

## Economics

- rationalize the product range. Equally important for production planning is the selection of the product range. When you decide the issue you should pay close attention to customer demand, as the range of products as much as possible must accord with the wishes of consumers;

- create new types of products demanded by the consumer. Creating new types of products helps to remind consumers about their company and their attention to new products through the media;

- coordinate sales in favor of insufficient development regions of Belarus, since in order to become a successful one, the company should start to familiarize with their products as much as possible the number of consumers;

- use TOC as Theory of Constraints has established itself as an effective tool of management skill. Thousands of companies in dozens of countries around the world have proved the effectiveness of their successes Theory of Constraints. Among them there are Tata Steel and Boeing, Ford Motors, DaimlerChrysler, Procter & Gamble, ABB, Hitachi tools, Japan Ministry of Infrastructure. The Russian company "POLAIR" using this theory in crisis not only maintained, but also increased the rate of its development. POLAIR is the largest Russian manufacturer of professional equipment for catering and trade, with an impressive product line and vast geography of sales. Management and coordination of production and marketing activities of the holding structure is carried out at the headquarters located in Moscow;

- hold a variety of advertising actions. Advertising actions allows interested consumers of their products and on a subconscious level to get them to buy their goods beyond their needs;

- increase accuracy of order fulfillment. This result can be achieved by organizing early order entry in the information system to inform the production of expected shipments;

- the replacement of volume bonuses on marketing support that does not depend on the volume of shipments to establish uniform to reduce stocks in warehouses.

So, summing up, we can say that to create the perfect inventory management system for the OJSC "Kommunarka", it should focus on activities of the CA "Beloved Land" and in the first place to pay particular attention to the accuracy of execution of the order, to create conditions for the uniformity of shipments, namely, to translate sellers in salary which is independent of the sales and make the substitution on the amount of bonuses on marketing support which does not depend on the volume and a detailed analysis of the range of products, to eliminate the least popular products and optimize the release of goods which are in constant demand from consumers.

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**IMPROVEMENT OF PACKAGE OF DAIRY PRODUCTS  
FROM THE POINT OF VIEW OF LOGISTICS.**

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*This article describes the concept of package, its functions, criteria of classifications, its major characteristics, the strategy of its creation and consumer psychology in choice of products. The types of package of dairy products of JSC Orshansky Dairy Combine are examined. Their advantages and disadvantages are also discovered. The example of the English retailer Asda, in which milk production is packed in so-called "Green Bottle", is considered as a way to package improvement.*

Realization of the majority of goods is impossible without package. Package is a means or a complex of means which protect goods from damages and losses, and the environment from pollution. In logistics package plays an important role. Package provides consumers the information about the product, which is inside. Package protects goods from damage, that reduces the logistic risks connected with crush, damage, influence of chemicals, moisture, temperature and possible plundering of products. From the point of view of logistic

management the most important role of package lies in the simplification of warehousing, transportation, materials handling and so on due to a choice of the most effective cargo units in management of material flows in logistic chains. Practically all the processes connected with freight are provided by the functionality of containers and package.

Package is the most important element of goods. It significantly forms consumer's preferences in the goods market. Investigations show that only 3% of consumers don't pay attention to package while buying goods [1, p. 175].

In an average supermarket which has more than 15 thousand products a customer passes 300 various products a minute. American marketing specialists consider that 53% of all purchases are made under the influence of an impulse. It means that effective package works as a five-second commercial. According to the data of French marketing specialists-researchers, 35% of consumers buy goods after reading a text on a package, and 87% after noticing the familiar name or a trademark [2, p. 65].

The constantly improving system of goods sales promotes that a consumer chooses necessary goods by himself, practically without the influence of the producer or the seller at the moment of making a purchase. So in modern conditions the goods have to be sold by themselves. It is a package that promotes this [1, p. 175].

Package has recently become one of the effective tools of marketing. Well-designed package can be an additional convenience for consumers, and an additional tool of sale promotion of goods for producers [3, p. 193].

Colorful, nice package creates an idea of the first-class contents of goods. And on the contrary, slatternly, dirty, weak package will repel buyers from the product which has high quality.

