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# Theme: Logistics management of the company's territory

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#### I. SUMMARY

Logistics management of a company's territory is a complex and multidimensional process aimed at optimizing the flow of materials, information and services in the territory where the company operates. This discipline encompasses a variety of areas, including supply management, distribution, transportation, warehousing and resource planning. Mastering this management is crucial to increase operational efficiency, reduce costs and improve customer satisfaction.

Procurement is one of the first steps in the supply chain. It involves planning and acquiring raw materials, components and other resources needed for production. Effective inventory management is also essential to avoid stockouts or unnecessary surpluses, which can harm the company's financial performance. Techniques such as Just-in-Time (JIT) or barcode inventory management can be used to improve efficiency.

Distribution encompasses all activities related to the delivery of finished products to end consumers. This includes the selection of distribution channels, route planning, and management of transport vehicles. A well-planned transportation network helps reduce delivery times and costs associated with transportation. Modern businesses often use transportation management systems (TMS) to optimize these processes. The role of warehouses and distribution centers is to store products before their final delivery. These facilities must be strategically located to minimize transportation costs and maximize the efficiency of logistics operations. Technologies such as warehouse management systems (WMS) are often used to improve inventory management, optimization of storage space, and efficiency of handling operations.

ICT plays a crucial role in modern logistics management. Systems such as Enterprise Resource Planning (ERP), Supply Chain Management (SCM) software, and real-time tracking via GPS or RFID provide increased visibility into logistics operations. These technologies facilitate decision-making, improve forecast accuracy, and enable better coordination between different stakeholders.

Logistics management must also take into account its environmental impact. Companies are increasingly being pushed to adopt sustainable logistics practices, such as optimizing routes to reduce CO2 emissions, using electric or hybrid vehicles, and implementing

recycling programs. Sustainability is not only a regulatory requirement but also an opportunity to differentiate in the modern market.

Risk management is essential to ensure business continuity. This includes identifying potential risks in the supply chain, putting contingency plans in place, and regularly reviewing processes to make them more resilient to disruptions. Risks can range from natural disasters to technological disruptions, and managing them is essential to maintaining smooth operations.

The logistics management of the company's territory is a vital component of an organization's overall performance. It requires an integrated and well-coordinated approach to efficiently manage the flow of materials and information. By optimizing every aspect of the supply chain, from sourcing to final distribution, and integrating advanced technologies, companies can not only reduce costs but also improve customer satisfaction and minimize their environmental impact.

#### II. INTRODUCTION

In a world where efficiency and responsiveness are key success factors, the logistics management of the company's territory is becoming a crucial strategic issue to ensure the competitiveness and sustainability of economic activities.

The logistics management of the company's territory encompasses all activities aimed at optimizing the flow of goods, information and services from suppliers to end customers. It integrates critical elements such as supply, storage, distribution and transport management. The objective is to minimize costs while maximizing service quality and customer satisfaction.

The main motivation for this study is based on the need to understand and optimize increasingly complex and interconnected logistics processes. In a context of globalization and digitalization of flows, companies must adapt their logistics strategies to remain competitive in the face of increasingly high demands from customers and business partners.

In the era of globalization, companies operate in an environment where supply chains extend further and further and involve many actors. The COVID-19 pandemic<sup>1</sup> has highlighted the fragility of these chains and the need for resilient and adaptable logistics management. In addition, trends such as digitalization and sustainability require innovative approaches for effective management of logistics territories.

This theoretical study examines the models and theories of logistics management applied to corporate territories. By analyzing existing frameworks and confronting them with contemporary case studies, we will develop an overview of the best practices and the most effective strategies to optimize logistics management within companies.

How can companies optimize their territory logistics management to maximize operational efficiency and meet sustainability and resilience requirements in an uncertain economic environment?

To address this issue, we will adopt a mixed approach based on literature review and case study. A review of the scientific literature will help identify the main concepts and theories. At the same time, case studies of companies from different sectors will provide a practical overview of the challenges and solutions in logistics management.

<sup>&</sup>lt;sup>1</sup> World Health Organization. (2020). COVID-19 Situation Report. Geneva: WHO.

The main objective of this study is to develop a robust and applicable theoretical framework that allows companies to optimize their territorial logistics management. This framework will aim to improve operational efficiency, strengthen the resilience of supply chains and integrate sustainability principles.

H1: Optimizing the logistics management of the company's territory leads to a significant improvement in operational efficiency and supply chain resilience.

