



Research on Logistics Service Management of Nanyang Postal Company

Chen Liu¹ and Jinhong Wang^{2*}

¹Faculty of Business Administration, Liaoning Technical University, Huludao 125105 China

²Faculty of Media and Arts, Liaoning Technical University, Huludao 125105 China

*626257905@qq.com

Abstract. The logistics business of China Post has been growing with the growth of demand in the modern logistics market and the rapid development of e-commerce. In this process, postal logistics has made many remarkable achievements, but also exposed many problems. This paper mainly focuses on the in-depth analysis and research of the problems existing in the logistics service of Nanyang City Postal Company, combs through the SWOT analysis method to find out its strengths, weaknesses, opportunities and threats in logistics service, and combines with the operation system of Henan Provincial Postal Company and China Postal Group, and suggests to optimize and Adjustment. The above measures will help Nanyang Post Company improve its logistics service management level.

Keywords: Logistics Services, Postal Logistics, Nanyang prefecture level city in Henan, SWOT analysis.

1 INTRODUCTION

In the past, postal logistics services were mainly based on mail delivery, where letters, documents and other items were sent from the sender to the recipient through the postal network [1]. After entering the twenty-first century, with the rise of e-commerce and the popularization of the Internet, people can trade goods and shop online through the Internet [2]. Both individual consumers and businesses need reliable logistics services to deliver goods from sellers to buyers, and the demand for fast and reliable logistics services is increasing [3]. State-owned postal companies have also gradually adjusted their business structure to carry out diversified services such as express parcel delivery and logistics distribution to meet people's growing logistics needs [4].

Nanyang City is a sub-provincial central city of Henan Province and an important economic development and logistics and transportation center [5]. With the influence of an old state-owned enterprise, a relatively well-developed operational system, and a perfect infrastructure, Nanyang City Postal Company has a leading position in the city in terms of its express delivery business volume [6]. However, with the development and growth of private courier companies such as Yuantong, Zhongtong, Shunfeng, Jingdong and other private courier companies in recent years, the original monopoly position of postal logistics has also been subverted, these private logistics companies

rely on more flexible and convenient service mode to receive more customers, the original belongs to the postal logistics of the old customers are also constantly lost [7]. In the new era, Nanyang Post Company will face unprecedented challenges and market competition pressure [8].

Domestic scholars for the state-owned logistics enterprise service problem research is less, especially on the local postal company logistics service research still exists in the blank. In this paper, we will use SWOT analysis to comprehensively analyze the advantages, disadvantages, opportunities and threats of Nanyang City Postal Company in logistics services, and put forward corresponding measures to solve the problem in combination with the actual situation of Nanyang City Postal Company.

2 SWOT ANALYSIS OF LOGISTICS SERVICE OF NANYANG POSTAL COMPANY

2.1 Strengths

(1) Brand Advantage

Nanyang Postal Company is subordinate to China Post Group Corporation, which is one of the oldest state-owned enterprises in China and has an excellent reputation in the hearts of the people. As a people's enterprise, China Post has long been adhering to the "people's post for the people" service concept, and is a household name, safe and reliable excellent enterprise for the Chinese people.

(2) Policy Advantages

State and government policy support is one of the advantages in guaranteeing the long-term development of China's postal business. Article 16 of the Postal Law of the People's Republic of China (as amended in 2015) stipulates that "the State shall subsidize postal enterprises for the provision of universal and special postal services and shall strengthen the supervision of the use of the subsidized funds". As a wholly state-owned enterprise under the direct control of the central government, China Post is more likely to receive support from the national government and industry preferential policies.

(3) Outlet Advantage.

As of the end of 2023, enterprises have set up a total of 2,319 business outlets of various types, an increase of 113 compared with the end of 2023, of which 275 postal universal service business outlets, 1,195 business outlets of express delivery enterprises, service stations and other types of business outlets 849. The city set up village-level comprehensive service station for mail delivery and logistics (village postal station) 4,210. There are 284 postal letterboxes, 5 fewer than at the end of the previous year, of which 211 are located in rural areas. The average service area that can be provided by each logistics service outlet in the city can reach 15.69 square kilometers, and the average population that can be served by each business outlet can reach 0.57 million. The city's average annual courier usage amounted to 18.9 pieces, with an average of 2.31 postal deliveries per day in urban areas and 0.7 deliveries per day in rural areas.

In order to realize the universal postal service, the postal logistics service outlets after decades of development in almost every region of the country, to achieve the city's county and rural three-tier logistics and distribution network full coverage, many outlets to solve the "last kilometer" problem to provide great convenience.

