

CHAPTER 1

CURRENT TRENDS IN ECONOMIC DEVELOPMENT

AN ASSESSMENT OF CHALLENGES AND FACTOR INFLUENCING THE FREIGHT FORWARDING BUSINESS IN THE LOGISTICS INDUSTRY

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Abstract. This research was undertaken with the sole aim of understanding some of the challenges and Factor Influencing the Freight Forwarding Business in the organizations involved the Forwarding and distribution of shipper Cargo encounter in their logistics operations. A freight forwarder is a person or company that organizes shipments for individuals or corporations to get large orders from the manufacturer or producer to market or final point of distribution. Forwarders will contract with a carrier to facilitate the movement of goods. A forwarder is not typically a carrier but is an expert in supply chain management. In other words, a freight forwarder is a "travel agent," for the cargo industry, or a third-party (non-asset-based) logistics provider. A forwarder will contract with asset-based carriers to move cargo ranging from raw agricultural products to manufactured goods. The term Logistics Management or supply chain management is that part of Supply Chain Management that plans, implements, and controls the efficient, effective, forward, and reverse flow and storage of goods, services, and related information between the point of origin and the point of consumption in order to meet customer's requirements. The research targeted a selected sample of Employees and representatives of transporters of goods and key management personnel of Companies Central Distribution Center based in the industrial area Chennai. The primary objective of this project is to conduct 'A study on Challenges and factor influencing the freight forwarding business in the Freightkare Multimodal Logistics Pvt. Ltd. It is important to analyze the problems faced by freight forwarders from the carriers as well as companies and individual customers. By studying and comparing the various problems faced by the freight forwarders. It is easy identifying the solutions to avoid the problems and make sure the smooth flow of business. This will help Freightkare Multimodal Logistics Pvt. Ltd to establish a reasonable share in the marketplace.

Keywords: multimodal logistics, freight forwarding, logistics provider.

JEL Classification: D 41, L62, L81

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Introduction. A freight forwarder, forwarder, or forwarding agent is a person or company that organizes shipments for individuals or other companies and may also act as a carrier. A forwarder is often not active as a carrier and acts only as an agent, in other words as a third-party logistics provider, they have the expertise that allows them to prepare and process the documentation and perform related activities pertaining to international shipments.

Freight forwarding is a crucial component of the global trade industry, facilitating the movement of goods across borders and between countries. However, this business sector faces several challenges, including operational, economic, and regulatory hurdles. In this response, I will provide an overview of some of the major challenges and factors that influence the freight forwarding business.

Regulatory challenges: Freight forwarding companies must comply with various regulations, including customs regulations, safety regulations, and environmental regulations. Compliance with these regulations can be costly and time-consuming, which can impact the profitability and efficiency of the business.

Technological challenges: The freight forwarding industry is becoming increasingly digitalized, and companies must adopt new technologies to remain competitive. However, implementing new technology can be challenging, and companies must invest in training and infrastructure to ensure that they can take full advantage of the benefits of new technology.

Economic challenges: The freight forwarding industry is highly sensitive to economic changes, including fluctuations in currency exchange rates, changes in import and export regulations, and shifts in consumer demand. These economic factors can impact the profitability and viability of freight forwarding companies.

Competition: The freight forwarding industry is highly competitive, with many companies competing for business. This competition can lead to price pressure and reduced profit margins. *Infrastructure challenges:* Freight forwarding companies rely on transportation infrastructure, such as ports, airports, and highways, to move goods. However, inadequate infrastructure can cause delays and increase costs, which can impact the efficiency and profitability of the business.

Environmental factors: The freight forwarding industry is also affected by environmental factors, such as weather events and natural disasters. These events can disrupt supply chains and lead to delays and additional costs. *Political factors:* Political instability and changes in government policies can also impact the freight forwarding industry. For example, changes in trade agreements or tariffs can lead to changes in the flow of goods, which can impact the business of freight forwarding companies.

Quality control: Freight forwarding companies must ensure that goods are transported in a safe and timely manner, and that they arrive at their destination in the same condition as when they were shipped. Failure to maintain quality control can lead to customer dissatisfaction, lost business, and damaged reputation. *Cultural differences:* The freight forwarding industry operates in a global environment, and cultural differences can impact the way business is conducted. Companies must be aware of these differences and adapt their communication and business practices

accordingly.

Insurance and liability: Freight forwarding companies must carry insurance to cover any damages or losses that may occur during transport. However, insurance can be costly, and companies must carefully manage their liability to ensure that they are adequately covered without incurring excessive costs. *Payment and financing:* Freight forwarding companies often face payment and financing challenges, particularly when dealing with international customers. Payment delays or default can impact cash flow, and companies must carefully manage their finances to ensure they can meet their obligations and remain profitable.

