

A STUDY ON OPTIMIZATION OF SUPPLY CHAIN MANAGEMENT IN E-COMMERCE

Sahil Thakor*¹, Akshata Thorbole*²

^{*1,2}Department Of Management Studies, Parul University, Vadodara, India.

ABSTRACT

This study investigates key aspects of optimization of supply chain management in ecommerce. In the rapidly evolving digital marketplace, effective supply chain management (SCM) has become a cornerstone of success for e-commerce businesses. Unlike traditional retail models, e-commerce supply chains operate on a complex, technology-driven framework that integrates procurement, inventory management, warehousing, and last-mile delivery. The adoption of advanced digital tools such as artificial intelligence, blockchain, and IoT has significantly improved operational efficiency, enabling businesses to meet growing customer expectations for speed and reliability. However, e-commerce SCM is not without challenges, including fluctuating demand, reverse logistics, and maintaining cost-effective operations. Addressing these issues requires innovative strategies, data-driven decision-making, and a flexible supply chain model. With emerging trends like drone deliveries, hyperlocal fulfillment centers, and sustainable logistics, the future of e-commerce SCM is set to become more agile and customer-centric. This paper explores the fundamental components, challenges, and future prospects of SCM in e-commerce, highlighting its role in shaping the modern digital economy.

I. INTRODUCTION

Supply Chain Management (SCM) in e-commerce refers to the strategic coordination of procurement, inventory, warehousing, order processing, and logistics to ensure smooth and efficient operations. Unlike traditional supply chains, e-commerce SCM relies heavily on digital technologies to optimize processes and meet customer expectations for fast deliveries and seamless service. A well-managed e-commerce supply chain involves multiple components, including supplier coordination, real-time inventory tracking, automated fulfillment centers, and last-mile delivery solutions. Companies leverage advanced technologies such as artificial intelligence, blockchain, and IoT to enhance supply chain visibility, reduce operational costs, and improve demand forecasting.

II. LITERATURE REVIEW

Supply chain management (SCM) in e-commerce has undergone significant transformation, driven by digital advancements and evolving consumer expectations. Traditionally, supply chains operated through a structured network of manufacturers, wholesalers, and retailers. However, the emergence of e-commerce has disrupted this model, necessitating a more agile and technology-driven approach.

Chopra and Meindl (2019) highlight that modern e-commerce supply chains are characterized by direct-to-consumer distribution, reducing intermediaries and enhancing efficiency. The shift from traditional inventory management to real-time demand forecasting, facilitated by artificial intelligence (AI) and big data analytics, has enabled businesses to optimize stock levels and minimize wastage (Waller & Fawcett, 2018). Logistics and last-mile delivery play a crucial role in e-commerce SCM, as timely and cost-effective order fulfillment directly impacts customer satisfaction.

Despite these advancements, e-commerce supply chains face several challenges. Ivanov and Dolgui (2020) emphasize that supply chain disruptions, such as those witnessed during the COVID-19 pandemic, expose vulnerabilities in global logistics networks. Sustainability concerns are also gaining prominence, with businesses adopting green supply chain initiatives such as eco-friendly packaging, electric delivery vehicles, and circular economy practices to reduce environmental impact (Ahi & Searcy, 2015).

III. PROBLEM STATEMENT

The rapid growth of e-commerce has significantly transformed supply chain management (SCM), introducing new challenges related to logistics, inventory control, order fulfillment, and last-mile delivery. Managing these

complex networks efficiently while ensuring costeffectiveness and sustainability remains a major challenge for businesses.

➤ **Objectives of Study**

- To identify the challenges in e-commerce supply chain management – Examining issues such as demand forecasting, supply chain disruptions, high return rates, and cost optimization.
- To evaluate the impact of technology on e-commerce SCM – Investigating the role of artificial intelligence (AI), blockchain, IoT, and automation in improving supply chain efficiency.
- To assess the role of logistics and last-mile delivery in customer satisfaction – Exploring how delivery speed, cost, and tracking influence consumer experience and business success.
- To study the impact of sustainability initiatives in e-commerce supply chains – Examining green logistics, eco-friendly packaging, and carbon footprint reduction strategies

➤ **Hypothesis**

H0: Improved inventory management optimization does not impact sustainability in the logistics and supply chain industry.

