

Daily Maersk

Introducing fixed transportation time

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Maersk Line is introducing the most customer-focused set-up in the industry. Now you can deliver your goods to Maersk Line seven days a week and a fixed number of days later – counting from the cut-off – you can pick up your goods at the destination. Maersk Line will compensate customers USD 100-300 per container if they are not delivered as promised.

There has always been confusion and frustration about shipping schedules. While customers ask for the full transportation time – counting from the cut-off for the cargo until they can pick it up at destination – the shipping industry has traditionally informed customers about the transit time, counting only the time the cargo is on the vessel.

With Daily Maersk, Maersk Line - the only shipping company in the world able to do so – can promise the exact transportation time from the ports in Ningbo, Shanghai, Yantian and Tanjung Pelepas in Asia to Felixstowe, Bremerhaven and Rotterdam in North Europe.

“The customer only needs to inform us when the cargo is available for shipping. Based on that single piece of information, we will fix the arrival date and ensure on-time delivery. The complexities behind this simple offering are irrelevant to our customers. What they basically care about is knowing when their cargo will be available to them,” says Maersk Line CEO Eivind Kolding. He continues:

“The effect is that customers no longer need buffers in their supply chains. We are getting rid of the concept of transit time. Now we promise what’s relevant to the customers – the full and exact transportation time.”

Promise backed by compensation

With fixed transportation time comes 100% predictability. Customers won't get their shipment three days late. Maersk Line will deliver on the date promised upon booking. Should the cargo arrive earlier than planned, customers will of course be given the option to pick it up, but they will not be penalised for not doing so.

If Maersk Line fails to deliver the cargo at the time promised, they will offer monetary compensation. If delayed by 1-3 days, Maersk Line will pay USD 100 per container; if delayed by four days or more, Maersk Line will pay back USD 300 per container – with only very few exceptions such as extremely severe weather or port strikes or closures. Up until now, such compensation is unheard of in the shipping industry.

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The promise is made possible by daily cut-offs as opposed to the industry standard of once or twice a week. So no matter when customers are ready to deliver their goods at the port, a fixed number of days later, Maersk Line returns their goods at destination, thereby significantly improving customers' planning.

This offers customers the opportunity to ship products immediately after production without any requirement for additional storage – evening out the flow at both origin and destination and reducing the lead time and cost. Customers can plan their business around their production needs and delivery schedules, rather than the carriers' schedule.

The higher frequency also enables customers to get better deals with origin and destination services, and avoid any potential bottlenecks. "Reliability and predictability can increase efficiency - and thus capacity utilisation at the distribution centre," says Alex Linton from ASDA/Wal-Mart. In addition, customers also avoid any further delays, should their production or quality inspections be prolonged due to unforeseen circumstances.