

An Empirical Analysis of the Freight Forwarders' Buying Behaviour: Implications for the Ocean Container Carriers

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Abstract : The objective of this study is to explore the buying behavior of the freight forwarders and to evaluate how their buying decision affects the ocean container carriers' market share. This study analysed the buying decisions of the freight forwarders and validated the process of stages that the freight forwarders' pass through before choosing an ocean container carrier. Factor analysis was applied to data collected from 105 freight forwarding companies to unveil the influential factors the freight forwarders' consider important when selecting an ocean container carrier. This study did not only analysed the buying behaviour of the freight forwarders but also unveiled the influential factors affecting the competitiveness of the ocean container carriers in their market share maximisation. Furthermore, the study have made a methodological contribution that helps in better understanding of the critical factors influencing the selection of the ocean container carriers from the freight forwarders' perspective. The implications of the freight forwarders' buying behaviour is important to the ocean container carriers because it have severe effect on the market share of the ocean container carriers and the percentage of customers they control within the liner shipping sector. The findings of this study will help the ocean container carriers to formulate relevant marketing strategies in attracting the freight forwarders in purchasing the liner shipping service.

Keywords : ocean carrier, freight forwarder, buying behaviour, influential factors

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