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THEME: «Innovative approaches of logistics services promotion»

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NATIONAL AVIATION UNIVERSITY
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TASK

FOR COMPLETION THE MASTER THESIS OF GRADUATE

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1. Theme of the master thesis: «Innovative approaches of logistics services promotion» was approved by the Rector Directive №2051/CT. of September 29, 2021.
2. Term performance of thesis: from October 04, 2021 to January 02, 2022.
3. Date of submission work to graduation department: December 13, 2021.
4. Initial data required for writing the thesis: general and statistical information about logistics and innovation marketing, information of the company «Denka Logistics», warehouse structure and processes description of the company «Denka Logistics», literary sources on logistics and customer service process, innovative digital methods of business promotion.
5. Content of the explanatory notes: introduction, use of innovative approach for a customer service system development; logistics services promotion channels; logistics technologies for service level optimization; general characteristics of Denka Logistics company; comprehensive analysis of the portfolio of Denka Logistics services; analysis of distribution channels of logistics services in context of B2B; substantiation of expediency of implementation of the project advancement of logistics services on the basis of innovative approach; development of an algorithm for the introduction of innovative tools for the implementation of logistics services of the company; economic assessment of the new channels introduction process for Denka Logistics services promotion; conclusion and references.
6. List of obligatory graphic matters: tables, charts, graphs illustrating the current state of problems and methods of their solution.

7. Calendar schedule:

№	Assignment	Deadline for completion	Mark on completion
1	2	3	4
1.	Study and analysis of scientific articles, literary sources, normative legal documents, preparation of the first version of the introduction and the theoretical chapter	04.10.21-28.10.21	Done
2.	Collection of statistical data, timing, detection of weaknesses, preparation of the first version of the analytical chapter	29.10.21-15.11.21	Done
3.	Development of project proposals and their organizational and economic substantiation, preparation of the first version of the project chapter and conclusions. Editing the first versions of master thesis	16.11.21-03.12.21	Done
4.	Preparing the final version of the master thesis, checking by standards inspector	04.12.21-09.12.21	Done
5.	Approval for a work with supervisor, getting of the report of the supervisor, getting internal and external reviews, transcript of academic record	10.12.21-12.12.21	Done
6.	Submission work to Logistics Department	13.12.21	Done

Graduate _____
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Supervisor of the master thesis _____
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8. Consultants of difference chapters of work:

Chapter	Consultant (position, surname and name)	Date, signature	
		The task was given	The task was accepted
Chapter 1	Associate Professor, Poznyak O.V.	04.10.21	04.10.21
Chapter 2	Associate Professor, Poznyak O.V.	29.10.21	29.10.21
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Task accepted for completion: _____
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ABSTRACT

The explanatory notes to the master thesis «Innovative approaches of logistics services promotion» comprises of 95 pages, 17 figures, 2 tables and 84 references.

KEY WORDS: LOGISTICS SERVICES PROMOTION, INNOVATIVE PROMOTIONAL APPROACH, FACEBOOK TOOLS, DIGITAL PROMOTION.

The purpose of the research is to study the theoretical foundations and problems of managing customer service chains in construction companies and to develop project recommendations for introduction of a modern digital marketing approach to promote logistics services.

The subject of the investigation is the reengineering of marketing promotion approach of «Denka Logistics».

The object of the research is the business processes in B2B service provision chains of «Denka Logistics».

Methods of research are scientific inquiry, empirical, analysis and synthesis, modeling, expert assessments, extrapolation of time series.

Materials of the thesis are recommended for use during scientific research, in the educational process and in the practical work of specialists of logistics departments.

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NOTATION

FB – Facebook

CSS – Customer Service System

Tg – Telegram

B2B – Business to Business

IT – Information technology

SCM – Supply chain management

DL – Denka Logistics

AI – Artificial Intelligence

RFID – Radio Frequency Identification

SCM – Supply Chain Management

TMS – Transport Management System

WMS – Warehouse Management System

SLA – Service Level Agreement

INTRODUCTION

Logistics pertains to the process of controlling the flow of goods throughout the supply chain and ensuring that products are delivered within the timeframe requested. Marketing logistics pertains to the process of delivering the information from the producer to the market. While these two components of business do not seem like they correlate, they are actually very dependent on the other and aid in determining consumer demand and increase profit within the operation.

In order to ensure that you maintain a competitive edge within your operation, it is essential to create an effective strategy regarding your product, price, place, and promotion. These four functions pertaining to logistics and marketing will aid the operation through reaching consumer targets and ultimately delivering the products that are being produced to the customer within the timeframe that they are seeking. When thinking of marketing logistics, it is an absolute must to consider the four functions. Therefore, within this blog, we are going to discuss the four functions of marketing logistics.

The four functions of marketing logistics pertain to the following:

1) Delivery of product -the first function of marketing logistics to consider is locating your customers and how you are planning to get the product to the consumer within the timeframe they are requesting. This could be through locating third-party logistics (3PL) operations or constructing a distribution network of your own that will get your product to your customers with ease. As logistical needs vary from each customer, you need to prepare a plan for these occurrences in order to ensure that customer expectation are always met.

2) Price - pricing decisions are based on internal and external factors, in which it is important that marketing logistics recognizes these price drivers. The profile of the customer, the product, and the type of order are factors that will ultimately drive the price. These changes will not be controlled through marketing logistics. However, marketing logistics needs to be able to react to these factors and understand how factors

may potentially affect consumer decisions.

3) Promotion - within marketing, promotion is a substantial task/topic that may ultimately lead to increased sales. Promotion is also a topic within marketing logistics. When a new product is being brought to the market, the operation needs to ensure that communication and coordination are being conducted and the correct materials are being produced/utilized. Marketing logistics ensures that entities work together and produce the marketing materials needed in order to adequately sell a product.

4) Place - marketing logistics enables an operation to be able to simplify the transactions between logistics provider and customer. The overall goal is for the consumer to be blind to how the product arrives so quickly to their doorstep, thus never exposing the backroom process involved with logistics delivery to the customer. This is because output is always more important than the process with consumers. It is also important to have a warehouse or distribution center nearby to customers to ensure that delivery times are fulfilled within the timeframe they are requesting, thus leading to loyal and increased customers.

The purpose of the thesis is a further development of theoretical foundations and practical recommendations for improving the processes related to the promotion of logistics services in the market on the basis of an innovative approach.

In accordance with the purpose, the tasks of the thesis are formulated:

- characterize new digital ways to promote logistics services;
- analyze customers and warehouse processes of Denka Logistics;
- identify the strengths and weaknesses of Denka Logistics using ABC analysis and SWOT analysis;
- conduct a comparative analysis of modern methods of logistics promotion and highlight the most effective for this area;
- draw up an algorithm of actions to promote the services of the logistics complex Denka Logistics;
- calculate the cost of digital promotion of the company per month.

The object of the thesis is the logistics activity of «Denka Logistics» company in context of B2B service provision.

The subject of the thesis is a set of theoretical and methodological problems associated with the introduction of modern tools for the promotion of logistics services to popularize the brand and attract new customers for Denka Logistics.

Research methods. Scientific works of classics of economics, publications of leading scientists and specialists on market development, logistics management, as well as works of economic professors, are the theoretical and methodological basis of research. To achieve this goal and the implementation of the tasks in the work used a set of general and special methods.

The main scientific approaches to writing this article include the collection of information, a comparative analysis of the use of various digital methods of promoting logistics services, statistical and analytical methods of information processing, visual assessment of the quality of conducting and providing services, modeling, gradation, structuring, business planning, social and marketing research.

The information base of the thesis there is a study of modern specialists in the field of logistics business, process management and marketing promotion tools. The study used regulations in the field of logistics, as well as the results of financial data analysis of “Denka Logistics”.

The scientific novelty of the results of this scientific work lies in the possibility of introducing several technologies at once to promote the company's services, which will expand the range of searching for potential customers of a logistics provider and bring it to a new level of profitability.

The practical significance of the work lies in the fact that digital ways of promoting logistics services are quite affordable and not too expensive in relation to other costs of the company. Moreover, this implementation will help not only to get new customers and increase the profit of Denka Logistics, but also to attract new partnerships, gain greater recognition and gain a foothold in the segment of the logistics market.

The result of this research was published at the 15th International scientific and practical conference of undergraduates and postgraduates on December 01-03, 2021 in the city of Kharkiv.

CHAPTER 1

THEORETICAL BASIS FOR FORMING AN INNOVATIVE APPROACH TO THE PROMOTION OF LOGISTICS SERVICES ON THE MARKET

1.1 Use of innovative approach for a customer service system development

A service system (or customer service system, CSS) is a configuration of technology and organizational networks designed to deliver services that satisfy the needs, wants, or aspirations of customers. "Service system" is a term used in the service management, service operations, services marketing, service engineering, and service design literature. While the term frequently appears, it is rarely defined. Another definition for service system states that a service system consists of elements (e.g., people, facilities, tools, and computer programs) that have a structure (i.e., an organization), a behavior (possibly described as a business process), and a purpose (or goal). A service system worldview is a system of systems that interact via value propositions [82].

Logistics services are one of the essential conditions for the market success of the production and sale of goods in a competitive market. In the absence of service, the product loses its consumer value, becomes uncompetitive and is rejected by the buyer. In conditions of competition, the manufacturer assumes responsibility for maintaining the performance of the product produced and sold throughout the time of its economically feasible operation from the standpoint of the consumer due to the following circumstances:

- well-functioning service helps the manufacturer to form a promising, fairly stable market for their products;
- high competitiveness of goods in a significant, and often in
- crucially depends on high quality service.

Service means a system of provision that allows the consumer of services to

choose the best option for the purchase and consumption of technically complex product, cost-effective to operate it for a reasonable period of time, dictated by the interests of the consumer.

The main tasks of the service system include:

- advising potential buyers before purchasing them;
- products of this enterprise, which allows them to make informed choices;
- preparation of the buyer for the most effective and safe operation of the acquired equipment;
- transfer of the necessary technical documentation that allows specialists;
- the buyer to properly perform its functions;
- pre-sale preparation of the product in order to avoid the slightest possibility of failure in its work during the demonstration to a potential buyer.

Types of logistics service can be divided into three main groups:

- pre-sales work on the definition of policy in the field of services and the formation of the logistics service system;
- work on the provision of logistics services carried out in the process of selling goods, such as providing information about the passage of goods;
- selection of assortment, packing, formation of cargoes of units;
- after-sales logistics service, which includes warranty service, obligations to consider customer complaints [84].

One of the criteria of economic efficiency of logistics is the minimum total cost of transportation, logistics and own production. The refusal of isolated consideration of measures to rationalize the sphere of circulation and production was due to the active introduction into commercial practice of modern methods of cost accounting. All attempts to minimize the costs of a particular activity can increase the overall cost of the logistics system. That is why it is necessary to analyze any element of logistics innovation, taking into account the total costs. Adoption of the concept of common costs makes it possible to determine in advance the framework for the development of business logistics system and the best ways to implement it.

To assess the level of logistics service are selected the most significant types of

services, ie services whose provision is associated with significant costs, and non-provision with significant losses in the market. The level of customer service is determined by the efficiency of logistics, the terms of which are:

–delivery time - the interval between the dates of issue and execution of the order.

The manufacturer that provides a shorter delivery time wins the market;

–mandatory (accurate) supply - assessment of the supplier's loyalty to the agreed deadlines. It is a measure of the reliability and trust that the customer shows to the manufacturer;

–readiness for delivery - coordination and confirmation of the term of execution of the order by the supplier according to wishes of the client;

–quality of deliveries - the characteristic of a share of the orders executed according to the order (specification) of the client;

–information readiness - the readiness of the enterprise to provide all the information requested by the buyer regarding the products supplied to him;

–flexibility - the company's willingness to make changes made by the client to the previously issued order.

The level of service can also be assessed with the help of a special indicator, comparing the time for the implementation of logistics services actually provided in the supply process, with the time that would need to be spent in the case of providing the full range of possible services in the process of the same supply.

Logistics marketing is an organizational function and a set of processes for creating, promoting and providing a product or service to customers and managing relationships with them for the benefit of the organization. More succinctly, marketing is an activity aimed at meeting market needs in order to make a profit [1].

Innovation - an introduced or being introduced innovation that provides an increase in the efficiency of processes and (or) an improvement in product quality demanded by the market. At the same time, for its implementation, an innovation must meet current socio-economic and cultural needs. An example of innovation is the introduction to the market of products (goods and services) with new consumer properties or an increase in the efficiency of production of a particular product [2].

Innovation is an introduced new or significantly improved product (product, service) or process, a new sales method or a new organizational method in business practice, workplace organization or in external relations [3].

Innovation marketing as a discipline encompasses marketing activities in the innovation process. This includes, for example, research into customer needs, concept and prototype tests with customers and the marketing of new products. These are all key tasks in innovation management and innovation marketing plays a very important role in securing and increasing the success of innovation.

Peter Drucker already said "Business has only two functions - marketing and innovation". He considered marketing and innovation to be the important basis for the company's success. This is reason enough to take a deeper look at the purpose and role of marketing from an innovation perspective. Marketing includes tasks to increase sales. The focus is on customer and market orientation; all products, services and processes are to be aligned with the needs of customers and users. Marketing has a very comprehensive role. These include the famous 4P, market research and strategic task [31]:

- market research comprises the identification of customer needs, on the one hand current and future market needs, and on the other hand the exploration of possible market potentials;

- marketing also plays a strategic role. Based on the corporate strategy, marketing plans are drawn up. In many cases, marketing also plays a leading role in the development of strategies, as they are able to identify strategically important markets on the basis of market information, for example;

- 4P is the marketing mix for marketing products. Four levers are available for this purpose: product design, pricing policy, communication and the type of distribution and sales.

As the listing of marketing tasks shows, there are many overlaps between marketing and innovation management. For example, analysing trends, researching customer needs and defining product policy in the marketing mix with product development and product design are also tasks that can be found in the function of

innovation management [32]. Innovation marketing covers all innovation management activities that contribute to the promotion of the market success of new products and services. If one considers that the actual task and mission of innovation is market success, it becomes clear that innovation marketing plays an extremely important role in the innovation process [33].

Innovation marketing thus includes a very wide range of tasks, specifically all activities that are related to customer and market orientation and that enable a successful marketing of a new product or service.

In the front-end of the innovation process, innovation marketing contributes to the identification of future and new market opportunities and research into customer needs [34]:

- research into customer requirements in specific market segments or product categories. This is about the current needs in the course of a concrete innovation project, but also about the anticipation of future needs and, as a result, the derivation of new innovation potentials [35];

- research into market potentials such as the attractiveness of a market, the size of a market, the potential for new products, etc.

In the course of the product development process, innovation marketing has the task of continuously involving customers and users in the process. The aim is to collect feedback from customers and the market on current developments. In the form of concept, prototype and beta tests, feedback on new products is obtained in order to test the future acceptance of the product and to incorporate the experiences and ideas into the development process for further development. A major task in innovation marketing is the marketing of the new product or service, which is a continuous task and docks with the product lifecycle management. This involves both internal and external marketing [36].

As a first step, the company's own staff will be convinced of the new innovation, because this is the only way to bring the product to the market.

The second step is to market it externally. This involves the complete marketing mix with product positioning, pricing, communication and advertising, sales channels and much more.

Innovation marketing thus includes tasks in the front end, development and backend, making it a very important cross-divisional function that plays a very important role in the entire innovation process. This also makes it clear how closely the tasks of marketing and innovation are interwoven and belong together [37].

The mere description of the task and role of innovation marketing makes it clear how important the function in the innovation process is. Innovation marketing plays a role in all phases and thus ensures customer and market orientation, an important lever to avoid the failure of an innovation [38].

However, if innovation marketing is not enforced and pursued with priority, there are many risks and dangers that must be avoided in an innovation project [39].

If there is a lack of information about the market, customers, users and their needs or if they are inadequate (e. g. not representative or incomplete), wrong decisions are made with regard to the product or the target market, which can drive a project in the wrong direction and, as a result, drive it to the wall. For example, the product is misplaced, the wrong target market is chosen or irrelevant needs are addressed.

