

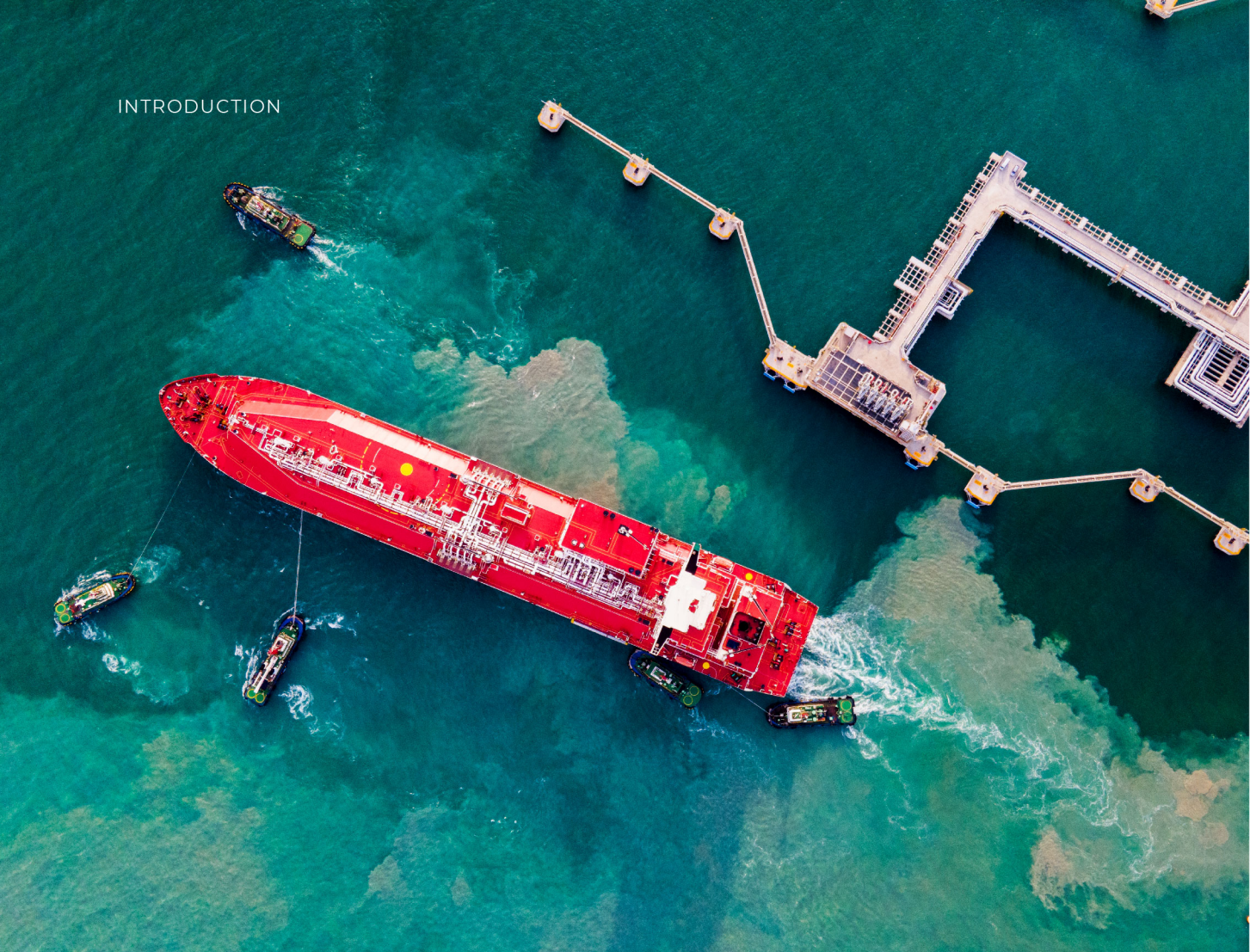
Navigating Peak Periods in Shipping

The SeaRates E-guide



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“Plans are
nothing;
planning is
everything”

Logistics make the world go round, but it is also volatile by nature. In the world of logistics, the only thing certain is that nothing is for certain – a lesson particularly learned following events from 2020.

However, where challenge or adversity exist, opportunities also live, and with meticulous planning and preparation, logistics managers can better manage uncertainty.

On that account, the guide below was designed to help you navigate some of the busiest shipping periods in the calendar through solid steps that can optimise your supply chain processes toward success, every year.

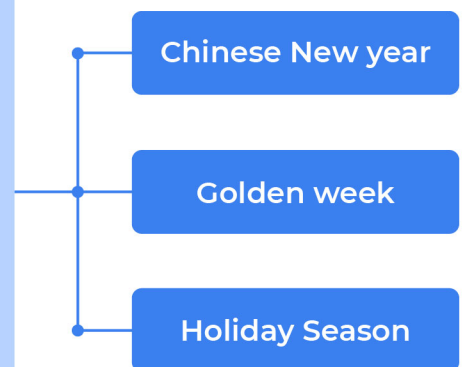


Thinking ahead everything you need to know

Planning Around Key Dates

From Golden Week to the holiday season, there are key dates on the global logistics calendar that you need to be aware of.

