

Questionnaire - Lecture 4

1. Which of the following best explains why containerization significantly increased the efficiency of global shipping?

- A. Containers reduced the need for inland transport networks.
- B. Cargo could be transported using standardized units across ships, trucks, and railways.
- C. Shipping companies eliminated the use of ports for cargo storage.
- D. Break-bulk shipping became more labor intensive after containerization.

2. Why do liner shipping companies continue operating fixed schedules even during periods of weak demand?

- A. Because reliability and service frequency are essential for global supply chains.
- B. Because vessels cannot sail without full cargo loads.
- C. Because international maritime law prohibits schedule changes.
- D. Because ports require daily vessel arrivals under concession agreements.

3. Why is container shipping considered a highly capital-intensive industry?

- A. Because most costs are related to customs duties and taxation.
- B. Because the industry depends on expensive vessels, container fleets, terminals, and logistics systems.
- C. Because labor costs represent the largest share of total shipping expenses.
- D. Because container shipping mainly transports low-value commodities.

4. What is one major consequence of vessel overcapacity in the container shipping industry?

- A. Shipping companies permanently reduce global trade volumes.
- B. Ports stop investing in infrastructure expansion.
- C. Freight rates may decline sharply due to aggressive competition among carriers.
- D. Shipping alliances are automatically dissolved by regulators.

5. During the COVID-19 period, why did carrier profitability increase dramatically after 2020?

- A. Shipping companies significantly reduced vessel sizes.
- B. Global trade completely stopped for several months.
- C. Ports eliminated congestion through full automation.
- D. Alliances managed capacity aggressively while demand recovered rapidly.

6. What is the main economic reason behind the continuous enlargement of container vessels?

- A. To reduce dependence on inland transport systems.
- B. To increase the frequency of port calls worldwide.
- C. To lower transport costs per container through economies of scale.
- D. To eliminate the need for transshipment hubs.

7. Why did the transition from Panamax to post-Panamax vessels represent a major turning point in container shipping?

- A. Because post-Panamax vessels were designed primarily for regional trade routes.
- B. Because these vessels exceeded the dimensional limits of the original Panama Canal.
- C. Because shipping companies stopped using container terminals after this transition.
- D. Because ports no longer needed infrastructure investments.

8. What is meant by the “cascading effect” in container shipping?

- A. The transfer of older large vessels from major trade routes to secondary or regional routes.
- B. The gradual reduction of global trade volumes due to larger vessels.
- C. The process by which ports reduce crane productivity over time.
- D. The simultaneous arrival of multiple vessels at hub ports.

9. Why do some researchers argue that the economically optimal containership size may be around 8,000–10,000 TEU rather than the largest possible vessel?

- A. Because vessels above this size cannot transport loaded containers.
- B. Because medium-sized vessels completely eliminate port congestion.
- C. Because international regulations prohibit further vessel enlargement.
- D. Because extremely large vessels may create excessive infrastructure costs and supply chain complexity.

10. Which of the following best explains why mega vessels create operational pressure on ports and hinterland systems?

- A. Because larger vessels require fewer containers to be processed during port calls.
- B. Because cargo flows become concentrated into fewer but much larger arrivals.
- C. Because mega vessels eliminate the need for terminal coordination systems.
- D. Because larger ships reduce the importance of rail and trucking networks.

11. What is the main difference between a Slot Chartering Agreement (SCA) and a Vessel Sharing Agreement (VSA)?

- A. SCAs involve mergers between shipping companies, while VSAs do not.
- B. SCAs involve buying or selling vessel space, while VSAs involve jointly operating liner services.
- C. SCAs are only used by independent carriers outside alliances.
- D. VSAs eliminate commercial competition between carriers.

12. Why did strategic alliances become increasingly important after the introduction of post-Panamax vessels?

- A. Because smaller vessels became more profitable than larger vessels.
- B. Because alliances eliminated all forms of market competition.
- C. Because ports stopped accepting independent shipping companies.
- D. Because shipping companies needed greater scale and broader network coverage to operate efficiently.

