Lloyd's List Intelligence ▶

The importance of streamlined communications when managing shipping and port activities

How less-than-perfect port communications hold shipping operations back from being more efficient, effective and profitable.

For the vast majority of the maritime supply chain, communications are inefficient, unreliable and outdated.

From scheduling, to fleet management, to sales and business development, business-critical shipping decisions are regularly made on the strength of information gleaned through inadequate or inefficient communications channels.

Accurate tracking and prediction of vessel movements, coupled with knowledge of port activity, is paramount to running an effective, efficient and profitable shipping operation.

The key to achieving this is centralised communications, supported by accurate, real-time data insights and analytics.

Unfortunately, the reality for most organisations is a very different picture.

Determining arrival times

A wide range of factors can impact arrival and departure times, including changes to the ship schedule, bunkering stops, planned maintenance and adverse port conditions. Tracking vessel activity manually is incredibly difficult, and often requires hundreds of emails and phone calls everyday with different stakeholders to keep track of changing estimated times of arrival (ETAs).

Contacting shipping agents

Because AIS vessel data is frequently inaccurate or incomplete, those responsible for planning and scheduling often depend on manual communications with shipping agents or other port personnel for reliable intel.

Communication with these contacts is usually done via SMS, instant messaging or phone calls throughout the day, which makes gaining operational visibility time-consuming.
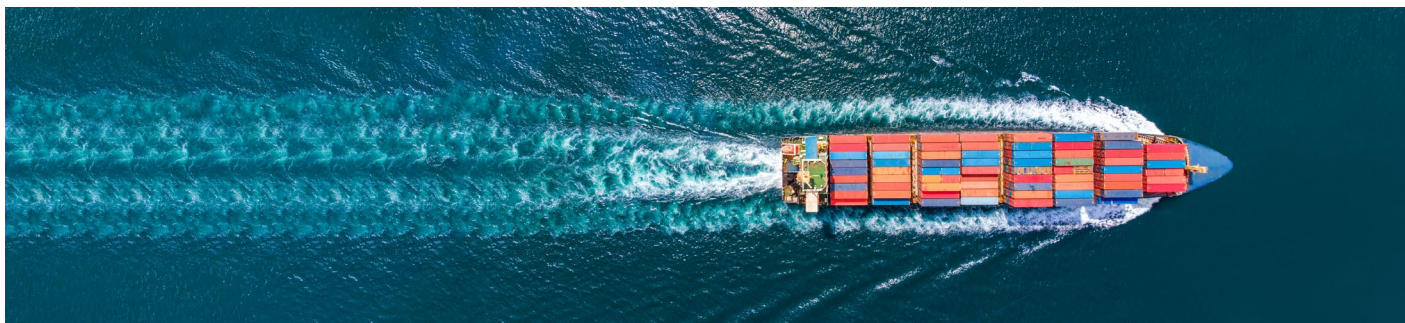
Timing deliveries

Supply chain operations are time-critical – even the slightest delays and workarounds can incur significant costs, or invalidate contracts when agreed timings are not met.

One major drawback of relationship-driven processes is that if one stakeholder is uncontactable, it can put the whole operation on pause.

This makes it impossible to action supply chain decisions or contingency planning needed to keep timings in sync.

Constant information gathering

Without accurate predictive shipping data to support forward planning, all management of port operations becomes reactive – reliant on constant sourcing of status updates on vessel activity.

Gathering ETAs for one vessel alone requires communications with multiple sources. And across such a fragmented process, it's easy for key information to get lost.

Bad communication is bad for business

These ineffective methods of communication don't just make shipping and port operations management harder than they need to be – they actively prevent businesses from becoming profitable and competitive.

Here are just a few ways outdated and inefficient communications can negatively impact business outcomes:

Financial costs and penalties

Late or delayed arrivals will often lead to demurrage charges, as well as additional waiting and handling fees at the port when things take longer than planned.

Most significantly though, a late arrival may invalidate a supplier contract.

If prices are agreed on the condition of a specific ETA, and a vessel fails to meet it, this undermines the whole agreement, and can lead to costly disputes on pricing.

Inefficient deliveries

Without a clear and accurate idea of live vessel behaviours, executing deliveries from end to end demands far more communication and resource input than it needs to.

Plus, when last minute changes become a regular occurrence, due to reactive operations management approaches, this can lead to staffing and logistics issues, which can create further inefficiencies.

Labour-intensive, stressful working practices

When management approaches are more reactive than proactive, day-to-day operations become highly unpredictable.

Focusing on getting one customer's job finished as quickly as possible can be difficult to balance with the usual delays, cancellations and unforeseen events affecting other deliveries.

All of this, combined with frantic and fragmented stakeholder communications, can make for a highly stressful working environment – an environment which isn't conducive to professionals achieving the best business outcomes.

Missed commercial opportunities

Capitalising on marketplace opportunities requires a deep understanding of historic trading patterns, among other things.

This simply cannot be achieved with a reactive, relationship-based supply chain management approach, that isn't supported by any tangible data insights.

No predictive data means no forward planning. No forward planning means missed opportunities to strategically supply regional stock, secure upselling opportunities and shape bespoke services around target customers.

Streamline communication with Predictive Fleet Analytics

Predictive Fleet Analytics from Lloyd's List Intelligence offers shipping and commodity teams the opportunity to regain control of their supply chain, with truly streamlined communications, backed by accurate, real-time data.

▶ **Centralise communications,** reducing the need to rely on fragmented contact networks for supply chain information.

▶ **Manage expectations and communicate with confidence,** thanks to accurate real-time vessel information.

▶ **Plan several moves ahead** and reduce the impact of delays, disruptions and differing time zones.

Overall, Predictive Fleet Analytics can enable you to break free from the chaos and stress of constant, decentralised manual communications, making port activities smoother and more streamlined.

Ready to get ahead?
Discover the new **Predictive Fleet Analytics**

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