

Air cargo continues to ramp up its use of digital booking

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By Damian Brett



Source: Freightos

Airlines have been ramping up their digital booking offerings over the last few years in response to market volatility.

A survey carried out by booking portal Freightos found that 46% of air cargo carriers now enable instant rate searches for quotes on their websites compared with 10% in 2019.

Meanwhile, 33% offer e-booking with instant confirmation compared to 25% in 2019.

But there is still room for development, with 21% offering instant allotment booking and 4% allowing payments to be made online.

Freightos said that the most widespread digital stride among air carriers was the leveraging of third-party platforms to extend their online reach.

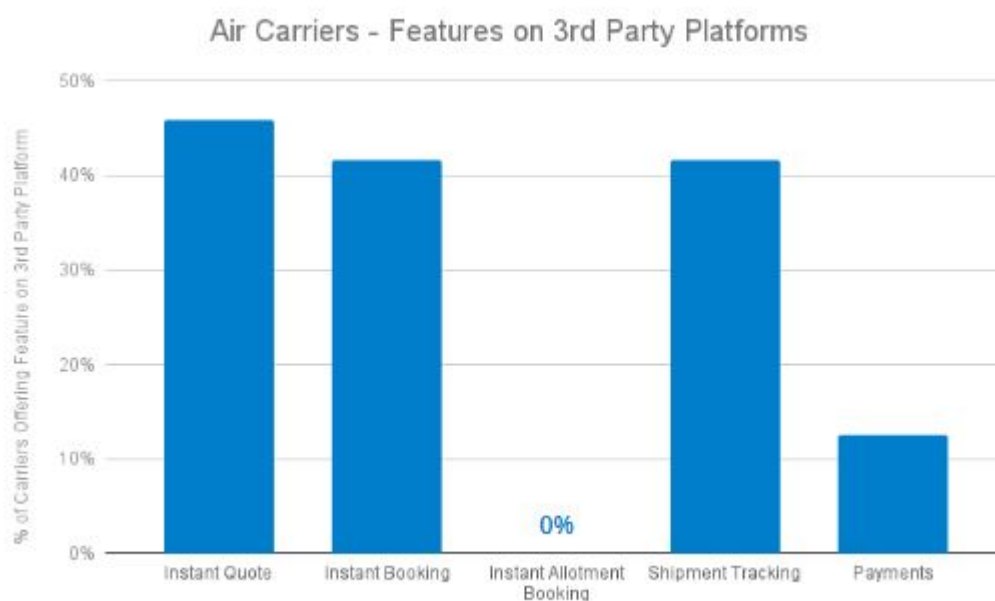
The research shows that 46% of leading air carriers provide instant rate search through third-party platforms and 42% also enable e-booking through these channels.

Shipment tracking is also widely available, with 42% providing this as an option.

Freightos said the adoption of third-party platforms was higher in air than ocean, where just 18% offer e-booking on portals.

“In the fragmented air market – compared to the consolidated ocean market and the growing leverage the pandemic has shifted to ocean carriers – airlines are eager for the low-touch access to new customers, new segments and new geographies that platforms represent, even at the cost of making price and service comparisons easier,” Freightos said.

“And the volatility of air cargo during the last two years served as a catalyst for this trend.”



Source: Freightos

The overall shift to digital booking was accelerated by the pandemic, the company said.

“The rush on PPE early in the pandemic, just as passenger travel plummeted, was an extreme example of the volatility in the air cargo industry over the last two years.

“The fast pace of air transport only quickened as labour shortages and ever-shifting quarantine requirements led to frequent operational changes.

“This environment accelerated the ongoing search many carriers had already been engaged in for improved internal efficiency and faster ways to communicate and transact with customers.

“Like in ocean freight, the pandemic accelerated the pre-existing trend toward digital connectivity.

“While carriers made gains in their website offerings and API connections, the biggest shift was in leveraging third-party platforms to extend their reach.”

Johnny Rubio, chief commercial officer of Silk Way West, said that online booking portals allowed carriers to introduce e-booking without a massive amount of investment in resource and capital and also makes its services more visible to a wider customer base.

IAG Cargo head of distribution Peter Roberts added: “Not only have our e-bookings increased, but the average weight per e-booking has too, suggesting that customer trust is growing.

“In addition to improving both customer satisfaction and our reach, the data unlocked through e-booking enables better business intelligence and a data-driven strategy.”