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СТРАТЕГІЯ ДИВЕРСИФІКАЦІЇ ЯК НАПРЯМ ПІДВИЩЕННЯ
КОНКУРЕНТОСПРОМОЖНОСТІ ТРАНСПОРТНО-ЕКСПЕДИТОРСЬКОЇ КОМПАНІЇ

Актуальність. Потреба впровадження нових стратегій та послуг до діяльності транспортно-експедиторських компаній для підвищення власної конкурентоспроможності та втримання позицій на ринку, оскільки через зростаючу кількість постачальників логістичних послуг, таких як NVOCC (Non-Vessel Operating Common Carrier), послуги традиційних експедиторів та їх функціональна відмінність стає незрозумілою.

Мета та завдання. Систематизація різновидів диверсифікації діяльності транспортно-експедиторських компаній як стратегічного напрямку підвищення конкурентоспроможності на ринку відповідних послуг, визначення різновидів стратегії диверсифікації та відповідних напрямків діяльності ТЕК, розробка алгоритму впровадження стратегії диверсифікації діяльності ТЕК, формування переліку управлінських рішень, що повинні супроводжувати процес диверсифікації діяльності ТЕК.

Матеріали та методи. Дане наукове дослідження проводилося відповідно до логіки і методології системного аналізу, теорії транспортних процесів і систем, а також із застосуванням методів дослідження та розвивала теорію системного аналізу. Теоретичною основою дослідження послужили різні аспекти відповідного тематичного розділу, розглядалися проблеми контролю, інформаційних систем, використання математичних методик.

Результати. В сучасних умовах транспортно-експедиторські компанії є перш за все інтеграторами різних транспортних послуг, які формують власну систему доступу як для одноразових транспортувань, так і для довгострокового транспортного обслуговування регулярних поставок, тому виникає потреба у впровадженні стратегій диверсифікації діяльності ТЕК. Тому виникає потреба у впровадженні стратегій диверсифікації, щоб створити конкурентоспроможні умови для діяльності ТЕК.

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аналізі, розробці необхідних цілей та планів, розуміючи тенденції ринку і урахування можливих ризиків можна прийти до належних та бажаних результатів впровадження стратегії диверсифікації ТЕК.

Висновки. Через те, що транспортно-експедиторські компанії сьогодні є організаторами та координаторами вантажних перевезень, виникає потреба в диверсифікації діяльності та номенклатури послуг для повного задоволення потреб споживачів, які посягають на підвищення конкурентоспроможності у контексті ринкової конкуренції.

Аби впроваджена стратегія диверсифікації приносила транспортно-експедиторській компанії конкурентоспроможність та позитивні наслідки, при розробці стратегії та плануванні нових напрямків діяльності необхідно вичити та аналізувати ринок, поведінку конкурентів, споживачів і постачальників.

Ключові слова: диверсифікація, транспортно-експедиторська компанія, стратегія, алгоритм впровадження, стратегічний розвиток, конкурентоспроможність

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DIVERSIFICATION STRATEGY AS A WAY TO INCREASE THE COMPETITIVENESS OF A FREIGHT FORWARDING COMPANY

Topicality. The need of introducing new strategies and services to the activities of freight forwarding companies in order to increase their own competitiveness and maintain their positions in the market in due to the growing number of logistics services providers such as NVOCC (Non-Vessel Operating Common Carrier) the services of traditional freight forwarders and their functional differences become unclear.

Aim and tasks. The systematization of diversification types of the activities made by freight forwarding companies as a strategic direction of increasing competitiveness in the market of relevant services, determination of diversification strategy’s types and relevant areas of activity made by freight forwarding companies, development of an algorithm for implementing the diversification’s strategy of freight forwarding companies, formation of a management decisions’ list that should accompany the process of diversification freight forwarding companies.

Materials and Methods. This scientific research was conducted in accordance with the logic and methodology of system analysis, the theory of transport processes and systems, as well as with the application of operations research methods. The theoretical basis of the study was the works of leading experts in strategic management, diversification of the activities of enterprises and the work of freight forwarding companies. The morphological method was used to substantiate the development directions of transport and forwarding services. Methods of analysis and synthesis were used to structure the process of development of freight forwarding services and to structure the process of development of a transport and forwarding company.