The product does not sell. This does not necessarily mean that the product is bad. There are mediocre products that are marketed perfectly and are therefore more successful than those that are top of the line but are badly marketed. Marketing is therefore an important success factor, both internally and externally [40].

These two points make it clear that innovation marketing is an important lever for the success of innovation. Around 60 to 80 percent of new products fail and many of the reasons are based on a lack of customer orientation and marketing. That's why innovation managers and project managers have to deal with innovation marketing and work closely with marketing and sales [41].

Innovation marketing does not just start with the market launch of an innovation [42]. Rather, it is responsible for developing suitable strategies and measures in all phases of the innovation process in order to filter out customer needs and obtain

feedback. This is the only way to ensure that investments are made in promising innovation projects and flops are avoided. Read in this blog entry how new technologies improve innovation marketing and facilitate access to relevant information for programming, data access and user interfaces, thereby creating completely new possibilities for interaction with customers and interested parties [43].

Innovative systems enable companies to support consumers throughout the entire customer journey - from the initial idea to the purchase. These technologies can therefore also be used profitably in innovation marketing, for example to compare innovation projects with customer needs or to test hypotheses (e.g. A/B or prototype testing) at an early stage of the innovation process. Clicktips and similar systems, for example, track user behavior across offline and online touchpoints, helping companies to optimize their customer journeys. Attribution tools show which channels have the greatest impact on customer decisions [44]. Various platforms offer the possibility to analyze unstructured data, and new programming languages evaluate huge amounts of data in order to predict customer behavior. In addition, interface design tools allow you to program a mobile app or website to change its appearance or functionality depending on where the customer is on the Customer Journey [45].

Currently, however, there are already thousands of tools for digital marketing. It is easier and above all more efficient to choose a platform for digital marketing that combines the majority of all tools. So-called marketing automation platforms, which represent a relatively new area in Europe, meet this requirement. According to G2Crowd, the best known are: HubSpot, Marketo, Pardot and Act-on [46].

Marketing automation can be defined as a software platform that optimizes, automates and measures marketing measures and workflows. This will significantly increase sales and make marketing and sales more effective overall. Good marketing automation software such as Hubspot meets the following requirements [47]:

- development of content strategies and websites (CMS);
- blog feature;
- production of content;
- creation of call to actions and landing pages;

- lead generation;
- automated workflows;
- lead qualification;
- email marketing;
- newsletter;
- A/B testing;
- social media marketing;
- personalization of content on web pages and e-mails;
- ROI measurement;
- sales tools;
- CRM (own CRM or integration with an existing CRM).

According to a study by PAC, almost every second European company currently works with at least three different technologies for the collection and analysis of customer data. This often creates islands of data that can obscure the overall picture and adversely affect a company's innovation marketing. Integrated marketing automation systems, which automatically merge all data, provide a remedy here [48].

The Internet of Things not only has great potential for industrial production processes, but also opens up new opportunities for marketing. Intelligent, networked products ensure a constant flow of data and provide new knowledge about consumers, target groups and markets. The company receives detailed information on where, when and how the customer uses the product. User behavior and customer needs can be better understood and products can be further developed in a targeted manner - for example by adding innovative functions. IoT technology can thus be used efficiently in innovation marketing to sound out new ideas or concepts in controlled experiments and to involve customers and users at an early stage [49].

The technology behind Facebook & Co is now very sophisticated and provides fast and direct access to relevant target groups. This can be used efficiently in early innovation phases to identify user needs, e.g. through surveys, presentation of first prototypes or A/B testing. At the same time, however, there are also many possibilities for marketing finished innovations. It usually takes some time before innovations are

accepted by customers, even if customer needs have been understood and the product offers real added value. Professionally conducted social media campaigns can bring a decisive advantage and quickly increase attention and interest. Especially videos with emotional or amusing content perform very well. One example of a successful social media campaign is Tentsile. A few years ago, the company developed an innovative tent that is a mixture of a hammock and a tent. The commissioned agency Stoyo Media produced a short video and put it online on the Facebook page of its publisher partner "The Daily Dot". Within a very short time the video had an organic range of several million views [50].

In another example, Movinga, the moving startup, decided to publish a clip on its own Facebook page, which at the time was comparatively small at around 8,000 fans. After 48 hours the video had three million views, to date it is almost five million in total [51].

1.2 Logistics services promotion channels

Logistics services are a set of tasks for organizing the transportation of goods from one point to another. In the process of solving such problems, activities are also carried out aimed at minimizing costs and optimizing the processes of cargo transportation. At the same time, there is a real opportunity to reduce the cost of moving by transport, and, accordingly, to reduce the price of goods or products [52].

The main goal of a logistics company is to build a transport route with the greatest possible cost reduction and provide customers with the most comfortable services. In connection with this goal setting, the following tasks can be distinguished, solved by a specialized logistics organization [53]:

- determination of the most rational type of transport required for the carriage of goods;

–development of the route taking into account the specifics of the order, the congestion of highways, the type of vehicle used;

–establishment of points of implementation of loading and unloading operations and places of temporary storage of cargo;

–calculation of all costs that will be incurred during the transportation of the movable property;

–services in the field of logistics are aimed at reducing the costs of the enterprise.

To achieve the maximum possible positive result, you should understand what types of logistics services are provided by specialized companies.

Logistic services can be divided into the following types [54]:

–transport, associated with the construction of the route of the transport, its types, the establishment of the optimal time for the movement of cargo;

–warehouse, aimed at determining the territories where the transported goods will be stored, including the determination of the size of the premises, their temperature regime, the availability of access roads;

–marketing, based on the transportation of goods to the place of their sale within strictly agreed delivery times;

–procurement related to the delivery of raw materials or materials to the place of their processing or use in the production process.

As a rule, one operation for the transportation of goods involves several types of logistics services, closely interconnected. For example, if a company needs delivery of goods across Russia when purchasing raw materials for production, then the following types of services are provided [55]:

–procurement services, when the most profitable supplier and conditions for the purchase of raw materials are determined;

–transport services, in which the optimal route is developed;

–warehouse, if, for example, materials are transported by several modes of transport or over long distances.

Production, transportation, warehousing, information processing are well-known and inevitable parts of SCM. But how do they intersect with promotion management? Figure 1.1 shows the correlation between logistics, marketing and production.

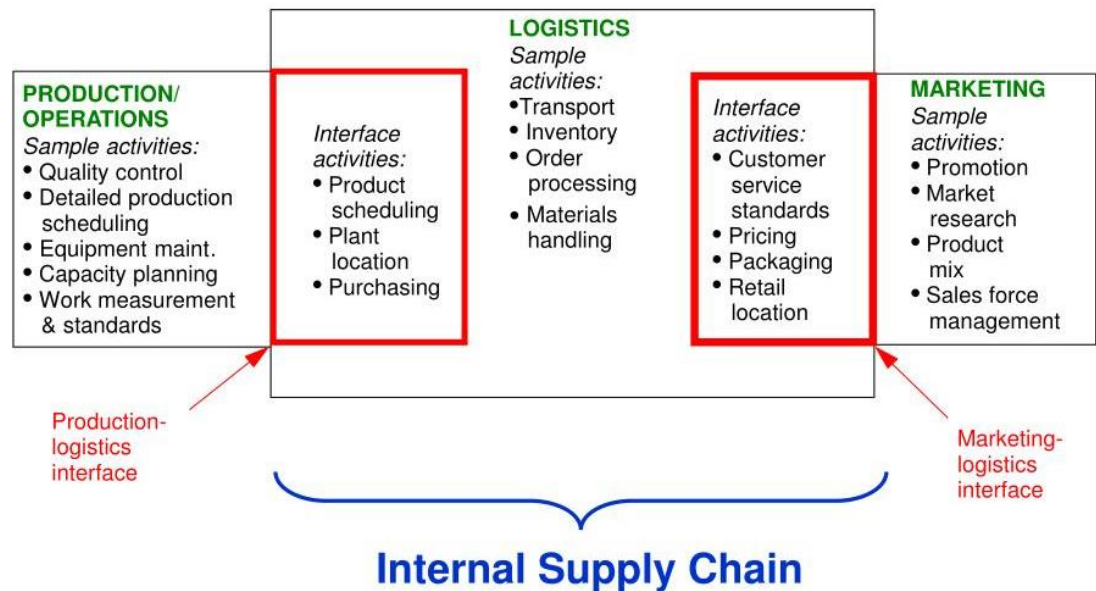


Figure 1.1 – Relationship of logistics to marketing and production [81]

When ordering logistics services, it is necessary to pay attention to the features that this field of activity possesses [56].

The following features of logistics services can be distinguished:

–cargo transportation can be carried out by one or several types of transport, and this moment depends on the distance of transportation, route and type of cargo;

–the route and features of cargo transportation should be developed in order to minimize costs, but, at the same time, one cannot save on traffic safety and the legality of property transportation;

–strict elaboration of the route and determination of time costs in order to deliver the goods as soon as possible and preserve its quality parameters and properties;

–focus on meeting the needs of customers and providing additional advice on the organization of competent transportation of goods.

According to the latest data, the share of 3PL logistics in the total volume of the freight transport market is 25%. 10 years ago that figure was 10%, which indicates how large, constantly growing and rapidly developing industry is.

Existing 3PL providers from time to time face the threat of new entrants to the logistics services market. These new entrants are innovative strategists, utilize the latest technology and resources, and provide comprehensive services. On the other hand, the existing large logistics companies have many years of experience in the market and have come up with their own formula for success. The 3PL industry has thousands of members. This means that today's customers have a choice [57].

The logistics industry focuses primarily on minimizing transport costs, improving asset utilization, increasing productivity and ensuring the efficiency of all logistics operations. Since most of the time, resources and effort is invested in improving processes and services, there is little left to market those services. Internet marketing is the most powerful tool for promoting a logistics company over the Internet, working with your target audience and achieving sales targets. It can expand your customer network, get them to consider your offer, and turn leads into sales.

It is possible to highlight 6 powerful internet marketing strategies to help grow 3PL business [58]:

1) Branding. With so many logistics providers, potential buyers are actively using search engines to find the best one. Therefore, 3PL providers need to develop their online presence by creating a clear, attention-grabbing and user-friendly website. This is the first thing that affects how long a potential customer spends on your page. Branding helps create the image of your company and promotes its promotion among potential customers and partners.

2) Content marketing. Having high quality content on your site builds trust, attracts visitors, and encourages them to return to your site in the future. It is imperative to create content for your target audience. It should be clear, informative, and resonate with your brand. Information can be presented in the form of a blog, e-book, pdf file, infographic and / or slideshow. Content marketing for 3PL companies is an incredibly productive way to drive traffic to your website.

3) Search engine optimization (SEO). Search engine optimization of a website makes it more visible to search engines. The main goal of SEO is to drive large amounts of traffic to your website. A strong SEO strategy increases the chances of website

promotion, the ability to be at the top of the search engine results list when customers use keywords such as logistics, cargo consolidation, shipping companies, warehouses, etc. to search for the products and services you offer. If site content development is already underway, SEO does not require a lot of investment and will give excellent results.

4) Conversion rate optimization (CRO). Now that you have traffic, what do you do next? The next step is to get more value out of every visitor. It's time to turn passive users into valuable conversions. Conversion rates can be maximized either by creating additional conversion opportunities or by improving existing ones. For example, you can place call-to-action buttons on your product or service page, or on your blog that has regular traffic. The higher your conversion rate, the higher your ROI.

5) Email marketing. Email marketing costs almost nothing. This is an effective way to remind your customers of yourself. Analyze consumer behavior and create a newsletter to meet specific customer needs. This will improve engagement with your brand and generate repeat traffic. Email lists usually consist of a group of contacts from an existing customer base, social media followers, and other external contacts.

6) Social media marketing. With technology constantly advancing, it is extremely important these days to promote your 3PL services on social media. Every company today uses platforms like Twitter, Facebook, LinkedIn, YouTube, or Google+. Social media is used to establish valuable contacts and build relationships. They help promote the brand, inform customers about the latest updates on the site, and also help increase its traffic.

All of these strategies work very well together. You can, of course, follow one of them, depending on your goals and the size of the project, but taken together they provide a higher return because each is fueled by the others. By following these strategies, your company will receive more traffic, repeat customers, and higher conversion rates. In other words, internet marketing from a strong company "Statura" will contribute to the rapid development of your business [60].

1.3 Logistics technologies for services level optimization

The implementation of logistical prospects is through logistics strategy. Global competition leads to an extremely high increase in the intensity of competition. Businesses respond to this by concentrating on their core business and outsourcing value creation services. This leads to a decrease in its share of value creation. This term reflects the share of self-employment in relation to total value-added work. Forms of participation in value creation are participation in the production of the final product and participation in logistics processes. To date, the average share of participation in the production of the final product in the industry of developed countries is 57%. The lowest share of participation in the production of the final product in the automotive industry - about 30%.

Strategies for improving the quality of logistics service:

- improving the quality of logistics operations and functions (transportation, warehousing, cargo processing, packaging, etc.);
- pre-sales and after-sales support of the service;
- value-added service;
- use of logistics technologies product life cycle support;
- creating a quality management system logistics service;
- certification of the company's management system quality in accordance with national and international native standards and procedures (including ISO 9000);
- benchmarking [84].

Increasing technology innovations are making big waves across industries, and logistics and the supply chain may be one of the most impacted sectors. Notorious for its heavy use of manual processes and large amounts of data stored in different ways and in different places, the logistics industry has perhaps the most to gain from implementing new technologies and following the most innovative Supply Chain and Logistics technology trends [61].

Recent years have seen massive advancement for the logistics industry in areas like artificial and augmented intelligence, advanced analytics, and automation, to name just a few. These technologies have evolved faster than ever while startups with even newer solutions and innovations continue popping up at a rapid rate. But attached to these innovations are new expectations and standards, forcing logistics companies to either adapt or fall behind. Much pressure comes from customers in the form of individuals and enterprises, all of who are demanding their products or services come faster and cheaper than ever before.

But advancements in technologies aren't the only big changes influencing the industry. From new shipping regulations to growing global tensions and trade wars, and a predicted economic recession, logistics companies will need to be alert and prepared for 2021. For example, carriers are already working hard to meet the global 0.5% Sulphur cap, which went into effect on January 1, 2020. It would affect up to 70,000 ships, according to IMO estimates, and could lead to a 20-30% increase in total fuel costs, which would ultimately be passed on to customers [62].

Companies within the logistics and supply chain sphere must continue getting ready for all of these bigger changes with innovations. From digital twins to blockchain to real-time supply chain visibility, Transmetrics has identified the Top 10 important logistics technology trends your company should be keeping an eye on in 2021 [63]:

Over the past several years, the logistics industry has started to integrate Artificial Intelligence solutions including intelligent transportation, route planning, and demand planning in their operations — but this is only just the beginning. From last-mile delivery robots and sustainability solutions, to warehouse automated picking systems and predictive optimization software, AI is already making a huge difference in logistics. Shippers, carriers, suppliers, and consumers can all expect to benefit from these logistics technology trends continuing in 2021.

Along with AI, Augmented Intelligence is also expected to spike in use. Augmented intelligence combines human intelligence with AI automated processes. For example, in logistics planning, using Augmented Intelligence can even be superior to using AI alone, since it can combine inputs from human planners (experience,

responsibility, customer service, flexibility, common sense, etc.) together with AI technology which is left doing the repetitive and tedious work. According to Gartner, augmented intelligence is on path to create \$2.9 trillion of business value and lead to an increase of 6.2 billion hours of worker productivity globally by the end of this year. Logistics companies can be expected to implement more Augmented Intelligence solutions, which ultimately allow logistics professionals to do their job more quickly while reducing mistakes and creating cost savings [64].

Digital twins are possibly one of the most exciting logistics technology trends to keep an eye on in 2021. As many logistics professionals know, products are never exactly the same as their computer models. Modeling in its current state doesn't take into account how parts wear out and are replaced, how fatigue accumulates in structures, or how owners make modifications to suit their changing needs. However, digital twins technology is changing this once and for all: Now, physical and digital worlds can be melded into one, thus allowing us for the first time to engage with the digital model of a physical object or part just like we would with their physical counterparts.

