Digitization in the Ocean Cargo Industry

Video Transcript

Insights from Maersk Line

The key trends in the ocean transportation industry are that we see a continued low demand at the moment, it is at the lowest level since the financial crisis. And there is a continued quest for building larger ships to drive down unit cost.

The ocean carriers industry is quite traditional. It means many of our processes, they’ve been going on for years, practices especially on the commercial side and as we move towards digitization it will require a lot of standardization of our commercial processes. We’ll need more streamlining, we’ll need more rules which are required basically for going digital or online.

The connected ship is going to impact in at least two different ways. The first way is that we will be able to monitor ships throughout their voyage across the ocean and make sure that we have the right fuel consumption and that they reach our ports at the appropriate time. The second part is that we already now use it for monitoring our containers or some of our containers for our customers to make sure that their cargo is not damaged.

Most industries are coming towards digitization and that will also happen for ocean shipping. As carriers they will tend to go towards more digitized environments. They will need to standardize the way they work, they will need to standardize contracts with customers, without it, they simply won’t be able to have an online value proposition.