Effectively planning around these periods can help you streamline your supply chain process, consequently avoiding delays and saving you both time and money.



Chinese New year

Golden week

Holiday Season

Chinese New Year (CNY)

Occurs between the end of January and early February (subject to moon sighting)

Duration: 15 days

Also known as the Lunar New Year or Spring Festival, CNY is one of the largest Chinese celebrations. With many factories and businesses, including government entities shutting operations for 10 days or more, the annual celebration is considered a big disruptor in the global supply chain. Moreover, ports and customs usually operate at a minimum capacity with a mere focus on priority and **reefer cargo**. It can take up to four weeks for factories to return to full capacity.¹

What does this mean?

- Securing raw materials and products for your business can be difficult during this period due to factory closures.
- Shipping can be especially expensive during this time as **exporters** race to secure their space, filling up containers and making it more challenging for carriers to secure a spot.
- **Air freight** rates also tend to rise significantly as freight forwarders consider other options to move cargo ahead of the CNY logistics interruption.

Golden Week

1-7 October

Duration: 1 week

Taking place during the first week of October every year, Golden Week is an annual Chinese national holiday that adds pressure on transport schedules from China to other parts of the world. In fact, the impact of Golden Week spirals beyond freight forwarders shipping out of China – carriers globally also have to deal with port congestions and back-log issues as a result of container shortages and lower space reserves in ocean freight. And with factories shutting operations throughout the week, planning shipments in advance is necessary to deal with tight capacity and high prices in the lead up to this period.

What does this mean?

- Tight capacity during this period means carriers are likely to be overbooked, resulting in cargo getting rolled.
- As manufacturers rush to speed productions and deliver accordingly, demand for transport significantly rises resulting in higher **freight quotes** and costs across all methods of transportation.
- Blank sailings following the holiday means enduring further delays on shipments.

¹ <https://www.forbes.com/sites/sap/2022/01/24/chinese-new-year-supply-chain-disruption-is-your-business-ready/?sh=1d549043db71>

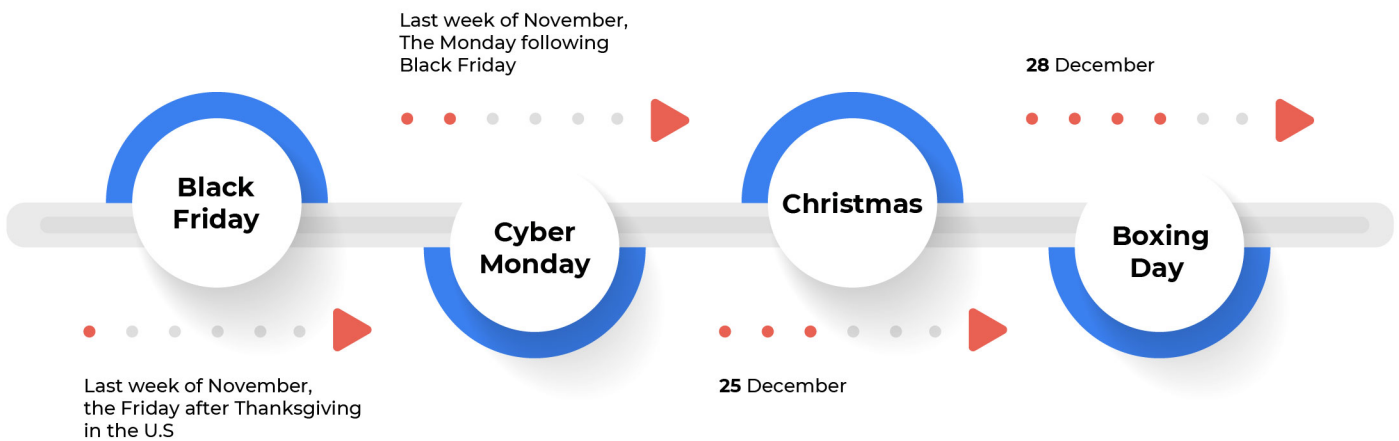
Chinese New year

Golden week

Holiday Season

Holiday Season

Leading up to key events during November and December, the holiday season officially begins from mid-August to early December.



Every year, consumers and businesses alike witness a rise in shopping, sourcing, and shipping activities starting from late August until December in an aim to deliver their goods in time for the holidays. And with last year's shipping delays as a result of global logistics issues and labour shortages, many are taking the route of planning shipments well in advance, causing containers to fill-up even earlier than anticipated.