The potential use cases for digital twins in logistics are vast. In the shipment sector, digital twins can be used to collect product and packaging data and use that information to identify potential weaknesses and recurring trends to improve future operations. Warehouses and facilities can also use the technology to create accurate 3D models of their centers and experiment with layout changes or the introduction of new equipment to see their impact, risk-free. Furthermore, logistics hubs are able to create digital twins and use those to test out different scenarios and increase efficiency. In addition to that, delivery networks could use the technology to provide real-time information that will improve delivery times and further aid autonomous vehicles in their routes. It will be interesting to see what other impactful logistics use cases develop over the next year.

Supply Chain Visibility (SCV) is no longer just a great thing for logistics companies to have. In 2021, it needs to take another step forward – becoming real-time. This real-time data is now more in demand by customers and carriers than ever,

which means logistics and supply chain enterprises need to focus on implementing cutting-edge SCV solutions into their operations. New supply chain visibility startups are providing technology that promotes quick response to change by allowing companies to use real-time data. Such data includes traffic patterns, weather, or road and port conditions which are used to take action and reshape demand or redirect supply and optimize routes. Logistics companies that fully use integrated supply chains are now reported to see 20% more efficiency than those without integration [65].

One can't speak about supply chain visibility without also mentioning IoT sensor technology, a crucial asset for tracking shipments. Connected IoT devices on parcels allow warehouses to track inventory, vehicles, and equipment through cloud services. At the same time, container management powered by IoT also becomes easier through real-time monitoring, increasing fuel efficiency, implementing preventative maintenance and making container operations proactive instead of reactive. With that in mind, partnerships between IoT startups and logistics companies are another big trend to watch in 2021. A recent example comes from Hapag-Lloyd, which chose IoT startup Globe Tracker to power its new real-time container monitoring system, Hapag-Lloyd Live. In 2021, look forward to seeing more of these big-name partnerships with IoT startups as the sector begins to demand real-time tracking for customers.

Since its advent in 2008, blockchain has grown to become one of the biggest buzzwords in any industry as well as one of the most overhyped logistics technology trends. However, the complicated concept of the blockchain has been difficult to grasp for the general public, and despite its strong potential for incredible use cases both in and outside of the logistics, there's been an overall lack of real development. This has led blockchain to become extremely overhyped and logistics professionals to feel fatigued from the term's overuse. That said, there are pilot projects and small-scale operations in effect: CargoX is one startup that has emerged fully dedicated to bringing blockchain to the logistics industry by using the public Ethereum Network to securely validate document transactions. Other big names are also expressing interest in the blockchain: UPS and Warren Buffet's BNSF Railway joined the Blockchain in

Transport Alliance. However, they are all still very new projects with much work to do.

As a refresher, blockchain is an open ledger of transactions distributed among computers in a given network. Since everyone on the shared blockchain has access to the same ledger of transactions, there is complete transparency, which makes it impossible for users to hack or trick the system, and thus eliminates the need for third-party involvement. In the logistics industry, this could make it much easier for different carriers or shippers to share sensitive data; and companies could create trade finance and supply chain solutions, like that of Maersk and IBM's blockchain joint venture called TradeLens.

But there are still a few steps required for logistics companies to completely adopt the blockchain. First, logistics companies need to digitize, standardize, and cleanse their data. Then, once industry-wide standards are implemented, companies must form an ecosystem of supply chain partners to use the standard in a shared, permissionless blockchain environment. Hopefully, with TradeLens leading the pack on this mission, the logistics can finally start taking advantage of blockchain's full potential [66].

Traditionally, data in the logistics industry has always been completely siloed. Companies have stored data however they wanted and wherever they wanted, leading to a fragmented ecosystem, creating massive inefficiencies, and making it difficult to digitize operations. One of the biggest logistics technology trends for 2021, that we've identified, points out that data in silos will no longer be an option for companies who want to keep up with the changing times. For example, new data standards are finally being created in container shipping, thanks to the advent of the Digital Container Shipping Association (DCSA) in 2019. The DCSA's mission is to create common information technology standards for digitalization and interoperability in an effort to make the shipping sector more efficient for both customers and shipping lines. Just months after launching, the organization released its first Industry Blueprint, which details the new industry standards for data processes used in container shipping.

However, the DCSA only represents the data standardization movement within the container shipping sector and it will take time for the association to develop new

standards covering different sub-sectors of shipping. Meanwhile, Traxens, an IoT company providing high-value data and services for the supply chain industry, has announced it has led the development of the first standards for smart container data exchange published by the United Nations Centre for Trade Facilitation and Electronic Business to facilitate the use of smart container data.

Other logistics fields still have work to do when it comes to solving the data inconsistency issue, which is leading many young startups to focus on creating predictive and advanced analytics platforms as a solution. These logistics startups are helping bigger companies to cleanse and digitize their data, allowing them to then use that data for advanced analytics and predictive optimization. This includes better supply chain visibility, demand forecasting, proactive linehaul planning, predictive maintenance, unexpected conditions detection, and last-mile delivery improvements. When data is standardized and digitized across the logistics industry, all companies will be able to benefit in a massive way.

The unwritten rule across any industry is that disruptive forces are constantly at play, reshaping the way organizations think about technology, conduct business, and look to the future.

This is, of course, true for the logistics industry where market trends are impacting the sector to a great degree.

From new technologies to explore and take advantage of, to shifting regulations that require new strategies and tactics to ensure compliance, logistics companies must stay plugged into new and emerging trends to stay at the bleeding edge and remain competitive.

Companies that succeed are the ones who embrace a combination of the latest trends and utilize them in a way that capitalizes on traditional and established technologies.

For over a decade, Radio-frequency Identity (RFID) chips have promised to provide real-time tracking information. However, while many OFD (out-for-delivery) companies have invested a lot of money in RFID, they have yet to see a real ROI from the technology.

Simply having RFID chips doesn't mean you have better access to the data, because you need computers near the data to collect it and share it.

Companies also need file-based integration technology that is able to connect devices and edge computing systems back to the core enterprise systems to transfer reporting documents and where the data can be stored and analyzed for insight and business decision making.

Further, the logistics companies that do utilize RFID technology to a value-producing extent are the ones that are able to blend traditional line-of-sight technology such as barcode labels with RFID. Barcode labels are well-established and relatively low cost. The underlying systems and business processes are well-understood and common.

By comparison, RFID implementation can be a high-cost addition to the logistics supply chain. Some estimate a 10X cost factor for implementing RFID tags versus bar codes.

The price barrier for investment is one reason a blended approach to traditional and new makes sense. Additional concerns around data accuracy and reliability should also play a role in how a company chooses to leverage RFID.

There are however viable applications companies should investigate.

RFID in logistics has potential particularly in route optimization, and the real-time tracking of goods. When effectively integrated, RFID systems can provide precise location and quantity data in real-time. For instance, tagging trucks, pallets, and inventory provides multi-lateral views of what is happening across the supply chain.

The importance of knowing exactly where a specific truck is at any given moment can allow a logistics company to be more proactive, to change a delivery route given unpredictable events such as accidents and weather.

Companies that mix-and-match traditional and legacy technology with next-generation advancements are the ones who end up most successful. Those companies understand that attempting to completely replace established technology and business processes is unwise. New technology tends to perform better in conjunction with what is established and standardized.

Omni-channel fulfillment is an increasing reality in the logistics industry, one that is being spurred on by a shifting approach to meeting customer expectations in the retail industry.

According to the Harvard Business Review, the Amazon effect is driving traditional retailers to offer more omnichannel touchpoints to increase customer loyalty. The goal is to provide a seamless and easy way to shop, regardless of whether it's conducted digitally or in-store.

In this context, successful logistics companies are those that have evolved to offer more creative approaches to shipping to navigate growing omnichannel complexities within the supply chain.

Here is a simplified look at possible omnichannel fulfillment and return order flows directly to (and from) the end customer:

- warehouse to consumer and back;
- supplier to consumer and back;
- store to consumer and back;
- distribution center to consumer and back.

Traditionally, the shoppers would travel to the purchased item. The “last mile,” so to speak, was thereby on the customer. Now, last-mile-logistics are falling on the shoulders of the retail logistics providers and their partners. The changing expectation is for retail logistics deliveries to operate like USPS. In fact, companies such as Amazon actually contract USPS to handle these deliveries since their system is already in place.

Walmart is approaching the challenge of last-mile logistics in a uniquely alternate fashion. They have implemented an employee drop-off system, incentivizing employees to drop off packages as they travel home at the end of a shift. Additionally, in September 2017, Walmart acquired New York-based last-mile delivery specialist, Parcel [80].

Because of e-commerce and omnichannel trends, the last-mile evolution of shipping methods has increased the complexity of the supply chain. And further, no longer is one-way logistics enough to compete.

UPS may be the biggest success story for big data in the logistics industry. Through data collection, analysis, and demand forecasting, the company has made massive strides in operational efficiencies and cost savings.

Some 80,000 vehicles each have more than 200 onboard sensors that measure speed, braking, backing up, location, and idling time. Some of the sensors collect diagnostic data on the vehicle battery and tire pressure, allowing for preemptive maintenance. The goal is to maximize the time a vehicle is on the road versus in the shop. Further, big-data-driven predictive modeling is the basis for massive gains in route optimization.

Because of the proliferation of GPS and location sensors, along with real-time traffic updates, companies now are able to optimize delivery windows regardless of construction, parades, accidents, and the like. Companies utilizing big data technology, create systems to allow them to change their route in real-time. This is done for a couple of reasons.

The first, of course, is to minimize fuel consumption. UPS has leveraged big data to reduce fuel usage by an estimated 1.5 million gallons in 2012, greatly reducing the environmental impact and increasing operating margins through efficiency gains.

Another big data outcome related to route optimization is to decrease mileage. The level of savings that companies in terms of mileage, impact the wear and tear on vehicles.

UPS further specializes inefficiency in an unusual way. According to their CEO, UPS “trucks never turn left.” When a route optimization specialist maps out the optimal path, they provide right-turn-only directions to drivers. It’s an innovative solution built on decreasing the amount of time a vehicle spends at red lights, and it works.

While some forward-thinking companies are starting to invest in greener technology as well as big data initiatives. Many supply chain companies are coming up with new techniques that parallel the outcome of route optimization through how a mastery of inventory logistics management, optimizing shipments for efficiency.

Logistics companies are also utilizing embedded technology to better connect with their customers. They recognize that they need a data movement platform to seamlessly share data reliably back-and-forth between their customers.

Embedded integration capabilities provide SaaS companies in the logistics space to offer value-added services related to logistics and supply chain data. This is a true encapsulation of digital transformation as more traditional logistics enterprises are evolving to data-centric services companies [67].

Organizations are taking advantage of modern services and solutions to take in data, process it, and provide insight to customers. The ability to be more dynamic than ever before by providing fast and critical information to and from customers is central to a business' success.

An embedded data platform provides secure communications protocol flexibility that enables robust transactional business flows. You need to be able to connect, transform, and integrate data through capabilities that are already built into the solution. Customers want to know everything, and information is of the utmost importance. Service-level agreements (SLA) must also be met, and companies are taking advantage of embedded software with business-level dashboard views and 24/7 monitoring to extend visibility throughout the process to ensure compliance with tough SLAs.

Globalization is forcing many logistics companies to focus on a strategy of achieving delivery KPIs while keeping costs in check.

The need for increased flexibility across the supply chain is paramount along with recognizing that no single solution to the growing complexity will be one-size-fits-all.

The landscape of global trade is one that is constantly shifting. There is an unwavering need for logistics companies to stay ahead of evolving compliance requirements.

This rings especially true for all the ways the enterprise needs to manage critical customer and partner data.

Take the recently created Federal Maritime Commission plan to reform regulatory priorities. One recent change in governance directly affected the New York Shipping

Exchange and aimed to combat shippers leaving less lucrative cargo behind. While this is a positive change, it is still a change – one that increasingly is happening everywhere.

Further, across the globe, the ability to comply with the plethora of data-related mandates is tied to how capable a company is in its ability to find, view, record, and report on the data. The regulation calls for full auditability and companies need to provide full audit trails to keep track of their data and customers' data throughout the process with built-in governance and control.

Without the proper ability to comply with provable digital documentation, trucks could end up sitting at the dock, ships get stuck in the harbor, and goods are stranded on trains or tarmac – for hours or even days.

The average cost of a rejected food logistics shipment due to non-compliance ranges from \$300 to \$40,000. And extrapolated to a global scale, the cost of not being able to clear goods on is extraordinarily significant.

As e-commerce continues to expand beyond epic proportions, many companies are also seeing quite a bit of potential in integrated 3PL services. Businesses are seeing this by bringing in heavy assets in trucking and adding freight brokerage capabilities and warehouse facilities to provide deep integration into customers' systems.

As customers advance through their own use of modern technology, logistics companies are embracing logistics automation trends by utilizing API integrations to connect e-commerce stores with a fulfillment center in addition to traditional EDI.

Because supply chains have so many different channels and change so quickly in order to meet consumer demand, fulfillment practices must evolve along with it in order to cope with COVID-19 and any other supply chain disruption that may arise.

Logistics industry trends demand that customers have options when it comes to delivery, from last-mile services to same day and next day delivery and it's up to providers to make sure that customers have those very delivery options.

When COVID-19 first struck, one of the ways logistics companies started to recover was to re-optimize service lines in order to focus on industries that thrived the most during the pandemic, such as food, paper, and packaging.

This allowed these logistics enterprises to have more of a regular fleet, rather than a non-dedicated, irregular fleet. No, it certainly is not easy for companies to transition and pivot their strategic initiatives, but the end result is one that will prove beneficial for years to come.

Logistics companies are recognizing the importance of upgrading their legacy environment and evolving to a modern integration platform.

The allure of a modern integration platform is one that provides quicker onboarding of customers, trading partners, and suppliers, as well as provides end-to-end visibility so logistics companies can conduct business quicker.

From frictionless supplier integration to have the ability to unlock back-office systems that are critical to third-party logistics (3PL) services, modernized integration technology can do it all. Logistics businesses everywhere see the value that integration technology has for their supply chain.

Those companies that migrated to a modern integration platform prior to COVID-19 were the ones that put themselves in the very best position to manage disruption to their supply chain. COVID-19 has shined a light on the importance of a modern integration platform.

1.4 Chapter 1 summary

Based on a thorough study of scientific papers and specialized logistics literature, a clear understanding of logistics marketing, innovative marketing and its differences from the old ways of promoting the services of logistics providers is displayed. Today, all information and logistic processes have become much faster, the number of simultaneously conducted processes has grown and it has become more difficult to track them. It is in order to improve the control and coordination of what is happening on and off the warehouse that new technologies must be used. A service system (or customer service system, CSS) is a configuration of technology and

organizational networks designed to deliver services that satisfy the needs, wants, or aspirations of customers.

Innovation marketing as a discipline encompasses marketing activities in the innovation process. This includes, for example, research into customer needs, concept and prototype tests with customers and the marketing of new products. These are all key tasks in innovation management and innovation marketing plays a very important role in securing and increasing the success of innovation.

Market trends, such as those outlined above, are going to continue to impact the logistics sector well into the future. However, the success of trend-shaping nascent technologies requires that they are integrated with existing solutions and infrastructure. Not only do logistics operation needs to be able to enable processes like ingesting an EDI load tender, but also, companies need to look to how future technology can be leveraged to reduce margins. Businesses can then create a next-generation stack that leverages previous technology investments while incubating big data, IoT, and omnichannel solutions.

There are 6 main ways of boosting logistics services promotion, such as branding, content marketing, search level optimization, sales level optimization, email marketing and social media marketing. Over the past several years, the logistics industry has started to integrate Artificial Intelligence solutions including intelligent transportation, route planning, and demand planning in their operations — but this is only just the beginning. From last-mile delivery robots and sustainability solutions, to warehouse automated picking systems and predictive optimization software, AI is already making a huge difference in logistics. Shippers, carriers, suppliers, and consumers can all expect to benefit from these logistics technology trends continuing in 2021.

CHAPTER 2

ANALYSIS OF DENKA LOGISTICS STRUCTURE AND PROCESS ORGANIZATION OF THE COMPANY

2.1 General characteristics of Denka Logistics company

Denka Logistics is a logistics operator that offers customized storage, processing and order fulfillment solutions for each client. The main advantages of the company are experience, highly qualified specialists, modern technologies and customer care. Denka Logistics is a logistics complex of two warehouses with an area of 30,000 m², located on the outskirts of Kyiv.

