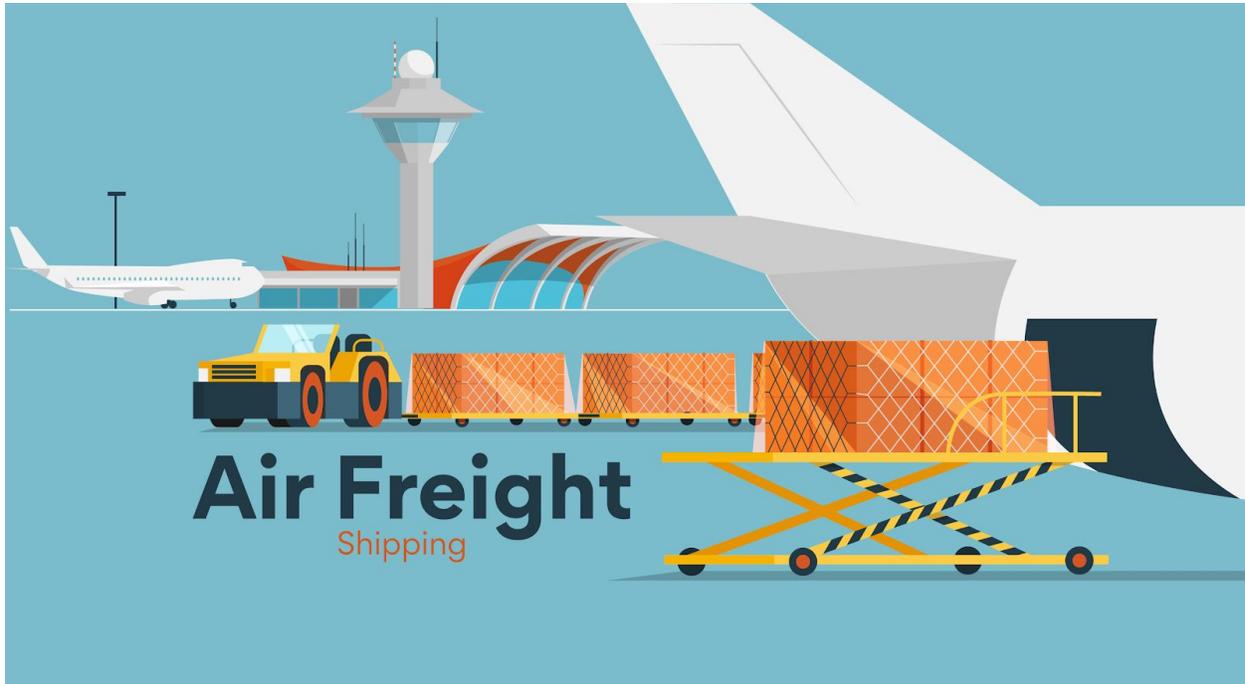

[Concise Guide] Air Freight Shipping Explained For 2021

Table Of Contents

[Concise Guide] Air Freight Shipping Explained For 2021	1
Choosing The Right Carrier	3
Keeping The Air Cargo Costs Low	4
Use Proper Shipping Software And Get Proper Legal Advice	5
Expedited Air Freight Shipping	5
The Pros And Cons Of Air Shipping	5
Pros Of Air Shipping	6
Cons Of Air Shipping	6
Summing Up	7



Air freight shipping is a great alternative to oceanic shipping for high-value items that need to be supplied in shorter lead times. It constitutes almost 10% of the international cargo, and this pricey alternative comes with many strategic benefits for businesses. Also, if the sourced products are less costly, have a less volumetric weight, air shipping can be a better choice. In this article, I am going to cover air freight shipping and its best practices for 2021 that you can apply to keep your bottom line healthy and rev up your supply chain. Dive in deeper to learn more about the topic.

Choosing The Right Carrier

Choosing the right carrier can become tricky, especially for smaller businesses scaling up as the huge number of air cargo companies make the decision making a bit complex. The first thing to ensure while choosing air cargo services is their reputation for managing the licenses as well as their track record of maintaining compliance. This is not limited to coordinating with customs officers but also managing the taxation associated with export-import activities. For newbie businesses, any mishap on the part of the air shipping intermediary can result in huge losses as most air-shipped goods have close delivery deadlines.

Air cargo generates [12%](#) of the airlines' revenue globally.

Therefore, go through their operating procedures and ensure that they meet your organization's requirements. I also recommend integrating your [shipping management](#) software with their portal to make tracking effortless. Apart from these considerations, it will be wise of you to cross-check the current financial health of the air cargo companies due to the effects of the COVID-19 pandemic. To be on the safer side, you can go for the bigger names in the industry like DHL, Kuehne + Nagel, UPS Supply Chain Solutions, and Nippon Express. They are some of the [top air freight companies](#) that will have a better chance of serving you right owing to their vast network, staff, and sound finances.



