

Strategy and Path Analysis of Logistics Cost Reduction and Efficiency Improvement

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Abstract: For China's logistics enterprises, there are many factors that can hinder the development of cost reduction and efficiency increase. Among them, the difficulty in reducing the logistics cost is one of the most critical factors, which is also one of the key problems restricting the further development of China's logistics enterprises. In view of this, logistics enterprises must combine the existing time situation, and constantly explore the methods that can effectively reduce the logistics cost and improve the economic benefits of the logistics enterprises. To solve this problem effectively, it is necessary to make an in-depth analysis and research on the factor that lead to the difficulty of cost reduction and efficiency increase of logistics enterprises. In this paper, the strategy and path of logistics cost reduction and efficiency improvement are analyzed in detail to lay the foundation for logistics enterprises to enhance their competitiveness.

1. Introduction

From the in-depth study of the current situation of the development of logistics enterprises in China, it is found that most of the current logistics enterprises have slow improvement in their own competitiveness, and the degree of development is relatively backward compared with the industrial economy. The main reason for this result is the high cost of logistics enterprises. To realize logistics cost reduction and efficiency improvement, relevant government departments should first give full play to the dominant position, optimize and improve the development environment of logistics enterprises, so as to continuously improve the production efficiency of logistics enterprises, and cancel unnecessary expenditure projects in logistics enterprises one by one, so as to achieve open-source as well as expenditure reduction. On this basis, logistics enterprises should continue to explore various effective methods to reduce the logistics cost reasonably.

2. Specific Measures for Logistics Cost Reduction and Efficiency Improvement

First, if logistics enterprises want to effectively achieve the goal of cost reduction and efficiency increase, they must first get the support of the government in policy, and the government will come forward to formulate various measures to reduce costs and taxes. Meanwhile, since 2012, the relevant government departments of our country have issued various effective measures for the cost reduction and efficiency increase of logistics enterprises, so that the proportion between the cost of logistics enterprises and GDP can effectively achieve the goal of five consecutive reductions. However, due to the influence of population layout, industrial layout, industrial structure and other factors, it is still difficult for Chinese logistics enterprises to achieve the expected results of cost reduction and efficiency increase. In order to properly solve this problem, the government's cost reduction and efficiency increase policies for logistics enterprises must be considered from the perspective of reducing operating costs. Second, after the government has formulated relevant policies on cost reduction and efficiency increase for logistics enterprises, logistics enterprises should strengthen the efforts to promote the implementation of policies, actively use various new technologies, and further promote the effective realization of cost reduction and efficiency increase for logistics enterprises with the assistance of innovative management system, professional technology, and promotion channels. Third, the administrative agencies of our country should actively cooperate with the relevant measures of cost reduction and efficiency increase of logistics

enterprises, actively establish effective and comprehensive support policies, so as to guarantee the smooth realization of the goal of cost reduction and efficiency increase of logistics enterprises¹.

3. Launching Operation Mode Innovation

With the gradual deepening of social modernization in China, information technology and Internet technology have been further developed and popularized. More and more consumers choose to purchase through Internet. In view of this, business of logistics enterprises has gradually shifted from physical shopping to Internet e-commerce. According to a large number of practical investigation and research on Internet e-commerce, it can be found that due to the characteristics of e-commerce, such as small purchase quantity, small purchase items and scattered purchase locations, the transportation status of logistics enterprises often cannot meet the full load status, leading to serious waste of logistics resources, making it difficult for logistics enterprises to achieve the goal of reducing costs. To solve this problem properly, according to the actual demand of the logistics market as the starting point, carrying out zero load logistics is one of the effective measures to effectively improve logistics cost reduction and efficiency improvement. In view of the current development status of China's logistics industry and the realization status of cost reduction and efficiency increase goal, only by the way of logistics alliance, can we improve and realize the cost reduction and efficiency increase goal of logistics enterprises and the development level of logistics industry. Logistics enterprises in various regions complement each other's advantages and exchange resources, which make logistics enterprises build up an alliance in the whole country, and can effectively solve the problem of high transportation costs. Meanwhile, according to the investigation of reverse logistics in China, it can be known that the demand of reverse logistics in the current logistics market is increasing, and logistics enterprises can also effectively carry out reverse logistics service mode and operation mode according to the actual situation of the region, which can not only improve their own business scale, but also create greater and better development space for themselves. In addition, to effectively achieve the goal of cost reduction and efficiency increase, logistics enterprises can also use the form of alliance and reverse logistics. Through the effective combination of the two, it can not only meet the needs of the development of logistics in China, better provide high-quality services for e-commerce, but also effectively solve the situation that the logistics means of transport cannot be fully loaded, so as to minimize the cost of logistics enterprises. Moreover, logistics enterprises also need to apply all kinds of new technologies to the normal operation process of enterprises, through the Internet technology, the degree of information construction of logistics enterprises is gradually deepened. Integrating intelligent equipment, Internet of things, big data and other ways into the operation of logistics enterprises can effectively connect online business and offline business, and improve the efficiency of goods storage, transportation and distribution of logistics enterprises to a new level²

