

Digital Transformation Strategies and Performance of Freight Forwarding Companies in Kenya

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Abstract: The freight forwarding industry plays a critical role in facilitating international trade and enhancing supply chain efficiency in Kenya. However, the sector continues to experience operational challenges arising from fragmented processes, limited cargo visibility, inefficient information management, and increasing customer expectations. Although digital transformation has been widely promoted as a solution to these challenges, empirical evidence on its influence on the performance of freight forwarding companies in Kenya remains limited. This study therefore examined the effect of digital transformation dimensions on the performance of freight forwarding companies in Kenya. Specifically, the study investigated the influence of customer relationship management (CRM) strategies on organizational performance. The study was anchored on Dynamic Capabilities Theory, the Resource-Based View Theory, and the Technology Acceptance Model. A descriptive research design was adopted. The target population comprised 1,086 licensed freight forwarding companies in Kenya as registered by the Kenya Revenue Authority in 2025. Using Yamane's formula with an 8 percent margin of error, a sample of 140 firms was selected, with operations and logistics managers serving as the respondents. Primary data were collected using a structured questionnaire based on a five-point Likert scale. A pilot study involving 14 respondents was conducted to test the reliability and validity of the research instrument. Reliability results indicated Cronbach's Alpha coefficients above 0.70 for all constructs, while content and construct validity tests confirmed the suitability of the instrument. Out of the 140 questionnaires administered, 118 were successfully completed and returned, representing a response rate of 84.3 percent. Data were analyzed using descriptive and inferential statistics with the aid of the Statistical Package for Social Sciences (SPSS). Descriptive statistics included frequencies, percentages, means, and standard deviations, while inferential analysis involved Pearson correlation and multiple regression analysis. The findings revealed that all the digital transformation dimensions had positive and statistically significant effects on the performance of freight forwarding companies. Customer Relationship Management dimensions recorded the strongest influence on performance ($\beta = 0.418$, $p < 0.05$). The regression model explained 58.0 percent of the variation in organizational performance ($R^2 = 0.580$). The study concludes that digital transformation dimensions significantly enhance the performance of freight forwarding companies in Kenya. The study recommends increased investment in customer relationship management platforms.

Keywords: freight forwarding industry, digital transformation, customer relationship management (CRM).

1. INTRODUCTION

The logistics and freight forwarding industry is a critical pillar of international trade and global economic integration, facilitating the movement of goods across borders and linking producers, markets, and consumers worldwide. Maritime container shipping alone accounts for over 90 percent of world trade by volume, underscoring the sector's centrality in

sustaining global supply networks (Vinogradov & Vyazovaya, 2022). Within this context, freight forwarders and liner operators increasingly operate in complex, time-sensitive, and information-intensive environments that demand greater efficiency, visibility, and coordination. As a result, the industry is undergoing rapid transformation driven by the adoption of digital technologies that reshape operational processes, organizational structures, and service delivery models. Digital transformation in logistics extends beyond the simple deployment of information technologies. It represents a strategic reconfiguration of business processes, decision-making mechanisms, and customer engagement approaches aimed at improving performance and competitiveness (Li et al., 2025). Technologies such as data analytics, electronic documentation systems, customer relationship management platforms, and real-time cargo tracking systems are redefining how logistics service providers plan, execute, and monitor freight movements across supply chains (Mehta, 2025). These digital transformation dimensions enable firms to improve decision-making, streamline documentation processes, reduce operational bottlenecks, and enhance coordination among multiple supply chain actors.

The urgency of digital adoption has been amplified by recent global disruptions, including the COVID-19 pandemic, geopolitical tensions, and persistent port congestion, which exposed structural weaknesses in traditional logistics models (CICC Research, 2024). In response, leading global logistics firms such as DHL and Maersk have invested heavily in digital platforms that support shipment visibility, electronic documentation, and data-driven decision-making. Data analytics has become increasingly important in enabling organizations to extract valuable insights from large volumes of operational data, while electronic documentation systems facilitate faster information exchange, improved compliance, and reduced reliance on paper-based processes. Despite these advances, adoption in developing regions remains uneven due to infrastructural limitations, skills shortages, and regulatory challenges (Nguyen & Le, 2025). Historically, the logistics industry has relied on manual processes and fragmented information systems, which has slowed the uptake of advanced technologies such as artificial intelligence, blockchain, and Internet of Things applications, even though these technologies have demonstrated significant potential to enhance efficiency and collaboration (D'Antonio & Chiabert, 2018).

At the regional level, Kenya's freight forwarding industry plays a pivotal role in facilitating trade within East and Central Africa, particularly through the Port of Mombasa, which serves both domestic and landlocked regional markets. The sector supports key economic activities across manufacturing, agriculture, and e-commerce. Growing demand for logistics services, driven by expanding regional integration and rising customer expectations for speed and reliability, has intensified the need for digital solutions that address persistent inefficiencies such as customs delays, high logistics costs, and limited cargo visibility (Raza et al., 2023; Krishnan et al., 2024). Data analytics systems can support informed operational decisions through analysis of customer demand, shipment patterns, and performance trends, while electronic documentation systems can enhance efficiency in customs processing and document management. However, the adoption of digital technologies among freight forwarding firms in Kenya remains inconsistent due to financial constraints, limited digital skills, and regulatory complexity (Jedidah et al., 2025). Infrastructural bottlenecks and fragmented policy frameworks further complicate the digital transformation process (Manny et al., 2021).

Globally, the logistics industry continues to expand rapidly, fueled by the growth of express delivery services and the rise of e-commerce. The global logistics delivery market is projected to grow at a compound annual growth rate of 8.5 percent between 2022 and 2027 and is expected to reach revenues of approximately USD 622.69 billion by 2029 (Martin, Hemmelmayr, & Wakolbinger, 2021; Melton, 2022; Research, 2023; Yaiprasert & Hidayanto, 2024). As competition intensifies, logistics firms are increasingly compelled to innovate and adopt data-driven approaches to sustain profitability and competitive advantage (Lawrence & Mupa, 2024). The logistics sector is inherently data-intensive, generating vast volumes of information related to routing, customer demand patterns, cargo status, and fuel consumption. Efficient cost management has become particularly critical in the logistics industry due to rising fuel prices, infrastructure constraints, and heightened customer service expectations. In parallel, growing global awareness of sustainability and environmental responsibility has elevated the importance of logistics performance, eco-strategies, and sustainable operations within the sector (Naji, Murat Gunduz and Fahid Al-Henzab, 2024). Electronic documentation contributes to sustainability initiatives by reducing paper consumption and enhancing process efficiency, while data analytics supports optimization of resource utilization and operational performance. However, African countries continue to record relatively low Logistics Performance Index scores, especially in areas related to trade and transport infrastructure quality, customs efficiency, and logistics service competence (World Bank, 2025). These challenges underscore the need for strategic digital transformation initiatives that can enhance efficiency, reliability, and overall performance.

