



**CHALMERS**

# **Value-adding Services in International freight forwarding**

A study of how well a freight forwarding company satisfies customer value to automotive customers in a trade-lane between the Nordics and the US

Bachelor's thesis in Industrial Engineering

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## **ABSTRACT**

The following report addresses value-added services in international freight forwarding. The study was conducted at JAS Worldwide, one of the actors in this industry with a regional headquarter in Gothenburg. The company aims to investigate the customers' demands in the automotive industry, how well they can satisfy those demands with their services, and their understanding of what the customers perceive as value, as they intend to expand within this segment. The trade-lane between the US and NOBA (Nordics and Baltics) is of particular interest to the company, as it is expected to be an important trade-lane in the future. To investigate customer demand, interviews were conducted with both current customers and potential customers, and experts in logistics within the automotive sector. Interviews were also conducted with employees at JAS to assess whether the company had an accurate understanding of problems and challenges held by customers and whether they provided adequate value-adding services to address those problems. The study was conducted with the model of Value Proposition Canvas.

The study revealed that the company largely meets customer demand and has a good understanding of the customers' problems and challenges. The biggest challenge identified by customers was the unreliability of transportation. The report identified several value-adding services that the company already provides to customers in the automotive industry, as well as several potentially value-adding services that the company could focus on more, such as data sharing and proactivity. It was also found that the company's perception of the significance of

several of its services differed from the customers' perception of the service's importance, for example, regarding the criticality of data sharing and proactivity for the customers, as well as the perceived importance of customer service held by the company. The company also perceived cost and reduction of emissions as important, whereas customers in the automotive industry did not prioritize them highly. One aspect that the forwarder can develop is the standardization of procedures regarding which documents and information is required to conduct business with one another. That was something the customer viewed as a significant value-adding service.

*Note that this report is written in English.*

*Keywords: International freight forwarding, Value-adding service, Automotive, Value Proposition Canvas, Perceived customer value*

## SAMMANFATTNING

I följande rapport behandlas värdeskapande tjänster inom internationell spedition. Studien genomfördes på JAS Worldwide som är en av aktörerna inom denna bransch med ett regionalt huvudkontor i Göteborg. Företaget vill undersöka vad kunder inom fordonsindustrin efterfrågar, hur väl de kan möta efterfrågan med deras tjänster och hur väl de förstår vad kunden uppfattar som värde, eftersom de ämnar expandera inom detta segment. Särskilt har handelsrutten mellan USA och NOBA (Norden och Baltikum) varit av stort intresse för företaget då det antas att detta kommer vara en viktig handelsrutt i framtiden. För att utreda kundefterfrågan undersöktes vad kunden uppfattar som värde genom intervjuer med både nuvarande kunder, med potentiella kunder och logistikexperter inom fordonsindustrin. Man genomförde även intervjuer med anställda på JAS för att identifiera om företaget hade rätt uppfattning av kundens problem och om man tillhandahöll adekvata värdeskapande tjänster för att möta kundens problem. Studien gjordes med hjälp Value Proposition Canvas-modellen.

Studien resulterade i att företaget i allra största avseende uppfyller kundefterfrågan och har en god förståelse för kundens problem och utmaningar. Den allra största utmaningen som kunden upplevde är bristen på tillförlitligheten inom transport. Rapporten identifierade flertalet värdeskapande tjänster till kunder inom fordonsindustrin som företaget tillhandahåller redan nu, men också flera potentiellt värdeskapande tjänster om företaget fokuserar mer på dem, exempelvis datadelning och proaktivitet. Det upptäcktes att företagets syn på hur betydande flera av deras tjänster var för kunden skiljde sig från kundens syn på tjänstens betydelse, exempelvis hur avgörande delning av data och proaktivitet är för kunden, men också hur betydande företaget ansåg kundservice vara. Företaget upplevde också kostnad och emissionsreduktion som viktigt, medan kunder inom fordonsindustrin inte prioriterade dessa särskilt högt. Ett område som speditören kan utveckla är standardisering av processer avseende vilken information och dokument som krävs för att kunna handla med varandra. Det var något kunden upplevde som något som kan vara en betydande värdeskapande tjänst.

*Notera att denna rapport är skriven på engelska.*

*Nyckelord: Internationell spedition, Värdeskapande tjänster, Fordonsindustrin, Upplevt kundvärde*

## **PREFACE**

This thesis was written at Chalmers University of Technology at the department of Technology Management and Economics in the division of Service Management and Logistics.

This study was made on behalf of JAS Worldwide. This was done with the help of the Director of Customer Solutions in NOBA, Erik Sjöström. Without his help and support, this study had not been possible and with this in mind, we would like to thank him for everything he has done for us. We would also like to thank our mentor from Chalmers Stefan Jacobsson for his expertise, guidance, and insightful tips, and our examiner Violeta Roso. Lastly, we would like to thank the participants for the interviews in this study.

Jacob Gatenheim & Amanda Lindfors

Gothenburg, May 2023





# Table of Contents

<b>1. INTRODUCTION</b> .....	<b>1</b>
1.1 Background .....	1
1.2 Objectives .....	2
1.3 Scope.....	2
1.4 Research questions .....	2
1.5 Report structure .....	3
<b>2. THEORETICAL FRAMEWORK</b> .....	<b>4</b>
2.1 Customer value and value-adding services .....	4
2.2 Value Proposition Canvas .....	4
2.2.1 Customer Profile.....	5
2.2.2 Value Proposition .....	6
2.2.3 Value-adding Service.....	7
<b>3. METHODOLOGY</b> .....	<b>9</b>
3.1 Data collection .....	9
3.2 Qualitative research.....	9
3.2.1 Interview theory.....	10
3.2.1 Interviews with Staff.....	10
3.2.2 Interviews with Customers .....	11
3.3 Data analysis.....	12
3.4 Creating a Value Proposition Canvas.....	12
3.5 Research evaluation .....	14
3.5.1 Reliability and Validity.....	14
<b>4. EMPIRICAL FINDINGS AND DISCUSSION</b> .....	<b>16</b>
4.1 Customer Profile.....	17
4.1.1 Customer Profile (Customers).....	17
4.1.2 Customer Profile (Forwarder).....	20
4.1.3 Comparison of the perceived needs and actual needs .....	22
4.2 Value Proposition.....	26
4.3 Value-adding services.....	27
4.3.1 Fit between Pains and Pain Relievers .....	28
4.3.2 Fit between Gains and Gain Creators.....	32
4.4 Non-Value-adding services .....	34
4.5 Possible business opportunities .....	35

4.6 Critique of the study .....	35
<b>5. CONCLUSION.....</b>	<b>36</b>
5.1 Recommendations.....	37
5.2 Further studies .....	37
<b>REFERENCES .....</b>	<b>38</b>
<b>APPENDICES.....</b>	<b>40</b>

## GLOSSARY

In this chapter, descriptions of abbreviations and uncommon words are presented. It will consist of both company-specific and industry-specific terms.

**Automotive:** The industry of vehicle manufacturing, design, and development.

**EMEA:** An abbreviation of “Europe, Middle East, and Africa” used by JAS Worldwide.

**Freight forwarder:** A shipping company which does not own any vehicles, ships, or aircrafts themselves, but instead hires space and containers from haulage companies and shipowners. They function as an intermediary in business-to-business trading and are specialized in managing everything from customs managing and warehousing to information handling and problem-solving.

**Just-In-Time (JIT):** A well-known concept in manufacturing where required components arrive just in time of usage. This is done to lower the stock levels and reduce tied-up capital.

**NOBA:** An abbreviation of “Nordics and Baltics” used by JAS Worldwide. It consists of Sweden, Norway, Denmark, Finland, Estonia, Latvia, and Lithuania.

**Trade-lane:** A shipping lane between specific regions or countries.

# 1. INTRODUCTION

The introduction aims to inform the reader about the background of the thesis based on the company's perspective and the aim of the thesis work. Then, scope limitations and specified research questions are presented.

## 1.1 Background

There are a lot of different types of companies operating within the logistics industry; carriers, shipowners, last-mile freight companies, and freight forwarders. Freight forwarders, as opposed to the other types of companies, do not own their vehicles or ships, but operate by buying and selling vacant spots on container ships, aircrafts, or trucks on a national or international level. By doing so, freight forwarders offer a whole supply chain to their customers rather than them having to buy and coordinate every step of the supply chain themselves. Many freight forwarders not only offer a coordinated supply chain to their customers, but they also offer knowledge about e.g., warehousing and customs documentation (SIPMM, 2021).

JAS Worldwide is an international freight forwarding company with headquarters in Atlanta, US, and a regional headquarter for the Nordic countries and the Baltics that opened in the year 1994 in Gothenburg (JAS Worldwide, 2023). The company was founded in Milan, Italy in 1978 and has from that point in time expanded their business to over 100 countries and counting. JAS is what you would call a “service provider” working with business-to-business sales focusing on international freight handling by aircraft, shipping, railroad, and trucking, together with ancillary services. Other value-adding services could be, for example, warehousing, development of supply chains, customs declarations, and elemental processing of goods.

The assignment from JAS is to conduct a study and analyze what their current customers perceive as value and how the value-adding services are prioritized by them. An aspect that will be included in the study is how value-adding services are perceived and how JAS accommodates the perceived value. The specific trade-lane of interest is that between NOBA and the US in the automotive industry because JAS intends to expand its services into that market segment. The trade-lane between these two regions is expected to play a huge role in the future, according to JAS (2023).

The result will be analyzed with the help of a model called Value Proposition Canvas since it effectively shows the different kinds of demands from the customers and at the same time compares them to the company's offer (Osterwalder et al., 2014) The model of Value Proposition Canvas can therefore help companies understand the patterns of value creation more successfully and better identify value-adding services (Osterwalder et al., 2014; Sebayang et al., 2023; Kande, 2020).

## **1.2 Objectives**

The thesis aims to highlight *what the perceived value-adding services is* in designated customer segments and analyze *how well the forwarder understands their customers' needs*. The study will enable JAS to better understand what the customer is willing to pay for and how to satisfy their demand. Cost, reliability, speed, and sustainability are interesting aspects to consider. The ecological aspects that may arise are related to whether the customer values the environmental aspects of the transport or not. Ethical aspects that may be of interest are related to whether a fast and reliable transport chain is important in relation to the environmental impact and social sustainability the transport can take place at the expense of.

## **1.3 Scope**

To limit the scope and specify the research question, the thesis will be limited to only studying one trade-lane within a specific industry. The study will be conducted by evaluating automotive goods in a trade-lane between the NOBA and the US.

## **1.4 Research questions**

To fulfill the aim of the thesis, the following research question and its sub-questions need to be answered:

- How well does JAS's services add value for their customers from the automotive industry in a trade-lane between NOBA and the US?
  - o How does JAS's perception of value-adding services compare to what the customer perceives as such?
  - o Which opportunities, if any, exist where JAS could create additional value-adding services for customers?

## 1.5 Report structure

The following section describes the six different chapters: introduction, theoretical framework, methodology, result, discussion, and conclusion. The aim is to provide an instruction on how the report is read.

**First chapter: The introduction** starts by providing adequate background information about the study and the necessity for it. It also contains the objective of the study as well as research questions and suitable limitations.

**Second chapter: The theoretical framework** introduces the reader to past research done in the field of research and the establishment of some definitions of “value” and “value-adding services” that are necessary for the study. It also contains the theory of Value Proposition Canvas.