Package is a certain cover or a container where goods are located and which is properly designed.

The functions of package constantly widens from utilitarian to the merely marketing. The main functions of package are protective, the function of localization, the function of quality formation, esthetics and design, informative, advertising, sales promotion function.

Creation of package is a very difficult process during which important factors have to be considered. Major factors which should be considered while creating and using package are:

- correspondence of the dimensions of package to consumers' requirements;
- existence of customs concerning the design of package;
- existing legislative requirements in the sphere of package;
- necessity of correspondence of package cost to consumer ability;
- expediency of recognition of goods by its potential buyers;
- possibility of perception of goods package according to an educational and cultural level of consumers;
- marking [4, p. 258].

In logistics they place serious demands on package. On one hand, package has to provide safety of goods during the transporting and storage (technical requirements) and, therefore, to be strong and reliable, on the other hand a package has to be cheap (economic requirements) that is directly connected with the cost of materials and technologies of their production. From the economic point of view package represents usual goods, which require raw materials and labour input for its production and realization [5, page 254].

Various goods demand various types of package. There is a number of factors which influence a choice of type of package:

- properties and features of goods;
- the weight and volume of goods at optimal utilization of vehicles, means of warehousing, and also taking into account the continuous growth of transport tariffs;
- level of adjustment of package to an automation equipment, transportation and warehousing at clients';
- possible external impacts on goods during transportation, warehousing and storages;
- types and means of transportation as there are essential distinctions in package depending on vehicles [3, p. 228].

Therefore, there are different types of package. The main criteria of classification are the general purpose, applied materials, ratio and sphere of using, a quantity of the packed units and designated purpose.

The most important characteristic of package is its quality. Quality is a set of properties and characteristics which provide package with a capability to satisfy supposed needs. Efficiency of using of package, its ability to carry out the major functions also depends on its quality.

Another important role is played by ecological properties of package. It is an ability not to do essential harm to the environment during its using and utilization.

Modern ecological requirements that impose to package mean that package shouldn't have negative impact on the environment during its production, transportation, storage and operation, and also after its functional usage [6].

Types of package absolutely safe for the environment don't exist as various substances are released into the atmosphere during utilization of different types of package.

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During the burning of wooden, paper, fabric and polymeric package carbon dioxide is released into the environment. Its great accumulation in the atmosphere causes climate changes due to greenhouse effect that can lead to negative consequences.

Many specialists try to avoid the statement that package is clothes of a product, but psychologists find out interesting interrelations. The concept "clothes" means that a package can tell a lot about a product, as well as clothes can tell about a person. The main task is creating a certain image of goods which corresponds to the ideas of the population [7].

The psychologist Cheskin's experiences showed that package is just the motive that forms a certain opinion about a product. He's made many experiments that confirm this rule. He put the same product in the boxes, designed in various ways. Examinees tried a product and estimated its advantages, without mentioning its package. 80% preferred the product in a box with circles to a product in a box with triangles. It has "obviously high quality". In other case the same deodorant was put in small bottles with three various colors. Examinees noted that one deodorant possesses pleasant aroma, another one is inefficient, and the third one causes rash [1, p. 176].

Package is reliable and effective if it reflects an image of a product and if its color, material, graphics and pictures speak about it and express its essence and purpose. Besides, a package indicates that a product is closed and protected. This presentation is especially important because the first acquaintance between a consumer and a product goes with the help of designation on its package. Under the influence of the type of package a buyer easily gets an idea about a product [7].

Creation of an effective package for a new product can cost about some hundreds thousand dollars and last from several months to a year. It is impossible to overstress the importance of package, considering its functions, such as drawing attention of consumers and satisfying them. Thus firms shouldn't forget about social concern of package and they should make the decisions which will meet not only the interests of society but also essential interests of consumers and enterprises.

The tendency of growth of let-out dairy products has been noticed recently. And this growth requires an increase in a expiration date, improvement of quality of package. Now all the products in shops are packaged. And, if earlier a glass container took the primary place in package of dairy products, then now it is almost forced out by polyethylene food package. Nevertheless, each package has both advantages and disadvantages.