Due to the high level of automation of 70% of warehouse services, Denka Logistics is one of the top 3 best Ukrainian logistics providers. Optimal business processes, staff motivation systems, adaptability for different types of goods and services allow DL to provide services to in a wide variety of areas, from household chemicals to luxury goods [68].

One of the most significant advantages of Denka Logistics is a modern warehouse complex with a high level of automation, developed taking into account best European logistics practices and 30 years of experience acquired during the holding's existence. DL warehouse equipment was individually developed by leading Austrian engineers. Loading tools and robotics, manufactured in Germany and tested over the years, ensure the reliability of logistics processes and personnel safety [69].

Each of these factors makes it possible to provide high-quality warehouse services for goods for various purposes that do not require individual climatic conditions. The main product groups processed at Denka Logistics enterprises include fashion self-care products, household chemicals, office and home appliances [79].

The main business card of Denka Logistics is the function of the piece selection of goods. This allows you to receive and ship units of goods only in the required

quantity, which helps to reduce the warehouse and transport costs of the company.

Classical schemes for the selection of pallets and boxes, as well as a high level of cross-docking, distribution quality. Since the warehouse is located quite close to Kyiv, transportation costs within the city are minimal. Customers, in addition to Intertop, also have the right to pick up goods from the warehouse by their own transport or using an external transport company. Figure 2.1 shows an example of DL clients.



Figure 2.1 – Clients of DL

It all started with three people, but today the company has more than 300 people involved in various fields of DL processes. Figure 2.2, which is below, shows a diagram of the hierarchy in the company DL.

Compared to international logistics giants such as Ecol and Kuehne Nagel, Denka Logistics is a relatively young company. It was originally created as a warehouse for the Intertop shoe retail store, which was part of the MTI group. However, over time, Intertop became an independent company of Intertop Ukraine. The warehouse scale of Denka Logistics, in turn, also allowed to expand its personal client base, and add stationery, books, household chemicals, appliances, dishes and much more to its arsenal. However, the MTI group Intertop is still the largest customer of the company.

High warehouse efficiency is achieved thanks to the automated warehouse logistics management system from Manhattan Associates Inc. The capabilities of this WMS allow you to make contact with any partner ERP system. In 2014, the execution

direction for online stores of any scale was successfully launched.

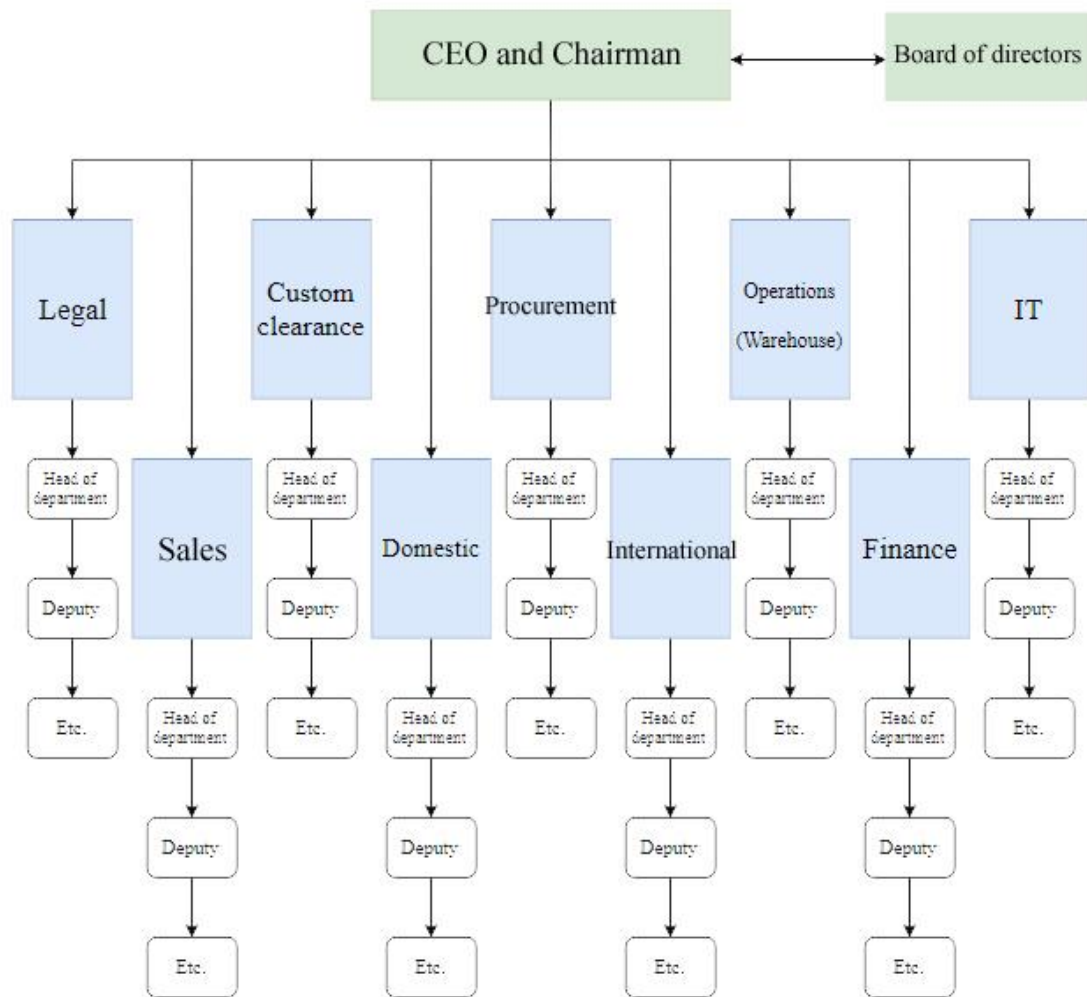


Figure 2.2 – Structure of Denka Logistics

This allowed the company to become not only one of the main players in the e-commerce logistics market, but also to help its retail chains implement a multi-channel sales strategy by delivering to retail stores, wholesale deliveries to dealers and direct sending of online orders. to customers from one warehouse without disrupting the flow of goods. DL also provides installation of tracking sensors for goods, sorting, repacking and processing returns, if necessary [78].

During the pandemic, certain changes have taken place in the organization of Dunka Logistics. Firstly, new customers have come to the Intertop Ukraine trading

platform, and therefore to the Denka Logistics warehouse, such as ISEI (Korean cosmetics), KIKO Milano (decorative cosmetics), OK Wine (wine), clothes of the PUMA, Sketchers brands, Adidas, NIKE, Braska and others, auto parts. Secondly, a new warehouse was opened on the territory next to the main one. It now stores only auto parts and bottles of wine. There is also labeling of bottles, similar to shoes for Intertop. The new storage area contains only shelving units for now. In the near future, the automation of the second warehouse is not planned. Since it employs exclusively human labor, warehouse number 2 is quite unprofitable and to improve the financial situation it is necessary to fill it with goods, which means that the issue of expanding the client base is quite acute.

During the quarantine, DL's client base left the Cosmo store, as it opened its own warehouse and Mothercare (left the Ukrainian market). However, this did not bring a significant loss for the company due to the arrival of new customers. It takes 2-3 months from the moment of signing the agreement on the arrival of a new client to the warehouse to the launch of its launch.

DL received requests for storing machine oil and food, which had to be refused, since Denka Logistics does not specialize in a group of goods that require special storage conditions. The DL is not yet in the plans of the DL to create new climatic and technical conditions for storing other groups of goods.

The company still does not plan to enter the international market. They often partner with DHL to transfer or receive goods from overseas as needed.

Intertop Ukraine does not consult with DL when accepting new clients to its trading floor. Due to the entry of new brands on the Intertop trading platform during the pandemic, a large load fell on the main warehouse of DL. I had to fill a certain amount of free space with additional racks and add a line for transporting piece goods. The company also hired additional staff members.

The pandemic also contributed to the opening of a delivery point from DLs, since pickup from stores was impossible at lockdown. However, this did not bear much fruit, because it is much more convenient for customers to use Nova Poshta or Meest Express to transfer orders. This point still exists, serves Intertop and Pandora. There are no plans

to close it yet. Warehouse # 1 is also marked with DD for computer equipment. The DL vehicle fleet still includes 25 cars, toning from 0.5 to 6.5.

During the pandemic, the number of employees at DL increased from 190 to 300. Also, due to the increased demand for online purchases, DL became profitable. The company plans to move away from the "production" wage system and transfer employees to a +% rate for overtime. This is due to the difference in wages between the season and the off-season. The management of the company also believes that the rate system will evenly distribute the forces of employees across all areas of the warehouse and will help to avoid the accumulation of workers in those areas where it is easiest to collect a large number of processed items.

The Shop to Shop service has appeared. It allows to deliver the required unit of goods from another city using Nova Poshta or your own vehicles to a Nova Poshta branch or to a self-pickup store. If the product does not fit, then it remains on sale in one of the city's stores.

2.2 Comprehensive analysis of the portfolio of Denka Logistics services

As mentioned before, when theories of Gilbert and Taylor did not exist, enterprise managers paid very little attention to the zoning and distribution of labor force. Because of this, workers had to do repeatable actions several times, materials and details had to be manually transferred from one end of the warehouse to the other and vice versa. Due to the incorrect location of logistics equipment, the number of injuries and deaths in warehouses was many times higher than today's maximum rates.

However, over time and the systematic study of the zoning techniques, it became possible to develop standards for warehouse equipment placement. Of course, each warehouse is unique, has its own specialization and requires individual design. However, the rules for the minimum distance between racks, individual pedestrian and

transport lanes, the prohibition of loose wires remain unchanged. The scheme of Denka Logistics warehouse structure is performed on Figure 2.3.

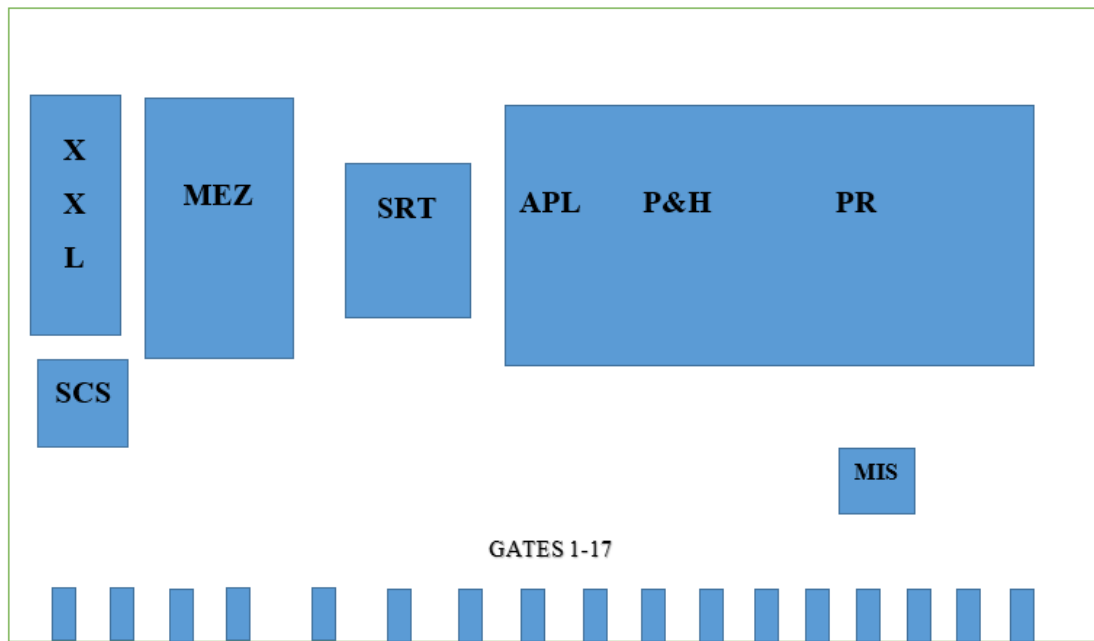


Figure 2.3 – Scheme of DL warehouse

–XXL zone – serves for goods, that cannot be stored on pallets (plasma screens, bulky equipment, etc).

–SRT - sorting zone. It is located next to the Mezzanine, where the goods are delivered by a conveyor belt. Manual items selection also takes place at sorter.

–MEZ (mezzanine) - unit-storage space. It is designed to store relevant seasonal goods, which may soon be transported to the shop or become an online order. Returned items are also kept in this area.

–“Convey” - a system, that delivers goods from sorter to mezzanine, after what they are manually sorted and placed on the racks.

–Pallet storage racks, where cargo is delivered with a narrow aisle stacker. It is considered the most dangerous place in the warehouse.

–APL zone - 4-layer storage racks for pallets repackage. They are mainly supplied with medium-sized equipment, which later also goes through piece selection, but is too expensive and fragile for a mezzanine area.

–SCS - “carousel”, specially created for expensive brands. One of the biggest pride of Denka Logistics. An area with increased security, where goods undergo automatic piece selection. One person stands at the selection under the strict video supervision performs only the mechanical actions specified by the program. A numbered box with goods comes by the ribbon, from which it is necessary to extract the desired number of units and shift them to other boxes, highlighted by the program with a red light pointed on specific item. Next, the box with the selected goods goes to the dispatch, and the rest by tape returns to the warehouse. The number of errors in this zone is minimal, however, installing such a system on the mezzanine is too expensive.

–MIS - labeling zone, consisting of 3 layers. There, warehouse workers manually scan and label custom-made shoeboxes by Intertop.

–17 gates (2 of which contain telescopes, gates #4-7 are devoted for clients who prefer to take goods from the warehouse by themselves).

Such zoning assumes the most rational placement of all processing and storage areas of orders, as safe as possible for use.

A large number of people are used to assuming that the functions of logistics companies end with sorting, storing and loading goods. However, in the 21st century, the powers and responsibilities of logistics providers have expanded significantly. Below is a number of additional services provided by Denka Logistics:

–reception: automatic station receiving goods in amount of 1000 boxes per hour. Reception of goods by pallets, boxes, pieces, accounting of serial numbers, batch accounting, checking the degree of validity of the goods are also included in this list;

–storage and shipping: 23,500 pallet places, 100,000 cells for storing manual goods. Address storage system. Automated RF terminals. The minimum order is 1 item. Cross-docking. Principles for the selection of goods according to FIFO and FEFO;

–order acceptance: receive orders online. Integration with any online store account system. Allows you to receive the flow of orders from different points of Ukraine, process them and redirect them directly to the warehouse, taking into account

the choice of the delivery method. The order will go to the packing area for Nova Poshta, Meest Express or self-pickup from stores depends on this;

- assembly and shipment: cross-docking, piece selection of goods from the stock.

Accounting serial numbers. Work with different product groups;

- additional operations;

- collection of goods from the supplier. Filling warranty cards, gift certificates.

Embedding advertising materials, catalogs, packaging according to customer requirements;

- shipment (shipping);

- delivery of goods throughout Ukraine (Kyiv on the day of receiving the order, Ukraine the next day). Work with transport companies;

- collection of goods from the supplier. The service includes the supply of transport to the supplier's warehouse, the piece-by-day reception of goods according to invoices. Delivery of goods to our logistics complex;

- filling warranty cards: a solution for online stores selling electronics tools;

- labeling: production and placing of informational labels on the box or on each unit of production;

- installation of anti-theft sensors and sizing price tags: this function helps to reduce the time to hit the goods on the shelf! With this service, your product will come to the store already fully ready for display. The price tag is applied at shipment, so the information will always be relevant;

- formation of promotional kits: During the holiday season, gift sets and promotional offers of goods are popular (for example, everyone's favorite 2 for the price of 1). There is not always enough space in stores to form such sets, which is why Denka Logistics often takes over this function;

- cargo transportation in Kiev and Ukraine;

- cargo insurance;

- provision of operational information on the location of the cargo throughout the route;

–delivery of goods to the offices of carriers and directly into the hands of the client (for online stores);

–considering various schemes for calculating tariff rates (pallet, hourly, per km, per service point).

