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### Empirical Evaluation of Competiveness Components of Iranian Container Ports Using Exploratory Factor Analysis

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#### ABSTRACT

This paper aims empirically investigate a structure for evaluating Competiveness of Iranian container ports. Firstly, by using factor analysis the main component which influences competitiveness identified. Then by Fuzzy Analytic Hierarchy method the weights of factors and variable of competitiveness determined according to their importance level in the port competitiveness. The obtained result from factor analysis showed that the following eight factors which named as Logistics Cost, Connectivity, Port facility, Port Service and Availability, Safety and security, Efficiency and Productivity, Reliability, Hinterland condition account for an accumulated explanation of variance of 73% and thus may be adequate to represent the 32 strategic dimensions.

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### INTRODUCTION

The globalization of the world economy has led to an increasingly important role for transportation. In particular, container transportation plays a key role in the process, largely because of the numerous technical and economic advantages it possesses over traditional methods of transportation. Standing at the crucial interface of sea and inland transportation, the significance of the container port and its production capabilities cannot be ignored. Compared with traditional port operations, containerization has greatly improved port production performance. Port generally can be defined as interface linking marine and inland transportation. Nowadays, a port acts as a base for logistics, production, information, financial, living, international trade function and a base for economic development of hinterland [1]. Nearly ninety percent of global trade is handled through ports. Therefore, a port plays an important role in contributing to the national economy. Moreover, a port's development is related to regional industries, port facilities, government's port policies, and so on [2].

#### Port competition:

Compared with general industries or service activities, port competition was comparatively minimal in the past. Each port secured its own customers depending on the port situation. A variety of activities for these customers and industries were limited within a port area or its neighboring hinterland. Most of today's ports, however, share the hinterland and conduct a severe competition to secure cargo volume, depending on their circumstances [3]. Examining types of port competition first, Goss [4] categorized them systematically into five classifications of ports. That is, the competitive forces may be analyzed more systematically as follows:

- 1) Competition between whole ranges of ports or coastlines,
- 2) Competition between ports in different countries,
- 3) Competition between individual ports in the same country,
- 4) Possible competition between the operators or providers of facilities within the same port, and 5) competition between different modes of transport.

In the case of UNCTAD [5], types of port competition were largely classified into inter-port competition, inter-modal transportation competition, and intra-port competition. Matsbashi [6] classified port competition largely into both inter-port competition within a country, and international port competition. The latter competes

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with competition factors such as terms of price, time and technology. Meanwhile, the former competes with terms of price, time, safety, and information functions. In this respects, it is essential for port to have a power of competition which is to defeat other ports. The competitive power of ports presents ship owners or shippers with the standard of selecting ports. Port operators can utilize that power as a guide necessary for counter measures, by grasping the advantages and disadvantages of ports, and the prime factors of opportunities and threats of ports with environments changing [7].

#### *Researches on Competitiveness Evaluation:*

This section reviews some of the researches related to industrial and port competitiveness. Booming international trade and the fast-growing shipping industry have aroused port competitiveness, which has altered port market positions. As a consequence, ports are no longer seen as a safe business. In order for a port to have good performance and to be selected by customers, it should be competitive. Porter [8] notes that competitive advantages are created in the interplay between the rivalry, demanding customers, and the quality of related and supporting sectors, whereas a port's related and supporting sectors have much to do with its hinterland; hence, the port hinterlands are crucial for port performance and port choice. The competition has drawn the attention of a number of researchers who have proposed different competitive components of port competition, the following are some reviews of previous foreign studies on the extraction of the components of port competitive power.

French [9] suggested terminal facilities, tariffs, port congestion, service level, connectivity, and port operators as internal components, while considering the economy of hinterland, the economic status of the nation, trade policy, and the world economic trend external components. Pearson [10] considers confidence in port schedules, frequency of calling vessels, variety of shipping routes and accessibility of the port as port competitive components. Collison [11] identifies average waiting time in port and port service capacity as competitive components. Brooks [12, 13] proposes three more components: port costs, port reputation and/or loyalty and experience of cargo damage. Slack [14], Willingale [15] surveyed the selection standards of port as well as the decision making process of the calling port, for the 20 liners in 1982. His study reveals that the selecting process consists of the following stages: the available port locating stage, judgment and examination stage, approach, visit and evaluation stage, preliminary discussion stage, negotiation stage, and selection stage. In the process of selecting a particular port, shipping lines consider the location factor, technical factor, operational factor, fiscal factor, and manpower factor. Murphy *et al.* [16, 17, 18, 19] consider the port facilities and equipment available, convenient pickup and delivery times, information concerning handling, assistance in claims handling and cargo handling flexibility, port operations policy, international politics, change of social environment, trade market, economic factors, and features of competitive ports as the important competitive components.

