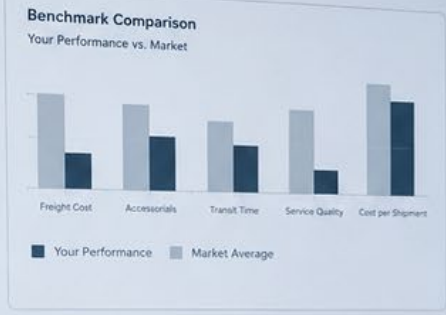




COST CONTROL MASTERCLASS

Commercial Intelligence for Shippers



- ### Cost Control Checklist
- Governance & Process
- Contract Compliance
 - Rate Benchmarking
 - Volume Utilization
 - Accessorial Review
 - Exception Management
 - Data Accuracy
 - Continuous Improvement



- ### SHIPPER MASTERCLASS
- COST VISIBILITY
 - BENCHMARKING
 - GOVERNANCE
 - PERFORMANCE
 - CONTINUOUS IMPROVEMENT

SHIPPER MASTERY

How Freight Actually Works

Shipper Mastery is a learning series designed to help importers and exporters understand how freight pricing works, where cost leakage occurs, and how stronger freight governance protects savings. Each module explains freight in plain language, using real commercial situations that shippers face every day.

Module One: How Freight Pricing Actually Works

MODULE ONE — How Freight Pricing Actually Works

Most importers and exporters see freight as a simple transaction. A container moves from one country to another, an invoice arrives, and the shipment is complete.

But international freight pricing is far more layered than most businesses realise.

This is the first article in the FreightFixed “Shipper Mastery” series — designed to help shippers better understand how international freight actually works, where freight costs come from, and why many businesses struggle to control them.

This is where many businesses lose control of their freight spend.

At the core of most international freight pricing is a wholesale carrier rate. This is the underlying buy-rate paid by freight forwarders to shipping lines, airlines, co-loaders or transport providers. These rates move with market conditions, capacity, demand, fuel costs and global disruptions.



The challenge for many shippers is that they rarely see these wholesale rates directly.

Instead, freight is usually sold at a retail level, where margins, service fees, surcharges and operational costs are added to create the final sell rate. Some of these costs are completely legitimate. Freight forwarders have staffing, systems, compliance, operational risk and service obligations to manage.

But this is also where freight pricing can become difficult to understand.

Two businesses shipping the same cargo on the same lane can sometimes receive very different pricing structures depending on visibility, buying power, governance controls and how the shipment is managed.

This is why freight cost control is no longer just about negotiating a cheaper freight rate.

Real freight cost reduction comes from understanding:

- how freight pricing is structured
- what charges are market-driven
- what charges are avoidable
- how shipment execution affects final cost
- how pricing changes between quote and invoice



Many freight charges also sit outside the base freight rate itself.

These may include:

- terminal handling charges
- peak season surcharges
- fuel surcharges
- customs clearance fees
- storage
- detention and demurrage
- quarantine charges
- local cartage
- documentation fees

Some are unavoidable operational costs. Others can increase through poor planning, weak execution or lack of shipment control.

This is where many importers and exporters experience “invoice leakage” — where the final freight invoice no longer resembles the original expectation. The businesses that control freight best are usually not the businesses chasing the cheapest quote.

They are the businesses that:

- benchmark correctly
- understand their freight structure
- govern shipment execution
- validate charges properly
- monitor cost movement over time



International freight is not just about moving cargo.

It is about understanding the financial structure behind every shipment.

The more visibility a shipper has into freight pricing, the stronger their freight cost control, supply chain governance and long-term operational performance become.

#FreightForwarding #FreightCostReduction #FreightCostControl #SupplyChain #Logistics #InternationalFreight #ShippingCosts #ImportExport #GlobalLogistics #FreightManagement #ContainerShipping #FreightGovernance #WholesaleFreight #SupplyChainManagement #FreightPricing #LogisticsAustralia #FreightSavings #OceanFreight #AirFreight #Importing