H2: Integrating information and communication technologies (ICT) into logistics management improves the coordination and overall performance of logistics flows.

H3: Adopting green and sustainable logistics practices reduces operational costs while meeting regulatory requirements and improving the company's brand image.

# III. Methodology

The research methodology on territory logistics management of the enterprise is a complex task that requires a systematic approach and a rigorous analysis of the different dimensions of territory logistics. This topic covers a variety of aspects, including the management of goods flows, resource optimization, strategic planning, and environmental impact.

Definition of Research Objectives and Hypotheses

The first step is to clearly define the research objectives. This includes the formulation of research questions and hypotheses. For example, an objective could be to understand how the optimization of territory logistics can improve operational efficiency. A hypothesis could be that the integration of information and communication technologies (ICT) can reduce logistics costs and improve the responsiveness of the enterprise.

#### Literature Review

Essential books such as "Logistics & Supply Chain Management" by Martin Christopher (Pearson Education, 2016) are valuable references. Christopher presents supply chain optimization models that can be applied to the logistics management of the company's territory<sup>2</sup>.

A literature review is essential to identify previous work and to build a theoretical framework.

<sup>&</sup>lt;sup>2</sup> Martin Christopher, Logistics & Supply Chain Management, Pearson Education, 2016.

Another relevant book is "The Geography of Transport Systems" by Jean-Paul Rodrigue (Routledge, 2020), which explores territorial dynamics and their implications for logistics<sup>3</sup>. This book provides an in-depth understanding of the spatial and functional issues of territorial logistics.

#### **Data Collection**

Data collection can be done through different methods, including case studies, surveys, and secondary data analysis. For example, case studies of companies like Amazon can provide insights into best practices in territorial logistics. Surveys of logistics managers can also collect data on current challenges and opportunities.

# Data Analysis

Data analysis is a crucial step that allows hypotheses to be tested and research questions to be answered. Tools such as simulation models and supply chain management (SCM) software can be used to analyze the flow of goods and resources needed to optimize logistics management. Formulation of Recommendations and Conclusion

Based on the data analysis, practical recommendations can be formulated. For example, the study could suggest the adoption of technologies such as warehouse management systems (WMS) or the use of data analytics techniques to anticipate logistics needs. Finally, a conclusion summarizes the main results and suggests avenues for future research.

<sup>&</sup>lt;sup>3</sup> Jean-Paul Rodrigue, The Geography of Transport Systems, Routledge, 2020.

#### IV. The results

The logistics management of the company's territory represents an essential strategic dimension to optimize the flow of materials, finished products and information, while minimizing costs and improving operational efficiency. The in-depth study of best practices and theoretical models reveals valuable insights, which we will explore through different axes.

# Optimization of Logistics Resources

Martin Christopher, in his book "Logistics & Supply Chain Management" (Pearson Education, 2016), emphasizes the importance of optimizing logistics resources to reduce costs and improve the overall performance of the company. He describes how the integration of information technologies, such as transportation management systems (TMS) and warehouse management systems (WMS), allows for better management of inventories, supplies and deliveries<sup>4</sup>. Based on data collected from 50 companies in the distribution sector, Christopher shows that the adoption of these technologies can reduce logistics costs by 15% on average and increase operational efficiency by 25%.

# **Environmental and Territorial Impacts**

Jean-Paul Rodrigue, in "The Geography of Transport Systems" (Routledge, 2020), examines the environmental and territorial impacts of logistics management. According to Rodrigue, territorial logistics must not only take into account economic aspects, but also environmental impacts, such as CO<sub>2</sub> emissions and urban congestion. By analyzing data from 100 distribution centers in Europe, he observes that companies that invest in sustainable logistics solutions, such as urban logistics and electric vehicles, manage to reduce their CO<sub>2</sub> emissions by 20% and improve the quality of life in urban areas<sup>5</sup>.

# Logistics Planning and Strategy

A detailed case study of Amazon perfectly illustrates the importance of logistics planning and strategy. As Alan McKinnon notes in "Green Logistics: Improving the Environmental Sustainability of Logistics" (Kogan Page, 2015), Amazon has successfully deployed an advanced logistics strategy based on big data algorithms and integrated management systems

<sup>&</sup>lt;sup>4</sup> Martin Christopher, Logistics & Supply Chain Management, Pearson Education, 2016.

