Business Logistics is continually changing and leaving a deep impact on the operations of contemporary companies. In doing so, the science of logistics and supply chain management accompanies this development, as well as paves some new paths for rapid translation of research findings into practice of companies around the world. Traditionally, logistics offers opportunities for additional rationalization of operations that can be crucial for the competitive battle on the domestic market and especially on the international market. Activities through which logistics streamlines business are mainly reflected in the optimization of transport processes based on ICT, reducing the number of warehouses without reducing delivery preparedness, optimizing inventory management in ever more demanding multi-channel operations, reducing the total time of delivery and the like.

On the other hand, in recent years, business logistics is perceived as an important source of added value for companies in the supply chain. In cooperation with other departments of the company, and then with the other members of the supply chain, business logistics is expanding to the activities of supply chain management and its services provide added value for companies and their products – they enable and accelerate the implementation of market strategy expansion, provide increased availability of the product for the customer, and allow diversity in the possibilities of the purchase, delivery and product returns.

The significance of logistics is recognized not only on the company level, but equally on the national level - while global trade is increasing, the percentage of logistics costs in the GDP are declining due to more efficient logistics performance. Education for logistics and supply chain management is becoming more widespread and innovative as well. All these changes are closely followed and supported by the development of the supply chain management and logistics science.

Reflecting important topics that companies are facing today, this special issue of the journal Ekonomski vjesnik / Econviews – Review of Contemporary Business, Entrepreneurship and Economic Issues is devoted to business logistics, supply chain management and distribution topics. It is based on selected papers of the 16th International Scientific Conference Business Logistics in Modern Management (BLMM) hosted by Josip Juraj Strossmayer University of Osijek, Faculty of Economics on 13 October 2016 in Osijek, Croatia. This year’s conference received 25 submissions, and after the international double blind review process, 17 of them were accepted for participation in the BLMM Conference. Therefore, 36 authors from Germany, the United Kingdom, Austria, Poland, Hungary, Bosnia and Herzegovina, Serbia and Croatia participated in presentations and discussions at the Conference. The best eight scientific papers were selected for publishing in this special issue and went through an additional review process. The papers presented in this special issue represent the main topics of the BLMM Conference, but also address some of the major issues in contemporary logistics, supply chain management and distribution.

The first paper, written by Düerkop and Huth, develops a network-based approach that allows for the evaluation of risks and its consequences onto the logistical network. The main result of the paper is
the defined mathematical optimization model that quantifies the current “risk-related costs” of the overall network and quantifies the risk by investigating the change of the overall costs in the case a risk is realized. The next paper by Končar, Leković and Vukmirović points out the differences in structure of product assortment of retailers who show their offers on the web and compares the prices of representative product categories in different marketing channels, with the aim of determining both factors’ influence on marketing channel competitiveness. Then, the paper by Ćorić and Vojvodić analyzes issues and challenges associated with the introduction of variable pay schemes in the field of delivery operations. The article by Kolinski and Sliwczynski presents the problem of transposing the strategic objectives of the supply process to performance measures at the operational level and the proposal of system indicators of supply efficiency at the operational level. Furthermore, in their paper, the authors Vučur, Miloslavić and Bošnjak provide an insight into the human resources management in companies involved in logistics in maritime transport, by analyzing some of the indicators of human resource management in regard to the size of the company and other factors. In the following article based on a gravity model and panel data, Fejzić, and Čovrk presented interesting conclusions regarding the impact of the transport infrastructure, as an important determinant of transport costs, on trade between Bosnia and Herzegovina and the country’s fifteen largest trading partners. Thereafter follows the article by Domański and Adamczak which defines characteristic features of each new distribution channel and guidelines referring to the economics of the flow of goods in a logistics system. The article discusses the issue of the availability of goods in the market and the possibility to acquire them through any distribution channel, as well as presents practical models for executing these postulates in terms of the cost-effectiveness of the flow of goods in distribution channels. Finally, the retail distribution part is covered in the last paper by Knežević, Delić and Ptić who analyse Croatian adolescents’ clothing buying motives and their retail store selection criteria. Based on their findings, suggestions for service management and marketing strategies for apparel retail companies that target adolescents are provided.

In conclusion, great appreciation should be expressed to all authors and anonymous reviewers for their significant efforts in producing this special issue. The BLMM 2016 Conference is partially financed by the Ministry of Science, Education and Sport of the Republic of Croatia whom we thank for recognition of the conference’s efforts in the last five years. Our special thanks go to the Faculty of Economics in Osijek and the journal Ekonomski vjesnik / Econviews for expanding the reach of scientific research in the field of logistics and supply chain management at the BLMM Conference. We sincerely hope that this special issue represents only the beginning of a successful cooperation.