Data privacy and security: Freight forwarding companies must ensure that customer data is kept secure and confidential, particularly when dealing with sensitive information such as customs declarations and shipping documents. Failure to maintain data privacy and security can result in legal liability, damaged reputation, and lost business.

The freight forwarding industry faces a range of challenges and factors that can impact its success. Companies must be aware of these challenges and develop strategies to address them, including investment in technology, infrastructure, and workforce training. By doing so, they can remain competitive and successful in a rapidly evolving global marketplace.

The freight forwarding industry faces several challenges and factors that can impact its efficiency, profitability, and viability. Companies in this sector must be proactive in addressing these challenges and adapting to changes in the industry to remain competitive and successful.

A forwarder does not directly undertake the moving of goods but acts as an expert in the logistics network. The carriers can use a variety of shipping modes, including ships, airplanes, trucks, and railroads, and often use multiple modes for a single shipment. For example, the freight forwarder may arrange to have cargo moved from a plant to an airport by truck, flown to the destination city and then moved from the airport to the customer's building by another truck. Some of the typical information reviewed by a freight forwarder is the commercial invoice, shipper's export declaration, bill of lading and other documents required by the carrier or country of export, import, or transshipment. Much of this information is now processed in a paperless environment.

International freight forwarders typically handle international shipments and have additional expertise in preparing and processing customs documentation and performing activities pertaining to international shipments. Information reviewed by a freight forwarder includes the commercial invoice, shipper's export declaration, bill of lading and other documents required by the carrier or country of export, import, and/or transshipment. The International Federation of Freight Forwarders Association described the freight forwarder as the Architect of Transport, a term which illustrates the commercial position of the forwarder in relation to its client. In Europe, some forwarders specialize in certain niche areas such as rail-freight, and collection and deliveries around a large port.

Freight forwarder faces numerous challenges and factor influencing the process

and this has consequently led in the failure of their operations and satisfying customers need. The occurrence of problems of freight forwarders in India is as a result of government regulations, liner companies, non-availability of trailers, and trucks, bad roads, lack of straight or access routes, warehousing of goods etc. The Indian government has taken several initiatives to help the forwarders. Some slackening is found in the infrastructure facilities which must be developed in India to meet up with the international standards. Service tax collected from freight forwarders is huge and none are happy with it. So, they have to be very careful while handling the shipments.

A freight forwarder is responsible for the transportation of goods between one destination and another. Freight forwarding companies specialize in arranging the whole process for their shippers, from the storage to the shipping of their merchandise. They act as an intermediary between the shipper and transportation services, liaising with various carriers to negotiate on price and decide on the most economical, reliable, and fastest route. Using a freight forwarder to import and export goods can make the whole process much less stressful. Extremely knowledgeable in the elements of supply chain, freight forwarders can assist on all levels, from the packing and warehouse stages to the customs procedure, taking some of the pressure off their customers.

Using a freight forwarding company for the transportation of goods to the consumer can be advantageous to business in many ways. Using their knowledge and expertise, 4 freight forwarders will ensure that the goods arrived at the correct destination on time and also save a lot of money in the process, compared to doing it alone. Before leaving the goods in the hands of a freight forwarder, the shipper needs to ensure that all the paperwork for transporting his goods is completed. The freight company will be able to help them with this, but it's an incredibly important step to reduce the risk of certain items not being released from customs or the bank refusing to release their funds – neither of which would be beneficial to business.

Logistics is involved in all the facts of our daily lives. It is the main backbone to a national and international supply chain. While being compared to developed nations, such as China, US etc. the Indian logistics industry is still considered to be underdeveloped. A freight forwarder, being an individual or company that dispatches shipments via asset-based carriers either books or arranges space for those shipments some way or the other. Common carrier types could include waterborne vessels, airplanes, trucks, or railroads. Freight forwarders have analogically been called travel agents for freight. In the U.S., a freight forwarder involved with international ocean shipping is licensed by the Federal Maritime Commission as an Ocean Transportation Intermediary.

Literature review. Freight forwarders are intermediary companies involved in Logistics. Their task is to manage all functions involved in transport after the buying process of merchandise is complete. As with any industry which involves such a large scale of operations, the freight forwarding companies have a lot of problems to reckon with and overcome. Murphy et al., (1989) found that 35% of airports and air cargo companies they interviewed perceived the administrative documentation as the major

problem at airports. Moreover, the inefficiency of customs can form a source of delay at the airport and airports that provide reliable, timely customs clearance or even preclearance can build up a competitive advantage.