For a right choice and using package materials and containers it is necessary to consider the nature of a packed-up product, its consistence and a physical state, weight, technology of processing, a condition and periods of storage and realization [8].

Package materials for dairy products have to possess the high mechanical durability, resistance to aging, rigidity or elasticity, ability to the welding necessary for formation of tight connections.

For prevention of damage of dairy products, package materials should have gas tightness, vapor resistance, water resistance and aroma resistance. They should be water-fast. It has to possess maintainability, not to exfoliate and deformed.

Dairy products possess an ability to sorb heavy metals and the majority of organic compounds including harmful. Therefore all package and closing materials and containers have to be inert to a product and not to release harmful components for a person at the moment of contact with it. In all package systems, except usual glass, polymeric materials, varnishes, fillers, dyes, solvents and other components which conditions can get in a dairy product are used. So that's why there are sanitary code and regulations approved by Ministry of Health so that to avoid getting of these substances into a product.

Thinking over what milk and in what package to choose, you should about the future. Every used package increases a garbage dump in the nearby suburb. Choosing a product we all should care not only about its quality and useful properties, but also about its utilization. The possibility of recycling, so-called "the second life" of package is another criterion of a choice for the consumer [9].

Open Joint Stock Company "Orsha Milk Plant" is one of the largest dairy enterprises which deals with milk processing and sale of dairy products in Belarus. It supplies natural cheeses and cultured milk foods.

Wide experience, well-tried methods of production, well co-ordinated work of experts guarantee the production of really tasty and healthy dairy products [10].

Main types of production are milk, cottage cheese products and sour-milk products, and also the big range of cheeses.

Today the production of the Dairy Units is represented 2 trademarks:

- "Dedushkin Gorlatchik" (production of milk and dairy products),
- "Znatny Syrodel" (production of cheeses).

Package of dairy products at "Orsha Dairy Unit" combine is represented in the following types:

1. A plastic bag. This type of package is considered to be the most universal. Really, in our life we constantly have to do with which are so convenient to keep everything in. So the same happened to milk. The

technological improvement of packing allowed to develop food polyethylene which is subject to hygienic certification and which contains various additives for increasing the durability. This type of package is much cheaper than others. In comparison, milk in plastic bags costs 30 – 50% cheaper than in Tetra Pak.

In most cases it is pasteurized milk in plastic bags. The period of storage of such milk, as a rule, doesn't exceed several days, and it is recommended to store such package with milk in the refrigerator. This is confirmed by the relevant information on package. As a rule, because of rather low cost of production of a package, milk in such packing is cheaper than milk in bottles. Another advantage is the small weight of package. However it isn't always convenient to use a product in such way because such package doesn't keep a form and unpacked it demands supplementary equipment or pouring in another container [9].

2. "Tetra Rex". Tetra Rex package has been known and loved by consumers for a long time. It is convenient for logistics and is very practical. It is the most popular and widespread cardboard package in the world. Tetra Rex is a fine choice for packaging of pasteurized milk and products on the basis of the juice that demand cooling. Using of combined materials on the basis of a cardboard for packaging of milk leads to essential advantages. As a rule, such package consists of several layers of polyethylene and a cardboard. In such package each material carries out its own function: the cardboard gives stiffness and light-tightness, the foil increases barrier properties, layers of polyethylene give to a product water-resistance, provide package with high quality of welding and sealing. It is very important that cardboard package is impenetrable for light which can lead to the loss of about 50% of vitamins A, B2 and C (as in a case with a transparent bottle).

Advantages of cardboard package are relative durability during transportation, lightness, compactness, high ecological compatibility (a package is perfectly suitable for recycling), safety of transportation, barrier properties. The rectangular shape of a package is convenient for representation on shelves in trade and for storage in a refrigerator. Such package is favorable in logistics as it reduces transportation and warehouse costs because shipping modules are compact and save a lot of place. Besides, the products packed in such a way, can be stored and can be delivered to consumers without cooling [9].

Thus, a huge number of factors and also consumers' preferences have impact on a choice of package. There are no ideal packages of dairy products. Every of them has both advantages and disadvantages. There are a number of problems in packaging of dairy products at the enterprises which should be solved in the future.