Peters [20], put emphasis on the service level, available facility capacity, status of the facility, and port operation policy, calling them internal factors. As external factors he took the examples of international politics, change of social environment, trade market, economic factors, features of competitive ports, functional changes of transportation, and materials handling. Calling frequency, tariffs, accessibility to the port, port congestion, and inter-linked transportation network were considered affecting factors by Peters [20]. UNCTAD [5], notes geographical location, networks in the hinterland, availability and efficiency of transportation, stability of the port and port information system as competitive components. Kim [21] analyzed the decision factors of port selection for Korean shippers, consignees, and liners. Distance between origin and destination, annual cargo handling volume, loading hours, average detention hours at port, goods value per tonnage, and inland trucking cost per kilometer affect exporting from higher to lower influencing order. Meanwhile, sea transportation distance, number of liners for calling-in, annual volume by import, inland transportation cost are the major factors for import port selection. McCalla [22] considers container transport routes as a specific important component. Starr [23] considers Geographic location of ports, Inland railway transportation, investment of port facilities, and stability of port labor as competitive components. Tengku [24] considers Port tariffs, safety handling of cargoes, and confidence in port schedules. And Chiu [25] considers Custom service, rapidness, and simple documents in port, cargo damage and skills of port as competitive components. Lirn *et al.* [26] studied transshipment port selection criteria from a container carrier's perspective. Their study revealed the criteria to be handling cost of containers, proximity to main navigation routes, proximity to import/export area, basic infrastructure conditions and existing feeder network, which were identified as important in descending order of importance. Tongzon and Heng [27] studied port competition and choice and proposed eight key determinants of port competitiveness: Port (terminal) operations efficiency level, Port cargo handling charges, Reliability, Port selection preferences of carriers and shippers, the depth of the navigation channel, Adaptability to the changing market environment, Landside accessibility, and Product differentiation. Cullinane *et al.* [28] analyzed port competition between Shanghai and Ningbo, which share the same hinterland. They found that market-based reforms, the increasing globalization of China's economy, continuing economic development in the hinterland and China's entry into the WTO all contributed to the growing demand for port services. They identified that

low price, quality of services, central government policies on regional development, natural endowments (particularly depth of water), good inland transport infrastructure and logistical systems, growing cargo resources and leading liners such as Maersk and K-Line contributed to ports 'competitiveness. Yeo et al. [29], conducted an empirical study in China and South Korea with carriers and port operators and the study results revealed that port service, hinterland condition, availability, convenience, logistics cost, regional center and connectivity are the determining factors in Northeast Asia.

With this in mind, this paper aims to empirically investigate a structure for evaluating container ports in Iran using factor analysis to identify the components which influence competitiveness. And also application of Fuzzy Analytic Hierarchy method to determine the weights of factors and variable of competitiveness of Iranian container ports.

#### *Methodology:*

##### *Data collection:*

We have conducted face-to-face interviews with participants of this research in April and May 2013. For our research main tests were conducted with 300 useable responses from 320 questionnaires. Attitudes on each of the variables has been evaluated using five-point Likert scales attached firmly by the agreement level of each question with point of 1 = very poor and 5 = excellent.

##### *Factor analysis:*

Factor analysis is a statistical method used to describe variability among observed, correlated variables in terms of a potentially lower number of unobserved variables called factors. In other words, it is possible, for example, that variations in three or four observed variables mainly reflect the variations in fewer unobserved variables. Factor analysis searches for such joint variations in response to unobserved latent variables. The observed variables are modeled as linear combinations of the potential factors, plus "error" terms. The information gained about the interdependencies between observed variables can be used later to reduce the set of variables in a dataset. Computationally this technique is equivalent to low rank approximation of the matrix of observed variables. Factor analysis originated in psychometrics, and is used in behavioral sciences, social sciences, marketing, product management, operations research, and other applied sciences that deal with large quantities of data [30].

