

## РОЛЬ МАРКЕТИНГУ В ІНТЕРМОДАЛЬНИХ ПЕРЕВЕЗЕННЯХ

ã Антонович М., 2013

**Інтермодальне перевезення є технологією перевезення, яка потребує маркетингової підтримки. Розглядається роль маркетингу та співпраці для створення цінності як для клієнта, так і для оператора інтермодальних перевезень. Особливо висвітлено вплив співробітництва на інтеграцію процесу інтермодальних перевезень та функціонування ланцюга інтермодальних перевезень.**

**Ключові слова:** інтермодальні перевезення, маркетинг, цінність.

## ROLE OF MARKETING IN INTERMODAL TRANSPORT

ã Antonowicz M., 2013

**Intermodal transport is a transportation technology which requires marketing support. The author discusses the role of marketing and cooperation to create value both for the client and the intermodal transport operator. Especially the role of cooperation is highlighted as it influences the integration of intermodal transport process links along the functioning process of intermodal transport chain.**

**Key words:** intermodal transport, marketing, value.

**Problem formulation.** According to the UN glossary of combined transport, intermodal transport means transportation of freight in one intermodal container or vehicle through subsequent modes of transport and without any handling of freight itself in the changing modes of transport. The main modes of transport are rail, sea and inland. [1, p. 7; 2, p. 16 – 21]. Contemporary approach to intermodal transport treats transportation processes as cohesive and integrated entirety. The integration process proceeds on many levels, such as technological or informational, due to on-going evolution of management methods in transport enterprises. Also, clients insist on the so called “one stop shopping” contact which means for them dealing with only one supplier of transportation service. In view of the foregoing, the transportation process is seen as a sequence of consecutive and parallel events, mutually coordinated, and resulting in the most effective delivery of freight to the recipient. The processes which contribute to the ultimate value are integrated by the concept of transportation chain. The transportation chain is the rational and consecutive sequence of transportation activities which also consist of reloading/transshipment, storage and management of freight. Transportation activities are coordinated in terms of techniques, technology, organisation and trade, and their aim is to transfer goods, in time and space, and especially in a variety of transport containers, the goods which are indispensable for the national economy. Intermodal transportation in the meaning of transportation chain requires an integrator, cooperation, and collaboration of all participating links. In specific transportation chains, logistic operators and operators of combination transport can function as the integrators in combined transport. The chain is viewed as a whole, following the premise that properness of its functioning, together with the congruence of aims and motivation of all its participants are sustained. This accordance is the prerequisite to form and develop value for the client.

**Analysis of current research outputs and publications.** So far there have been no thorough publications which would discuss the marketing of transportation services in intermodal transport. In general, the issue of marketing in transportation services is relatively rarely raised. Nonetheless, there are a few Polish publications on the topic [3, 4]. By contrast, the subject of intermodal transportation is analysed more often [5, 6, 7]. Intermodal transport in Poland is under development and in the European Union

transport policy it is one of the most favourable forms of transportation. In marketing sense, intermodal services in Poland are still an undeveloped type of segment of the economy and their market share in rail transport, for instance, is insignificant. When one considers the above presented data, one will draw the conclusion that it is necessary to intensify operations if Poland is intending to reach the average European level of 17 % of market share in the volume of freight carried by rail. The Strategy for Transport by 2020, the schedule adopted by the Polish government in 2013 [8, p. 52], assumes that the strategic aim for Poland in this field is to create conditions which would enable formation of cohesive network of terminals and multimodal platforms, without which any further development of intermodal transport will not be possible. This approach, however, requires the employment of some developing marketing concepts, such as social marketing, marketing of relations or the marketing of values.

**Article objectives.** The aim of this article is to draft the role of marketing in intermodal transport, especially within cooperative concept of generating of value for the client and, further, to place it within the paradigm of value as perceived by the client in terms of marketing.