(4) Facility Advantages

The logistics facilities of China Post are very well constructed, with modern warehouses and efficient sorting equipment, nationwide interconnection, three-dimensional transportation by sea, land and air, and extremely strong networked transportation capacity. Nanyang Postal Company has built large-scale cold chain logistics distribution centers and express distribution centers in the city, with modern warehousing facilities and sorting equipment.

(5) Business Advantages

After decades of development and improvement, postal logistics has a rich variety of services. Existing ordinary parcels, EMS domestic express special delivery, economic parcels, government special delivery, business special delivery, very fast fresh, Hong Kong, Macao and Taiwan express special delivery, international express special delivery and so on, which can satisfy the mailing needs of different users.

The total business revenue of express service of Nanyang Postal Company for the whole year of 2023 was 1.897 billion yuan, a year-on-year increase of 41.54%. The total business volume was 275,168,600 pieces, an increase of 49.92% year-on-year. Among them, the total business volume of same-city express service was 23,188,900 pieces, an increase of 63.03% year-on-year; the total business volume of off-site service was 25,111,187,000 pieces, an increase of 48.79% year-on-year; and the business volume of international/Hong Kong, Macao, and Taiwan service was 861,000 pieces, an increase of 57.42% year-on-year. The business volume of express service of Nanyang City's postal industry in 2023 is shown in Table 1:

Table 1. Nanyang City Postal Industry Express Business Volume in 2023

	Unit: 10,000 units, percentage	
Courier service	business volume	Year-on-year growth rate
Local express	2318.89	63.03
Off-site express	25111.87	47.89
International/HK, Macao and TW	86.10	57.42
Total express delivery operations	27516.86	49.92

Source: Nanyang Postal Administration

2.2 Weaknesses

(1) Low market awareness

China Post Group Limited, because of its state-owned enterprise nature, the enterprise operation is not entirely profit-oriented, but also bear part of the social responsibility. Coupled with the strong support of government policies, many times it will trivialize the competitive relationship in the market, and marketing and publicity work is not in place.

(2) Improperly set mailing prices

Business customers usually mail large quantities of goods, the volume of mail is also relatively stable, out of the need for cost control, they are very sensitive to logistics prices and have a stronger bargaining power. Postal logistics in the face of business customers, the introduction of the lack of flexibility in logistics prices, the preferential space is too small, which will gradually lose the favor of many large customers.

(3) High mailing threshold

Due to security and policy considerations, postal logistics has restrictions on many categories when collecting objects, and many common items such as fresh vegetables, pets and alcohol cannot be delivered by postal logistics, while other companies can deliver them normally, which will lead to the further loss of a part of the customers of postal logistics.

2.3 Opportunities

(1) Developments in e-commerce.

In Fig.1, national online retail sales amounted to 15.4 trillion yuan, up 11.0% year-on-year. Among them, online retail sales of physical goods amounted to 13.0 trillion yuan, up 8.4%, accounting for 27.6% of total retail sales of consumer goods. The increase in the number of online shoppers and the volume of orders has boosted the development of China's logistics industry in an unprecedented manner, and has likewise brought opportunities to postal logistics. According to the data analysis of Nanyang Postal Administration, the annual business volume of Nanyang Postal Company accepting shopping express has taken up more than 70% of the total business volume.

