



NEWS



4 key Trends Reshaping Ocean freight Industry in 2023

The ocean freight industry is undergoing a massive transformation, as the technology and supply chain management tools are being improved by the day, impacting ocean freight rates. The rising demand for e-commerce, increasing scale of individual shippers and increased competition in ocean freight shipping are some of the key trends reshaping this industry.

1. Rising Demand For E-Commerce

The global e-commerce market is expected to grow at a compound annual rate of 12% from 2020 to 2023, according to Gartner. This will lead to an increase in online orders across all types of products, including those that have traditionally been shipped by air or truck.

2. Increased in Efficiency Due to Digitization

Advances in automation, digitization and a recent uptick in world trade are expected to drive efficiency and profits for ocean carriers in 2023.

In the past decade, automation has been a key trend reshaping the ocean freight market. The introduction of advanced technologies like artificial intelligence (AI) and machine learning is helping ships navigate faster, more accurately and with greater efficiency. This will help carriers improve their overall performance while also saving money on fuel costs.

Digitization is another important trend that will have a major impact on ocean carriers in 2023.

Digitization means digitizing every aspect of an operation—including cargo handling processes such as loading and unloading cargo from vessels onto trucks or trains—and automating them so they can be completed quickly without human intervention. This helps reduce labor expenses by reducing repetitive tasks that require manual labor.

3. Developing New Technologies

To be successful over the next five years carriers will need to adopt new technology quickly, create innovative operational models and provide greater value for their customers.

4. Reduction in Bunker Prices

Shipments that once traveled via truck or rail will move by water vessels due to an increasing demand for lower shipping costs. The reduction in bunker prices has also helped drive down shipping costs. The current market is an indication that this trend will continue into 2023 as more companies begin using ocean freight to get their products from point A to B at a lower cost than ever before.

The future of logistics and transportation industries is bright and it can only get better from here.

Reference:

<https://freightmango.com/blog/6-key-trends-reshaping-ocean-freight-industry-2023/>