Research results. Today freight forwarding companies are the first among all integrators of various transport services, which form certain delivery systems both for single shipments and for long-term transport services of regular deliveries, therefore the need of implementing a diversification strategy in the activities of enterprises is increasing so that the integration processes pass in a fully satisfactory manner. Since freight forwarding companies simply do not provide additional services to the transportation process, but are organizers and coordinators of cargo delivery, the main task of the freight forwarder is to free the cargo owner from solving issues related to cargo transportation. That is why there is a dependency between the range of services that freight forwarding companies can offer and the client’s problems that these services can cause. Of course, it is more convenient and profitable for the client to transfer all types of cargo-related work to one company, which will completely take over the organization and implementation of the
process without the involvement of third companies. In order for the implemented diversification strategy to bring only competitive advantages and positive consequences to the freight forwarding company, it is necessary to study and analyze the market, the behavior of competitors, consumers and suppliers when developing a strategy and planning new areas of activity. It is no less important to distinguish the directions the diversification strategy in order for better understanding what goals should be aimed. Only with proper analysis, development of the goals and plans, understanding trends and taking into account possible risks, it is possible to accept the proper and desired results of the implementation of the diversification strategy of freight forwarding companies.

**Conclusion.** Due to the fact that freight forwarding companies today are organizers and coordinators of freight transportation, they need to diversify their activities and range of services to fully satisfy the needs of consumers, which consist in acquiring a complete package of services that could free the cargo owner from solving any kind of issues, related to the transportation of goods. In order for the implemented diversification strategy to bring only competitive advantages and positive consequences to the freight forwarding company, it is necessary to study and analyze the market, the behavior of competitors, consumers and suppliers when developing a strategy and planning new areas of activity.

**Keywords:** diversification, freight forwarding company, strategy, implementation algorithm, strategic development, competitiveness

**Problem statement and its connection with important scientific and practical tasks.** In today’s environment where information technology has completely changed the way of life and business strategies, international freight forwarding companies like every modern business are evolving to adapt to a fast-changing and competitive business environment. A significant share among all types of adaptive development is diversification, which includes changes in business strategies, expanding the range of services provided, improving technologies, entering new supplier markets and new sales markets.

**Analysis of recent publications on the problem.** At the current stage there is no doubt that scientists are interested in the study of the diversification of enterprise activities as a kind of strategy. Fundamental studies of this issue belong to such western scientists as: I. Ansoff, J. Barney, F. Kotler, H. Mintzberg, M. Porter, A. Thompson, A. Stickland and others, who primarily considered the nature and origin diversification, it is necessary to introduce it at the micro-levels of the enterprise. Diversification of activity is the object of research by representatives of scientific opinion in the countries of the post-soviet space such as, H. Sokoliuk, M. Korinko, O. Tsohla, O. Zhurska, K.Zalutska, who mostly analyzed the improvement of the industry structure at the national level. Among the Ukrainian scientists who considered the activities and ways of increasing the efficiency of the functioning of freight forwarding companies, it is worth highlighting such scientists as H. Makhurenko, Yu. Koskyna, S. Onyshchenko, V. Gladkovska, V. Stadnik.

**Allocation of previously unsolved parts of the general problem.** Despite a significant number of research papers on this issue, they lack an analysis of the current level of development of freight forwarding companies, directions for their diversification in order to increase competitiveness.

**Formulation of research objectives (problem statement).** The purpose of the study is the systematization of diversification’s types of the activities made by freight forwarding companies as a strategic direction of increasing competitiveness in the market of relevant services. The main objectives of the study are: determination of diversification strategy’s types and relevant areas of activity made by freight forwarding companies; development of an algorithm for implementing the diversification’s strategy of freight forwarding companies; formation of a management decisions’ list that should accompany the process of diversification freight forwarding companies.

**Materials and Methods.** This scientific research was conducted in accordance with the logic and methodology of system analysis, the theory of transport processes and systems, as well as with the application of operations research methods. The theoretical basis of the study was the works of leading experts. The morphological method was used to substantiate the development directions of freight forwarding services. Methods of analysis and synthesis were used to structure the process of development of freight forwarding services and to structure the process of development of a freight forwarding company.

**An outline of the main results and their justification.** Diversification is one of the four main growth strategies identified by Igor Ansoff (Figure 1).

Diversification is a term applied to the process of redistribution of resources that exist at a given enterprise to other areas of activity that are significantly different from the previous ones (Ansoff, H.I., 2011). Ansoff noted that the diversification strategy stands apart from the other three strategies.

While the first three strategies are usually pursued with the same technical, financial, and
merchandising resources used for the original product line, diversification typically requires the company to acquire new skills and knowledge in product development, as well as new insights into market behavior.