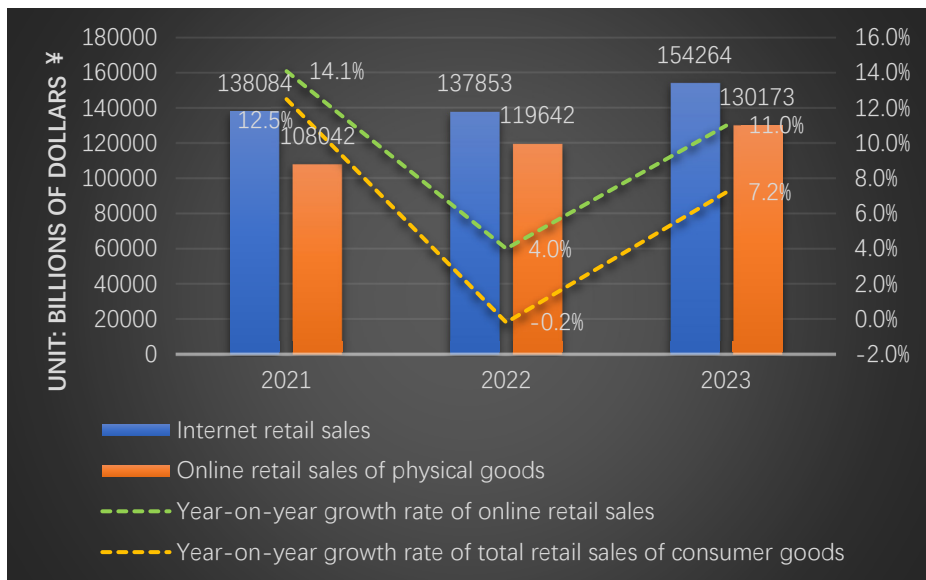


Fig. 1. 2021—2023 E-tailing growth trend chart

(2) Developments in information technology.

The development of artificial intelligence, big data, Internet of Things and 5G technology has revolutionized information dissemination in the logistics industry. Information is disseminated and applied more quickly and effectively, making the logistics industry develop in the direction of intelligence, informationization, automation and platformization. From information electronization to information management, from the application of intelligent software to intelligent warehousing, the quality of China Post's logistics service has also been effectively improved compared with the past in the process of the continuous development of modern information technology.

(3) Service level upgrade.

With the huge changes in the market environment, postal logistics services must also change with the wave in order to have a chance to continue to survive. 2021 January Ministry of Transportation and Communications integrated planning issued a policy "on the service to build a new pattern of play functions of the guiding opinions" clearly put forward: "to promote the development of e-commerce logistics, enhance the capacity of postal express delivery services, improve the rural postal express delivery service network, the Construction of delivery nodes up to the county and down to the village".

2.4 Threats

(1) Intense competition within the industry

Since the reform and opening up, under the new situation of the domestic logistics market, foreign logistics companies and domestic private logistics enterprises have blossomed everywhere. Various private logistics enterprises utilize their higher flexibility, low prices, high preferential treatment, strong service and other means to quickly divide the original belongs to the postal company's logistics market, which brings great competitive pressure to the postal logistics.

(2) High maintenance costs for operating systems.

The cost of software development and application upgrading of contemporary Internet companies is relatively high, and the system application layer software platform on which the postal platform is based should also face the cost of post maintenance and application constant updating, and the postal company is unable to invest more manpower, material and financial resources to develop its own software, which greatly increases the cost of logistics services, and is unable to obtain the price advantage.

(3) Customer bargaining power

Bulk business customers have strong bargaining power and higher requirements on logistics time, transportation cost, transportation quality and after-sale service. In particular, they are more sensitive to logistics costs, and the prices and services provided by the postal service will surely satisfy these customers under the constraints of the original enterprise regulations.

Figure 2 demonstrates the results of the SWOT analysis of the logistics services of Nanyang Postal Company.

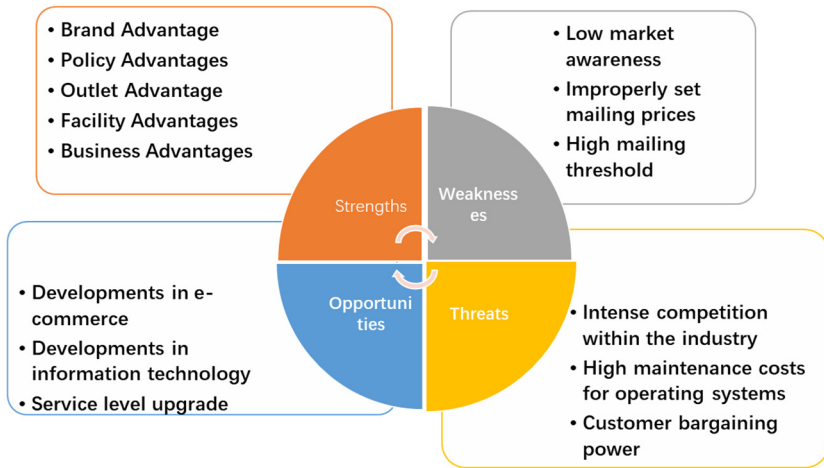


Fig. 2. SWOT Analysis of Logistics Service of Nanyang Postal Company

3 LOGISTICS SERVICE ENHANCEMENT STRATEGY OF NANYANG POSTAL COMPANY

3.1 Sound Performance Appraisal Mechanism

The performance appraisal mechanism should adhere to the principle of flexible labor costs. Further implement the wage allocation model of "basic salary + performance pay". First of all, it is necessary to increase the incremental incentives for key logistics revenue business, according to the profit, cost and efficiency of different units and other factors, appropriate adjustment of the structure of labor costs, to give full play to the role of incentives and protection of remuneration. Secondly, the pay for performance should implement the distribution principle of "more work, less work, no work" to stimulate the enthusiasm of grass-roots employees and ensure that the quality of service can be effectively ensured.