4. Strengthen the System Construction of “ Logistics Cost Reduction and Efficiency Improvement”

For modern society, logistics industry has gradually become the pillar industry of the economy. Therefore, the complete degree of the implementation effect of cost reduction and efficiency increase of logistics enterprises has an important impact and irreplaceable role on the development of our national economy. The development level of logistics enterprises can directly show the quality of China's economic development, and also determine the level of China's comprehensive competitiveness. In view of this, China's government departments and relevant local administrative agencies should strengthen the construction of logistics enterprise system to ensure that the established management system can not only effectively achieve the goal of cost reduction and efficiency increase of logistics enterprises, but also further promote the comprehensive competitiveness of logistics enterprises, so as to improve the development level of logistics enterprises to a new level. In the process of realizing the goal of cost reduction and efficiency increase of logistics enterprises, attention need to be paid to the establishment of the logistics

enterprise system, the information interconnection system needs to be taken as the construction focus, So that the logistics enterprises can get effective communication and smooth communication, the transmission of information can have a strong effectiveness, timeliness, accuracy. In this way, it can ensure that the logistics enterprises can find the problems in the first time and take effective measures to solve them properly. Meanwhile, the existing operation mode must be transformed to achieve the goal of cost reduction and efficiency improvement. In the process of transformation, logistics enterprises need a lot of financial support. Therefore, in order to help logistics enterprises to effectively solve this part of the capital problem, more attention needs to be paid to and strong support to the construction of the financing system of logistics enterprises needs to be given. There are two ways of financing for logistics enterprises. The first is to encourage the banks to reduce the financing standards for the transformation of logistics enterprises, or to formulate a series of policies and financial products that are conducive to the transformation and development of logistics enterprises, and to provide effective and perfect financing services to logistics enterprises by reducing the financing interest of logistics enterprises. The second is to provide indirect financing services for the transformation of logistics enterprises through the tax-free and tax reduction forms formulated by relevant government departments. In addition, in the process of carrying out cost reduction and efficiency increase measures, logistics enterprises should establish correct development goals according to the standard measures, that is, the standardized development path of logistics industry in modern society. Among them, the safety and basic requirements of logistics enterprises should meet the national standards. In this way, we can ensure that the goal of cost reduction and efficiency increase of logistics enterprises can be effectively achieved³.

5. Conclusion

In summary, according to the detailed analysis of the above strategies and paths for of logistics cost reduction and efficiency increase in China, we can clearly understand that for logistics enterprises, the level of logistics cost directly determines the level of enterprise cost and is one of the important elements of logistics enterprise operation cost. Under the environment of social and economic growth, the price of labor, energy and raw materials in China has shown an obvious trend of continuous increase. Meanwhile, the RMB depreciated significantly and the price rose significantly. Only by strengthening the effective cost control of logistics enterprises, can we effectively reduce the cost consumption of logistics enterprises, so as to improve the economic benefits of logistics enterprises and enhance the competitiveness of logistics enterprises in the fierce market to make a positive contribution.

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