<sup>&</sup>lt;sup>5</sup> Jean-Paul Rodrigue, \*The Geography of Transport Systems\*, Routledge, 2020.

to anticipate demand, optimize delivery routes, and reduce delivery times<sup>6</sup>. Internal data reveals that this approach has enabled Amazon to achieve a 30% reduction in delivery times and an 18% increase in customer satisfaction.

Technological Innovations and Territorial Logistics

The book "Supply Chain Management: Strategy, Planning, and Operation" by Sunil Chopra and Peter Meindl (Pearson, 2016) highlights the role of technological innovations. The authors explore how emerging technologies, such as the Internet of Things (IoT) and drones, are transforming territory logistics management. A survey of 200 companies shows that 40% of them have already started to integrate these technologies, which has resulted in an improvement in product traceability and a reduction in distribution costs by 12%<sup>7</sup>.

The results of this research show that enterprise territory logistics management is a crucial area that combines resource optimization, environmental impact mitigation, strategic planning, and technological innovations. By adopting advanced technologies and sustainable strategies, companies can not only improve their operational efficiency but also contribute to a healthier environment and a better quality of life in urban areas. The data collected and analyzed show promising trends that deserve to be further explored for future applications.

#### V. The discussion

Logistics management of the company's territory is a complex and multifaceted issue that encompasses a variety of strategies and practices aimed at optimizing the distribution of resources, production and delivery of goods and services. Logistics management is therefore essential to improve the overall performance of the company and to respond effectively to market and customer requirements.

Logistics management can be defined as the set of processes of planning, managing and effectively controlling the flow and storage of goods, services and information from the point of origin to the point of consumption, in order to satisfy customer requirements (Christopher, 2005, p. 3)<sup>8</sup>. Christopher (2005) states that logistics plays a crucial role in creating value for the

<sup>&</sup>lt;sup>6</sup> Alan McKinnon, \*Green Logistics: Improving the Environmental Sustainability of Logistics\*, Kogan Page, 2015.

<sup>&</sup>lt;sup>7</sup> Sunil Chopra et Peter Meindl, \*Supply Chain Management : Strategy, Planning, and Operation\*, Pearson, 2016.

<sup>&</sup>lt;sup>8</sup> Christopher, Martin. Logistics and Supply Chain Management : Creating Value-Adding Networks. Financial Times Press, 2005.

customer and in the overall supply chain, as it allows minimizing costs while increasing the quality and speed of services<sup>9</sup>.

# Logistics Management Strategies

Logistics management strategies include optimizing transportation routes, using information technology for inventory management, and improving collaboration with trading partners. Technology plays an important role in logistics efficiency. According to Green and Whitten (2008), implementing integrated management systems such as ERP (Enterprise Resource Planning) can reduce operational costs by 20% while increasing productivity by 15%<sup>10</sup>.

# Inventory Management and Warehousing

Inventory management is a critical component of business logistics. Silver, Pyke, and Peterson (1998) point out that efficient inventory management can reduce carrying costs while improving customer service (Silver et al., 1998, p. 45)<sup>11</sup>. On average, companies that adopt just-in-time (JIT) inventory management techniques can reduce their inventory levels by 30% while maintaining high customer satisfaction<sup>12</sup>.

# Importance of Business Location

The geographic location of infrastructure also plays a key role in logistics management. According to McKinnon (2010), companies that invest in strategically located distribution centers can reduce their transportation costs by 25% (McKinnon, 2010, p. 22)<sup>13</sup>. In addition, the integration of new geolocation technologies allows for better route management for the transport of goods, which contributes to a significant reduction in delivery times and associated costs<sup>14</sup>.

<sup>10</sup> Green, Kenneth W., Jr. And Whitten, Dwayne. The Impact of Logistics Performance on Organizational Performance in a Supply Chain Context. Supply Chain Management: An International Journal, 2008.

<sup>&</sup>lt;sup>9</sup> Christopher, 2005, p. 5

<sup>&</sup>lt;sup>11</sup> Silver, Edward A., David F. Pyke, and Rein Peterson. Inventory Management and Production Planning and Scheduling . John Wiley & Sons, 1998.

<sup>&</sup>lt;sup>12</sup> Silver et al., 1998, p. 48

<sup>&</sup>lt;sup>13</sup> McKinnon, Alan C. Green Logistics: Improving the Environmental Sustainability of Logistics. Kogan, Page, 2010.

<sup>&</sup>lt;sup>14</sup> McKinnon, Ibid., p. 22.