This requires not only the acquisition of new skills and knowledge, but also requires the company to acquire new resources, including new technologies and new tools, which expose the organization to higher levels of risk (Thompson, A.A., et.al., 2010).

![Fig. 1. Ansoff's matrix of strategies](image)


Since the economic situation in which freight forwarding companies operate today is characterized by uncertainty and instability, in order to ensure the enterprise's sustainable development and the possibility of maintaining and gaining new competitive advantages, it is necessary to implement systems of forecasting and adaptation to the conditions of the external environment (Gladkovska, V., 2017).

Namely, diversification is an effective means of ensuring the sustainable development of freight forwarding companies and the opportunity to maintain and expand its competitive position on the market.

For a more complete study of the peculiarities of the diversification of the activities of freight forwarding companies, we suggest considering the varieties of its strategies on specific examples, which are schematically depicted in Figure 2.

![Fig. 2. The main types of diversification strategy on the example of freight forwarding companies](image)

Source: compiled by the authors

The strategy of vertical integration is based on the search and use of additional opportunities for the production of new products and the provision of new services (Mintzberg, H. & Global, S., 1994) and is reflected in freight forwarding companies activities through the addition to the main range of services of such novelties as the organization of warehouse operations and the provision of trucking services.

In essence, the services of warehousing and transportation of goods are in the same circle of needs for customers, together with the usual services for the organization of transportation provided to them by the forwarder.
For the company's customers, the addition of these services to the range is a comfort of communication due to the absence of third parties in the chain, a decrease in the added value of services.

Since the cost of providing the service should be much lower than the cost of its purchase from another company (Makhurenko, H.S., 2013, Onyshchenko, S., 2014).

Using trucks from its own fleet and acting as a direct carrier for the client, the freight forwarder can be "more flexible" in terms of rates and the schedule of submitting trucks for loading.

The organization of warehouse operations will help to more deeply control the process of transshipment, packaging and storage of cargo.

As a rule, customers feel more relaxed if they understand that one company with which they are already familiar handles the organization, delivery and transshipment of their cargo (Stadnik, V.H., 2015).

The strategy of horizontal diversification involves the search for growth opportunities in the existing market at the expense of new products, which requires a new technology, different from the one used (Kotler, Ph. & Armstrong, G.M., 2010).

In this case, the new product should be aimed at the consumer of the main product, but in terms of its qualities, it should be related to the products that are already being produced.

On the example of freight forwarding companies, the addition of such types of services as customs brokerage services and services for the organization and implementation of phyto-sanitary and veterinary certificates for cargo would correspond to this strategy (Koskyna, Yu.A., 2007).

Acting as a broker and receiving the appropriate license, freight forwarders have the opportunity to save the client's money, processing the cargo quickly and immediately as it enters the territory of Ukraine, thereby preventing downtime and the occurrence of detention or demurrage (Gomeniuk, M., 2020).

In addition, according to the report of the Ministry of Economy of Ukraine on the general results of the export of goods of Ukraine in 2021, the products of the agro-industrial complex and the food industry take the first place among all other types of export goods and make up 36.1% of the total volume (Ministry of Economy of Ukraine, 2021).

That is, in terms of freight forwarding companies export activity, the transportation of grain occupies a leading position.

For customs clearance of grain products and their further transportation, there is a need to issue a phyto-sanitary certificate, which confirms the fact of grain processing and their suitability for consumption.

Therefore, traditional freight forwarders should contact the relevant services that issue these certificates.

However, due to the fact that today the registration procedure has become somewhat simpler and more accessible, freight forwarding companies have the opportunity to attract relevant specialists to their staff to carry out selections analyzes and issue certificates on their own.

In this case, first of all, the periodicity of issuing certificates and their cost for the forwarder is reduced.

For the client, the introduction of this service is an indicator of the company's rating (which has a positive effect on the company's reputation and competitiveness) and an opportunity not to turn to third-party companies, which can become a factor in slowing down the process (Gladkovska, V., 2017).

Cross-diversification is carried out at the enterprise through a combination of horizontal and vertical diversification, that is, in essence.

It is the introduction and addition to the existing nomenclature of the company's services of novelties that are in the same market as the existing services of the enterprise and carry the novelty of the implementation technology for the client (Barney, et.al., 2013).

On the example of freight forwarding companies, cross-diversification is reflected in the addition of such modernizations to the existing range of services as the creation of a logistics-consulting department and the introduction of freight services.

The logistics consulting department, by the opinion of the authors, is considered necessary in cases where the exporter or importer of goods is a small company or an individual entrepreneur who does not yet have relevant experience in foreign economic activity.