Efficient logistics services remain fundamental to international trade, economic competitiveness, and supply chain integration. Improvements in logistics processes contribute to lower operational costs, shorter transit times, enhanced service quality, and greater value creation across supply chains (Binda & Bolibrukh, 2022). However, freight forwarding companies in developing economies such as Kenya continue to face persistent operational challenges arising from fragmented information systems, customs delays, limited cargo visibility, and increasing customer expectations, despite ongoing investments in digital technologies (Kuteyi & Winkler, 2022). These practical challenges informed the selection of this study, as they highlight the need to understand which digital transformation strategies can most effectively enhance organizational performance. While previous studies have largely examined individual digital technologies or focused on manufacturing, retail, telecommunications, and public sector organizations, limited empirical evidence exists on the combined influence of key digital transformation dimensions within the freight forwarding industry in Kenya. Consequently, this study contributes new knowledge by developing and empirically testing an integrated framework that examines the influence of data analytics, electronic documentation, customer relationship management, and tracking management dimensions on the performance of freight forwarding companies in Kenya, thereby addressing an important contextual and empirical gap in the digital transformation literature.

At the global level, digital transformation strategies have become central to the competitiveness and operational efficiency of logistics and freight forwarding firms. As international trade volumes expand and supply chains become increasingly complex, logistics companies across Europe, the United Kingdom, Asia, and the Americas are adopting advanced digital strategies to enhance visibility, responsiveness, and cost efficiency. Digital transformation in this context is not limited to technology acquisition but involves strategic integration of digital tools into core operational processes, decision-making systems, and customer service models (Alsufyani & Gill, 2022).

In Europe, countries such as Germany, the Netherlands, and the United Kingdom have been at the forefront of adopting digital transformation strategies in logistics. Freight forwarding firms in these economies have invested heavily in technological, automation, and integrated transport management systems to improve planning accuracy and reduce operational disruptions (Prajogo & Olhager, 2012). For example, German logistics firms have widely deployed technological to forecast demand fluctuations, optimize routing, and manage warehouse capacity, resulting in improved delivery reliability and reduced logistics costs (Apiary, 2026). Similarly, freight forwarders in the United Kingdom have embraced automation strategies, including electronic documentation and automated customs clearance systems, to streamline cross-border trade following increased regulatory complexity (SL Global Logistics, 2025).

In Asia, logistics powerhouses such as China, Singapore, Japan, and South Korea have adopted digital transformation strategies as part of national logistics and industrial development agendas. Chinese freight forwarding firms have leveraged big data analytics and artificial intelligence to manage large-scale logistics networks that support global manufacturing and e-commerce platforms (Lu et al., 2025). Data analytics dimensions are extensively used to anticipate port congestion, optimize container allocation, and improve coordination between inland transport and maritime operations. In Singapore, the adoption of integrated digital platforms linking ports, customs authorities, and logistics service providers has significantly reduced cargo dwell time and enhanced supply chain efficiency (Koh and Yuen, 2022). Japan and South Korea have focused strongly on automation strategies within logistics operations, including automated warehouses, robotics, and digital freight management systems. These strategies have enabled freight forwarders to address labor shortages, improve processing speed, and enhance accuracy in cargo handling and documentation (Krishnan et al., 2024). Additionally, Digital Customer Engagement strategies in Asia increasingly emphasize digital portals that provide clients with end-to-end shipment visibility, automated notifications, and self-service capabilities, thereby reducing manual interactions and operational errors (Goldsby & Zinn, 2016).

Latin American countries such as Brazil and Mexico have also made progress in adopting digital transformation strategies, although at varying levels of maturity. Freight forwarding firms in these markets increasingly rely on digital cargo tracking systems and customer-facing digital platforms to improve transparency and competitiveness in international trade corridors (Martí, Martín, & Puertas, 2017). Studies suggest that firms that strategically invest in digital transformation initiatives achieve superior performance compared to those relying on traditional manual processes (Guo and Xu, 2021).

Across Africa, digital transformation strategies in logistics and freight forwarding are increasingly recognized as critical enablers of trade facilitation, regional integration, and economic development. The continent's logistics sector operates within structurally constrained environments characterized by inadequate infrastructure, fragmented regulatory frameworks,

and high transaction costs, which have historically limited performance (World Bank, 2020). In response, African governments and logistics firms are progressively adopting digital transformation strategies aimed at improving efficiency, transparency, and coordination across supply chains. These strategies include process automation, electronic customs systems, digital cargo tracking, and data-driven decision-making tools (Naji, Gunduz and Al-Henzab, 2024).

In North Africa, countries such as Morocco, Egypt, and Tunisia have made notable progress in implementing digital transformation strategies within logistics and freight forwarding. These countries have prioritized the digitization of customs procedures, port operations, and trade documentation as part of broader trade facilitation reforms (Martí, Martín, & Puertas, 2017). Morocco's port community systems and electronic single window platforms have enabled freight forwarders to automate documentation flows and improve coordination with port authorities, resulting in reduced cargo dwell times (World Bank, 2020). Similarly, Egypt has invested in automated customs clearance and cargo tracking systems to enhance transparency and reduce corruption risks in freight operations (Wali, 2025). These initiatives reflect a strategic shift toward leveraging digital technologies to improve performance, although challenges related to system interoperability and skills gaps continue to affect the depth of transformation (Prajogo & Olhager, 2012).

West Africa has experienced growing interest in digital transformation strategies as a response to chronic port congestion, inefficient border procedures, and rising logistics costs. Countries such as Nigeria, Ghana, and Senegal have introduced electronic customs management systems and digital cargo tracking initiatives to improve trade facilitation and logistics efficiency (World Bank, 2019). In Nigeria, freight forwarding firms increasingly rely on automated documentation and customer digital platforms to manage complex import and export processes within congested port environments (Eto, Okon and Ufia, 2025). Ghana's adoption of digital port systems and paperless trade initiatives has contributed to improved cargo clearance speed and reduced operational delays (Alice et al., 2025). Despite these advancements, inconsistent infrastructure quality and limited integration between public and private digital systems continue to constrain the full realization of performance gains across the subregion (Kuteyi and Winkler, 2022).