### **Presentation of main materials.**

#### **1. Intermodal transport – marketing perspective**

Until now, market segment of transportation services which deals with multi-mode transportation has required support from central or regional authorities for its development, in order to increase its competitiveness. This support may take a formal form of, for instance, financial resources, or establishing a national plan for the development of intermodal transport, or taking advantage of the marketing promotional tool, for the society as a whole to see the advantages as well as supremacy of intermodal transport over other transportation solutions. Intermodal transport, due to its multitude of parties involved in the process, requires the adoption of client-oriented techniques as well as the philosophy of links- and relations-based marketing operations. If we understand marketing as the process of planning and realization of ideas, setting of prices, distribution and promotion of ideas, goods and services to promote exchange, exchange which realizes the objectives of an individual, business entities, and, also of the society and the state then, the idea of intermodal transport development, when reflected, for instance, in the advertising slogan “Trucks on rails” (Polish: ‘tiry na tory’) is socially significant from marketing perspective.

##### **1.1. Social context of marketing in intermodal transport**

The study of marketing has developed the concept of social marketing. Social marketing means the use of principles and techniques to influence a target group, so that they can either voluntarily adopt certain behaviour, reject it or modify it, or resign from it for the benefit of particular individuals, groups of people or the society as a whole. [9, p. 26]. Social marketing aims at upgrading the quality of life by, for instance, exerting pressure on policymakers, in order to protect the natural environment. Poland serves here as a good example when in 2011, owing to the Civil Affairs Institute and with the participation of representatives from Austria and Switzerland, a promotional campaign “Trucks on rails” (Polish ‘Tiry na tory’) was conducted. Switzerland, which is an ecology-oriented country that practically exploits and aids intermodal transport, serves as a marketing benchmark for others to follow. Even more so, because the Swiss have given rail transport through the Alps a significant place in their constitution [art. 84] and they have been very consistent about it [10, p. 7]. Hence, intermodal transport, understood here as a transportation technology which both serves the proposed aim and brings socially quantifiable effects (such as lowering negative effects on natural environment), is vital for the economy. Furthermore, since the solutions for the development of intermodal transport encompass marketing ideas which are related to the essence of partnership relations between intermodal transport operator and the client. Essential challenges to accomplish for intermodal transport, with the rail as the main participator, are not only technical and specialised ones (such as the rolling stock or mechanical handling equipment) but the necessity to develop partnership relations between intermodal transport operator and its clients. As soon as such partnership relations arise, they are of great value for both parties. A good empirical example of such activities for the benefit of the society as a whole and clients in particular comes from the intermodal transport operator

PCC Intermodal who was the first to put the 2009 climate protection project into practice in Bosnia [11, p.12]. Consequently, the realization of above mentioned challenges within the framework of intermodal transport, with railways as environment-friendly mode of transport, has decisively broader relevance. Accordingly, in the author's opinion, marketing promotional campaign, as discussed earlier, should not be understood merely as support for the technology of "movable way" but perceived in a much wider context of intermodal transport in general. This wider context should include the issue of raising intermodal transport competitiveness as well as the pursuit to transfer some of the roadway transported freight on to railways. At the same time, emphasis must be put on clear communication of intermodal transport advantages and the idea of intermodal cooperation which is especially important in intermodal transportation logistics. Incidentally, this approach appears congruent with one of the aims of the 2011 new transportation policy of the European Union [12, p. 10] which discusses the need to carry, by 2030, all roadway transported freight onto other means of transport. Moreover, statistical data also advocate such interpretation of promotional campaign. In intermodal transport, 20" and 40" containers dominate. They have over 90% share in total transportation [13, p. 117]. In Poland it is highly advisable to develop container-based transportation within the network of intermodal terminals, terminals of public nature, open and generally accessible. It is agreed here that, from marketing perspective, promotional campaign "Trucks on railways" functioned, in social context, as the accumulation point for all rail revitalising activities in general, and emphasized its ecological aspect. This reasoning and its rationale are justified, however, only if one takes into consideration the general view of the role of rail transport in the XXI century and the society's awareness of its importance, the role of ecological paradigm in contemporary business, and, above all, comprehension of needs of the society as a whole in macro sense as well as needs of an individual client, be it a private individual or a business entity. The conclusion arising from the research conducted in 2011 by Inquiry Market Research [14, p. 5] is that Polish people are doubtful about the success of intermodal transport development without the state's support. As many as 59 % of the respondents replied positively to the question of the state's participation in the intermodal transport undertaking. Another support for the above mentioned conclusion arises from an Austrian business person who stated that "without the state's support, not only the development of "trucks on rails" technology is not viable but, what it is more disturbing, the general system of multimode transportation is doomed to failure". No entrepreneur will establish an unprofitable business unless it is supposed to operate for the benefit of society, which is a business of non-profit nature.

