CK Shipping (S) Pte Ltd

Business Case: Using "AI" related solution, re-shape the current business model to include and spearhead the company's direction into E-commerce.

General Information

CK Shipping (S) Pte Ltd would like the teams to conduct fact finding, collection and analysis of data with the objectives to propose and recommend 'AI' related solution to re-shape the current business model to include and spearhead the company's direction into E-commerce.

1. Products: Furniture

The items under the study includes home and office furniture that will be imported from various countries like China and South East Asian countries, where the manufacturers will list their furniture on the Ecommerce platform. Customers will order them online on an E-commerce platform and will be expecting to receive their cargo at their doorstep.

2. Places: Home residences or Office Space

CK Shipping expects the delivery to be done to home residences or office spaces which may include business locations such as shopping malls. Therefore, it will be a Manufacturer to Consumer (M2C) business.

3. Organisation Structure

Due to the differences between traditional logistics and E-commerce logistics, CK Shipping is looking to recruit younger talents to set up a new E-commerce logistic division and spearhead the new division. In view of the current assignment, picture yourself as the new manager that is in charge of the new direction of the organisation's structure.

Issues Encountered

CK Shipping had conducted an in-dept analysis of the potential challenges for the new E-commerce direction. CK team has also reviewed its current positioning and limitations to identify possible problems.

- 1. As CK is relatively new to the E-commerce field, work flow may not be the smoothest
- 2. Cost will play a huge part in the beginning and achieving economies of scale will take some time
- 3. Due to the current global shortage of containers, shipping rates and space availability are of high uncertainty. Likewise, shipping is constantly being delayed. Accurate tracking of the cargo has become extremely difficult without "AI" implementation. Thus, rendering the promised delivery date fruitless.
- 4. Picking and packing also has to be optimised. Moving on, an increase in volume may require the help of robotics to facilitate the efficiency of such roles.
- 5. In order to maximise delivery timing and reduce cost, CK is in need of a delivery route optimisation system.

6. As of now, there is no platform ordering system which translates orders into a file. Order request have to be done manually.

Requirements

Provide specific recommendations and solutions based on the information provided.

- 1. As the E-commerce division is relatively new, you would need to design and implement a plan to penetrate the E-commerce market effectively. You may use business models such as SWOT or PESTLE analysis for your recommendation.
- 2. CK Shipping's current fleet of truck is catered primarily to its Aerospace, General Cargo and Relocation services. To complement the new E-commerce business, additional vehicles have to be obtained. Analyse the alternatives by listing down the benefits and limitations of either out-sourcing (Gogovan, NinjaVan) the vehicles or purchasing them.
- 3. For "AI" application on system and process optimisation, compare the feasibility of outsourcing for a vendor or bringing an expert on board. Also, highlight the benefits and limitations of the utilisation of "AI" systems.

Open House

The Open House will be on:

- 03 May 2021, Monday : 2.00pm to 3.30pm
- 04 May 2021, Tuesday : 2.00pm to 3.30pm
- 05 May 2021, Wednesday : 2.00pm to 3.30pm
- 06 May 2021, Thursday : 2.00pm to 3.30pm
- 07 May 2021, Friday : 2.00pm to 3.30pm
- 08 May 2021, Saturday : 10.00am to 11.30am

Address : Loyang Offshore Supply Base, 23C Loyang Crescent, 401 Tops Avenue 2 Singapore 509019

Contact Persons : Daniel Teo, Jonathan Boo

Office Phone : 6266 6028

Email for Contact : <u>daniel.teo@ck-shipping.com</u> / jonathan.boo@ck-shipping.com

Team leader to send email to the contact person in advance regarding the number of persons going to the open house.