

Activity 4.5

In order to save freight cost, I will use sea shipment for my regular shipment. In addition, I will consolidate them to weekly shipment to reduce the transportation cost. The sea shipment will be 10 days transit time in comparison of two days transit time by air shipment. However, the cost impact of air shipment could be double or triple of sea shipment. The sea shipment will be used for bulky and heavy items. In case of lightweight and high valued items, then I will use the alternative mode of air shipment. In addition, in case there is any urgent shipment required due to quality issues or customer orders up gait, then I may consider using air shipment with minimal quantity. However, I will need to weigh the cost impact of high freight cost and sale loss of losing customer orders.