### **1.2. Client – oriented marketing in intermodal transport**

Client-oriented marketing presupposes the sale of goods or services for profits. Railway freight transport has natural advantages at long distances. It is only right and reasonable to exploit and promote rail transport so that the goods which can be palletised or containerised could be carried by rail, for instance containers at long distances. Intermodal transport service is an array of intermediate services rendered along the route from departure point A to arrival point B. Some of them are loading and unloading, extra services such as tracking the service, providing the guarantee of access to the route and collecting fare for the access to either roadway (e-toll), or railroad (access rate). Hence, the classic marketing mix of five elements in services must be extended in case of intermodal transport by material certificate of the service as well as of the process of rendering the service. The process of creating service in intermodal transport is structurally and subjectively complex because between the shipping point and the collecting point a variety of services are rendered. Consequently, there is a need for integration and cooperation, and, the ultimate goal is the one that matters – effective delivery according to the client's requirements, i.e., their satisfaction. A contemporary client sees marketing activities in transport from a totally different perspective. It is the cost, benefits, communication and accessibility (convenience) that matter. In other words, they expect flexible services with the least possible number of intermediate operations that generate additional costs due to the dynamic marketing instrument (the price for the overall service route results from the prices for the set of services provided during a particular intermodal transportation service). Freightage for railway transportation often exceeds 50 % of the general price offered to the client. This is why since the end of the XX century all the clients' decisions made about the mode of transport have been presented within the framework of 3 A, i.e., availability, acceptance and

awareness [15, p. 114], which means the clients' acceptance of offers with reference to a particular transportation commission together with their awareness of the effects of their choice.

## **2. Scheme of marketing concept for intermodal transport**

Majority of contemporary businesses operate in networks where, to great extent, they rely on partnership relations with other businesses. Interestingly, business networking is an immanent feature of intermodal transport through which a variety of links participate in delivery chains. Obviously, while functioning as both the service provider and the client, they add on value to the on-going service. In marketing approach, modern service providing businesses do not only focus their attention on their clients but they also care for their own employees. According to Amstrong and Kotler [16, p. 331] such firms explicitly reveal their apprehension for the value chain of service – profit. Such chain combines a company's ability to gain profits with both simultaneous contentment of its employees and clients' satisfaction. This concept, composed of the five main links listed below, is essential for the creation of service in intermodal transport.

- In-house quality of services maintained by employees which results in ...
- Satisfaction and efficiency of service providing employees which results in ...
- Higher value of services and setting value for the client which results in ...
- Client satisfaction and loyalty which results in ...
- Adequate level of gains and development of business. Positive financial results of a service providing business due to integrated activities, e.g. organisational or setting prices, as well as the existence and results of interactive marketing.

Interactive marketing means that the quality of services largely depends on the quality of relations and interactions among the seller, the service provider and the buyer throughout the process of service providing. In marketing of services, the quality of service depends on not only the service provider but also on the process itself. The confirmation of the above can be found in the research project concerning the creation of the conditions for the development of the intermodal logistic network in Poland, [17,p.18] as well as in Crosbie, Ewans and Cowles [18, p.18 ] who claimed that the value of relations is established through the involvement of both service providers and clients.

