

# Functional Areas Where Software is Changing Logistics & Freight Procurement

1 August 2019 Colombo International Logistics Conference 2019

Eric Johnson, Senior Editor, Technology, +1 213 444-9326, [eric.johnson@ihsmarkit.com](mailto:eric.johnson@ihsmarkit.com)



# Biggest Trends to Impact Ocean Freight Procurement

- Procurement bots/machine learning/AI
- Blockchain/smart contracts
- Instant quotes/booking/service guarantees



# Carriers and Forwarders Answering the Digital Bell

TradeLens boosts arsenal with addition of Hapag-Lloyd, ONE

Eric Johnson, Senior Technology Editor | Jul 02, 2019 6:00AM EDT

Maersk invests in US digital brokerage to propel path to integrator

Eric Johnson, Senior Technology Editor | Oct 08, 2018 10:10PM EDT

Maersk revives no-show fees for bookings

Eric Johnson, Senior Technology Editor | Jun 25, 2019 9:18AM EDT

K+N throws down guaranteed transit gauntlet

Eric Johnson, Senior Technology Editor | Apr 25, 2019 11:51AM EDT

CMA CGM enters instant quoting fray

Eric Johnson, Senior Technology Editor | Apr 25, 2019 3:07PM EDT

Container carriers banding together on digital development

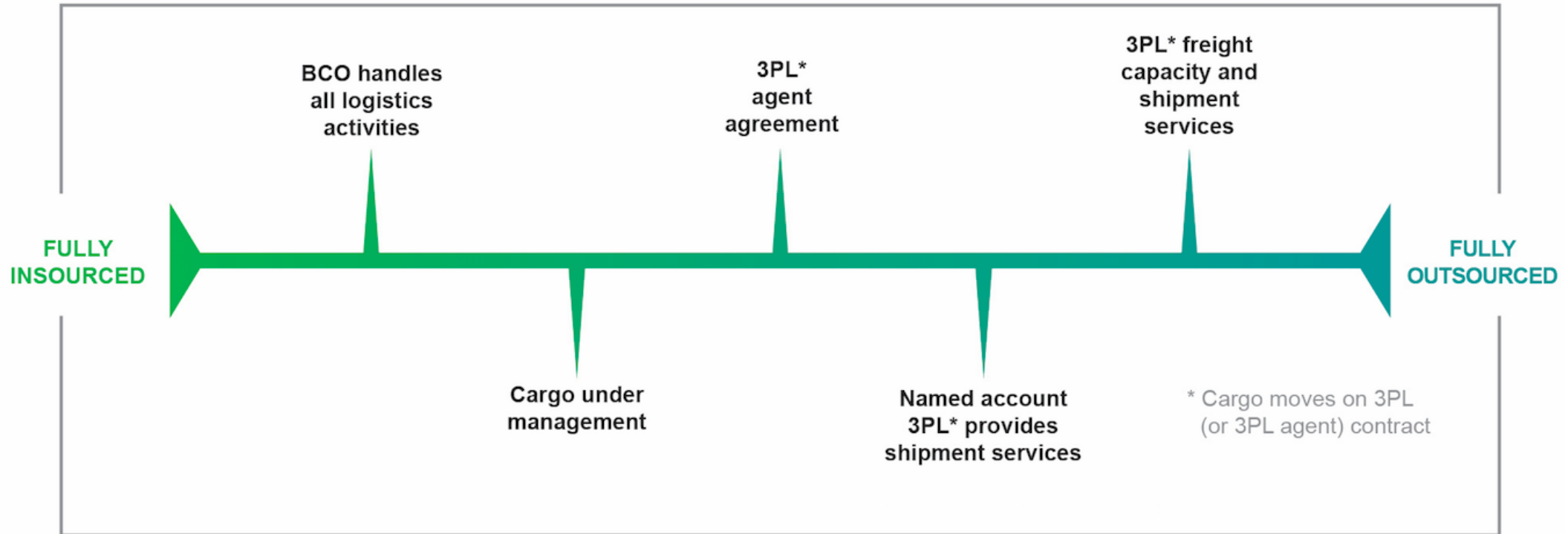
Peter Tirschwell | Jun 03, 2019 7:01AM EDT

New strategies of CMA CGM, Maersk familiar, but bolder

Mark Szakonyi, Executive Editor | Jul 12, 2019 10:41AM EDT

# Lines of BCO Contract Control

The degree to which BCOs control ocean freight contracts and shipment management is entirely dependent on how much they want to outsource to their 3PLs.



Source: IHS Markit

©2019 IHS Markit | 417613

# Few Container Lines Provide Instant Quotes

The world's top container lines are largely lagging when it comes to providing shippers with an e-commerce interface to look up instant ocean freight rates.



## The Path to Dynamic Pricing



Source: JOC Analysis, IHS Markit

©2019 IHS Markit | 372488

# Freight Forwarders Gearing Up for Customer Arms Race

- Freightos
- Simpliship
- Freightcrate
- Kontainers
- FreightBro
- Qwyk
- Agility (Shipa Freight)
- DB Schenker
- Kuehne + Nagel
- Geodis (Upply)
- Flexport
- Fleet
- Freighthub
- Zencargo
- iContainers
- Shipwaves
- Cogoport
- Explore
- Nowports
- Catapult
- Cargosphere (acquired by Cargowise)
- Porttrix
- Info-X
- fLex

Legend:

Marketplaces

Digital platforms for forwarders

Legacy forwarders with instant quotes

Digital freight forwarders

Rate management software providers



## Key Considerations in the Future of Ocean Freight Procurement

- Will digital tools simply create a **migration of spot** to instant quoting?
- Will BCOs feel their **volume leverage** is diminished in digital environments?
- Will forwarders/NVOs be able to express their **differentiation** through instant quoting tools?
- Will instant quoting tools be used mostly for price **discovery/market benchmarking**?



## IHS Markit Customer Care

CustomerCare@ihsmarkit.com

Americas: +1 800 IHS CARE (+1 800 447 2273)

Europe, Middle East, and Africa: +44 (0) 1344 328 300

Asia and the Pacific Rim: +604 291 3600

---

### Disclaimer

The information contained in this presentation is confidential. Any unauthorized use, disclosure, reproduction, or dissemination, in full or in part, in any media or by any means, without the prior written permission of IHS Markit or any of its affiliates ("IHS Markit") is strictly prohibited. IHS Markit owns all IHS Markit logos and trade names contained in this presentation that are subject to license. Opinions, statements, estimates, and projections in this presentation (including other media) are solely those of the individual author(s) at the time of writing and do not necessarily reflect the opinions of IHS Markit. Neither IHS Markit nor the author(s) has any obligation to update this presentation in the event that any content, opinion, statement, estimate, or projection (collectively, "information") changes or subsequently becomes inaccurate. IHS Markit makes no warranty, expressed or implied, as to the accuracy, completeness, or timeliness of any information in this presentation, and shall not in any way be liable to any recipient for any inaccuracies or omissions. Without limiting the foregoing, IHS Markit shall have no liability whatsoever to any recipient, whether in contract, in tort (including negligence), under warranty, under statute or otherwise, in respect of any loss or damage suffered by any recipient as a result of or in connection with any information provided, or any course of action determined by it or any third party, whether or not based on any information provided. The inclusion of a link to an external website by IHS Markit should not be understood to be an endorsement of that website or the site's owners (or their products/services). IHS Markit is not responsible for either the content or output of external websites. Copyright © 2019, IHS Markit®. All rights reserved and all intellectual property rights are retained by IHS Markit.