In Kenya, digital transformation dimensions within the logistics and freight forwarding sector have gained increasing prominence as the country positions itself as a regional trade and transport hub in East and Central Africa. The strategic importance of the sector is anchored in the Port of Mombasa, which serves as the principal maritime gateway for Kenya and several landlocked countries, including Uganda, Rwanda, and South Sudan. Efficient freight forwarding operations are therefore critical not only to national economic performance but also to regional trade integration. Recognizing this importance, the Government of Kenya has prioritized logistics modernization as part of its broader economic development agenda under Vision 2030, emphasizing the role of digital technologies in improving trade facilitation and operational efficiency (Government of Kenya, 2019).

At the national level, Kenya has undertaken a series of policy and institutional reforms aimed at embedding digital transformation dimensions within logistics and freight forwarding operations. These reforms include the digitization of customs procedures, automation of port operations, implementation of electronic documentation systems, and integration of trade-related information systems across government agencies (Kenya Revenue Authority, 2022). Such initiatives reflect a strategic shift from fragmented, paper-based processes toward coordinated digital ecosystems designed to enhance transparency, reduce delays, and improve service reliability. Empirical evidence indicates that these reforms have contributed to measurable improvements in cargo clearance times and information flow, although performance outcomes remain uneven across firms and corridors (World Bank, 2020).

Despite these institutional efforts, the adoption of digital transformation dimensions at the firm level remains heterogeneous. Large and multinational freight forwarding companies operating in Kenya tend to exhibit higher levels of digital maturity due to greater access to financial resources, technical expertise, and global best practices. These firms increasingly utilize data analytics to support operational planning and decision-making while integrating electronic documentation systems to enhance workflow efficiency and regulatory compliance. In contrast, small and medium-sized local firms often struggle to align digital initiatives with their strategic objectives, resulting in partial or inconsistent implementation (Muoki & Moronge, 2021). This disparity underscores the importance of organizational capabilities, leadership commitment, and technological readiness in determining operational outcomes.

The Kenyan freight forwarding sector also operates within a challenging operational environment characterized by infrastructural constraints, regulatory complexity, and high logistics costs. Logistics costs in Kenya remain significantly

higher than global benchmarks, largely due to inefficiencies in transport systems, port congestion, and administrative bottlenecks (KIPPRA, 2023). Data analytics dimensions are increasingly viewed as mechanisms for improving decision-making through the analysis of operational and customer information, while electronic documentation dimensions help streamline document processing, enhance information accuracy, and reduce administrative delays. However, the effectiveness of these dimensions is often constrained by intermittent system downtime, limited interoperability between digital platforms, and skills gaps among industry practitioners (Said and Moturi, 2021). Another defining feature of the local context is the growing influence of customer expectations and competitive pressures on digital transformation decisions. Kenyan freight forwarding firms are increasingly required to demonstrate reliability, transparency, and responsiveness in service delivery to remain competitive in both regional and international markets. Data analytics and customer relationship management systems enable firms to better understand customer requirements and improve service delivery, while electronic documentation facilitates faster information exchange and transaction processing. These digital dimensions are therefore adopted not only as efficiency-enhancing tools but also as strategic responses to market dynamics and client demands (Shao et al., 2025). Firms that fail to align their digital initiatives with operational and customer requirements risk erosion of market share and declining performance.

From a regulatory and governance perspective, digital transformation in Kenya's freight forwarding sector is shaped by the interaction between public sector digital systems and private sector operations. While government-led digital platforms have improved regulatory compliance and information sharing, their effectiveness depends on the extent to which freight forwarding firms are able to integrate these systems into their internal processes (Ndwiga, 2021). In particular, the adoption of electronic documentation systems and data analytics capabilities enhances the ability of firms to utilize government digital platforms effectively and improve operational coordination. Misalignment between public and private digital initiatives can lead to duplication of effort, increased costs, and operational inefficiencies, highlighting the need for coordinated digital dimensions across the logistics ecosystem.

Freight forwarding companies are critical intermediaries in international trade because they coordinate customs documentation, cargo movement, and multimodal logistics services that connect producers to global markets. Logistics performance is strongly associated with economic productivity and firm competitiveness. Empirical trade research shows that logistics inefficiencies increase the total cost of traded goods in developing economies by between 20 and 40 percent compared to efficient logistics systems (Hummels, Lugovskyy & Skiba, 2020). These elevated logistics costs arise from delays, poor coordination, and information asymmetry, and they directly weaken performance in logistics service firms whose success depends on speed, predictability, and coordination efficiency. Although Kenya has implemented several digital trade facilitation initiatives, including customs automation and electronic cargo clearance systems, freight forwarding firms continue to experience operational inefficiencies characterized by cargo delays, fragmented documentation processes, limited shipment visibility, and increasing customer demands for efficient service delivery. These persistent challenges informed the need to examine whether digital transformation strategies are translating into improved organizational performance within the Kenyan freight forwarding industry.

Delays in cargo clearance represent a measurable operational constraint. Cross-country evidence indicates that each additional day of shipment delay reduces trade volumes by approximately 1 to 2 percent and increases inventory holding costs by up to 0.6 percent of shipment value (Hoekman & Shepherd, 2022). Corridor performance studies further show that inefficient customs and port procedures can double cargo dwell times relative to international benchmarks, creating congestion and unpredictable delivery schedules. For freight forwarding firms, extended dwell times translate into higher demurrage charges, working capital tied up in inventory, and reduced service reliability. Recent logistics performance modelling demonstrates that improving clearance efficiency by even 10 percent can reduce total logistics costs by 3 to 5 percent and significantly improve supply chain reliability (Shepherd, Shingal, & Raj, 2022). However, many logistics systems in Sub-Saharan Africa continue to operate below this threshold due to fragmented information systems, paper-based documentation processes, and procedural bottlenecks. Freight forwarding firms therefore operate in environments where operational inefficiencies are structural rather than incidental, requiring strategic intervention rather than incremental adjustment.

