

LOGISTICS AS A TOOL FOR IMPROVEMENT COMPETITIVENESS

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Logistics is the most efficient, market-oriented mechanism for the implementation of economic reforms and acts in the world of product distribution system, as a way of planning, formation and development of the movement of material flows with minimal time and financial costs [1].

From the beginning of the logistics' history, it has been accepted as process of getting and delivering equipment and supplies to troops, that satisfied the needs of those time. However, nowadays the necessities obtained another angle of logistics' cultivation, for instance, it takes part in every industry of global market and combines the variety of different functions. They imply all stages of chain: the initial order processing, inventory control, warehouse management, transportation, logistics packaging, materials handling, procurement, etc.

Generally evident that the current market, whether it is manufacturing, agricultural or service one, is confronting tremendous challenges and extreme changes driven by technology innovations, growing demands of the customer, strict regulations provided by governments according to world pandemic. Undoubtedly, each company tries to excellent their weak points through improvement of business processes, enhancement of customer service, sustainability focus and adoption of innovative technology solutions. These paces are key to achieve successful evolution of any business industry and gain a competitive advantage. Obtaining a competitive advantage is urgent for the whole market and is extremely critical for the firms because it strongly influences their concern. As logistics occupies a vital position in the development of any business niche, it can be accepted from the side of a tool for achieving the aim. Therefore, it is essential to analyze the potential privileges of its use:

1. Efficiency refinement is achieved via utilization and analysis of data and tracked movement of goods or any kind of resources in and out of business from a transportation management system for process enhancement and avoidance possible disruptions that potentially creates visibility into a company's supply chain.

2. Increasing customer satisfaction is gained with a help of fast and qualitative service as the demand are overstated and the management strategy might be built on elimination of existing errors. This way, the reputation of the organization rises with positive image and increase business opportunities[2].

3. Cost's reduction is provided as logistics management can control over inbound freight, properly organize the flow of goods, keep optimum inventory level,

etc. The phenomenon is built on the basis of automated facilities or globalized distribution systems.

In continuation, it is essential to mention that logistics helps businesses create additional value that refers to availability at most including usual qualitative and quantitative performance. To be precise, businesses can offer optional significance by improvement of merchandise and ensuring the availability of products. In order to provide more value, businesses either work on improving their own logistic activities or rely on professionals. With professionally organized logistics, businesses are able to answer short-time requirements that adds value to their offers, and ensure their products get to the right place on time. It is obligatory to remember that supply chains are complex and sensitive as they depend on always-changing customer demands. For this case, logistics is one of the most crucial factors in the quality of any supply chain.

The competitive advantage of the company is needed in order to identify opportunities and dynamic adaptation of the company to different market competitive conditions, this will help to strengthen its position in the market and differentiate from its competitors.

Improvement of the maintenance services and improvement of the quality of services in the field of competitiveness are a direct object of the logistics management. Logistics is integrating the potential to bind and improve the interaction between functional areas of the company, such as procurement, marketing, sales organization.

The most important factor in ensuring the competitiveness of transport and logistics services is the competitive environment, equivalent to the sphere itself incorporating several infrastructure agents in the logistics services market influencing the relations between the provider and the consumer of these services. The competitive environment in various competitive models of logistics services is shaped by a wide range of influences characterized by the scope and period of influence and intensity.

The factors of competitiveness in the transport and logistics services market include: freight costs; timely customs clearance of cargoes; route optimization and elaboration of transit schedules; rational choice of the mode of transport; speed and timing of cargo delivery; quality packing and labeling of items.

A systemic and comprehensive approach to competitiveness management helps to ensure the company's stable positions in the logistics market. Awareness of the strengths and weaknesses of the company's and competitors' business is integral to gaining a competitive advantage.

Competitiveness enhancement is described as a process of change that has to be motivated, stimulated and generated. The resulting change creates positive expectations and thus organizational culture improves enterprise survival rate in the aggressive external environment and enables progress to market leadership.

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