H1: Improved inventory management optimization impacts sustainability in the logistics and supply chain industry

H1. Accepted

H0: Inventory management optimization does not contribute to risk mitigation in the supply chain.

H1: Inventory management optimization contributes to risk mitigation in the supply chain.

H1: Accepted

H0: Effective inventory management optimization does not enhance customer satisfaction.

H1: Effective inventory management optimization enhances customer satisfaction

H1. Accepted

IV. RESEARCH METHODOLOGY

Through the use of a questionnaire, data was collected from supply chain managers, logistics managers, and warehouse managers. The SPSS tool was used to analyze data, and statistical graphs and charts were utilized for better interpretation.

➤ **Research Design**

Quantitative and Qualitative research design.

➤ **Source of Data:**

The data was collected with the help of structure quesonnaire through google survey forms.

➤ **Data Collection Method**

This research used both primary and secondary data. Primary data was collected via structured questionnaires through Google survey forms, while secondary data was gathered from websites, journals, and online research databases.

➤ **Population**

E-commerce business both large and small operating in different industries such as reatial, electronic, fashion etc.

➤ **Sampling Method**

The researcher has used their convenient method for sampling or collect responses from the samples.

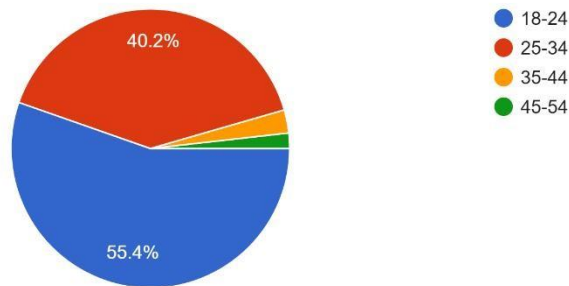
➤ **Data collection instrument**

The study purposed to collect primary data through secondry data using the survey method to give precise , accurate , realistic and relevant data.

➤ Data Analysis and Interpretation

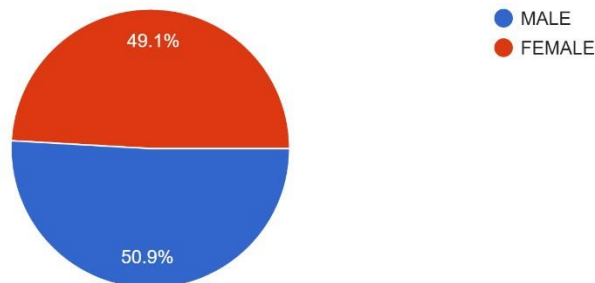
• Graphic illustration

AGE
112 responses



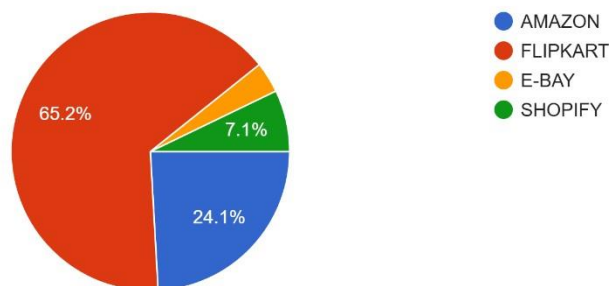
Analysis: From the above chart research have found that the age group between 18-24 has large number of respondents 55.4% followed by the age group between 25-34 year carrying 40.2% and the other group of age carrying third rank.

GENDER
112 responses



Analysis: From the above chart research have found that the male respondents were 50.9% out of total number of respondents and remaining were female respondents were 49.1%.

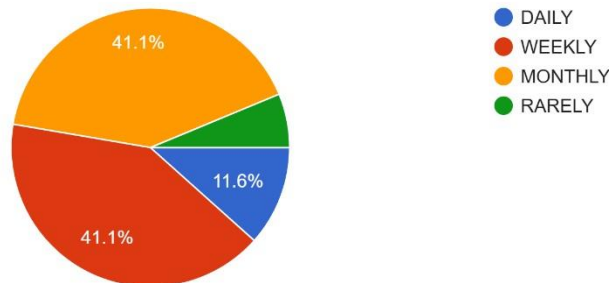
Which e-commerce platform do you primarily use or work with? (For businesses & professionals)
112 responses



Analysis: From the chart research have found that the role of E-commerce in supply chain management from the online platform Flipkart have 65.2% out of the total number of respondents while the role of supply chain management in e-commerce platform the second rank is Amazon have 24.1% from the responders.

