



Components of Transportation Rates

SHIPPING

Components of Transportation Rates

- ↳ weight and dimensions
- ↳ product value
- ↳ fragility
- ↳ destination and transit time
- ↳ annual volume



 Department of Foreign Affairs and International Trade
Ministère des Affaires étrangères et du Commerce international

11 of 25
Shipping

Exporters can achieve significant cost savings by understanding the structure of transportation pricing systems. This puts them in a better position to evaluate all of the alternatives. In general, carriers and logistics companies are willing to negotiate rates and services, but the exporter should be willing to make some commitments in terms of volumes to be handled.

In addition to overall volume, factors that affect shipping rates include:

- weight and dimensions
- product value
- fragility
- specific destination and required transit time
- annual volume

Clearly, the mode of transportation chosen will be heavily influenced by these factors.