

the population. All the above-mentioned will strengthen competitiveness of Ukraine on the world markets and will show the competitive advantages of our country.

REFERENCES

1. <https://www.heritage.org/>
2. <https://www.transparency.org/en/cpi/2022>
3. <https://data.worldbank.org/indicator/NV.IND.TOTL.ZS?locations=UA>

K. Fortuna, T. Fedun, O. Osadcha

THE IMPORTANCE OF LOGISTICS IN MODERN BUSINESS

Logistics plays a crucial role in modern business and has a significant impact on various industries. It encompasses the management of the flow of goods, information, and resources between the point of origin and the point of consumption [1]. Logistics is important because it creates value for customers, suppliers of the firm, and value for the firm's stakeholders. Value in logistics is expressed in terms of time and place. Products and services have little or no value unless they are in the possession of customers when (time) and where (place) they wish to consume them. To many firms throughout the world, logistics has become an increasingly important value-adding process for a number of reasons [2, p.118].

Logistics management has three main functions. The first primary function is the “operational function resulting from the need to coordinate the orders processes, transport and stockpiling, while minimising logistic operating costs” [3, p. 1057]. The aim of coordinating the ordering process is to ensure that a product is available at given time and of the desired size. Another management function is the marketing function. This helps to determine the amount of products moving in the logistics chain. The main function of marketing activities when it comes to logistics is to consider the size of demand for a logistics product in both physical and monetary forms.

The importance of logistics is explained by the fact that it plays a key role in ensuring the efficiency and success of the business. The reasons include:

1. Cost reduction: Logistics helps to optimize the processes of goods delivery and warehousing, which reduces the cost of logistics and the total costs of an enterprise.

2. Improving customer service: Efficient logistics helps ensure fast and reliable delivery of goods to customers, which positively affects customer satisfaction and improves the company's reputation.

3. Inventory management: Logistics allows you to effectively manage stocks of goods, avoid overloads or shortages and ensure a stable supply of products.

4. Global market: With the development of global trade, logistics is becoming increasingly important for enterprises that have a desire to expand their activities outside their own country.

Today's supply chain really is the method of connecting major business processes both within and across companies in order to create a high-performance business model that promotes competitive advantage. Logistics is becoming increasingly important as an integral part of the finished product.

There emerged different transport methods: cargo aircraft accommodating containerized and palletized freight, roll-on roll-off ferries, containerization on commercial ships with reusable containers of uniform size and shape, and specialized road vehicles which can cater to every type of commodity from pharmaceuticals to high fashion, and all points in between [4].

Logistics is vital nowadays. With its help, we get so many opportunities to grow and advance technologically, scientifically, and financially. All things considered, it would be very difficult for us to live without logistics. First of all, this would lead to a shortage of essential goods and services. Secondly, the organization of transport networks, including highways, railways, airways and shipping routes would be impossible. Without logistics, it would be difficult to move people and goods from one place to another. Therefore, logistics continues to evolve and remains an integral part of our lives and businesses.

REFERENCES

1. The importance of logistics in modern business and how it impacts industries. <https://linkedin.com/pulse/importance-logistics-modern-business-how-impacts-industries>
2. R. H. Ballo. Business logistics: importance and some research opportunities. *GESTÃO & PRODUÇÃO*. 1997. v.4. P. 117-129.
3. T. Trojanowski. The importance of logistics in business activity of enterprises. *Technika Transportu Szynowego*. 2013. № 10. P. 1055-1060.
4. M. Friedberg. The importance of logistics in the modern world. Электронный ресурс. <https://www.cevalogistics.com/en/ceva-insights/the-importance-of-logistics-in-the-modern-world>