In the Denka Logistics warehouse alone, more than 100 processes are recorded simultaneously. Of course, such a number of movements cannot be controlled solely with the help of a person. Since the path of one unit of goods consists of several dissimilar steps, even the slightest disruption in the supply chain will entail a series of disruptions throughout the warehouse. Obviously, for these purposes it is necessary to have powerful software that can coordinate processes in different parts of the office and warehouse and connect them into one whole. It will also be able to instantly detect and react to any changes and problems in the system.

Operating programs on Denka Logistics [77]:

–ERP (only commands from the main office, warehouse does not have any access to this program).

–WMS (commands for the warehouse, main office does not have any access to this program).

–CONVEY (works only inside the DL warehouse and guides the conveyor lines through the warehouse).

–TMS (transport and transportation control outside of the warehouse).

ABC analysis is a scientific method by which you can distribute the resources of a company according to the degree of their value. The advantage of this analysis is that it can be applied to any type of business. The basis of this calculation is the Pareto principle - 20% of all the company's products give 80% of the turnover.

ABC analysis is carried out by distributing goods into 3 categories:

1) Category A - the most valuable goods, which occupy 20% of the company's assortment, but at the same time bring 80% of the profit. In Denka Logistics, these are large computers and televisions, household appliances, expensive brands of clothing and footwear.

2) Category B - intermediate products that make up 30% of the assortment and

bring about 15% of the profit. These are most of the clothes and shoes, dishes, accessories, small appliances.

3) Category C - the least valuable goods, which make up 50% of the assortment and bring in only 5% of the profit. These are socks, tights, household goods, household chemicals, stationery, books, etc.

Depending on the goals of the analysis, a larger number of groups can be distinguished, but the optimal number of categories remains 3.

ABC analysis ranks the entire assortment of the company's goods according to various parameters. You can also rank buyers, suppliers, investors and everything else that has a sufficient amount of initial data. As a result of the analysis, we get a grouping of objects according to the degree of their influence on the overall business efficiency. This allows you to highlight the most profitable product groups, which should be concentrated on and find a ballast, which must be minimized or completely excluded from the assortment [70].

ABC analysis is based on the principle of imbalance. In logistics, this is usually used to control the volume of shipment of certain articles and the frequency of requests for a particular item from the general assortment. And also to rank customers by the number and total cost of purchases.

The procedure for conducting ABC analysis for Denka Logistics products consists of 6 steps:

- it is necessary to determine the purpose of the analysis (you need to find out the most and least profitable assortment units);
- determine actions based on the results of the study (calculate the least profitable product groups and minimize work with such customers);
- select the object of analysis (goods) and the analysis parameter (financial profit);
- make a rating of objects in descending order of parameters;
- we calculate the share of the parameter from the total amount of parameters with a cumulative total. The cumulative share is calculated by adding the parameter to the sum of the previous parameters;

–select groups A, B, C and make a decision regarding their future fate at the company's warehouse.

There are about 10 methods for identifying groups, including the empirical method, the sum method and the tangent method. In the empirical method, goods are divided in proportions of 80/15/5. In the sum method, its value ranges from 0 to 200%. The advantage of the method lies in its flexibility. But the most flexible is the method of tangents, in which a tangent is brought to the ABC curve, separating first the group A, and then C.

The ABC analysis is very popular in the planning and formation of the assortment and is part of the company's business plan.

Since the range of the Denka Logistics complex is incredibly diverse, such an analysis must be carried out once a season in order to monitor the demand for various groups of goods and the correlation of profitability [71]. Figure 2.4 and Figure 2.5 perform ABC analysis for Denka Logistics company's distributed good and rank them in accordance with relevant categories.



Figure 2.4 – ABC grouping analysis



Figure 2.5 – ABC grouping analysis for Denka Logistics goods

SWOT analysis is a method of strategic planning, with the help of which it is possible to identify the factors of the external and internal environment of the company and divide them into 4 categories:

- strength;
- weaknesses;
- opportunities;
- threats.

The strengths and weaknesses of the company affect the object of analysis from the inside, while the other 2 factors are external and outside the control of the object of analysis. For example, an enterprise is able to influence the internal distribution of processes within the company, but it is not capable of influencing the political situation of its country or natural phenomena.

The object of the SWOT analysis does not have to be a company. It can be a country, person, product, scientific industry, political party, non-profit organization, etc [72].

SWOT analysis is most effective at the initial stage of assessing the situation in

the company, but it cannot replace a full-fledged strategic plan and calculation of the dynamics of the enterprise.

Benefits of SWOT analysis:

- the versatility and simplicity of the method, which is applicable in completely different areas of human activity;

- this method allows you to analyze the same object several times for different parameters;

- can be used as an express method of assessing the situation, and for strategic planning for a longer period;

- the method is easy to learn, does not require mathematical calculations and is more aimed at a person's intuitive and strategic thinking.

Disadvantages of SWOT analysis:

- shows a general picture only and does not apply to detailed planning;

- with such an analysis, often, only a superficial enumeration of factors occurs, without accurate calculations and interactions between them;

- this is more a statistical picture than a clear report on the company's performance;

- as a result of the SWOT analysis, we receive only a description of the situation, while for a better elaboration of the strategy, quantitative and numerical indicators are needed;

- SWOT analysis is a subjective assessment of the person who conducts it and may differ significantly from the opinions of others;

- for a more detailed SWOT analysis, it is necessary to collect a very large amount of information from different parts of the company and outside it, which can be very time consuming.

The task of the SWOT analysis is to describe in a structured way the situation regarding which it is necessary to make a decision. The conclusions to which a person or a group of people come on its basis are only descriptive, do not carry recommendations for further actions and do not set priorities.

Despite the theoretical nature of this method, SWOT analysis continues to be used

by both small and large companies, and Denka Logistics is no exception. Below is a SWOT analysis of the product range of the company in question [73]. Table 2.1 performs SWOT analysis for Denka Logistics company.

Table 2.1 – SWOT analysis for Denka Logistics company

Strengths	Weaknesses
<ul style="list-style-type: none"> • High quality service delivery • Customer loyalty • The presence of regular customers • Small statistics of damage and loss of goods • High level of warehouse automation • Constant inflow of clients • Extensive experience in the logistics services market 	<ul style="list-style-type: none"> • Work experience exclusively in the Ukrainian market • Low brand awareness • Weak marketing campaign • Unprofitableness and lack of automation at the second warehouse • The lack of powerful modern marketing promotion channels does not make it possible to increase brand awareness and increase the flow of customers
Opportunities	Threats
<ul style="list-style-type: none"> • Adaptation of the warehouse for new types of goods • Entering the international arena 	<ul style="list-style-type: none"> • Pressure from international companies • Risk of slow payback of the second warehouse due to the lack of sufficient number of customers to fill it

As a result of studying and researching the structure and processes of Denka Logistics, you can be sure that it is firmly entrenched in the logistics services market due to the quality of work. However, during the ABC and SWOT analyzes, a number of reasons were identified that would soon prevent the company from maintaining a leading position. Among the disadvantages is the excessive number of low-profit customers, whose maintenance is more expensive. It is also worth noting the weak and outdated way of promoting the company's services, which is why, after a few years, it will become uncompetitive with more modern logistics providers.

2.3 Analysis of distribution channels of logistics services in the context of B2B

B2B - a term that defines the type of information and economic interaction,

classified by the type of interacting subjects, in this case, these are legal entities that work not for the end ordinary consumer, but for the same companies, that is, for another business.

B2B is often based on any actions of some companies to provide other manufacturing companies with goods and services, which in turn can be used as raw materials for the production of other products. Such a field of activity is focused on obtaining financial benefits from the provision of services or the sale of goods, where "objects" are services or goods, and "subjects" are organizations interacting in the market field. Organizations and (or) individual entrepreneurs act here as the "seller" and "buyer" of services or goods [74].

The term "B2B" is opposed to the term "B2C" (Business to consumer) - a business aimed at the end consumer. For example, if a company sells goods directly to the final consumer of the goods (supermarket chain, car dealership, etc.), then this company belongs specifically to the B2C sector.

The volume of "B2B" -transactions (deals) is greater than the volume of "B2C" - transactions.

Today, the widespread use of e-commerce tools in the B2B system is gaining popularity.

Compared to traditional electronic data interchange (EDI) systems designed to operate within an enterprise intranet, B2B operations are often more beneficial in many cases, especially for companies looking to connect with small customers and suppliers who do not have the ability to support complex and expensive EDI technologies. For example, in the United States, the number of such small companies has reached 7.5 million, and their share in the country's GDP is about 53%. Without the means to leverage EDI and other costly extranet systems, B2B empowers small businesses to compete with larger firms.

The B2B platform combines solutions for suppliers and for buyers, uniting them into a single integral system based on a central portal. Depending on the type of trading platform, it is necessary to take into account a number of important aspects that affect the success of the company:

- availability for new members;
- the reliability of the platform and the prospect of scaling (the emergence of new members or other reasons do not affect the functioning of the site);
- controlling and managing information (using quality data and keeping it up to date is key to success);
- integration capabilities (for the convenience of users, the site should include all types of e-commerce);
- safety;
- analytics maintenance;
- additional services (for example, auctions or other financial services).

The main drawback in this system of doing business will still be the high price for creating and maintaining a B2B site.

Denka Logistics provides services specifically in the B2B field, processing and fulfilling orders from customer stores.

Let's say a customer orders a pair of shoes from a chain's online store. The manager of this store contacts the client and confirms the order. After that, information about the order is automatically sent to the VMS warehouse management system of the Denka Logistics complex [75].

All processes at the Denka Logistics logistics complex are controlled by a WMS system from Manhattan Associates.

The warehouse operator sees these orders in the program and starts the assembly process. This is how the equipment for the pair of shoes chosen by the buyer begins.

Next, the system determines the bin in the warehouse in which this pair is located and reserves it for this order.

An empty tray will go to this cell, into which it will be necessary to place this pair for further shipment to the control and packaging stations. Each tray has its own number and code, according to which the task is assigned to it.

The tray arrives for already reserved goods at the picking station, which is located closest to the bin with this product. There are a total of 100,000 cells in the warehouse, located on four mezzanine floors with a total area of 9,400 sq. m.

The storekeeper, who picks goods from the shelf piece by piece, scans the tray number, which displays the number of the bin from which the item must be taken. He walks over to the cell, scans the barcode from the box. The system checks the selected pair with the one in the order. When the selection is confirmed, the worker puts the goods in the tray and he moves on down the conveyor line. If this tray has somewhere else a reserved pair for this order, it goes to the next picking point. In this case, the customer has only ordered one pair of shoes, so this tray is sent to the inspection station.

At the next stage, the quality and authenticity of the order are checked. The inspector who receives this tray scans its number and pair barcode again to verify that the selection is correct. The employee examines the goods for visible damage. If a pair does not meet the required quality criteria, it is replaced with another pair of the same article, or the product is written off as a marriage.

The product is packed, and now a sticker is being glued to it. This is done so that the order can be identified in the packaging, which is the same for all products.

A pair of shoes was packed and placed on a stand with other orders. Now they will be picked up by the carriers of Novaya Pochta or Meest Express, with which Denka Logistics works. The finished order must have three documents: an invoice from the store, a return form - so that the client can return the order if he wishes, and an express invoice so that the courier can accept the goods and deliver it to the client. This label is affixed to the packaging.

The collected orders leave the complex twice a day. Orders received before 12:00 will be delivered the same day, and those received after 17:00 will be delivered the next. Figure 2.6 below shows an algorithm of Denka Logistics order processing in context of B2B servicing.

Unfortunately, at the moment Denka Logistics does not have a strong marketing company to promote its services in the international market and gains clients thanks to the recommendations of other companies that cooperate with it. At the same time, Denka Logistics is an example of the quality of order fulfillment in the context of B2B and is included in the top 3 logistics providers in Ukraine [76].

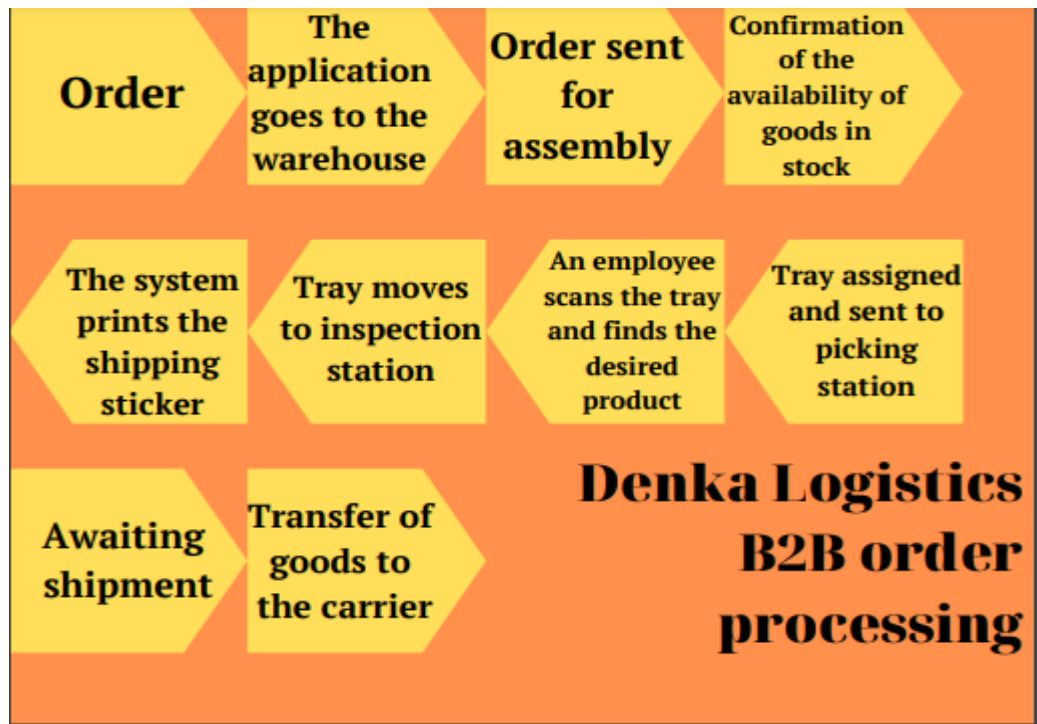


Figure 2.6 – Denka Logistics B2B order processing

As a result of studying the data about Denka Logistics, one can conclude about its success and stability in the logistics market today. However, there are problems in the company's organization system that in the future can significantly negatively affect its work. Among these shortcomings are goods that take up too large a percentage of storage space and are not profitable. In the future, the company should look at such clients and weed out the least profitable ones. Outdated and ineffective methods of promoting logistics services, which urgently need to be changed, are also a significant drawback.

2.4 Chapter 2 summary

The main goal of the analytical part of this scientific work is to familiarize with the Denka Logistics company, analyze its structure and processes, determine the key performance indicators of its work and main goals. This study is necessary to identify

the strengths and weaknesses of the company, correct inaccuracies in the structure of the system and improve the overall functionality of the enterprise. Since the competition in the logistics services market is growing every year and the pressure from foreign companies that are rapidly capturing the Ukrainian market is increasing, it is necessary to conduct a full-fledged study of all divisions of Denka Logistics in order to comply with modern standards for the provision of transport and warehouse services, maintain competitiveness and maintain high level of logistics services.

Denka Logistics is a logistics operator that offers customized storage, processing and order fulfillment solutions for each client. The main advantages of the company are experience, highly qualified specialists, modern technologies and customer care. Denka Logistics is a logistics complex of two warehouses with an area of 30,000 m², located on the outskirts of Kyiv.

One of the most significant advantages of Denka Logistics is a modern warehouse complex with a high level of automation, developed taking into account best European logistics practices and 30 years of experience acquired during the holding's existence. DL warehouse equipment was individually developed by leading Austrian engineers. Loading tools and robotics, manufactured in Germany and tested over the years, ensure the reliability of logistics processes and personnel safety.

The main business card of Denka Logistics is the function of the piece selection of goods. This allows you to receive and ship units of goods only in the required quantity, which helps to reduce the warehouse and transport costs of the company.

In the Denka Logistics warehouse alone, more than 100 processes are recorded simultaneously. Obviously, for these purposes it is necessary to have powerful software that can coordinate processes in different parts of the office and warehouse and connect them into one whole. It will also be able to instantly detect and react to any changes and problems in the system. These programs are ERP, Convey, WMS and TMS.