There are two major classes of factor analysis: Exploratory Factor Analysis (EFA), and Confirmatory Factor Analysis (CFA). Broadly speaking EFA is heuristic. In EFA, the investigator has no expectations of the number or nature of the variables and as the title suggests, is exploratory in nature. That is, it allows the researcher to explore the main dimensions to generate a theory, or model from a relatively large set of latent constructs often represented by a set of items. Whereas, in CFA the researcher uses this approach to test a proposed theory (CFA is a form of structural equation modeling), or model and in contrast to EFA, has assumptions and expectations based on priori theory regarding the number of factors, and which factor theories or models best fit [30]. This study adopted the second approach, first of all, to explore and categorize the variables and then form clusters of components and the evaluation structure.

##### *Fuzzy AHP method:*

AHP is a well-known MCDM technique which was used to estimate the weighting values of some indicators and system components. The AHP method concept is based on an additive weighting process, in which several relevant attributes are represented through their relative importance. Saaty [31] decomposes a decision-making problem into a system of hierarchies of objectives, attributes, and alternatives. AHP is capable of handling decision situations involving subjective judgments, multiple decision makers, and the ability to provide measures of consistency of preference [32, 33]. It combines qualitative and quantitative approaches and has the following benefits [31]: 1) it helps dissect the problem and structure it into a rational decision hierarchy; 2) it gives an insight about the right data that needs to be collected for the alternatives at hand by the pair-wise comparisons concluded under each criterion or sub-criterion; 3) it prioritizes alternatives according to the criteria or makes a decision out of different scenarios; and 4) it examines the validity of the comparisons made between alternatives by testing these comparisons with consistency measures. The analytic hierarchy process, since its invention, has been a tool at the hands of decision makers and researchers, becoming one of the most widely used multiple criteria decision-making tools [34].

##### *Fuzzy Analytic Hierarchy Advantages:*

Even its popularity, the pure AHP model has some shortcomings. The traditional AHP utilizes exact values to express the decision maker's opinion in a comparison of alternatives [35]. However, due to its inability to adequately handle the inherent uncertainty and impression in the pair-wise comparison process, traditional AHP has been often criticized for the shortcomings [36]. Yang & Chen [36] pointed out that the AHP method is mainly used in nearly crisp-information decision applications; nevertheless, the AHP method does not take into

account the uncertainty associated with the mapping of human judgment to a number by natural language. The ranking of the AHP method is rather imprecise; and the subjective judgments by perception, evaluation, improvement and selection based on preference of decision-makers have great influence on the AHP results. To overcome these problems, several researchers integrate fuzzy theory with AHP to improve the uncertainty.

So in this research the Fuzzy Analytic Hierarchy method has been used to determine the weights of factors and variable of port competitiveness. There are different methods for calculating the weights which this research to determine the priority vector for each matrix the Chang's extent analysis has been used.

*Triangular fuzzy numbers (TFNs):*

A TFN can be defined by a triplet  $(l, m, u)$  and the membership function can be defined by Equation (1) [37].

$$\mu = \begin{cases} \frac{(x-l)}{(m-l)} & l \leq x \leq m \\ \frac{(u-x)}{(u-m)} & m \leq x \leq u \\ 0 & x < l \text{ and } x > u \end{cases} \quad (1)$$

#### Algebraic Operations on TFNs

The algebraic operation for the triangular fuzzy number can be displayed as follows:

- Addition of a fuzzy number  $\oplus$

$$(L_1, M_1, U_1) \oplus (L_2, M_2, U_2) = (L_1 + L_2, M_1 + M_2, U_1 + U_2) \quad (2)$$

- Multiplication of a fuzzy number :  $\otimes$

$$(L_1, M_1, U_1) \otimes (L_2, M_2, U_2) = (L_1 L_2, M_1 M_2, U_1 U_2) \quad (3)$$

- Any real number k:

$$K(L, M, U) = (KL, KM, KU) \quad (4)$$

- Subtraction of a fuzzy number  $\ominus$

$$(L_1, M_1, U_1) \ominus (L_2, M_2, U_2) = (L_1 - L_2, M_1 - M_2, U_1 - U_2) \quad (5)$$

