

Supply Chain Management

Logistic optimization

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1. Abstract

Competitive global environment compels companies to consider the rest of the world in their competitive strategy analysis, regardless of their location. This means that no company can allow to isolate themselves from factors like economic tendencies, innovations, technology development or competitive situations inside and outside their country. In order to survive on today's competitive markets, one must minimize operation costs, increase responsiveness to external and internal factors. Because of that, Supply Chain Management has gone global and is more important than ever. Supply Chain and Logistics in particular, a network that is consisting of parties concerned directly or indirectly, that are producing and delivering product on downstream or upstream level.

The focusing area of this paper is inbound logistics due to its big proportion in many firm's operations. These processes are even more important for companies which are operating in countries like Georgia, where logistics is a key pillar of Georgia's competitiveness, cargo movement, inbound and outbound logistics is one of main parts of country's economy. Supply chain execution in today's fluid environment requires minimizing uncertainty through effective management and use of technology. However, such operations can be difficult to execute, especially for small companies, that do not have separate logistics department.

Our goal, with this paper, is to identify problems that are faced by small Georgian Importers, find our reason behind these problems and come up with recommendations that would be helpful for them. On the other hand, we analyzed how Freight Forwarding company, intermediary between seller and buyer, works on Georgian market, in order to better understand this sophisticated environment and based on this experience offer better solutions for both sides.