### **2.1 Principles of the marketing concept in intermodal transport**

Interactive marketing is even more significant for intermodal transport services where assorted links participate and where the quality of their operations contribute to the ultimate quality of the end-service. Within the integration process where, for instance, the operator takes over from the client the arrangement and the administration of the transportation process, partnership in the creation of the service offer is indispensable. Consequently, the intermodal transport operator needs to have active (co-operative) approach and the willingness to seek benefits for both parties. Such attitude presupposes that the intermodal transport operator will treat his service buyers and haulage subcontractors as clients and partners. This integration will contribute to reciprocal benefits and synergy effect such as high quality of service, brand awareness and finally, loyalty. Partnership-oriented approach in intermodal transport marketing is presented in figure 1. What is significant for this concept is the fact that the intermodal transport operator treats its clients, suppliers and intermediaries as partners in the process of generating and guaranteeing value for the client. According to Hearn [19, p. 39], this is possible, provided that we have perfect business partners and partnership relations with them. This refers to forwarding partners, logistic services providers as well as the clients who provide containers. These relations are indispensable to profit from, e.g. being visible in the transportation chain activities or from the plans for clients servicing activities. The set of benefits for the buyer may be defined as the value offered by businesses and organisations to the buyer.

### **2.2 Value for clients in the intermodal transport**

The task for marketing here is to generate this value which is contributory, on the one hand, to the buyers' satisfaction and loyalty and, on the other, to achieving the service provider's expected results, in other words long-term profits. What is more, if one considers the fact that services rendered in intermodal

transport are dynamic business processes which integrate marketing and logistic activities, one realizes that in order to manage and administer such process there is unquestionable necessity for integration of different links, forms, levels of activity as well as marketing and logistic instruments.

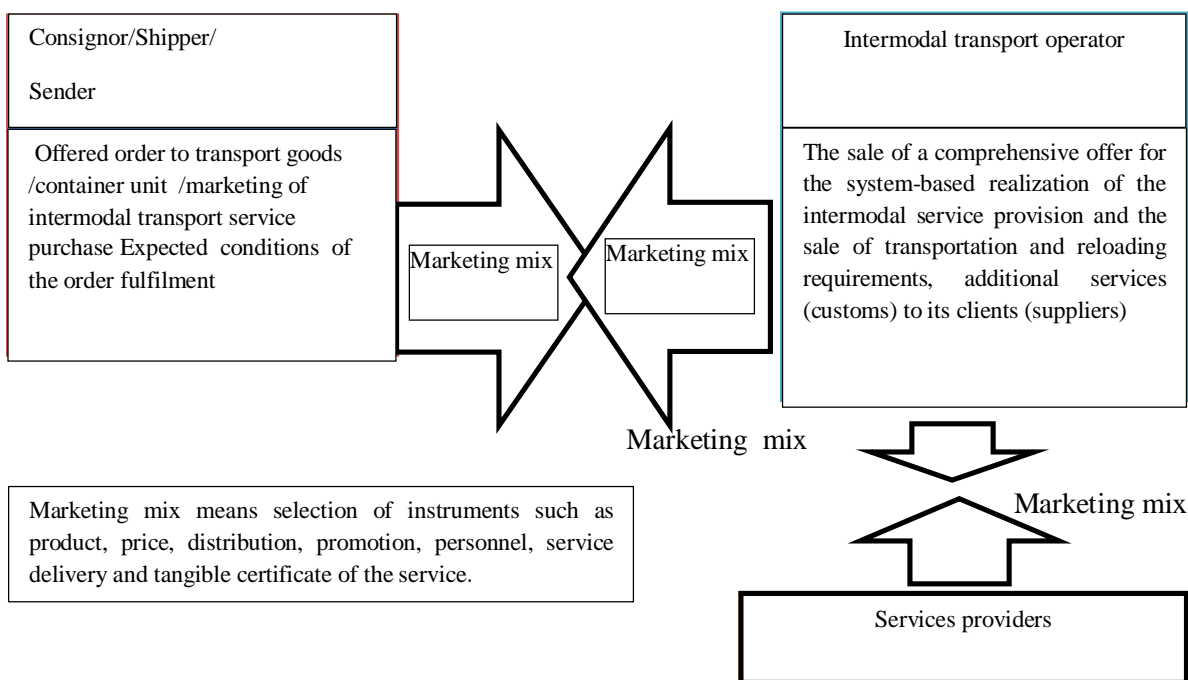


Figure 1. Marketing concept within intermodal transport – partnership view  
Source: the author's own development