**Third chapter: The methodology** describes how the study was conducted. It describes how the interviews were conducted to collect data, how the interviews were arranged as well as how the Value Proposition Canvas was created. It also contains an analysis of the quality of this methodology and the suitability for this study.

**Fourth chapter: The empirical findings and discussion** presents the data collected by the interviews interpreted in the form of a Value Proposition Canvas as well as a discussion about the data and comparisons between the forwarders view of the customer, as well as for the customers view of their Gain and pains. The discussion also aims to analyze the empirical findings and refers to the second chapter in order to analyze findings in relation to past research.

**Fifth chapter: The conclusion** provides the summarized conclusion of the result and the discussion. I will also provide a proposal for further studies.

## 2. THEORETICAL FRAMEWORK

In this chapter, previous research in the field as well as all theories which are related to the research will be presented.

### 2.1 Customer value and value-adding services

To understand what a value-adding service is, a definition of customer value must be described. According to Woodall (2003), customer value is intangible but, in some literature, it has been described as some perceived benefit achieved through some perceived sacrifice (Mahajan, 2020; Graf & Peter, 2008). In other terms, the customer pays some amount to be provided with a service or a product to fulfill a need to make them feel better off than before the transaction. Value added can be described according to Coltrain et al. (2000): “*adding value is the process of changing or transforming a product from its original state to a more valuable state*”. In the case of a freight forwarding company, the more valuable state is achieved by the service that enables the relocation of goods and ancillary services, such as insurance, warehousing, tracking, etc. Flodén et al. (2017) have identified the most mentioned factor when researching the transport service choice for the customer. The factors that were mentioned were: cost, reliability, transport quality, and transport time. According to Flodén et al. (2017), environmental factors were given low importance.

Another way of achieving a value-adding service is through the *co-creation* of customer value (Grönroos, 2011). *Co-creation* is accomplished when both the customer and the service provider jointly create value together. It can, according to Grönroos (2011), only happen if the service provider directly interacts with the customer, otherwise, it is called *independent value creation* where the service provider is only a value facilitator. The market implications of value co-creation have several benefits (Grönroos, 2011). It can mainly create opportunities to broaden marketing by breaking free from the notion by forwarders of only being restricted by the traditional roles, such as: creator of value propositions, keeping promises, and creating brand awareness.

### 2.2 Value Proposition Canvas

Value Proposition Canvas is a tool to help a business understand what the customers need, and perception of value is, and how the company is currently satisfying the different needs by



providing a product or service (Pechancova et al. 2022; Osterwalder et al. 2014; Pokorná et al. 2014). The model’s purpose is to visualize, design and test how a product or service creates value for the customer. It was developed by Osterwalder et al. (2014) as a framework to confirm if the service or product matches the market demands. It can be used both when developing new products and services as well as when there is a need to further develop or refine an existing offer.

The model can be illustrated by a supplier side (Value Proposition) and a customer side (Customer Profile), see Figure 1. Both are then to be broken down into three corresponding topics. The Customer Profile consists of Customer Jobs, Pains, and Gains. The Value Proposition consists of Products and services, Pain Relievers, and Gain Creators. In sections 2.2.1 and 2.2.2 below, a deeper description about the two sides of the model is presented. The goal of mapping these is to achieve a *fit* between the customer Gains and pains to the corresponding solution; the Gain Creator and pain Reliever to determine what service is a value-adding one (Osterwalder et al., 2014), and will be described in section 2.2.3.

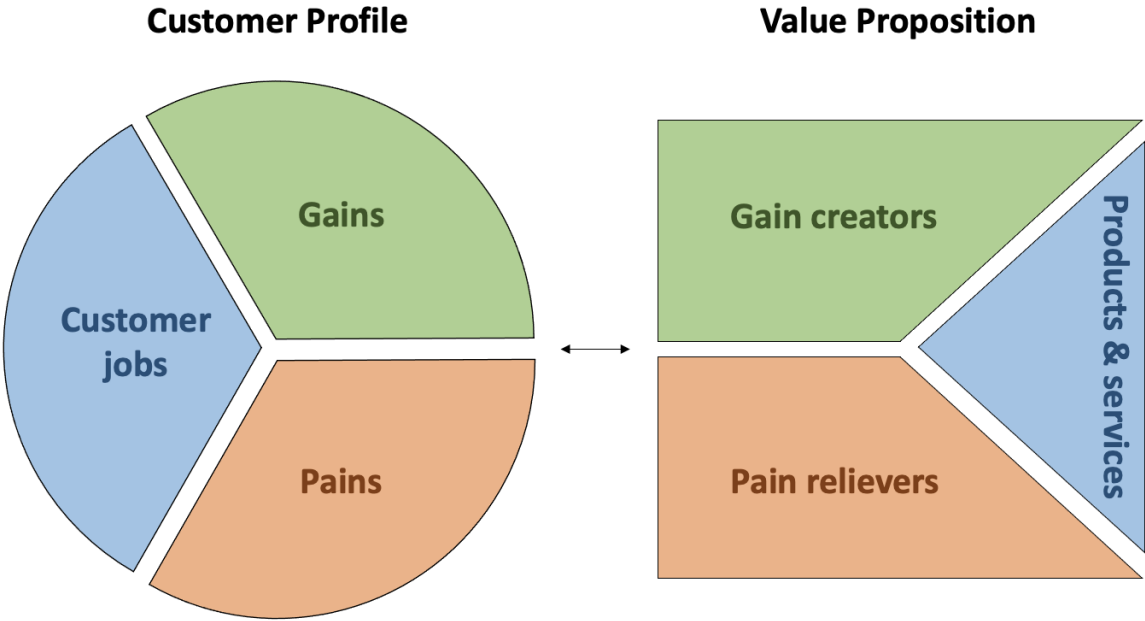


Figure 1: Value Proposition Canvas. Modified from Strategyzer (2015) with permission.

**2.2.1 Customer Profile**

Customer jobs describes, according to Osterwalder et al. (2014), the problems or tasks the customer wants to overcome or the need they want to satisfy. It is very important to take the customers’ perspective into account when investigating this, because the supplier’s view of

what they believe the customer deems important might not be what the customer really experiences. There are different types of jobs to be done by the customer, comprising two primary categories: customer jobs and supporting jobs. *Functional jobs* are specific tasks that are performed by the customer, for example, driving to work or mowing the lawn. *Social jobs* are when the customer seeks to Gain power or status – how they are perceived by others by buying a service or product. Personal jobs are when the customer wants a specific emotional state. The customer might want to feel for instance secure, happy, or excited. The *supporting jobs* are: the buyer of value, cocreator of value, and transferrer of value. These arise because of the different roles the customer might be, for example, a buyer or a consumer. To give an example related to freight forwarding, a Customer Job could be “transportation from point A to point B”.

*Pains* describe what customers perceive as problems that appear before, during, or after a job has been performed (Osterwalder et al., 2014). Pains can be categorized as obstacles, undesired outcomes/problems, and risks. Obstacles are matters that hinder the customers from starting to perform the task, for instance, time or money. Functional pains such as inferior solutions, side effects, or bad customer service are categorized as undesired outcomes and problems. Risks on the other hand are the potential of undesired outcomes such as an accident. Pains can be severe or negligible based on what the customer perceives them to be. To give an example related to freight forwarding, a Customer Pain could be “delays”.

*Gains* illustrate the benefits and outcomes sought after by the customers (Osterwalder et al., 2014). These can be social Gains as well as functional and emotional Gains. There are four types of Gains: required, expected, desired and unexpected. These descriptions of Gains help the supplier understand how important different types of Gains are for customers. If the required Gain is missing, nobody would buy that product or service. It can be good to determine “nice-to-have” or “need-to-have” when analyzing customer Gains (Osterwalder et al., 2014). To give an example related to freight forwarding, a Customer Gain could be “data sharing”.

### **2.2.2 Value Proposition**

*Products and services* are simply what the supplier offer in terms of products and services (Osterwalder et al., 2014). It can be everything from physical objects and shipping to digital programs and customer service.

*Pain Relievers* describe how the product or service reduces or eliminates the pains the customers have. It is particularly important that these are based on the actual issues and pains of the customers, not what the supplier believes the pain is (Osterwalder et al., 2014). The pain Relievers must also be relevant to the customer segment in mind, as well as differentiating between essential pain Relievers and nice-to-have pain Relievers. According to Osterwalder et al., the pain Relievers should prioritize to solve the most severe customer pains before solving less severe Customer Pains.

*Gain Creators* is how the supplier creates customer Gains as described in 2.2.1. It is something that will create added value for the customer and satisfy both expected and unexpected needs (Osterwalder et al., 2014). Sometimes the customer does not know what they want yet, and the supplier that can satisfy this will come out victorious, for example the iPhone by Apple.

### **2.2.3 Value-adding Service**

When the data from the customer and the supplier have been collected, the *value proposition canvas* can be created and the researcher can begin to see what the company is succeeding in, and what needs to be improved. To add value to the customer with a service, a *fit* between the supplier's solutions to the market's issues and problems must be achieved (Osterwalder et al., 2014). As a supplier, it is important to ask yourself: "*Are we addressing essential customer Gains and extreme customer pains?*". If not, the consequences will be harsh according to Osterwalder et al. (2014, p. 43): "*Your customers are the judge, jury, and executioner of your value proposition. They will be merciless if you don't find a fit!*" If a pain Reliever or a Gain Creator does not *fit* any pain or Gain, it may not be creating any value to the customer (Osterwalder et al., 2014).

To further examine if a service adds value to the customer, it is important that the supplier understands their customers (Graf & Maas, 2008). The *customer profile*, as described earlier, can therefore be done both with the customer and the supplier to be able to compare the suppliers view of their customer with the actual needs of the customer (Osterwalder et al. 2014). Hence, a fit between the supplier's *customer profile* and their customer's *customer profile* can also be achieved.

Furthermore, Osterwalder et al. (2014) states that a Pain Reliever or a Gain Creator could correspond to both a Customer Pain and a Customer Gain. For example, a Pain Reliever could be a solution for a Pain, but also create additional Gain.

### 3. METHODOLOGY

The study's methodology is covered in this chapter. The data collecting, interview study, data analysis, and research evaluation will be provided in order to describe the process. Concisely, a qualitative research interview process was conducted and combined with the Value Proposition Canvas to enable data analysis in relation to the research questions.

#### 3.1 Data collection

In the first step of the thesis process relevant literature was studied, as mentioned in chapter 2. A list with suggested literature was provided by the supervisors in addition to literature found at the library by the researchers. Literature on Value Proposition Canvas, Value Co-Creation and other relevant models connected to the topic was studied. Keywords that were used to find relevant literature were: *customer perceived value*, *Value Proposition Canvas*, *customer value in logistics*, *value creation*, *freight forwarding*, *co-creation in logistics*. Search engines such as Google Scholar as well as the Chalmers Library database were used to retrieve relevant literature.

#### 3.2 Qualitative research

The most suitable approach was thought to be a qualitative study based on interviews to get the necessary data. Kabir (2016) explains that qualitative methods are useful when collecting data based on feelings or subjective perceptions of the researched topic. To accomplish that, he explains the different types of interviews that can be conducted: *structured*, *semi-structured* and *unstructured*. Out of these three he suggests *semi-structured* interviewing when intending to gain new insights of the topic. Continuing, he argues that semi-structured interviews produce reliable and comparable data.

To gain an extensive understanding of both the client and the staff at JAS, a qualitative research approach was chosen. To further build a business proposition that fits the customer, it is crucial to include the employees' perceptions of their client's needs compared to their client's actual needs. To accomplish this, interviews following a semi-structured approach have been conducted.

