Using Internet Technologies in Supply Chain Management

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**Introduction**

The advancement of technology in different forms phenomenally changed the perspective of organizational management and this approach can also be observed in the case of supply chain management. The active involvement of technologies in this area dramatically transformed the conventional patterns of supply chain management. The growing influence of technologies in the sector of supply chain management can also be successfully established by examining the use of internet or web technologies in this context. This paper focuses to list and critically discuss three central advantages of using internet technologies in supply chain management.

**Discussion**

The positive significance of internet technologies in supply chain management can be observed in different areas of operations. The idea of supply chain management is characterized as the systematic planning and management of all the activities that are associated with the forms of sourcing, procurement, adaptation, and logistics. An understanding of the fundamental role of internet technologies revealed the active integration of these technologies in the case of all the activities of supply chain management. The main advantages of internet technologies in supply chain management are listed as:

* Direct Transactions
* Collaboration
* Consumer Orientation

**Direct Transactions**

Financial prospects are recognized as necessary aspects to successfully achieve targeted objectives of supply chain management. The positive influence of internet technologies on the area of supply chain management can be explicitly observed in the case of the smooth approach of direct transactions. The risk of improper performance of intermediaries can be reduced by adopting the strategy of the direct transaction through various forms of internet services. The facility of internet technologies made it possible and easy for suppliers to market and sell their products and services to potential consumers (Auramo, Kauremaa, & Tanskanen, 2004). This form of the direct approach of business transaction is useful for suppliers to successfully reach the exact potential market by decreasing or eliminating the improper role of middle mediators by limiting their authority.

           It is noteworthy to mention that the elimination of mediators’ role eventually simplified the whole procedure of supply chain management by developing direct business interaction between producers and clients. All the information is smoothly transferred from one shareholder to another without facing the challenge of lengthy procedure of information straining through re-sellers. This form of benefit of internet technologies mainly appears in the case of business-to-customer prospects.

**Collaboration**

The improved form of collaboration is another major benefit that can be achieved through the proper use of internet technologies in the context of supply chain management. The facility of active communication due to internet technologies made it possible for all the stakeholders to timely communicate with each other and avoid the factor of ambiguity. Closer integration is one beneficial option to minimize all the complications associated with the practical idea of supply chain management. The successful involvement of the main functions of supply and procurement is an integral condition to ensure the appropriate execution of the entire supply chain management plan. The basic aim of suppliers is to attain a high, anticipated form of sales value when it comes to buying reliable and economic resources (Lancioni, Smith, & Schau, 2003). The growing involvement of internet technologies is one great option for companies to satisfy potential customers by assuring long-term association due to active communication.

           The facility of active interaction made it easy for both companies and suppliers to successfully obtain their relevant business objectives. High volume information sharing permits the suppliers to sell their product at a lower cost while the idea of cost reduction also gives benefits to the purchaser as a crucial partner in the entire scenario of supply chain management. The opportunity of the internet made the interactive connection strong between all supply chain management partners. This target can mainly be achieved through the successful use of Web technologies that permits the SCM networking domain to develop and successfully utilize new competencies of the business.

**Consumer Orientation**

Consumer orientation is another major advantage that can be attained by the successful application of internet technologies in the case of supply chain management. Direct communication between producers and customers through web technologies is one great opportunity for business companies to construct strong and long-term business associations with customers by identifying their product or service preferences. The idea of consumer orientation is characterized as one major business objective in the context of the functioning of supply chain management.

           The creation of a successful form of consumer orientation is the ultimate task within the practical domain of supply chain management. This specific aim can be better achieved through the active intervention of different forms of internet technologies (Vakharia, 2002). In a traditional manner of supply chain management, it is difficult for companies to obtain a successful form of customer focus. The advancement of internet technologies made it easy for companies to deliver their idea of selling and marketing to the customers and timely get their feedback on products or services. This idea is mainly useful for business organizations who are dealing with the extensive form of supply chain management. Quick data sharing through the facility of internet technologies benefitted companies to recognize their business position timely and adopt necessary practical actions accordingly. The option of internet technologies directed business efforts and strategies of business companies by considering the performance of different activities of supply chain management.

**Conclusion**

To conclude the discussion on the successful use of internet technologies in supply chain management, it is vital to indicate that the current competitive business environment made it mandatory for companies to consider internet technologies. It is one significant form of development to obtain standards of different phases of supply chain management.

**References**

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