

INTERCONNECTION OF PURCHASING AND DISTRIBUTION LOGISTICS

Vinnitsia National Technical University

Анотація

Розглянуто теоретичні аспекти закупівельної та розподільної логістики, їх взаємозв'язок.

Ключові слова: закупівля, управління, розподіл, логістика, постачальник.

Abstract

Theoretical aspects of purchasing and distribution logistics, their interrelationship are considered.

Key words: procurement, management, distribution, logistics, supplier.

Introduction

The relationship between procurement and distribution logistics is an important aspect of the effective functioning of any enterprise or organization. Procurement logistics is responsible for the supply of necessary materials, goods and services, ensuring the availability of resources for further production and operation of the enterprise. Distribution logistics, for its part, is responsible for the optimal distribution of finished products and their delivery to end consumers.

The areas of distribution and procurement overlap a lot. Given the conditional initial and final links of the material flow, logistics operations can be part of the sales system or part of the procurement system. This facilitates, on the one hand, and complicates the process of material flow management, on the other hand.

Thus, most techniques and methods of stream management are acceptable both in the field of supply and in the field of distribution of commodity products, since most of the logistics work and operations are performed in both areas. However, the objective opposition of the interests of producers, consumers, traders, carriers and other intermediaries depending on the ratio of one or another element of the logistics system to other elements characterizes logistics management. Procurement and distribution logistics is a multifunctional direction of unified logistics activity [3].

Research Results

Consider the process of managing the flow of materials at the facility between two companies. One is the supplier, and the other is the recipient of the goods. Determine when this section refers to the buyer's procurement logistics and when to the supplier's distribution logistics.

The key to the answer is the terms of transportation specified in the contract concluded between the supplier and the recipient. The term "free of charge" refers to the procedure for accounting for the cost of delivering the product to the consumer in the price of the product. In the supply contract, the term "free of charge" indicates when the costs associated with transportation and insurance are borne by the supplier.

The goods ordered by the buyer are loaded onto vehicles at the supplier's warehouse and delivered to the nearest railway station. The order is then loaded into a van and shipped by rail. The goods arriving at the consignee's station are loaded into a vehicle and delivered to the consignee's warehouse.

The condition "open sender's station" means that the buyer has already paid for the delivery of the ordered goods to the departure station and the delivery of the goods to the railway representative, and the logistics services of the supplier must arrange this work. According to this condition, the supplier must perform all the operations of loading cars into the warehouse, ensure the delivery of the goods to the station of departure, and also perform all operations for the consignments shipped at this station. The supplier's responsibility for logistics services ends when the loaded wagon is handed over to the railway staff. Next comes the responsibility of the recipient's logistics services [2].

This example shows the following positions:

– management of the material flow from the supplier's warehouse to the cargo shipment point is related to distribution logistics;

– management of the movement of materials from loading points to suppliers' warehouses belongs to procurement logistics.

Let's consider flow control in the "Provider-Recipient" section. If the recipient has already paid the supplier for the delivery of the warehouse goods under the contract, i.e. if the term "consignee's warehouse" is specified in the contract. At the same time, the costs and risks associated with the promotion of the product along the chain are borne by the supplier. Therefore, the supplier's profit from the transaction largely depends on how well the supplier's logistics service delivers the order to the recipient's warehouse. In other words, in this case, the supplier is responsible for managing the flow of the entire stage and belongs to logistics logistics. The buyer, who has already paid for the delivery, has nothing to gain from such rational organization (just as he has nothing to lose if the delivery is poorly organized).

In this area, the methods of procurement logistics are used in the management of material flows, when, according to the terms of the contract, the recipient independently picks up the goods from the supplier's warehouse. The rationality of the behavior of the recipient's logistics service in this case can significantly increase its profit from the deal [1].

However, it should not be forgotten that both procurement and distribution logistics are functional areas of a single logistics activity. This activity is carried out jointly by both the buyer's procurement service and the supplier's distribution service. Therefore, all decisions in the field of distribution logistics must be made in conjunction with decisions in the field of procurement logistics of the buyer. Only this approach guarantees the implementation of the logistical concept of material flow management.

Conclusions

Thus, procurement logistics (PL) is the management of material flows in the process of providing enterprises with material resources. The main task of procurement logistics is to ensure production needs in raw materials, materials and semi-finished products with maximum efficiency.

Distribution logistics (DL) is the management of transport, warehouse and other material and immaterial operations carried out in the process of delivering finished products to consumers in accordance with their interests and requirements, as well as transshipment and storage. Processing of related information.

Procurement logistics and distribution logistics are functional areas of one logistics activity. This activity is carried out jointly by both the buyer's procurement service and the supplier's distribution service. Therefore, all decisions in the field of distribution logistics must be made in conjunction with decisions in the field of procurement logistics of the buyer. Only this approach guarantees the implementation of the logistical concept of material flow management [2].

One of the main issues of managing the procurement of material resources is the choice of suppliers. Its importance is explained not only by the fact that in the modern market there are many suppliers of similar material resources, but also mainly by the fact that the supplier can be a reliable partner of the company in the implementation of its logistics strategy of increase.

REFERENCES

1. Логістика : навчальний посібник / О.В. Безсмертна, О. О. Мороз, Т. М. Білоконь, І. В. Шварц. – Вінниця : ВНТУ, 2018, (PDF, 161 с.). URL: https://ecopy.posibnyky.vntu.edu.ua/txt/2018/Bezsmertna_moroz_bilok_shvarz_logistika_np_p023.pdf (дата звернення: 27.05.2023)
2. Логістика: навч. посібник / А. В. Поплавський, О. Ю. Хохлюк, С. С. Горобець. – Вінниця : ВНТУ, 2017. – 100 с. URL: http://pdf.lib.vntu.edu.ua/books/2022/Poplavskii_2017_100.pdf (дата звернення: 27.05.2023).
3. Основи логістики : навчальний посібник / Біліченко В. В., Буренніков Ю. Ю., Романюк С. О. – Вінниця : ВНТУ, 2017. – 129 с.

Данилюк Ярослав Ігорович – студент групи Л-216, факультет менеджменту та інформаційної безпеки, Вінницький національний технічний університет, Вінниця, e-mail: yaroslav2004dan@gmail.com

Науковий керівник: Сlobодянюк Алла Анатоліївна – старший викладач кафедри іноземних мов, Вінницький національний технічний університет, м.Вінниця, e-mail: a.allavin@gmail.com

Danyliuk Yaroslav Igorovych – student, Faculty of Management and Information Security, Vinnytsia National Technical University, Vinnytsia, e-mail: yaroslav2004dan@gmail.com

Scientific Supervisor: Slobodianiuk Alla Anatoliivna – Senior Lecturer of the Foreign Languages Department, Vinnytsia National Technical University, Vinnytsia, e-mail: a.allavin@gmail.com