### 3.2.1 Interview theory

Dalen (2015) points out the importance of both consent and information about the study when initiating an interview. Information that should be presented in an interview is, for example, the aim of the study, who the interviewer is, and how the data from the interview is managed. Accordingly, all conducted interviews began with an introduction of the study, information of the trade-lane and customer segment that was being researched, and approval from the interviewee about the data collection.

*Table 1: Information about the executed interviews.*

<i>Date</i>	<i>Company</i>	<i>Position</i>	<i>Duration</i>
14/2/2023	Freight forwarding company	Director of Customer Solutions and Strategic Initiatives	57:03 min
16/2/2023	Freight forwarding company	Airfreight Manager	33:47 min
17/2/2023	Freight forwarding company	Strategic Sales Manager	20:56 min
17/2/2023	Freight forwarding company	Strategic Sales Manager	32:25 min
21/2/2023	Freight forwarding company	Trade-Lane Manager	29:05 min
24/2/2023	Freight forwarding company	Oceanfreight Manager	24:06 min
28/2/2023	Freight forwarding company	Strategic Sales Manager	19:12 min
28/2/2023	Freight forwarding company	Import Specialist	14:45 min
28/2/2023	Freight forwarding company	Department Manager	40:54 min
02/3/2023	Freight forwarding company	Export Specialist Ocean	21:18 min
10/3/2023	Automotive manufacturer	Head of Transportation	17:33 min
17/3/2023	Chalmers Industriteknik	PhD Supply and Operations management	29:25 min
24/3/2023	Automotive manufacturer	Head of Logistics Procurement	28:19 min
27/3/2023	Truck manufacturer	Inbound Logistics Manager	31:25 min

### 3.2.1 Interviews with Staff

The interviewees, provided by the supervisor from JAS Worldwide, were contacted via e-mail with an attached one-page description of the interview and the aim of the thesis. The interviews were conducted during a two-week period either physically, at JAS's office in Gothenburg, or virtually in a Zoom or Teams meeting. In general, the interviews took 20-50 minutes to

complete depending on how much information the responder wanted to share. Information about the interviewees and their roles can be found in Table 1.

To get a deeper understanding of how well the interviewee knew the customer segment that was examined, the interview began with questions about the respondent's role at JAS. This is what Kvale and Brinkmann (2014) calls *inledande frågor* (introductory questions), a type of question that gives the respondent the possibility of highlighting the most important aspects of what is being asked. It then followed with questions regarding how much customer contact they had regularly and how they could contribute to added value for the customer. The answers to the introductory questions were used to determine the relevance of the following answers. If the respondent had no or limited contact with customers, the answers to the remaining questions regarding customers were not used – unless the same was stated by another respondent with daily customer contact. On the contrary, the interviewee could still provide relevant information about JAS's services.

The interview questions to employees (see Appendix 1) were constructed in a manner that each answer from the interviewees could be applied to each part of the Value Proposition Canvas. Thus, the questions were divided into six different categories: Customer Jobs, Customer Gains, Customer Pains, Products and Services, Gain Creators and Pain Reliever. For example, the question “How well can you (JAS) adapt your service to prevent problems for your customers?” was asked with the intent to apply the answer to the “Pain Reliever”-part of the Value Proposition Canvas.

### **3.2.2 Interviews with Customers**

Both supervisors provided customers' contact information. The interviewees consisted of three logistics managers from manufacturing companies and one expert from a Chalmers company — who worked with industry development, specifically the automotive sector. An e-mail was sent out to each interviewee, together with a one-page description of the thesis. All the contacted persons preferred online interviews, conducted via Zoom or Microsoft Teams. Information about the interviewees and their roles can be found in Table 1.

To get a deeper understanding of how much the respondent knew about different forwarding agents an introductory question was asked regarding what authority the respondent had in choosing a forwarding agent. The answer to that question was used to determine the relevance

of the following answers regarding freight forwarders. On the other hand, the respondent could still provide relevant information that could be used to evaluate how well JAS satisfies their customer's needs.

The interview questions for customers (see Appendix 2) were constructed in a manner that each answer from the interviewees could be applied to each part of the Value Proposition Canvas. Thus, the questions were divided into six different categories: Customer Jobs, Customer Gains, Customer Pains, Products and Services, Gain Creators and Pain Reliever. For example, the question "What problems and holdbacks do you (the customer) experience regarding freight forwarding?" was asked with the intent to apply the answer to the "Customer Pains"-part of the Value Proposition Canvas.

### **3.3 Data analysis**

When conducting a semi-structured interview with open-ended question, note taking can be a challenging task with the risk of missing vital details from the respondent (Kabir, 2016). To use the collected data, the interviews had to be transcribed from an audio file to text. Dalen (2015) emphasizes the importance of the researcher executing the transcription themselves since this enables analysis at an early stage. Consequently, the transcriptions were completed by the researchers.

To analyze the transcribed data each response was linked to the corresponding question in an Excel file. According to Bell et al. (2022), there is a chance that one response will have an impact on another, hence it is advised that each answer be connected to its corresponding question.

### **3.4 Creating a Value Proposition Canvas**

After the data had been collected from the interviews, a Value Proposition Canvas was created. The Value Proposition Canvas consists of two main parts: the Customer Profile, and the Value Proposition, with three sections under each part, as described in 2.2. The Customer Profile was created twice, partly from data from the customers and partly from data from the forwarder. It was made by analyzing the data from all interviews, then identifying and assigning the Customer jobs, pains, and Gains into the corresponding section of the Customer Profile. Only one customer or a staff member of the forwarder had to mention something to be considered in the



Customer Profile. The Value Proposition was created based on data from the forwarder only, but the method to analyze, identify, and assign the data to the corresponding section of the Value Proposition was identical to the Customer Profile.

To create the Value Proposition Canvas, the Customer Profile based on the data from the customers was combined with the Value Proposition based on data from the forwarder. An alternative way of presenting the data was also done by combining the two Customer Profiles to be able to discuss the differences between the view of the Customers held by the different actors in question.

A new color-coded version of the Value Proposition Canvas was created in order to present the gathered data in a more understandable manner. The updated version uses the same blue color for "Products and Services" on the Value Proposition side as it does for "Customer Jobs" in the Customer Profile side. For "Pain Relievers" in the Value Proposition side and "Pains" in the Customer Profile a slight orange color has been used. A green color was used for "Gain Creators" in the Value Proposition side and the same green color was used for "Gains" in the Customer Profile side. The reader can now more quickly determine which segments of the Value Proposition Canvas should go together thanks to the new color coding.

The same colors were used when presenting the fit between two segments, either when evaluating how well the forwarder's perception of the Customer Profile corresponded with the actual customer's Customer Profile, or evaluating how well the forwarder could provide a Value Proposition that matched the customer's need in the Customer Profile. For example, a red Venn Diagram showed if the customers and the forwarder had the same perceptions of "Customer Pains" where the two circles intersected. The less they intersect, the less correlation it is between the answers from customers and the forwarder.

Before modifying the Value Proposition Canvas, the researchers scheduled a meeting with Dr. Osterwalder, the Creator of the Value Proposition Canvas, to ask for permission to use and modify it, for the purpose of applying the collected data. The researchers were given approval to proceed.

### **3.5 Research evaluation**

One important aspect of the quality of a quantitative study is regarding the researcher's solidarity towards the researched area (Dalen, 2015). If the researcher has a connection to the researched area, Dalen argues that the researcher should clarify it to enable the reader to critically assess the report and evaluate if the information is reliable. In this case the researchers have neither a connection to the researched area nor a bias towards the research results. Additionally, Dalen highlights that the quality of the study could decrease when several interviewees without the same background or onboarding introduction are being interviewed.

When assessing the quality of the interview research, one factor to consider is whether the interview subjects are prejudiced - since they are already JAS customers. To prevent this the researchers found it appropriate to invite an expert (who is not a customer of JAS's) to conduct an interview.

During the last couple of years, the world has experienced some unusual events: the Covid-19 pandemic, a war in Ukraine, blockage of the Suez Canal and Brexit. All these events have resulted in uncertainty and problems, notably within global logistics. This could contribute to a change of customer demands and customer needs and should be considered when assessing sources of errors in the study.

#### **3.5.1 Reliability and Validity**

Reliability and validity assess the quality of the study (Bell et al., 2022). Reliability covers whether the study is easily replicated, and validity covers if the study measure what it aims to measure. Reliability is a typical problem for qualitative research because the social setting is hard to replicate, which can have an impact on the answers given in an interview (Bell et al., 2022). Another problem with reliability for qualitative research is that the research team needs to agree about the data interpretation and if they agree about what they hear from the interviewees. To ensure that reliability is concerned, both researchers have been present in all interviews and have been working together when interpreting the data. The interviews are also a primary source of data which also ensures higher reliability (Kabir, 2016). The only secondary sources of data that is used in this research report is those based on research articles, which are published and have undergone fact-checking.

The validity of the study can be ensured by providing a “thick description”, which means that enough context is considered so that the findings can be used in other social settings by researchers who find the findings applicable (Bell et al., 2022). Bell et al. argues that small sample sizes might be a problem, but they also bring up other researchers who argue that it is more important to provide context and a “thick description”, which they argue can counteract the small sample size.

# 4. EMPIRICAL FINDINGS AND DISCUSSION

In this chapter, the results and discussion based on the interviews will be presented as the Value Proposition Canvas that was created. The Customer profile will be presented in two versions, one based on the interviews with the customers, and one based on the interviews with staff members of the forwarder. Figure 2 was created to present the collected data from all the conducted interviews. The various parts of the Value Proposition Canvas will be compared to one another, as seen by the arrows in Figure 2.