Özsomer, Aysegül et.al., (1993) in their research article, “Selecting International Freight Forwarders: An Expert Systems Application” have mentioned that the recent changes in the international freight forwarding arena have witnessed the emergence of a new group of freight forwarders who make it possible for a broad spectrum of services to be available under one roof. Logistics companies which offer a wide range of such services have become almost imperative strategic partners to obtain a competitive advantage in foreign markets. According to Murphy, Paul R., and James M. Daley (1996), the increasing strategic importance of global trade has profoundly affected the forwarding industry. In their research article “A Preliminary Analysis of the Strategies of International Freight Forwarders”, they have focused on the contemporary forwarding industry which is characterized by a tremendous degree of volatility. Responses to this volatility include 28 consolidations, exiting the industry, and offering of additional services, such as warehousing and information management.

Gillis, Chris (1996) has identified yet another problem for freight forwarders. While they are expected to pay the shipping freight, container operators and trucking companies and for other services of the suppliers upfront, they have to wait much longer time to get reimbursement from the shipper. Hence, a group of small freight forwarders working together are endowed with an ability to compete better against larger companies on a worldwide basis and give them better profits. Such networks also give them the opportunity to utilize each other's facilities like warehouses and provide common bills of lading, which in turn gives better bargaining power with the carriers. Several of the networks are developing electronic information systems for planning transport options, spotting supply chain problems etc.

Xin Wang, et. al. (2004) in “Operational Transportation Planning of Freight Forwarding Companies in Horizontal Coalitions” have remarked that in order to improve profitability, freight forwarding companies try to organize their operational transportation planning systematically, considering not only their own fleet but also external resources. Such external resources include vehicles from closely related subcontractors in vertical co operations, autonomous common carriers on the transportation market, and cooperating partners in horizontal coalitions. They confirmed that by introducing subcontracting, the conventional routing of own vehicles is extended to an integrated operational transportation planning, which simultaneously constructs fulfillment plans with overall lowest costs using the own fleet and subcontractors' vehicles. This is then combined with planning strategies, which intend to increase the profitability by exchanging requests among members in 29 horizontal coalitions. Computational results showed considerable cost reductions using the proposed planning approach.

Krajewska, M.A., and Kopfer, H. (2006). In their research paper “Collaborating freight forwarding enterprises” have recommended a model for collaboration among independent freight forwarding entities which would reduce their fulfillment costs by

exploiting different execution modes (self- fulfillment and sub contraction) in the highly competitive modern transportation branch freight forwarders. For self-fulfillment they would use their own vehicles to execute the requests and for subcontracting they can forward the orders to external freight carriers. They further suggested that enhancement of competitiveness can be achieved if the freight forwarders cooperate in coalitions in order to balance their request portfolios.

Kokkinis, George et.al., (2006) conducted a survey on “Freight forwarding in Greece: Services Provided and Choice Criteria” to evaluate the criteria on which production companies choose particular freight forwarders, to point out the elements that affect quality and to differentiate services provided in various customer categories. The results of the survey brought to light that Greek freight forwarding companies considered quality to be more important for their customers than cost and that small companies seemed to evaluate the price of services offered, the offering of special privileges, personal treatment and experience as relatively more important than big companies did.

Cheng, Yung-Hsiang, and Chian-Yu Yeh (2007) in their article “Core Competencies and Sustainable Competitive Advantage in Air-Cargo Forwarding: Evidence from Taiwan” have advised that since air-cargo forwarders are important 30 intermediaries in the field of global transportation, expanding into additional national markets can help an air-cargo forwarder accumulate professional knowledge in providing global services. Coming up with innovative ideas to satisfy customers and excellent service will go a long way to protect firms from their competitors as well as ensuring customer loyalty.

Puettmann, Carolin and Hartmut Stadtler (2010) have pointed out in “A collaborative planning approach for intermodal freight transportation” that the impact of the lack of collaboration and coordination is witnessed in overseas transports. They have added further that due to information asymmetry and double marginalization, costs considerably exceed the cost minimum of the whole transportation chain. In order to reduce these inefficiencies, a coordination scheme is elaborated which is able to identify significant improvements and which allows the service providers involved to keep their private planning domain with no disclosure of critical data. Sekeris, Theodore (2011) in his paper on “Greek airports: Efficiency measurement and analysis of determinants” stated that the privatization initiative taken during the 1990s was to ensure an unceasing rise in the efficiency levels of the airport infrastructure which would in turn boost regional development. One of the most common concerns in the developing nations is the long dwell time for air cargo and the researcher concludes that to improve efficiency, cargo handlers at air cargo terminals should ensure efficient timely and secure handling of the cargo.

Oluwasanmi Ezra, Aderibigbe (2013) in his dissertation ‘A Study on the Challenges faced by the Freight Forwarders in India’ has identified that the main issue in freight forwarding is the volume of their export or import shipment which is very less and has resulted in the giant players in freight forwarding seeming to have less focus on such clients because they are generally interested in the clients who can afford more volume of export or import shipments. His dissertation has also pointed

out that the factors which hinders the success of the Freight Forwarding Industry in India are reliability, frequency, transit time, capital tied up in stock, quality of service, packaging, warehouse charges, permits and licenses, import duty and insurance. Customer loyalty is lost due to inefficiency in distribution of goods. Customers expect to benefit through consumption of goods imported, thus creating a value chain. Goods have to reach the point of consumption within the shortest possible time in order to retain the goodwill of the customers. Nayak, Arvind (2016) the Managing Director of Nayak Aviation Services Pvt Ltd has stated in the air cargo handbook, that E-Commerce has changed the dynamics of domestic air cargo and we can see not only growth but also induction of skilled manpower and technology into the industry.