What does this mean? ²

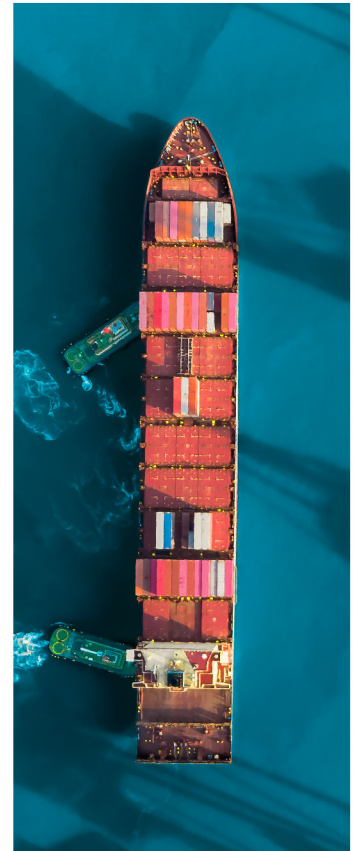
- Ocean and freight costs begin to rise as capacity becomes tighter, with costs reaching their peak ahead of key events like Black Friday.
- Increase in demand for deliveries add pressure on **warehousing** service and last-mile delivery providers to process orders, impacting delivery times.

² <https://www.supplychaindive.com/news/earlier-demand-stronger-service-2022-peak-season-delivery-predictions/629700/>

Available transport options and when to use them

The shipping industry offers a few modes of transport options to help facilitate the delivery of various types of goods, from **bulk cargo** to **dangerous goods** and everything in between. More than 80% of everything we eat, wear, and use is shipped by sea. Since the 1950s, container shipping has become very popular among shippers due to their standardisation and efficiency.

However, despite ocean freight being a low-cost transport option, it remains far slower than air freight. The following outline will help you choose **the best transport modes for your supply chain**.



Ocean LCL

Less-than container load

Average transit time: **15-40** days

Pros

Most cost-effective option

Allows for shipment of cargo in smaller quantities

Cons

Longer delivery periods due to additional stops throughout the journey

Ideal use

When the full capacity of an ocean container is not required

Ocean FCL

Full container load

Average transit time: **25-45** days

Pros

Faster option compared to LCL delivery

Flexible options allow for expedited shipping services and choice of container sizes

More secure method of transport, and schedules are more reliable

Cons

Remains slower in comparison to air freight

More expensive than LCL

Ideal use

When your goods can fill-up a container

Ideal for goods bought in bulk, as well high margin consumer goods

Air Freight

Average transit time: **1-7** days

Pros

Quickest mode of transport transit times between 1-7 days

Safe and secure method of transport, particularly for temperature sensitive and fragile goods

Quick recovery of cargo at destination gateway

Cons

Highest cost of transport in comparison

Ideal use

Ideal transport option for high retail value goods, as well as perishable products

Ideal for time-critical deliveries

Regaining Control

what you need to do to effectively manage your supply chains

In an ever-changing landscape, it may feel overwhelmingly difficult to remain in control of your supply chain. However, combine good planning with consistent visibility and reliable resources, and you have yourself a dependable formula for supply chain success. Here are a few ways you can streamline your existing processes under control:



01 Plan in advance, way in advance.

Start planning at least a couple of months in advance of key dates and ensure you're considering the period after each holiday too, as the impact of these events tend to drag out further. Develop a comprehensive markets shipping plan to outline where you'll be shipping, how many containers you need to book, who you'll be shipping with and what your options are – be specific. And with shipping costs becoming specifically high during peak seasons, make sure to negotiate freight rates and [compare quotes](#) before committing to a freight forwarder.

02 Explore alternative modes of transport

Identify the best mode of transport for your supply chain based on the nature of the products you're delivering and your budget. Consider that air freight costs will be significantly higher than ocean freight costs, so unless your shipments are time-sensitive or your products are deemed high-value or perishable, avoid air freight options.

Once you've decided which shipping option suits your business, begin exploring [shipping schedules](#) to find the nearest sailing dates and book them ahead of time to secure your spot at a good rate.

03 Track your shipments

Knowing exactly where your shipment is at any given time can help you plan better and meet customer expectations. It can also play a role in increasing your revenue and reducing operational costs. [Real-time visibility](#) is increasingly becoming an essential part of any shipping process. Therefore, if the company you're doing business with can't provide a way to track your goods, consider using a different company. Most containers should be traced. In fact, some freight forwarders can go as far as developing a detailed route plan for you. Using tools like [route planner](#), carriers and freight forwarders can plot shipments and share specific transit details and dates with customers.

Conclusion

In summary, being aware of the peak periods throughout the year and understanding the lifecycle of supply chain processes are important steps toward learning how to navigate these timelines.

Despite the unprecedented nature of the logistics landscape, planning your shipping journeys well in advance can set you up for success by avoiding common peak period challenges like booked out containers, high costs, and back-log issues.

Finding the right shipping partner can also

- ▶ guide you through the process
- ▶ saving you time and money