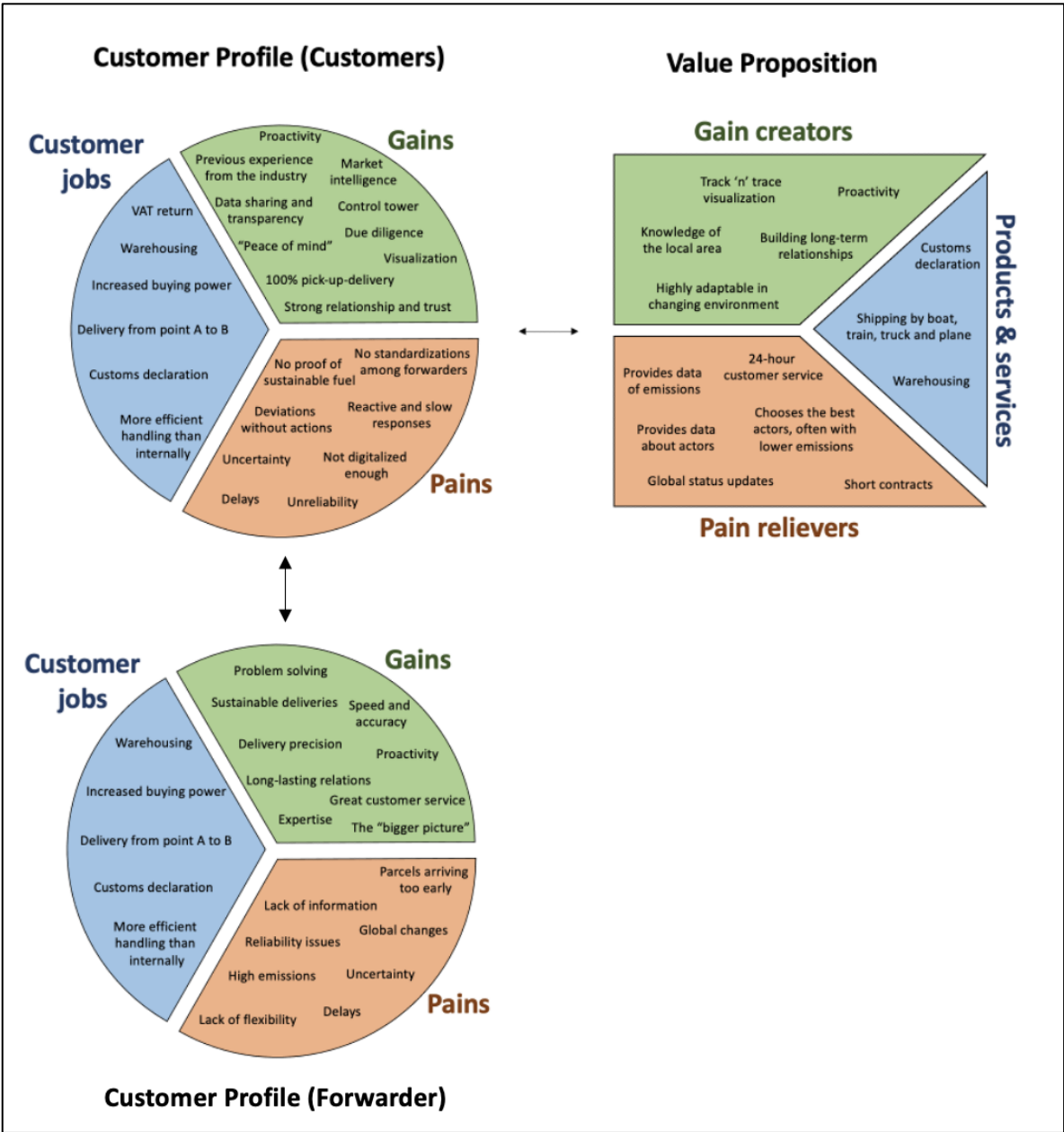


Figure 2: Value Proposition Canvas created with data from the Customer Profile from the customer interviews and the Value Proposition from interviews with the forwarder's employees (Strategyzer, 2015). Modified with permission.

### 4.1 Customer Profile

The customer profile, as mentioned in 3.3, was generated in two versions: one was based externally by the customer itself and one was based internally by the forwarder’s employees. The result from this will be presented below in two different sections.

#### 4.1.1 Customer Profile (Customers)

Figure 3 below is the result based on interviews held with current customers, potential customers, and experts in the automotive industry. In the text below all these actors will be called “the customer”.

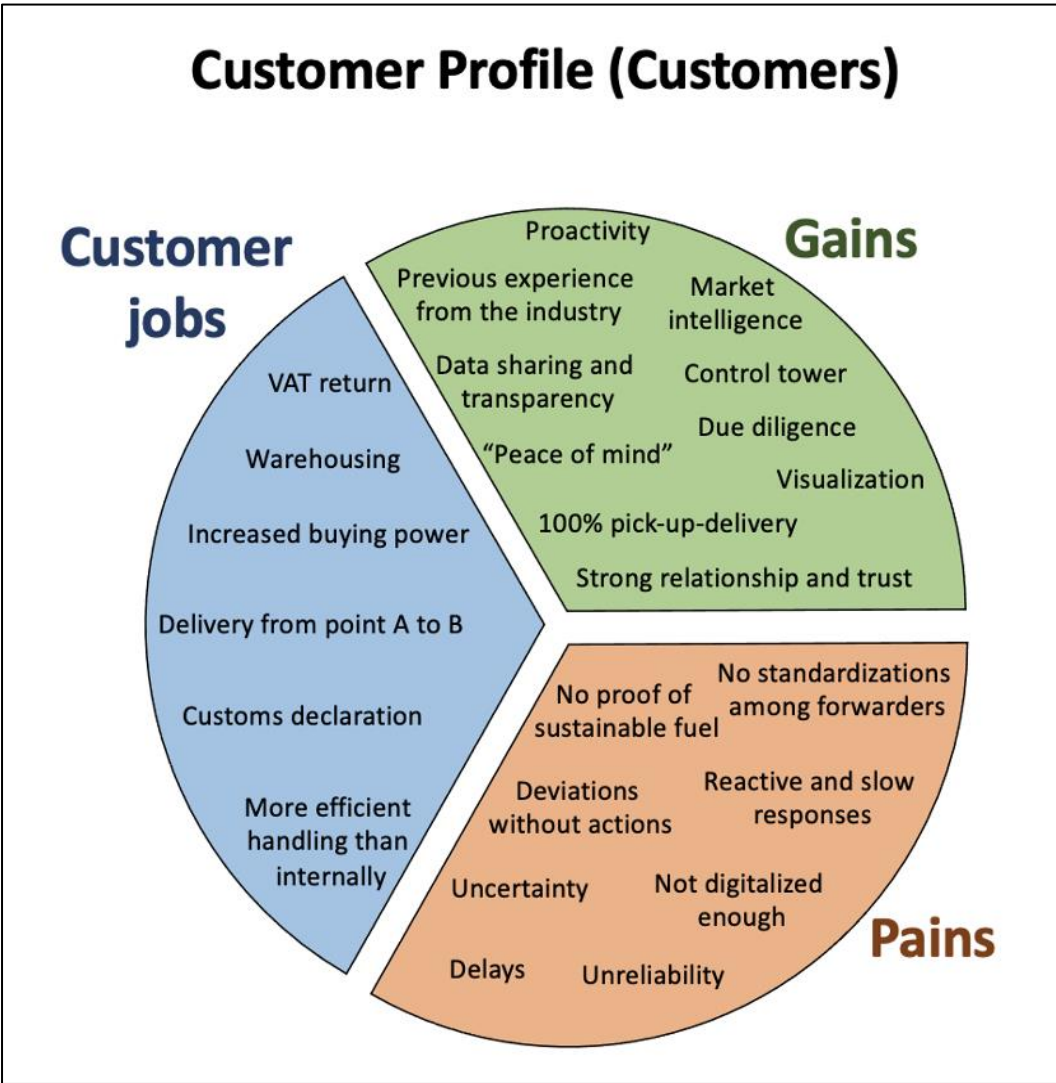


Figure 3: Customer profile based on the interviews held with current customers, potential customers, and experts in the automotive industry (Strategyzer, 2015). Modified with permission.

The customer jobs that were highlighted by the interviewees were the management of deliverance of goods, often for small to medium sized companies who cannot manage the delivery or ancillary services by their own. The large companies mainly used a freight forwarder when they have a need to mitigate the risk of having only a few actors or when some of their own actors fails to fulfill a specific demand. All the respondents highlighted that they had an increased buying power when negotiating through a forwarding agent, as opposed to negotiating directly with shipping or trucking companies.

The pain most often held by the automotive clients was uncertainty, due to past major events in the world that has affected the supply chain negatively. To counter this, the automotive sector has begun to increase their stock levels and brought component manufacturing closer to the factories. One large potential customer also mentioned that they are now distributing the risk by hiring different kinds of actors for their supply of goods, something that gives opportunities for smaller businesses to win procurement contracts. The same customer mentioned that they found the lack of standardization between different forwarding agents troublesome, especially when trying to distribute the risks by ordering services from multiple actors. Additional pains mentioned by the experts and clients in the automotive industry were reactive and slow responses from forwarding agents to issues occurring. This in turn leads to excess work for the clients who then need to either solve the problems themselves or constantly push and nudge the supplier. One existing customer showed concerns regarding the lack of proof when paying for sustainable fuel:

We pay an additional fee for “green fuel” when we ship overseas, but how do I check that the fuel is more sustainable? . . . The ones that do not pay an additional fee for it and have their goods on the same ship as me, are they “free riders”?  
How does it really work? (Inbound Logistics Manager, 2023)

The main Gain Creator mentioned by the customers was visualization of the supply chain of their goods. It helped the customers see if everything progresses as planned or if problems have occurred. The contribution of market intelligence was also a major Gain for the customer. Another factor that was brought up by the interviewees was that the establishment of a good relationship between the two actors (customer and forwarder) was important. The trust and delivery accuracy that need to exist is important to combat uncertainty in the market and will lead to Gains in the form of receiving goods exactly when, where and in the right quantity the customer

demands. In the automotive industry - according to the interviewees - the most vital matter is to receive goods “just-in-time” since the production in the factory cannot be interrupted. The price was seldom something that was noted in the interviews, only that the price must be relevant for the service that is provided. One customer mentioned that they knew what their demand is and that it is expensive, and that they are willing to pay a higher price for good a “pick-up-delivery” accuracy. The large network that the freight forwarders often possess, mainly in shipping and air, was something that enables them to quickly coordinate shipments which was seen as a Gain by some interviewees. One of the bigger clients mentioned that “due diligence” was extremely important for them and that they always conduct thorough background checks when dealing with new forwarders to ensure ethical work conditions for everyone in the supply chain. Since the automotive industry is a complex industry with little to no room for deviations, all respondents said that previous experience from the automotive industry is crucial when signing a contract with a forwarding agent.

One of the customers expressed the experienced flaws of the current signing process with forwarders. The biggest flaw was, according to them, that there is not a standardized way of working among forwarders. Furthermore, the customer describes how difficult it is for their logistics department to hand the correct information to the forwarder when signing contracts, since all of the freight forwarding agents prefer to have the information differently. As a result, the customer requested more uniformity across forwarders to make the procedure even simpler for their logistics department.

Additional information the customers shared were suggestions for future services, both Pain Relievers and Gain Creators. For example, one customer shared their trouble regarding the number of documents that must be read and understood to sign a contract with a freight forwarder. The customer suggested visual aids to help during the entire process together with an E-learning site: “I would like an E-learning site or a checklist, instead of sending multiple E-mails back and forth, wasting both of our times!” (Inbound Logistics Manager, 2023). This is especially relevant for the customer segment JAS is targeting with small to medium-sized companies without a dedicated logistics procurement department.

The same customer asked for a digital tool that would allow them to track the progress of their cargo. For example, they wanted visual aids to indicate whether their cargo could expect delays

using the colors green, yellow and red. Additionally, another customer suggested more automated processes to be able to work more efficiently.

**4.1.2 Customer Profile (Forwarder)**

Figure 4 below is the result for the customer profile based on interviews held with employees from the forwarding agent.