Quindimil, Manuel (2017) has mentioned in his working paper on “Promoting Logistics Providers in Developing Countries: Proposals for Peru” that services provided by cargo agencies or freight forwarders are defined by the International Federation of Freight Forwarders Associations (FIATA) as services of any kind relating to the carriage, consolidation, storage, handling, packing or distribution of the goods as well as ancillary and advisory services in connection therewith, including but not limited to customs and fiscal matters, declaring the Goods for official purposes, procuring insurance of the goods and collecting or procuring payment or documents relating to the goods.

Dias, A, et.al., (2018) in the article entitled ‘Determinants of Customer Satisfaction in Freight Forwarding Companies in Sri Lanka’ have stated that since freight forwarders usually work with agents, forwarders, small or medium size manufacturers, having a close customer relationship is a vital role which could sustain the competitiveness in freight forwarding industry. They had identified eight factors as essential to determine the overall customer satisfaction namely reliability, responsiveness, communication and documentation accuracy, assurance, empathy, branding, technology, efficiency and trust.

Subhashini, S. and Preetha, S. (2018), in "An empirical analysis of service quality factors pertaining to ocean freight forwarding services", set out to prove that the service sector is the key driver of a country's economic growth and that the quality of service is more important for the survival of any organization. It is the interactive process by which the organization understands the customer and satisfies their needs. Their study revealed that tangibility, responsiveness, reliability, trust, empathy and value are the service quality and it was also proved that there exists a significant association between the service quality factors and is positively related to the customer satisfaction.

Vasanth. S and S. Meena (2019) have conducted “A study on Challenges faced by Freight forwarders in their operations in Chennai”. They concluded that the problems faced by forwarders is chiefly due to government regulations, the result of port authorities, insurance companies, customs clearance, infrastructural issues, payment issues etc. Their suggestion was that in order to overcome these problems, the forwarders association has to be strong and raise the voice against the government whenever necessary. They also identified that the main problems India suffers from

in the shipping industry is because of infrastructure facilities. With the improvement in contemporary technologies Freight forwarders have to exercise caution while accepting shipments from exporters and importers.

Huang, S.T., Bulut, E. and Duru, O (2019) in their study “Service quality evaluation of international freight forwarders: an empirical research in East Asia” have declared that since the forwarder plays the role as the bridge between carrier and shipper to source various transport solution and earns profits by arranging package of delivery service, they tend to have more flexibility to market change since the physical infrastructure investments are far less than the shipping or airline companies. It is extremely competitive because services provided by freight forwarders seem to be same or similar to one another, along with the increasing number of new entrants. Thus, competitive advantage of freight forwarders only based on cheaper price is not enough. Enhancing satisfactory customer service becomes strategic and survival issue for forwarders to stay competitive and build sustainability.

Aims. The major scope of this study as follows: to find out the challenges and Factor influencing freight forwarding companies business and find out solution for the same; to find out the solutions for the Delay in delivery problems; to find out the solutions for the problems faced by freight forwarders from the carriers as well as companies and individual customers through their opinions. It helps to understand the satisfaction level of the custom clearance.

Research Gap. The companies are facing with several challenges and factors influencing to delays in delivery of goods due to some issues. There is therefore the need to investigate factors & Challenges whichever is affecting the whole freight forwarding procedure like delays in delivery of goods and find a solution to it; hence this study. The prime objective of this study was to identify the challenges and factor influencing a reliable freight forwarding system that poses a potential hindrance towards the smooth operations of the logistics function of an organization involved in the manufacturing and distribution of goods.

In order to attain the above prime objective, the under mentioned specific objectives were considered:

- to identify the major challenges and Factor influencing reliability of freight forwarding in the downstream logistics operations of Multimodal Logistics:
- to assess the impact of these challenges and factors on Multimodal Logistics operations?

In order to achieve the objectives of this study, the following relevant research questions were posed:

- What are the key challenges and Factor influencing reliability of freight forwarding Business within the downstream logistics operations of Multimodal Logistics?
- How do these challenges and factors affect Multimodal Logistics Business?

The objective of the research includes to examine the challenges and factors influencing a reliable freight forwarding business that poses a potential hindrance towards the smooth operations of the logistics function of an organization involved in the freight forwarding of Goods.

Primary Objective is to study the Challenges and factor influencing the freight

forwarding business with special reference to multimodal logistics.

