

Maritime Container Shipping Companies Consolidation and Market Integration and their Impact on Global Supply Chains: An Analytical Approach*

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Abstract

The main research question refers to the analysis and assessment of consolidation processes of maritime container operators and the integration of markets within this sector as well as the impact of these processes on global supply chain entities. The research aimed to indicate the main factors stimulating the consolidation processes of shipping companies and market integration in recent years and to assess the risks and effects they cause in other links of the global supply chain. At conducting this research, the following methods were applied: factor analysis (FA), market analysis (MA) based on freight and charter indices, as well as in-depth analysis of selective sources, such as international reports, shipping companies accounts and expert opinions.

The obtained research results indicate that: 1/ the main reason for the consolidation of container shipping operators involves decreasing fixed costs of transport operations as well as financial risk and bankruptcy in a period of market downturn, 2/ the basic forms of consolidation involve mergers and acquisitions and shipping alliances, 3/ progressive consolidation of the maritime container sector leads to the integration of container markets and the reinforcement of the oligopolistic character of these markets 4 / high concentration of the supply side and the growing strength of container operators results in weakened position of shippers and forwarders as well as managers of container terminals.

Keywords: container shipping consolidation, shipping alliances, market integration, global supply chains' disruptions