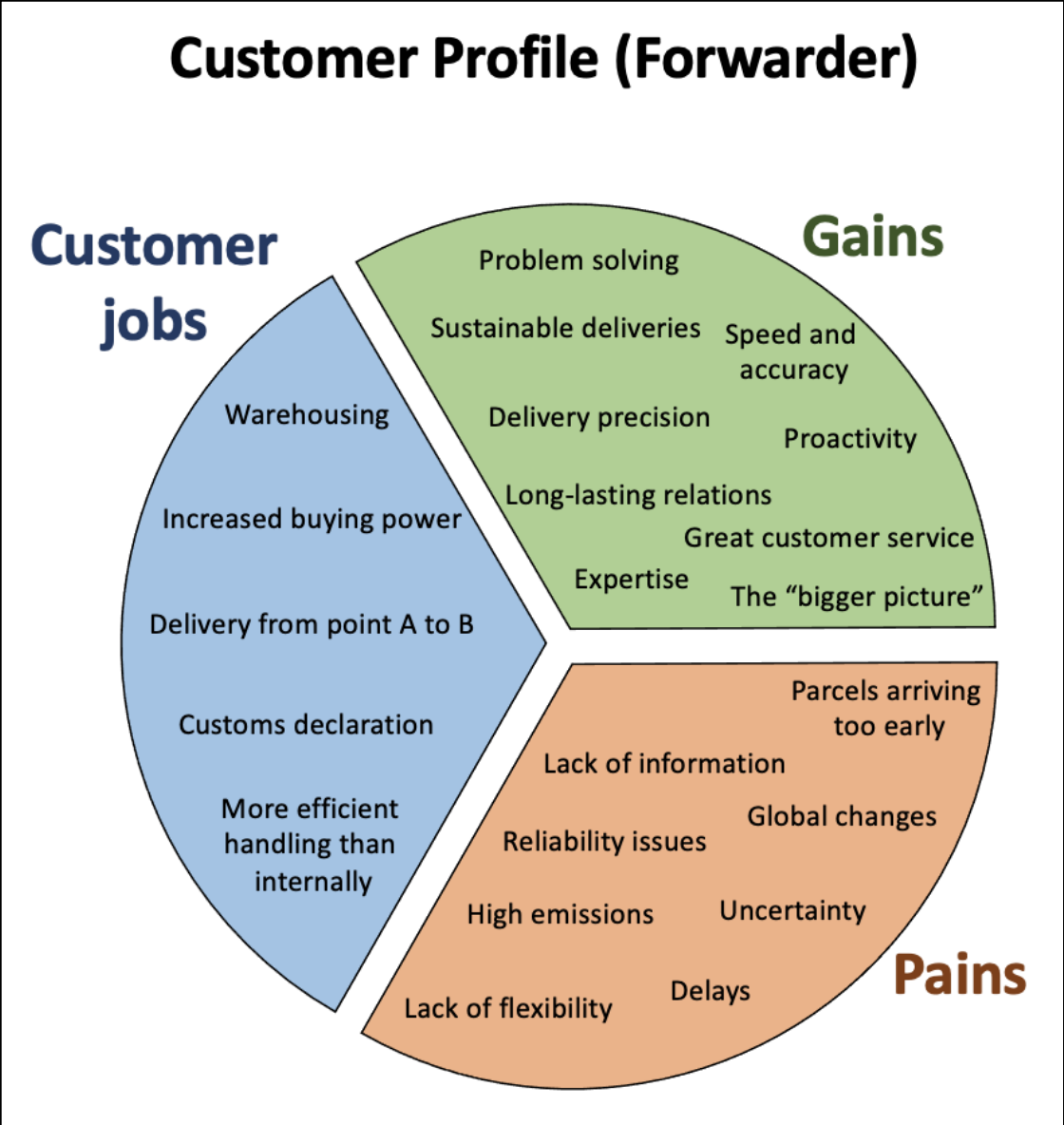


Figure 4: Customer profile based on the interviews held with employees at the forwarder (Strategyzer, 2015). Modified with permission.

Based on the interviews conducted with internal staff at the company, it was evident that the various departments shared a similar overall perspective of the customer. What the customer



seemed to perceive as value was highly homogeneous across the participants of the interview. The most common ways to clarify what the customer jobs were can be summarized with a translated citation from the first interviewee: “the best transportation is for free, emission-free, with 100% delivery accuracy and super-fast, preferably teleportation.” Although it might be a bit humorous, it is a great description of what the forwarder aims to achieve and how a perfect customer job looks like. The customer was described as small to medium-sized businesses in the automotive sector, usually a subcontractor. Although the company, according to some interviewees, does not explicitly limit its target customer base to these types of clients, market dynamics often dictate that large corporations transact with one another. Small and medium-sized corporations tend to do business with similarly sized companies, thereby resulting in a natural gravitation towards serving automotive clients of a certain size.

The pain that was most often mentioned by the internal staff was the uncertainty of the market and the peculiar situation in the world. Many staff members explicitly said that the situation with a current war in Europe, as well as the years with the Covid-19 pandemic and the 2021 Suez Canal obstruction, has created an uncertain environment for themselves and their customers in return. This, together with a lack of information in every step of the supply-chain have led to many problems for the automotive industry, which relies heavily on uninterrupted delivery for their “Just-In-Time” production. To achieve “Just-In-Time” it is as important that goods do not arrive too early as it is that they do not arrive too late either. It was also mentioned by some that the reduction of emissions was to some extent a pain for customers, though some would rather describe it as a customer Gain if it was achieved.

One interviewee spoke of unprofessionalism and lack of care by some forwarding actors that might be a pain for customers. The cost was also noted as a pain for some customers, though not specifically for automotive customers. Another interviewee mentioned that environmental issues and reduction of emissions were something that their customer rarely demanded at all.

It was frequently noted by almost everyone at the forwarding company that customer service was a strong Gain for their customers, which was something that the company prioritized and emphasized. Another Gain that was mentioned several times was the need for problem solving in this industry, to combat the uncertainty and irregularities. It was seen as a Gain to be able to solve problems quickly and in creative ways; “think outside the box” was often brought up.

One respondent highlighted that customers valued having a salesperson that could provide the “bigger picture” and help them in every step of the way.

**4.1.3 Comparison of the perceived needs and actual needs**

To answer research question 2 and 3 – “What does the customer perceive as a value-adding service?” and “What does JAS perceive as value-adding services for their customers?” – the different perceptions (see Figure 5) must be analyzed and compared to each other. The identified gaps could be seen as either an unknown need or an incorrect perception of the customer. As mentioned in chapter 2.2.3, it is important to know what the customer demands and requires before creating the Value Proposition.

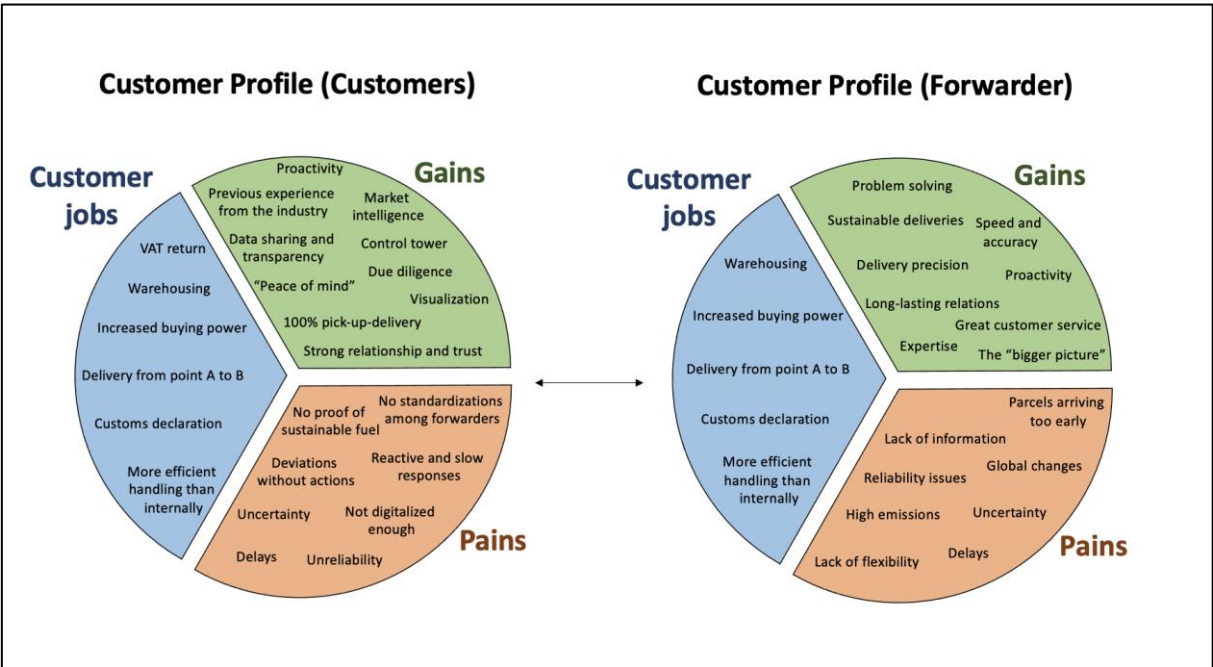


Figure 5: The comparison that will be made between the different Customer Profiles, one based on the customers’ view of their own needs and the other based on the forwarder’s view of the customers’ needs.

**Customer Jobs**

“Customer jobs describes, according to Osterwalder et al. (2014), the problems or tasks the customer wants to overcome or the need they want to satisfy”, as stated in chapter 2.2.1. When comparing the answers regarding customer jobs, both the forwarder and the customers answered similarly. Warehousing, customs declaration, increased buying power, VAT returns, and delivery from point A to B were aspects they had in common. Thus, in terms of Customer

Jobs, the forwarder appears to be aware of all of the services the customer requires, as seen in Figure 6.

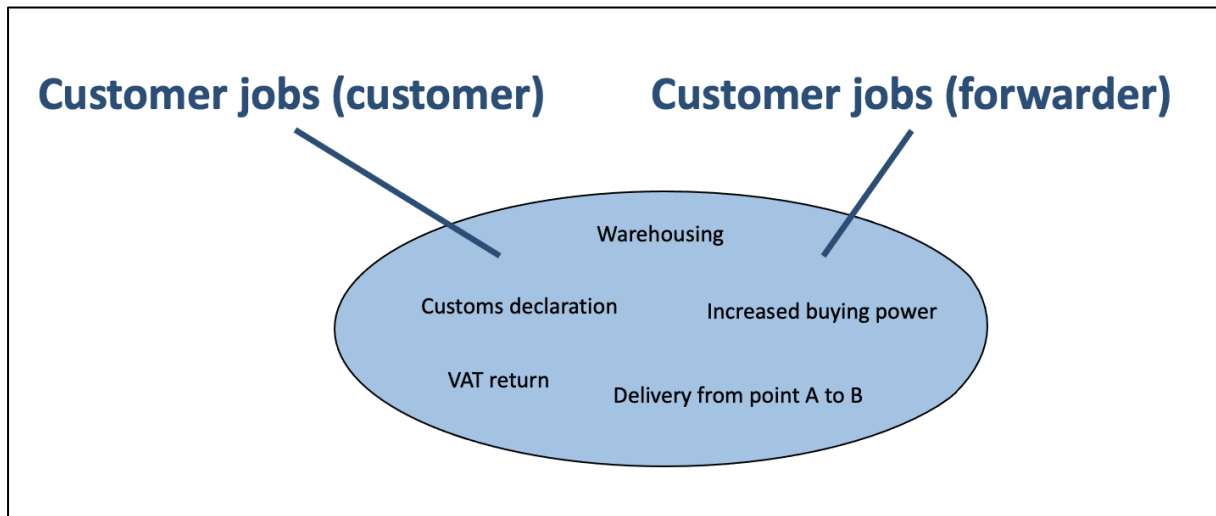


Figure 6: Shows the correlation between perceived Customer Jobs compared to actual Customer Jobs

### Customer Pains

“Pains describe what customers perceive as problems that appear before, during, or after a job has been performed”, as stated in chapter 2.2.1. Regarding Customer Pains, four aspects were shared between the two actors (see Figure 7). They were *uncertainty*, *unreliability*, *delays*, and that *timetables are not kept*. *High emissions* were described by the forwarders as an inconvenience, but the consumers did not remark this. The only comparable aspect mentioned by the customers were the *lack of proof of sustainable fuel*, as mentioned in subchapter 4.1.1. *Cost* was also something that the forwarder viewed as a major pain but was not stated by the customer. *Digitalization* was cited as one of the most substantial pains by several customers, yet the forwarder never brought it up.