Secondary Objectives are: to analyze the problems faced by freight forwarders from the carriers; to analyze the problems faced by freight forwarders from the companies and individual customers; to know the satisfaction level with the customs clearance and terms and conditions imposed on the freight forwarders by the carriers; to suggest solutions to reduce the problems faced by the freight forwarders; to provide suitable suggestions to resolve the problems in transportation.

Methodology. Research methodology refer to various sequential steps adopted by researches and in studying the problem with certain objective in mind. The method used in collecting data was the questionnaires. The method used for data analysis is the simple percentage, the Freight Forwarding problems in Chennai include Fluctuating exchange rates, Bunker Fluctuations, and Ocean Volatility should be better designed, coordinated and maintained. To curb the challenges and factor influencing freight forwarding Industry. It is also to examine the concept of Freight Forwarding, identify or examine the roles of Freight Forwarders, examine the problems of freight Forwarding Operation, examine the causes and effects Influencing the freight forwarding process and proper solutions to the Challenges and Factor Influencing the freight forwarding Business.

Research design is the framework of research methods and techniques chosen by a researcher. The design allows researchers to hone in on research methods that are suitable for the subject matter and set up their studies up for success. The design of a research topic explains the type of research (experimental, survey, correlational, semi experimental, and review) and also its sub-type (experimental design, research problem, descriptive case-study).

The type of research that has been adopted by the researcher is descriptive research. It described the study on Challenges and Factor Influencing the Freight Forwarding Business in the Logistics Industry.

Descriptive research is typically based on observation and measurement of variables, such as demographics, behaviour's, attitudes, or perceptions. The data collected can be qualitative or quantitative, and can be obtained through surveys, interviews, questionnaires, focus groups, or direct observation.

The main sources through which data is collected are: Both primary and secondary data were used.

- *Primary data* - is collected from the first-hand experience and which has not been used in the past. The data gathered by primary data collection methods are specific to the research's motive and highly accurate. Primary data are collected for the first time and this happens to the original in character. In this study, data are collected directly from the transport owners or managers by using the questionnaire method

- *Secondary data* - Secondary data refers to data that is collected by someone other than the primary user. Common sources of secondary data for social science include censuses, information collected by government departments, organizational records and data that was originally collected for other research purposes. The secondary data, which have been already, collected data. It included internal sources like company profile and external sources like books, journals, magazines, newsletters and

internet.

The sample size refers to the number of sampling units selected from the population for exploration. The sample size of this research is 20.

A framework is a structured approach to solving a particular type of problem or performing a specific type of task. It can be thought of as a set of guidelines, principles, and best practices that help ensure consistency and efficiency in the development process.

The sampling technique adopted for this study is convenience sampling.

The Research Tool used for the study is Questionnaire created by Google Form.

The researcher had used mean and percentage analysis to analyze the responses. Mean implies average and it is the sum of a set of data divided by the number of data. Percentage analysis is the method to represent raw streams of data as a percentage (a part in 100 – percent) for better understanding of collected data.

Limitations of the Study: opinion of employees may be biased at time; respondents would have hidden some facts due to the fear of management; the study is based on the data collected from respondents and a journal hence the reliability of the data is not probed into; utmost care has to be taken while extending the results to the other areas; even though an elaborate study was made on the problems in freight forwarding due to the time constraint, it limited to logistics industry; the study was limited to Chennai only; the study was limited to freight forwarding business only; Time was a major constraint; the sample was limited to only owners or managers of logistics industry in Chennai.

Results. The findings of the study are based on the assumption that respondents have disclosed in the questionnaire.

Computation and Interpretation. Data analysis and interpretation is the process of assigning meaning to the collected information and determining the conclusions, significance, and implications of the findings. It is an important step in the process of research.

Table 1. Table showing issues faced in Transportation department

Issues Faced in Transportation Department	Mean Value
Delay in Delivery Order (DO) & Unloading	2.5
Non-availability of transportation	3.05
CHA not doing his work properly	2.65

Source: Primary Data

From the above table of mean analysis, it can be inferred that Delay in Delivery Order (DO) & Unloading, Non-availability of transportation CHA not doing his work properly are the major problems faced in transportation department. Among these problems, Non-availability of transportation with mean value of 3.05 is considered as the major problem in transportation department.

Table 2. Table showing issues faced in Business Operation

Issues Faced in Business Operations	Mean Value
Air Way Bill Sticker Missing/Wrong Sticker placed (Sticker of different airlines)	2.6
SL or EL Pieces	2.65
Flight Delay & Wrong Scheduling	3.4
Gross Weight Mismatch	3
Part Shipment problem	2.45
False Information of product dimensions	3.45
Missing Piece	2.35
Problems in customs clearance	3.9

Source: Primary Data

From the above table of mean analysis, it can be inferred that Air Way Bill Sticker Missing/ Wrong Sticker placed (Sticker of different airlines), SL or EL Pieces, Flight Delay & Wrong Scheduling, Gross Weight Mismatch, Part Shipment problem, False Information of product dimensions, Missing Piece and Problems in customs clearance are the major problems faced in Business Operation. Among these problems, Problems in customs clearance with mean value of 3.9 is considered as major problem in business operation.

