


Chapter 9

Incoterms and New Transport Types: The Importance of Drones

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ABSTRACT

In this research, Drones, which are between incoterms and new forms of transport, are examined. International logistics applications behave in line with the development objectives responsive to changing environmental conditions of business, delivery forms, which are part of the deployment tools and will influence the choice of delivery method with drones were examined. In this context, the purpose of the study is to examine the concepts of logistics and international logistics and the factors that both the buyer and the seller are affected when selecting one of these terms of INCOTERMS. The paper sheds light on the factors when choosing, unmanned vehicles of the future drones and discusses the importance of transportation, delivery market, in terms of the cost of delivery and related rules and regulations drones. Paper concludes with the future trends about the logistics and Incoterms by scanning the available literature.

INTRODUCTION

Today, logistics management is becoming more and more important due to the increase in competition, rapid change of consumer preferences, advantages of cost reduction, changes in consumer profile, etc. Companies are also dealing with more and foreign trade; both import and export-oriented transactions are increasing every day. According to the researches and calculations, companies who can manage their logistics processes well can reduce their costs between 15% and 50%. These indicators prove how important and effective logistics is today.

Logistics, which has been understood and remembered as a military concept in the past, has become an invariable force of competition for enterprises rather than storage or transportation for today's businesses. One of the most important issues in the import and export transactions, which is one of the logistic parts, is delivery terms. Which known as INCOTERMS. INCOTERMS, which updated periodically, regulates where, by whom and which make cost and risk allocation in international trade. The selection of the delivery method resulting from these regulations is one of the most important issues that should be considered consciously for both the buyer and the seller.

Whether the buyer or the seller determines the type of delivery and the risks that the enterprises hold in the foreground when choosing the type of delivery is important for the elimination of potential future disputes from today. In addition to this, the wrong and unconsciously chosen delivery method can cause harm to a company that wants to make a profit. That's why it is very important that the choice of right delivery type.

With the industrial revolution in the 19th century, trade between the countries began to increase. This increase in foreign trade has brought many unique problems besides increasing the welfare level of the countries. One of the main problems experienced in foreign trade transactions is that the technical terms used in the purchase and sale of goods have different meanings from country to country. For example, the incoterms, which first used FOB and CIF, in the interpretation throughout the world, was not standard. In order to prevent this disorder, ICC (International Chamber of Commerce) launched a research in 1920 covering 13 countries. At the end of this research, in 1923, ICC was published a study that compiled the six most used delivery forms. These forms of submission can be regarded as the ancestors of the incoterms used today. The first six delivery forms ICC issued in 1923 are FOB, FAS, FOT, FOR, FREE Delivered CIF and C&F. The second study in 1928 aimed to compile commercial terms used in 30 countries. At the end of this preliminary study, the first incoterms rules were published in 1936. Since then, the period of incoterms has started.

In this study, international logistic practices, delivery types, factors affecting the choice of delivery type and drones that are the means of distribution of the future are included. In the first part of the study logistics and international logistics concepts are examined and researches are made on basic logistics terms. However transportation modes, storage, packaging and transport containers, handling and other logistics applications are examined in the first section. In the second part of the study the concept of INCOTERMS and its development up to the present day and its current state are examined. In addition, after the last revision made in 2010, researches were carried out on the commercial properties of INCOTERMS 2010 terms. Then the factors that affected both the buyer and the seller when selecting one of these terms were examined in detail. In the third part, the drones of the future unmanned vehicles were examined, the importance of transportation, delivery market, delivery cost and related DRONES in terms of rules and regulations; contribution and changes in logistics and incoterms were examined.

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