As a consequence manifold values for the client are generated. These are utility values such as the value of goals and places; values related to communication, for instance information-derived values; experience-derived values; economic values such as the ratio of price to the value perceived by the client [20, p. 213]. In this process of generating essential values, the client of intermodal transport considers:

- marketing activities from the cost perspective (e.g. in the meaning of aggregate freightage), benefits, communication, accessibility (understood as the client's access to intermodal transport terminals which is sometimes treated as a separate product),
- logistic activities from different viewpoints, e.g., customer service, supplier's responsiveness to the client's requirements,
- relations from the perspective of experience derived from contacts and interactions with a particular business entity, brand, or service. Research by McKean [21, p. 658] proves that decision taking processes result from earlier relations between the parties and their common experience.

This reasoning is supported by Hammer [22, p.15] who claims that the value for client is generated by the processes which are the essence of transport. In the economic sense the value for client is inseparably bound with the price and has use value [23, p. 56]. It is here believed that it is in the proposal coming from Christopher [24, p. 57] of creating the value for client where one finds the use and application development. Figure 2 presents the application view for intermodal transport. Since the majority of contemporary businesses operate in networks and considerably depend on partnership relations with other entities, they contribute to the establishment of the peculiar type of marketing network for the provision of value [25, p. 93-95]. The network encompasses a company together with its employees, service providers, intermediaries, co-operators and clients. Managing the generation process of the value for client by the intermodal transport operator means that the operator effectively satisfies the client's needs as well as the

needs of value-network generating entities. Such approach can be observed in practice in the functioning of the port of Hamburg where new container line connections are established in order to satisfy its clients' needs.[26, p. 36-37] Value is understood as the difference between perceived benefits arising, among others, from the attributes of the offered service, such as its complexity, term of delivery, reliability and the perceived costs, such as transactional costs, involved either in the purchase cost of a given service (service price for the entire transportation route) or the costs of, for instance, the risk involved in uncertainty as to the effects of decisions taken, or the risk of force majeure occurring during the realisation process. Marketing concept, in the intermodal transport's generation process of value both for the client and the operator means that

- the buyer, while choosing between service operators, decides on the one that offers the highest value;
- the buyer is driven by an opportunity to satisfy his needs, most often they are of economic nature, such as lowering of costs;
- the buyer is driven by his confidence that it is more profitable to establish long-term relations with clients as this is the right way to build up trust and loyalty of clients who will consistently place orders for his services [27, p. 85].

Intermodal transport is essentially involved in the provision of congeneric solutions to the client's problems (e.g. inter-operative, logistic, transactional, documentary, etc) connected with the flow of a given product in a container unit from stage A to stage B. In view of this, effective solutions offered to clients' problems by intermodal transport operator is also the way to generate value for the latter, for example permanent clients base. Research conducted in the USA has proved that suppliers' timely and efficient solutions to problems reported by their clients affect the clients' willingness to continue cooperation with such suppliers. [28,p.84-94] There is support for the above reasoning in Smyczek [29, p. 21] who emphasises that one of the most effective ways to develop a business' stability on the market is via the creation of the clients' loyalty by offering them values they expect. It is indispensable then to develop an adequate strategic plan which would be based on the supply of value to the client.