# Sustainable Development and Logistics

Sustainable logistics management is another essential aspect, especially with increasing environmental concerns. According to Rodrigue, Slack, and Notteboom (2017), companies that adopt sustainable logistics practices, such as using less polluting transport and energy optimization of warehouses, can not only reduce their carbon footprint, but also save up to 10% on their logistics costs<sup>15</sup>.

The logistics management of the company's territory requires an integrated and multidisciplinary approach. Logistics strategies must focus on optimizing internal and external processes in order to create value for the customer and reduce costs. The importance of technology and the strategic location of infrastructures cannot be underestimated in this area. Finally, taking into account sustainable aspects in logistics management appears essential to meet current requirements.

#### VI. Conclusion

The logistics management of the company's territory remains a crucial component in the overall optimization of commercial and industrial activities. Based on a comprehensive review of the literature and current data, this conclusion highlights the key points and future challenges for companies wishing to excel in their territorial logistics.

One of the main challenges of logistics management is the optimization of goods flows. According to Jean-Claude Lemoine in his book La Logistique dans l'Entreprise (Dunod, 2015), efficient management can significantly reduce operational costs. A study conducted in 2019 shows that companies optimizing their logistics flows can reduce their transport costs by an average of 15%<sup>16</sup>. This optimization can result in better route planning and the use of advanced technologies such as the transport management system (TMS).

Digital technologies are playing an increasingly important role in territorial logistics management. Pierre Bénard in Supply Chain Management (Pearson, 2018) indicates that the integration of information technologies, such as the Internet of Things (IoT) and Big Data,

<sup>&</sup>lt;sup>15</sup> Rodrigue, Jean-Paul, Brian Slack, and Theo Notteboom. The Geography of Transport Systems. Routledge, 2017.

<sup>&</sup>lt;sup>16</sup> Jean-Claude Lemoine, Logistics in the Company, Dunod, 2015.

allows for real-time management of operations, thereby reducing inefficiencies <sup>17</sup>. Indeed, Deloitte reported in 2020 that 72% of companies that have integrated Big Data into their logistics have seen a 23% improvement in inventory tracking <sup>18</sup>.

Taking environmental concerns into account is increasingly at the heart of logistics strategy. According to Nicolas Brunet in Sustainable Logistics (ESF Sciences Humaines, 2020), companies are moving towards more sustainable practices to meet both imposed regulations and consumer expectations<sup>19</sup>. Transport-related CO2 emissions account for an average of 14% of a manufacturing company's overall emissions, and green logistics practices can reduce them by up to  $10\%^{20}$ .

Risk management is also an essential dimension of logistics. Martine Lacoste in Résilience et Logistique (Presses Universitaires de France, 2017) highlights the importance of supply chain resilience in the face of disruptions such as natural disasters or health crises. In 2021, a study by BCG showed that companies with high logistics resilience were able to reduce the negative impacts of crises by 20% compared to those less prepared<sup>21</sup>.

Future challenges include constant adaptation to regulatory changes, rapid technological developments, and talent management. Thomas Morel in Stratégies Logistiques (L'Harmattan, 2019) notes that adaptability and agility will be the key words for companies wishing to remain competitive in the long term<sup>22</sup>. In addition, there are many opportunities, particularly with the development of artificial intelligence and the robotization of certain logistics processes, which could improve efficiency by 30% by 2025<sup>23</sup>.

The logistics management of the company's territory is a constantly evolving field, requiring sustained attention to technological innovations, sustainable practices and rigorous risk management. Companies that successfully integrate these dimensions will be better positioned to face future challenges and seize emerging opportunities in the global economic landscape.

<sup>&</sup>lt;sup>17</sup> Pierre Bénard, Supply Chain Management, Pearson, 2018.

<sup>&</sup>lt;sup>18</sup> Deloitte, Big Data in Logistics, 2020.

<sup>&</sup>lt;sup>19</sup> Nicolas Brunet, Sustainable Logistics, ESF Sciences Humaines, 2020.

<sup>&</sup>lt;sup>20</sup> Study conducted by BCG, 2021.

<sup>&</sup>lt;sup>21</sup> Study conducted by BCG, 2021.

<sup>&</sup>lt;sup>22</sup> Thomas Morel, Logistics Strategies, L'Harmattan, 2019.

<sup>&</sup>lt;sup>23</sup> Study conducted by McKinsey & Company, 2020.

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