Keeping The Air Cargo Costs Low

The breakdown of the costs is an important consideration, and you need to follow certain best practices. Firstly, you divide your cargo into three categories: Upto 50 kgs, 50-500 kgs, and 500+ kgs. For upto 50 kgs, you can go with express air shipping, air freight shipping for 50-500 kgs, and for anything above the 500 kgs mark, you will be better off by sea shipping. I would also draw your attention to the fact that you need to keep an eye on the surcharges and all other additional costs as they can make a huge difference in the overall costing. Include the fuel and security surcharges as well as the customs brokerage, insurance, and pickup-delivery costs. The volumetric weight is calculated by multiplying the cubic volume (in meters) with the cubic conversion factor of 167.

The packaging can also make a huge difference in the pricing, and you should be pickier when it comes to using the packaging materials. You may weigh the impact of using various packaging on the airfreight volumetric weight to find the optimal combination for your products. Keeping air cargo costs requires you to know the shipping frequency and expertise in working with hazardous materials. Also, clear all the fog regarding the tariff classifications for concerned HSN codes of your goods. Consolidated air shipping can also help in lowering the costs. They also help in controlling the costs by removing the need for third-party screening as air cargo companies prefer working with the freight forwarders in most cases.

Use Proper Shipping Software And Get Proper Legal Advice

Today, integrating technology is a necessity, and air freight shipping is no exception to it. As I said earlier, it is necessary to integrate your shipping management system with their online tracking portals. Also, you should integrate this data with your [inventory management](#) software for getting real-time updates on your stock. Most of the air shipped items include pharmaceuticals, electronics (thanks to Steve Jobs), textiles, and all other items whose inventory carrying costs easily exceed the transportation costing. Generally, they also need faster delivery times as the demands for such products are time-sensitive. Using proper tech aids will make the operations more predictable for your company.

On the other hand, getting legal advice is equally essential. The import taxes on various items vary from country to country, while the international trade treaties constantly impact the overall scenario. The electronic shipping documentation can help reduce the security concerns as well as improve the freight forwarding speed. Using obsolete methods like paperback shipping bills can downplay your finances as getting your

shipment strangled even for a few hours can bring massive economic backlashes. Your shippers' agent network also plays a crucial role in conforming to the legalities.

Expedited Air Freight Shipping

When businesses are obliged to deliver the products within one day, i.e., next day delivery, they resort to expedited air freight shipping. This service allows them to ship their goods in a 24-hour window on a premium price tag. Such conditions arise when there is an unexpected shortage of products/raw materials, sudden increases in demand, and seasonal fluctuations, as well as emergency orders placed by customers. This option shouldn't be exercised on a regular basis. If the cargo will sit in the warehouse for one or two days after delivery, using a slower alternative is a must.

The Pros And Cons Of Air Shipping

In this section, we will have a look at the benefits and disadvantages of using air shipping. This will help you make better decisions regarding which items to send through this channel. Have a closer look here:

Pros Of Air Shipping

- **Faster Transportation:** Air shipping allows you to move your goods at a faster pace than both oceanic freight and trucking. The delivery schedule from an Asian country to America is usually 30 days, but air freight can cut it down to as little as three to five days. It also removes multiple hurdles in the form of custom clearances as opposed to oceanic freight.
- **Fewer Chances Of Delays And Damage To Goods:** Your goods are safer as compared to other mediums as the handling process is more streamlined and careful. The delays are virtually zero since the air traffic is highly disciplined and follows the schedules properly. This makes you confident about the fulfillment schedule, and you can coordinate your marketing efforts accordingly.
- **Security Of Freight:** Unlike oceanic freight, you don't need to worry about pirates and fake claims on your cargo. This is a major advantage for businesses dealing in high-value items as well as extremely time-sensitive products as a minor lapse in the security can dent their bottom lines heavily.



Cons Of Air Shipping

- Pollution: Air freight shipping isn't favorable for the environment as shipping two tonnes over a distance of 5000 km releases [6,605 kg of CO2](#) using airways as compared to 150 kgs in the case of seaways.
- Price Tag And Load Considerations: It can be 16x costlier than oceanic freight and 5x the price of trucking. On the other hand, it gets more costly as the load increases, thereby giving an upper hand to ocean shipping for larger payloads.

Summing Up

Air shipping is undoubtedly an important part of the global supply chains, and businesses can benefit immensely using this channel. As the air traffic continues to grow with expansion in the number of airports and flights, we can expect more affordable air freight shipping. Especially 2021 would propel this mode harder as a lot of businesses have remained close while the business class is no longer the cream revenue earner. Air cargo was already a more attractive source of income with the new order demanding a restructuring of the airlines' core business. I hope you find this concise guide on air freight shipping insightful.

[Take a *free 15-day trial* of Orderhive!](#)
