

# Researchers investigate effectiveness of shipping alliances

April 10 2024, by David Bradley

---



Credit: Pixabay/CC0 Public Domain

Research [published](#) in the *International Journal of Shipping and Transport Logistics* has looked at the various factors that affect the overall effectiveness of shipping alliances in the container shipping industry. These alliances, formed as cooperative agreements between container carriers, have become an important part of the industry, providing benefits such as expanded market access, operational efficiency, and keeping companies afloat in turbulent times.

Hui Ting Lu, Kum Fai Yuen, and Kim Hock Tan of Nanyang Technological University in Singapore and Guanqiu Qi of Chung-Ang University in South Korea surveyed 180 executives from major shipping lines involved in prominent alliances. They used the survey results to identify 20 factors associated with successful alliances. They then measured the impact of these factors, such as opportunistic behavior and constructive coordination, on outcomes for the companies involved in the alliances.

In order to formalize their results, the team categorized the critical success factors as alliance rationale and conditions, [partner](#) search and selection, partnership design, partnership implementation, and partnership outcome evaluation. Within these different phases, the team found that alliance rationale and conditions in particular influenced constructive coordination among partners.

The team also used various theoretical frameworks, such as transaction cost theory, resource-based view, knowledge-based theory, sociological approaches, and general management and leadership theory to provide a comprehensive understanding of critical success factors and how they relate to those different phases and the outcomes among shipping alliances.

The team found that the initial phases of alliance building depended on strong foundations built through careful partner selection and the ongoing strength of the alliance needed a good working relationship for its implementation but also continuous evaluation of the pros and cons. The researchers also found that success depended on the ability for partners to adapt to external factors such as regulatory changes and cybersecurity threats to maintain coordination and achieve their goals.

The container shipping industry must ride the waves of changing markets. The [research](#) highlights a continued need for improved understanding of how [alliances](#) between different companies can work and to allow them to navigate safely through smooth seas and dire straits.

**More information:** Hui Ting Lu et al, Critical success factors of strategic alliance in the shipping industry, *International Journal of Shipping and Transport Logistics* (2024). [DOI: 10.1504/IJSTL.2024.137890](#)

Provided by Inderscience

Citation: Researchers investigate effectiveness of shipping alliances (2024, April 10) retrieved 21 May 2024 from <https://phys.org/news/2024-04-effectiveness-shipping-alliances.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.