ABC analysis is a scientific method by which you can distribute the resources of a company according to the degree of their value. The advantage of this analysis is that it can be applied to any type of business. The basis of this calculation is the Pareto principle - 20% of all the company's products give 80% of the turnover.

According to ABC analysis of Denka Logistics assortment, group A includes expensive shoes and clothes brands, as well as electronic devices. Shoes and clothes of medium-price brands refer to group B. And the least important items of group C are chemicals, tableware, books, toys, etc.

Having carried out the SWOT analysis for Denka Logistics, we can say that the company's strengths lie in the high level of quality of service provision. The main disadvantage is the low popularity of the brand and the lack of modern marketing promotion channels. The company's capabilities lie in its readiness to enter the international market. The danger is the company's inability to compete with international leaders in the field of logistics.

B2B is often based on any actions of some companies to provide other manufacturing companies with goods and services, which in turn can be used as raw materials for the production of other products. Such a field of activity is focused on obtaining financial benefits from the provision of services or the sale of goods, where "objects" are services or goods, and "subjects" are organizations interacting in the market field. Organizations and (or) individual entrepreneurs act here as the "seller" and "buyer" of services or goods.

As a result of studying the data about Denka Logistics, one can conclude about its success and stability in the logistics market today. However, there are problems in the company's organization system that in the future can significantly negatively affect its work. Among these shortcomings are goods that take up too large a percentage of storage space and are not profitable. In the future, the company should look at such clients and weed out the least profitable ones. Outdated and ineffective methods of promoting logistics services, which urgently need to be changed, are also a significant drawback.

CHAPTER 3

DESIGN PROPOSALS CONCERNING THE IMPLEMENTATION OF INNOVATIVE TOOLS FOR PROMOTING THE COMPANY'S LOGISTIC SERVICES

3.1 Substantiation of expediency of implementation of the project of advancement of logistic services on the basis of the innovative approach

The introduction of innovative tools to promote logistics services is key to market success. Clients who need transportation or storage services want to get the fastest and highest quality result, with minimal financial costs and the prospect of further cooperation. However, they themselves often do not know how to achieve a given level, and the choice of a logistics company becomes much more difficult. Here, timely high-quality attraction of a client in the right place guarantees a successful conclusion of the transaction by 90%.

It is for this reason that the marketing team must carefully study the company they are going to promote, determine the main goals and target audience, calculate the period of the advertising campaign and its cost, analyze different advertising platforms and place their ad where it is most likely to be seen by a potential customer[4].

Many independent freight agents still depend on traditional business-to-business (B2B) marketing channels for promoting their companies. Logistics companies that still focus on cold calling, word of mouth, mailing, and other outdated advertising campaigns risk losing many new customers. In other words, the era of digital marketing has come, which shows high results of successful work and is used by business giants in various fields. [5]. According to a report by SEO Tribunal [6], around 97% of your potential clients use the internet to find a local service provider. In this context, it goes without saying that social medial channels can help you expand your influence and reach potential customers of higher quality than the ones before.

Digital marketing is the integrated promotion of a company, product or service using all available digital channels that reach both online and offline audiences. Its features include:

- a wide audience reach;
- interactivity;
- an increase in the number of sales at minimal costs;
- the possibility of a gradual return on investment;
- the creation of inexpensive but effective solutions for promoting goods and services [83].

There is a huge list of reasons of why logistics companies should transfer to digital promotion channels and Figure 3.1 shows some of them.



Figure 3.1 – Reasons for the transition from classical to innovative marketing

Logistics companies are still in the process of transitioning to newer methods of promoting their services. Some companies that have allegedly secured their name and

reputation in the market for a long time do not really trust "next generation marketing". This is their huge mistake.

Every day, hundreds of young companies appear in the world that need logistics services. But where can you find them? If in 2021 there is no logistics provider on social networks and on large business channels, consider that it does not exist at all. Therefore, it is important to discuss how small and mid-sized logistics companies can make use of Facebook to find new clients and market their businesses.

Facebook today is the largest social network in the world [7]. In 2004, it was founded by Harvard University student Mark Zuckerberg along with 3 friends: Eduardo Saverin, Dustin Moskowitiz and Chris Hughes. It was originally conceived simply as a correspondence and media exchange resource for Harvard students, but by 2021 Facebook is a giant online news, advertising and social platform with over 2.5 billion monthly active users. On October 28, 2021, it was taken over by Meta from Facebook Inc. Meta also owns two powerful international social networks, Instagram and WhatsApp [8].

In addition to communicating and exchanging news, Facebook is very actively used by small, medium and large businesses to promote their products and services. Users can ask questions, comment and leave reviews, rate this or that product and recommend it to others in one click. Facebook can send out reminders about upcoming company events and updates, which allows you to keep abreast of company news. As promotion through this platform has become too popular (about 92% of marketers), Facebook has set an audience limit for unpaid pages with less than 500,000 subscribers [9]. Also, since 2020, a new function of the social network is being tested, which allows pre-processing messages from pages to which the user is not subscribed. This is done to protect people from spam, potentially unsafe ads, and control content based on age restrictions.

An Ads manager is a tool with which you can create ads and promote them through facebook, instagram, twitter, messenger and other social networks. The advantage of this program is the ability to create, manage and control several advertising campaigns at once. It allows you to analyze the effectiveness of each ad for

a month, creates comparative statistics and gives recommendations for improvement. The algorithm for setting up targeted advertising is quite simple, so more than 90% of marketers use this method in their work. The ads manager allows you to more accurately determine the target audience for the client, choose the desired geolocation (from country to street), focus on users who are likely to buy your product. Also, the ads manager allows you to achieve various goals, such as increasing activity on the page / site, receiving a large number of messages, clicks, video views, registration and much more.

Ads manager promotes advertising for a fee. It is necessary to calculate the budget of the advertising campaign and indicate the desired time of advertising turnover on one or another Internet site. Further, the ADS manager analyzes the data on its own and provides approximate estimates of the launch success. For example, for \$ 4 a day for two weeks, your ad will reach 15,000 people. Moreover, in the specified parameters, you can indicate the social, professional and other characteristics of the target audience (love of music, work in the field of fashion, sports, etc.) [10].

Telegram is a platform for instant exchange of text, voice and video messages, documents, links and media files. You can also make audio and video calls, organize conferences, create news channels and chat bots. As of January 2021, the number of active Telegram users reached 500 million people and is increasing by about 600,000 daily.

Telegram groups allow communication between several people at once in an amount from 3 to 200,000 from 2019. Absolutely any user can create one or several groups. Also, to simplify the management of the group, you can appoint an administrator and define the functionality (exchange only text messages, blocking media files, pinning messages, etc.).

Also, using API technology, you can create a chat bot. This is a system for automatically submitting information to different users in individual chats. It can ask automatic questions and provide basic answers.

The Telegram channel is a tool for disseminating information among the subscribers of this channel. The personal data of the channel owner is not displayed,

the channel subscribers cannot enter into correspondence with each other within its framework, but they can leave comments under the publications.

A big advantage of Facebook and its tools is the control over the security of publications. It prohibits advertising of alcohol, cigarettes, drugs, medicines, weapons, erotic goods and services, and so on. For certain content you need to request permission and set access restrictions. In case of violation of the rules and copyright, there is an immediate blocking of different levels.

Figure 3.2 performs examples of Facebook utilization by logistics companies.

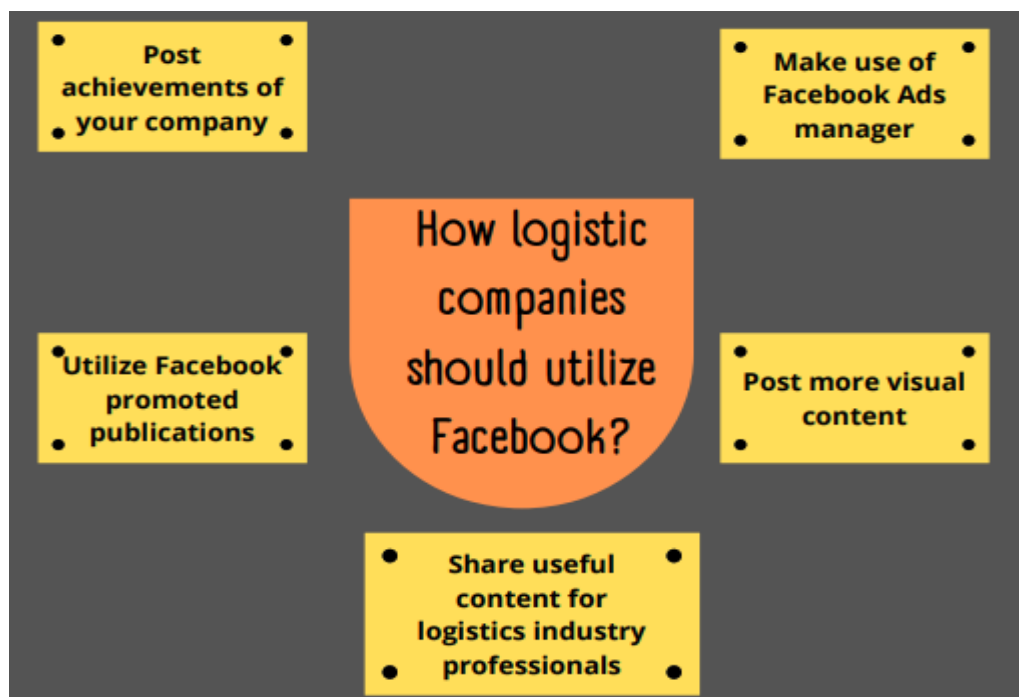


Figure 3.2 – How logistics companies should utilize Facebook

The primary objective of Facebook marketing is to enhance branding and forge lasting relations with clients and partners. For this reason, logistics companies are reluctant to share news and information about themselves, as they fear that this information will be uninteresting. However, this is their main reason. Modern society "lives" in the Internet space and they are interested in knowing absolutely everything, from the uniform of the company's employees to the financial statements of the corporation. Shyness can play a cruel joke and deprive an enterprise of hundreds of new customers.

For example, Maersk puts forth tremendous social media efforts and generates a massive range of content. For example, showing the construction of the largest container ship they ever created was a great idea. Independent freight forwarders need to do the same with all their remarkable shipments. You can share successful deals, the conclusion of new contracts, charity work, photos of employees, videos from corporate events, and so on. This will attract not only new clients, but also good employees to the team.

Some of the most useful features of Facebook ads are:

- demographic targeting of users based on location, interest, age, etc;
- ad testing, in which multiple ad versions can be run at once giving you the opportunity to compare and improve settings;
- tools for checking the performance of the ads;
- budget setting option.

Facebooks ads [11] greatly increase your chances of getting likes on your posted content. This in turn has a positive impact on the number of followers. Lastly, it allows your content to appear on their Facebook feed more often that increases the chance of interaction with your audience. All this has a positive effect on the popularization of the company and brand awareness.

The FB promoted posts allow the page owners to reach a specific number of users in exchange for a set payment. This can greatly help the logistics companies to increase popularization of content they post on company's profile. In other words, promoted posts significantly increase chances of being reached by desired visitors. Moreover, this process is not so complicated as it seems to be.

Posting photos and videos on your FB page helps to grab the attention of potential clients. Not everyone has the patience to read a long post about the structure of the company, its services, transportation, and so on. But if you make it into a beautiful video in 1-3 minutes, add music to it and include the most interesting and significant components of your company in it, it will undoubtedly be watched. A huge plus of Facebook in this case is the automatic playback of the video as soon as it appears in the feed. You also need to add a photo of your team, capture interesting events, for

example, a corporate party, an international conference, a charity event, and so on. This information will be of interest not only to potential buyers, but also to other readers, which will become additional advertising. Such content also needs to be appropriately edited to attract the audience [12].

An important aspect that should be paid attention to when maintaining a profile is its usefulness in the field of logistics. Many warehouse complexes and freight carriers face a number of problems that need to be addressed on a daily basis, such as timely delivery or changes in the delivery algorithm. Useful recommendations, reposts from wired specialists, news from the business world will become a magnet for attracting customers and new partners.

It is very important not to use your Facebook page solely as an advertising platform. This will scare away readers and reduce the number of visits to your profile. Your account should be a combination of business value and public interest. Arrange polls, share news and tips, interact with the audience and the page will remain active.

In world business practice, Facebook has long ceased to be a formality and is actively used in working with clients. Even if on a page or website you indicate the phone number of the company's hot line, email address and other contacts, people mostly prefer to communicate through social networks. Do not ignore comments under posts and requests for correspondence, as these can be your potential clients or partners. Post activity and post likes can also be key to understanding your audience and society as a whole. UPS, for example, actively maintains a dialogue with subscribers, which helps to get into recommendations for others [13].

CEVA Logistics, one of the world's leading non-asset based supply-chain management companies, designs and implements industry leading solutions for large and medium-size national and multinational companies. Approximately 78,000 employees in more than 160 countries are dedicated to delivering, across a variety of sectors, effective and robust end-to-end logistics solutions in partnership with CEVA's strategic partner, CMA CGM, a leading worldwide shipping group.

Like many successful companies, CEVA Logistics has invested huge amounts of money and effort in promoting its brand on social media, which has helped bring it on

par with logistics giants such as DHL, UPS and others. The marketing team is actively working with the company's Facebook profile, which has helped them acquire over 30,000 subscribers. High-quality visual content with a corporate logo, text worked out by copywriters, content planning, posts 2-3 times a week, which allows the page to be constantly in sight of subscribers and get recommendations to other users of social networks.

For comparison, Denka Logistics has an almost completely inactive Facebook page with 20 subscribers (Figure 3.3, Figure 3.4, Figure 3.5).

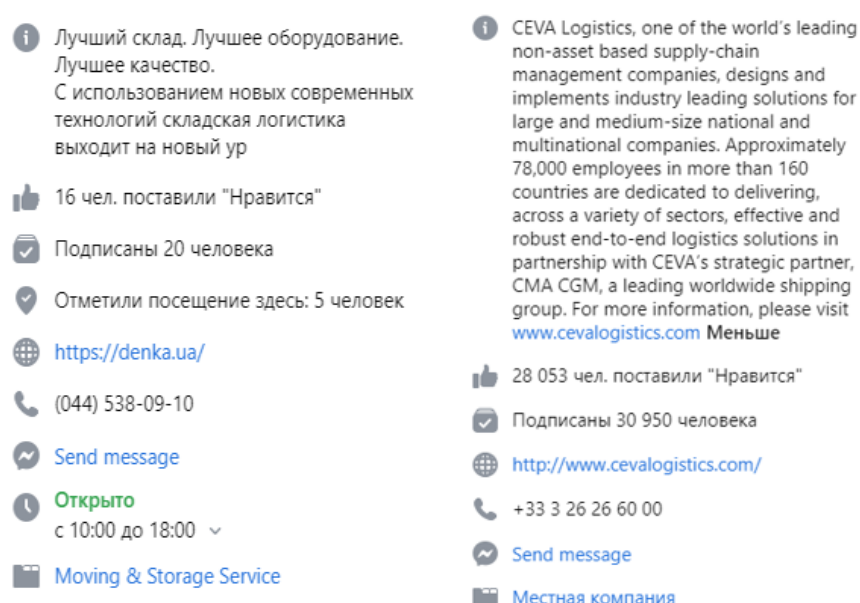


Figure 3.3 – Denka Logistics and CEVA Logistics profile description comparison

The case of successful campaign promotion of SEO.UA for Concord Logistics:

–Working period: September – November 2020.

–Objective: increase the number of targeted leads at the right price

–Team: targetologist, designer and account manager.

–Digital channels: messengers Telegram, Viber, WhatsApp.

–Client: Concord Logistic is an international cargo logistics company. The main specialization is transportation for individuals and legal entities from the USA to Russia. 8 years on the market and a high level of customer focus make Concord Logistic one of the leading companies in the industry [14].



