DIGITAL LOGISTICS AND ITS PERSPECTIVES

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Digital logistics, as it relates to the supply chain, takes traditional data collection, which is often manual and prone to human error or delay, and digitises it to improve and expedite the logistics processes, strategies and systems. In other words, it automises routine-like parts of the logistics chain that are practical to be automised.

The most essential point is that digital approach creates opportunities for organization to save money on operating expenses, lost productivity, and accurate order fulfilment, but it also increases data transparency for all the vendors and partners involved in each step of supply chain management and operations. As the pervasiveness of the internet drives the need for greater speed and agility within the supply chain, organizations also need to look for ways to cut costs and communicate more effectively between service providers and partners. As a result, supply chain management is making a distinct shift from traditional logistics to digital logistics. Unlike traditional logistics methodologies, digital logistics fuels the agility that modern supply chain enterprises need to properly communicate with each member of the supply chain. Modern supply chain companies are adopting digital logistics to improve distribution methods, including warehouse management technology and fulfilment data. They also recognize the opportunity to automate transportation processes and carrier operations, as well as labour management and employee engagement strategies. As consumer expectations for customer-focused logistics, reduced effort, and faster shipping methods increase, the adoption of digital logistics paves the way for companies to deliver customer-focused service that will differentiate any business from the competition.

Many digital logistics platforms incorporate an element of machine learning to help make critical, data-informed decisions and continually drive improvement to the supply chain processes. Digital logistics is not a replacement for the human touch. Instead, it is an enhancement that empowers supply chain providers to focus on a better customer experience. Logistics is the newest brand differentiator [1]. Competition is fierce in terms of current state of industry or service market. When all other things are considered equal, logistics can often make the difference between a repeat customer and a negative review or lost sale. Consumers expect an effortless experience from the point-of-sale until delivery.

With transparent, real-time visibility of order fulfilment, inventory status, and shipment updates, digital logistics is the fastest way for leader to provide a better

customer experience. There are multiple ways to transfer to digitalization of the business and it is efficient to follow some of them:

- Step 1: Develop a digital target that is an initial cross-functional survey assessing both the awareness levels and the perceived data, analytics, reporting, and automation needs of principal supply chain members is a good way to start to create a digital ambition for the company. The survey builds a base of knowledge that can be used to define a set of realistic digital capabilities, implementation strategies, and applicable technologies that will yield specific, predictable benefits.
- Step 2: Evaluate current capabilities that is possible after developing a target picture, the organization can start conducting deep-dive interviews with representatives from all core functions to establish a baseline of its current digital capabilities. This process provides a good opportunity to create a list of ongoing and planned digital initiatives spanning the entire planning, manufacturing, sourcing, and delivery value chain.
- Step 3: Assess technology options and create a short list that can help explore various technology options to address specific current and future needs. The more crucial initial decisions involve identifying and prioritizing desired digital capabilities in the context of immediate needs, long-term strategic goals, buy-in throughout the organization, required investment in facility and workforce upgrades for successful execution, and other factors.
- Step 4: Prioritize potential projects and create a digital roadmap. Next the organization should take this short list of potential projects and technology and assess the project's benefits versus how long it would take to implement. The information gathered in the case study review should be helpful here.

Based on this analysis, the organization will prioritize digital projects over the short, medium, and long term, providing a clear, pragmatic roadmap to digital transformation. The set of the steps gives the company a clear sequence of activities that will help them to commit transition from traditional understanding and execution of logistics processes to the digital approach.

In conclusion it is necessary to mention that digitalization is the use of data for commercial advantage that is enabled by technology. The 4 steps are the building blocks of a digital company. The current state of the logistics industry is however, that price and service factors are still the predominant focus of customers. Therefore, the customer's own level of digitalization is a major influence on the speed and rate of change of logistics provider [2]. The technology industry offers new capabilities for logistics on a regular basis that make a fundamental change in current processes and require time and effort to implement and exploit. Finally, the digital mindset is key to future business opportunities becomes embedded into the organization earlier.

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