

Examining current reverse logistics trends



Examining Current Reverse Logistics Trend Affiliation Examining current reverse logistics trend According to Rogers, & Tibben-Lembke, (2001), reverse logistics is the technique by which organizations can make themselves more environmental friendly via reducing, reusing and recycling the amount of resources that is used. The topic of examining current reverse logistics helps us narrow down to the best practices in the field and to determine the factors that hinder implementation of good reverse logistics practices. A number of reverse logistics practices apply in most of the organizations. In most of the supply chain obligations within an organization, these activities comprise of remanufacturing, refurbishing, recycling, landfill, repackaging, returns processing and salvage. Based on these activities, reverse logistics can be divided based on whether the reverse flow encompasses product or packaging. A product could be in the reverse flow due to a number of reasons such as refurbishment, remanufacture or because the client returned it. Packaging is a reverse logistics activity because it flows back because of the regulations restrictions on product disposal. Both product and packaging may be reused or landfilled, but if they are to be utilized again, the two may experience a mixed bag of distinctive methodologies (Rogers, & Tibben-Lembke, 2001).

Reverse logistics is of great importance to a company because of a number of reasons. First, it permits a trader to get items back from the buyer or send unsold stock once again to the manufacturer to be disassembled, sorted, reassembled or reused; minimizing general expenses for an association. Second, it enhances consumer loyalty and devotion by considering defective merchandise, and repairs of stock. Reverse logistics can incorporate seeking feedback from consumers to make upgrades and to enhance the

<https://assignbuster.com/examining-current-reverse-logistics-trends/>

comprehension of genuine purposes behind item returns. Thirdly, it may lead to gains in an organization. Expanding rate of production, diminishing expenses (transportation, managerial, repair and maintenance), holding clients by enhancing the quality of products are some of the gains an organization can accrue.

The topic of examining the current trends of reverse logistics also incorporates some of the analysis methodologies that organizations apply today. A key methodology is the inventory control analysis that aims at ensuring that the supply chain of the company is optimized. Inventory control ensures that inventory management ensures random discount in pricing, minimum purchase requirements and random return (Alinovi, Bottani, & Montanari, 2012). Transportation problem is also another methodology that reverse logistics encompasses. When the products are packaged, they are then set ready for distribution to various destinations. To ensure that the transportation of these products does not lead to an increase in distribution cost, the organization thus has to consider applying the transportation problem because it helps in determining an optimal strategy for distributing the commodities.

Forecasting will also serve a critical role in steering the organizations towards gains. Reverse logistics in the field of supply chain is challenging and complex because commodities are moving against the normal process of supply. To ensure that the organization is not affected by this, it has to look forward and forecast to ensure that changes in consumer demands do not lead to cost containment and low-profit margins. The assignment model cannot also be overlooked in reverse logistics. Logistics practices such as warehousing and shipping are corporate in reverse logistics. Efficient

coordination of these activities in reverse logistics ensures that costs are minimized due to efficient assignment of these activities (Zhang, Van Hui, & Chen, 2012). For instance, assigning a truck to return goods and setting up logistics centers for reverse logistic practices.

References

- Alinovi, A., Bottani, E., & Montanari, R. (2012). Reverse Logistics: A stochastic EOQ-based inventory control model for mixed manufacturing/remanufacturing systems with return policies. *International Journal of Production Research*, 50(5), 1243-1264.
- Rogers, D. S., & Tibben-Lembke, R. (2001). An examination of reverse logistics practices. *Journal of business logistics*, 22(2), 129-148.
- Zhang, Z., Van Hui, Y., & Chen, H. (2012). A forward and reverse logistics shipment-planning model. *Journal of the Operational Research Society*, 64(10), 1485-1502.