Figure 3.4 – Examlе of CEVA Logistics Facebook post



Figure 3.5 – Example of Denka Logistics Facebook post

Despite the rather successful work of the company, some time ago they started having problems with generating leads. They used contextual advertising, including

promotion through Facebook, but they did not bring the expected result. Even the increase in financial investment did not pay off. In this regard, the company decided to contact other specialists in the field of advertising and adjust it.

To begin with, it was important to find out why the previous ad settings failed. The study found that:

- the main page was poorly optimized for sales;
- the advertising funnel did not bring the client to the final stage of the purchase due to the wrong structure.

For a quick and effective result, JustNow agency decided to abandon the creation of a new landing page or a full-fledged website, since this process takes a lot of time and money.

To begin with, Concord Logistic had to discover the pain of their client - the main problem that significantly affects his work or disrupts the functionality of the company and which must be dealt with first. The very first line in an advertising banner should contain exactly the pain that will attract the right person.

The second stage was the work on the website. The problem was not in the contextual advertising itself, but in the platform where it led. It doesn't matter how much money you invest in promotion and your product, if you save at an intermediate stage, the buyer will simply lose interest and will not follow the links further.

Well, the third stage was entering new promotion platforms such as Whatsapp, Telegram and Viber. These messengers have news channels in their arsenal, which are very convenient to use and are in demand among businessmen, politicians and influencers. Placing advertisements for logistics services on these platforms ensures that they reach a more accurate target audience. In the case of Concord Logistics, Whatsapp turned out to be the most effective. [15].

Example of ukrainian platform for business sites promotion:

The SEO.UA is currently one of the top 10 most popular offices to promote the company's brand. Their services include setting up contextual advertising, creating, configuring, auditing, maintaining and maintaining the site, targeting in social networks. The huge advantage of this company is 17 years of experience in the field of

marketing, high levels of customer satisfaction, the presence of regular customers. Also a significant positive factor is the availability of a 24-hour customer support hotline. Since Facebook and other social networks are constantly changing the algorithms of their actions, this type of assistance can literally "catch" the right moment in Facebook's indicators and launch ads in time so that it reaches as many of the target audience as possible [16]. Figure 3.6 shows popular brands that are the clients of SEO.UA.



Figure 3.6 – Clients of SEO.UA

In addition to digital methods of business promotion, SEO of South Asia is engaged in a more traditional, but still not less effective way of advertising through business conferences. Different types of advertising help to reach the maximum volume of high-quality clientele, since, unlike contextual advertising, people come to the conference in order to search for new partnerships. Figure 3.7 shows examples of business conferences that logistics providers should take part in.

One of the main characteristics of modern business is the speed of decision making. Software algorithms, exchange rates, the political situation in countries, a pandemic - all of every minute affects enterprises, and therefore it is necessary to be able to adapt to new conditions as quickly as possible and continue to increase their position in the market among competitors.



Figure 3.7 – Business promotion conferences

The task of a marketing agency is to be able to offer its services to a client on time and conclude a contract with him as soon as possible. SEO UA has created the most understandable, fast and convenient algorithm by which a client can choose and order a service online in 5 minutes, and then get a quick result. Figure 3.8 shows an order processing algorithm of SEO.UA.

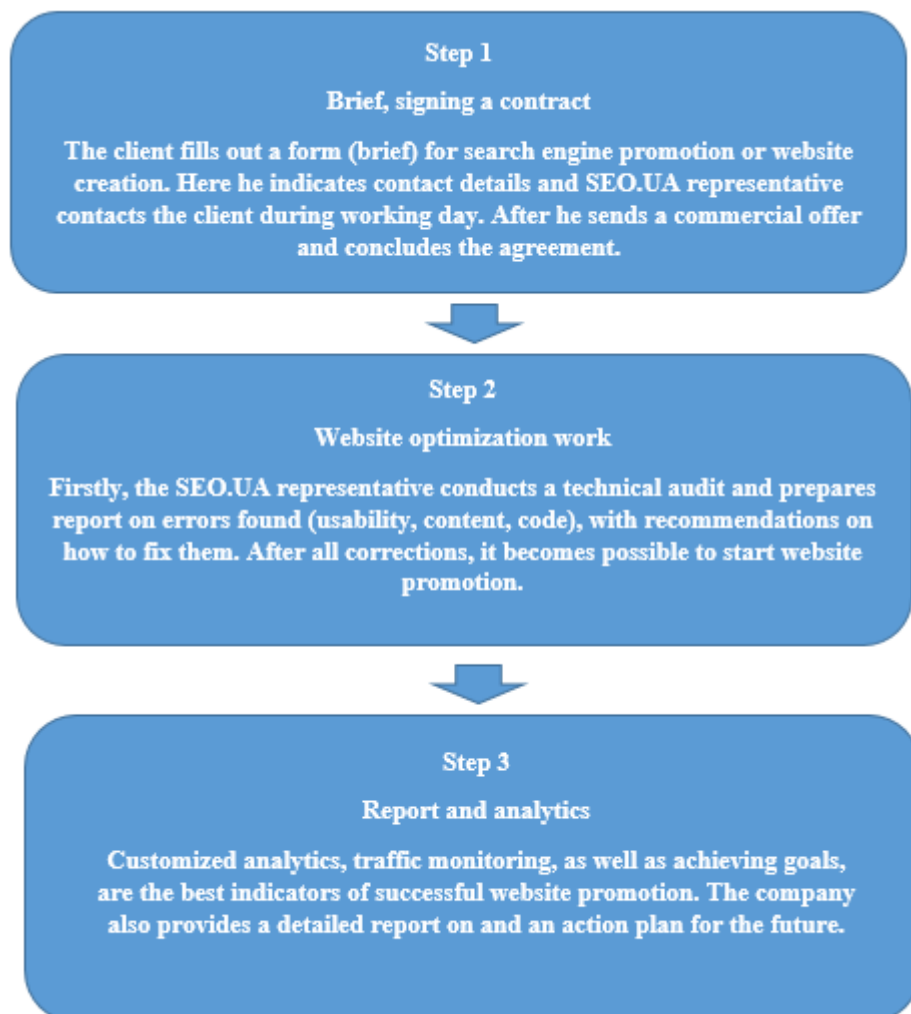


Figure 3.8 – SEO.UA order processing algorithm

The introduction of new ways to promote logistics services allows not only to increase the profitability of the company, but also reduces the cost of advertising campaigns, the time of their preparation and simplifies the control of its effectiveness. Unfortunately, Denka Logistics, in comparison with international companies, still uses little modern technology to promote personal nonsense and does not pay enough attention to the quality of content on the website and in social networks. Since the logistics market in Ukraine is actively growing and developing, after a few years Denka Logistics may not be able to compete with smaller, but more modern logistics providers.

3.2. Development of an algorithm for the introduction of innovative tools for the implementation of logistics services of the company

Development an algorithm for logistics services implementation plays an important role to achieve a high level of work performance and minimize violations. The algorithm should combine all possible processes within a certain service with the ability to choose an alternative step at key levels. The order of marketing promotion of logistics services through modern channels basically consists of 7 steps, performed at Figure 3.9.

A poorly defined or undefined sales process is the number one obstacle to success in logistics sales. Research from HBR [17] has shown that companies with a formally defined sales process experience 18% more revenue growth than companies that don't.

First of all, we have to subdivide sales pipeline into several stages [18], such as:

- lead generation;
- lead scoring and qualification;
- assessment of needs;
- proposal / RFP;

–closing and delivery.



Figure 3.9 – 7 steps to boost logistics services promotion

Next, set a unified strategies and processes your company will use within each stage.

Lead generation is an efficient marketing machine to get more potential clients [19]. There are different methods such as cold calling, emailing, social media advertising, conferences and business meetings. The main goal is to collect primary information from the client so that in the future you can contact him and provide information. It is necessary to determine what kind of data needs to be obtained so that they are minimal, but the most effective. This can be full name, email, phone number, country, city, company name, and more. You can also clarify from where they learned about your company. All this can be configured automatically, which will allow to reach a large number of people and minimize the work at the first stage.

The next step will be lead analysis. According to statistics, only 8% of all generated leads can be considered as future customers. That is why it is necessary not only to carefully establish the first stage, but also to create a reliable lead sorting algorithm. It is important to check how their request matches yours and to create a rating from most to least suitable. The basic framework should take BANT into consideration (budget, authority, needs, and timeline). Does the lead really have a budget, does he really need your services, if he has a license and authority to negotiate with you, and so on.

Needs assessment. A very important stage at which you have already entered into a deeper communication with the client. Here it is necessary to assess or adjust its needs. It is important to remember that your client is most likely not a specialist in the logistics field and you will have to help with the definition of goals that you can help to achieve.

Proposals. A logistics sales proposal isn't something to just email and wait. Make sure you have a formal presentation where you can explain your proposal, take questions, and negotiate a revised final version, if necessary.

Closing and delivery. When signing a contract, it is necessary to carefully check the powers of both parties with the help of lawyers and approve the deadlines. As soon as you make sure that you can provide all the necessary services, and the customer's side is able to fulfill the agreement on their part, the deal can be closed.

This is just a quick overview of the basics of selling. Your own contract is likely to be different and contain more information. If the sales process you create is repeatable, measurable, and scalable, you'll be able to keep your reps accountable and maximize every opportunity.

Despite the seemingly easy process, leads don't appear out of nowhere. Any business should have an advertising campaign on an ongoing basis and update it at least once every six months. This system works automatically, independently processes some of the data and gives recommendations for improving work efficiency. Thus, leads will come to you constantly, their quality will improve and the resources for processing requests will be much less.

Inbound is mostly about magnetizing potential customers to you through the internet by producing and sharing messages and online content that will draw their interest. It takes a few things to succeed.

In the 2020s, your website is your best salesperson [20]. More than 67% of sales and purchases now occur online, mainly through the google search engine. If you want to start and increase sales, make sure that your site is fully equipped with information, video and photo content, has keywords for searching according to logistic requests (cargo, warehousing, transportation, sorting, shipping, etc.) and also structured to convert visitors into potential customers (with contact forms and calls to action). SEO doesn't take much investment, but pays huge dividends for sales in logistics.

Content marketing plays an important role it plays an important role in taking the company seriously. High-quality visual content determines the status of the company. Experienced businesses are actively investing large sums in photography and video filming, graphic design of the site, items with company logos (notebooks, pens, cups, T-shirts, etc.). It also strengthens the brand, keeps it heard and is something of a high class. [21].

Thought leadership. Your brand credibility is paramount to your sales success. Placing valuable intellectual content on major industry publications or websites is a great way to build a reputation as a seasoned professional. It will be much easier for company representatives to communicate with potential customers if they initially trust your vision.

Social Marketing. Social media is a major channel for staying active in your industry, but also for generating sales in logistics, freight, and transportation. LinkedIn brings in 80.33% of B2B sales from social media. Moreover, this is a great way to track new trends in business areas and not only, find promising areas for future development, as well as people for cooperation.

On average, a B2B salesperson spends about 440 hours per year searching for the right content to share with customers. The reason for this is the low level of information relevance. Many links that are still displayed by the search engine are outdated, blocked or deleted. In fact, 90% of information in the field of logistics services does not have

accurate and up-to-date information and only misleads site visitors [22] [23] [24] [25].

You could also consider a secure social networking platform tuned specifically to the needs of your sales department. Social sales platforms help reps to collect and organize information, share assets, discuss prospects, and keep the pipeline on track. Unlike consumer social platforms, these have a wider range of capabilities such as automated analysis and real-time data collection and more extensive market research. Accenture recommends them for businesses in the logistics industry for benefits ranging from eliminating functional silos to helping logistics providers adapt to a changing digital sales environment.

Trade shows or lead capture events have long been critical to logistics and freight sales generation. Consider attending events that the suppliers, retailers or other business verticals you prefer to work with will be interested in. EventTrack research has shown that live experiences give 74% of attendees a more positive impression of your brand, and 87% of event attendees will eventually buy a brand's product after going to an event. Events are the best tactic for generating qualified top-of-funnel leads out of all B2B tactics, according to DemandGen research [26].

Sales automation powers up the logistics leads database in your CRM with conveniences that expand the capacity of your marketing team, save time, and enable more personalized contact with prospects. Research from Aberdeen has shown that marketing & sales automation boosts sales performance across a variety of metrics [27] [28]:

- 108% higher lead conversion rate;
- 41% greater average deal size;
- 22% team higher attainment of quotas;
- 19% better forecast accuracy.

Multiple advertising channels work better than email. Automated generation and sorting of leads, market segmentation, personalized information processing - all this leads to an incredible ROI of \$ 44 in profit for \$ 4 investment [29].

Any business faces injustice when it invests maximum efforts and finances to be the best, and the client is still looking for a cheaper one, despite all your merits. And

he finds it! To avoid such a problem, you must not be the best everywhere, but choose a narrower specialty, which is closer in the spirit of your company, and concentrate your efforts on it. Analyze the market of your and nearby regions, their needs and work, for the most part, with them. You can also choose specialization. For example, shipping or storage of dairy products. Once you decide on the main line of business, this will significantly reduce the variety of services, but increase their quality.

A logistics company that manages the whole process (no third parties involved) makes life easy for the client. In fact, one of the primary reasons that companies will contract with a logistics service is to avoid needing to set up all of these stages on their own.

If you have the ability to offer complete seller management or bundled services that include things like purchasing, inventory management, or inbound shipping as a comprehensive, one-piece package, the Houston Chronicle suggests [30] that this will take a lot of stress off of the client's shoulders and lead to a positive impact on sales in logistics. Combine a full-service offering with demonstrated specialization in your particular market segment and you've got the makings of a real value proposition.

3.3. Economic assessment of the new channels introduction process for Denka Logistics services promotion.

In international practice, a company's development plan is presented in the form of a business plan, which is a step-by-step instruction on how to improve the company's performance, taking into account financial indicators. If the project is related to attracting investment, it is an investment project. Basically, any new project requires investment from your company or from outside. In the generally accepted understanding, a project is a specially designed set of proposals for changing the company's activities to achieve a specific goal.

Projects are usually divided into strategic and tactical. Strategic projects are projects that involve significant changes in the form of ownership (lease of an enterprise, creation of a joint-stock company, subsidiary, etc.). Or a radical change in production (launch of a new product line, production automation). Tactical projects are projects related to a change in the volume of manufactured products, an increase in its quality, and a partial replacement of equipment.

A distinctive quality of the projects twenty years ago was that the main directions of the company's development, in the main, were decided at the highest level of the economic department. In modern economic reality, it is the owners and top managers who must independently worry about this issue. Such investment projecting activities must be properly organized.

The general procedure for structuring the investment activities of an enterprise in relation to a specific project is formed in the form of a cycle of 5 stages:

1) Formulation of the project. At this stage, the senior management of the company analyzes the current state of the company's key indicators and sets priorities for further development. As a result of the analysis, a business idea is formed, which is aimed at solving burning problems. Already at this stage, it is necessary to carefully consider the possibility of implementing this idea and, on its basis, put forward a few more proposals. If all of them, as a result of negotiations, turn out to be feasible, then parallel work on them begins with equal investment in order to identify the most effective ideas in the process of work and concentrate on them.

2) Project development. After the business idea has passed the first stage of the project, it is necessary to work it out to a state of complete confidence that it will work or not. Here it is necessary to conduct a constant and gradual improvement of the plan from the commercial, technical, financial and psychological sides. It is also necessary to make sure of the reliability of the initial information and the accuracy of its interpretation, since the accuracy of further calculations directly depends on these two factors.

3) The next step is the examination of the project. If the financing comes from the outside with the help of a strategic investor, then he will conduct the analysis himself

with the help of a consulting firm. This, of course, will require additional costs on his part, however, ignoring the verification at this stage can be much more expensive in the future. If the company invests its own money, then this procedure cannot be avoided either.

4) Project implementation - the stage of project development before its commissioning. Here, experts analyze and evaluate all activities as they are performed. This stage also includes the bulk of the project, the goal of which is sufficient cash flow that will cover the investment and profit for investors and the company as a whole.

5) Well, the final step is to evaluate the effectiveness of the project. Its main purpose is to compare the key indicators that were established initially, and the result obtained at the output. The result of such a comparison can also serve as a starting point for the development and implementation of future projects of the enterprise.