Digital transformation has emerged globally as a strategic response to such inefficiencies. Empirical evidence indicates that firms adopting advanced digital systems achieve measurable improvements in operational efficiency, responsiveness, and service quality (Gunasekaran et al., 2021). Data analytics enables organizations to transform large volumes of operational

information into actionable insights that support planning, forecasting, and decision-making. Studies on data-driven logistics demonstrate that analytics capability explains between 20 and 30 percent of variance in organizational performance across firms (Mikalef et al., 2021). Similarly, electronic documentation systems improve information accuracy, reduce processing time, enhance compliance, and facilitate faster coordination among supply chain actors, while digital cargo visibility systems have been shown to reduce shipment exceptions and improve coordination efficiency (Tan et al., 2022). Customer relationship management systems strengthen customer engagement, improve service responsiveness, and support long-term client retention. These four dimensions data analytics, electronic documentation, customer relationship management, and tracking management were selected because they represent the principal operational components of digital transformation within freight forwarding firms, directly influencing information management, documentation efficiency, customer service, and cargo visibility, which are fundamental determinants of organizational performance. Despite these potential benefits, the extent to which these digital transformation dimensions collectively influence performance within freight forwarding firms in developing economies remains insufficiently understood. Infrastructure gaps, skills shortages, and organizational readiness continue to moderate digital performance outcomes (Kraus et al., 2021; Mikalef et al., 2021).

Existing digital transformation research is heavily concentrated in manufacturing, telecommunications, retail, and public sector environments, with freight forwarding firms largely absent from systematic analysis. Although recent studies demonstrate that digital technologies improve efficiency and transparency, most evidence originates from contexts that differ structurally from logistics service operations (Mandavilli, 2025; Fowowe & Adeniyi, 2025; Kimani, 2024; Mureithi, 2022). Research on data analytics has largely focused on business intelligence and decision support, while studies on electronic documentation have often emphasized regulatory compliance and process efficiency rather than overall organizational performance. Similarly, studies on customer relationship management and tracking systems frequently focus on customer satisfaction or technical optimization rather than integrated firm-level performance (Babu & Reddy, 2023; Eyeregba et al., 2024; Li et al., 2024; Kebut, 2018). Contextually, empirical studies in developing economies tend to focus on single organizations or public institutions, leaving freight forwarding companies, particularly licensed firms in Kenya, underrepresented in industry-wide research. Consequently, managers lack evidence-based guidance on investments in data analytics, electronic documentation, customer relationship management, and tracking systems, while scholars lack integrated empirical models explaining how these digital transformation dimensions jointly influence organizational performance within the freight forwarding subsector. This represents a contextual and conceptual gap that warrants further investigation. The present study therefore seeks to determine the effect of customer relationship management dimensions on the performance of freight forwarding companies in Kenya.

2. CUSTOMER RELATIONSHIP MANAGEMENT DIMENSIONS

Customer relationship management (CRM) refer to an organization-wide approach that integrates customer-focused processes, information systems, and data analytics to manage interactions across the customer lifecycle and enhance organizational performance. Contemporary CRM is not limited to software adoption; it represents a strategic orientation that aligns customer engagement with operational execution and long-term value creation (Kumar & Reinartz, 2020). Scholars emphasize that CRM functions as a dynamic capability that enables firms to systematically capture, analyze, and apply customer knowledge in ways that improve responsiveness, service quality, and competitive positioning (Payne & Frow, 2021). In service industries, CRM dimensions are particularly important because customer perceptions are shaped by consistency, reliability, and communication quality across multiple operational touchpoints (Wedel & Kannan, 2021).

Modern CRM dimensions are built around three interdependent dimensions: customer-centric culture, integrated information systems, and analytical decision capability. A customer-centric culture prioritizes long-term relationship value rather than short-term transactional gains, encouraging organizations to design policies and workflows around customer needs (Kumar & Reinartz, 2020). Integrated CRM systems consolidate customer data from multiple channels, enabling a unified customer view that supports consistent service delivery and faster problem resolution (Payne & Frow, 2021). Analytical CRM extends this capability by transforming interaction data into actionable insights for forecasting demand, segmenting customers, and predicting service outcomes (Wedel & Kannan, 2021). Empirical research demonstrates that firms with mature CRM capabilities exhibit higher customer retention, improved operational coordination, and measurable gains in performance indicators (Verhoef et al., 2021).

The digital evolution of CRM has expanded its strategic importance by embedding artificial intelligence, automation, and predictive analytics into customer-facing operations. AI-enabled CRM systems enhance service responsiveness by automating routine communications, prioritizing service requests, and supporting real-time decision-making (Davenport, Guha, Grewal, & Bressgott, 2020). These technologies allow organizations to manage large customer portfolios without proportional increases in labor costs, thereby improving efficiency and scalability (Verhoef et al., 2021). However, scholars caution that technological investment alone does not guarantee performance improvement; value realization depends on governance structures, employee capability, and integration with frontline workflows (Payne & Frow, 2021). Organizations that fail to align CRM technologies with operational processes often experience underutilization and limited performance impact.

In logistics and freight forwarding environments, CRM dimensions are closely linked to service reliability and customer trust because operations involve frequent coordination under time-sensitive conditions. Logistics customers demand visibility, proactive communication, and rapid problem resolution, making structured CRM processes essential to performance (Hübner, Wollenburg, & Holzapfel, 2020). Research indicates that logistics firms with strong CRM capabilities achieve higher customer satisfaction and loyalty due to improved exception handling and communication transparency (Verhoef et al., 2021). CRM systems enable freight forwarders to track service histories, anticipate customer needs, and coordinate documentation and shipment information more effectively, thereby reducing uncertainty and strengthening relationships (Kumar & Reinartz, 2020).

Analytical CRM also supports strategic planning in logistics by enabling firms to forecast customer demand patterns and identify high-value relationship segments. Predictive analytics helps organizations allocate resources more efficiently and tailor service offerings to customer profiles, which improves both operational efficiency and relationship outcomes (Wedel & Kannan, 2021). Studies on service performance emphasize that data-driven customer strategies reduce churn risk and enhance revenue stability, particularly in competitive service markets (Verhoef et al., 2021). By integrating CRM insights into operational decision-making, firms can shift from reactive service models to proactive relationship management.

Despite the documented advantages, CRM implementation remains challenging in many developing economy contexts due to infrastructure gaps, inconsistent data governance, and limited digital skills. Research highlights that organizational readiness, training, and change management are critical determinants of CRM success (Payne & Frow, 2021). Without adequate capability development, CRM systems may generate data without translating it into improved decisions or performance outcomes. Furthermore, fragmented digital ecosystems can limit interoperability between CRM platforms and operational logistics systems, reducing their strategic value (Hübner et al., 2020). These challenges underscore the need for holistic CRM dimensions that combine technology adoption with organizational learning.

