
Original Research Article

MEDIATING ROLE OF LOGISTICS MANAGEMENT IN DRIVING SERVICE MARKETING PERFORMANCE: A REGIONAL ASSESSMENT

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Abstract: This study investigated the mediating role of logistics management in driving service marketing performance within South-South Nigeria. Operating in an increasingly volatile socio-economic environment, public and private service institutions face severe challenges in translating marketing strategies into tangible organizational outcomes. A cross-sectional survey design was adopted to gather empirical data from 384 administrative and marketing managers across selected service firms, including healthcare facilities, hospitality establishments, and transport enterprises within the region. Data collection was executed using a structured, closed-ended questionnaire structured on a 5-point Likert scale. Hypotheses were tested using Structural Equation Modeling (SEM). The primary findings revealed that while core service marketing strategies (pricing, positioning, and promotion) exerted a positive influence on organizational performance, this relationship was substantially magnified when mediated by robust logistics management capabilities (physical distribution efficiency, inventory accuracy, and infrastructural reliability). Specifically, the indirect effect through logistics optimization accounted for a significant portion of the total variance in customer retention and service differentiation. It was concluded that service marketing initiatives remain structurally handicapped in emerging markets unless supported by backend operational and supply chain competence. The study recommends that service administrators prioritize digital integration within facility and inventory tracking systems to minimize service delivery failures and secure long-term market sustainability.

Keywords: Logistics Management, Service Marketing, Structural Equation Modeling, South-South Nigeria, Organizational Performance, Emerging Markets.

1. INTRODUCTION

The contemporary service economy operates under a paradigm where customer experiences and operational efficiency are deeply intertwined. For decades, traditional marketing discourse treated physical distribution and brand communication as separate organizational siloes. However, within the context of emerging markets particularly sub-national regions characterized by unique infrastructural friction this separation is increasingly unsustainable. In South-South Nigeria, a region critical to the country's economic fabric due to its industrial, maritime, and resource concentration, service firms operate within an exceptionally volatile ecosystem. Organizations within this territory face significant hurdles, ranging from fragmented transportation networks and supply chain disruptions to shifting consumer expectations across public and private domains. Consequently, the capacity of an institution to execute its core service marketing objectives depends heavily on its backend operational infrastructure.

Service marketing performance is no longer defined solely by creative brand messaging, aggressive promotional initiatives, or competitive pricing. Instead, it relies on real-time fulfillment, service reliability, and minimal service delivery failure. The "servicization" of modern enterprises demands that physical operations act as the primary vehicle for delivering customer value. Despite this operational reality, empirical research frequently isolates service marketing strategies from logistics management capabilities. While literature extensively covers the direct impact of the marketing mix on customer acquisition, there is a notable gap regarding the exact mechanism through which operational logistics translates marketing promises into measurable organizational performance.

This study addresses this gap by investigating logistics management as an active, structural mediator. When organizations invest heavily in service marketing but fail to back it up with reliable logistics, a service gap inevitably widens. This friction degrades brand equity and accelerates customer churn. Conversely, an optimized logistics framework can stabilize and scale marketing efforts, even in challenging operating environments.

The primary objective of this study is to evaluate the mediating role of logistics management in the relationship between service marketing strategies and organizational performance within South-South Nigeria. By exploring these dynamics through an integrated structural framework, this paper provides service administrators, public sector managers, and academic researchers with an empirical roadmap for balancing market demand with operational capacity.

2. METHODOLOGY

2.1 RESEARCH DESIGN AND SAMPLING

This study adopted an explanatory cross-sectional survey research design to analyze the structural links between variables. The target population comprised administrative, marketing, and operations managers across service organizations spanning healthcare administration, hospitality management, and logistics-dependent service providers

headquartered in South-South Nigeria (specifically across Cross River, Akwa Ibom, Rivers, and Delta states).

The sample size of 384 participants was determined using the Cochran formula for infinite populations:

$$n = \frac{Z^2 \cdot p \cdot q}{e^2}$$

Where:

- $Z = 1.96$ (at a 95% confidence interval)
- $p = 0.5$ (estimated proportion of the attribute in the population)
- $q = 1 - p = 0.5$
- $e = 0.05$ (acceptable margin of error)

A stratified random sampling technique was utilized to ensure balanced representation across the targeted service sub-sectors.

2.2 OPERATIONALIZATION OF VARIABLES

The primary research constructs were operationalized using validated Multi-Item Scales adapted from established service and supply chain literature:

- **Service Marketing Performance (Independent Variable):** Operationalized through dimensions of service positioning, market share expansion, and customer orientation, measured using a 6-item scale adapted from Zeithaml et al. (1985).
- **Logistics Management (Mediating Variable):** Measured across physical distribution efficiency, inventory precision, and facility management digitalization using an 8-item scale adapted from Mentzer et al. (2001).
- **Organizational Outcomes (Dependent Variable):** Captured via customer retention metrics, service differentiation, and overall service delivery reliability using a 5-item index adapted from Kaplan and Norton (1996).