- Division of a fuzzy number

$$(L_1, M_1, U_1) / (L_2, M_2, U_2) = (L_1 / L_2, M_1 / M_2, U_1 / U_2) \quad (6)$$

- Average of fuzzy number:

$$A_{ave} = (A_1 + A_2 + \dots + A_n) \quad (7)$$

$$A_{ave} = [(L_1 + \dots + L_n) + (M_1 + \dots + M_n) + (U_1 + \dots + U_n)] / n$$

*Chang's extent analysis:*

The extent Chang's extent analysis is utilized in four steps, as stated below [38]:

Let  $X = \{x_1, x_2, \dots, x_n\}$  be an object set, and  $G = \{g_1, g_2, \dots, g_m\}$  be a goal set. According to the method of Chang's extent analysis, each object is taken and extent analysis for each goal,  $g_i$ , is performed, respectively [39]. Therefore, m extent analysis values for each object can be obtained with the following signs:

$$M_{g_i}^1, M_{g_i}^2, \dots, M_{g_i}^m \quad i = 1, 2, \dots, n \quad (8)$$

Where, all of the  $M_{g_i}^j$   $j = 1, 2, \dots, m$  are TFNs. Followings are the steps of Chang's extent analysis [40]:

**Step 1:** The value of fuzzy synthetic extent with respect to the  $i$ th object is defined as:

$$S_i = \sum_{j=1}^m M_{gi}^j \otimes \left[ \sum_{i=1}^n \sum_{j=1}^m M_{gi}^j \right]^{-1} \quad (9)$$

To obtain the  $\sum_{j=1}^m M_{gi}^j$  we perform the fuzzy addition operation of  $m$  extent analysis values for a particular matrix such that [41]:

$$\sum_{j=1}^m M_{gi}^j = \left[ \sum_{j=1}^m l_{ij}, \sum_{j=1}^m m_{ij}, \sum_{j=1}^m u_{ij} \right] \quad (10)$$

Obtaining the  $\left[ \sum_{i=1}^n \sum_{j=1}^m M_{gi}^j \right]^{-1}$  we perform the fuzzy addition operation of  $M_{gi}^j$   $j = 1, 2, \dots, m$  values such that [40]:

$$\sum_{i=1}^n \sum_{j=1}^m M_{gi}^j = \left( \sum_{i=1}^n L_i, \sum_{i=1}^n M_i, \sum_{i=1}^n U_i \right) \quad (11)$$

Compute the inverse of the vector above, such that:

$$\left[ \sum_{i=1}^n \sum_{j=1}^m M_{gi}^j \right]^{-1} = \left( \frac{1}{\sum_{i=1}^n L_i}, \frac{1}{\sum_{i=1}^n M_i}, \frac{1}{\sum_{i=1}^n U_i} \right) \quad (12)$$

As  $\tilde{M}_1 = (l_1, m_1, u_1)$  and  $\tilde{M}_2 = (l_2, m_2, u_2)$  are two TFNs, the degree of possibility of  $\tilde{M}_2 = (l_2, m_2, u_2) \geq [M_2 = (l_1, m_1, u_1)]$  is defined as:

$$V(\tilde{M}_2 \geq \tilde{M}_1) = \sup_{y \geq x} [\min(\mu_{s_1}(x), \mu_{s_2}(y))] \quad (13)$$

This can equivalently be expressed as:

$$V(\tilde{M}_2 \geq \tilde{M}_1) = \text{hgt}(\tilde{M}_2 \cap \tilde{M}_1) = \mu_{s_2}(d) = \begin{cases} 1 & \text{if}(m_2 \geq m_1) \\ 0 & \text{if}(l_1 \geq u_2) \\ \frac{l_2 - u_1}{m_2 - u_2 - m_1 + l_1} & \text{otherwise.} \end{cases} \quad (14)$$

**Step 3:** The possibility degree for a convex fuzzy number to be greater than  $k$  convex fuzzy numbers can be defined by:

$$V(M_2 \geq M_1, M_2, \dots, \dots, M_k) = V[(M \geq M_1) \text{ and } (M \geq M_2) \text{ and } \dots \text{ and } (M \geq M_k)] = \min V(M \geq M_i), i = 1, 2, 3, \dots, k \quad (15)$$

Assume that  $d'(A_i) = \min V(S_i \geq S_k)$  for  $(k = 1, 2, \dots, n)$   $k \neq i$  the weight vector is given by:

$$W' = (d'(A_1), d'(A_2), \dots, d'(A_n))^T \quad (16)$$

Wherein,  $A_i = (1, 2, \dots, n)$  are  $n$  elements.