Within the context of this study, CRM dimensions are conceptualized as the coordinated use of customer-centered processes and integrated CRM systems to manage interactions, enhance communication, and improve service delivery in freight forwarding companies in Kenya. Effective CRM enables firms to standardize customer engagement workflows, monitor service quality, and respond proactively to operational disruptions. Literature consistently links structured CRM adoption with improvements in responsiveness, customer retention, and operational reliability, all of which are core indicators of organizational performance (Kumar & Reinartz, 2020; Verhoef et al., 2021). Consequently, CRM dimensions represent a critical component of digital transformation efforts aimed at strengthening competitive performance in logistics-intensive industries.

Babu and Reddy (2023) examined customer relationship management as a driver of organizational performance in highly competitive and customer-centric environments. The study adopted a conceptual and empirical analytical approach, focusing on how CRM dimensions aligned with organizational objectives enhance performance outcomes. The findings revealed that organizations implementing well-structured CRM dimensions experienced improvements in customer acquisition, retention, and long-term relationship value. The study emphasized the role of digital platforms, data analytics, and customer-centric processes in enabling informed decision-making and operational efficiency. CRM initiatives supported improved service quality, streamlined customer interactions, and enhanced responsiveness, which collectively contributed to improved profitability and market competitiveness. The authors concluded that CRM dimensions function as a strategic capability that integrates technology, processes, and customer insights to drive sustainable organizational performance. The study provides strong empirical evidence that CRM initiatives are positively associated with operational efficiency and overall organizational effectiveness.

Haislip and Richardson (2017) investigated the effect of customer relationship management systems on firm performance using archival data from organizations that implemented CRM systems. The study employed a longitudinal research design to assess operational and financial performance before and after CRM adoption. The findings demonstrated significant improvements in performance following CRM system implementation, including enhanced operational efficiency, improved accounts receivable collectability, and greater earnings predictability. Firms also experienced increases in sales and operational cash flows, alongside improved accuracy in management forecasts. The results indicate that CRM systems improve information availability and coordination across organizational functions, thereby enhancing operational decision-making and execution. The study concluded that CRM system adoption yields measurable operational benefits that extend beyond customer management to influence broader organizational performance outcomes.

Eyeregba, Mokogwu, Ewim, and Olorunyomi (2024) conducted a review study examining data-driven CRM dimensions and their impact on operational efficiency and customer satisfaction. The study explored the use of advanced data analytics, artificial intelligence, and machine learning in customer segmentation, predictive engagement, and omnichannel integration. The findings indicated that organizations adopting data-driven CRM achieved enhanced operational efficiency through improved process automation, faster response times, and reduced operational costs. The integration of CRM software and customer data platforms enabled consolidation of customer information, resulting in seamless service delivery and improved coordination across touchpoints. The study further revealed that personalized and predictive CRM practices significantly enhanced customer satisfaction and loyalty. Despite challenges related to data privacy and integration complexity, the study concluded that data-driven CRM dimensions positively influence performance and customer outcomes when supported by robust governance and organizational readiness.

Savellano (2025) examined the impact of digitalization on operational strategies and performance among selected businesses in the Philippines using a descriptive research design that combined quantitative and qualitative methods. The study focused on digital adoption practices including digital marketing, online ordering systems, and customer-facing technologies. The findings revealed that organizations with higher levels of CRM achieved faster service times, increased customer numbers, and reduced operational costs compared to firms relying on traditional practices. Digital customer interfaces improved responsiveness and streamlined service delivery, contributing to enhanced operational efficiency. The study also identified challenges such as high implementation costs and employee resistance, which constrained full digital adoption. The author concluded that customer-focused digitalization strategies play a significant role in improving performance by enhancing service speed, customer engagement, and cost efficiency.

Bueno, Sigahi, Rampasso, Leal Filho, and Anholon (2024) explored the relationship between digitization and operational efficiency in the banking sector through a content-centric thematic analysis of studies published between 2018 and 2023. The study identified key themes linking CRM, service automation, and customer experience to operational efficiency improvements. The findings highlighted that digital platforms and customer-centric operational models enhance service delivery efficiency, reduce transaction processing times, and improve coordination across service channels. The study further emphasized that digital customer experiences supported by Industry 4.0 technologies contribute to improved organizational adaptability and performance. Although focused on the banking sector, the findings provide transferable insights into how CRM dimensions improve operational efficiency and performance in service-oriented industries.

3. METHOD

This study employed a descriptive research design. The target population for this study comprised 1,086 licensed freight forwarding companies in Kenya. The studies data collection instrument was questionnaire. The questionnaires were administered using drop-and-pick-later methods to enhance the response rate and accommodate respondents' availability. Follow-ups were conducted where necessary to ensure timely and adequate questionnaire return.

Consistent with the recommendation by Bell, Bryman, and Harley (2019), approximately 10% of the study sample was used for the pilot, resulting in a pilot sample of 14 respondents. The respondents were selected using the same stratified and simple random sampling procedures adopted for the main study to ensure that the pilot reflected the characteristics of the target population. Nairobi County was selected because it hosts a high concentration of licensed freight forwarding firms and offered convenient access for preliminary testing of the research instrument. Data processing involved editing, coding, classification, and tabulation to ensure accuracy and consistency before analysis. Qualitative data from open-ended questions was subjected to thematic analysis, which identifies and interprets recurring patterns relevant to digital

transformation in freight forwarding (Herzog et al., 2019). Quantitative data from closed-ended Likert scale items was analyzed using descriptive and inferential statistics. Descriptive statistics; including means, standard deviations, frequencies, and percentages summarized the sample profile and illustrate the prevalence of practices such as CRM dimensions (Saunders et al., 2019). Graphical outputs such as tables and bar charts were used to enhance interpretation. Inferential analysis was conducted using SPSS version 29. Pearson correlation analysis assessed the strength and direction of linear relationships between digital transformation strategies and performance (Michaeli et al., 2016). Multiple regression analysis was then employed to estimate the individual and combined effects of the independent variables on performance

4. DISCUSSIONS

4.1 Customer Relationship Management Dimensions

Customer Relationship Management (CRM) strategies play an important role in enhancing customer engagement, service quality, and organizational competitiveness. In the freight forwarding industry, CRM systems facilitate the management of customer information, coordination of communication, monitoring of customer requests, and development of long-term business relationships. This section presents the descriptive analysis of respondents' perceptions regarding the adoption of CRM dimensions among freight forwarding companies in Kenya. The analysis is based on responses measured using a five-point Likert scale ranging from Strongly Disagree (1) to Strongly Agree (5), with results summarized using percentages, means, and standard deviations.