Table 3. Showing issues faced in Core Competencies

Issues Faced in Core Competencies	Mean Value
Cargo tracking problem	2.9
Fluctuation in Flight rates	3.05
Improper packing	2.5
miscommunication for flight booking	4.1
Indian Customs Server Error	3
Shipper Communication problem	2.1

Source: Primary Data

From the above table of mean analysis, it can be inferred that Cargo tracking problem, Fluctuation in Flight Rates, Improper packing, IATA agent miscommunication for flight booking, Indian Customs Server Error and Shipper Communication problem are the major problems faced in Core Competencies. Among these problems in IATA agent, miscommunication for flight booking with mean value of 4.1 is considered as the major problem in Core Competencies.

Table 4. Showing issues faced in Documentation Department

Issues Faced in Documentation Department	Mean Value
Lack of Proper Documents	2.8
Wrong Flight Details	3.25
Port of Loading/Origin Port Mismatch	4.05

Source: Primary Data

From the above table of mean analysis, it can be inferred that Lack of proper documents, Wrong Flight Details, Port of Loading / Origin Port mismatch are the major problems faced in Documentation Department. Among these problems, Port of Loading/Origin Port mismatch with mean value of 4.05 is considered as major problem in documentation department.

Table 5. Showing employees' opinion on Delay in Delivery Order (DO) & Unloading

Occurrence	Number of Respondents	Percentage
Often	0	0%
Sometimes	0	0%
Rarely	5	25%
Very Rarely	10	50%
Never	5	25%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 25% feels that Delay in Delivery Order (DO) & unloading problems occurs rarely, 50% feels that their problems occur very rarely, 25% feels never. Hence it can be concluded that majority of employees feel that very rarely it occurs.

Table 6. Showing employees' opinion on non-availability of transportation

Occurrence	Number of Respondents	Percentage
Often	0	0%
Sometimes	6	30%
Rarely	4	20%
Very Rarely	3	15%
Never	7	35%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 30% feels that non-availability of transportation problems occurs sometimes, 20% feels that their problems occur rarely, 15% feels very rarely, 35% feels never. Hence it can be concluded that majority of employee's feels that never it occurs.

Table 7. Showing employees' opinion on CHA not doing his work properly

Occurrence	Number Of Respondents	Percentage
Often	5	25%
Sometimes	2	10%
Rarely	4	20%
Very Rarely	3	15%
Never	6	30%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 25% feels that CHA not doing his work properly problems occurs often, 10% feels that their problems occur sometimes, 20% feels that their problems occur rarely, 15% feels that their problems occur very rarely, 30% feels that their problem never occurs. Hence it can be concluded that majority of employee's feels that never it occurs.

Out of 20 employees of company, 35% feels that Air Way Bill Sticker Missing/ Wrong Sticker placed (Sticker of different airlines problems occurs sometimes, 20% feels that their problems occur rarely, 45% feels very rarely.

Table 8. Showing employees' opinion on problems of Air Way Bill Sticker Missing/Wrong Sticker placed (Sticker of different airlines)

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	7	35%
Rarely	4	20%
Very Rarely	9	45%
Never	0	0%
Total	20	100%

Source: Primary Data

Hence it can be concluded that majority of employee's feels that very rarely it occurs.

Table 9. Showing employees' opinion on problems of SL or EL Pieces

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	5	25%
Rarely	8	40%
Very Rarely	6	30%
Never	1	5%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 25% feels that SL or EL Pieces problems occurs sometimes, 40% feels that their problems occur rarely, 30% feels very rarely and 5% feels never. Hence it can be concluded that majority of employee's feels that very rarely it occurs.

Table 10. Showing employees' opinion on problems of Flight Delay & Wrong Scheduling

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	0	0%
Rarely	11	55%
Very Rarely	0	0%
Never	9	45%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 55% feels that their problems occur rarely, 45% feels never. Hence it can be concluded that majority of employee's feels that very rarely it occurs.

Table 11. Showing employees' opinion on problems of Gross Weight Mismatch

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	2	10%
Rarely	8	40%
Very Rarely	5	25%
Never	5	25%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 10% feels that Gross Weight Mismatch problems occurs sometimes, 40% feels that their problems occur rarely, 25% feels

that their problem occur very rarely, and 25% feels never.

