

# VIRTUAL LOGISTICS OPERATOR

**Andrey Botvinyev**

**Moscow 2021**

[www.botvinyev.ru](http://www.botvinyev.ru)

[info@botvinyev.ru](mailto:info@botvinyev.ru)

## About The Expert

VLO

### Experience:

More than 30 years in transport logistics



### Specialization:

Logistics consulting

Start up projects

Expert on self-driving cars of the Moscow Chamber of Commerce and Industry

Speaker of conferences, author of publications in the media sources

### Education:



E-mail: [info@botvinyev.ru](mailto:info@botvinyev.ru)

WhatsApp: +7 916 991 98 71

[www.botvinyev.ru](http://www.botvinyev.ru)



[www.botvinyev.ru](http://www.botvinyev.ru)

# VLO`s Participants. The Main Advantages



**Virtual Logistics Operator (VLO)** is a system for building an optimal logistics chain. VLO allows all participants to use their resources efficiently and effectively interact in a single information space

## The advantages for VLO participants

- The concept of total costs - information processing, marketing, advertising, negotiation
- The concept of global optimization – optimization of all areas of activity + outsourcing of non-core functions to **partners of 3 and 4 levels**

- The principle of logistics coordination and integration - the order becomes optimal not only for the consumer of the service, but also for the performer-participant of the project

## VLO customers advantages:

- Increase of profitability due to elimination of errors and time of deliveries
- Decrease of logistics costs from 5 to 60%
- Decrease of the time of passage of goods along the chain from 5 to 50 %,



Transport



Warehouses



Customs



IT



Finance



Insurance



Cleaning



Avtoservice



**Supply chain building stage creates up to 50 % of the final cost of service**

There is a shift in emphasis from an intermediary who owns assets to an intermediary who owns information - a complete transition of logistics service providers to a virtual environment with full virtualization of all business processes

| Feature                             | Information complex of offline logistics   | Virtual Logistics Operator (VLO)  |
|-------------------------------------|--|---|
| Requirements for the technical base | The client is the owner of the server and hardware and software necessary for the use of the software, he bears all the costs of their operation | The client only needs an Internet portal and a browser of a public format to receive services in the LO                                     |
| Availability                        | It is not publicly available   | Widely available service for small and medium-sized businesses, geographically remote companies   |
| Cost                                | Fixed fee  | The variability of the cost of the service depending on: the complexity of the tasks to be solved, the required power, operating time, etc. |

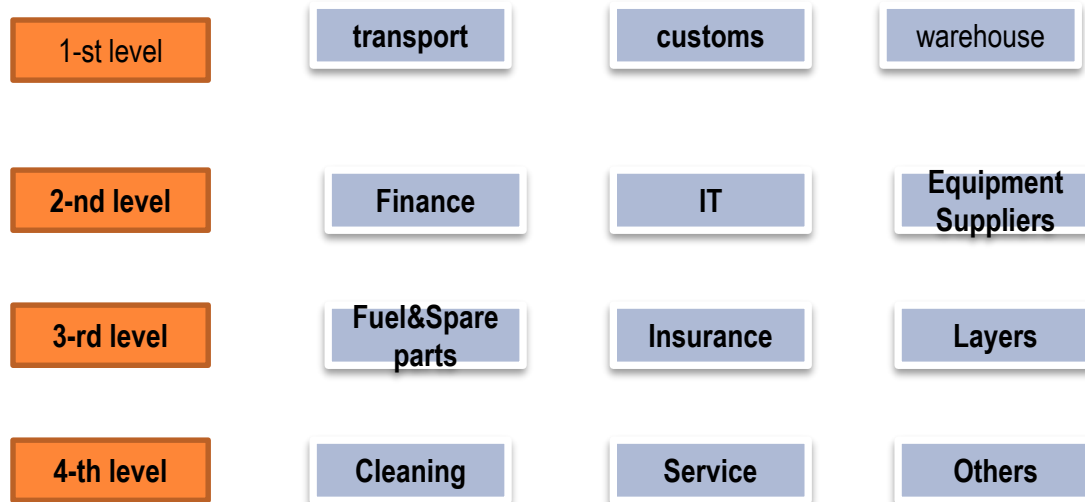
| Operator        | Transport, cargo, route | Custom ,wareho use | Insurance  | Finance    | Legal support | Spareparts,s ervice | 5 PL       | *4 levels of participants |
|-----------------|-------------------------|--------------------|------------|------------|---------------|---------------------|------------|---------------------------|
| <b>VLO</b>      | <b>yes</b>              | <b>yes</b>         | <b>yes</b> | <b>yes</b> | <b>yes</b>    | <b>yes</b>          | <b>yes</b> | <b>yes</b>                |
| ATI             | yes                     | -                  | -          | -          | on request    | -                   | -          | -                         |
| TMS TRANS.EU    | yes                     | -                  | -          | -          | -             | -                   | -          | -                         |
| Smart Logistics | yes                     | on request         | -          | -          | on request    | -                   | -          | -                         |
| TMS 1-S RARUS   | yes                     | on request         | on request | -          | on request    | on request          | -          | -                         |

www.botvinyev.ru

*\* Virtual Logistics Operator (VLO) differs from a 5 PL provider in that it includes not only logistics companies-sublevels that provide the main business process (procurement, delivery, customs, storage), but also sublevel companies that provide auxiliary business processes*

# Receipt and distribution of information

1. Applications are received on the websites of the participants of the VLO-they follow in transit to the general website of the VLO
2. On the general website of the VLO, information is accumulated, - saving in the database, forming an order-building a supply chain, profile distribution of the chain among the participants of the VLO
3. Transfer of a distributed order and execution by each participant of the assigned link in the supply chain



1. The level of competence of the operator in a specific field of activity (transportation, warehousing, quality and speed of customs processing, number of clients of the insurer and the report for the last 3 years
2. The level of organization and management - the construction and development of a quality management system in the company. Availability of information technologies
3. Financial condition Annual turnover, profitability, dynamics of annual turnover, etc.
4. A complex of logistics services. The list of services provided by the company
5. Operator reliability. The ratio of the number of previously completed orders to the accepted ones
6. Technical and technological equipment: availability of used vehicles, lifting and transport machines, etc.
7. Volumes of works and services: Volumes of transported goods, cargo turnover in the warehouse, volumes of loading and unloading operations, forwarding services, etc.
8. The image of the operator: The duration of the company's activity, the number of publications, diplomas, awards, membership in various industry associations, public organizations, etc.9. Availability of a network of branches and branches

A strict selection of participants will allow you to combine the best logistics and service companies of small and medium-sized businesses into a network

The large enterprises will use VLO as a marker of the quality of work of contractors who, for one reason or another, will not be included in their virtual system

The introduction of VLO into the business structure has a positive impact on the overall culture, regulatory framework, production, delivery, distribution and service

## Sources

<https://cyberleninka.ru/article/n/virtualnye-logisticheskie-operatory-zarubezhnyy-opyt-i-rossiyskaya-praktika>  
<http://diss.seluk.ru/av-ekonomika/709807-1-formirovanie-modeli-virtualnogo-logisticheskogo-operatora-cepyah-postavki.php>  
<https://dic.academic.ru/dic.nsf/rwwiki/1449765>

E-mail: [info@botvinyev.ru](mailto:info@botvinyev.ru)  
WhatsApp: +7 916 991 98 71  
[www.botvinyev.ru](http://www.botvinyev.ru)