In addition, these companies do not pretty understand cause-and-effect relationships in the transportation process cargo, but in turn does not have opportunities to create its own logistics department to attract the necessary specialists (Gomeniuk, M., 2020).

In this case, the freight forwarder can provide the services of a consultant, reporting and providing the client with the necessary information to organize the transportation process in such a way as to avoid additional costs.
For a freight forwarding company, this industry is studied and understood from both the theoretical and practical sides, therefore consulting clients will be carried out at a highly qualified level for an appropriate fee.

The services of a freight broker in this case mean mediation between ship owners (or owners of feeders, barges) and cargo owners.

It is more convenient for the client to leave the documents and cargo “in the hands” of professionals who will deliver, clear customs and send the cargo by river transport, without involving third parties to the deal.

Conglomerate diversification and its manifestation consists in the fact that the firm expands due to the production of technologically unrelated goods that are sold in new markets (Korinko, M.D., 2007).

On the example of freight forwarding companies, conglomerate diversification is manifested in the addition of such updates to the existing list of services as the provision of services for customs clearance and vehicle registration and the creation of a grain distribution department.

The creation of a grain distribution department assumes the role of a trader-intermediary between seller companies and buyer companies that cannot find each other on the market.

The main idea is to buy raw materials and then resell them to non-residents. Having a base of its regular and potential customers, the freight forwarder can find sales markets and sources of supply in companies to which it previously sold its own services.

Importing and customs clearance of cars from European or Asian countries is also an option of conglomerate diversification for the forwarding company, since the procedure for the customs clearance of cars is somewhat different from the procedure for the customs clearance of ordinary cargo.

By changing the concept of development of one of the departments, giving preference to B2C (Business to Customer) market players and individual to individuals (Kotler, Ph. & Armstrong, G.M., 2010), the forwarding company can start mastering a new industry and new accompanying documentation.

To start implementing diversification strategies in the activities of a transport forwarding company, it is necessary to determine the direction of diversified activity first (Sokoliuk, H.O., 2012).

For example, if we are talking about the diversification of traditional transport and forwarding services, then there are obviously two ways to solve this problem:

1. Development in the direction of coverage of services that are directly related to the implementation of the delivery process.

2. Expansion of the range of services that are not directly related to the implementation of the delivery process, but are related to transport and forwarding services.

Next, we form potential solutions in a more concrete and reasoned form:

a) provision of any warehousing services, transportation, storage and consolidation of cargo for a direction that is directly related to the implementation of the delivery process;

b) provision of customs and freight broker services, the ability to carry out phyto- and veto selections for the issuance of phyto- and veto certificates for the direction that is directly related to the provision of transport and forwarding services.

After the formation of specific solutions, we form functional options for development and suggest that the development of functional options for development be carried out using the Ansoff matrix (Ansoff, H.I., 2011):

1) a new direction – gaining a significant share of the market;

2) the existing direction – increasing the volume of services or entering new market segments from the point of view of the type of cargo and the geography of the location of potential customers.

The fourth stage of the implementation of diversification strategies is the formation of potential solution options at the content level. Example:

1. Gaining a 30% market share among container LCL shipments (Less Container Loaded) and a 40% market share among FCL shipments (Full Container Loaded) on the Ukrainian forwarders market.

2. Increasing the transportation of party goods on a permanent basis, such as oil, grain, metal products, meal, etc.

When making a decision regarding the diversification of the activities of freight forwarding enterprises, it is necessary to substantiate the optimal set of types of activities of the enterprise, taking into account the available opportunities and the level of risk from the development of a new type of activity.

For this, a certain methodology is needed for the formation of a strategy for the diversification of the activities of a transport forwarding company.

We have proposed a methodical approach to the formation of a strategy for the diversification of the freight forwarding company's activities. The
algorithm for implementing the diversification strategy in the activities of a freight forwarding company is presented in Figure 3.

It consists in the implementation of a number of consecutive analytical procedures, starting from the realization of the need for diversification of the enterprise’s activities and the decision-making regarding the choice of types of activities and the implementation and control of the chosen diversification strategy.

The formation of a diversification strategy, like any other strategy of an enterprise, must begin with a strategic analysis, which in the strategic management system is the initial stage of the strategy development process and involves a comprehensive study of the enterprise's internal and external environment (Porter, M.E., 2008).

In the process of forming a strategy for diversifying the activities of a freight forwarding company, such aspects as the state and trends of the enterprise, which are determined by analyzing financial and economic indicators.