**Step 4:** Via normalization, the normalized weight vectors would be:

$$W = (d(A_1), d(A_2), \dots, d(A_n)) \quad (17)$$

Where  $W$  is a non-fuzzy number.

**Result:****Factor analysis results:**

At first 60 components of port competitiveness were extracted from the Literature review of components of port competitiveness for further analysis. In the second step of this research, KMO and Bartlett's Test is used to know whether it is possible to employ factor analysis to reduce attributes of the research. The Kaiser-Meyer-Olkin measure of sampling adequacy figure is 0.812 higher than 0.6 and near to 1. It shows either the number of respondents is adequate. The quantity of Bartlett's sig. is 0.001 less than 0.05. It indicates factor analysis is appropriate for to identify the model of factors (Table 1). Totally, these two outputs demonstrate we have permission to run factor analysis.

**Table 1:** KMO and Bartlett's Test

|  |         |
|--|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | 0.812   |
| Bartlett's Test of Sphericity Approx. Chi-Square | 926.412 |
| df   | 298     |
| Sig.   | 0.001   |

Then, a varimax rotation, used to transform a set of interrelated variables into a set of unrelated linear combinations of these variables, was employed to identify strategic dimensions. To aid interpretation, only variables with factor loadings greater than 0.5, were extracted. Table 2 shows that these eight factors account for an accumulated explanation of variance of 73% and thus may be adequate to represent the 32 strategic dimensions.

**Table 2:** Loadings on Each Factor Extracted from Rotated Component Matrix

| Factor |       |       |       |       |        |       |       | Variable   |
|--------|-------|-------|-------|-------|--------|-------|-------|--|
| 8      | 7     | 6     | 5     | 4     | 3      | 2     | 1     |  |
|        |       |       |       |       |        |       | 0.852 | Inland transportation cost and Intermodal transportation cost  |
|        |       |       |       |       |        |       | 0.725 | Cost related vessel and cargo entering   |
|        |       |       |       |       |        |       | 0.685 | Free dwell time on the terminal  |
|        |       |       |       |       |        |       | 0.778 | The operating cost (port and cargo/passenger dues, berth charges, victualing, hire of handling equipment, pilotage, towage and passenger and cargo handling costs) |
|        |       |       |       |       |        | 0.798 |       | Land distance and connectivity to major shippers   |
|        |       |       |       |       |        | 0.735 |       | Efficient Intermodal links to the port (road, rail, air, feeder, ...)  |
|        |       |       |       |       |        | 0.564 |       | Deviation from main shipping lines -trunk routes   |
|        |       |       |       |       |        | 0.711 |       | Port accessibility   |
|        |       |       |       |       |        | 0.511 |       | Efficient inland transport network   |
|        |       |       |       |       | 0.602  |       |       | Peripheral resources within the port (Ship Chandelling)  |
|        |       |       |       |       | 0.784  |       |       | Sufficient draft in approach channel and at berths   |
|        |       |       |       |       | 0.715  |       |       | The degree of technology employed in the port operations   |
|        |       |       |       |       | .0.650 |       |       | Sophistication level of port information and its application scope   |
|        |       |       |       |       | 0.744  |       |       | Customs handling and Electronic customs procedures   |
|        |       |       |       | 0.759 |        |       |       | Zero waiting time service  |
|        |       |       |       | 0.712 |        |       |       | Seaport service level  |
|        |       |       |       | 0.692 |        |       |       | Service capacity for ship's size   |
|        |       |       |       | 0.622 |        |       |       | Availability and Capacity of port facilities   |
|        |       |       |       | 0.532 |        |       |       | Availability empty container   |
|        |       |       | 0.744 |       |        |       |       | Port safe entrance   |
|        |       |       | 0.686 |       |        |       |       | Port security level  |
|        |       |       | 0.578 |       |        |       |       | Port's reputation for cargo loss and damage and accidents  |
|        |       | 0.732 |       |       |        |       |       | Numerous Port efficiency factors   |
|        |       | 0.690 |       |       |        |       |       | Port productivity  |
|        | 0.690 |       |       |       |        |       |       | Confidence in port schedules   |
|        | 0.654 |       |       |       |        |       |       | Liners' schedule reliability and service frequency   |
|        | 0.501 |       |       |       |        |       |       | Risk of cancellation/delay   |
|        | 0.532 |       |       |       |        |       |       | Disruption of port operation   |
| 0.698  |       |       |       |       |        |       |       | Professional and skilled labors in port operation  |
| 0.583  |       |       |       |       |        |       |       | Size of contiguous city's economy  |
| 0.537  |       |       |       |       |        |       |       | Size and activity of FTZ in port hinterland  |
| 0.524  |       |       |       |       |        |       |       | Volume of total container cargoes  |
| 8.7    | 9.33  | 9.9   | 10.23 | 12.84 | 14.11  | 16.89 | 18.93 | Percentage variance 0.73   |