Table 12. Showing employees' opinion on problems of Part Shipment problem

Occurrence	Number of respondents	Percentage
Often	1	5%
Sometimes	8	40%
Rarely	4	20%
Very Rarely	5	25%
Never	2	10%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 5% feels that Part Shipment problem occurs often, 40% feels that their problems occur sometimes, 20% feels that their problems occur rarely, 25% feels that their problems occur very rarely, 10% feels never Hence it can be concluded that majority of employees feels that sometimes it occurs.

Table 13. Showing employees' opinion on problems of False Information of Product dimensions

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	0	0%
Rarely	9	45%
Very Rarely	3	15%
Never	8	40%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 45% feels that problem occurs rarely, 15% feels that problem occurs very rarely, and 40% feels never it happens. Hence it can be concluded that majority of employee's feels that rarely it occurs.

Table 14. Showing employees' opinion on problems of Missing Piece

Occurrence	Number of respondents	Percentage
Often	3	15%
Sometimes	5	25%
Rarely	7	35%
Very Rarely	2	10%
Never	3	15%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 15% feels that Missing Piece problems occurs often, 25% feelsthat their problems occur sometimes, 35% feels rarely, 10% feels very rarely, and 15% feels never. Hence it can be concluded that majority of employee's feels that rarely it occurs.

Table 15. Showing employees' opinion on Problems in customs clearance

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	0	0%
Rarely	0	0%
Very Rarely	12	60%
Never	8	40%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 60% feels that their problems occur very rarely, and 40% feels never. Hence it can be concluded that majority of employee's feels that very rarely it occurs.

Table 16. Showing employees' opinion on problems of Cargo tracking problem

Occurrence	Number of respondents	Percentage
Often	0	
Sometimes	5	25%
Rarely	2	10%
Very Rarely	13	65%
Never	0	
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 25% feels that Cargo tracking problems occurs sometimes, 10% feels that their problems occur rarely, 65% feels that their problems occur very rarely, hence it can be concluded that majority of employees feels that very rarely it occurs.

Table 17. Showing employees' opinion on problems of Fluctuation in Flight rates

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	2	10%
Rarely	8	40%
Very Rarely	7	35%
Never	3	15%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 10% feels that Fluctuation in Flight rates problems occurs sometimes, 40% feels that their problems occur rarely. 35% feels that their problems occur very rarely, and 15% feels never. Hence it can be concluded that majority of employee's feels that rarely it occurs.

Table 18. Showing employees' opinion on problems of Improper packing

Occurrence	Number of respondents	Percentage
Often	2	10%
Sometimes	6	30%
Rarely	4	20%
Very Rarely	6	30%
Never	2	10%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 10% feels that improper packing problems occurs often, 30% feels that their problems occur sometimes, 20% feels that their problems occur rarely, 30% feels that their problems occur very rarely, 10% feels never. Hence it can be concluded that majority of employees feels that sometimes and very rarely it occurs.

Out of 20 employees of company, 40% feels that their problems occur very rarely, and 60% feels never.

Table 19. Showing employees' opinion on problems of IATA agent mis-communication for flight booking

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	0	0%
Rarely	0	0%
Very Rarely	8	40%
Never	12	60%
Total	20	100%

Source: Primary Data

Hence it can be concluded that majority of employee's feels that never it occurs.

Table 20. Showing employees' opinion on problems of Indian Customs Server Error

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	0	0%
Rarely	10	50%
Very Rarely	10	50%
Never	0	0%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 50% feels that their problems occur rarely, 50% feels that their problems very rarely. Hence it can be concluded that majority of employees feels that rarely and very rarely it occurs.

Table 21. Showing employees' opinion on problems of Shipper Communication problem

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	8	40%
Rarely	12	60%
Very Rarely	0	0%
Never	0	0%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 40% feels that their problems occur sometimes, and 60% feels that their problems rarely. Hence it can be concluded that majority of employees' feels that rarely it occurs.

Table 22. Showing employees' opinion on problems of Lack of proper documents

Occurrence	Number of respondents	Percentage
Often	1	5%
Sometimes	6	30%
Rarely	3	15%
Very Rarely	6	30%
Never	4	20%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 5% feels that Lack of proper documents problems occurs often, 30% feels that their problems occur sometimes, 15% feels that their problems occur rarely, 30% feels that their problems occur very rarely, 20% feels

never Hence it can be concluded that majority of employees feels that both sometimes and very rarely it occurs.

Table 23. Showing employees' opinion on problems of Wrong Flight Details

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	0	0%
Rarely	11	55%
Very Rarely	3	15%
Never	6	30%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 55% feels that problem occurs rarely, 15% feelsthat problem occurs very rarely, and 30% feels never it happens. Hence it can be concluded that majority of employee's feels that rarely it occurs.

Table 24. Showing employees' opinion on problems of Port of Loading/Origin Portmismatch

Occurrence	Number of respondents	Percentage
Often	0	0%
Sometimes	0	0%
Rarely	2	10%
Very Rarely	5	25%
Never	13	65%
Total	20	100%

Source: Primary Data

Out of 20 employees of company, 10% feels that problem occurs rarely, 25% feels that problem occurs very rarely, and 65% feels never it happens. Hence it can be concluded that majority of employee's feels that never it occurs.