Table 4.1: Descriptive Statistics for Customer Relationship Management dimensions

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD
The company uses CRM systems to manage customer interactions effectively	0.8%	8.5%	11.0%	26.3%	53.4%	4.23	1.01
Customer communication is coordinated through structured CRM processes	0.0%	7.6%	21.2%	37.3%	33.9%	3.97	0.93
Customer requests are tracked and responded to using CRM tools	5.9%	11.9%	14.4%	25.4%	42.4%	3.86	1.25
Customer information is systematically recorded and updated in the CRM system	2.5%	2.5%	9.3%	30.5%	55.1%	4.33	0.93
The company uses CRM data to personalize services for customers	0.0%	7.6%	11.9%	31.4%	49.2%	4.22	0.93
CRM practices improve consistency in service delivery	0.8%	7.6%	16.1%	32.2%	43.2%	4.09	0.99
CRM systems help maintain long-term relationships with customers	3.4%	4.2%	8.5%	37.3%	46.6%	4.19	1.00

The findings presented in Table 4.1 indicate that Customer Relationship Management dimensions are widely adopted among freight forwarding companies operating in Kenya. The highest mean score of 4.33 was recorded for the systematic recording and updating of customer information within CRM systems. More than 85.0% of respondents agreed or strongly agreed with this statement, while only 5.0% expressed disagreement. This finding suggests that freight forwarding companies place significant emphasis on maintaining accurate and updated customer records. The ability to capture and manage customer information effectively is essential for supporting customer interactions, monitoring service requirements, and facilitating informed decision-making. The relatively low standard deviation of 0.93 further indicates consistency among respondents regarding the adoption of this practice.

Similarly, the use of CRM systems to manage customer interactions effectively recorded a high mean score of 4.23. A combined 79.7% of respondents agreed or strongly agreed that CRM systems support effective management of customer interactions. This finding suggests that freight forwarding firms increasingly utilize digital customer management tools to

coordinate communication and enhance service responsiveness. Closely related to this, the use of CRM data to personalize services for customers recorded a mean score of 4.22, with more than 80.0% of respondents expressing agreement. These findings indicate that organizations are leveraging customer information not only for record-keeping purposes but also to tailor services according to customer needs and preferences.

The role of CRM systems in maintaining long-term customer relationships also received strong support from respondents, recording a mean score of 4.19. Approximately 83.9% of respondents agreed or strongly agreed that CRM systems contribute to sustaining customer relationships over time. The findings suggest that freight forwarding firms view CRM systems as strategic tools for strengthening customer loyalty and enhancing relationship continuity. Similarly, CRM practices aimed at promoting consistency in service delivery recorded a mean score of 4.09. The majority of respondents acknowledged that CRM systems contribute to standardized customer service processes, thereby supporting service reliability and operational consistency.

Customer communication coordinated through structured CRM processes recorded a mean score of 3.97. While more than 71.0% of respondents agreed or strongly agreed with this statement, a notable proportion remained neutral. This finding suggests that although structured communication processes are common within many freight forwarding firms, the level of formalization may differ across organizations. Variations in organizational size, customer management practices, and technological capabilities may explain the observed differences in responses.

The lowest mean score of 3.86 was recorded for the tracking and response of customer requests through CRM tools. Despite being the lowest among the CRM indicators, the mean still reflects a positive perception regarding the use of CRM tools for customer request management. More than two-thirds of respondents agreed or strongly agreed that customer requests are monitored and addressed through CRM systems. However, the relatively high standard deviation of 1.25 suggests greater variation among organizations in the extent to which CRM tools are integrated into customer service processes. This variation may indicate differences in CRM system sophistication, resource availability, or levels of digital transformation maturity across firms.

These findings are consistent with existing empirical literature emphasizing the importance of CRM systems in improving organizational performance and customer management outcomes. The results support Eyeregba et al. (2024), who found that CRM systems enhance customer engagement, service quality, and organizational effectiveness through improved management of customer information and interactions. The strong agreement regarding customer information management and personalized service delivery observed in the current study similarly suggests that CRM systems facilitate more responsive and customer-focused operations.

The findings also align with Savellano (2025), who established that effective CRM practices contribute to customer retention and relationship development through structured communication and customer engagement mechanisms. The high mean scores relating to customer relationship maintenance and service personalization reinforce the argument that CRM systems play a critical role in strengthening organizational relationships with customers. Similarly, the findings correspond with Haislip and Richardson (2017), who emphasized the value of customer data in supporting strategic decision-making and improving service delivery. The widespread adoption of CRM practices among freight forwarding firms therefore provides evidence that Customer Relationship Management dimensions constitute an important component of digital transformation and support effective organizational performance.

4.2 Performance of Flight Forwarding Companies

Performance is an important indicator of organizational success because it reflects the extent to which a firm achieves its operational and strategic objectives. Within the freight forwarding industry, performance is often reflected through operational efficiency, service reliability, productivity, customer satisfaction, cost management, and coordination effectiveness. As organizations increasingly adopt digital transformation initiatives, improvements in these performance dimensions are expected to enhance competitiveness and service delivery. This section presents the descriptive analysis of respondents' perceptions regarding the performance of freight forwarding companies in Kenya. The analysis is based on responses measured using a five-point Likert scale ranging from Strongly Disagree (1) to Strongly Agree (5), with results summarized using percentages, means, and standard deviations.

Table 4.2: Descriptive Statistics for Performance of Freight Forwarding Companies

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD
Operational costs have reduced over time	4.2%	5.9%	10.2%	47.5%	32.2%	3.97	1.03
Service delivery is timely and reliable	2.5%	4.2%	12.7%	41.5%	39.0%	4.10	0.96
Internal processes are efficient	1.7%	0.0%	2.5%	50.8%	44.9%	4.37	0.70
Customer complaints have reduced	6.8%	2.5%	6.8%	31.4%	52.5%	4.20	1.13
Operational productivity has improved	2.5%	0.8%	14.4%	28.0%	54.2%	4.31	0.93
Coordination among departments is effective	0.8%	5.9%	8.5%	26.3%	58.5%	4.36	0.93
The overall performance has improved	1.7%	1.7%	11.9%	31.4%	53.4%	4.33	0.88

The findings presented in Table 4.2 indicate that respondents generally perceived the performance of freight forwarding companies in Kenya positively. The mean scores ranged from 3.97 to 4.37, suggesting that most respondents agreed that their organizations had experienced improvements across various performance indicators. The results provide evidence that freight forwarding firms are achieving favorable outcomes in areas such as operational efficiency, productivity, service delivery, coordination, and customer management.