A few vague comparisons were found, for example *parcels arriving too early* compared to *timetable not kept*, as well as *global changes* compared to *uncertainty*. *Deviations without actions* could vaguely compare to *lack of information*. All these aspects affect each other and should therefore be considered when evaluating how well the forwarder understands the customer’s needs.

The aspects that were not shared between the customers and forwarder are *reactive and slow responses*, *no standardizations among forwarders*, *not digitalized enough* and *lack of flexibility*.

Overall, the forwarder seems to have the right perception of their customer’s biggest pains – *uncertainty, timetable not kept, unreliability and delays*. Apart from those aspects, the second most mentioned pain was *not digitalized enough*. In accordance with the statement by Osterwalder et al. (2014) in chapter 2.2.2, Pain Relievers should therefore be prioritized and created to solve the aforementioned Pains.

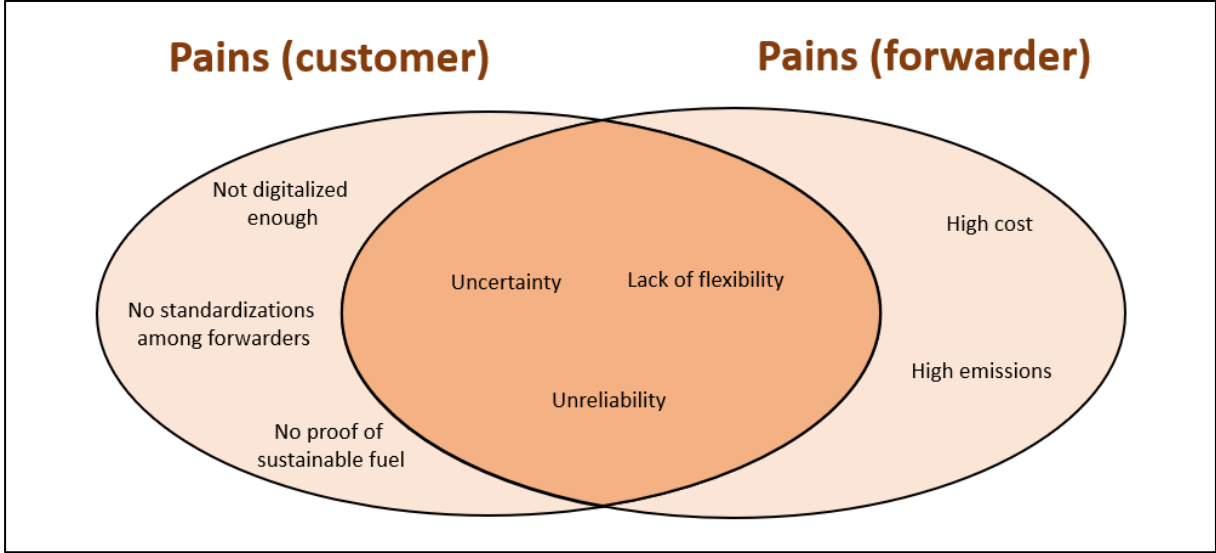


Figure 7: Shows the correlation between perceived Customer Pains compared to actual Customer Pains

**Customer Gains**

“Gains illustrate the benefits and outcomes sought after by the customers: required, expected, desired and unexpected”, as stated in chapter 2.2.1. There was a broader consensus regarding Customer Gains between the two actors than it was regarding Customer Pains, as seen in Figure 8. Both parties agreed that *proactivity and long-lasting relationships* were one of the most important aspects and found it highly valued. In addition to that, *previous experience from the industry, problem solving, trust and delivery precision* were aspects that both the customers and the forwarder mentioned as Customer Gains.

The forwarder had the perception that the customer valued *speed and accuracy, sustainable deliveries, great customer service and the “bigger picture”*. However, the customer did not mention these as Gains nor Pains.

Aspects that were experienced as Gains by the customers, but not the forwarder, were *“peace of mind”, 100% pick-up-delivery, data sharing and transparency, due diligence, control tower,*

visualization. Control tower was regarded as a required Gain, according to one of the customers.

As seen by Figure 8, the customer's needs overlap the forwarder's perception quite a bit, proving that the forwarder is aware of what is expected or required of them.

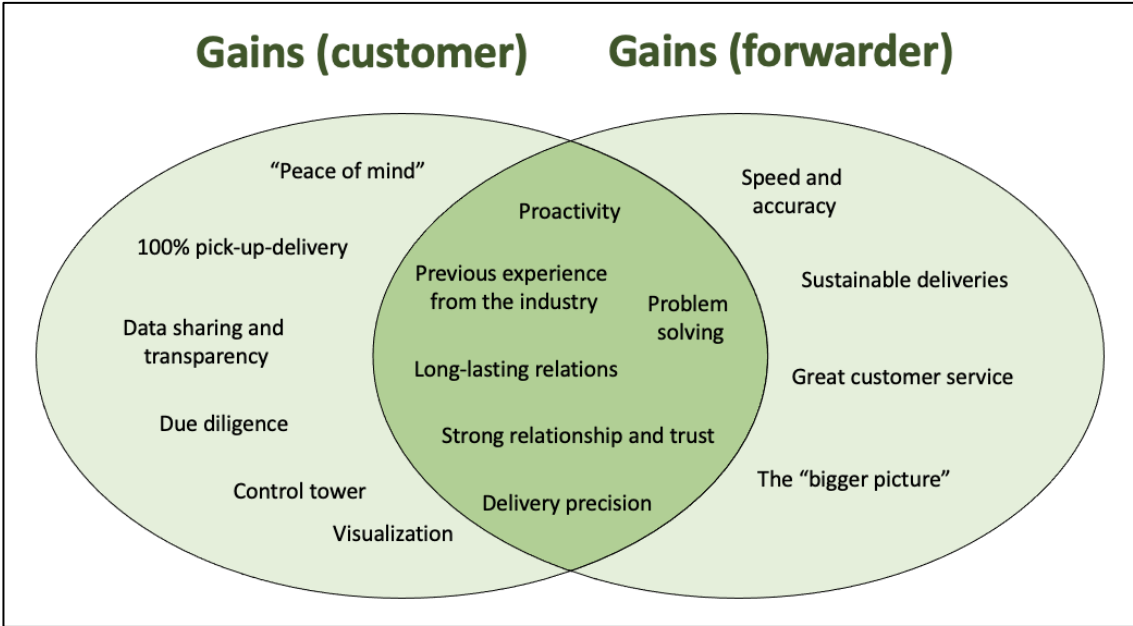


Figure 8: Shows the correlation between perceived Customer Gains compared to actual Customer Gains

## 4.2 Value Proposition

The Value Proposition from the forwarders point of view that was made in accordance with the description in section 3.1.3 resulted in Figure 9 below.

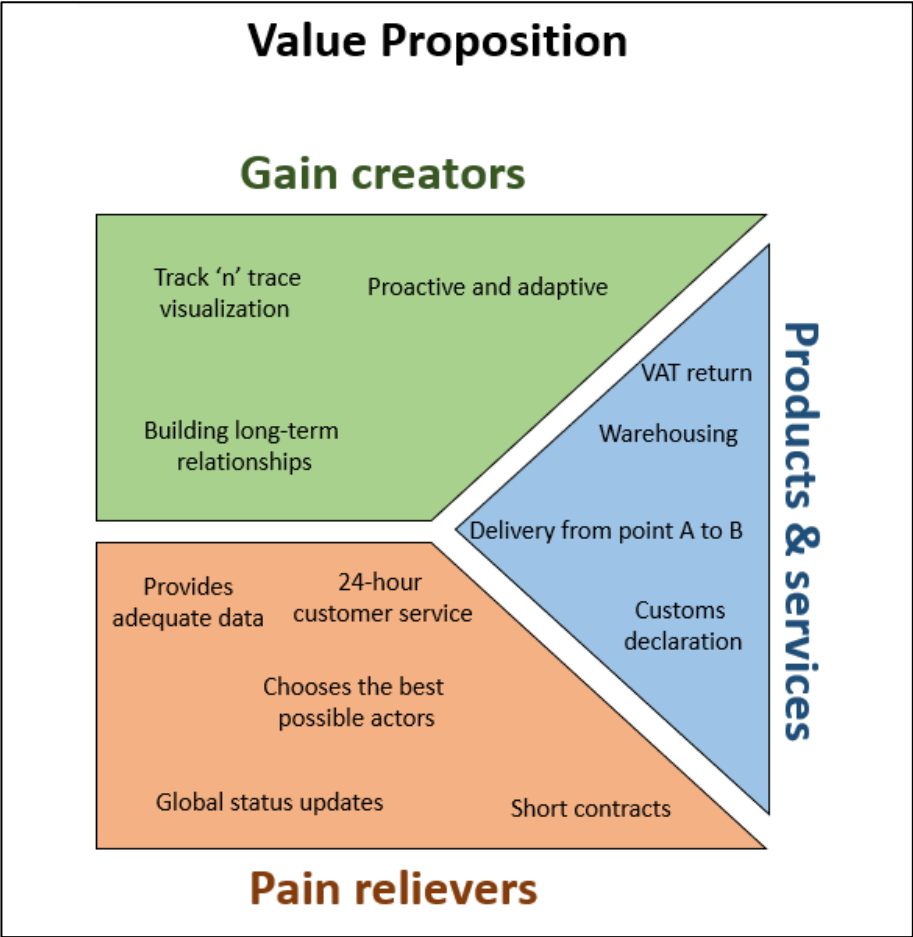


Figure 9: Value Proposition based on the interviews held with internal staff at the forwarder (Strategyzer, 2015). Modified with permission.

Much like for the customer profile, it was evident that the view of the services and solutions to the perceived demand was similar across the company. The most common way of describing the products and services for automotive customers was to manage the transportation of goods mainly by ships and aircrafts, but also trains and last mile transportation with trucks. They can also provide warehousing for customers who demands it. The company does not own any ships, planes, trains, trucks, or warehouses, but instead hire space and containers from shipowners, air freight carriers and alike. This is done to maximize the bargaining power on behalf of the small and medium-sized business, so the transportation of goods becomes less costly. It is also done to optimize the transportation of goods from different small actors in containers that otherwise would go to waste, due to not filling it up to the most optimal load.

According to the interviewees, the most important Gain Creator was to build up a long-term relationship with the customer to achieve trust between one another. This is achieved by having excellent customer service and treating customers not just as a number, but as a person. They should be feeling seen and heard by the company. This will lead to a great cooperation between the customer and the company in return which in turn can lead to gains for both firms. Another important Gain Creators that were mentioned by several was the proactive approach to problems that occurs, which will lead to value-adding for their customer because of not needing to manage problems of their own. Another Gain that was brought up was a track 'n' trace system, which provides real-time data of the current or last known location of the goods, which can enable risk mitigation and planning easier for customers.

To manage the feeling of uncertainty and unreliability of the current market situation, the interviewees noted that 24-hours service is a good pain Reliever. Providing data about the cargo in real-time, the different actors, and emissions is also a great way of handling that feeling. The uncertainty in the market also affects the contract length, which the interviewees noted was relatively short: between a few months and 1 year. The company often chooses the best current actors with the best precision in delivery for their clients with the aim of reducing reliability issues.

### **4.3 Value-adding services**

To establish what a value-adding service is, the definition described in section 2.2.2 will be used. If the service provides added value, there must be a fit between either a pain and a pain Reliever or a between a Gain and a Gain Creator. To easily illustrate this, a Value Proposition Canvas has been created in accordance with the description in section 3.1.3 (see Figure 10). Below the identified fits for the pains and Gains will be presented. If a fit is found between the Value Proposition and the Customer Profile, the service is regarded as a value-adding service.