13. Which of the following is considered a major operational disadvantage of alliance participation for carriers?

- A. Reduced access to global trade routes.
- B. Complete loss of commercial independence.
- C. The need to coordinate schedules and service decisions with alliance partners.
- D. The inability to use large containerships.

14. Why are regulators in the European Union and the United States increasingly concerned about large shipping alliances?

- A. Because alliances may increase market concentration and bargaining power.
- B. Because alliances reduce fuel efficiency in container shipping.
- C. Because alliances prohibit the use of feeder networks.
- D. Because alliances force ports to remain publicly owned.

15. What has been one major consequence of mergers and acquisitions in the container shipping industry?

- A. A decline in the importance of global trade routes.
- B. A reduction in vessel sizes across the industry.
- C. An increase in market concentration among a small number of major carriers.
- D. The disappearance of strategic alliances.

16. What is the main objective of vertical integration in container shipping?

- A. To control a larger portion of the logistics chain and improve operational efficiency.
- B. To reduce the physical size of container vessels.
- C. To replace alliances with government regulation.
- D. To eliminate the need for maritime transport.

17. Why did many shipping lines invest directly in container terminals?

- A. To eliminate inland transportation costs completely.
- B. To improve berth access and reduce congestion-related disruptions.
- C. To reduce the importance of ports within supply chains.
- D. To avoid using containerized transport systems.

18. What is meant by “carrier haulage” in container shipping?

- A. A process where containers are transferred only between hub ports.
- B. A system where ports organize all inland transportation independently.
- C. A strategy where retailers operate their own containerships.
- D. A logistics arrangement in which the shipping line organizes inland transport as part of a door-to-door service.

19. Why did companies such as Amazon and Walmart charter their own container ships during the supply chain disruptions of 2021–2022?

- A. Because they wanted to secure supply chain reliability and inventory flows.
- B. Because maritime transport became cheaper than warehousing.
- C. Because ports stopped serving traditional shipping companies.
- D. Because international shipping alliances were abolished globally.

20. What is one important role of the Digital Container Shipping Association (DCSA)?

- A. To regulate global freight rates among shipping alliances.
- B. To replace Bills of Lading with customs inspections.
- C. To manage ownership of the world’s largest container ports.
- D. To develop common digital standards and improve data interoperability in container shipping.

21. What is the main trade-off faced by shipping lines when designing container service networks?

- A. Between vessel ownership and terminal ownership.
- B. Between customer demand for direct fast services and carrier efforts to reduce operational costs.
- C. Between environmental regulation and digitalization.
- D. Between maritime transport and air cargo services.

22. What is the primary purpose of bundling cargo flows within container shipping networks?

- A. To improve network efficiency and vessel utilization.
- B. To eliminate the use of transshipment hubs.
- C. To reduce the number of containers transported globally.
- D. To increase the number of direct end-to-end services on all trade routes.

23. In a hub-and-spoke shipping network, what is the main role of feeder services?

- A. To replace inter-hub services on east-west trade routes.
- B. To transport only empty containers between ports.
- C. To connect secondary ports with major hub ports served by mainline vessels.
- D. To eliminate transshipment operations completely.

24. Why may shipping companies adopt asymmetrical inter-range maritime services?

- A. Because trade flows and cargo demand may differ between regions.
- B. Because symmetrical services are prohibited by international regulation.
- C. Because asymmetrical services eliminate operational complexity entirely.
- D. Because carriers prefer to avoid all major gateway ports.

25. What is one important advantage of inter-hub maritime services?

- A. They maximize the number of port calls on each voyage.
- B. They allow carriers to deploy very large vessels efficiently between major global hubs.
- C. They eliminate the need for alliances and feeder networks.
- D. They reduce the importance of cargo concentration within shipping networks.