

Contents

Acronyms	xi
List of Capacity Allocation Model Symbols (Page: 38)	xiii
List of Slot Allocation Model Symbols (Page: 75)	xv
List of Optimal Strategy Model Symbols (Page: 119)	xix
List of Remaining Symbols	xxi
List of Figures	xxiii
List of Tables	xxvii
1. Introduction	1
1.1. Aim of Research	2
1.2. Outline	3
2. Liner Shipping	5
2.1. The Liner Shipping Industry	6
2.1.1. Global Significance	7
2.1.2. Companies	8
2.1.3. Liner Shipping Equipment	11
2.1.4. Trade Imbalance and Empty Container Repositioning	14
2.2. The Liner Shipping Business	16
2.2.1. Liner Shipping Network	17
2.2.2. Offered Services	18
2.2.3. Customers	20
2.2.4. Freight Rates, Pricing and Costs	21
2.2.5. Container Bookings	24
3. Revenue Management	27
3.1. The Idea and Basics of Revenue Management	27
	vii

3.2.	The History of Revenue Management	30
3.3.	Main Characteristics required for Revenue Management	32
3.4.	Revenue Management Industries	34
3.4.1.	Passenger Transport	34
3.4.2.	Hotels	36
3.4.3.	Rental Cars	36
3.4.4.	Freight	37
3.4.5.	Other Industries	37
3.5.	Capacity Control Methods	38
3.5.1.	Booking Limits	39
3.5.2.	Nested Booking/Protection Limits	40
3.5.3.	Bid-Prices	41
4.	Revenue Management in Liner Shipping	45
4.1.	Applicability of Revenue Management in Liner Shipping	46
4.2.	Literature Overview	48
4.2.1.	Revenue Management in Liner Shipping	48
4.2.2.	Customer Choice and Market Segmentation in Liner Shipping	52
4.3.	Market Segmentations	55
4.3.1.	Present Market Segmentation	55
4.3.2.	Factors for Market Segmentation	56
4.3.3.	Current Developments in Liner Shipping	57
4.3.4.	Development of new Products and Segmentations	59
4.4.	Conclusion and Problem Statement	61
5.	Liner Shipping Network Revenue Management	63
5.1.	Facts and Assumptions for the Model and Strategies	63
5.2.	Network Structure	64
5.3.	Model Formulation	68
5.3.1.	Path Flow Formulation	68
5.3.2.	Sets and Indices	69
5.3.3.	Parameters and Variables	71
5.3.4.	Slot Allocation Model	75
5.4.	Possible Variations and Extensions of the Model	78
5.4.1.	Alternative Level Structure	79
5.4.2.	Alternative Empty Container Constraints	79
5.4.3.	Service Segment Constraints	81

5.4.4.	Port Constraints	82
5.4.5.	Consideration of the Customer Value	83
5.5.	Allocation Strategies	84
5.5.1.	Booking Limit Strategy	84
5.5.2.	Nested Booking Limit Strategy	85
5.5.3.	Bid-Price Strategy	88
5.6.	Model and Strategy Limitations	89
5.7.	Summary	90
6.	Revenue Management Simulation for Liner Shipping	93
6.1.	Simulation of Revenue Management Systems	93
6.1.1.	Literature on Revenue Management Simulation	93
6.1.2.	Basics on Revenue Management Simulation	94
6.2.	Discrete-Event Simulation	96
6.3.	Simulation Design	98
6.3.1.	Input Data	99
6.3.2.	Initialization	106
6.3.3.	Booking Generation	108
6.3.4.	Forecast	110
6.3.5.	Optimization	111
6.3.6.	Core Simulation with Allocation Control	113
6.3.7.	Report Generator and Output Analysis	114
6.3.8.	Limitations of the Simulation	115
6.4.	Strategies for Evaluation	116
6.4.1.	First-Come First-Served	117
6.4.2.	Optimal Strategy	117
6.5.	Summary	120
7.	Computational Results	123
7.1.	Assumptions and General Settings	123
7.2.	Simulation Input Factors and Output Measures	125
7.3.	Test Case	127
7.4.	Analysis of Different Input Factors for the Simulation	131
7.4.1.	Effect of Different Forecasts	131
7.4.2.	Effect of Different Environments	134
7.4.3.	Effect of Different Reoptimization Times	136
7.4.4.	Effect of Including Empty Container Repositioning	138

7.4.5. Effect of Different Booking Times	140
7.4.6. Error Variance Analysis	141
7.5. Input Scenarios	143
7.5.1. Demand Scenarios	144
7.5.2. Network Instances	145
7.6. Simulation Results	147
7.6.1. HL-S3	147
7.6.2. HL-S4	150
7.6.3. CO-S3	152
7.6.4. ML-S3	153
7.7. Real Data Case Study	155
7.7.1. Modifications of the Simulation	155
7.7.2. Real Data Input	155
7.7.3. Results of the Real Case Study	156
7.8. Discussion	159
8. Summary, Conclusion and Outlook	163
8.1. Summary	163
8.2. Conclusions and Practical Implications	165
8.3. Outlook and Future Research	166
Bibliography	169
Glossary	185
A. Input Data Sets	191
A.1. Port Data	191
A.2. Environment Data Sets	193
B. Results	195
B.1. Additional Results of the Input Factor Analysis	195
B.2. Additional Simulation Results	199
B.3. Detailed simulation results	201