How frequently do you engage with e-commerce supply chain processes?

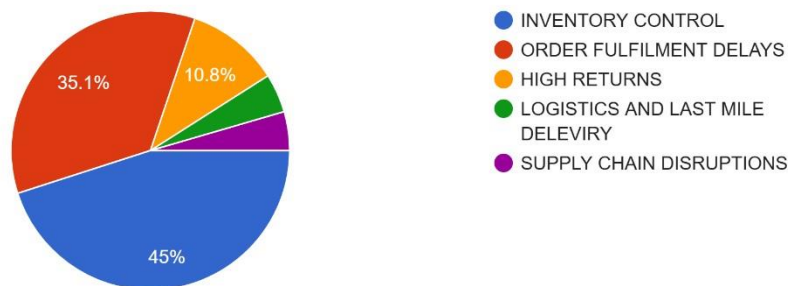
112 responses



Analysis: From the chart of research have found that the role of E- commerce supply chain process is monthly have 41.1% from the purchasing in E-commrce platform and ther other have like weekly have 41.1% form the respndets.

What are the biggest challenges in e-commerce supply chain management?

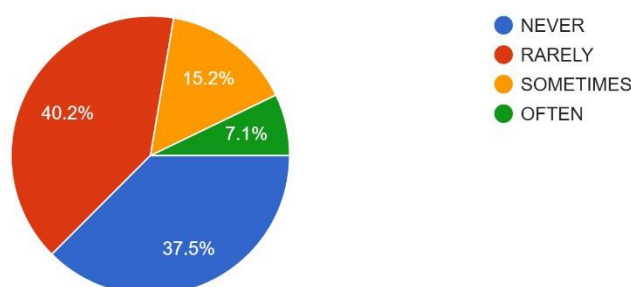
111 responses



Analysis: From the chart research have found that the respondents with challenges have come in E- commerce supply chain management 45% inventory control have carrying large number of respondents of like 35.1% have order fulfilment delays and 10.8% have high returns have challenges from the respodnets.

How often do you face delays in receiving your products?

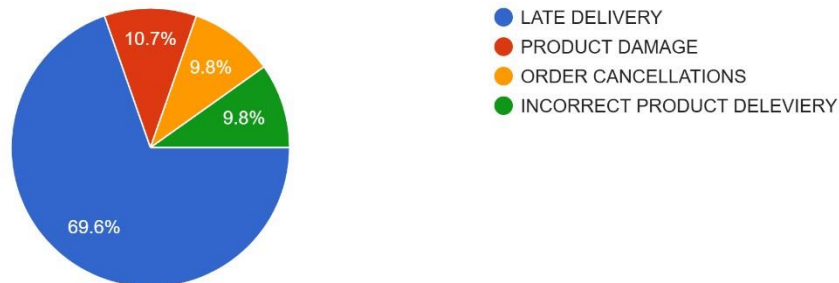
112 responses



Analysis: From the chart research have found that the respondentns with feel often face delays in receiving your product that all respondents largely believes that 40.2% rarely and 37.5% never and 15.2% and 7.1% sometime,often feel form the respodnets.

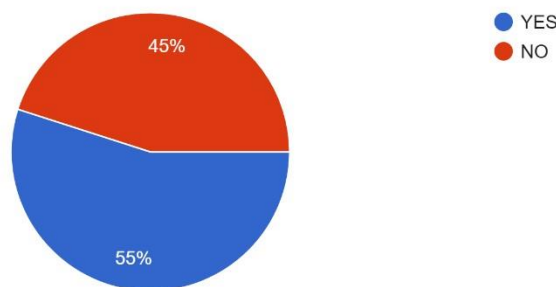
What is the most common issue you face with online shopping?