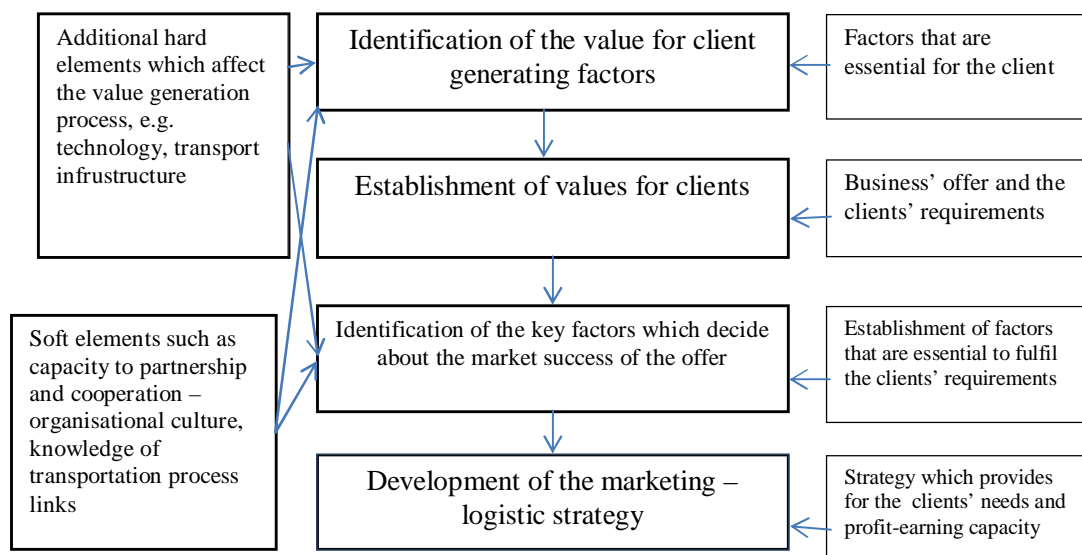


Figure 2. Value generating process for the client in intermodal transport  
 Source: Author's own developemnt based on [30, p. 57-79, 31, p. 315]

**Conclusions and perspectives for further research.** Contemporary business of intermodal transport must be socially responsible in order to expedite its development. Making use of marketing concepts, which generate value for both the buyer and the supplier becomes an imperative. It is the partnership of intermodal transport chain links as well as co-modality, i.e. employment of assets of particular modes of transport in the intermodal transport chain, that may predestine its development and

success. Value generation for the client is a complex process which significantly depends on a number of factors such as employees or tangible resources. Value supply process itself in intermodal transport is mainly about how to optimize and coordinate activities conducted by the operator as well as by other entities participating in the transportation chain. Subsequently, these activities should generate values which the client expects, values, such as time and place, which are achievable upon acceptance of costs by the client. The topic raised above requires further research into the identification of negative factors as well the factors which contribute both to the value generated for the client as well as to the intensification of carriage via intermodal transport.