The highest mean score of 4.37 was recorded for the efficiency of internal processes. An overwhelming 95.7% of respondents agreed or strongly agreed that internal processes within their organizations were efficient, while only 1.7% expressed disagreement. The low standard deviation of 0.70 indicates strong consensus among respondents regarding this aspect of performance. This finding suggests that freight forwarding companies have established operational procedures and systems that facilitate efficient execution of organizational activities. Efficient internal processes are essential for ensuring smooth workflow coordination, minimizing delays, and enhancing service quality.

Closely related to this, effective coordination among departments recorded a mean score of 4.36, with 84.8% of respondents indicating agreement or strong agreement. The findings suggest that departments within freight forwarding companies work collaboratively to support organizational objectives and customer requirements. Effective coordination is particularly important within logistics operations because activities such as customs clearance, cargo handling, documentation processing, transportation scheduling, and customer service require continuous interaction across functional units. The relatively low standard deviation further indicates consistency in respondents' perceptions regarding departmental coordination.

The overall performance of freight forwarding companies recorded a mean score of 4.33. More than 84.0% of respondents agreed or strongly agreed that organizational performance had improved. Similarly, operational productivity recorded a mean score of 4.31, with over 82.0% of respondents expressing positive views. These findings suggest that organizations have experienced notable improvements in output, operational effectiveness, and achievement of organizational objectives. The results further indicate that freight forwarding firms are increasingly capable of delivering services efficiently while maintaining acceptable productivity levels.

Customer complaints recorded a mean score of 4.20, with approximately 83.9% of respondents agreeing or strongly agreeing that customer complaints had reduced over time. This finding suggests improvements in service quality, responsiveness, and customer satisfaction. Although the statement recorded a slightly higher standard deviation than most other indicators, the results nevertheless indicate that the majority of organizations have achieved positive customer-related outcomes. Reduced customer complaints may reflect improvements in communication, service reliability, cargo visibility, and operational coordination.

Service delivery was also positively rated, recording a mean score of 4.10. More than 80.0% of respondents agreed or strongly agreed that services provided by their organizations were timely and reliable. The findings suggest that freight forwarding companies have developed capabilities that support consistent service provision and timely execution of logistics activities. Reliable service delivery is a critical determinant of competitiveness within the freight forwarding industry because customers increasingly demand speed, transparency, and predictability in logistics operations.

The lowest mean score of 3.97 was recorded for the reduction of operational costs over time. Although this was the lowest-rated performance indicator, nearly 80.0% of respondents still agreed or strongly agreed that operational costs had declined. The findings suggest that while organizations have experienced improvements in cost management, the extent of cost reduction may vary across firms. The relatively higher standard deviation indicates greater variation in respondents' perceptions, possibly reflecting differences in operational scale, technology investments, infrastructure costs, and market conditions. Unlike process efficiency and productivity improvements, cost reductions may take longer to materialize because organizations often incur substantial investments when implementing digital transformation initiatives.

4.3 Inferential Analysis

Inferential statistical analysis was conducted to examine the relationships between digital transformation dimensions and the performance of freight forwarding companies in Kenya. While descriptive statistics provided an overview of respondents' perceptions and response patterns, inferential techniques were applied to determine the strength, direction, and significance of the relationships among the study variables. The study employed correlation analysis and multiple regression analysis. Correlation analysis was used to assess the degree of association between the independent variables, namely Customer Relationship Management dimensions, and the dependent variable, performance of freight forwarding companies. Multiple regression analysis was then conducted to determine the extent to which these digital transformation dimensions influence organizational performance and to establish their relative contribution to explaining variations in performance among freight forwarding companies in Kenya.

4.3.1 Correlation Analysis

Correlation analysis was conducted to determine the strength and direction of the relationship between the study variables. According to Field (2018), correlation analysis measures the degree to which two variables move together and indicates whether changes in one variable are associated with changes in another variable. In this study, Pearson's Product Moment Correlation Coefficient (r) was used because the variables were measured using continuous composite scores derived from Likert-scale items. Pearson correlation coefficients range from -1 to +1, where positive values indicate a direct relationship, negative values indicate an inverse relationship, and values closer to zero indicate weak or no relationship (Pallant, 2020). The significance of the relationships was evaluated using the p-value, with a significance level of 0.05 adopted for the study. The correlation results are presented in Table 4.3.

Table 4.3: Pearson Correlation analysis

			Customer Management strategies	Relations Performance
Customer Management strategies	Relations	Pearson Correlation	1	
		Sig. (2-tailed)		
		N	118	118

The results shows that Customer Relationship Management dimensions exhibited a positive and statistically significant relationship with the performance of freight forwarding companies ($r = 0.552$, $p < 0.05$). The coefficient indicates a moderately strong positive association, implying that organizations with more effective CRM practices are likely to achieve better performance outcomes. The findings suggest that the effective management of customer information, customer communication, service personalization, and relationship development contributes positively to organizational success. Through CRM systems, firms can enhance customer responsiveness, improve service quality, and strengthen customer retention, all of which contribute to performance improvement. These findings are consistent with Eyeregba et al. (2024), who found that CRM systems positively influence organizational effectiveness by enhancing customer engagement and service delivery. The results also align with Savellano (2025), who reported that effective CRM practices contribute significantly to customer retention and organizational competitiveness. Similarly, Haislip and Richardson (2017) emphasized the strategic value of customer information in supporting organizational decision-making and customer-focused operations. The findings therefore provide evidence that Customer Relationship Management dimensions play an important role in enhancing the performance of freight forwarding companies in Kenya.

Therefore, the correlation analysis indicates that digital transformation dimensions have positive and statistically significant relationships with the performance of freight forwarding companies. The findings suggest that improvements in customer relationship management are associated with corresponding improvements in organizational performance.

4.3.2 Regression Analysis

Multiple linear regression analysis was conducted to examine the combined effect of digital transformation dimensions on the performance of freight forwarding companies in Kenya. Unlike simple regression, which evaluates the influence of a single independent variable, multiple regression enables the simultaneous examination of several predictor variables and determines how they collectively explain variation in the dependent variable while controlling for the influence of each predictor. According to Field (2018), multiple regression is an appropriate technique for assessing the relative contribution of multiple independent variables toward explaining a dependent variable. In this study, the model examined the joint influence of Customer Relationship Management dimensions on the performance of freight forwarding companies. This approach provides a comprehensive understanding of how different digital transformation dimensions contribute to organizational performance within the freight forwarding sector. The findings are presented in the following three tables; table 4.4 to 4.5.