112 responses



Would you be willing to pay extra for faster or same-day delivery

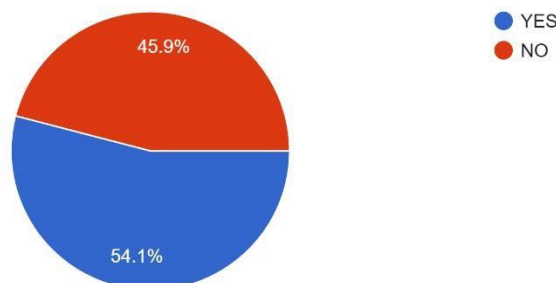
111 responses



Analysis: From the above chart research have found that the most of the respondents pay extra same day delivery is 55% yes carrying the respondents and 45% No for same day delivery.

Would you trust blockchain-based supply chain tracking for order transparency?

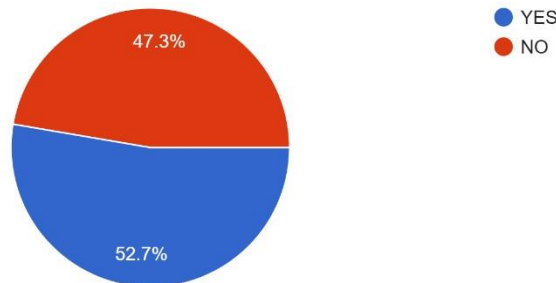
111 responses



Analysis: From the chart research have found that the most of the respondents have trust block chain based order tracking transparency is yes have 54.1% and No have 45.9% have respondents.

Have you used AI-powered chatbots for tracking or managing orders?

112 responses



Analysis: From the chart research have found that the Ai powered chatbots for tracking or managing order want is 52.7% found Yes and 47.3% found No from the respodnets.

Have you experienced any issues with product delivery? (Yes/No) If Yes, please specify the issue

112 responses



V. FINDINGS

This reseach investigation s primary goal was to a ascertain effects of enhanced in optimization in E-commerced supply chain and logistic sector

- Implementing AI and automation in inventory management reduces holding costs and prevents stockouts.
- Route optimization and warehouse automation improve delivery efficiency and reduce logistics costs.
- Demand forecasting through big data analytics enhances inventory planning and minimizes overstocking

➤ This research investigations

1. The implementation of advanced inventory management systems, such as real-time tracking technologies (RFID, IoT), AI-based forecasting tools, and automated stock management systems, significantly improved operational efficiency. (Accepted)
2. Businesses with enhanced forecasting mechanisms experienced fewer stockouts and better inventory turnover. (Accepted)

VI. CONCLUSION

In today's fast-paced digital world, supply chain management in e-commerce plays a crucial role in ensuring business success. From inventory management to last-mile delivery, every aspect of the supply chain directly impacts customer satisfaction and operational efficiency. Companies that adopt advanced technologies such as AI, automation, and data analytics can streamline processes, reduce costs, and enhance overall performance.

As e-commerce continues to evolve, companies that prioritize supply chain efficiency will gain a competitive edge, ensuring both business growth and enhanced customer experience. Ultimately, a well-structured supply chain isn't just a backbone for e-commerce—it's a strategic advantage that defines success in the digital marketplace

VII. REFERENCES

- [1] Christopher, M. (2016). Logistics & Supply Chain Management (5th ed.). Pearson.
- [2] Chopra, S., & Meindl, P. (2021). Supply Chain Management: Strategy, Planning, and Operation (8th ed.). Pearson.
- [3] Verma, A., & Desai, P. (2023). "Sustainable Supply Chain Practices in Indian ECommerce: A Case Study of Amazon India and Flipkart." Journal of Sustainable Business Practices, 8(3), 110–128.
- [4] Harvard Business Review. (2022). "The Future of E-Commerce Supply Chains: Trends and Innovations."
- [5] Kumar, S. (2021). "The Role of Startups in Transforming Supply Chain Management in Indian E-Commerce." Indian Journal of Business Research, 15(1), 67–81.
- [6] <https://www.onlinemanipal.com/blogs/supply-chain-management-in-e-commerce>
- [7] <https://www.techscience.com/CMES/v126n2/41291/html>
- [8] <https://sciendo.com/article/10.2478/amns-2024-1619>
- [9] https://www.researchgate.net/publication/383498967_Supply_Chain_Optimization_in_E-commerce_The_Role_of_AI_Big_Data_and_Blockchain_in_Enhancing_Operational_Efficiency
- [10] <https://onlinelibrary.wiley.com/doi/full/10.1155/2020/8821128>