1. Stokłosa J. *Transport intermodalny* / Stokłosa J. – Lublin: Wydawnictwo Naukowe WSEiI, 2011. – S.7. 2. Wronka J. *Transport kombinowany* / Wronka J. – Szczecin: Uniwersytet Szczeciński, 2008. – S. 16-21. 3. Rucińska D. *Marketingowe kształtowanie rynku usług transportowych* / Rucińska D. – Gdańsk: Wydawnictwo Uniwersytetu Gdańskiego, 2001. 4. Mindur L. *Marketing w transporcie* // Wydawnictwo Politechniki Radomskiej. – Radom, 1997. 5. Stokłosa J. *Transport intermodalny* // Wydawnictwo Naukowe: WSEiI. – Lublin, 2011. 6. Wronka J. *Transport kombinowany* / Wronka J. – Szczecin: Uniwersytet Szczeciński, 2008. 7. Diomin J. *Railway engineering of international transport system* / Diomin J. – K.: Ministerstwo Transportu Ukrainy, Junikon Pres, 2001. 8. *Strategia rozwoju transportu do 2020 r.* – Warszawa: MTIGM, 2013. 9. Kotler P. *Marketing* / Kotler P. – Poznań: Dom Wydawniczy Rebis, 2005. – S.26. 10. „Tiry na tory- towary na kolej”. – Łódź: Instytut Spraw Obywatelskich, 2010. – S.7. 11. Konsor-Faferek M. *Marketing międzynarodowy, a działania lokalne* / M.Konsor-Faferek // *Materiały niepublikowane PCC Intermodal.* – Warszawa, 2012. – P. 12. 12. *Biała Księga. „Plan utworzenia jednolitego europejskiego obszaru transport – dążenie do osiągnięcia konkurencyjnego i zasobooszczędnego systemu transportu.* – Bruksela: Komisja Europejska, 2011. – S. 10. 13. *Materiały Polskiego Urzędu Transportu Kolejowego „Ocena funkcjonowania rynku transportu Kolejowego”.* – 201. – S.117. 14. *Materiały konferencyjne z konferencji „Tiry na Tory” za A. Górnicką z Inquiry Market Research.* – Warszawa, 2011 – S. 5. 15. Załoga E. *Strategie rynkowe kolei wobec zmian w preferencjach klientów* / Załoga E. – Szczecin: Uniwersytet Szczeciński, 1998. – S.114. 16. Armstrong G. *Marketing* / G. Armstrong, P. Kotler. – Warszawa: Wolters Kluwer Polska. 2012. – S.331. 17. Krzyżaniak S. *Tworzenie warunków funkcjonowania i rozwoju intermodalnej sieci logistycznej* / S. Krzyżaniak, L. Mindur. – Poznań: Ministerstwo Nauki i Szkolnictwa Wyższego, Instytut Logistyki i Magazynowania, 2011. – P. 18. 18. Crosby L. A. *Relationship Quality in Services Selling* / L. A. Crosby, K. A. Ewans, D. Cowles // *An Interpersonal Influence Perspective Journal of Marketing.* – 1990. – Vol. 54 – No. 3 – pp. 68 – 81. 19. Hearn S. *London Gateway* / S. Hearn // *Focus Logistics and Transport.* – 2012. – No. 12. – P. 38. 20. Zupko S. *Kreowanie wartości dla klienta przez producentów napojów alkoholowych w pracy B. Dobiegały-Korona, T. Doligalskiego: Zarządzanie wartością klienta w przedsiębiorstwach w Polsce* // *Oficyna Wydawnicza SGH – Warszawa, 2011 – s. 213.* 21. Khalifa A. S. *Customer Value: A Review of Recent Literature and an Integrative Configuration* / A. S. Khalifa // *Management Decisions.* – 2004. – Vol. 42, No.5. – P. 658. 22. Bukowski W. *Wpływ wartości firmy przewozowej na wartość usług przewozowych* / W. Bukowski // *Zeszyty Naukowe Uniwersytetu Szczecińskiego.* – Nr 603 – S. 15. 23. Christopher M. *Logistyka marketingowa* / M. Christopher, H. Peck. – Warszawa: PWE, 2003. – S.56. 24. Christopher M. *Logistyka marketingowa* / M. Christopher, H. Peck. – Warszawa: PWE, 2003. – S.57. 25. Armstrong G. *Marketing* / G. Armstrong, P.Kotler. – Warszawa: Wolters Kluwer Polska. 2012. – S.93-95. 26. Beuningen B. *Liner Shipping News* / Beuningen B.// *Port of Hamburg-Magazine, Hamburg.* – 2013. – No. 1. – S.35-37. 27. Doyle P. *Marketing wartości* / Doyle P. – Warszawa: Felberg, 2003. 28. Barlow J. *A Compliment is a Gift. Using customer feedback as a strategic tool* / Barlow J., Moller C. – San Francisco: Berrett – Koehler Publishers, 1996. – P.84-94. 29. Smyczek S. *Transport publiczny, jako źródło wartości dla pasażera* / Smyczek S. // *Komunikacja.* – 2013. – Nr. 4. – s. 21. 30. Christopher M. *Logistyka marketingowa* / Christopher M., Peck H. – Warszawa: PWE, 2003 r. – S.57-79. 31. B. Dobiegała-Korona, T. Doligalski. *Zarządzanie wartością klienta, pomiar i strategie.* POLTEXT – Warszawa, 2010 r. – s. 315.