

Logistics and supply chains networks

Business



The contemporary business world comprises several dynamics that affect the prevailing supply and demand patterns. Consequently, the alternating patterns of consumptions stimulate the implementation of various changes in the logistic processes. Due to the dynamics in the fast-paced business world, firms are rapidly adopting a responsive model, and this significantly affects the logistic processes and the supply chain.

Currently, firms tend to adopt the responsive model in their operation, and this makes it the most dominant framework used in the business industry (Manuj, Omar & Pohlen, 2014). As opposed to the anticipatory model that relies heavily on forecasts and plans, the responsive model is dependent on the prevailing circumstances and conditions in the market. The reactive model gains popularity due to the changing taste and preferences of consumers. Consumers prefer customized goods and services that they keep ordering at undefined times.

There is a challenge of communicating changes in demand to the transporters and suppliers, and this makes the management of costs even harder. Therefore, a consolidated view of transportation and logistics within the supply chain is imperative to adopt the right model in operation.