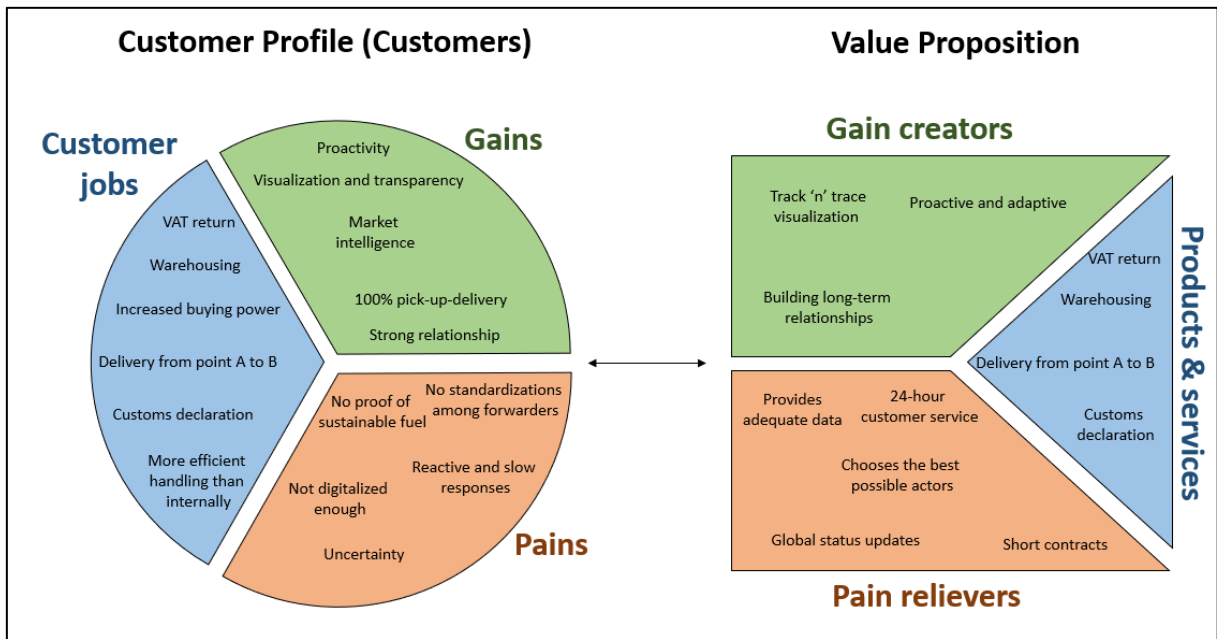
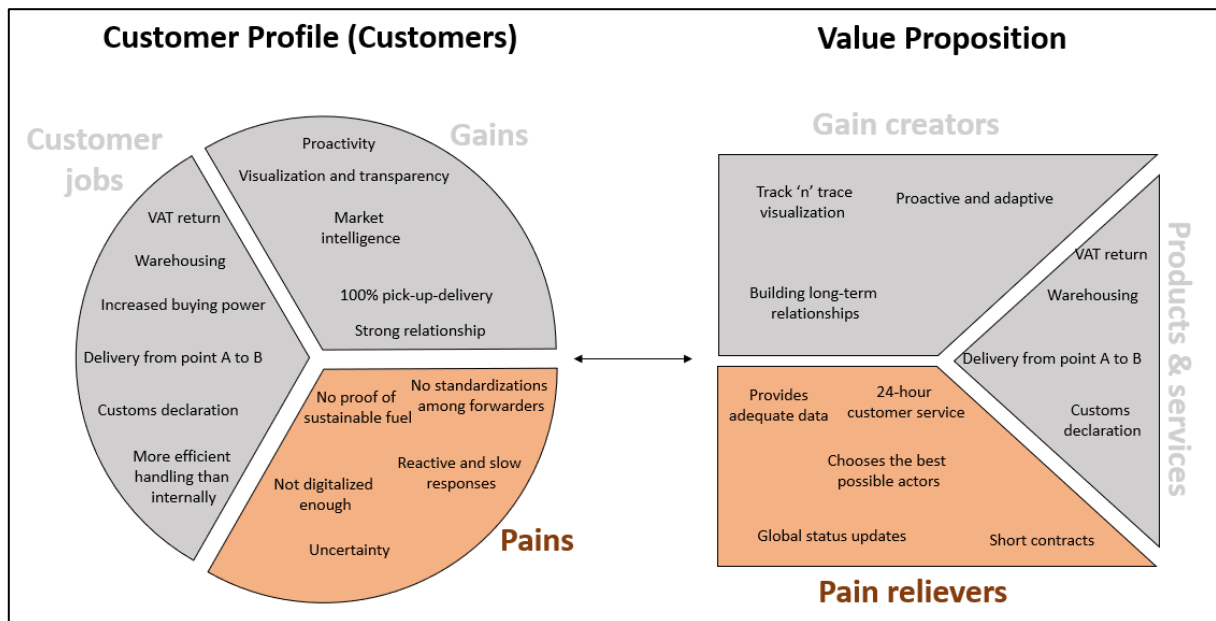


Figure 10: The Value Proposition Canvas based on interviews with customers and internal staff (Strategyzer, 2015). Modified with permission.

#### 4.3.1 Fit between Pains and Pain Relievers

Figure 11 is created to visualize which parts are being analyzed – namely “Pain Relievers” and “Pains”. Firstly, the most evident fits will be presented and discussed, followed by aspects with vague fits and lastly, Pains or Pain Relievers without fits will be presented. In other words, the degree of fit will also be considered, as seen in Table 2. These will then be discussed to assess how, or if, said service is valued. If there is any ambiguity whether a Pain Reliever is better fit with a Customer Gain than a Customer Pain, this will be discussed simultaneously.





*Figure 11: The Value Proposition Canvas with the discussed areas "Customer Pains" and "Pain Relievers" highlighted.*

Firstly, the most evident fit is between *reactive and slow responses* in the Customer Profile and *24-hour customer service* in the Value Proposition. Additionally, in every interview conducted, JAS mentioned their customer service as being the reason customers choose them as their forwarding agent. However, customers rarely mentioned customer service as a Pain Reliever, but rather as a basic requirement to even consider a partnership. Thus, in accordance with the definition in chapter 2.2.1, the requirement of customer service should be regarded as a Customer Gain.

Secondly, a slight fit can be found between the Customer Pains *uncertainty* and *unreliability* and the Pain Relievers *short contracts* and *chooses the best actors*. It does not solve the pains of uncertainty and unreliability but can minimize the risk. A few of customers pointed out that despite how disturbing it may be, they do not hold the forwarding agent responsible for the environment's uncertainty and unreliability. However, they mentioned that proactivity, problem solving, and some type of tracking tool (found in Gain Creators, see figure 11) could be of help to calm matters down. According to the definition of Pain Relievers in chapter 2.2.2, the aforementioned services could be considered as Pain Relievers rather than Gain Creators.

The uncertainty and unreliability in the market situation was identified as a major pain by all customers and experts in the Customer Profile. This was also mentioned by the forwarder as a major pain for the perceived customer. This is in accordance with Flodén et al. (2017) in which

reliability is a highly considered factor when choosing between different forwarders. Though this was such a large pain, there was no sufficient solution presented by the forwarder. In contrast to Flodén et al. (2017) which concluded that environmental issues were of low importance, the forwarder described emission reduction as a pain for customers (or possibly a Gain for some customers). It was not mentioned by the interviewed customers as a pain, but instead, something that may be more important in the future, which is also in line with past research (Flodén et al., 2017).

Based on the interviews, several employees explained that since the Covid-19 pandemic started and made the industry more uncertain than ever before, the forwarder started sending out *global status updates* to the customers for every type of transportation. The intention of this service was to inform the clients about the uncertainty regarding international freight transportation and could thereby be considered as a vague fit to *uncertainty* and *unreliability*. On the other hand, Customer Gains can be found with a better fit to the Pain Reliever *global status updates* and will be discussed in chapter 5.2.3.

Furthermore, a vague fit can be found between the Pain *no proof of sustainable fuel* and the Pain Reliever *provides data of emissions*. The concern, expressed by the Inbound Logistics Manager in chapter 4.1.1, still withstands and can only be solved by ensuring the customers that they get what they paid for (i.e., sustainable fuel). This can be ensured by, for example, choosing an actor that is well-known for only using sustainable fuel (electric vehicles, hydrogen vehicles, hybrid vehicles, biofuel solutions, etc.) during transportation.

As seen in Table 2, it seems like *no standardizations among forwarders* and *not digitalized enough* are the most difficult Pains to find a Pain Reliever for. When analyzing the Gain Creators of the Value Proposition Canvas it seems like *Track 'n' Trace visualization* could be a Pain Reliever for the Pain *not digitalized enough*. However, *no standardization among forwarders* has no fit to be found in the Value Proposition. This is conclusively a potential business opportunity that would provide added value for the customer.

Customer service is undoubtedly helpful when issues arise, such as *delays* and *timetable not kept*, but it does not address the underlying issue. In this instance, it is arguable to consider that no fit can be found between *delays* and *timetable not kept* in the Customer Profile and *24-hour customer service* in the Value Proposition. However, by adopting a problem-solving attitude

and showing high flexibility, these customer pains may be reduced. These sorts of Pain Relievers were mentioned by the customers as suggestions to solve the experienced Pains regarding delays.

When the customers were interviewed, one intriguing finding was that they did not appreciate 24-hour customer service as much as the forwarder believed. The customer stated that having a contact person in case of emergency was the most crucial factor. They argued that "customer service is not necessary when everything goes as planned. However, having excellent customer service is crucial in case something goes wrong."

Although *proactivity* and *high adaptability in a changing environment* were listed as Gain Creators in the Value Proposition, there appears to be a connection between these and *reactive and slow responses*, making them potential Pain Relievers. The same reasoning can be applied to the Pain *deviations without actions*, where a vague fit can be found to *24-hour customer service*. A better fit to this Pain can be found in the Gain Creators, *proactivity*.

Table 2: Presents a visualization of the fits between Customer Pains and Pain Relievers.

Customer Pains	Pain Reliever	Degree of fit (evident, vague or no fit)
No standardizations among forwarders	-	No fit
Delays	-	No fit
Deviations without actions	24-hour customer service	Vague
Not digitalized enough	<b>Fit can be found in Gain Creators – track ‘n’ trace</b>	Vague
Unreliability	Short contracts Chooses the best actors Global status updates	Vague
Uncertainty	Short contracts Chooses the best actors Global status updates	Vague
Reactive and slow responses	24-hour customer service	Evident
No proof of sustainable fuel	Provides data of emissions	Vague

### 4.3.2 Fit between Gains and Gain Creators

Figure 12 is created to visualize which parts are being analyzed – namely “Gain Creators” and “Gains”. Firstly, the most evident fits will be presented, followed by aspects with vague fits and lastly, Gains or Gain Creators without fits will be presented. In other words, the degree of fit will also be considered, as seen in Table 3. These will then be discussed to assess how, or if, said service is valued. If there is any ambiguity whether a Gain Creator is better fit with a Customer Pain than a Customer Gain, this will be discussed simultaneously.