For the second step, a reliability test, based on Cronbach's  $\alpha$ , was used to test the internal consistency of questionnaire responses. Given that Cronbach's  $\alpha$  values from 0.5 to 0.7 indicate normal consistency and are

sufficiently reliable, and those exceeding 0.7 indicate high consistency, computed results (Table 3) indicate normal internal consistency [42, 43, 44].

**Table 3:** Cronbach's a values

| Factors                       | Cronbach's a |
|-------------------------------|--------------|
| Logistics Cost                | 0.79         |
| Connectivity                  | 0.88         |
| Port facility                 | 0.72         |
| Port Service and Availability | 0.91         |
| Safety and security           | 0.82         |
| Efficiency and productivity   | 0.87         |
| reliability                   | 0.72         |
| Hinterland condition          | 0.76         |

Taxonomy for evaluating the structure of port competition at Iranian container port emerged after factors were named as follows:

*Logistics Cost:*

Inland transportation cost and Intermodal transportation cost, Cost related vessel and cargo entering, Free dwell time on the terminal, The operating cost (port and cargo/passenger dues, berth charges, victualing, hire of handling equipment, pilotage, towage and passenger and cargo handling costs).

*Connectivity:*

Land distance and connectivity to major shippers, Efficient Intermodal links to the port (road, rail, air, feeder ...), Deviation from main shipping lines -trunk routes, Port accessibility, and efficient inland transport network.

*Port facility:*

Peripheral resources within the port (Ship Chandelling), Sufficient draft in approach channel and at berths, The degree of technology employed in the port operations, Sophistication level of port information and its application scope, Customs handling and Electronic customs procedures.

*Port Service and Availability:*

Zero waiting time service, Seaport service level, Service capacity for ship's size, Availability and Capacity of port facilities, Availability empty container

*Safety and security:*

Port safe entrance, Port security level, Port's reputation for cargo loss and damage and accidents.

*Efficiency and Productivity:*

Numerous Port efficiency factors, Port productivity.

*Reliability:*

Confidence in port schedules, Liners' schedule reliability and service frequency, Risk of cancellation/delay, Disruption of port operation.

*Hinterland condition:*

Professional and skilled labors in port operation, Size of contiguous city's economy, Size and activity of FTZ in port hinterland, Volume of total container cargoes.

Then by using Fuzzy Analytic Hierarchy method weights of the factors and variable of port competitiveness has been determined. The table 4 presents the abstained result from Fuzzy Analytic Hierarchy method.

**Table 4:** abstained result from Fuzzy Analytic Hierarchy method

| Global weight | Local weight | Variable   | weight | Factors        |
|---------------|--------------|--|--------|----------------|
| 0.0768        | 0.32         | Inland transportation cost and Intermodal transportation cost  | 0.24   | Logistics Cost |
| 0.0432        | 0.18         | Cost related vessel and cargo entering   |        |                |
| 0.0288        | 0.12         | Free dwell time on the terminal  |        |                |
| 0.0672        | 0.28         | The operating cost (port and cargo/passenger dues, berth charges, victualing, hire of handling equipment, pilotage, towage and passenger and cargo handling costs) |        |                |
| 0.0672        | 0.25         | Land distance and connectivity to major shippers   | 0.17   | Connectivity   |