Following the example of the English retailer Asda, whose production of milk is produced in so-called "Green Bottle" package, can be one of the ways to solve the problem of packaging of dairy products.

The English retailer Asda started to sell milk in a package from papier-mâché. New eco-bottles from papier-mâché with dairy products came into the market in the supermarkets of Asda in Great Britain. So-called "Green Bottle" was invented in 2006, it consists of an external cover from the recycled paper and a thin plastic inside for milk storage. After a successful pilot stage of the project, milk in bottles from papier-mâché is sold in all shops of Asda. Boxes green outside are similar to usual plastic bottles of milk, but unlike plastic which decomposes in 500 years, it is reworked during some weeks if it is thrown out.

The revolutionary concept of eco-package of Green Bottle was developed by Martin Mizerkauf from Suffolk after his conversation with the managing director of a local garbage dump in a pub about problems of plastic bottles, especially dairy.

It took Martin Mizerkauf a year and a half to design and develop a new concept of dairy packages and it was his son's toy from papier-mâché that helped him come to this idea.

Eco-package "Green Bottle" consists of 2 parts:

1. External cover from solid and hard recycled cardboard. The cardboard looks like usual plastic.
2. Internal cover, a small inner plastic coating, that keeps milk fresh.

When milk finishes, you can simply rip the bottle, remove the film and recycle or compost the paper.

The new idea of package is obviously more "green" and also can successfully replace plastic bottles or the paper laminated packages for milk packing. The independent analysis of life cycle showed that Green Bottle has 48% less carbon trace than usual plastic bottles.

This package can be used not only for milk but also for juice, liquid solvents and many other liquids [11].

"Green Bottle" Managing Director, Andy Brent says: "We first tested prototypes of "Green Bottle" a couple of years ago, and have been working hard since that time to optimize our design. We now have a bottle that can be produced, filled and distributed in exactly the same way as plastic, and which is overwhelmingly preferred by consumers."

In conclusion it is worth saying that today new products appear on counters of shops every day. Thus goods practically don't differ from each other according to the contents and quality. In this situation package gets the main value in the fight for a buyer. Moreover, package and a label become a powerful tool for products promotion in the modern market.

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**FINANCE & PROJECT PERFORMANCE EVALUATION  
OF PUBLIC PRIVATE PARTNERSHIP**

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*In the article the ways of financing the projects of public- private partnership are considered, a comparison of the processes of traditional budget financing and financing the projects of public-private partnership has been conducted. The project financing of public-private - partnership has been considered in detail, as well as a method for evaluating the effectiveness of the projects of public- private partnership has been offered.*

The development of transport and logistics infrastructure, including the construction of logistic centers, is a priority in the Republic of Belarus and requires huge investments. In case of new construction, investment costs for implementing infrastructure projects include:

- a) construction and engineering work;
- b) the costs for planning and development of land;
- c) materials and equipment;
- d) fees paid for technical and engineering services.

Traditionally, the realization of infrastructure projects is carried out from the national budget, which does not always have free capital for the implementation of major projects, so the investor is necessary. Forms and methods of financing investment projects vary widely: for this purpose shares issue may be used, the acquisition loan, lease financing and others. Each of the used forms of financing has certain advantages and disadvantages, but it is difficult to find an investor, so the public-private partnership is considered as an alternative and the most efficient way to implement new projects.

The creation of the mechanism of public-private partnership, will allow the state to acquire financial and managerial resources of the private sector, leaving behind the control over the objects of the infrastructure and private capital will have access to those sectors that have been closed to it before as they were completely under the jurisdiction of the state. In terms of maturity and high competition in the most accessible markets, an access to new sectors of the economy offers significant opportunities for private capital to expand its operations and to get a stable profit.

Public-private partnership, usually involves specific financing schemes that allow a number of benefits of a financial nature in comparison with budgetary financing.

The main difference is in the process of realization of the project of public-private partnership, public authorities do not interact with a variety of organizations that are involved in its implementation, but only interact directly with a private partner, who makes the necessary contracts himself and monitors their implementation. In this case, you typically create a special organization as a separate investment project, and the private partner provides functions similar to the functions of the general contractor.