3.2 Improve Marketing Skills and Actively Maintain Clients

Nanyang City Post Company needs to focus on strengthening the user analysis and cognitive ability, relying on big data, artificial intelligence and other technologies to collect customer information, make a scientific division, establish a set of customer information database, accurately grasp the needs of different levels of customers pulse, the comprehensive use of corporate resources, to develop appropriate marketing strategy.

Eradicate the stereotypical thinking of sitting and waiting for customers to come to the door, take the market as the guide, and turn passive into active. Seize the advantages of service outlets, actively promote their own advantages and capabilities to customers, take the lead in attracting customer attention, increase the potential consumption power; comprehensively promote "warehousing + delivery" services, carry out boutique line marketing model, focus on the development of e-commerce mail business.

The establishment of customer feedback platform is an important measure to collect customers' opinions, improve the service level and enhance the marketing ability. The customer feedback platform constructed through big data technology focuses on mastering customers' overall evaluation and feedback analysis of the Company's logistics business, which serves as the basis for optimizing the service and enhancing the stickiness of customers.

3.3 Promoting the Optimization of the Provincial Transport Network

Optimize the transportation routes in the south and east of Nanyang, and further unify the planning of the distribution functions of Nanyang and Zhumadian and Xinyang postal districts. Strengthen the mail processing capacity of Nanyang Postal Company, increase the capacity of city and county direct dispatch, so that the mail passing through Nanyang postal district can be directly transported from Nanyang to Pingdingshan, and then to Xu Chang and then to Zhengzhou, and no longer pass through Xinyang and Zhumadian to process, and thus improve the transportation efficiency and shorten the transportation time.

Make full use of network advantages to realize the goal of unified command and dispatch of land transportation network. Municipal, district and county postal districts, to further strengthen the transportation process 7 x 24 hour all-weather monitoring capabilities, as well as logistics and transportation of key links in the early warning capabilities, to create a set of rapid response, vertical command, dynamic scheduling, information-sharing command and scheduling system.

3.4 Integration of Information Systems

China Post has been committed to building a logistics public information platform to promote the early realization of the unification of information exchange standards among various parts of the enterprise and postal systems at various levels, and to promote the safe, reliable, efficient and smooth exchange of logistics information among domestic and even global postal logistics information systems and platforms. Nanyang Postal Company should actively cooperate with the Group Company to promote the requirements of the national postal logistics information platform construction, actively promote the effective connection between the data resources of the logistics industry chain in Nanyang City postal district and the national postal logistics information platform, so as to achieve the interconnection and sharing of information and resources, and to make practical efforts for the upgrading of its own logistics information system and the improvement of the whole postal logistics information system.

Through the satellite positioning system, the Internet, RFID reader group, transport vehicles, control centers and other parts of the coordinated composition of each other, to achieve the information can be traced, can monitor, real-time integration. This will help to collect and process information for the company, provide effective help for decision-making at the upper level, and play a better role in the prediction and prevention and control of risk factors.

4 CONCLUSIONS

This paper analyzes and researches in-depth the problems existing in the logistics service of Nanyang City Postal Company through SWOT analysis, combines the specific situation and development strategy of Nanyang City Postal Company, puts forward corresponding solution countermeasures, and concludes as follows:

(1) Customer service is the top priority of the logistics industry. Only by taking the market demand as the guide and effectively promoting the improvement of service quality can we win the long-term trust of customers. Logistics companies must pay attention to improving customer service quality, actively accept customer feedback and constantly optimize adjustments accordingly; actively market customers, develop new customers and maintain old customers.

(2) The efficiency and quality of logistics transportation is the core competitiveness of logistics enterprises. Only by continuously optimizing the logistics network, unifying the transportation scheduling, continuously improving the efficiency of logistics and transportation, and becoming the most reliable and efficient logistics service provider, can we occupy an absolutely dominant position in the competition of the logistics industry.

(3) Technological innovation and management innovation is the power source of long-term sustainable development of enterprises. Relying on modern information technology such as e-commerce, Internet of Things, big data, artificial intelligence, 5G technology, etc., promoting the construction and integration of intelligent, integrated, visualized and platform-based logistics information system, and promoting the reform of management mechanism and system through scientific management and system optimization is the way to the scientific development of logistics enterprises.

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