Require special attention during the assessment of the internal environment: availability, level and efficiency of use of resource potential; place and role of the enterprise in the market, its competitiveness (Tsohla, O.O., 2011).

In this case, the study of the external environment should be concentrated in the area of analysis of the sectors of the transport and forwarding market; assessment of the state and trends of market development (at the same time, it is necessary to identify its conjuncture, satisfied and unsatisfied demand, etc.), the level of competition on it (Markides, V. & Holweg, M., 2006).

Based on the results of the strategic analysis, decisions are made regarding the need to diversify the activities of the freight forwarding company.

In the case of a positive decision, the goals and objectives of diversification are formulated.

**Fig. 3. Algorithm for implementation of diversification strategy**

*Source: compiled by the authors*
After choosing the option of diversification of the enterprise, the stage of implementation and implementation of this strategy begins directly in the company's activities.

In the process of implementing the strategy and after its completion, it is worth starting control so that all languages are respected and the actual results correspond to the planned ones.

The final stage of the implementation of the diversification strategy in the activities of the transport forwarding company is the evaluation of the effectiveness of the implementation of this strategy.

If the dynamics of the indicators show that they are approaching the norm, then the chosen strategy can be considered satisfactory. In the opposite case, the expediency of strategy development and implementation will be determined by non-economic criteria (and by the fact of achieving goals) (Zhurska, O., 2018).

The preparation and adoption of management decisions at the enterprise, related to the diversification of fuel and energy, mainly covers the following areas (Zalutska, K.Y., 2020):

1. Carrying out activities related to increasing the company's diversification potential. The increase in diversification potential is associated with an increase in the company's ability to provide new services demanded by the market, which requires appropriate resources and qualified employees. In practice, such measures may include staff training through various trainings and courses, acquisition of new programs that could facilitate the work of each individual employee of the company. Management decision-making in this case is reduced to the analysis of various alternatives with limited capabilities of the enterprise and the selection of those whose effectiveness, from the point of view of increasing the diversification potential of the enterprise, will be maximum.

2. Planning and implementation of freight forwarding companies diversification. This direction includes various aspects of diversification planning (determining the time to start developing new types of services, assessing the need for resources and ensuring their availability, coordinating various sales schemes) and implementing diversification (direct introduction of new services to the market).

The general scheme of making managerial decisions related to the diversification of freight forwarding companies, depending on the degree of relevance of threats to decrease the demand for works and services provided, is presented in Figure 4.

Fig. 4. List of management decisions accompanying the process of freight forwarding companies diversification

Source: compiled by the authors

The current economic situation in Ukraine necessitates the development of production and conducting business in an unfavorable business environment, which is characterized by high risks.
and increased competition with narrowed solvent demand, making the diversification of the types of activities of the transport forwarding company quite relevant. It is worth noting the importance of the quality of the provision of transport and forwarding services and the achievement of a high level of development of the market of transport and forwarding services not only for direct consumers of services, but also for Ukraine as a whole (Zhurska, O., 2018).

This is explained by the fact that the current stage of the development of market relations is characterized by the intensification of international relations and the growth of cargo flows. Ukraine's course towards integration into the world economy causes increased attention to it as a transit state. One of the factors affecting the increase in the flow of transit cargo is, among other things, the level of development of the national market of transport and forwarding services.

Conclusions and perspectives of further research. In modern conditions, freight forwarding companies are, first of all, integrators of various transport services that form certain delivery systems both for single transportations and for long-term transport services of regular deliveries, therefore there is a need to introduce diversification strategies into the activities of enterprises in order for the integration processes to pass in a fully satisfactory manner.

Since today's freight forwarding companies do not just provide additional services to the transportation process, but are organizers and coordinators of cargo delivery, the main task of the freight forwarder is to free the cargo owner from solving issues related to cargo transportation. That is why there is a dependence between the range of services that freight forwarding companies can offer and the client's problems that these services can solve. Of course, it is more convenient and profitable for the client to transfer all types of work related to the cargo to one company, which will completely take over the organization and implementation of the process without the involvement of third companies.

In order for the implemented diversification strategy to bring only competitive advantages and positive consequences to the freight forwarding company, it is necessary to study and analyze the market, the behavior of competitors, consumers and suppliers when developing a strategy and planning new areas of activity. It is no less important to distinguish the directions and directions of the diversification strategy in order for better understanding which goals and how to go. Only with proper analysis, development of the necessary goals and plans, understanding market trends and taking into account possible risks, it is possible to arrive at the proper and desired results of the implementation of the freight forwarding companies diversification strategy.

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