Findings of study:

- From the mean analysis, it can be inferred that Delay in Delivery Order (DO) & Unloading, Non-availability of transportation CHA not doing his work properly arethe major problemsfaced in transportation department.
- From the mean analysis, it can be inferred that Air Way Bill Sticker Missing/ WrongStickerplaced (Sticker of different airlines), SL or EL Pieces, Flight Delay & WrongScheduling, Gross Weight Mismatch, Part Shipment problem, False Information of product dimensions, Missing Piece and Problems in customs clearance are the majorproblems facedin Business Operation.
- From the table of mean analysis, it can be inferred that Cargo tracking problem Fluctuation in Flight rates Improper packing, IATA agent miscommunication for flight booking Indian Customs Server Error and Shipper Communication problem arethe major problems faced in Core Competencies.
- From the table of mean analysis, it can be inferred that Lack of proper documents, WrongFlight Details, Port of Loading/Origin Port mismatch are the major problems faced in Documentation Department.
- Most of the employees feel that problem of Delay in Delivery Order (DO) &Unloading occurs very rarely.

- Most of the employees feel that problem of non-availability of transportation occurs never.
- Most of the employees feel that problem of CHA not doing his work properly occurs never.
- Most of the employees feel that problem of Air Way Bill Sticker Missing/ Wrong Sticker placed (Sticker of different airlines) occurs very rarely.
- Most of the employees feel that problem of SL or EL Pieces occurs rarely.
- Most of the employees feel that problem of Flight Delay & Wrong Scheduling occurs rarely.
- Most of the employees feel that problem of Gross Weight Mismatch occurs rarely.
- Most of the employees feel that problem of Part Shipment problem occurs sometimes.
- Most of the employees feel that problem of False Information of product dimensions occurs rarely.
- Most of the employees feel that problem of Missing Piece occurs rarely.
- Most of the employees feel that problem of customs clearance occurs very rarely.
- Most of the employees feel that problem of Cargo tracking occurs very rarely.
- Most of the employees feel that problem of Fluctuation in Flight rates occurs rarely.
- Most of the employees feel that problem of improper packing occurs very rarely.
- Most of the employees feel that problem of IATA agent miscommunication for flight booking never occurs.
- Most of the employees feel that problem of Indian Customs Server Error occurs very rarely.
- Most of the employees feel that problem of Shipper Communication problem occurs rarely.
- Most of the employees feel that problem of Lack of proper documents occurs very rarely.
- Most of the employees feel that problem of Wrong Flight Details occurs rarely.
- Most of the employees feel that problem of Port of Loading/Origin Port mismatch never occurs.

Discussion:

- FreightKare Multimodal Logistics Pvt. Ltd need to expand the company and appoint more Employees for better company expansion.
- FreightKare Multimodal Logistics Pvt. Ltd should concentrate in the business operations as it contains certain core problems.
- Organization can give full assure for the theft and damage of the products. It will increase the image of the company.
- Shipway is one of the effective ways of transport, but from the study it is clear that there is a problem in shipping. The company should take right steps to make the transport very effective.
- FreightKare Multimodal Logistics Pvt. Ltd can update their documentation process

with fully computerized.

Conclusion. During the project period, I was exposed to a lot of technical aspects about shipping, logistics and freight forwarding industry. My Internship period at Multimodal Logistics also opened a new window for me to learn how to adapt to an organization and to be a team worker as well as prove myself as an individual. The report covers an overview of challenges and Factors Influencing freight forwarding business in Multimodal Logistics. It explains the logistics, international freight forwarding, custom clearance, transportation, role of freight forwarders in general along with the challenges faced by the freight forwarders. Further, it covers the problems faced by freight forwarders in the import process. Moreover, the researcher has gained some field experience during his internship which has evinced a keen interest in developing knowledge in business line.

Since the Freight forwarding sector is a cyclic business, there are lots of ups and downs in the industry due to rise and fall of demand of cargo and customers, fluctuations in the exchange rates and several other factors. The problems faced by the freight forwarder from the side of importer and exporter are due to terms of contract and product related issues.

The best way to maintain the stability of these industries is to be more focused on the business operations side, while trying to maintain an amiable relationship with customs clearance. This will be beneficial for the profits in business concern. If these problems were rectified, then the industry will definitely have a brighter and better future. We can find a better solution for these problems with further studies in these areas. The major crux of this study was made possible, by the internship experience in Multimodal Logistics, which provided a very good learning environment. The hands-on experience that I gained there will definitely keep me in good stead as it provided a very good working environment and also provided opportunity for me to learn and improve my skills and knowledge.

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