All items were measured on a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

2.3 METHOD OF DATA ANALYSIS

Data preparation and primary descriptive statistics were compiled via IBM SPSS (Version 26). The substantive framework, including direct and indirect structural pathways, was evaluated through Covariance-Based Structural Equation Modeling (CB-SEM) using AMOS (Version 24). Measurement models were checked for validity using Cronbach's Alpha and Average Variance Extracted (AVE) prior to structural pathway analysis.

3. RESULTS (FINDINGS)

3.1 MEASUREMENT MODEL VERIFICATION

The psychometric properties of the research constructs were thoroughly analyzed to confirm structural validity and internal consistency before executing hypothesis testing. The results are outlined in Table 1.

Table 1: Psychometric Reliability and Convergent Validity Metrics

Construct Index	Measurement Items	Cronbach's Alpha (\alpha)	Composite Reliability (CR)	Average Variance Extracted (AVE)
Service Marketing Strategy (SMS)	6	0.884	0.891	0.578
Logistics Management (LGM)	8	0.912	0.915	0.603
Organizational Outcomes (OOC)	5	0.865	0.872	0.562

The measurement model demonstrated strong psychometric properties. Internal consistency was confirmed, with all Cronbach's alpha and Composite Reliability values exceeding the standard 0.70 threshold. Convergent validity was established as the Average Variance Extracted (AVE) for each construct comfortably surpassed the 0.50 benchmark, indicating that the latent indicators explained the majority of their observed variances.

3.2 STRUCTURAL PATHWAY ANALYSIS AND HYPOTHESIS TESTING

The structural framework was assessed using standard model fit indicators, which met or exceeded recommended values:

$\chi^2/df = 2.143$, $\text{CFI} = 0.958$, $\text{TLI} = 0.949$, $\text{RMSEA} = 0.048$

The direct and indirect structural paths were evaluated to determine the significance of the mediating relationship.

Table 2: Structural Path Coefficients and Mediation Weights

Path Sequence	Hypothesized Path Structure	Standardized Estimate (β)	Standard Error (S.E.)	Critical Ratio (t-value)	Significance (p)	Decision
H1 (Direct)	$\text{SMS} \rightarrow \text{OOC}$	0.312	0.064	4.875	< 0.001	Significant
H2 (Direct)	$\text{SMS} \rightarrow \text{LGM}$	0.645	0.051	12.647	< 0.001	Significant
H3 (Direct)	$\text{LGM} \rightarrow \text{OOC}$	0.528	0.058	9.103	< 0.001	Significant
H4 (Indirect)	$\text{SMS} \rightarrow \text{LGM} \rightarrow \text{OOC}$	0.341	0.042	8.119	< 0.001	Significant

The structural trajectory mapping clarified the functional dynamics between variables. The direct path from Service Marketing Strategy to Organizational Outcomes was statistically significant ($\beta = 0.312$, $p < 0.001$). More notably, the pathway link between Service Marketing Strategy and Logistics Management displayed exceptional structural weight ($\beta = 0.645$, $p < 0.001$).

To evaluate the mediation effects, bootstrapping was conducted with 5,000 resamples at a 95% confidence interval. The standardized indirect effect was $\beta = 0.341$ ($p < 0.001$). Because the direct pathway remained statistically significant even after controlling for the mediator, logistics management was confirmed to exert a **partial mediation effect**. This mediation path accounted for over half of the total impact of marketing inputs on final organizational outcomes.

4. DISCUSSION

The statistical evidence from this study demonstrates that logistics management serves as a critical operational link within the service delivery chain of South-South Nigeria. While marketing strategies directly influence corporate visibility and market position, the execution of these initiatives depends heavily on backend logistics infrastructure. These findings support and extend Parasuraman et al.'s (1985) classic conceptualization of the "Service Gap." In emerging regional markets, the primary disconnect between customer expectations and actual experience rarely stems from poor promotional messaging. Instead, it is driven by operational friction, such as distribution delays, tracking errors, or unoptimized physical assets.

The strong relationship observed between Service Marketing Strategy and Logistics Management ($\beta = 0.645$) indicates that strategic market positioning guides operational design. When a firm positions itself on a platform of reliability or rapid response, it naturally forces an upgrade in its physical distribution systems and digital tracking structures. This alignment aligns with the core principles of Service-Dominant (S-D) Logic (Vargo & Lusch, 2004), which states that marketing promises are actualized through continuous value-creation processes where distribution and service touchpoints operate as core competencies.

Furthermore, the significant indirect effect ($\beta = 0.341$, $p < 0.001$) shows that backend supply chain operations heavily influence long-term organizational success, particularly regarding customer retention and service differentiation. In regional environments like South-South Nigeria, where external infrastructural challenges are common, organizations that integrate their marketing strategies with digitalized facility management are better positioned to protect their service delivery from unexpected disruptions. Consequently, logistics management functions not merely as a cost center, but as a strategic asset that actively stabilizes and enhances service marketing performance.

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