ABSTRACT

The main goal of the chapter is to present actual theoretical and practical knowledge related to logistics strategies that have a major impact on sustainable development. Theoretical considerations concern on the place and relations of logistics strategy in the company’s generic strategy, the classification of logistics strategies, identification of key success issue in implementing the strategy in the area of logistics concerning sustainability. Every logistics strategy defined points out relevance to sustainable logistics and transport. Some logistics strategies were specifically described in the chapter like: total logistics costs strategy, differentiation strategy, postponement strategy, consolidation strategy and rationalization (standardization) strategy. For every strategy also a practical example is discussed among worldwide companies with global brands (Chocolissimo chocolate producer, DB Schenker logistics service provider, IKEA or Sony).

INTRODUCTION

Dynamic changes in the economy, due to the rapid development of technology and increased competition, are forcing traders to constantly adapt to new business conditions. The modern market therefore puts increasing demand for entrepreneurs. With the increase in customers’ requirements companies must constantly seek for innovating solutions to become more competitive in the market. The company, which intends to maintain or strengthen its position in the market must constantly adapt to ever changing market situation and the needs and demands of consumers. Increasing competition, market differentiation, as well as variable economic situation and the associated risks, are forcing companies to take on new challenges and continuously make changes among strategic and tactical decisions.

As it is noted in Kwarcinński and Zalogła (2006) that now the business entities are required to be increasingly more flexible, and above all, to posses the ability to predict the changes that occur in the business environment, which means being sensitive to the needs of its customers and observing the activities of the competition.
The strategy is a fundamental instrument of business management and plays an essential role in its functioning. The company’s strategy must also be set to continuous business development and innovation, and therefore is crucial in achieving market success of the company. The business environment is continually adding new impulses affecting the behavior of companies. Therefore, the strategy has to protect the company against an endless gameplay between organizations and the environment. In particular it should respond to threats and opportunities arising from the behavior of the examined trends in macroeconomic factors. And so, if strong trends in sustainability appear among logistics companies, it should also be reflected in their strategy. Currently, due to the growing environmental awareness in fact, more and more attention is paid mostly to proecological activities which results in logistics strategies. These activities will gradually begin to reach out to every aspect of life and thus the TSL industry. Trends for being green or ecological in business is not just the prospect of reducing the environmental impact but also a chance for an image-profit to a company. Due to increased customer demand and the company’s commitment to achieve the maximum efficiency of ecology in its portfolio (through the services of a birthmark “eco” and organic products) becomes a bargaining chip to occur on the market today, introducing a competitive offer in relation to other entities.

Implementation of the strategy means the necessity of making multiple decisions. It should be regarded as a set of concrete decisions, specific actions to ensure that the company’s objectives are achieved. It is essential that a company operating in an economical market focuses attention mostly on the design and implementation of the strategy.

Development of strategy according to sustainability paradigm, its perfect implementation, especially the consistent implementation of company strategy adapting to the environment is a necessary condition for the survival and development of the company in the long term. The essence of any business strategy is not complicated, it should be better than competing company or different than other areas of the market. Strategic realities are similar for large and small, commercial and production, local and global companies. The multiplicity of types of enterprise strategies reflects a variety of situations in which they are now or will be in the future for each company after the confrontations of their abilities to the ambient conditions.

Enterprise strategies vary depending on the environment and those conditions can vary in an active manner, but they may also undergo under the adaptation processes. Environmental changes may already be done, but can also be only expected. Business strategies show how the existing potential of existing and future forces can be used to meet the intent of the entrepreneur. Strategies contribute to the overall direction of the development of the enterprise. Must therefore be supplemented or corrected by operating activities. The aim of the strategy is to build long-term success by exploiting the possibilities of competitive advantage. Development of the company can be carried out also by the formulation and implementation of activities based on market development strategy, which general objective is to sell the same product on the expanded market.

A well-organized company’s logistics is today one of the greatest strengths of the firms in the competitive market. Today, most companies should treat logistics as a strategic opportunity. Besides, good logistics strategy together with other factors affect the company’s competitiveness in production, trade or service.

The main goal of the chapter is to present actual theoretical and practical knowledge related to logistics strategies that have a major impact on sustainable development. Theoretical considerations concern on the place and relation of logistics strategy in the company’s overall strategy, the classification of logistics
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