

How Automation is Influencing the Shipping Industry

Because of its long history of efficiency, the shipping sector has been cautious of implementing new technology that might interfere with its logistical processes. However, thriving in the digital age requires the sector to benefit from new technologies given increased consumer demands for faster shipping times and more environmentally friendly operations.

More consumers than ever are making purchases online. As a result, they want quicker handling and shipment timeframes.

Shipping companies must handle orders more quickly than ever, and AI and automation technology can help with this. By utilizing the advantages of automation technology, the shipping sector can enhance its capacity for prediction and boost operational effectiveness. A few such strategies include real-time analytics better scheduling and automated workflows.

The shipping industry is increasingly implementing RPA, and this is yielding benefits. Though capabilities vary, automation usage is rising across numerous industries. The shipping sector will soon be heavily automated. By taking over boring and repetitive jobs, robotic process automation (RPA) in the shipping sector can help to improve the industry's quality and speed.

When the shipping process is streamlined using RPA, the number of tasks completed by a manual process is decreased. In addition to choosing the finest carrier and packaging, as well as the most affordable postage and service, the automated shipping process makes use of the efficiencies that software can bring. Automation has the potential to increase business and reduce costs.

Benefits of Automation in Shipping Industry for Improved Future

- 1. Advanced Analytics** - From a range of data sources, meaningful business information is derived using advanced analytics. This will guarantee that your decisions are supported by principles based on evidence.
- 2. Automated Equipment** - AI and automation are essential to the maritime sector. The analysis of historical data will be aided by ML skills that take into account variables like weather trends and busy or slow shipping seasons. Automation of processes can help identify issues before they arise. This provides time for modifications and improvements.
- 3. Better Security** - Using automation technologies, accidents can be decreased. Threats and other malicious activity can be found via automation.
- 4. Route Optimization** - To achieve seamless delivery, route management involves automatic optimization. Additionally, computerized route planning lessens the need for human labour and propels automated cargo sorting. With automated and optimized routes, it is possible to add that extra stop, make that extra delivery, or get one more return from the consumer.

5. **Productivity** - The shipping sector may increase productivity and efficiency by using an automated shipping system. This means that the company can handle more orders without needing to hire more staff. As a result, they can increase revenue while also growing their customer and order base.

6. **Less Labour** - Staff costs and the labour hiring and retention process are important issues for fulfilment centres. One estimate places the cost of labour at between 50 and 70 percent of a warehouse's budget.

7. **Cost-cutting** - Reducing labour costs is one way to save costs, but automation also offers the shipper other opportunities to do so. By enhancing packaging, for instance, an automation shipping system can achieve the lowest cost while avoiding dimensional weight surcharges. Carriers like UPS and FedEx utilize dimensional weight to determine a box's capacity in relation to weight. Lighter-weight objects must therefore be shipped at a higher cost than in the past. You might be able to reduce your shipping costs by using shipping software to optimize your packaging.

8. **Decrease Error Rate** - Lower error rates not only result in better customer service, but also lower costs for handling returns and reshipping items that were mistakenly lost. In a poll of 200 merchants, 62 percent of participants said that human error is the main cause of problems with inventory fulfilment. As a cause of errors, they cited manual process management. Automation can help to lower error rates.

9. **Customer Satisfaction** - Loyalty & increased sales are correlated with improved customer experiences.

The Conclusion

It is difficult to dismiss the possibilities of automation in the shipping sector. The number of case studies and successful implementations for the integration of automation in the shipping sector will increase in the next years.

Automation has the ability to greatly enhance shipping operations and procedures. Just a few of the advantages include decreased expenses, decreased risk, improved forecasts, quicker deliveries via more efficient routes, and more. RPA has begun to be used by shipping businesses in daily operations to increase overall operational efficiencies.

Digital transformation benefits the port, the supply chain, the customer, and the environment. The ability to easily swap between several cargoes is also essential. The right coating expands the range of goods that may be transported, reduces the amount of time it takes to switch them out, and offers the highest return on investment.

Your daily operations can be made more efficient and cost-effective with the aid of shipping automation, which can also increase growth and productivity.

If you would like to discuss or implement RPA, you can schedule a free consultation by reaching out to them at info@cignex.com.

*The article is authored by **Oshi Bohra**, Marketing Manager, CIGNEX*