In conclusion, it should be noted that in the final case, the investment project is drawn up in the form of a business plan, which, as a rule, reflects all the above points. At the same time, it should be noted that in international practice there are no unambiguous canons of the structure of a business plan, which must be followed unquestioningly. The business plan of the project must meet the customer's requirements, be understandable and realistic for implementation, since the future fate of the company depends on it.

In the case of Denka Logistics, it is necessary to create a plan to completely redesign the approach to advertising the company. At the moment, the company does not have a single employee in the field of marketing. DL is promoted by a private individual who periodically fulfills minimum orders and is not interested in the development of the company. An employee who works permanently in a particular company knows its specifics and organization of processes, monitors the dynamics of development, understands the goals, knows its advantages and weaknesses from the inside. A private person, on the contrary, commits mechanical actions "according to the list" of the customer and is not able to assess how effective his contribution will turn out to be. According to statistics, about 80% of companies go bankrupt due to incorrect marketing or lack of it. Businesses that still adhere to ten-year-old

management models run the risk of losing everything overnight. For example, in the case of the pandemic, those trading platforms survived, which initially had an online store. And brands that considered it unnecessary to invest in e-commerce lost most of their income in the early days of quarantine. And even though over time they began to engage in their own promotion and put their goods on popular online trading platforms, such as Prom or Rozetka, but too much time has already been wasted.

Denka Logistics should hire permanent employees for full-time or remote work and create its own marketing department, the joint work of which will lead to the successful promotion of the brand of the company, independent of Intertop Ukraine. Below at Figure 3.10 are the points that need to be improved for this result.



Figure 3.10 – Recommendations for Denka Logistics company promotion improvement

Firstly, it is important to activate Denka Logistics Facebook page. Today this social network is one of the most powerful tools for advertising promotion of any person, product or company around the world and ignoring the Facebook profile is one of the main reasons for their poor recognition. Even if a company was formed to work for another company, it still needs to solidify its name as a stand-alone entity. Professionals want to work with professionals. Social media profiles are the face of the company. The number of subscribers and their activity expresses the level of its status and popularity. The quality of posts clearly shows the responsibility in work, which is directly proportional to the desire to cooperate with your company. Well, the regular flow of information shows the vigorous activity of the company in different directions, including business conferences, world news, charity and other social projects. A "live" Facebook page is a manifestation of openness to people and the desire to communicate with people in a convenient and accessible way. This is an excellent platform for receiving and distributing information, attracting new clients, investors, partners, and receiving feedback.

When the Facebook page is complete and active, you should start setting up targeted advertising. This includes creating banners, writing text, and setting it up. Such advertising will allow your company to constantly be in sight not only of subscribers, but also of Facebook users, whose profile topics are close to yours. It will also help to increase the number of subscribers, requests for services or goods, and so on.

The next step should be the creation of news channels in TG, Viber and Whatsapp. Since Facebook is too broad in functionality, such an abundance of information is not suitable for everyone. The channel is a more focused way of delivering your company's news exclusively to subscribers. This is a great way to gain loyal readers and customers who won't be distracted by other pages.

In order to be a respected company on the world stage, it is not enough just to conscientiously fulfill its direct responsibilities. The larger the company, the more is expected of it. Social activities also have a positive effect on brand name and status. Sponsoring sports events, charity, trainings and exchange of experience, collaborations with non-related areas (for example, Puma and Maybellin) give an understanding of

the high level of the company and its desire for development. Such activity makes it possible to make new acquaintances, train and hire highly qualified personnel, receive advertising from media people, and much more.

Next, it is needed to pay attention to business conferences. Understanding the power of modern technology, people gradually lose confidence in the cobra on the social network, since the picture may not correspond to reality. And here it is necessary to reinforce the visual image with live communication. Speeches at business conferences confirm your essence in practice and finally consolidate the desire to cooperate with you or not. Moreover, such conferences are paid and many lecturers have the opportunity to receive a decent fee for speaking from the stage.

Well, an important stage is the high-quality equipment of the site, namely translation. Many companies use automatic website translation in order to save money, which significantly reduces the quality and information content of the text for foreign users. It is necessary to clearly define the list of countries for potential cooperation and enable for them the option of choosing a language with a quality translation.

Targeted advertising price consists of 2 parts - setup and maintenance. And if setting up with a professional targeting specialist can take 20 minutes, then maintenance takes from a week to infinity.

What does advertising setup include:

- data entry into ads manager;
- determination of the pk goal (lead generation, message, subscriptions, etc.);
- loading text and media;
- choice of geolocation;
- target audience setting;
- timing and period of advertising launch;
- price determination.

What does advertising include:

- maintenance and analysis of one, but mostly several advertising campaigns on different sites;
- performance analytics;

- adjusting settings;
- decrease in cost per lead and click;
- adjusting the banner and text.

Why is it worth entrusting advertising to a professional:

- constant changes in facebook algorithms;
- knowledge of the intricacies of advertising settings (for example, a combination of certain indicators can give more coverage than a price increase);
- the ability to correctly assess indicators.

What you need to set up ads:

- banner (2-4 options)
- advertising text (2-4 options)

To calculate the effectiveness of a project to increase brand awareness of a logistics company and attract new customers through new promotion channels - social networks, initial data are needed, which are shown in Table 3.1.

Table 3.1 - Initial data for the project to increase the number of applications for Denka Logistics through Telegram channel

Target	Lead generation
Social media platform (messenger)	Telegram channel
Target audience	M+F, age 35-55
Place	Kyiv, Kharkiv, Dnipro, Odessa, Lviv, Kherson, Mykolaiv.
User reach	63489
Interests of audience	Business planning, logistics, transportation, e-commerce, profile administrators
Time	4 days, 00-24
Budget	10\$/day

In the first month, you need to be prepared not only for large investments, but also for financial losses. Facebook's algorithms are specially tuned so that ads won't give instant results. Therefore, investments must be made gradually and wisely. If you immediately set up expensive ads in a short time, Facebook will perceive you as a bot and block not only the publication, but the entire page. It is most effective to set \$ 4 per day for all advertising campaigns for 4 days of turnover.

Next, you need to analyze the productivity of each, alternate the launch, experiment, increase and decrease by \$ 1-2. Since the logistics niche is much narrower in comparison with fashion and beauty, for example, the effectiveness of advertising will be \$ 1 higher. Table 3.2 performs the list of specialists, whose job is will change the result of Denka Logistics services promotion.

Table 3.2 – Facebook marketing campaign creation and promotion costs for the first month

№	Specialist	Price (\$)
1.	Facebook	200
2.	Targetologist	300
3.	Copywriter	100
4.	Photographer	200
5.	Oerator/Videographer	300
6.	Designer	300
7.	Translator	200
	TOTAL	1600

These are the lowest prices on the market for freelance professionals to start with. However, if there is a goal to promote the company on a larger scale and bring it to the European market, then the amount increases by 300-400%.

Since Denka Logistics is not going to become international yet, such a campaign will be enough to popularize its brand in Ukraine. Since today there is a need to fill

warehouse number 2, the campaign should be intensified in the first 3 months, which will cost about \$ 1,500/month minimum.

Relatively little competition is a significant plus in the logistics market of Ukraine. Objectively speaking, compared to China and the United States, we do not have giant warehouses such as Amazon and AliExpress. Small warehouses of narrow specialization dominate in Ukraine, which simplifies the management and control of processes. Accordingly, it is necessary to determine the specialization of warehouse No. 2 and study the geographically closest enterprises.

As a result of familiarization with modern methods of promoting logistics services, it becomes clear that such an approach will help to significantly reduce the time and costs of an enterprise's advertising campaign in the classical sense. Moreover, at the initial stage of testing it will not require huge investments and gradually during the promotion the daily price of promotion will decrease.

3.4 Chapter 3 summary

The practical part of this thesis was aimed at studying modern digital technologies for the promotion of logistics services and their implementation in Denka Logistics. Since the logistics sector is not a frequent request in search engines, such as online stores, it means that an advertising campaign should be worked out and placed only in those channels where it is most likely to be seen by a potential client.

Unfortunately, today many logistics companies do not have any promotion channels at all or use outdated work schemes. These companies tend to target specific customers and have been working exclusively for them for many years. This practice was relevant 10 years ago, however, with the development of the speed and quality of service provision, order processing and information transfer, such an approach can lead to the death of a logistics provider.

The simplest and relatively inexpensive way to promote logistics services is to set up targeted advertising on Facebook, as well as channels in the Viber, Telegram, Whatsapp and Messenger messengers. They allow you to promote logistics services exclusively among the target audience, automatically determine the most productive time for launching an advertising advertisement and set the optimal price for a day of work of an advertising publication.

A huge advantage of digital methods of promoting a company's services is the automatic maintenance of analytics. The program independently calculates the reach of the audience, shows the number of requests and visits to the site, shows the effectiveness of the campaign and the total cost of expenses.

Logistics services promotion occurs in 7 main steps, which include definition of sales process, start of inbound marketing, engine optimization, sales channels update, setting up a sales automation platform, differentiation of logistics business niche and offer of more complete services than the competition.

For these reason, outsourcing marketing companies are used, if client does not have such department. In Ukraine one of the leading marketing company is SEO.UA which is currently one of the top 10 most popular offices to promote the company's brand. Their services include setting up contextual advertising, creating, configuring, auditing, maintaining and maintaining the site, targeting in social networks.

Facebook promotion takes place at 5 stages: lead generation, lead scoring and qualification, needs assessment, proposition and order closing.

The general procedure for structuring the investment activities of an enterprise in relation to a specific project is formed in the form of a cycle of 5 stages: project formulation, development, examination, implementation and effectiveness evaluation. The investment project is drawn up in the form of a business plan, which, as a rule, reflects all the above points. Business plan of the project must meet the customer's requirements, be understandable and realistic for implementation, since the future fate of the company depends on it.

In the case of Denka Logistics, it is necessary to create a plan to completely redesign the approach to advertising the company. Denka Logistics should hire

permanent employees for full-time or remote work and create its own marketing department, the joint work of which will lead to the successful promotion of the brand of the company, independent of Intertop Ukraine.

Recommendations for Denka Logistics marketing promotion include improvement of FB profile, start target marketing, creation of messenger channels, start of social activities programs, take part in business conferences and use professional text translation.

Targeting advertisement FB setup includes ads data entry, goal determination, text and media content, geographical targeting, audience setting, timing and period of add launch and price determination.

Hiring of marketing department staff includes targetologist, copywriter, photographer, operator/clipmaker, designer and translator. Minimal cost for FB promotion for the first month will cost 1600\$. These are the lowest prices on the market for freelance professionals to start with. However, if there is a goal to promote the company on a larger scale and bring it to the European market, then the amount increases by 300-400%.

CONCLUSIONS AND RECOMMENDATIONS

As the listing of logistics marketing tasks shows, there are many overlaps between marketing and innovation management. For example, analysing trends, researching customer needs and defining product policy in the marketing mix with product development and product design are also tasks that can be found in the function of innovation management. Innovation marketing covers all innovation management activities that contribute to the promotion of the market success of new products and services. If one considers that the actual task and mission of innovation is market success, it becomes clear that innovation marketing plays an extremely important role in the innovation process.

The mere description of the task and role of innovation marketing makes it clear how important the function in the innovation process is. Innovation marketing plays a role in all phases and thus ensures customer and market orientation, an important lever to avoid the failure of an innovation.

Innovative systems enable companies to support consumers throughout the entire customer journey - from the initial idea to the purchase. These technologies can therefore also be used profitably in innovation marketing, for example to compare innovation projects with customer needs or to test hypotheses (e.g. A/B or prototype testing) at an early stage of the innovation process.

Clicktips and similar systems, for example, track user behavior across offline and online touchpoints, helping companies to optimize their customer journeys. Attribution tools show which channels have the greatest impact on customer decisions. Various platforms offer the possibility to analyze unstructured data, and new programming languages evaluate huge amounts of data in order to predict customer behavior. In addition, interface design tools allow you to program a mobile app or website to change its appearance or functionality depending on where the customer is on the Customer Journey.

The technology behind Facebook & Co is now very sophisticated and provides

fast and direct access to relevant target groups. This can be used efficiently in early innovation phases to identify user needs, e.g. through surveys, presentation of first prototypes or A/B testing. At the same time, however, there are also many possibilities for marketing finished innovations. It usually takes some time before innovations are accepted by customers, even if customer needs have been understood and the product offers real added value.

The logistics industry focuses primarily on minimizing transport costs, improving asset utilization, increasing productivity and ensuring the efficiency of all logistics operations. Since most of the time, resources and effort is invested in improving processes and services, there is little left to market those services. Internet marketing is the most powerful tool for promoting a logistics company over the Internet, working with your target audience and achieving sales targets. It can expand your customer network, get them to consider your offer, and turn leads into sales.

Denka Logistics is a logistics operator that offers customized storage, processing and order fulfillment solutions for each client. The main advantages of the company are experience, highly qualified specialists, modern technologies and customer care. Denka Logistics is a logistics complex of two warehouses with an area of 30,000 m², located on the outskirts of Kyiv.

Due to the high level of automation of 70% of warehouse services, Denka Logistics is one of the top 3 best Ukrainian logistics providers. Optimal business processes, staff motivation systems, adaptability for different types of goods and services allow DL to provide services to in a wide variety of areas, from household chemicals to luxury goods.

In the Denka Logistics warehouse alone, more than 100 processes are recorded simultaneously. Obviously, for these purposes it is necessary to have powerful software that can coordinate processes in different parts of the office and warehouse and connect them into one whole. It will also be able to instantly detect and react to any changes and problems in the system. These programs are ERP, Convey, WMS and TMS.

According to ABC analysis of Denka Logistics assortment, group A includes expensive shoes and clothes brands, as well as electronic devices. Shoes and clothes of

medium-price brands refer to group B. And the least important items of group C are chemicals, tableware, books, toys, etc.

Having carried out the SWOT analysis for Denka Logistics, we can say that the company's strengths lie in the high level of quality of service provision. The main disadvantage is the low popularity of the brand and the lack of modern marketing promotion channels. The company's capabilities lie in its readiness to enter the international market. The danger is the company's inability to compete with international leaders in the field of logistics.

Facebook is very actively used by small, medium and large businesses to promote their products and services. Users can ask questions, comment and leave reviews, rate this or that product and recommend it to others in one click. FB tools include ads manager, which is a tool to create ads and promote them through facebook, instagram, twitter, messenger and other social networks. Telegram is a platform for instant exchange of text, voice and video messages, documents, links and media files. You can also make audio and video calls, organize conferences, create news channels and chat bots. A chat bot - a system for automatically submitting information to different users in individual chats. The Telegram channel is a tool for disseminating information among the subscribers of this channel.

In the case of Denka Logistics, it is necessary to create a plan to completely redesign the approach to advertising the company. Denka Logistics should hire permanent employees for full-time or remote work and create its own marketing department, the joint work of which will lead to the successful promotion of the brand of the company, independent of Intertop Ukraine.

Recommendations for Denka Logistics marketing promotion include improvement of FB profile, start target marketing, creation of messenger channels, start of social activities programs, take part in business conferences and use professional text translation.

Unfortunately, today many logistics companies do not have any promotion channels at all or use outdated work schemes. These companies tend to target specific

customers and have been working exclusively for them for many years. This practice was relevant 10 years ago, however, with the development of the speed and quality of service provision, order processing and information transfer, such an approach can lead to the death of a logistics provider.

The simplest and relatively inexpensive way to promote logistics services is to set up targeted advertising on Facebook, as well as channels in the Viber, Telegram, Whatsapp and Messenger messengers. They allow you to promote logistics services exclusively among the target audience, automatically determine the most productive time for launching an advertising advertisement and set the optimal price for a day of work of an advertising publication.

A huge advantage of digital methods of promoting a company's services is the automatic maintenance of analytics. The program independently calculates the reach of the audience, shows the number of requests and visits to the site, shows the effectiveness of the campaign and the total cost of expenses.

Hiring of marketing department staff includes targetologist, copywriter, photographer, operator/clipmaker, designer and translator. Minimal cost for FB promotion for the first month will cost 1600\$. These are the lowest prices on the market for freelance professionals to start with. However, if there is a goal to promote the company on a larger scale and bring it to the European market, then the amount increases by 300-400%.

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