

Deployment scenario

ARL e-Yield Suite

ARL e-Yield for Deep Sea Shipping Line with Agents

Overview

The deployment scenario describes how a shipping line applies ARL's e-Yield Suite to their business. The shipping line has appointed a network of own and foreign agents in ocean and feeder ports, who interact with customers in the local markets. The line's prime objective is to optimize utilization and yield on the vessels.

Geographical Scope and Liner Coverage

The line defines its transport network with ocean and connecting feeder services primarily covered by own vessel fleet and secondarily by vessel-sharing-agreements – VSA – or slotcharter partners. Door-door pick-up and delivery services are added to the point-point network.

The shipping line's own web-site imbeds the e-Yield front office, which contains the network setup as defined by the line. e-Schedule is auto-generating repetitive services on fixed week days, and allow for deviations-only-updates in the Fleet add-on using the principle of exception management.

The liner agents may also imbed the e-Yield front-office into their web-sites. If the shipping line already has a vessel schedule back-office system, the schedule is automatically imported into e-Schedule by an electronic schedule feed. Alternatively the schedule maintained in e-Schedule may be feed to the back-office system.

Shipping line customers do self-service online schedule enquiries and via the e-Schedule Subscribe add-on receive selected corridor schedules on a fixed days and times during the week. The Subscribe add-on is also used to feed local transport newspapers of upcoming departures and arrivals for local market.

Pricing

The shipping line maintain 'rack' rates but also customer segment or individual customer rates.

e-Quote and its Surcharge add-on allow the line to structure and present their rates and surcharges accordingly. The front office present publicly available 'rack' rates and via the e-Quote Promotion add-on individual customers have access to individual or segment focused rates. If the agents charge local services on top of the corporate rates, these are added to the Surcharge add-on.

ARL e-Yield Suite consists of the following individual solutions:

- e-Schedule, see more on arl-shipping.com/es
- e-Quote, see more on arl-shipping.com/eq
- e-Book, see more on arl-shipping.com/eb
- e-Settle, see more on arl-shipping.com/ep (p=pay)

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Agents Allocation and Utilization

The shipping line grant a pre-allocation per agent or cluster of agents, and adjust the allocation on particular departures in accordance with actual bookings received and historic track record of the individual agents in order to utilize vessels capacity best possible and increase the overall yield. The line manage that bookings are confirmed or alternative sailings are offered to customers.

e-Book Allocation add-on propose the customer a dynamically generated a choice of departures with free space closest to the departure and arrival dates requested by the customer according to the agents allocation, or based on a first-come-first-serve principle. Allocation between agents – or clusters of agents – is centrally adjusted on concrete departures based on the agents' performance and customers' bookings.

Optimal Cargo Mix for High Yield

Whilst the vessel series deployed on the services put some physical limitations (container size and weight) for cargo accepted, the mix of products (size, weight of cargo) provide some flexibility for trimming the yield. The line pursue a cargo mix creating as high a yield as possible considering concrete market conditions for individual product types.

e-Book's product and alternative product configurator allows the line to define all the products accepted and their replacement options – f.ex. 1x40' heavy as alternative to 2x20' light – and thereby manage utilization of both space and weight. e-Book Allocation add-on gradually release allocation for alternative products and by e-Quote differentiating the price between product alternatives – including light & heavy cargoes – the shipping line secures highest possible yield from each service.

Working with Intermediaries: NVOCCs, Forwarders & Consolidators

The shipping line works with intermediary customers being NVOCCs, forwarders & consolidators, who offer customer focused value added services to the end-customers as well as provide cargo volumes to the shipping line in return for beneficial commercial terms.

Assuming that the intermediary is also using e-Yield, the shipping lines schedules may be passed electronically to the intermediary e-Yield platform, allowing the intermediary to focus on complementing his own value add offerings like customs clearance and door pick-up and delivery services to the core transport service provided by the shipping line, and promote the full transport service on the intermediary's own web-site. When bookings are done on the intermediary's own web-site, such bookings may be passed on to the shipping line electronically.

Line and Agent's ERP/Finance System and Liner Operations Platform.

The shipping line is using a finance package for invoicing and general ledger and a back-office liner operations platform for imports, equipment, document and manifests, and the individual agents are using their own finance package.

e-Book sends an EDI or ebXML message to the shipping line ERP system and to the back office operations execution platform, and a separate message to the ERP system of the agent related to the booking corridor, ensuring a full electronic re-use of data provided by the customer, and generated by the e-Yield platform.

The e-Yield Suite support the operations of an shipping line in the schedule-quote-booking process providing customer self-service and optimizing the lines utilization and overall yield, whilst interacting electronically with agents and intermediary-style customers as well as own back-office execution and finance systems.

e-Yield Deployment Scenarios:

- FCL Consolidators
- **Deep Sea Shipping Line**
- NVO/ NVOCC
- Short Sea & Ro/Ro Operator
- Feeder Operator
- Air-Cargo Operator
- Rail Operator
- Independent Liner Agent
- Barge Operator
- LCL Consolidators
- Truck Fleet Operator
- Perishables Logistics Provider
- -cargo- Low Cost Carrier, cLCC

Note: a transport provider may seek hints from multiple scenarios.