|         |      |   |       |                               |
|---------|------|---|-------|-------------------------------|
| 0.0425  | 0.22 | Efficient Intermodal links to the port (road, rail, air, feeder, ...) |       |                               |
| 0.0374  | 0.15 | Deviation from main shipping lines -trunk routes                      |       |                               |
| 0.0255  | 0.21 | Port accessibility  |       |                               |
| 0.0357  | 0.17 | Efficient inland transport network                                    | 0.14  | Port facility                 |
| 0.0224  | 0.16 | Peripheral resources within the port (Ship Chandelling)               |       |                               |
| 0.0364  | 0.26 | Sufficient draft in approach channel and at berths                    |       |                               |
| 0.028   | 0.20 | The degree of technology employed in the port operations              |       |                               |
| 0.0196  | 0.14 | Sophistication level of port information and its application scope    |       |                               |
| 0.0266  | 0.19 | Customs handling and Electronic customs procedures                    | 0.12  | Port Service and Availability |
| 0.0252  | 0.21 | Zero waiting time service   |       |                               |
| 0.0216  | 0.18 | Seaport service level   |       |                               |
| 0.0204  | 0.17 | Service capacity for ship's size                                      |       |                               |
| 0.0168  | 0.14 | Availability and Capacity of port facilities                          |       |                               |
| 0.0132  | 0.11 | Availability empty container  | 0.095 | Safety and security           |
| 0.0399  | 0.42 | Port safe entrance  |       |                               |
| 0.03325 | 0.35 | Port security level   |       |                               |
| 0.02185 | 0.23 | Port's reputation for cargo loss and damage and accidents             | 0.092 | Efficiency and Productivity   |
| 0.05428 | 0.59 | Numerous Port efficiency factors                                      |       |                               |
| 0.03772 | 0.41 | Port productivity   |       |                               |
| 0.023   | 0.32 | Confidence in port schedules  | 0.073 | Reliability                   |
| 0.01679 | 0.28 | Liners' schedule reliability and service frequency                    |       |                               |
| 0.01241 | 0.23 | Risk of cancellation/delay  |       |                               |
| 0.01679 | 0.17 | Disruption of port operation  | 0.070 | Hinterland condition          |
| 0.203   | 0.29 | Professional and skilled labors in port operation                     |       |                               |
| 0.182   | 0.26 | Size of contiguous city's economy                                     |       |                               |
| 0.161   | 0.23 | Size and activity of FTZ in port hinterland                           |       |                               |
| 0.154   | 0.22 | Volume of total container cargoes                                     |       |                               |

#### Conclusion:

Compared with general industries or service activities, port competition was comparatively minimal in the past. Each port secured its own customers depending on the port situation. A variety of activities for these customers and industries were limited within a port area or its neighboring hinterland. Most of today's ports, however, share the hinterland and conduct a severe competition to secure cargo volume, depending on their circumstances. The Iranian container ports are not excluded from this rule. In this light, this paper aims empirically investigate a structure for evaluating container ports in Iran using factor analysis to identify the components which influence competitiveness. And also application of Fuzzy Analytic Hierarchy method to determine the weights of factors and variable of competitiveness of Iranian container ports. The abstained result from factor analysis showed that the following eight factors which named as Logistics Cost, Connectivity, Port facility, Port Service and Availability, Safety and security, Efficiency and Productivity, Reliability, Hinterland condition account for an accumulated explanation of variance of 73% and thus may be adequate to represent the 32 strategic dimensions. And also the results of Fuzzy Analytic Hierarchy method showed that between the mentioned eight factor following factor Logistics Cost, Connectivity, Port facility respectively have gained the highest weight. And between the variables of Logistics Cost, Inland transportation cost and Intermodal transportation cost, And between the variables of Connectivity, Land distance and connectivity to major shippers, And between the variables of Port facility, Sufficient draft in approach channel and at berths, And between the variables of Port Service and Availability, Zero waiting time service, And between the variables of Safety and security, Port safe entrance, And between the variables of Efficiency and Productivity, Numerous Port efficiency factors, And between the variables of Reliability, Confidence in port schedules, And between the variables of Hinterland condition, Professional and skilled labors in port operation, have gained the highest weight.

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