.5. Automation and robotization of the service process. The development of ICT also contributes to the creation of new forms of customer service, which affects the creation of new "points of contact". An example is the use of various types of chat bots in customer service on an increasingly large scale, responding to customer inquiries.

Re. 6. Staff competence. Last but not least, the quality of the personnel, in this case the logistics department, is a very important factor. Competent employees are the source of competitive advantage for any company. It should be noted, however, that the necessary competences of staff are also changing. In addition to knowledge of logistics, the constant dynamic development of information and communication technologies requires employees to be competent and skilled in new technologies.

These conditions should be treated comprehensively. The company must take care of both the development of modern IT infrastructure, as well as the appropriate competence of its employees. Only a comprehensive approach will ensure that the company maintains a lasting competitive advantage.

Summary

The above considerations point to the importance of managing touchpoints in the customer service strategy. "Touchpoints" are key in shaping the customer's purchasing experience. In this way they also contribute to the creation of the company's image.

The management of the points must be coordinated, which means that the same messages must be sent. This is extremely difficult in the case of multi-channel communication, which is now becoming the standard. In addition, effective and efficient management of touchpoints requires coordination between different functional departments within the company. In addition to the marketing and sales departments, the logistics department also has an important role to play in this context.

Increasing competition makes it necessary to better adapt the offer to the needs of buyers. Personalisation of the offer requires a very detailed analysis of customer touchpoints, which in turn requires the collection and analysis of a huge amount of data.

The development of technology allows for the creation of new forms of service. An example is the use of virtual reality (VR) and augmented reality (AR) technologies, which significantly shape the customer's shopping experience. At the same time, the existing touchpoints change their character, e.g. in handling returns on the clothing market.

All this allows us to state that the importance of "touchpoints" in the customer service process will only grow. This constantly results in new tasks for logistics, which the company has to face up to.

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