Table 4.4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.762 ^a	.580	.565	3.15634

a. Predictors: (Constant), Customer Relations Management

The overall effectiveness of the regression model is presented in the Model Summary results shown in Table 4.4. The model recorded an R value of 0.762, indicating a strong positive relationship between the set of independent variable and the performance of freight forwarding companies. This suggests that when considered together, Customer Relationship Management dimensions, is strongly associated with organizational performance. The R Square value of 0.580 indicates that approximately 58.0 percent of the variation in the performance of freight forwarding companies is explained by the digital transformation dimensions included in the model. This level of explanatory power suggests that digital transformation practices constitute important determinants of organizational performance within the freight forwarding industry.

The statistical significance of the regression model was assessed using Analysis of Variance (ANOVA).

Table 4.5: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1556.445	1	389.111	39.058	.000 ^b
	Residual	1125.758	116	9.962		
	Total	2682.203	117			

a. Dependent Variable: Performance
b. Predictors: (Constant), Customer Relations Management strategies

The ANOVA results presented in Table 4.5 indicate that the regression model produced an F-statistic of 39.058 with a significance level of $p = 0.000$. Since the p-value is less than the conventional significance threshold of 0.05, the null hypothesis that the independent variable have no influence on the performance of freight forwarding companies is rejected. The findings therefore confirm that the regression model is statistically significant and that the digital transformation dimensions included in the model collectively influence organizational performance.

The ANOVA results further demonstrate that the regression equation provides a significantly better prediction of performance than would be expected by chance alone. Consequently, the model is considered appropriate for explaining the relationship between digital transformation dimensions and the performance of freight forwarding companies in Kenya. The findings also suggest that organizations that invest in digital transformation initiatives are likely to realize measurable improvements in organizational outcomes.

The individual contribution of independent variable to organizational performance is presented in the regression coefficients shown in Table 4.6. The table includes both unstandardized coefficients, which indicate the expected change in the dependent variable resulting from a one-unit change in a predictor variable, and standardized beta coefficients, which facilitate comparison of the relative importance of the predictor variables within the model.

Table 4.6: Regression Coeff

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	9.557	3.443		2.776	.006
Customer Relations Management	.351	.080	.418	4.409	.000

a. Dependent Variable: Performance

Based on the unstandardized coefficients reported in Table 4.6, the multiple linear regression model can be expressed as follows:

$$Y = 9.557 + 0.351X_3 + \varepsilon$$

Where:

Y = Performance of Freight Forwarding Companies

X₁ = Customer Relationship Management dimensions

ε = Error Term

The regression results indicate that data analytics dimensions have a positive and statistically significant effect on the performance of freight forwarding companies. The variable recorded an unstandardized coefficient of 0.320, a standardized beta coefficient of 0.293, a t-value of 3.638, and a p-value of 0.000. Customer Relationship Management dimensions recorded the highest standardized beta coefficient among all predictor variables, indicating that it is the strongest predictor of performance within the regression model. The variable recorded an unstandardized coefficient of 0.351, a standardized beta coefficient of 0.418, a t-value of 4.409, and a p-value of 0.000. These results indicate that a one-unit increase in Customer Relationship Management dimensions results in a 0.351-unit increase in organizational performance, holding all other variables constant. The findings suggest that effective management of customer information, customer communication, service personalization, and relationship-building activities contributes significantly to organizational success. Customer relationship management enables organizations to better understand customer needs, improve service quality, and strengthen customer loyalty, thereby enhancing overall performance. These findings are consistent with Eyeregba et al. (2024), who found that CRM systems significantly improve organizational effectiveness through enhanced customer engagement and service delivery. The results also align with Savellano (2025), who reported that customer relationship management contributes positively to customer retention and organizational competitiveness. Since the p-value is less than 0.05, the study rejects the null hypothesis that Customer Relationship Management dimensions have no significant effect on the performance of freight forwarding companies in Kenya.

A comparison of the standardized beta coefficients reveals the relative importance of the predictor variables in explaining organizational performance. Customer Relationship Management dimensions recorded the highest standardized beta coefficient ($\beta = 0.315$), indicating that it exerts the strongest influence on performance. The regression findings thus demonstrate that Customer Relationship Management dimensions, significantly and positively influence the performance of freight forwarding companies in Kenya.

5. CONCLUSIONS AND RECOMMENDATIONS

The objective of the study was to determine the influence of Customer Relationship Management dimensions on the performance of freight forwarding companies in Kenya. The study concludes that customer relationship management is a critical digital transformation strategy that substantially improves the performance of freight forwarding companies in Kenya. Effective CRM systems enable organisations to manage customer information efficiently, strengthen communication, personalise service delivery, and respond promptly to customer inquiries and service requirements. These capabilities

improve customer satisfaction, strengthen customer loyalty, and enhance long-term business relationships, all of which contribute to improved organisational performance. The findings further indicate that customer relationship management emerged as the strongest predictor of organisational performance among the digital transformation dimensions investigated. This suggests that organisations that prioritise customer-focused digital initiatives are more likely to gain a competitive advantage through improved service quality and customer retention. The study therefore concludes that investment in customer relationship management systems should be regarded as a strategic priority for freight forwarding firms seeking to improve organisational effectiveness, competitiveness, and sustainable business growth. The study recommended that freight forwarding companies should strengthen customer relationship management practices by fully integrating CRM systems into daily operations. Organizations should ensure that all customer interactions, service requests, complaints, and communication records are captured and managed through centralized CRM platforms. This would improve customer information management and enable employees to provide more consistent and responsive services.

Management should also leverage customer data to better understand customer preferences and service requirements. Information collected through CRM systems should be analyzed regularly to identify customer trends, recurring concerns, and emerging service expectations. The insights generated should be used to design customer-focused solutions and improve service delivery processes. Such an approach would strengthen customer satisfaction and enhance long-term customer retention.

In addition, freight forwarding firms should establish formal customer feedback mechanisms supported by CRM technologies. Regular customer surveys, digital feedback platforms, and complaint management systems should be implemented to provide organizations with continuous insights into customer experiences. Feedback obtained should be used to guide service improvements and address operational weaknesses. By adopting a more customer-centric approach, organizations can strengthen business relationships and improve their competitive position within the logistics industry.

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