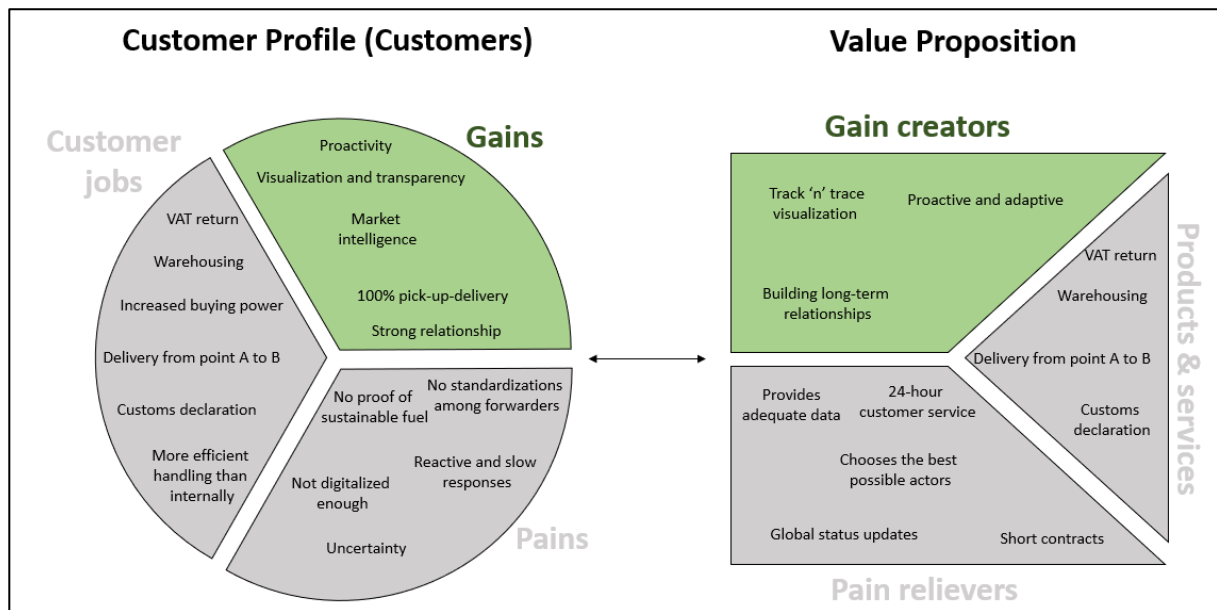


Figure 12: The Value Proposition Canvas with the discussed areas “Customer Gains” and “Gain Creators” highlighted.

Firstly, the most evident fits that can be found - in both the Value Proposition and the Customer Profile - are *proactivity* and *building long-term relationships*. Since they are present in both sides of the Value Proposition Canvas, they are considered value-adding. The Customer Gains *visualization, data sharing and transparency*, and *control tower* can all achieve fit to the Gain Creator *track 'n' trace*, a service provided by JAS.

There was a fit between *visualization, data sharing, and transparency* and the “*track 'n' trace*”-system. Though the *provision of data about where emission is being emitted* as well as *data about different actors and their reliability* was seen more as a pain Reliever by the forwarder, it was seen more as a Gain by the customers if they are successfully provided, a fit is also achieved between these. *Market intelligence* is also fulfilled by the *provision of these types of data*.

Relationship-building, trust and transparency was both something that the forwarder and the customers mentioned as major Gains. A fit between these were also identified, hence this is a good value-adding service that both the customers appreciate, and the forwarder identified as something that they try to do and wants to achieve. This can be a form of co-creation of value, in accordance with Grönroos (2011), where the forwarder together with their customers achieve value jointly and is beneficial to both actors.

The customer mentioned *100% “pick-up-delivery” reliability* as a major Gain, but the forwarder does not seem to have a satisfying fit for that. It may be a fit between this and *by choosing the best actor*, but it does not seem sufficient to achieve 100% reliability.

As mentioned in chapter 5.2.2, the Pain Reliever *global status updates* could be seen as a Gain Creator instead. The Customer Gains it fits with are “*peace of mind*” and *data sharing and transparency*.

Table 3: Presents a visualization of the fits between Customer Gains and Gain Creators.

Customer Gains	Gain Creator	Degree of fit (evident, vague or no fit)
Proactivity	Proactivity	Evident
100 % pick-up-delivery	<b>Fit can be found in Pain Relievers - chooses the best actors</b>	Vague
Control tower	Track 'n' trace visualization	Evident
"Peace of mind"	<b>Fit can be found in Pain Relievers – global status updates</b>	Evident
Delivery precision	<b>Fit can be found in Pain Relievers - chooses the best actors</b>	Vague
Data sharing and transparency	Track 'n' trace visualization	Evident
Visualization	Track 'n' trace visualization	Evident
Market intelligence	<b>Fit can be found in Pain Relievers – provides data about actors</b>	Vague
Strong relationship and trust	Building long-term relationships	Evident
Previous experience from the industry	-	No fit

#### 4.4 Non-Value-adding services

The opposite of value-adding services is non-value-adding services. This is defined as when a service from the Value Proposition does not find a fit in the Customer Profile. A non-value-adding service does not necessarily mean that the service is not appreciated or needed, it might be a solution to an unexpected need.

The only service in the Value Proposition that did not have a corresponding fit in the Customer Profile was *knowledge of the local area*, among the Gain Creators as seen in Figure 12. By this,

it is arguable that *knowledge of the local area* is not a required nor expected Gain by the customers. However, it could be regarded as a solution to an unexpected Gain, as described in chapter 2.2.2.

#### **4.5 Possible business opportunities**

Customer Pains and Gains that seem to not have a corresponding Pain Reliever or Gain Creator can be considered as possible business opportunities. These gaps found by analyzing the fits between the Customer Profile and the Value Proposition should mean that the forwarder does not have a service to fulfill that need.

One of the customer needs with no corresponding service from the forwarder was *no standardization among forwarders*, as mentioned in chapter 4.1.1. The customer suggested that documents should be standardized among all freight forwarders to simplify the processes. Consequently, the standardization would add value to the customer and might be interesting for the forwarder to consider.

Additional frequent request included automated processes, more visualization and satellite tracking systems.

#### **4.6 Critique of the study**

Even though the interviewees provided descent data, the small sample size of just three customers and one expert is a justified critique of the study. To be able to generalize the result even more, the sample size should be larger.

## 5. CONCLUSION

In this chapter a conclusion will be presented, and the following research questions will be answered:

- How well does JAS's services add value for their customers from the automotive industry in a trade-lane between NOBA and the US?
  - o How does JAS's perception of value-adding services compare to what the customer perceives as such?
  - o Which opportunities, if any, exist where JAS could create additional value-adding services for customers?

When analyzing the result, it is clear that the forwarder has a good understanding of what jobs the customers wants to be done, what the customers perceives as an inconvenience and what they expect to Gain from the service. This becomes more evident when searching for a fit between the Value Proposition and the Customer Profile, where the forwarder provides appropriate Pain Relievers to the customer's Pains and Gain Creators to the customer's expected Gains. The gaps that were identified were, at most times, covered by the services JAS could provide the customer with. For example, "*peace of mind*" was mentioned by the customer as a Gain, if the forwarder could provide it. JAS, on the other hand, never mentioned it as a potential Gain or Pain. However, the study found that JAS had a service in the Pain Reliever section of the Value Proposition that created "*peace of mind*". As a result, JAS was unaware of a Gain that had been requested, but one of their Pain Relievers had already produced the Gain. This concludes the answer to sub-question two – "what does the customer perceive as a value-adding service?".

Furthermore, high emission was identified by JAS as a problem for customers in the automotive industry, and that sustainable deliveries could be a value-adding service; however, these were factors not noted by customers at all. It may be something of importance in the near future, but it is not an aspect that is seen as a major issue by customers currently. Cost was also something that JAS believed the customer viewed as a pain and a crucial factor but was not mentioned at all by the customer. Nonetheless, only one non-value-adding service was found – *knowledge of*



*the local area.* In conclusion, JAS's services were consistent with the needs presented in the Customer Profile.

To answer the main research question, “How well does JAS’s services add value for their customers from the automotive industry in a trade-lane between NOBA and the US?”, the results showed that the most crucial customer needs were being satisfied. There is potentiality in developing tools to visualize the processes for their customer, as well as considering adapting to an automated ordering process. Further recommendations will be found in 5.1.

## **5.1 Recommendations**

The recommendations that we will suggest is derived from the observations made, and as a result of the empirical findings. As stated in section 4.4, we suggest that JAS together with other forwarders standardizes their operations regarding which documents and information is required to conduct business with one another. This will, according to customers provide added value for them.

The Value Proposition Canvas was used as a model in this study to assess the data, and it concluded that just one non-value-adding service was found. However, while not being directly useful to clients in the automobile market, the non-value-adding service could nonetheless be useful to a certain customer segment. Therefore, the recommendation is to still provide the non-value-added service since it might benefit another segment.

## **5.2 Further studies**

It is advised to complete the study using quantitative methods to further support the arguments made in this thesis. A questionnaire could, for instance, be sent to both current customers and potential customers of JAS’s to increase the sample size. An additional suggestion is to apply the same methodology used in this study for researching other customer segments or trade lanes.

Further recommendations include an assessment of the results using the “Value Co-Creation” approach to research how value could be created by the forwarder and the customer together.

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## **APPENDICES**

### **Appendix 1. Questions for the interviews with internal staff**

#### **Broad questions?**

Would you like to describe your current role at JAS?

How much direct customer contact do you have on a day-to-day basis?

What value do you believe you can provide for customers?

#### **Products & services:**

What services can JAS provide to customers in the automotive industry in a trade-lane between the US and the Nordics?

#### **Customer Jobs:**

What sort or type of customers buys your services?

What do you believe is your customers' primary field of use or aim when buying from JAS?

Why is there a need for a forwarder?

#### **Gain Creators:**

What do you believe that JAS does to provide even more value to your customers, apart from the transportation itself?

What does a perfect forwarder provide for their customers?

How do JAS distinguish itself from competitors?

#### **Customers Gains:**

What do your customers in the automotive segment demand from you in order to achieve more profitability?

What is the most important aspect in transportation in decision-making? Price, reliability, emissions, etc.?

If the customer is choosing between different forwarders, what is the determining factor in the end?

Why do the customers choose JAS? Do you measure customer satisfaction?

#### **Customers Pains:**

What do you think are the challenges/problems customers face in forwarding?

In what way do JAS solve your customers challenges/problems with your services?

Which customer demand is the hardest to fulfill with your services?

**Pain Relievers:**

How well can JAS adjust its services in order to solve/minimize your customers problems/challenges?

Does JAS have a standard offer or are you adjustable?

## **Appendix 2. Questions for the interviews with customers**

### **Broad questions**

Would you like to describe your current role at your company?

What authority do you have when it comes to determining transportation methods and actors?

### **Customer Jobs:**

What is your primary goal or need when you are buying a service from a forwarder?

Why are you in need of forwarders?

Are there any other services, other than the transportation itself, that you demand from your forwarder?

### **Customer Gains:**

What do you demand from a forwarder?

How do you rank between various aspects in transportation?

When do you especially appreciate a forwarder?

What does a perfect forwarder do for you?

What do you expect from a service from a forwarder?

How do you measure value? Do you use KPI:s, and if yes: which?

Is there something you wish your forwarder should provide today?

Apart from the transportation itself, what service provides added-value for you?

### **Customers Pains:**

What problems or challenges do you face with transportation and forwarders?

Do you have any limitations that you need to present for your freight forwarder?

Do you face any problems that your freight forwarder could solve by providing a different service?

What can your forwarder do to make the process easier for you?

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